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REGULATORY COMMISSION

May 2, 2008

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: Rockies Express Pipeline Project, REX-East
Draft Implementation Plan
Docket No. CP07-208-000

Dear Ms. Bose:

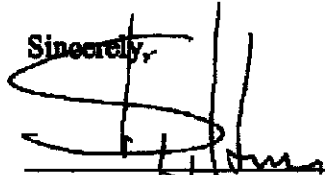
In the April 2008 Final Environmental Impact Statement ("FEIS") issued for the above referenced proceeding for the "REX-East Project," Rockies Express Pipeline LLC ("Rockies Express") is required pursuant to proposed Mitigation Measure No. 6, to prepare and receive approval of an initial Implementation Plan. Rockies Express hereby submits a draft initial Implementation Plan for the REX-East Project for the Commission Staff's consideration. The draft initial Implementation Plan reflects, for the most part, the implementation plan approved for the REX-West Project in Docket No. CP06-354-000.

Rockies Express is filing the draft plan in advance of receipt of a certificate from the Commission to facilitate the implementation of the environmental conditions contained in the FEIS in the event that the Commission issues the requested certificate. Rockies Express, of course, will adjust the initial Implementation Plan to any requirements set out in the anticipated Commission order or comments provided by the Director or his staff after receipt of necessary Commission authorization.

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Rockies Express looks forward to discussing the initial draft Implementation Plan with Staff upon the issuance of a Commission order granting Rockies Express's pending application.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Curtis Molfak', written over a horizontal line.

J. Curtis Molfak
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Attorney for Rockies Express Pipeline LLC

Attachments

cc: Alys Lykens
Laura Turner
All Parties

INTRODUCTION

The Federal Energy Regulatory Commission (FERC or Commission) issued a Final Environmental Impact Statement (FEIS) for Rockies Express Pipeline, LLC's (Rockies Express) Rockies Express Pipeline-East (REX-East) Project under Docket No. CP07-208-000 on April 11, 2008. As summarized in section 5.2 of the FEIS, the FERC has recommended that several measures be included as specific conditions of the Certificate for Public Convenience and Necessity (Certificate) for the project. These recommended measures are designed to mitigate the environmental impact associated with the construction and operation of the project.

Rockies Express has not yet received an Order Issuing Certificate for the project from the Commission. Rockies Express understands that the Commission may further revise the mitigation conditions proposed in the FEIS. At this time, it is providing preliminary responses to several "standard" FERC Staff's Recommended Mitigation Measures (i.e., Nos. 1 through 10). Among these conditions is the requirement to develop an Initial Implementation Plan. As required by FERC Staff Recommended Mitigation Measure No. 6, Rockies Express respectfully requests written approval of the Initial Implementation Plan by the Director of the Office of Energy Projects upon issuance of the Certificate and review of the filed plan.

Rockies Express intends to provide more detailed responses to all 146 recommended mitigation measures once it has received the Order Issuing Certificate. As stated in the included preliminary responses, approval to begin construction activities will be explicitly requested in writing at the time Rockies Express files its spread- and/or facility-specific requests for Notice to Proceed with construction.

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Response to Final Environmental Impact Statement
Recommended Mitigation Measures Nos. 1 through 10**

- 1. Rockies Express shall follow the construction procedures and mitigation measures described in their respective applications, supplemental filings (including responses to staff data requests), and as identified in the EIS, unless modified by the Commission's Order. Rockies Express must:**
 - a. Request any modification to these procedures, measures, or conditions in a filing with the Secretary;**
 - b. Justify each modification relative to site-specific conditions;**
 - c. Explain how that modification provides an equal or greater level of environmental protection than the original measure; and**
 - d. Receive approval in writing from the Director of OEP before using that modification.**

Rockies Express' Response:

Rockies Express will follow the construction procedures and mitigation measures described in their applications, supplemental filings (including responses to staff data requests), and as identified by the Final Environmental Impact Statement (FEIS), unless modified by the Federal Energy Regulatory Commission's (FERC's or Commission's) Order Issuing Certificate. Rockies Express will comply with procedures outlined above in the FERC Staff's Recommend Mitigation Measure items 1a. through 1d.

As appropriate, a more detailed response and/or approval for any modification will be explicitly requested in writing at the time Rockies Express files its spread- and/or facility-specific request for Notice to Proceed with construction.

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- 2. The Director of OEP has delegated authority to take whatever steps are necessary to ensure the protection of all environmental resources during construction and operation of the REX East Project. This authority shall allow:**
- a. The modification of conditions of the Commission's Order; and**
 - b. The design and implementation of any additional measures deemed necessary (including stop work authority) to assure continued compliance with the intent of the environmental conditions as well as the avoidance or mitigation of adverse environmental impact resulting from project construction and operation.**

Rockies Express' Response:

Rockies Express accepts this mitigation measure as presented in the Final Environmental Impact Statement. Rockies Express understands that the Director of Office of Energy Projects has delegated authority to take whatever steps are necessary to ensure the protection of all environmental resources during construction and operation of the REX-East Project, including those identified in the FERC Staff's Recommended Mitigation Measures 2a. and 2b.

As appropriate, a more detailed response and/or approval for any modification will be explicitly requested in writing at the time Rockies Express files its spread- and/or facility-specific request for Notice to Proceed with construction.

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- 3. Prior to any construction, Rockies Express shall file with the Secretary an affirmative statement, certified by a senior company official, that all company personnel, Eis, and contractor personnel will be informed of the Eis authority and have been or will be trained on the implementation of the environmental mitigation measures appropriate to their jobs before becoming involved with construction and restoration activities.**
-

Rockies Express' Response:

Rockies Express accepts this mitigation measure as presented in the Final Environmental Impact Statement. Rockies Express hereby affirms that all company personnel, environmental inspectors, and contractor personnel will be informed of the environmental inspector's authority, and will be trained to implement the environmental implementation measures appropriate to their jobs before becoming involved with construction and restoration activities.

4. The authorized facility locations shall be as shown in the EIS, as supplemented by filed alignment sheets. As soon as they are available, and prior to the start of construction, Rockies Express shall file with the Secretary any revised detailed survey alignment maps/sheets at a scale not smaller than 1:6,000 with station positions for all facilities approved by the Commission's Order. All requests for modifications of environmental conditions of the Commission's Order or site-specific clearances must be written and must reference locations designated on these alignment maps/sheets. Rockies Express' exercise of eminent domain authority granted under NGA Section 7(h) in any condemnation proceedings related to the Commission Order must be consistent with these authorized facilities and locations. Rockies Express' right of eminent domain granted under NGA section 7(h) does not authorize it to increase the size of its natural gas pipeline to accommodate future needs or to acquire a right-of-way for a pipeline to transport a commodity other than natural gas.

Rockies Express' Response:

Rockies Express accepts this mitigation measure as presented in the Final Environmental Impact Statement. As soon as they are available, and before the start of construction, Rockies Express will file revised detailed survey alignment maps/sheets at a scale not smaller than 1:6,000 with station positions for all facilities approved by the Federal Energy Regulatory Commission's (Commission's) Orders. All requests for modifications of environmental conditions of the Commission's Orders or site-specific clearances will be written and will reference locations designated on these alignment maps/sheets.

Rockies Express acknowledges that its exercise of eminent domain authority granted under the Natural Gas Act (NGA) Section 7(h) in any condemnation proceedings related to the FERC Orders must be consistent with these authorized facilities and locations. Rockies Express acknowledges that the right of eminent domain granted under NGA section 7(h) does not authorize Rockies Express to increase the size of its natural gas pipelines to accommodate future needs or to acquire a right-of-way for a pipeline to transport a commodity other than natural gas.

5. **Rockies Express shall file with the Secretary detailed alignment maps/sheets and aerial photographs at a scale not smaller than 1:6,000 identifying all route realignments or facility relocations, and staging areas, pipe storage yards, new access roads, and other areas that would be used or disturbed and have not been previously identified in filings with the Secretary. Approval for each of these areas must be explicitly requested in writing. For each area, the request must include a description of the existing land use/cover type, documentation of landowner approval, whether any cultural resources or federally-listed threatened or endangered species would be affected, and whether any other environmentally sensitive areas are within or abutting the area. All areas shall be clearly identified on the maps/sheets/aerial photographs. Each area must be approved in writing by the Director of OEP before construction in or near that area.**

This requirement does not apply to extra workspace allowed by Rockies Express' Upland Erosion Control, Revegetation, and Maintenance Plan, and/or minor field realignments per landowner needs and requirements which do not affect other landowners or sensitive environmental areas such as wetlands.

Examples of alterations requiring approval include all route realignments and facility location changes resulting from:

- a. Implementation of cultural resources mitigation measures;**
- b. Implementation of endangered, threatened, or special concern species mitigation measures;**
- c. Recommendations by state regulatory authorities; and**
- d. Agreements with individual landowners that affect other landowners or could affect sensitive environmental areas.**

Rockies Express' Response:

Rockies Express accepts this mitigation measure as presented in the Final Environmental Impact Statement. Rockies Express will file detailed alignment maps/sheets and aerial photographs at a scale not smaller than 1:6,000 identifying all route realignments or facility relocations, and staging areas, pipe storage yards, new access roads, and other areas that will be used or disturbed and have not been previously identified in filings with the Secretary. Approval for these areas will be explicitly requested in writing at the time of filing the spread-and/or facility-specific request for Notice to Proceed with construction. For each area, the request will include a description of the existing land use/cover type, documentation of landowner approval, whether any cultural resources or federally listed threatened or endangered species would be affected, and whether any other environmentally sensitive areas are within or abutting the area. All areas will be clearly identified on the maps/sheets/aerial photographs. Rockies Express acknowledges that each area must be approved in writing by the Director of Office of Energy Projects before construction in or near that area.

6. Within 60 days of the acceptance of its Certificate and prior to the start of construction, Rockies Express shall file an Initial Implementation Plan for the review and written approval of the Director of OEP describing how Rockies Express will implement the mitigation measures required by the Commission's Order. Rockies Express must file revisions to the plan as schedules change. The plan shall identify:
- a. How Rockies Express will incorporate these requirements into the contract bid documents, construction contracts (especially penalty clauses and specifications), and construction drawings so that the mitigation required at each site is clear to on-site construction and inspection personnel;
 - b. The number of EIs assigned per spread, and how the company will ensure that sufficient personnel are available to implement the environmental mitigation;
 - c. Company personnel, including EIs and contractors, who will receive copies of the appropriate material;
 - d. The training and instructions Rockies Express will give to all personnel involved with construction and restoration (initial and refresher training as the project progresses and personnel change), with the opportunity for OEP staff to participate in the training session(s);
 - e. The company personnel (if known) and the specific portion of Rockies Express' organization having responsibility for compliance;
 - f. The procedures (including use of contract penalties) Rockies Express will follow if noncompliance occurs; and
 - g. For each discrete facility, a Gantt or PERT chart (or similar project scheduling diagram), and dates for:
 - I. The completion of all required surveys and reports;
 - II. The mitigation training of on-site personnel;
 - III. The start of construction; and
 - IV. The start and completion of restoration.

Rockies Express' Response:

This document constitutes the Rockies Express Initial Implementation Plan, which is herein filed with the Secretary for the review and written approval of the Director of Office of Energy Projects. This document describes how the mitigation measures required by the Federal Energy Regulatory Commission's (FERC's or Commission's) Order will be implemented. Rockies Express will file revisions to the plan as schedules change. This plan identifies the information outlined above in FERC Staff's Recommended Mitigation Measures 6a. through 6f. Mitigation Measure 6g. will be addressed in the spread- and/or facility-specific requests for Notice to Proceed with construction.

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- a. Rockies Express has included provisions for the required construction mitigation measures into construction contracts for all construction work. Site-specific mitigation measures will be noted on the applicable construction drawings. A copy of the appropriate contract documents will be kept by each construction spread for the duration of all construction activities. These documents will be reviewed with all inspection personnel prior to construction. If specific construction work is identified that does not conform to the provisions of the contract documents, the construction contractor will be required to make the necessary correction so that such work will conform to the contract documents.
- b. Rockies Express has identified up to seven environmental positions per spread, as follows:
- a. 1 - Lead Environmental Inspector;
 - b. 1 to 2 - Agricultural Inspector (two on Spreads 1-5, one on Spreads 6-7);
 - c. 3 - Environmental Inspectors; and
 - d. 1 - Environmental Trainer.

Rockies Express will add additional environmental inspectors as necessary to ensure that the environmental mitigation measures are being appropriately implemented.

- c. Company personnel being provided copies of appropriate environmental materials include:
- Rockies Express President;
 - Kinder Morgan VP Major Expansion Projects
 - Rockies Express VP Project Management;
 - Rockies Express Legal;
 - Rockies Express Regulatory Affairs;
 - REX-East Construction Manager;
 - REX-East Project Environmental Manager;
 - REX-East Compliance Coordinator;
 - REX-East Field Environmental Professionals;
 - REX-East Field Environmental Reporting Coordinator;
 - REX-East Field Environmental Training Coordinator;
 - REX-East Field Environmental Coordinators;
 - REX-East Chief Inspectors;
 - REX-East Lead Environmental Inspectors;
 - REX-East Environmental & Agricultural Inspectors;
 - each construction field office;
 - one set for utility inspection staff; and
 - one set for construction contractors' superintendent, environmental coordinator, field staff, and all subcontractors.
- d. A mandatory formal environmental training course will be conducted at the start of construction activities for all construction personnel involved in the project. New hires

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and staff additions will be required to attend an onsite training class before participating in construction activities. Periodic refresher training will be provided on an as-needed basis. Tailgate meetings will be held as necessary to discuss specific and immediate issues. Rockies Express has coordinated with OEP staff regarding this initial formal training session.

e. Company personnel having responsibility for compliance are as follows:

Rockies Express President	Doug Walker
Kinder Morgan VP Major Project Expansion	Jordan Hunter
Rockies Express VP Project Management	Alice Weekley
Rockies Express Legal	Christie Billings
Rockies Express Regulatory Affairs	Robert Harrington
REX-East Construction Manager	Chief Saddler
REX-East Project Environmental Manager	Ryan Childs
REX-East Compliance Coordinator	Crystal Heater
REX-East Field Environmental Professionals	Charlie Bertram
	Jim Thompson
	Dirk Peterson
REX-East Field Environmental Reporting Coordinator	Paul Eishoff
REX-East Field Environmental Coord(s)	Phil Sanders,
	Bob Anderson,
	Ted James
REX-East Chief Inspectors	Wellsco Field Services
REX-East Lead Environmental Inspectors	AK Environmental and
	TRC
REX-East On-Site Environmental & Agricultural Inspectors	AK Environmental and
	TRC

f. Rockies Express has established a REX-East Project Environmental Compliance Plan (attached) that establishes the environmental compliance program that it will utilize during the construction of the facilities, and which identifies the procedures to be followed in event a noncompliance occurs, including the following.

- Els will assess non-compliant activities based on the extent and nature of actual impacts on resources, the potential for additional impacts, the intent behind an action, and the history of occurrence.
- Els will take immediate action to inform the appropriate contractor personnel, and to identify the required corrective action and appropriate priority and timeframe for completing the corrective action.
- Els may stop work if warranted by the noncompliance.
- A noncompliance report will be issued when an activity is observed that violates the project's environmental permits, plans, or conditions; and causes damage to an environmental resource; or places environmental resources at imminent, high risk.

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- Noncompliance events and the status of corrective actions will be reported on a daily basis to the Field Environmental Coordinator.
 - Contractor incentive provisions are included in the REX-East Project Environmental Compliance Plan that reward a good compliance record.
 - If the construction contractor is unable or unwilling to perform the corrective action, Rockies Express retains the right shut down all or portions of the contractor's work in order to conduct further training, and if necessary, to terminate the contract and award the work to an acceptable replacement contractor who will implement the corrective action.
 - The contract includes negative consequences for contractor noncompliance with the Commission's certificate provision including its environmental requirements. If the contractor fails to comply with all applicable provisions of federal and state laws, rules, and regulations, including the Commission's certificate conditions and environmental mitigation measures, Rockies Express can terminate the Contract and collect damages. Additionally, Rockies Express can require the contractor to reimburse it for any penalties or fines that Rockies Express incurs.
- g. For each discrete facility, Gantt charts will be provided with discrete facility filings that include dates for:
- i. the completion of all required surveys and reports;
 - ii. the mitigation training of on-site personnel;
 - iii. the start of construction; and
 - iv. the start and completion of restoration.



REX East
Environmental Compliance Plan

2008

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1.0 SCOPE

This compliance program is intended to facilitate compliance on the Rockies Express Pipeline LLC (REX) East Pipeline project which is regulated by the Federal Energy Regulatory Commission (FERC). REX will observe and comply with all environmental laws and regulations, including the Certificate, permits (federal, state, and local), and landowner conditions, in the construction of the REX-East Project, and will construct and operate its natural gas pipeline facilities in a manner that protects the health, safety, and welfare of the public and the environment.

The project requirements include, but are not limited to implementation of the REX East Upland Erosion Control, Revegetation, and Maintenance Plan (Plan) and the Wetland and Waterbody Construction and Mitigation Procedures (Procedures). These documents are commonly referred to as the REX East Plan and Procedures. Additional project specific environmental requirements identified in the Environmental Impact Statement, Certificate, and agency issued permits/clearances will be considered in the construction contracts, construction drawings, and development of the project environmental training program. Conducting an overall project constructability, enhanced environmental training, communication of roles and responsibilities, establishing an effective monitoring and documentation program, and clear reporting are essential steps in REX's program to facilitate project environmental compliance.

2.0 CORE INFORMATION AND REQUIREMENTS

Project specific documents, including the FERC Certificate and Final Environmental Impact Statement must be reviewed to identify any project specific requirements. These documents will be distributed to appropriate parties prior to construction. A document control system will be established to manage distribution of documents and all revisions.

REX has committed to the utilization of environmental inspectors to assist with and ensure compliance with the FERC project requirements. Additionally, REX will participate in the Third-Party Agency Environmental Compliance Monitoring and Reporting Program, which employs independent FERC compliance monitoring on the pipeline right-of-way to verify environmental compliance. The objectives of the Third-Party Environmental Compliance Monitoring Program are to:

- Facilitate the timely resolution of compliance-related issues in the field;
- Provide continuous information to the FERC and other land managing agencies regarding noncompliance issues and their resolution;
- Review, process, and track construction-related variance requests; and
- Develop a system for storing information collected during the environmental compliance monitoring program in a format that will allow easy retrieval and search functions.

3.0 PROJECT ORGANIZATION

The project organization should be established to facilitate proper reporting and communication lines are in place to achieve compliance. The REX East environmental organization chart is included as Attachment A.

4.0 ROLES AND RESPONSIBILITIES

4.1 Company

Project Management

Project Manager

- Facilitate compliance with all environmental laws and regulations, including the Certificate, permits (federal, state, and local), and landowner conditions, in the construction of the REX East Project.
- Evaluate processes and procedures which facilitate compliance for adequacy.

Compliance Coordinator

- Facilitate compliance with all environmental laws and regulations, including the Certificate, permits (federal, state, and local), and landowner conditions, in the construction of the REX East Project.
- Coordinates with the Project Environmental Manager, Project Construction Manager, Field Environmental Professional(s) and Field Environmental Coordinator(s) on a regular basis to evaluate environmental compliance with the project.
- Ensure formal communications with FERC are consistent project wide.
- Evaluate daily reporting and compliance level for areas requiring further training.
- Communicate project compliance level and status with company senior management.

Project Environmental Manager

- Facilitate compliance with all environmental laws and regulations, including the Certificate, permits (federal, state, and local), and landowner conditions, in the construction of the REX East Project.
- Provide the project team with interpretation of the project environmental requirements including the project specific FERC Plan and Procedures.
- Provide technical support to the Field Environmental Coordinator(s).

- Communicates with the FERC Environmental Project Manager and FERC Environmental Compliance Manager on a regular basis regarding project compliance,
- Communicates environmental issues across the project to peer and upper level management.

Project Construction Manager

- Facilitate compliance with all environmental laws and regulations, including the Certificate, permits (federal, state, and local), and landowner conditions, in the construction of the REX East Project.
- Coordinates with the Project Environmental Manager, Field Environmental Professional(s), Field Environmental Coordinator(s) and Contractor on a regular basis to evaluate environmental compliance with the project,
- Manage all field inspection personnel.

Environmental Personnel

Field Environmental Professional(s)

- Facilitate compliance with all environmental laws and regulations, including the Certificate, permits (federal, state, and local), and landowner conditions, in the construction of the REX East Project.
- Coordinates with the Field Environmental Coordinator(s), Field Environmental Reporting Coordinator, Field Environmental Training Coordinator, and Project Management on a regular basis to evaluate environmental compliance with the project,
- Assist Environmental Coordinators and Project Management with interpretation of the project environmental requirements including the project specific FERC Plan and Procedures,
- Provide technical support to the Field Environmental Coordinators,
- Prepare initial list (skip chart) of all restricted areas due to environmental concerns (biological, archaeological, permit status, etc.).
- Coordinate any agency field visits with Project Management and construction personnel.
- Ensure completion of variance request processes as relayed by Environmental Reporting Coordinator and report variance status back to Environmental Reporting Coordinator.
- Coordinate necessary biological and archaeological field surveys to support variances.

Field Environmental Coordinator(s)

- Facilitate compliance with all environmental laws and regulations, including the Certificate, permits (federal, state, and local), and landowner conditions, in the construction of the REX East Project.
- Communicates with the FERC 3rd Party Environmental Compliance Manager on a regular basis regarding project compliance,
- Communicates environmental issues across the project to project management.
- Facilitate field level reporting of FERC monitored activities is consistent project wide.
- Evaluate daily reporting and compliance level for areas requiring further training.
- Facilitate appropriate staffing level of environmental inspectors.

Field Environmental Reporting Coordinator

- Facilitate compliance with all environmental laws and regulations, including the Certificate, permits (federal, state, and local), and landowner conditions, in the construction of the REX East Project.
- Coordinate processing of variances.
- Facilitate variance requests are fully justified, complete and accurate.
- Track resolution of all compliance issues.
- Compile information from each spread regarding construction skips and report to Project Manager.

Lead Environmental Inspector

- Ensure compliance with all environmental laws and regulations, including the Certificate, permits (federal, state, and local), and landowner conditions, in the construction of the REX East Project.
- Has authority to stop activities that violate the environmental conditions of the Certificate, state, and Federal environmental permit conditions, or landowner requirements; and to order appropriate corrective action.
- Conduct daily coordination with reporting environmental inspectors to address upcoming activities and potential areas of concern.
- Assign environmental inspection activities on a regular basis.
- Act as a resource to reporting environmental inspectors, chief inspector, utility inspectors and contractor personnel.

- Review daily inspection reports of reporting environmental inspectors for consistency, accuracy and completeness as well as required action items or follow ups.
- Communicate any required action items or follow ups to the Chief Inspector and Contractor Environmental Foreman.
- Identify areas of concern, including sensitive resources, ahead of upcoming construction activities.
- Inspect areas on the ROW identified by reporting environmental inspectors as areas of potential concern.
- Submit variance requests to Environmental Reporting Coordinator.
- Keep all EIs and construction personnel informed of variance status.

Environmental Inspectors (EI)

- Has peer status with all other activity inspectors, and acts as a resource to construction personnel and utility inspectors.
- Has authority to stop activities that violate the environmental conditions of the Certificate, state, and Federal environmental permit conditions, or landowner requirements; and to order appropriate corrective action.
- Identify, document, and oversee corrective actions, as necessary to bring an activity back into compliance.
- Ensure compliance with all environmental laws and regulations, including the Certificate, permits (federal, state, and local), and landowner conditions, in the construction of the REX East Project, including:
 - Verify that the limits of authorized construction work areas and access roads are properly marked before clearing.
 - Verify the location of signs and highly visible flagging marking the boundaries of waterbodies, wetlands, or areas with special requirements along the construction work area.
 - Identify erosion/sediment control and soil stabilization needs in all areas.
 - Ensure the location of dewatering structures and slope breakers will not direct water into known cultural resources sites or locations of sensitive species.
 - Verify that trench dewatering activities do not result in the deposition of sand, silt, and/or sediment near the point of discharge into a wetland or waterbody. If such deposition is occurring, the dewatering activity shall be stopped and the design of the discharge shall be changed to prevent reoccurrence.

- Ensure subsoil and topsoil are tested in agricultural and residential areas to measure compaction and determine the need for corrective action.
 - Advise the Chief Inspector when conditions (such as wet weather) make it advisable to restrict construction activities to avoid excessive rutting.
 - Ensure restoration of contours and topsoil.
 - Verify that soil imported for agricultural or residential use have been certified as free of noxious weeds and soil pests, unless otherwise approved by the landowner.
 - Determine the need for and ensuring that erosion controls are properly installed, as necessary to prevent sediment flow into wetlands, waterbodies, sensitive areas, and onto roads.
 - Inspect and ensure the maintenance of temporary erosion control measures at least:
 - On a daily basis in areas of active construction or equipment operation,
 - On a weekly basis in areas with no construction or equipment operation, and
 - Within 24 hours of each 0.5 inch of rainfall.
 - Ensure the repair of all ineffective temporary erosion control measures within 24 hours of identification.
 - Keep records of compliance with the environmental conditions of the FERC Certificate, and the mitigation measures proposed by the project sponsor in the application submitted to the FERC, and other Federal or state environmental permits during active construction and restoration.
 - Identify areas that should be given special attention to ensure stabilization and restoration after the construction phase.
- Inform Contractor Environmental Coordinator of all noncompliance activities.
 - Properly document all spread meetings in daily reports.

Agricultural Inspectors (AI)

- Has peer status with all other activity inspectors, and acts as a resource to construction personnel and utility inspectors.
- Has authority to stop activities that violate the environmental conditions of the Certificate, state, and Federal environmental permit conditions, or landowner requirements; and to order appropriate corrective action.

- Identify, document, and oversee corrective actions, as necessary to bring an activity back into compliance.
- Ensure compliance with all environmental laws and regulations, including the Certificate, permits (federal, state, and local), and landowner conditions, in the construction of the REX East Project.
- Assure that the provisions set forth in the Agricultural Impact Mitigation Agreement between REX and the state Department of Agriculture or in any separate agreement, will be adhered to in good faith by the Company and the by the pipeline installation contractor(s), and that all agreements protect the resources of both the Landowner and REX.
- Assist with the collection and analyzing of site-specific agricultural information gathered for the construction plan development.
- Maintain contact with the appropriate Environmental and Field Inspectors throughout the construction phase.
- Maintain contact with affected landowners and farm operators in conjunction with REX land agents, as well as local county Soil and Water Conservation District personnel concerning farm resources and management matters pertinent to the agricultural operations and the site-specific Implementation of the construction plan.
- Properly document all spread meetings in daily reports.

Environmental Training Coordinator

- Facilitate compliance with all environmental laws and regulations, including the Certificate, permits (federal, state, and local), and landowner conditions, in the construction of the REX East Project.
- Ensure consistency of training program across project spreads.
- Incorporate feedback from Environmental Trainers into training program.
- Document number and names of personnel trained and training hours completed.

Environmental Trainers

- Facilitate compliance with all environmental laws and regulations, including the Certificate, permits (federal, state, and local), and landowner conditions, in the construction of the REX East Project.
- Conduct daily environmental compliance training for all new project personnel.
- Regularly communicate with the Lead EI and Field Compliance Coordinators to facilitate training materials necessary to meet project needs and maintain consistency across all spreads.
- Conduct refresher training on periodic basis and visitor training as necessary.
- Participate in pre-construction training sessions.

- Assist Lead EI with data collection and document preparation.
- Compile information from spread regarding construction skips and report to Environmental Reporting Coordinator.

Construction Personnel

Survey Chief

- Facilitate compliance with all environmental laws and regulations, including the Certificate, permits (federal, state, and local), and landowner conditions, in the construction of the REX East Project.
- Set initial and maintain ROW stakes and flagging with agreed upon project flagging convention.
- Prepare and maintain master set of alignment sheets for spread in appropriate spread office. The alignment sheets should reflect all restricted areas due to easement status, biological restriction, archaeological restriction, etc.
- Mark depth of topsoil as required by the Agricultural Impact Mitigation Agreement between REX and the state Department of Agriculture or in any separate agreement.

Chief Inspectors

- Facilitate compliance with all environmental laws and regulations, including the Certificate, permits (federal, state, and local), and landowner conditions, in the construction of the REX East Project.
- Manage all utility inspection personnel, and coordinate with Lead Environmental Inspector and EIs.
- Coordinate with Lead EI to resolve any compliance issues.
- Ensure adequate depth of cover as required by the Agricultural Impact Mitigation Agreement between REX and the state Department of Agriculture or in any separate agreement.

Utility Inspectors

- Facilitate compliance with all environmental laws and regulations, including the Certificate, permits (federal, state, and local), and landowner conditions, in the construction of the REX East Project.
- Inspect contractors performing specific work activities,
- Understand the project's environment requirements associated with their specific work activities,

- Contact appropriate Environmental Inspector or Ag Inspector in the event of a possible noncompliance.
- Stop any noncompliance activities observed by the contractor's work crews that they are inspecting.

4.2 Construction Contractor

Owner

- Empowers construction Superintendent(s) and subcontractor(s) to ensure personnel understand and conduct work in compliance with all requirements of the FERC Certificate and other agency requirements, as appropriate.
- Ensures Superintendent implements a system to prevent recurring environmental noncompliance by any individual(s) or crew(s).

Contractor Superintendent/Subcontractor

- Ensure compliance with all environmental laws and regulations, including the Certificate, permits (federal, state, and local), and landowner conditions, in the construction of the REX East Project.
- Designate Construction Environmental Coordinator
- Identify variances required and coordinate with Lead Environmental Inspector.
- Evaluate areas of potential compliance issues for further training.

Contractor Environmental Coordinator

- Ensure contractor and subcontractor(s) crews perform work in compliance with all environmental laws and regulations, including the Certificate, permits (federal, state, and local), and landowner conditions, in the construction of the REX East Project.
- Coordinate activities, including areas of concern, with Lead EI on a daily basis.
- Ensure activities identified by the company Lead EI, EI, and AI and performed by the contractor and contractor's subcontractor(s) are in compliance with all requirements of the FERC Certificate and other agency requirements.
- Coordinate daily activities of the contractor environmental crew, including documentation required by the REX-EAST Stormwater Management Plan (SWMP) and state General Permit (as applicable).

Contractor Environmental Crew Foreman

- Supervise environmental crew in daily installation and maintenance of erosion control devices.

4.3 Agency

FERC Project Manager

- Directly manage FERC Third-Party Compliance Manager and Monitors.
- Communicate regularly with company project management personnel.
- Has authority to approve Level 3 variance requests.

FERC Third Party Compliance Manager

- Report directly to and confer regularly with the FERC and/or other joint regulating agencies (e.g., USACOE, State agencies or departments, etc.)
- Supervise and provide support to the FERC Compliance Monitors.
- Coordinate with FERC Project Manager as necessary in review and approval of variance requests.
- Verify company's compliance with the environmental requirements and track all reported noncompliances for resolution.
- Has authority to approve level 2 variance requests.

FERC Third Party Compliance Monitor(s)

- Coordinate with the Lead Environmental Inspectors on a regular basis.
- Perform monitoring of construction and restoration activities on a regular basis.
- Serve as primary liaison with the Lead Environmental Inspector(s).
- Communicate any compliance issues to the Lead Environmental Inspector as soon as possible.
- Has authority to approve level 1 Variance requests.
- Attend Spread Level Daily Crew Safety/Environmental Coordination meetings in order to be aware of contractors daily work plan, safety topics and environmental concerns.
- Compliance Monitors will not interact directly with contractor personnel for the purposes of directing construction activities or to ensure compliance except in the event that an activity will harm a resource, in which case the compliance monitors are authorized to stop the activity.
- Submit one or more daily monitoring reports documenting compliance and/or noncompliance with the project environmental requirements.

- Upon request, provide interpretation and clarification to the environmental inspection team regarding the project environmental requirements.

5.0 TRAINING

All project personnel will receive environmental training prior to beginning work on the project. Personnel will also receive environmental training on a recurrent basis throughout the life of the project in differing formats as discussed below. Training will emphasize compliance with all environmental laws and regulations, including the Certificate, permits (federal, state, and local), and landowner conditions and the project goal of zero noncompliances.

5.1 Pre-Construction

Pre-Construction Environmental Compliance Workshops

Environmental Compliance Workshops will be held on a spread level in order to bring heightened focus to the specific environmental concerns which are unique to the project area. This workshop shall be attended by the Compliance Coordinator, Field Environmental Professional(s), Field Environmental Coordinators, spread Chief Inspector, key utility inspectors, contractor personnel (superintendent, foremen, environmental coordinator). The purpose of the environmental compliance workshop is to review all environmental requirements related to the specific project area and clearly identify objectives, roles & responsibilities, and agreed upon standards of compliance. This includes the project specific FERC Plan and Procedures and all environmental permit requirements established by other agencies. The FERC Compliance Monitors will be encouraged to attend this workshop. REX Project Management personnel will make efforts to be in attendance at workshops and encourages the FERC Project Manager and Compliance Manager to attend as available.

Spread workshops will cover the following topics in detail:

- **Permit Book page turn session**
 - **REX EAST Plan and Procedures**
 - **Certificate Conditions**
 - **Agricultural Impact Mitigation Agreement(s) (AIMA)**
- **Alignment Sheet Review**
 - Water Crossings
 - Landowner Restrictions
 - Biological and Cultural Resource Restrictions
 - Crop Restrictions and Timing
 - Noxious Weed Control
 - Access Roads

- Areas of Special Concern
 - Blasting
 - Wetland Crossings
 - Stream Crossings
- Trench Dewatering Procedures
- Hydrostatic Testing
 - Water Sources
 - Water Discharge Points and Procedures

Pre-Construction Meeting

Typical construction kick off training should be held to address contractor safety, project specific environmental concerns, and emphasize compliance with all environmental laws and regulations, including the Certificate, permits (federal, state, and local), and landowner conditions. For multi-spread projects, this meeting will break into spread meetings to include:

- Lead Environmental Inspectors and Els
- Field Safety Inspectors
- Utility Inspectors and Chiefs
- Contractor Superintendents and all Foremen
- Operators, as available

Spread meetings will cover the following topics in detail:

- Environmental and Safety Training
- Flagging and Signage Conventions
- Mock ROW (reduced size)
- Permit Conditions and Compliance Procedures

Agency Pre-Construction Conference

A preconstruction conference should be held with representative(s) from Federal, state and local agency, as needed, project management, construction personnel, environmental inspectors and compliance monitors. The agenda for this meeting should be to address any specific agency concerns, review compliance program and established protocols for determining and documenting noncompliances.

5.2 Construction

New Hire Training/Remedial Training

Training for new employees will be conducted on a daily basis, as necessary. This training should focus particularly on compliance with all environmental laws and regulations, including the Certificate, permits (federal, state, and local), and landowner conditions and discuss common scenarios encountered in specific job duties of those being trained. Additional task specific requirements will be addressed, as appropriate.

These training sessions will include the following topics:

- Training Video (English and Spanish, as appropriate)
- Brief Spread Review
- Flagging and Signage Conventions
- Mock ROW (reduced size)
- Test (Passing score is mandatory)

Visitor Training

Training for visitors will be held as necessary. The content of this training will be appropriate for visitors.

Tailgate Meetings

Meetings held on site as necessary to discuss specific, immediate issues. The meetings will involve the Foreman and the appropriate utility inspectors, contractor personnel (operators, foremen and crew) and environmental inspector(s).

6.0 COMMUNICATIONS

Recognizing the critical need for coordinated communication throughout construction, the overview below presents communication planning on both a spread level and project-wide basis. Communication will be stressed during training and opportunities to enhance communication will be sought throughout the project life.

6.1 Spread Level

Daily Crew Safety/Environmental Coordination

Daily morning coordination sessions should be held with utility inspectors, contractor personnel (operators, foremen and crew) and environmental inspector(s). The lead for these meetings is the Crew Chief or Foreman with a utility inspector and/or EI in attendance for support. These sessions will cover:

- Safety review

- Activities for the day
- Procedures for any wetland or waterbody crossings
- ROW restrictions
- AIMA requirements
- Required monitoring
- Access roads available
- TUAs
- STAY ON ROW
 - Use of spotter(s) as necessary (narrow ROW, side slope, etc.)
 - Neck down areas to be encountered today
 - Meaning of Flags & Stakes
- Encourage questions

Tailgate Meeting

A tailgate meeting shall be held as necessary to address issues which arise throughout the day such a problem area, noncompliance or "near miss".

Spread Management Daily Coordination

Participants to include (as appropriate) contractor superintendent, contractor environmental coordinator, foreman, spread chief inspector, lead environmental inspector, utility, and FERC monitor. Coordination should include upcoming work in sensitive areas and evaluation of recent issues.

6.2 Project Wide

Daily Project Management Briefing

Project Management team consisting of the project manager, environmental project manager and construction manager to review compliance issues and construction

Evaluation of Noncompliance (same or next day basis)

If a noncompliance occurs, all construction personnel involved (contractor superintendent, construction manager, spread chief inspector, environmental inspector, compliance monitor (if appropriate)) will attend a meeting with project management to review the circumstances of the noncompliance. The offender(s) will be evaluated, based on intent, severity, etc. for further action including, but not limited to, refresher training or dismissal. This information will be subsequently reported to REX upper management.

Weekly Owner Compliance Review

The project compliance status will be reviewed weekly during each Monday morning business unit meeting with REX upper management and partners (owners).

Project Monthly Coordination Meeting

Compliance status will be a topic of this regularly scheduled project-wide coordination meeting.

FERC/REX Project Management Weekly Review

This meeting will be held weekly to address any issues, which have arisen, and to address any concerns of FERC. Participants will include the FERC Project Manager, REX Environmental Project Manager, Compliance Coordinator, Field Environmental Professional, Field Environmental Coordinator(s), Environmental Reporting Coordinator, Third Party Compliance Manager, and Third Party Compliance Monitors.

7.0 PROCEDURES

7.1 Compliance Level

Each separate activity inspected and documented in a daily report will be assigned a compliance level as defined below. The EIAI will assess non-compliant activities based on the extent and nature of actual impacts on resources, the potential for additional impacts, the intent behind an action, and the history of occurrence.

Acceptable

Activities that are in compliance with the project environmental requirements are considered acceptable.

Problem Area

A location or activity that does not meet the definition of acceptable but is not noncompliant. The Problem Area category will be used to report on a range of events and observations including:

- An incident that is accidental or unforeseeable but is not out of compliance with the project specifications and the company's response is appropriate and timely.
 - An example would be a fuel leak where project personnel respond properly by stopping, containing, and cleaning up the spill in accordance with the project specifications.
- A location where the project is not out of compliance with the specifications but, in the judgment of the EIAI or Compliance Monitor, damage to resources could occur if corrective actions are not taken. Some examples include:
 - A silt fence with substantial build up of soil.

- A slope with insufficient waterbars.
 - A subsoil pile on the verge of covering a topsoil pile.
 - An improperly constructed/located dewatering structure.
- An activity that the EIAI or Compliance Monitor determines is an unintentional, isolated, departure from the project specifications, with no damage to resources.
 - An example would be a small amount of soil or slash off the right-of-way that has no effect on sensitive resources such as designated wildlife habitat, wetlands, or waterbodies.

If a problem area is resolved in a timely manner it will not be considered a noncompliance. If a problem area is found to be a repeat situation or multiple occurrences of a similar nature, or is not corrected within the established timeframe, the EIAI may document the problem area as a noncompliance. The EIAI will inform the construction staff about the problem before issuing the problem area report. Typically, problem areas will be handled on an informal basis if they are addressed in a timely manner so that risks are not compounded and site environmental integrity is not compromised. The EIAI and Compliance Monitor shall discuss with the spread field inspection and contractor to agree upon a reasonable timeframe for resolution. The EIAI will maintain a list of problem areas identified and the corrective actions taken.

Problem Areas that are documented by the Compliance Monitor will be reported to the EIAI. If the problem is not corrected within an established timeframe, resource damage occurs, or activities of a similar nature occur repeatedly, a Noncompliance could be issued.

Noncompliance

A Noncompliance report will be issued when an activity violates (is not in compliance with) the project specifications, results in damage to resources, or places sensitive resources at unnecessary risk. Examples of noncompliances would be:

- Failure to install or maintain required erosion control devices.
- Ground-disturbing activities conducted outside the approved right-of-way limits.
- Use of unapproved access roads.

The EIAI will inform the Compliance Monitor of all noncompliance activities. If the Noncompliance is documented by the Compliance Monitor, the Compliance Monitor will notify an EIAI before issuing a Noncompliance report which will include the name of the EIAI and time of notification. In a follow-up report, the Compliance Monitor will document the resolution/corrective action of the Noncompliance. The EIAI will take immediate action to inform the appropriate contractor personnel, and to identify the required corrective action and appropriate priority and timeframe for completing the corrective action. Where practicable and where the nature of the noncompliance activity warrants, the EIAI will work closely and collaboratively with the other monitors (e.g., FERC/Other Agency Compliance Monitors) in accordance with the Compliance Monitoring Program to determine the appropriate corrective action.

Resolution of noncompliance activities will involve close coordination between the EI/AI, the Lead EI, the Chief Inspector, and contractor construction supervisory personnel to facilitate that the corrective measures are properly understood and implemented. Corrective actions may include additional field environmental training or disciplinary action including removal of personnel involved in the noncompliance event if the EI/AI, Lead EI, or Chief Inspector believes it is warranted in addition to immediate corrective actions. The EI/AI will follow up to confirm that corrective actions have been completed, and will document noncompliance activities and their resolution in daily inspection reports and the weekly inspection summary reports that will be compiled and submitted to the FERC as the weekly status report. Noncompliance events and the status of corrective actions will be reported on a daily basis to the Field Environmental Reporting Coordinator. A noncompliance activity requires that the Environmental Project Manager, Compliance Coordinator Construction Manager, Lead Environmental Inspector and contractor personnel involved in the incident participate in a conference call to discuss the noncompliance, the proper corrective actions, and follow-up actions that should be implemented to prevent future occurrences.

The Field Environmental Reporting Coordinator shall maintain a list of all noncompliances that occur, the corrective actions taken and document when and how the noncompliance was corrected.

Serious Violation

A report of Serious Violation will be issued immediately upon observing an activity that is not in compliance with the project specifications and causes substantial harm to resources or poses a serious threat to sensitive resources. Examples of serious noncompliances would be:

- Deliberately conducting an activity that results in disturbance within an exclusion zone for a sensitive resource, such as a cultural resource site or endangered species habitat.
- Repeated or cumulative noncompliance activities that could lease to substantial impact on resources.
- Intentional failure to correct previously identified noncompliance activities in an established timeframe.

The Environmental Project Manager will be notified of the serious noncompliance immediately. A serious violation requires that the Project Manager, Environmental Project Manager, Compliance Coordinator and the FERC Environmental Project Manager (or FERC Third Party Compliance Manager) participate in a conference call to discuss the violation, the proper corrective actions, actions that should be implemented to prevent future occurrences and enforcement actions that could be imposed. If the Serious Violation occurs on federal land, the designated Federal Land management agency representative will participate in the conference call. Once REX documents the resolution of a Serious Violation, a Compliance Monitor will inspect the area and verify that the issue has been adequately resolved.

The Environmental Reporting Coordinator shall maintain a list of all noncompliances that occur, the corrective actions taken and document when and how the noncompliance was corrected.

7.2 Variances

During construction, unforeseen or unavoidable site conditions can result in the need for changes from approved mitigation measures, ROW configuration and construction procedures. Additionally, the need for route realignments, extra workspaces, or access roads outside of the previously approved construction work area may arise, and may be considered, in part, with landowner concurrence. Changes to previously approved mitigation measures, construction procedures, and construction work areas will be handled in the form of variance requests to be submitted by the Company and reviewed and approved or denied by the FERC and/or the FERC Third Party Compliance Manager or Monitor. The variance process can also be a good mechanism to clarify discrepancies discovered in project materials and/or to distribute information to the entire project team. A system of three variance levels (Levels 1, 2, and 3) will be used to categorize and process variance requests.

The three variance levels, review and distribution process, and decision-making authority granted to the Compliance Manager and Monitors by the FERC and other participating agencies for the project are discussed below.

Level 1 Variances

Level 1 variances are site-specific, minor, performance-based changes to project specifications or mitigation measures that provide equal or better protection to environmental resources. These minor variance requests can be reviewed and either approved or denied by the Compliance Monitors in the field during normal construction operations. It is anticipated that Level 1 variances should be approved within 1-2 days. Examples of Level 1 variance requests include:

- Allowing rubber-tired vehicles (or light weight, light-footprint vehicles offering the same or better protection) to use additional access roads that would not require any improvement to the road ("like use");
- Waiving the requirement to install a permanent slope breaker at the base of an angled grade leading into a wetland if it is obvious that the angle of the slope drains the water off the ROW before entering the wetland;
- Minor variations in site-specific stream crossing plans that reflect differences in site conditions from those that were expected when the plan was developed (e.g., relocation of a spoil storage area within previously approved work areas); and
- Shifting extra workspace along the ROW a short distance where the overall disturbance remains the same, and completed surveys indicate that no cultural, paleontological, or biological resources would be affected.

Level 1 variances may also be used to document and disseminate agency-directed changes to mitigation measures (e.g., a change to a mitigation measure or specification in the Plan of Development that was made at the request of the BLM).

To initiate a Level 1 variance request, the Lead EI or other designated Company representative will fill out a variance request form and obtain the appropriate signatures. The Lead EI will then contact a Compliance Monitor to review the proposed change. The EI and the Compliance Monitor will work together to evaluate the site-specific situation and determine if the request is

appropriate.

The Compliance Monitor may approve a Level 1 variance request if the results of implementing the change will provide equal or better protection for the resource than the original mitigation measure, the original mitigation measure is not applicable to that specific site and necessary landowner approvals have been obtained. If a Level 1 variance request is approved in the field, the Compliance Monitor will sign the variance request form. A Level 1 variance request can be implemented in the field as soon as it is approved by the Compliance Monitor. In some cases, the Compliance Monitor may grant verbal approval and then complete the paperwork.

The Compliance Monitor will document the variance approval in the daily monitoring report and transmit the approved form to the Compliance Manager for posting on the project website. If the variance is denied or exceeds the Compliance Monitor's authority level, the Compliance Monitor will inform the EI that a Level 2 or Level 3 variance request is required.

Level 2 Variances

A Level 2 variance request exceeds the field decision authority of the Compliance Monitor and requires processing by the Compliance Manager. Level 2 variance requests generally involve project changes that would affect an area outside of the previously approved work area, but within the corridor previously surveyed for cultural resources and sensitive species. Level 2 variance requests typically require the review of supplemental documents, correspondence, and records. It is anticipated that Level 2 variances should be approved within 2-3 days. Examples of Level 2 variance requests include:

- The use of extra workspace outside of the previously approved work area;
- The use of existing access roads that have not been previously approved if the use would not be considered "like-use" that could be approved as a Level 1 variance;
- Modifying a previously approved access road in ways not previously identified; and
- Increasing the width of the construction ROW at specific locations for truck turn arounds, additional topsoil storage, side-slope construction, or where unstable soils, landowner requests, or other conditions require slight realignments of the pipeline.

Level 2 variance requests may also be submitted for changes that would extend beyond the corridor previously surveyed for sensitive resources if additional cultural and biological resources surveys are conducted and documentation of the surveys and any applicable agency correspondence are submitted with the variance request.

To initiate a Level 2 variance request, the Lead EI or other designated Company representative will fill out a variance request form, prepare the appropriate supporting documentation, and obtain the required signatures.

The designated Company representative will submit the variance request form and supporting documentation by e-mail (scanned copy) or fax to the Compliance Manager. The Compliance Manager will review the request and supporting documentation and consult with the FERC and other participating agency Project Managers as necessary. The Compliance Manager may

also discuss the request with the appropriate Compliance Monitor.

If the Level 2 variance request is approved, the Compliance Manager will sign the variance request and e-mail the approved form (scanned copy) to the designated Company representatives, the Compliance Monitors, and the participating agency and FERC Project Managers. The variance may be implemented in the field as soon as the approved variance is received. In some cases, the Compliance Manager may grant verbal approval and then complete the paperwork. The approved variance request form will be posted on the project website. If the variance is denied or exceeds the Compliance Manager's authority level, the Compliance Manager will inform the Lead EI or other designated Company representative that a Level 3 variance request is required.

Level 3 Variances

A Level 3 variance request exceeds the decision authority of the Compliance Manager or is a request that was denied as a Level 2 variance. It is anticipated that Level 3 variances should be approved within 3-4 days. Examples of Level 3 variance requests include:

- Extra workspaces, access roads, or route realignments for which landowner approval cannot be documented;
- Certain project-wide changes to mitigation measures or construction/restoration procedures; and
- Extra workspaces, access roads, or route- realignments where additional resource surveys are required that result in the need to consult with other federal agencies for threatened or endangered species or for cultural resources and supplemental NEPA documentation is needed to approve the measure.

The designated Company representative will complete the variance request form, including appropriate supporting materials, and submit it to the Compliance Manager who will review the request for completeness and then forward it to the FERC and other participating agency Project Managers.

The FERC Project Manager will consult with the appropriate agency Project Manager(s) if applicable and then will issue a formal approval or denial letter. Approval of a Level 3 variance on federal land may require supplemental authorization in the form of a ROW grant amendment or an additional temporary use permit.

8.0 STOP WORK AUTHORITY

The FERC and certain appropriate federal or state agencies have the authority to stop construction activity if an activity results in damage to a resource or places sensitive resources at unnecessary risk. These agencies may delegate this authority to the Third Party Compliance Manager and Compliance Monitors.

9.0 COMPLIANCE INCENTIVE PROGRAM

REX will implement a compliance incentive program for the 2008 construction period. REX is currently evaluating the 2007 incentive program and working to determine the most effective structure for this incentive program.

10.0 REPORTING AND DOCUMENTATION

Reporting and documentation during construction will be provided in the form of daily and weekly reports submitted by the Company environmental inspection team and the FERC Compliance team.

REX will file updated status reports prepared by the Lead Environmental Inspector on a weekly basis until all construction-related activities, including restoration, are complete. These status reports will also be provided to other federal and state agencies with permitting responsibilities upon request. Status reports will include;

- The current construction status of each spread, work planned for the following reporting period, and any schedule changes for stream crossings or work in other environmentally sensitive areas;
- A listing of all problems encountered and each instances of noncompliance observed by the environmental inspectors or the third-party compliance monitors during the reporting period (both for the conditions imposed by the FERC and any environmental conditions/permit requirements imposed by other federal, state or local agencies);
- A description of corrective actions implemented in response to all instances of noncompliance, and their cost;
- The effectiveness of all corrective actions implemented;
- A description of any landowner/resident complaints that may relate to compliance with the requirements of the Commission's Order, and the measures taken to satisfy their concerns; and
- Copies of any correspondence received by the Applicant from other federal, state, or local permitting agencies concerning instances of noncompliance, and the Applicant's response.

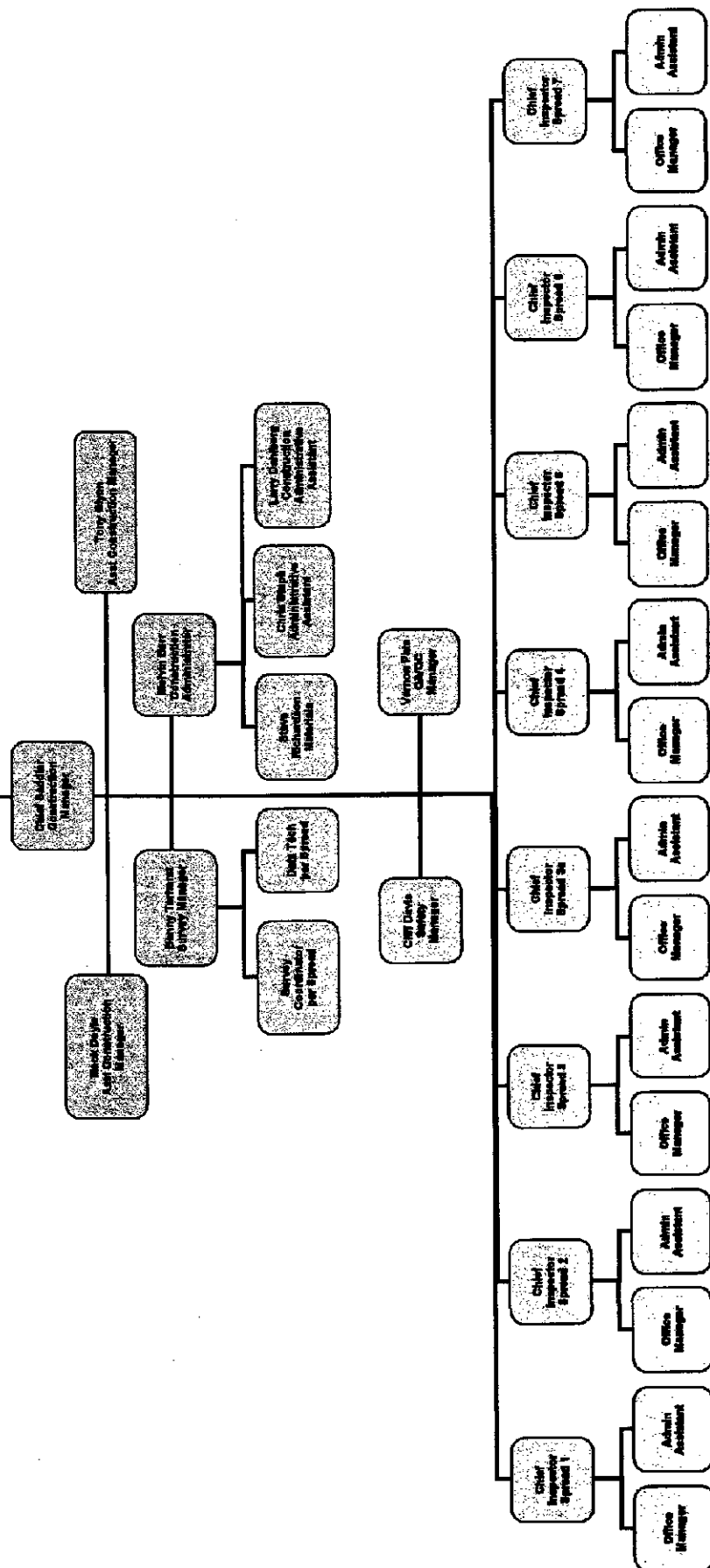
11.0 REFERENCES

- REX East's Upland Erosion Control, Revegetation, and Maintenance Plan (Plan)
- REX East's Wetland and Waterbody Construction and Mitigation Procedures (Procedures)

REX Management
James Porter, President, REX Management Services
David Wallace, President, REX Management Services
Used at Illinois, VA, Florida regions of the Executive Express
— James W. Wallace, V.P., REX Management Services



REX Management
Acute Care/Pediatric/ Geriatric Management
Drug Interactions, Dosages, Side Effects, Precautions
Jordan, Beverly, V.P., *Chief, Medical Staff, Educational Programs*
Alaska (Seattle), V.P., *Resident, Endocrine Problems*



- 7. Rockies Express shall file updated status reports prepared by the lead EI on a weekly basis until all construction-related activities, including restoration, are complete. These status reports shall also be provided to other federal and state agencies with permitting responsibilities upon request. Status reports shall include:**
- a. The current construction status of each spread, work planned for the following reporting period, and any schedule changes for stream crossings or work in other environmentally sensitive areas;**
 - b. A listing of all problems encountered and each instance of noncompliance observed by the EI or the third-party compliance monitors during the reporting period (both for the conditions imposed by the Commission and any environmental conditions/permit requirements imposed by other federal, state, or local agencies). This shall also include an identification of utilities damaged and/or service interrupted by the construction of the Project;**
 - c. A description of corrective actions implemented in response to all instances of noncompliance, and their cost. For all damaged utilities and/or service interruptions, this shall include a description of steps taken to restore the utility to preconstruction conditions or better;**
 - d. The effectiveness of all corrective actions implemented;**
 - e. A description of any landowner/resident complaints that may relate to compliance with the requirements of the Commission's Order, and the measures taken to satisfy their concerns; and**
 - f. Copies of any correspondence received by Rockies Express from other federal, state, or local permitting agencies concerning instances of noncompliance, and Rockies Express' response.**

Rockies Express' Response:

Rockies Express accepts this mitigation measure as presented in the Final Environmental Impact Statement. Rockies Express will file updated status reports prepared by the lead environmental inspector(s) in coordination with the Field Environmental Manager on a weekly basis until all construction-related activities, including restoration, are complete. These status reports will also be provided to other federal and state agencies with permitting responsibilities upon request. Status reports will include all information detailed above in the FERC Staff's Recommended Mitigation Measures 7a. through 7f.

8. **Rockies Express shall develop and implement an environmental complaint resolution procedure that remains active for at least 3 years following the completion of construction for the respective project. The procedure shall provide landowners with clear and simple directions for identifying and resolving their environmental mitigation problems/concerns during construction of the project and restoration of the right-of-way. Prior to the start of construction, Rockies Express shall file with the Secretary the environmental complaint resolution procedures and mail the environmental complaint resolution procedures to each landowner whose property would be crossed by the respective project:**
- a. **In its letter to affected landowners, Rockies Express shall:**
 - i. **Provide a local contact that the landowners should call first with their concerns; the letter should indicate how soon to expect a response;**
 - ii. **Instruct the landowners that, if they are not satisfied with the response, they should call Rockies Express' Hotline, as applicable; the letter should indicate how soon to expect a response; and**
 - iii. **Instruct the landowners that, if they are still not satisfied with the response from Rockies Express' Hotline, they should contact the Commission's Enforcement Hotline at (888) 889-8030, or at hotline@ferc.gov.**
 - b. **In addition, Rockies Express shall file with the Secretary weekly status reports that include a table that contains the following information for each problem/concern:**
 - i. **The identity of the caller and the date of the call;**
 - ii. **The identification number from the certificated alignment sheet(s) of the affected property and appropriate location by milepost;**
 - iii. **A description of the problem/concern; and**
 - iv. **An explanation of how and when the problem was resolved, will be resolved, or why it has not been resolved.**

Rockies Express' Response:

Rockies Express accepts this mitigation measure as presented in the Final Environmental Impact Statement. Attached to this condition response is Rockies Express' Environmental Complaint Resolution Program, which will remain active for at least 3 years following the completion of construction. The procedure will provide landowners with clear and simple directions for identifying and resolving their environmental mitigation problems/concerns during construction of the project and restoration of the right-of-way. Prior to construction, Rockies Express will mail the environmental complaint resolution procedures to each landowner whose property would be crossed by the respective project. A sample copy of the letter is also attached to this condition response.

**Rockies Express Pipeline-East Project
Response to Final Environmental Impact Statement
Recommended Mitigation Measures Nos. 1 through 10**

- a. In the letter to affected landowners, each Applicant will:**
 - i. provide a local contact that the landowners should call first with their concerns; the letter will indicate how soon to expect a response;**
 - ii. instruct the landowners that, if they are not satisfied with the response, they should call the Rockies Express Hotline; the letter will indicate how soon to expect a response; and**
 - iii. instruct the landowners that, if they are still not satisfied with the response from the Applicant's Hotline, they should contact the Commission's Enforcement Hotline at (888) 889-8030, or at hotline@ferc.gov.**
- b. In addition, Rockies Express will include in its weekly status reports a table that contains the following information for each problem/concern:**
 - i. the identity of the caller and the date of the call;**
 - ii. the identification number from the certificated alignment sheet(s) of the affected property and appropriate location by milepost;**
 - iii. a description of the problem/concern; and**
 - iv. an explanation of how and when the problem was resolved, will be resolved; or why it has why it has not been resolved.**

Rockies Express Pipeline LLC

REX EAST

ENVIRONMENTAL COMPLAINT RESOLUTION PROGRAM

Rockies Express Pipeline LLC ("REX") has developed its Environmental Complaint Resolution Program to address any problems or complaints received from landowners affected during construction of the REX East Project (REX-East). REX is committed to work closely with the landowners to ensure that any problems or complaints are resolved satisfactorily and in a timely manner. Landowners whose property will be crossed by the Project ("Landowners") have been provided with a copy of the Environmental Complaint Resolution Procedure in a mailer.

Landowners are encouraged to contact REX with any problems or concerns regarding the environmental mitigation during construction of the Project and restoration of the right-of-way. REX will respond to any complaints or concerns within 24 to 48 hours of receiving a call from a Landowner. As the personnel directly involved with the Project will be most familiar with the Project and will be in the best position to expeditiously respond to any Landowner issues, the REX-East Right-of-Way office should be the first contact for Landowners. The REX-East Right-of-Way office may be contacted toll free via telephone at (866) 566-0066. The Office Manager at the REX-East Right-of-Way office will take calls from Landowners and will direct them to an appropriate person, such as the Lead Environmental Inspector, Chief Inspector, or Right-of-Way Agent, to resolve any issues. Once a complaint has been received, a site visit will be scheduled with the Landowner to assess the problem and provide an appropriate response. REX will also maintain a voice mail system at the REX-East Right-of-Way office for any calls received after business hours.

If a Landowner has contacted the REX-East Right-of-Way office and feels that an appropriate response has not been provided, the Landowner may contact REX's offices in Lakewood, CO via REX's 24-hour toll-free Right-of-Way Hotline at (866) 233-3395. This number rings directly to a voice mail system. REX will respond to any calls received at this number within 24 hours during normal business days. In the event a call is received on a non-work day (e.g., weekends or during holidays), REX will respond to any landowner concerns on the next business day.

If a Landowner has contacted REX at both of these locations and still feels that an appropriate response has not been provided, the Landowner may contact the FERC directly via the Commission's Enforcement Hotline at (888) 889-8030 or via e-mail at hotline@ferc.gov.

REX will maintain a written record of all in-coming and out-going calls regarding Landowner complaints. A copy of this record will be maintained by the Office Manager in the REX-East Right-of-Way office. Each complaint received will be documented on a Landowner Complaint Resolution Form (attached). Copies of this form will be distributed to the Chief Inspector, the Lead Environmental Inspector and REX Right-of-Way Agent, as appropriate.

All information regarding Landowner complaints will be summarized in tabular form in a weekly report (attached). This table will be included in the bi-weekly environmental report submitted to the FERC.

Rockies Express Pipeline LLC

Landowner Complaint Resolution Form

Report Number: _____
Date: _____
Time: _____
Landowners Name: _____
Location of Concern: _____
Tract No. _____
Alignment Sheet _____
and Mile Post: _____
Call Taken By: _____

Description of Concern: _____

Call Returned By: _____
Date and time: _____
Inspected By: _____
Date and Time: _____
Description: _____

Corrective Action(s): _____

Status: _____
R/W Agent Notified: _____
Date and Time: _____

**Distribute as per Environmental Complaint Resolution Procedures pursuant to
Mitigation Measure No. 8 in Docket No's CP07-208-000 & CP07-208-001**

[illegible]



_____, 2008

**Re: Rockies Express Pipeline Project – East (REX-EAST)
Federal Energy Regulatory Commission ("FERC") Docket No's . CP07-208-000
CP07-208-001**

Dear Landowner,

Pursuant to the Final Environmental Impact Statement for the Rockies Express Pipeline Project – EAST published on _____, 2008 by the Federal Energy Regulatory Commission, Rockies Express Pipeline LLC (REX) is providing you with a copy of the REX Environmental Complaint Resolution Procedure (the "Procedure").

This Procedure is intended to provide you with the information necessary to contact REX personnel to identify and resolve any environmental mitigation concerns during construction of the Project and restoration of the right-of-way.

We encourage you to contact our local Project staff using the information provided in the Procedure should you have questions or concerns about environmental mitigation during construction or restoration of the right-of-way.

Please retain the enclosed Procedure for future reference.

Sincerely,

**Kerry Malone
REX Right of Way Manager
Contract Land Staff
Contractor for Rockies Express Pipeline LLC**

REX-EAST ENVIRONMENTAL COMPLAINT RESOLUTION PROCEDURE

STEP ONE

If you have an environmental mitigation concern during construction of the Project and the restoration of the right-of-way, please contact:

REX-EAST Right-of-Way Office

Telephone Toll Free: 866-566-0066

You should expect a response within 24 to 48 hours of your call. A voice mail system will be maintained for any calls after business hours.

STEP TWO

If you do not feel that an appropriate response was provided to your concern you may contact:

Right-of-Way Hotline

Telephone Toll Free: 866-233-3395

The Hotline is a 24-hour line where a message can be left for right-of-way staff. The Hotline is monitored each business day and you should expect a response within one business day from your call.

STEP THREE

If you have contacted REX using both phone numbers as directed above and still feel that an appropriate response has not been provided to your concern then you may contact:

FERC's Enforcement Hotline

Telephone Toll Free: 888-889-8030
or via e-mail at hotline@ferc.gov

**Rockies Express Pipeline-East Project
Response to Final Environmental Impact Statement
Recommended Mitigation Measures Nos. 1 through 10**

- 9. Rockies Express must receive written authorization from the Director of OEP before commencing service of the Project. Such authorization will only be granted following a determination that rehabilitation and restoration of the right-of-way and other areas of project-related disturbance are proceeding satisfactorily.**
-

Rockies Express' Response:

Rockies Express accepts this mitigation measure as presented in the Final Environmental Impact Statement. Rockies Express will not commence service on the project until written authorizations from the Director of Office of Energy Projects has been received. Rockies Express acknowledges that such authorization will only be granted following a determination that rehabilitation and restoration of the right-of-way and other areas of project-related disturbance are proceeding successfully.

**Rockies Express Pipeline-East Project
Response to Final Environmental Impact Statement
Recommended Mitigation Measures Nos. 1 through 10**

- 10. Within 30 days of placing the certificated facilities in service, Rockies Express shall file an affirmative statement, certified by a senior company official:**
- a. That the facilities have been constructed in compliance with all applicable conditions, and that continuing activities will be consistent with all applicable conditions; or**
 - b. Identifying which of the Certificate conditions Rockies Express has complied with or will comply with. This statement also shall identify any area affected by the Project where compliance measures were not properly implemented, if not previously identified in filed status reports, and the reason for noncompliance.**

Rockies Express' Response:

Rockies Express accepts this mitigation measure as presented in the Final Environmental Impact Statement. Within 30 days of placing the certificated facilities in service, Rockies Express will file affirmative statements, certified by senior company officials, confirming the statements in either item 10a. and/or 10b.