**IN THE UNITED STATES BANKRUPTCY COURT**
**FOR THE DISTRICT OF DELAWARE**

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| In re:<br><br>WELDED CONSTRUCTION, L.P., *et al.*,[1]<br><br>Debtors. | Chapter 11<br><br>Case No. 18-12378 (KG)<br><br>(Jointly Administered) |
| WELDED CONSTRUCTION, L.P.,<br><br>Plaintiff,<br><br>v.<br><br>THE WILLIAMS COMPANIES, INC., WILLIAMS PARTNERS OPERATING LLC, and TRANSCONTINENTAL GAS PIPE LINE COMPANY, LLC,<br><br>Defendants. | Adv. Pro. No. _____ |

## COMPLAINT AND OBJECTION TO CLAIMS

The above-captioned plaintiff ("Welded"), by its undersigned attorneys, for its Complaint against the above-captioned defendants (collectively, the "Defendants" or "Williams"),[2] and for its Objection to proofs of claim 632 and 636 (collectively, the "Transco Claims") filed by defendant Transcontinental Gas Pipe Line Company, LLC, hereby alleges as follows:

## Introduction

On September 19, 2018, Welded successfully achieved mechanical completion on a 96-mile expanse of Williams's Atlantic Sunrise natural-gas pipeline, which received FERC approval

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Welded Construction, L.P. (5008) and Welded Construction Michigan, LLC (9830). The mailing address for each of the Debtors is 26933 Eckel Road, Perrysburg, OH 43551.

[2] For ease of reference, and due to the difficulty differentiating between the web of entities associated with Williams that interacted with Welded, the Defendants often are referred to herein, collectively, as "Williams." Where possible, Welded has attempted to differentiate between the entities, but the use of the term "Williams" or "Transco" should not be construed as an admission by Welded as to the activities of one Defendant or another or otherwise used against Welded for any purpose.



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and was placed into service on October 6, 2018. In completing the pipeline, Welded's personnel overcame numerous challenges that increased the difficulty and expense of the project far beyond anything reasonably contemplated at the outset, including, for example, severe winter weather, record rainfall, repeated protester interference, debilitating permitting issues, and serial expansions and modifications of the project scope. Despite these hurdles, the completed pipeline has been tremendously successful, providing cost-effective natural gas to consumers all along the East Coast, and providing Williams with self-reported revenue of $35 million per month.

On October 4, 2018, Williams, once its final FERC approval was firmly in hand, abruptly notified Welded that Williams was withholding reimbursement of approximately $24 million that Welded had paid to construct Williams's pipeline over the previous 10 months. Coupled with that withholding, Williams, without any warning or prior discussion with Welded, filed a lawsuit in Oklahoma state court asserting a breach-of-contract claim against Welded in the approximate amount of $24 million.

Nothing in the cost-reimbursement contract that Williams and Welded executed would permit Williams to withhold funds under these circumstances. The contract provides that Welded would receive a fixed fee from Williams to cover its profit and back-office services and would be entitled to reimbursement of the actual labor and equipment costs incurred in constructing the pipeline. From the beginning of construction in September 2017, Williams paid Welded's construction costs in the ordinary course for more than a year until October 4, 2018, when Williams suddenly withheld approximately $24 million, citing previously unarticulated issues with Welded's bills reaching all the way back to the beginning of construction.

Despite the pending lawsuit and significant deprivation of funds, Welded continued its clean-up work on the project and continued good-faith efforts to reach a resolution of Williams's

alleged issues. As Welded informed Williams, however, withholding the reimbursement of such substantial amounts—funds that Welded had already expended—threatened Welded's ability to make payroll and to continue operations in the ordinary course.

In response, Williams withheld another $17 million and indicated its intention to continue clawing back costs that Welded incurred building the pipeline. These actions pitched Welded into acute financial distress, ultimately leading to the filing of these chapter 11 cases, and demonstrated Williams's complete lack of concern for Welded and its vendors, subcontractors, and employees—the very people who built the pipeline that has been so massively profitable for Williams.

For all of the foregoing reasons, and as further set forth herein, the Court should order Williams to turn over the funds it has wrongfully seized, and to make further payments to Welded as required under the Contract, so that Welded may have a full and fair opportunity to pursue a chapter 11 plan of reorganization that will maximize the value of Welded's assets for the benefit of all stakeholders.

## Parties

1. Plaintiff Welded is a Delaware limited partnership. Plaintiff Welded has two general partners and two limited partners. The general partners are Ohio Welded Company LLC (owner of 15 partnership units) and McCaig Welded GP, LLC (owner of 5 partnership units). The limited partners are Bechtel Oil, Gas and Chemicals, Inc. (owner of 735 partnership units) and McCaig US Holdings, Inc. (245 partnership units). The entity is overseen by a five-member board of managers, and governed in accordance with the *Second Amended and Restated Limited Partnership Agreement of Welded Construction, L.P.* dated December 1, 2015.

2. Welded's headquarters is located at 26933 Eckel Road, Perrysburg, OH 43551.

3. On information and belief, Defendant Transcontinental Gas Pipe Line Company, LLC ("Transco") is a Delaware limited liability company.

4. On information and belief, the sole member of Defendant Transco is Defendant Williams Partners Operating LLC ("Williams Partners"), a Delaware limited liability company with its principal place of business in Tulsa, Oklahoma.

5. On information and belief, the sole member of Defendant Williams Partners is Defendant The Williams Companies, Inc. ("Williams Co."), a Delaware corporation with its principal place of business in Tulsa, Oklahoma.

**Jurisdiction and Venue**

6. The Court has jurisdiction over this adversary proceeding pursuant to 28 U.S.C. § 1334(b) and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated as of February 29, 2012.

7. Venue is proper in this District pursuant to 28 U.S.C. § 1409 because this adversary proceeding arises in cases commenced under title 11 of chapter 11 of the United States Code (the "Bankruptcy Code").

8. This action is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (B), (C), (E), and (O). Accordingly, the Court may enter a final order or judgment consistent with Article III of the United States Constitution. Welded consents to the entry of final orders or judgment by the Court if it is determined that the Court, absent consent of the parties, cannot enter final orders or judgment consistent with Article III of the United States Constitution.

## Factual Allegations

### I. Welded partners with Williams to expand access to natural-gas markets along the East Coast.

9. Headquartered in Perrysburg, Ohio, Welded is a mainline pipeline construction contractor capable of executing pipeline construction projects in lengths ranging from a few hundred feet to over 200 miles.

10. Welded has overseen projects nationwide and has become one of the largest and most relied upon mainline pipeline construction contractors in the United States. Welded's customers include some of the most prominent oil and gas pipeline operators in the country, including Sunoco, Energy Transfer Partners, Columbia Gas, and Williams.

11. On or about November 5, 2015, Welded and Transco executed a letter of intent (the "Letter of Intent") for Welded to construct a portion of the Atlantic Sunrise pipeline, a natural-gas pipeline connecting gas-producing regions in Pennsylvania to markets in the Mid-Atlantic and southeastern states.[3] The pipeline would stretch 186 miles from northeastern to southeastern Pennsylvania, with construction tentatively scheduled to begin in the last quarter of 2016.

12. The Letter of Intent provided that Transco and Welded would "use good faith efforts to reach a definitive agreement for the execution of the Project based on the . . . principles" articulated in the Letter of Intent. According to the Letter of Intent, the contract would "be executed on a cost reimbursable fixed fee basis" under which Williams would reimburse Welded's construction expenses and pay Welded a fixed fee as profit. Payments terms under the contract would "be based on achieving a neutral cash flow for Welded . . . ."

[3] The Letter of Intent is attached hereto as Exhibit 1.

13. Attachment 1 to the Letter of Intent between Welded and Transco was titled "Cost Reimbursable Fixed Fee Structure for Atlantic Sunrise Project" and provided that Transco would reimburse Welded for four categories of "**Direct Costs**," without any markup:

- "Labor – Actual Cost"
- "Equipment, Fuel, and Supplies – 50% of actual Labor cost"
- "Subcontracts, Materials, Specialty Equipment and Outside Services – Actual cost"
- "Timber Mats – Actual cost"

14. On or about August 10, 2016, Welded enters into a construction contract with Transco (including any amendments, schedules and exhibits, the "Contract") on the terms set forth in the Letter of Intent.[4]

15. On September 15, 2017, Williams issues a press release announcing that construction was underway:

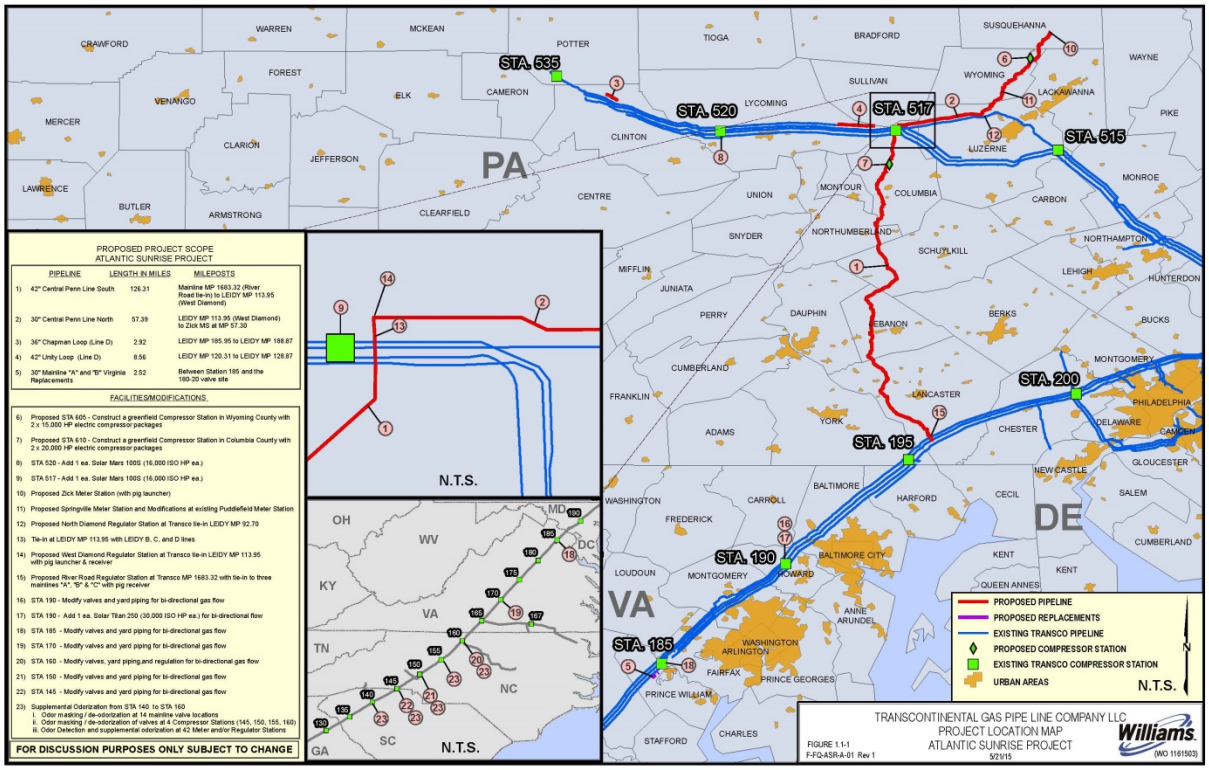
> Pipeline and compressor station construction is anticipated to last approximately 10 months, weather permitting. The nearly $3 billion project, which is designed to increase natural gas deliveries by 1.7 billion cubic feet per day, is scheduled to be placed into full service in mid-2018. . . . During peak construction periods, the project is anticipated to directly employ approximately 2,300 people in 10 Pennsylvania counties. In addition, the project could support an additional 6,000 jobs in related industries and generate up to $1.6 billion in economic activity, according to researchers at Pennsylvania State University.

16. The Atlantic Sunrise pipeline construction consisted of eight different construction spreads divided among four primary construction contractors: Henkels & McCoy, Inc., Latex Construction Company, Inc., Michels Corporation, and Welded.

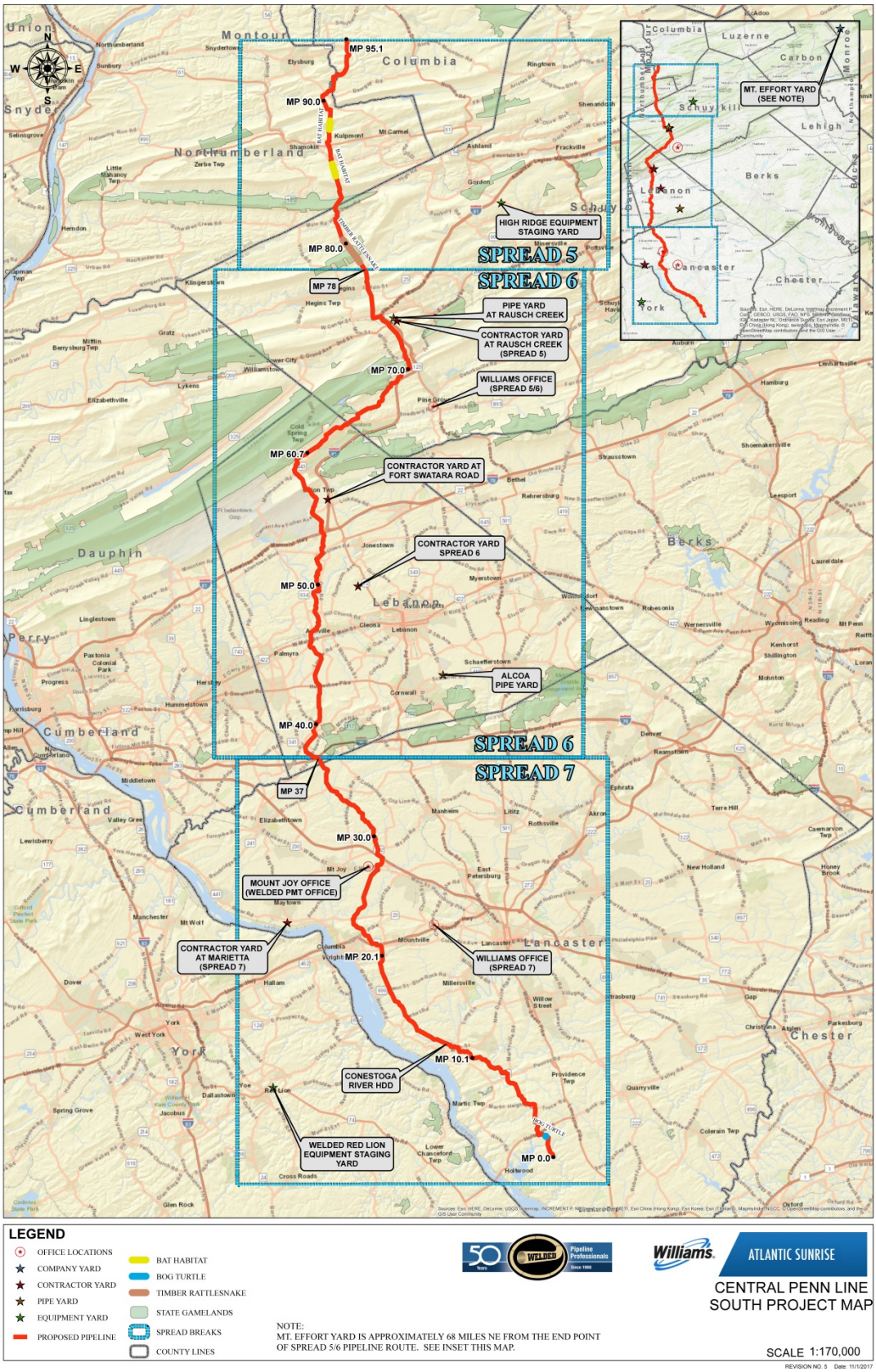
17. Welded was responsible for construction of three contiguous segments of the pipeline—Spreads 5, 6, and 7—which covered more than half the length of the entire pipeline,

[4] The Contract is attached hereto as Exhibit 2. Welded and Transco subsequently entered into an amendment modifying portions of the Contract (the "Amendment"). The Amendment is attached hereto as Exhibit 3.

approximately 96 miles total. In the map below, the Atlantic Sunrise pipeline is shown in red. Welded's segment runs from southern Columbia County to Marker 15.



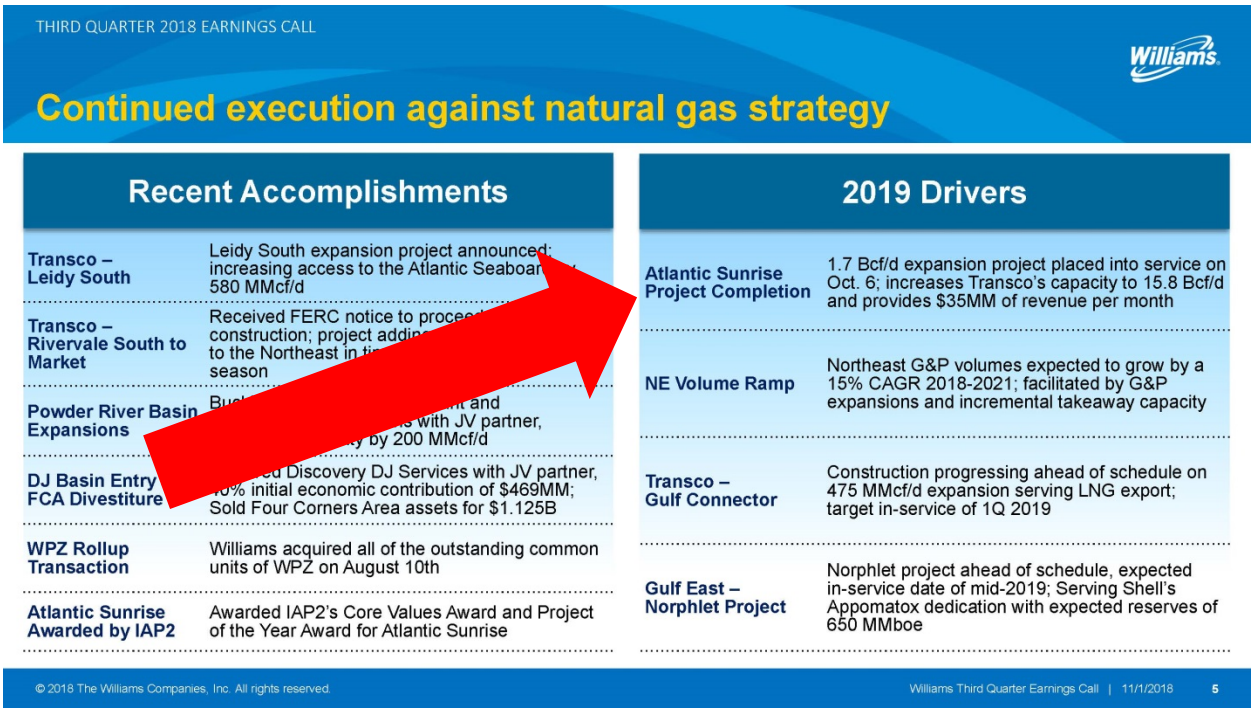

18. The map below shows Welded's three construction spreads in greater detail.


MP 95.1
MP 90.0
MP 80.0
MP 78
MP 70.0
MP 60.7
MP 50.0
MP 40.0
MP 37
MP 30.0
MP 20.1
MP 10.1
MP 0.0
HIGH RIDGE EQUIPMENT STAGING YARD
SPREAD 5
SPREAD 6
SPREAD 7
PIPE YARD AT RAUSCH CREEK
CONTRACTOR YARD AT RAUSCH CREEK (SPREAD 5)
WILLIAMS OFFICE (SPREAD 5/6)
CONTRACTOR YARD AT FORT SWATARA ROAD
CONTRACTOR YARD SPREAD 6
ALCOA PIPE YARD
MOUNT JOY OFFICE (WELDED PMT OFFICE)
CONTRACTOR YARD AT MARIETTA (SPREAD 7)
WILLIAMS OFFICE (SPREAD 7)
CONESTOGA RIVER HDD
WELDED RED LION EQUIPMENT STAGING YARD
MT. EFFORT YARD (SEE NOTE)
BAT HABITAT
BOG TURTLE
TIMBER RATTLESNAKE
LEGEND
OFFICE LOCATIONS
COMPANY YARD
CONTRACTOR YARD
PIPE YARD
EQUIPMENT YARD
PROPOSED PIPELINE
STATE GAMELANDS
SPREAD BREAKS
COUNTY LINES
NOTE:
MT. EFFORT YARD IS APPROXIMATELY 68 MILES NE FROM THE END POINT OF SPREAD 5/6 PIPELINE ROUTE. SEE INSET THIS MAP.
Williams
ATLANTIC SUNRISE
CENTRAL PENN LINE SOUTH PROJECT MAP
SCALE 1:170,000
REVISION NO. 5 Date: 11/1/2017

19. Welded achieved mechanical completion of Spreads 5, 6, and 7 on September 19, 2018, and on October 4, 2018, Williams received FERC approval to put the Atlantic Sunrise pipeline into full service.

20. The Atlantic Sunrise pipeline was placed into full service on October 6, 2018, and was ultimately a resounding success. According to Williams, the "historic" project increased the capacity of the Transco pipeline by 1.7 billion cubic feet per day (approximately 12 percent) to 15.8 billion cubic feet per day. Alan Armstrong, Williams's president and chief executive officer extolled: "The project is significant for Pennsylvania and natural gas-consuming markets all along the East Coast, alleviating infrastructure bottlenecks and providing millions of consumers direct access to one of the most abundant, cost-effective natural gas supply sources in the country."

21. The Atlantic Sunrise project has also proven highly profitable for Williams. As Williams reported in its earnings webcast presentation for the third quarter of 2018, the "Atlantic Sunrise Project Completion . . . increases Transco's capacity to 15.8 Bcf/d and *provides $35MM of revenue per month*" (emphasis added).




## II. Williams seized Welded's funds as soon as the pipeline was complete.

22. On October 4, 2018, the same day that Williams received FERC approval to put the Atlantic Sunrise pipeline into service, Williams turned around and—without warning—informed Welded that it was withholding $23,563,538 due and owing to Welded under the Contract.

23. At the same time, also without any warning, Transco filed a lawsuit (the "Transco Complaint") in the District Court of Tulsa County for the State of Oklahoma, asserting a breach-of-contract claim against Welded in the amount of $23,563,538. Despite the Transco Complaint, however, the Oklahoma state court currently lacks jurisdiction over Welded, because, as of the date hereof, Williams has not served process on Welded as required under Oklahoma law.

24. On October 5, 2018, as required under the Contract, Welded submitted an invoice for a true-up payment from Williams in the amount of $16,592,432.09 for costs Welded actually incurred constructing Williams's pipeline in August 2018. Under the Contract, payment was due

by November 5, 2018. As of the date hereof, Williams has refused to pay and, moreover, has refused to explain or justify its refusal to pay these amounts.

25. On October 11, 2018, Evan Kirchen, Williams's VP Engineering & Construction, and R. Christopher Springer, Transco's Atlantic Sunrise Project Director, spoke with Welded's representatives and shareholders and informed them that Williams intended to continue to look for ways to claw back costs incurred by Welded on the Atlantic Sunrise project.

26. Based on these initial withholdings, Williams is unjustifiably and unlawfully withholding $40,155,970.09, in the aggregate, due and owing to Welded under the Contract (the "Initial Withholdings").

27. In addition, on March 4, 2019, Welded submitted an invoice to Williams for a true-up payment in the amount of $17,440,392.90 for costs Welded actually incurred constructing Williams's pipeline in September 2018 (the "September True-Up Invoice"). Also on March 4, 2019, Welded submitted an invoice to Williams for a true-up payment in the amount of $13,713,655.68 for costs Welded actually incurred constructing Williams's pipeline in October 2018 (the "October True-Up Invoice").

28. Williams did not pay the September True-Up Invoice or the October True-Up Invoice when due, and accordingly, as of the date hereof, Williams is unjustifiably and unlawfully withholding an additional $31,154,048.58, in the aggregate, on account of the September True-Up Invoice and October True-Up Invoice (the "Additional Withholdings" and, together with the Initial Withholdings, the "Withheld Funds"), which amounts are due and owing to Welded under the Contract for amounts that Welded paid out of its own pocket to construct Williams's pipeline.

29. Accordingly, as of the date hereof, Williams is unjustifiably and unlawfully withholding $71,310,018.67, in the aggregate, due and owing to Welded under the Contract.

**A. Williams has no basis for withholding Welded's funds.**

30. Appendix G to the Contract sets forth the parties' agreed procedures for "Invoicing and Payment of Invoices."

**a. Williams pays Welded in advance for estimated expenses.**

31. Under paragraph 1.2.2 of Appendix G, each month Welded would send Williams an invoice with an estimate of the funds required for the *following* month (the "Pay Month"). For example, on May 5, Welded would invoice Williams for its estimated costs for the Pay Month of June.

32. Paragraph 1.2.3 of Appendix G obligates Williams, on or before the fifth day of the Pay Month, to pay Welded the undisputed amounts in the estimated invoice submitted the previous month: "On or before the fifth (5) day of the Pay Month, [Transco] will pay [Welded] the undisputed amounts invoiced." For example, on June 5, Williams would be obligated to pay Welded the undisputed amounts that Welded had estimated for June in its May 5 invoice.

33. If Williams were to dispute any portion of the estimated invoice, Paragraph 1.2.3 further provides that "the Parties will work diligently to resolve any disputed amounts prior to the date for payment of such invoice." For example, if Williams disputed a portion of the June estimate that Welded provided on May 5, the parties were required to work to resolve that dispute before June 5 when payment would be due to Welded.

34. If the parties were unable to resolve a dispute over an estimated invoice within 10 business days of the date on which payment was due, paragraph 1.2.3 provides that the matter

"will immediately be escalated to senior management for a discussion as soon as reasonably possible."

35. If the senior management discussion did not resolve the matter, paragraph 1.2.3 states that "the matter will be resolved in accordance with the provisions of Article 37 of Section I of the Contract and paid in accordance with the terms of such resolution."

36. Article 37 of Section I of the Contract requires the parties to consider ADR before litigating. More specifically, Article 37 provides, in full, that: "[Transco] and [Welded] shall give good faith consideration to using alternative dispute resolution prior to or in lieu of litigation to resolve disputes arising under or in connection with this Contract."

37. Nothing in Appendix G permits Williams to withhold funds due to Welded on an undisputed invoice, and nothing in Appendix G permits Williams to withhold funds from Welded on account of invoiced amounts that Williams disputes months after the fact.

**b. Williams and Welded reconcile payment for actual expenses the following month.**

38. Pursuant to paragraph 1.2.4 of Appendix G, within 30 days of the Pay Month, Welded would provide Williams with a reconciliation of actual versus estimated expenditures. Welded would then true-up the amounts owed or owing in future invoices. For example, on July 30, Welded would provide Williams with a reconciliation of the June estimate versus the amounts actually incurred in June. Welded would then adjust its future invoices to reflect the true-up for June.

39. Paragraph 1.2.5. of Appendix G is explicit that any disputes about Welded's actual expenses and invoices *must be reconciled within one pay period* and *must not disrupt* the payment of undisputed amounts: "Any differences between the Parties related to verifying actual expenditures or invoices and adjusting against forecast and funded amounts shall be reconciled

within one pay period, provided, however, that such differences will not interrupt the payment of [Welded's] undisputed invoices, as set out herein."

40. Nothing in Appendix G permits Williams to withhold funds from Welded after the fact on account of true-up amounts it later disputes. To the contrary, paragraph 1.2.5 is explicit that disputes over reconciliations "will not" interrupt other payments due to Welded.

**c. Williams paid invoices in the ordinary course for 10 months without raising any concerns.**

41. Welded submitted its first estimated invoice to Williams in September 2017, when Williams finally obtained the permits necessary to permit construction to begin. Each month thereafter, Welded invoiced Williams, and Williams paid Welded, pursuant to the procedures set forth in Appendix G.

42. In March and June of 2018, Williams made partial payment on Welded's invoices because Williams needed to arrange a purchase order increase to permit full payment, which was eventually made.

43. Williams paid invoices, and did not raise any concerns about Welded's billing practices, until July 3, 2018—a period of approximately 10 months after Welded began invoicing Williams for construction of the Atlantic Sunrise pipeline.

44. On July 3, 2018, R. Christopher Springer, Transco's Atlantic Sunrise Project Director, sent a letter to Stephen Hawkins, Welded's President and CEO, stating that Transco was releasing payment to Welded under protest:

> [D]ue to: (1) Welded's failure to meet expectations on productivity, work quality, and safe work practices; (2) questions and concerns about the accuracy of billing and Welded's compliance with contract obligations; and (3) uncontrolled growth in Welded's estimated cost of completion, this payment is not easy to release. Welded's installation of Atlantic Sunrise spreads 5, 6, and 7 is quickly becoming the most expensive onshore pipeline ever installed. Transco is not satisfied with Welded's management of this project and feel Welded is taking advantage. Welded is now exceeding any schedule contemplated in the original agreement. In

> addition, Welded keeps adding to the tie-in weld count and continues to have difficulty forecasting productivity. Transco's other contractors on this pipeline project are mechanically complete and/or wrapping up pipeline installation.
>
> As such, for the reasons mentioned above, this payment and any payment made by Transco from this point forward in time are made under protest and shall not be construed as concurrence that Welded has earned invoiced amounts nor that "true-ups" accurately reflect amounts owed and/or are payable by Transco. Further, payments by Transco do not constitute admissions of liability and do not effectuate waiver of any rights Transco has under the contract or remedies at law, including, but not limited to: the right to reject non-conforming work, rights to recover overpayments made to Welded, rights to demand compliance with contract terms, and/or rights to recover from Welded damages incurred by Transco.

45. On July 16, 2018, Mr. Hawkins replied to Mr. Springer's letter, responding to his allegations and seeking to understand the basis for Mr. Springer's concern about alleged inaccurate billing:

> [W]e were surprised and dismayed by several of the statements in the Letter and feel both parties would benefit from a brief response.
>
> First, with respect to your statement concerning schedule, as you know, the target mechanical completion date in the contract is June 15, 2018. The incentive/penalty examples included with the contract provides an example of the project being 10 weeks late (corresponding to our current Mechanical Completion). So, we believe the contract clearly contemplated a completion date in line with our current forecast. The reasons for the schedule erosion are well known by both COMPANY and CONTRACTOR with both parties contributing to schedule erosion as well as both parties taking actions to mitigate extensions of time.
>
> Second, regarding your comparison of Welded's progress relative to the other ASR spreads, we understand your frustrations with the current status of the project as we are equally frustrated. However, our understanding of the other contractors performance is not in line with the accusations asserted in your letter.
>
> Third, concerning the statement in the letter regarding the accuracy of Welded's billing, this is the first we have heard about this issue. The only communications we have received concerning pay applications relate to field-level requests for certain backup documentation which may have been misplaced or illegible. The assertion by Williams is very disappointing considering that the issues Williams refers to have not followed any sort of agreed escalation path. Issues cannot go from working level to senior sponsor level with no escalation process between the parties. Welded is more than willing to work through the invoicing issues to

> ensure there is agreement by both parties that our processes are compliant with the contract.

46. Williams did not respond to Mr. Hawkins's July 16 letter or provide any information about the alleged inaccurate billing.

47. Instead, in July of 2018, Williams engaged Oil and Gas Contracts Services ("OGCS") to perform an audit to support its accusation of inaccurate billing.

48. On July 24 and 25, 2018, Phil Burke and Adrian Green of OGCS visited Welded's offices and met with Welded's personnel for two full days of in-depth diligence. Throughout July, August, and September 2018, Welded worked diligently with OGCS, promptly responding to numerous requests and providing thousands of pages of records, invoices, receipts, paystubs, and other documents.

49. Welded repeatedly asked OGCS's auditors for updates on their findings so that Welded could work through any issues identified by the auditors in real time.

50. Neither the auditors nor Williams ever identified any particular issues prior to blindsiding Welded with the Transco Complaint and the withholding of nearly $24 million.

### B. Williams seized Welded's funds without warning or explanation, driving Welded into bankruptcy.

51. As noted above, on October 4, 2018, Williams received FERC approval to put the Atlantic Sunrise pipeline into full service.

52. Immediately upon receiving FERC approval, Transco—without any warning—filed the Transco Complaint in Oklahoma state court, alleging that Welded breached the Contract by overbilling Williams.

53. Williams ignored the contractual terms that provide a mechanism for resolving billing disputes. Among other things, Williams did not raise any concerns with Welded's bills until nearly a year after the fact, did not escalate its concerns to senior management for

discussion, and did not investigate or pursue ADR with Welded before filing the Transco Complaint.

54. Instead, also on October 4, 2018, Mr. Singer sent a letter to Mr. Hawkins, stating that Transco was withholding approximately $24 million from Welded on account of alleged "erroneous billing" dating back to the inception of the Contract:

> In accordance with the Contract Audit provisions, Section VIII and Appendix G of the Transco-Welded Contract, Transco hereby provides notice of withholding in connection with Welded's advance payment invoice submitted in September 2018. Based on the ongoing review of Welded's advance payment requests, Welded has erroneously billed Transco for fees and costs in excess of those allowed under the Contract and has failed to properly reconcile the overbillings as contemplated by the Contract. As described below, the following examples represent charges that are disputed by Transco, which have been identified to date.
>
> Based upon Transco's current review and the ongoing audit process, Welded has charged a fifty percent (50%) Equipment Fee on costs that do not include "actual Work performed," including "show-up time and wait time." Welded has also charged an Equipment Fee for costs related entirely to the provision of equipment, rather than "actual Work performed," including Vehicle Rental and Rig Rental Equipment charges. Although the Equipment Fee was to cover the cost of Included Equipment, Welded has separately charged Transco for Included Equipment provided by Subcontractors, including pickup truck rental, dump truck rental for post-delivery hauling, and site office trailers and equipment. Welded has also separately charged Williams for Site Utilities that were to be provided as Included Equipment.
>
> . . . .
>
> Additionally, Welded failed to achieve Mechanical Completion as required on June 14, 2018. According to the Contract Schedule incentive/disincentive program and the declared date of Mechanical Completion, Welded owes Transco at least $1,928,571 for delays to the completion date. The combined total of the currently identified overcharges and schedule disincentive payments is $23,563,538. Williams intends to withhold that amount from the September 2018 advance payment request.
>
> . . . .
>
> Transco requests a meeting with Welded next week to discuss this withholding and the findings noted above.

55. On October 7, 2018, Mr. Hawkins responded to Mr. Springer's letter, disputing the Mr. Springer's allegations as follows:

> We are in receipt of your letter dated October 4, 2018 and are extremely disappointed by the content, especially as we have been communicating frequently with your audit team over the past several months and this is the first notice of these disputed charges or contract interpretation.
>
> We categorically disagree with the unfounded allegations of erroneous charges. For example, the calculation of the Equipment Fee has been applied as specified by Section VIII Compensation of the Agreement. The Equipment Fee was calculated as a factor to Labor Cost which by definition includes wages and benefits payable to NPLA and Field Personnel, including fringe benefits, employee vehicle rental/pay, travel pay, per diem, fuel pay, payroll taxes and insurance. Vehicle and rig rental, show up, stand-by and wait time pay are further defined as NPLA benefits in Exhibit 4. This is how we have invoiced and have been reimbursed throughout the project with no prior objection or dispute from Transcontinental or anyone in past dealings.
>
> Regarding subcontract truck rental, Section VIII specifies the reimbursement of rental costs for rental vehicles used in conjunction with the performance of Work in the Field. Welded requests specific line-item details on the audit findings supporting your objections to the charges for dump truck rental, trailers/site offices, and site utilities. Certain site utilities such as portable toilets are specified to be a reimbursable cost, however we are unable to determine if this is the charge in dispute without benefit of seeing further details. We cannot have a meaningful meeting (as requested in your October 4 letter) without additional information as to the specific charges to which you are objecting. We request a listing of the specific invoice line items in dispute one week prior to the proposed meeting so that we have time to review and respond.
>
> The ability to achieve Mechanical Completion on June 14, 2018 was precluded, among other things, by the late receipt and delivery of numerous Company-provided permits to allow work to proceed at Pequea creek, Ironville Pike, Amtrak, I-76, Goldmine Road, Cavalry, Jonestown, I-81, Swatara creek, Industrial Rd, Quaker Run, and Happy Valley – many of these not received until after June 14, 2018. Further, the project was delayed by 3+ weeks due to the transverse indications welds on spreads 5 and 6. This avoidable delay was due to company's NDE subcontractor. Transcontinental's role in failing to meet the contract Mechanical Completion is well documented in the project's weekly reports and various correspondence. Transcontinental failed to meet its obligations under the contract to enable Mechanical Completion of June 14, 2018.
>
> Transcontinental's arbitrary and wrongful withholding of payment at this stage of the project is contrary to the contract requirements including, without limitations, Appendix G clause 1.2.5 and constitutes a blatant breach of contract without any

> legitimate basis and will cause substantial and immediate harm to Welded. The withholding of the October cash call is of such extreme hardship to Welded that it jeopardizes Welded's ability to continue as a viable business and will preclude the ability to meet payroll liabilities beyond October 07, 2018, thus effectively halting work on this date.
>
> . . . . As a matter of urgency, we request the details of the disputed charges today so that a meaningful discussion can occur next week to resolve this matter.

56. In a response to Mr. Hawkins dated October 9, 2018, Mr. Springer attempted to justify Williams's decision to withhold the Withheld Amounts—but failed to provide any support for the alleged billing errors and, moreover, failed to identify any provision in the Contract that would permit Williams to withhold funds from Welded under the circumstances:

> We disagree with Welded's assertion that Transco's October 4 letter was the "first notice of . . . disputed charges." In addition to previous withholding amounts from Welded's invoices, and Transco's notices of payments under protest, Welded was aware that its billing practices have been under audit.
>
> Despite the fact that the Contract provided for a final construction cost in the amount of $454,500,000, Welded has submitted cash calls to Transco well in excess of $700,000,000. As you know, it was Welded's responsibility in the first instance to properly invoice Transco on a monthly estimated basis consistent with the terms and provisions of the Contract. Further, it was Welded's obligation thereafter to provide written reconciliation to Transco of all amounts actually incurred and invoiced and to adjust invoices to ensure that Welded was properly charging Transco pursuant to the agreed terms and provisions. Notwithstanding Welded's obligations, the Contract clearly provides Transco the right to conduct an audit to ensure that it was properly invoiced pursuant to the Contract. At all times, Transco's actions have been consistent with the Contract.
>
> On a number of occasions, Transco expressed its concern to Welded of the rising costs and performance issues on the project. However, by virtue of the audit, substantial additional detailed information has been made available to Transco which was not otherwise ascertainable in Welded's cash calls or reconciliations. Thus far, our auditors have reviewed thousands of pages and tens of thousands of line items in Welded's invoices and accounting data. As this additional information was reviewed, Transco provided Welded notice of its concerns, even advising Welded that significant payments by Transco were being made under protest. Our company is over 100 years old and we pride ourselves in dealing with our customers, service providers, and investors with integrity. We are not the kind of company that withholds payment from contractors without justification. By letter dated October 4, 2018, Transco set out very specific categories of charges which were invoiced by Welded contrary to the Contract and, thus, properly

> withheld from Welded's cash call. These categories include an Equipment Fee improperly charged for "Wait/Show Up Time," "Travel Pay/ Per Diem," "Vehicle Rental Equipment Fee" and "Rig Rental Fee." Other categories of improperly charged "Included Equipment" include "Sub Contract Truck Rental," "Dump Truck Rental (Post-delivery hauling)," ["]Trailers/Site Offices," and "Site Utilities" (portable toilets).
>
> Welded should be aware of its own invoice line items that include these improper charges. Moreover, from Welded's recent letter, it appears that Welded is well aware of the areas of improper billings that have been identified.
>
> . . . .
>
> Your October 7 letter also purports to justify Welded's failure to timely achieve Mechanical Completion by June 14, 2018. Your attempt to blame Transco for Welded's failure in this regard is without basis and entirely inconsistent with Welded's obligations under the Contract. The Mechanical Completion Date (which was previously amended from October 6, 2017) is a material term of the Contract and is not subject to unilateral alteration after-the-fact by Welded.
>
> As to your threat to halt work on the project, such action would be ill-advised as it would constitute an additional breach of the Contract by Welded for which Transco will hold Welded accountable. If Welded terminates its work, Transco will exercise all of its rights and remedies under the Contract and the performance bond.
>
> Attached to this letter is a courtesy copy of a Petition that has been filed. We will postpone formally serving the Petition with the hope that our anticipated meeting will be productive.
>
> We and our auditors are available to meet with you the week of October 15 in Houston to present the details of the audit findings which support the amounts withheld by Transco.

57. On October 11, 2018, Mr. Hawkins emailed Mr. Springer and Evan Kirchen, Williams's VP Engineering & Construction, emphasizing Welded's financial distress and its desperate need to receive payment from Williams:

> Welded is in acute financial distress because of Transco's decision to withhold $24M without any notice.
>
> Welded's shareholders came to the meeting today with the hope of resolving your concerns. Given Williams' position that it will continue to look for ways to claw back costs incurred by Welded on the ASR project, leaving this as an open ended liability, our shareholders are unwilling to put additional funds into the company

> to allow it to operate in the normal course. As a consequence, Welded's ability to make payroll on your project next week is in jeopardy.
>
> I reiterate my request that I made at the meeting to provide funds immediately. In addition to the $24M withheld, we currently have a $17M true up due on November 5th. This true up is money owed to Welded for costs already incurred. Welded respectfully requests that the $17M be released immediately by Williams to enable us to continue in operation and resolve the broader issue.[5]

58. On October 16, 2018, Sean Singleton and Marcus Hood, Welded's Project Controls Manager and Senior Project Manager, respectively, met with David Sztroin and John Todd, Williams's Project Managers, and with Adrian Green and Phil Burke from OGCS. It was at this meeting that Williams and OGCS first provided an explanation of the audit findings and alleged overbillings.

59. On October 18, 2018, Mr. Singleton emailed Mr. Green to follow up on the documentation on the audit filings, stating: "As you can imagine we are anxious to work thru the findings and avoid another large invoice reduction surprise…so as soon as you can, please send us the files we discussed Tuesday. Our target is to have resolution by end of the month (or sooner) to be able to more accurately predict the payment due from Williams on Nov 5th."

60. Later that day, Mr. Green finally responded with the promised documentation: "As promised. We are still awaiting a response from Williams but have sent this in advance of any formal confirmation from Williams."

61. Welded engaged in dialogue with Williams in an attempt to consensually resolve the dispute and avert the need for the filing of these chapter 11 cases. As noted above, Mr. Hawkins repeatedly requested that Williams make payment to Welded. Williams's representatives indicated that Williams was not inclined to make any payments to Welded.

[5] A copy of Mr. Hawkins's email to Messrs. Springer and Kirchen, dated October 11, 2018, is attached hereto as Exhibit 4.

62. Williams never paid Welded the amounts owed, and on October 22, 2018 (the "Petition Date"), each of the Debtors commenced a voluntary case under chapter 11 of the Bankruptcy Code. As detailed in the *Declaration of Frank Pometti in Support of the Debtors' Chapter 11 Petitions and First-Day Motions* [Docket No. 4, Case No. 18-12378 (KG)], Williams's abrupt and improper withholding of nearly $24 million deprived the Debtors of the necessary liquidity to sustain their business operations outside of chapter 11 proceedings.

**C. Transco improperly demands immediate payment under Commitment Letters.**

63. In light of the bankruptcy filing, Welded and Transco entered into three "commitment letters" under which Transco agreed to prepay Welded for its postpetition work on the Atlantic Sunrise project. The Court entered orders approving the commitment letters on October 21, 2018 [Docket No. 45] (the "First Commitment Letter"), October 28, 2019 [Docket No. 111] (the "Second Commitment Letter"), and November 6, 2018 [Docket No. 172] (the "Third Commitment Letter" and, together with the First Commitment Letter and Second Commitment Letter, the "Commitment Letters"). Each Commitment Letter concerned work to be performed during a different, specified time period.

64. Under the Commitment Letters, Transco agreed to pre-fund $8,050,000, in the aggregate, for "Welded's internal costs and expenses of providing work, as well as Welded third-party subcontractor, vendor, materialmen, and supplier costs, expenses, profit and invoices for work, labor, material and rentals" on spreads 5, 6, and 7 of Transco's Atlantic Sunrise project. Under the Third Commitment Letter, Welded agreed to provide Transco "a reconciliation of all remaining amounts for obligations that were accrued or were incurred for forecasted work versus actual cost of work." To the extent that any advanced funds remained after that reconciliation, the funds would be returned to Transco within one business day. Overhead costs were not subject

to reconciliation: "fixed overhead costs of $25,000 per week from the Petition Date through December 8, 2018, . . . shall be available to the Debtors for general use, not subject to reconciliation, to offset the significant overhead costs not captured in the project cost estimate."

65. Welded provided Transco with its reconciliation on January 17, 2019, demonstrating that all advanced funds had been used on the project and that no remainder was due to Transco. In support of its reconciliation, Welded attached approximately 25 pages of line-item expenses.

66. More than three months later, on April 18, 2019, Transco's counsel sent Welded's bankruptcy counsel a letter (the "Demand Letter"), identifying purported revisions to Welded's postpetition reconciliation and demanding that Welded pay a $2,399,279.48 refund within one business day. Transco sent its demand for immediate payment of a multi-million dollar refund without any notice to, or discussion with, Welded and without any supporting documentation or identification of the specific bases for Transco's alleged refund.

67. On April 19, 2019, Welded's counsel responded to the Demand Letter, stating that Welded believed its reconciliation was factually correct and consistent with the terms of the Commitment Letters. Welded's counsel indicated, however, that Welded would endeavor to review Transco's revised reconciliation expeditiously. Welded's counsel also requested that Transco identify the specific items it viewed as problematic, explaining that that information would aid Welded's review considerably. To date, Transco has not responded.

## III. Welded has earned payment of a Fixed Fee, expense reimbursement, and incentive bonus.

68. Construction contracts are typically fixed-price contracts in which the contractor bids an amount for the project, and the payment amount does not depend on the resources used

or time expended. In fixed-price contracts, the contractor bears the risk that the cost of the project will be greater than anticipated.

69. Here, by contrast, the parties agreed to a cost-plus, or cost-reimbursement, contract structure in which the contractor is paid for all of its expenses, plus an additional payment to allow for the contractor's profit. In cost-reimbursement contracts, the owner of the project bears the risk that the cost of the project will be greater than anticipated.

70. Accordingly, the payments to a contractor under a cost-reimbursement fall into two buckets, broadly speaking. The first is the amount for the contractor's profit and back-office services—here, the "Fixed Fee"—and the second is reimbursement due to the contractor for the actual work performed on the project—here, the "Labor Costs" and the "Equipment Fee."

**A. Welded's Fixed Fee is a firm, negotiated amount that is not subject to modification or reduction.**

71. Section I, Article 3, of the Contract states that "[a]s full and complete compensation for Work to be performed, [Transco] agrees to pay and [Welded] agrees to accept remuneration based upon the price(s) in ***Section VIII*** of the Contract (Compensation)" (emphasis in original).

72. The Letter of Intent had contemplated that Welded would receive a "fixed fee . . . to compensate Welded for home office overheads [sic], senior management and margins associated with the project."

73. Accordingly, Section VIII, Article 2.A, of the Contract defines the Fixed Fee as the amount specified to cover Welded's profit and back-office functions related to the Atlantic Sunrise project:

> "Fixed Fee" means the $50,500,000 lump sum fixed fee price, payable to [Welded] in installments as further set forth in this Contract, covering all: (i) [Welded] cost and expenses attributable to [Welded's] Home Office overhead and management in connection with the Project; (ii) profit payable to [Welded] in

> connection with the Project; and (iii) all income, revenue, rates, overtime, premium pay, taxes, benefits and expenses (including any business, travel or living expenses) in connection with Work performed by Home Office Personnel.

74. Section VIII, Article 2.B, makes clear that under no circumstances is the Fixed Fee is subject to reduction:

> The Fixed Fee is a fixed, firm negotiated amount which is neither subject to modification nor escalation or reduction, due to: (i) changes, modifications or deviations to the proposed pipeline set forth in the Scope of Work; (ii) changes, modifications or deviations to the pipeline route itself; (iii) any increase in the quantity of tasks, any additional effort, and/or changes or modifications to the means of construction which [Welded] must employ to meet the Mechanical Completion Date set forth herein[;] (iv) underestimated [Welded] overhead, costs and expenses; (v) delay due to low [Welded] productivity; (vi) extensions due to failure to achieve the Mechanical Completion Date; and/or (vii) costs or delay due to due to unexpected weather or geological conditions experienced over the course of the Project. [Welded] warrants and represents that it will complete the Work in accordance with the schedule and the Contract under the Fixed Fee set forth in the Contract.

75. Section VIII, Article 2.D.3, is explicit that "the Fixed Fee covers all cost and expense and all compensation due and payable to [Welded] in connection with Work performed by Home Office Personnel."

**B. Welded's Labor Costs vary by month and are reimbursed by Williams.**

76. The Letter of Intent had contemplated that Williams would reimburse Welded for its labor at "Actual Cost" and specified three categories of actual labor costs:

- Based on current (at the time of construction) wage rates and agreements for classified personnel under the National Pipeline Agreement (NPLA) with the four international unions that are a party to the agreement.
- Regular Welded pay scale for site supervisory (employees not covered by the NPLA) clerical and support personnel assigned to the project.
- Fringe benefits, employee vehicle rental, travel pay, subsistence or per diem payments, payroll taxes and insurance.

77. Accordingly, in addition to the Fixed Fee covering back-office services, the Contract provides that Williams will reimburse Welded for the actual labor costs incurred by

Welded in constructing the pipeline. More specifically, Section VIII, Article 2.D, provides that "[c]ompensation for labor, including manual labor, professional services, management, supervision, and/or consultation, shall be paid for actual Work performed in accordance with this subsection 'D.'"

78. Tracking the language of the Letter of Intent, the Contract defines Welded's "Labor Costs" as:

> i) the actual wage rates and benefits paid to NPLA Personnel pursuant to the NPLA for actual Work performed, ii) the actual wages and benefits, in accordance with Exhibit 1 paid to Field Personnel for actual Work performed and iii) for both i and ii above, to the extent however not already addressed by or covered under the NPLA with respect to NPLA Personnel, fringe benefits, employee vehicle rental/pay, travel pay, per diem, fuel pay, payroll taxes and insurance in accordance with Exhibit 1 actually paid to NPLA and Field Personnel in connection with payment for actual Work.

79. Section I, Article 1, of the Contract defines "Work" as the "entire construction project" or any parts thereof:

> The term 'Work', as used in this Contract, shall mean the entire construction project and/or parts thereof that are to be performed by [Welded] pursuant to this Contract, including its appendices. Work may also be referred to in some of the appendices as 'Job', 'Construction' or 'Project'. The Contract, including its appendices, is intended to describe the Work [Welded] is performing hereunder. All documents that comprise the Contract are intended as complementary to one another. . . . Any errors or omission in the documents will not relieve [Welded] of its responsibility to perform and construct the Work as reasonably required pursuant to the generally accepted practices governing the type of Work being performed or constructed.

80. "Field Personnel" refers to any Welded employees and contract personnel (excluding Home Office Personnel) "who perform Work in the Field."

81. Under Section VIII, Article 2.D.2, "[c]ompensation for Work performed by Field Personnel shall be paid in accordance with the actual wages and benefits paid to Field Personnel as set forth in Exhibit 1."

82. Under Exhibit 1, Field Personnel are salaried employees whose compensation is fixed based on a 60-hour work week.

83. Specifically, Exhibit 1 identifies the weekly pay rate for various categories of Field Personnel, such as a Superintendent or Field Office Manager, as well as the miscellaneous benefits that Field Personnel receive, such as a Per Diem and Sunday Pay.

84. In contrast to Welded's Field Personnel, "NPLA Personnel" are, essentially, union members. The Contract defines NPLA Personnel as "those individuals who perform Work on the project who are members of a union that is party to the NPLA and whose payroll rates (including fringes, premiums, per diem, rents, etc.) are set forth and subject to payment and modification in accordance with the NPLA."

85. "NPLA" refers to "the effective National Pipeline Agreement between the Pipeline Contractors Association and: (i) the Laborers' International Union; and/or (ii) the International Brotherhood of Teamsters; and/or (iii) the United Association of Journeymen; and/or (iv) Apprentices of the Plumbing and Pipe Fitting Industry and the International Union of Operating Engineers."

86. Under Section VIII, Article 2.D.1, of the Contract, "[c]ompensation for Work performed by NPLA Personnel shall be paid in accordance with the actual wages and benefits paid to NPLA Personnel as set forth in the current NPLA, as evidenced in Exhibit 3."

87. Exhibit 3 identifies four applicable NPLAs:

1) NPLA International Brotherhood of Teamsters

2) NPLA United Association

3) NPLA International Union of Operating Engineers

4) NPLA Laborers International Union of NA[6]

88. Section VIII, Article 2.H, specifically incorporates the various NPLA into the Contract.

89. Under each NPLA, NPLA Personnel are paid for wait time and show-up time (collectively, "Wait/Show Up Time") if work days are lost or if the personnel have been ordered to report but have not been provided any tasks to perform. For instance, Section VII of the NPLA with the International Brotherhood of Teamsters deals expressly with "Waiting Time" and is explicit that NPLA Personnel's compensation includes payment for wait time:

> (A) Employees . . . shall be paid waiting time for any day lost during the normal scheduled work week. For any day lost during any one work week, the waiting time payment will be 2 hours to be paid at the applicable . . . straight-time rates, and will include any premium.

90. Similarly, Section IX of the NPLA with the International Brotherhood of Teamsters deals expressly with "Reporting Time Pay" and is explicit that NPLA Personnel's compensation includes payment for show-up time:

> (A) After a person has been hired and ordered to report for work at the regular starting time, and no work is provided for him on the day that he has so reported, he shall receive pay equivalent to four hours at the rate applicable for that day. This pay shall be provided notwithstanding that he has not been ordered to report for work on that particular day, if the person has been working regularly and the Employer has failed to notify him not to report for work at or before 8:00 P.M. the preceding day.
>
> (B) Any person who reports to work and for whom any work is provided, regardless of the time that he works, shall receive the equivalent of not less than four hours pay at the rate applicable for that day.
>
> (C) Any person who reports to work and who works more than four hours in any one day, shall receive the equivalent of not less than eight hours pay for said day.

[6] The four NPLAs in effect at the time of the project are attached hereto as Exhibits 5 through 8, respectively.

91. Section VIII, Article 2.H, states: "The list of benefits which may apply to personnel who are paid pursuant to the NPLA are defined and set forth in Exhibit 4." Exhibit 4 to the Contract is explicit that, in accordance with the NPLA, NPLA Personnel are paid Wait/Show Up Time as part of their "Standard Wages":

| Category | Code | Description | Notes |
|---|---|---|---|
| EARNINGS | SHOWL | LABORERS SHOW UP | Standard Wages |
| EARNINGS | SHOWT | TEAMSTERS SHOW UP | Standard Wages |
| EARNINGS | STAND | STAND-BY DAY | Standard Wages |
| EARNINGS | WAITH | WELDER (GRADED) HELPER WAIT TIME | Standard Wages |
| EARNINGS | WAITO | OPERATORS WAIT TIME | Standard Wages |
| EARNINGS | WAITU | WELDER'S WAIT TIME | Standard Wages |

92. Welded's labor costs also included amounts paid its workers on account of paid time off and holidays (the "Paid Time Off/Holidays").

93. The NPLAs are explicit that NPLA Personnel are entitled to compensation for Paid Time Off/Holidays. For instance, Section VII(D) of the National Pipeline Agreement with the International Brotherhood of Teamsters states that "[i]f no work is performed on a holiday designated by this Agreement, waiting time only shall be paid to" the applicable NPLA Personnel. Section VIII(D) of the NPLA with the International Union of Operating Engineers similarly states that "[i]f no work is performed on a holiday designated by this Agreement, waiting time only shall be paid to" the applicable NPLA Personnel. And Section XIII(C) of the National Pipeline Agreement with the pipefitters union states that "[i]f no work is performed on a holiday designated by this Agreement, Journeymen and Helpers shall be paid waiting time."

94. In addition, as noted above, Section VIII, Article 2.H, Exhibit 4 to the Contract identifies the "list of benefits which may apply to personnel who are paid pursuant to the NPLA . . . ." Exhibit 4 to the Contract is explicit that, in accordance with the NPLA, NPLA Personnel are compensated for Paid Time Off/Holidays as part of their "Standard Wages":

| Category | Code | Description | Notes |
|---|---|---|---|
| EARNINGS | HOL | HOLIDAY | Standard Wages |
| EARNINGS | PTO | PTO | Standard Wages |

95. Under the plain language of the Contract, NPLA Personnel receive compensation in accordance with the applicable NPLA and as set forth in Exhibit 4 to the Contract. Each NPLA and Exhibit 4 explicitly provide that NPLA Personnel are entitled to compensation for Wait/Show Up Time and Paid Time Off/Holidays. Accordingly, Wait/Show Up Time and Paid Time Off/Holidays are labor costs that Welded incurred in connection with the actual construction of Williams's pipeline.

96. Similarly, under the plain language of the Contract, Field Personnel receive compensation as set forth in Exhibit 1 to the Contract. Exhibit 1 explicitly provides that Field Personnel are salaried employees whose compensation is fixed regardless of any Wait/Show Up Time or Paid Time Off/Holidays. Accordingly, Welded's actual labor costs for Field Personnel include compensation for Wait/Show Up Time and Paid Time Off/Holidays.

97. In addition to Wait/Show Up Time and Paid Time Off/Holidays, Section VIII, Article 2.F, is explicit that NPLA Personnel and Field Personnel receive specified fringe benefits including travel pay and a per diem (collectively, "Travel Pay/Per Diem"). This stands in contrast to any living or travel expenses incurred by Welded's back-office personnel unrelated to the actual work onsite:

1. NPLA Personnel and Field Personnel. NPLA Personnel and Field Personnel who must temporarily relocate to the Field in connection with the performance of Work shall be paid a per diem in lieu of actual expenses as a part of Labor Costs. Travel expenses shall be paid to NPLA Personnel and Field Personnel as part of Labor Costs.

2. Home Office Personnel. Except as otherwise specifically set forth herein, the Fixed Fee covers all expenses for living and travel which may be incurred by Home Office Personnel in connection with Work performed.

98. Section VIII, Article 2.A, of the Contract explicitly includes "*travel pay, per diem* . . . actually paid to NPLA and Field Personnel in connection with payment for actual Work" as Welded's "Labor Costs."

99. In addition, as noted above, Section VIII, Article 2.H, Exhibit 4 to the Contract identifies the "list of benefits which may apply to personnel who are paid pursuant to the NPLA . . . ." Exhibit 4 to the Contract is explicit that, in accordance with the NPLA, NPLA Personnel receive Travel Pay/Per Diem as part of their "Standard Wages":

| Category | Code | Description | Notes |
|---|---|---|---|
| EARNINGS | PDTAX | TAXABLE PER DIEM | Standard Wages |
| EARNINGS | TRVL | TRAVEL ASSISTANCE (I/O) | Standard Wages |

100. As with Travel Pay/Per Diem benefits, Section VIII, Article 2.A, explicitly defines Welded's "Labor Costs" to include "payroll taxes and insurance . . . actually paid to NPLA and Field Personnel in connection with payment for actual Work" (the "Payroll Taxes/Insurance").

**C. Welded's equipment costs vary by month and are reimbursed by Williams.**

101. The Contract is explicit that Welded is not reimbursed for expenses incurred in connection with the back-office services it provides in support of the actual work on the Atlantic Sunrise pipeline. Rather, those expenses are covered by the Fixed Fee. By contrast, Welded is

entitled to reimbursement for the cost of equipment, materials, and supplies used in connection with its actual work on the pipeline.

102. The Contract provides for different reimbursement mechanisms for (i) Specialty Equipment and (ii) Included Equipment.

103. Specialty Equipment is defined as "equipment not typically owned by contractors performing work similar to this Work," including, among other things, horizontal directional drilling (HDD) rigs. Under the Contract, Welded invoices Williams for Specialty Equipment, and Williams pays for such Specialty Equipment, "at actual cost on a CIF (cost including freight and all taxes) reimbursable basis."

104. The Contract defines Included Equipment at "materials, equipment, supplies, tools, vehicles, machines, offices, office equipment, furnishings, communications and utilities typically owned, leased and/or provided by contractors performing work similar to this Work, such as those shown in Exhibit 2, as well as" other equipment specifically identified in the Contract, including "vehicles, trucks and machinery" and "equipment for cutting, sand-blasting, grinding, drilling, digging, [and] trenching . . . ."

105. Under the Letter of Intent, Welded and Williams agreed that, rather than track every nut and bolt used in construction of the pipeline, Welded would receive an amount equal to half of its labor costs, without any markup, as reimbursement for providing standard equipment and supplies. The Letter of Intent identified examples of the included equipment and supplies under the heading: "Equipment, Fuel, and Supplies – 50% of actual Labor cost."

106. Accordingly, under the Contract, Welded's reimbursement for Included Equipment takes the form of a flat monthly "Equipment Fee" based on the "Labor Costs" associated with the Field Personnel and NPLA Personnel actually constructing the pipeline.

More specifically, the Contract provides that Welded's Equipment Fee is "a flat fee calculated as 50% of Labor Costs payable for actual Work performed by all NPLA Personnel and Field Personnel assigned to the project."

107. As noted above, Section I, Article 1, of the Contract defines "Work" as the "entire construction project" or any parts thereof. And as noted above, the Contract defines "Labor Costs" specifically by reference to the wages and benefits payable to NPLA Personnel under the NPLA or to Field Personnel under Exhibit 1, as well as certain other miscellaneous benefits, to the extent not already covered under the NPLA or Exhibit 1.

108. In certain cases, the "benefits paid to NPLA Personnel pursuant to the NPLA" include payment for vehicles and machinery that the NPLA Personnel provide or require. For instance, Section XVI of the NPLA with the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, AFL-CIO, is devoted specifically to "Welding Rigs" and is explicit that a union welder will provide his or her own welding rig: "[A] Welder Journeyman who is dispatched to a project as a rig Welder will be required to provide a usable rig as a condition of the dispatch." And Welded must pay the Welder Journeyman a "rig rental rate" equal to "the maximum hourly rate determined by the Internal Revenue Service ('IRS') to be non-taxable . . . ."

109. Exhibit 1 to the Contract, titled "Indicative Wages & Benefits by Labor Classification," specifically identified the labor classifications, including "UA – Welder Foreman" and "UA – Welder" that would receive "RIG Rental" as a fringe benefit.

110. In addition, Section VI(E) of the NPLA with the International Union of Operating Engineers provides for Operators to receive a daily payment ranging from $65 to $100 to cover Pickup Rental. Similarly, Section IX(E) of the NPLA with the Laborers' International Union of

North America provides that Stewards will receive truck pay of $65 per day when six or more Laborers are employed on a project and, further, that truck pay for other union members must match the truck pay Operators receive.

111. Exhibit 1 to the Contract, titled "Indicative Wages & Benefits by Labor Classification," specifically identifies the labor classifications, including "Foreman – Operator Craft" and "Laborer Steward," that would receive "Vehicle Rental" as a fringe benefit.

112. As noted above, the definition of Welded's "Labor Costs" under the Contract specifically includes "employee vehicle rental/pay . . . actually paid to NPLA and Field Personnel in connection with payment for actual Work," to the extent that "employee vehicle rental/pay" is not otherwise captured under the NPLA.

113. Accordingly, all of these vehicle and rig-rental payments (collectively, the "Vehicle and Rig Rental Fees") are, by definition, "Labor Costs" under the Contract.

114. As in the case of Wait/Show Up Time and Travel Pay/Per Diem, Exhibit 4 to the Contract is explicit that, in accordance with the NPLA, NPLA Personnel receive Vehicle and Rig Rental Fees as part of their "Standard Wages":

| Category | Code | Description | Notes |
|---|---|---|---|
| EARNINGS | EQUIP | EQUIPMENT RENTAL | Standard Wages |
| EARNINGS | RIGMT | TAXABLE MECHANIC RIG RENTAL | Standard Wages |
| EARNINGS | RIGWT | TAXABLE WELDER'S RIG RENTAL | Standard Wages |
| EARNINGS | VEH | VEHICLE RNTL TXBL | Standard Wages |

115. The Equipment Fee is calculated based on the "Labor Costs" that Welded actually incurred constructing Williams's pipeline, including Wait/Show Up Time, Travel Pay/Per Diem, Paid Time Off/Holidays, Payroll Taxes/Insurance, and Vehicle and Rig Rental Fees.

**D. Welded's Subcontractor costs are reimbursed by Williams.**

116. Section VIII, Article 2.A, of the Contract defines a "Subcontractor" as "any third party contracted by [Welded] . . . to provide Work, services and/or equipment, materials, supplies or consumables to the Project." The Contract is explicit that "the term 'Subcontractor' includes third parties with whom [Welded] has entered into leases or rental agreements for equipment, machinery and other project/ construction items."

117. Subcontractor invoices were required to state, among other things, "the dates Work was performed or delivered, the location(s) where Work was performed or delivered, the units of Work performed or delivered, the relevant spread number and the price for Work performed or delivered."

118. Again, as noted above, Section I, Article 1, of the Contract defines "Work" as the "entire construction project" or any parts thereof.

119. Also as noted above, the Letter of Intent provided that Transco would reimburse Welded for "Subcontracts, Materials, Specialty Equipment and Outside Services" at "Actual cost."

120. The Letter of Intent elaborated: "The cost for items in this category will be paid on a CIF (cost including freight and all taxes) reimbursable basis. . . . A list of example Subcontracts/Services, Specialty Equipment and Materials and [sic] is attached."

121. Further, the Letter of Intent was explicit that any equipment provided by Subcontractors was not covered by the Equipment Fee. More specifically, the Letter of Intent stated that equipment covered by the Equipment Fee would include: "All owned/leased other construction equipment typically deployed on large-diameter pipeline spreads required for the

project including trucks, pickups and other support equipment (*other than those items deemed Subcontract/Services* or Specialty Equipment as per the examples below)" (emphasis added).

122. The "Examples of Subcontracts and Services" included material hauling, dump truck services, outside trucking, and portable toilets, among other things:

> Clearing, HDD, material hauling, mechanized welding equipment and services (*labor component for main line welding included in labor cost), padding equipment, commercial coating FBE equipment, sanitation (dumpsters), trench boxes, fencing, landscape services, caliper tool services, hauling permits, drug testing, dump truck services, outside trucking, , [sic] road repairs, sanitation (port-a-john), foam equipment & technicians, welding procedures, road boring sheet piling, dewatering, drain tile repair, vacuum excavation.

123. Section II of the Contract concerns the "Scope of Work." Article 3C15 of Section II is titled Site Sanitation and states that "[p]ortable latrines shall be required for each work location. . . . [Welded] shall include the reimbursable cost of these facilities in the bid."

124. Section VIII, Article 2.H, of the Contract is explicit that Welded "shall not be entitled to mark-up on Subcontractor invoices and/or invoices for services, goods, Specialty Equipment nor Materials." Rather, Section VIII, Article D.5, provides that "[c]ompensation for actual Work performed by Subcontractors shall be invoiced and paid in accordance with actual amounts CIF (costs including freight and taxes) invoiced by any such Subcontractors." Similarly, according to Section VIII, Article G.5, to the extent that "Subcontractor personnel . . . are living and traveling in direct connection with the Work," Williams "shall reimburse the actual rental cost of a rental vehicle used in connection with the performance of Work in the Field."

**E. The Contract provides Welded with incentives for timely and efficient completion of construction.**

125. The Contract also established a two-pronged incentive program. One component of the incentive program encouraged Welded to complete its work below a targeted budget (the

"Cost Incentive Program"). A second component of the incentive program encouraged Welded to complete its work before a targeted completion date (the "Schedule Incentive Program").

126. Originally, the Contract contemplated that work on the pipeline would begin in February 2017 and would be completed before winter weather returned the following year. Under these circumstances, the Contract set forth a target budget of $335,000,000 and a target completion date of October 6, 2017.

127. However, because Williams failed to obtain the necessary permits, construction was unable to begin until September 2017, which would require Welded and its subcontractors to contend with challenging and unpredictable weather. Accordingly, Welded and Transco entered into the Amendment to the Contract. Mr. Hawkins executed the Amendment on behalf of Welded on March 30, 2018, and Mr. Armstrong executed the Amendment on behalf of Transco on May 15, 2018.

128. Among other things, the Amendment increased the targeted budget to $454,500,000 and extended the targeted completion date to June 14, 2018.

129. Under the Cost Incentive Program, Welded was entitled to receive a payment equal to $5 million plus half of any cost savings. For every dollar over the target budget, the payment to Welded would be reduced by $0.25. The amounts that Welded could end up owing under the Cost Incentive Program were capped at $10 million.

130. Under the Schedule Incentive Program, Welded was entitled to receive a payment equal to $5 million plus an additional $1 million for every week that Welded finished before the target completion date. For every week beyond the target completion date, the payment to Welded would be reduced by $500,000. The amounts that Welded could end up owing under the Schedule Incentive Program were uncapped.

131. As noted above, Welded achieved mechanical completion of its segment of the pipeline on September 19, 2018. The final cost of Welded's work on Atlantic Sunrise pipeline, including the Fixed Fee, was approximately $750 million.

132. In September 2018, Welded paid Williams $10 million in connection with the Cost Incentive Program. In addition, Williams has withheld $1,928,571 on account of purported delay damages in connection with the Schedule Incentive Program. However, as set forth in more detail below, the schedule and cost overruns were due to factors outside Welded's control, notably including Williams's own missteps.

## IV. Winter weather and Williams's missteps caused schedule and cost overruns.

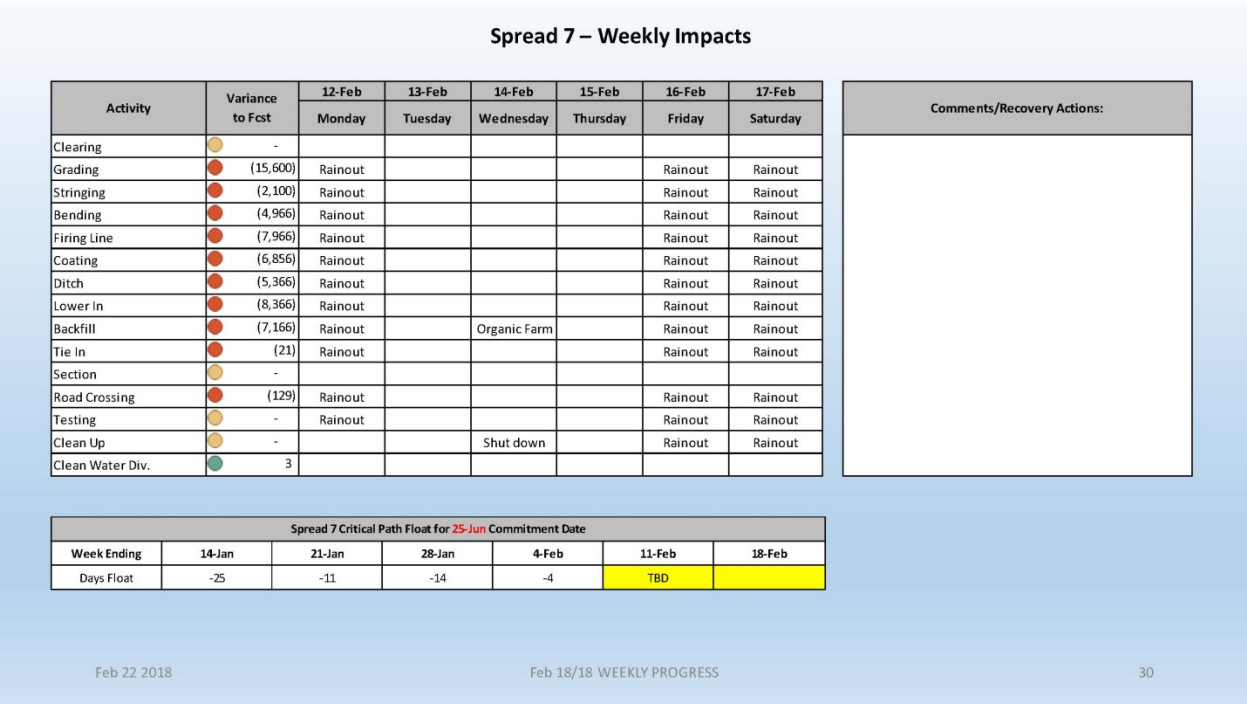
133. As noted above, Williams and Welded amended the original target budget and target completion date to reflect that a September start date would require Welded to contend with more difficult weather conditions than originally anticipated.

134. Accordingly, the amended budget and completion date made allowance for a day of downtime per time. In actuality, however, Welded and the other contractors working on the Atlantic Sunrise project dealt with significantly more difficult weather conditions than even the amended budget and completion target had contemplated.

135. As detailed in Welded's weekly reports to Williams, winter weather severely impaired productivity. For instance, in its report dated January 14, 2018, Welded identified "[l]ost production time due to [i]nclement weather conditions" as one of the "Critical Issues" at Spread 5.[7] The Critical Issues for Spread 6 similarly included "[w]orking in winter conditions, lost productivity." And Spread 7 reported "[g]rade shutdowns due to frozen conditions. Critical waterbody crossings are awaiting grading."

[7] The weekly report dated January 14, 2018, is attached hereto as Exhibit 9.

136. On or around February 11, 2018, Welded began specifically identifying for Williams all of the days of productivity that were being lost due to adverse weather conditions. For example, during the week of February 12, 2018, half a week of productivity was lost at Spread 7:



**Spread 7 – Weekly Impacts**

| Activity | Variance to Fcst | 12-Feb Monday | 13-Feb Tuesday | 14-Feb Wednesday | 15-Feb Thursday | 16-Feb Friday | 17-Feb Saturday |
|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | |
| Grading | (15,600) | Rainout | | | | Rainout | Rainout |
| Stringing | (2,100) | Rainout | | | | Rainout | Rainout |
| Bending | (4,966) | Rainout | | | | Rainout | Rainout |
| Firing Line | (7,966) | Rainout | | | | Rainout | Rainout |
| Coating | (6,856) | Rainout | | | | Rainout | Rainout |
| Ditch | (5,366) | Rainout | | | | Rainout | Rainout |
| Lower In | (8,366) | Rainout | | | | Rainout | Rainout |
| Backfill | (7,166) | Rainout | | Organic Farm | | Rainout | Rainout |
| Tie In | (21) | Rainout | | | | Rainout | Rainout |
| Section | - | | | | | | |
| Road Crossing | (129) | Rainout | | | | Rainout | Rainout |
| Testing | - | Rainout | | | | Rainout | Rainout |
| Clean Up | - | | | Shut down | | Rainout | Rainout |
| Clean Water Div. | 3 | | | | | | |

Comments/Recovery Actions:

| Spread 7 Critical Path Float for 25-Jun Commitment Date | | | | | | |
|---|---|---|---|---|---|---|
| Week Ending | 14-Jan | 21-Jan | 28-Jan | 4-Feb | 11-Feb | 18-Feb |
| Days Float | -25 | -11 | -14 | -4 | TBD | |

Feb 22 2018 Feb 18/18 WEEKLY PROGRESS 30

Spreads 5 and 6 similarly lost multiple days of productivity from February 12 to February 17, 2018.[8]

137. The following week, adverse weather conditions again cost Welded multiple days of productivity, including at Spread 5 where rain shut down the construction for most of a week:[9]

[8] The weekly report dated February 18, 2018, is attached hereto as Exhibit 10.

[9] The weekly report dated February 25, 2018, is attached hereto as Exhibit 11.

**Spread 5 – Weekly Impacts**

| Activity | Variance to Forecast | 19-Feb Monday | 20-Feb Tuesday | 21-Feb Wednesday | 22-Feb Thursday | 23-Feb Friday | 24-Feb Saturday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | |
| Grading | (4,783) | Partial Rain Delay | | | Rain Out | Rain Out | Rain Out | |
| Stringing | (5,009) | Partial Rain Delay | | | Rain Out | Rain Out | Rain Out | |
| Bending | (4,053) | Partial Rain Delay | | | Rain Out | Rain Out | Rain Out | |
| Firing Line | (1,848) | Partial Rain Delay | | | Rain Out | Rain Out | Rain Out | |
| Coating | (3,049) | Partial Rain Delay | | | Rain Out | Rain Out | Rain Out | |
| Ditch | (4,570) | Partial Rain Delay | | | Rain Out | Rain Out | Rain Out | |
| Lower In | (1,018) | Partial Rain Delay | | | Rain Out | Rain Out | Rain Out | |
| Backfill | (999) | Partial Rain Delay | | | Rain Out | Rain Out | Rain Out | |
| Tie In | (12) | Partial Rain Delay | | | Rain Out | Rain Out | Rain Out | |
| Hill | (1,253) | Partial Rain Delay | | | Rain Out | Rain Out | Rain Out | |
| Road Crossing | (124) | Partial Rain Delay | | | Rain Out | Rain Out | Rain Out | |
| Testing | - | | | | | | | |
| Clean Up | - | | | | | | | |
| Clean Water Div. | - | | | | | | | |

Mar 1 2018 Feb 25/18 WEEKLY PROGRESS 6

138. As late as March 19, 2018, Welded's weekly reports informed Williams that snowfall continued to shut down work on the pipeline for days at a time:[10]

**Spread 7 – Weekly Impacts**

| Activity | Variance to Fcst | 19-Mar Monday | 20-Mar Tuesday | 21-Mar Wednesday | 22-Mar Thursday | 23-Mar Friday | 24-Mar Saturday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | |
| Grading | (6,666) | | 1/2 Day Snow Out | Snow Out | Snow Out | Snow Out | Snow Out | |
| Stringing | (2,800) | | 1/2 Day Snow Out | Snow Out | Snow Out | Snow Out | 3 Hour Weather | worked Sunday |
| Bending | (1,100) | | 1/2 Day Snow Out | Snow Out | Snow Out | Snow Out | | worked Sunday |
| Firing Line | (5,966) | 2 Hours - Road Restriction | 2 Hours / Road Restriction & 1/2 Day Snow Out | Snow Out | Snow Out | Snow Out | 1 Hour Weather | |
| Coating | (5,155) | | 1/2 Day Snow Out | Snow Out | Snow Out | Snow Out | | |
| Ditch | 234 | | 1/2 Day Snow Out | Snow Out | Snow Out | Snow Out | | worked Sunday |
| Lower In | (5,766) | | 1/2 Day Snow Out | Snow Out | Snow Out | Welds Only | | worked Sunday |
| Backfill | (6,166) | | 1/2 Day Snow Out | Snow Out | Snow Out | Snow Out | | |
| Tie In | (3) | | 1/2 Day Snow Out | Snow Out | Snow Out | | | worked Sunday (2 crews) |
| Road Crossing | (44) | | 1/2 Day Snow Out | Snow Out | Snow Out | | | worked Sunday |
| Testing | (21,120) | | 1/2 Day Snow Out | Snow Out | Snow Out | Snow Out | | |
| Clean Up | (3,000) | 3 Hours - Wet Soil | 1/2 Day Snow Out | Snow Out | Snow Out | Snow Out | Snow Out | |
| Clean Water Div. | 2 | | | | | | | |

Mar 30 2018 Mar 25/18 WEEKLY PROGRESS 3

[10] The weekly report dated March 25, 2018, is attached hereto as Exhibit 12.

139. Even after the winter, construction continued to be severely hindered by rain, which was debilitating to the project because the wet and muddy terrain would prevent the necessary machinery from reaching the worksite:[11]

**Spread 5 – Weekly Impacts**

| Activity | Variance to Forecast | 16-Apr Monday | 17-Apr Tuesday | 18-Apr Wednesday | 19-Apr Thursday | 20-Apr Friday | 21-Apr Saturday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|
| Clearing | (1,283) | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | |
| Grading | (1,283) | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | Building access roads |
| Stringing | (2,200) | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | As needed from the yard |
| Bending | (2,200) | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | As needed from the yard |
| Firing Line | (2,196) | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | Welded in "Hill Section" |
| Coating | 1,792 | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | |
| Ditch | (1,870) | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | |
| Lower In | (1,129) | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | |
| Backfill | 350 | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | |
| Tie In | 10 | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | |
| Hill | (941) | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | |
| Road Crossing | (50) | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | Punched out at 901. |
| Testing | - | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | |
| Clean Up | (2,250) | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | |
| Clean Water Div. | - | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | |

Apr 26 2018 Apr 22/18 WEEKLY PROGRESS 6

140. As Alan Armstrong, Williams's President, CEO, and Director, explained shortly thereafter on an earnings call on May 3, 2018, the Atlantic Sunrise project was suffering "an extremely wet and extended winter," and there had been "very difficult conditions up there" that needed to be "overcome."

141. On the same earnings call, Micheal G. Dunn, Williams Co.'s Executive VP & COO, reiterated that meeting the target completion date would be "really weather dependent":

> [W]e had a tough winter up there. Anybody that's residing in the Northeast knows how tough it was. And a lot of snow and rain on the right of way, but the contractors have done a great job progressing through the winter. . . . So it's really weather-dependent now. . . . And it's really all driven by getting some good weather in the Northeast, and we'll make some really good progress as soon as the weather breaks up there for us.

[11] The weekly report dated April 22, 2018, is attached hereto as Exhibit 13.

142. The weather did not break as Mr. Dunn had hoped. In July, rain prevented work on the pipeline for large stretches of time:[12]

**Spread 5 – Weekly Impacts**

| Activity | Variance to Forecast | 23-Jul Monday | 24-Jul Tuesday | 25-Jul Wednesday | 26-Jul Thursday | 27-Jul Friday | 28-Jul Saturday | 29-Jul Sunday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | | |
| Grading | - | | | | | | | | |
| Stringing | - | Rain out | Rain out | Rain out | | | | | |
| Bending | - | Rain out | Rain out | Rain out | Rain out | | | | |
| Firing Line | - | | | | | | | | |
| Coating | - | | | | | | | | |
| Ditch | - | Rain out | Rain out | Rain out | Rain out | Rain out | | | |
| Lower In | - | Rain out | Rain out | Rain out | Rain out | Rain out | | | |
| Backfill | - | Rain out | Rain out | Rain out | Rain out | Rain out | | | |
| Tie In | - | Rain out | Rain out | Rain out | 5 of 6 RO | 5 of 6 RO | | | |
| Hill | - | Rain out | Rain out | Rain out | 2 or 3 RO | 2 or 3 RO | | | |
| Road Crossing | - | Rain out | Rain out | Rain out | Rain out | | | | |
| Testing | - | Rain out | Rain out | Rain out | Rain out | | | | |
| Clean Up | - | Rain out | Rain out | Rain out | Rain out | Rain out | Rain out | Rain out | |
| Restoration | - | Rain out | Rain out | Rain out | Rain out | Rain out | Rain out | Rain out | |

Aug 02, 2018 July 29 2018 WEEKLY PROGRESS 6

**Spread 6 – Weekly Impacts**

| Activity | Variance to Forecast | 23-Jul Monday | 24-Jul Tuesday | 25-Jul Wednesday | 26-Jul Thursday | 27-Jul Friday | 28-Jul Saturday | 29-Jul Sunday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | | |
| Grading | - | | | | | | | | |
| Stringing | - | | | | | | | | |
| Bending | - | | | | | | | | |
| Firing Line | - | | | | | | | | |
| Coating | - | | | | | | | | |
| Ditch | - | | | | | | | | |
| Lower In | - | | | | | | | | |
| Backfill | - | | | | | | | | |
| Tie In | - | Rained Out | Rained Out | Rained Out | Shut Down | Shut Down | Shut Down | | |
| Road Crossing | - | Rained Out | Rained Out | Rained Out | Shut Down | Shut Down | Shut Down | | |
| Testing | - | Rained Out | Rained Out | Rained Out | Shut Down | Shut Down | Shut Down | | |
| Clean Up | - | Rained Out | Rained Out | Rained Out | Shut Down | Shut Down | Shut Down | | |
| Restoration | - | Rained Out | Rained Out | Rained Out | Shut Down | Shut Down | Shut Down | | |

Aug 02, 2018 July 29 2018 WEEKLY PROGRESS 16

[12] The weekly report dated July 29, 2018, is attached hereto as Exhibit 14.

143. On July 29, 2018, Welded reported "17 [inches] of rain since 7-21-18. Wide spread flooding along the [right of way] footprint. Multiple bridge crossings washed away. Loss of previously restored [right of way]."

144. On August 2, 2018, Mr. Armstrong acknowledged on Williams's quarterly earnings call that the Atlantic Sunrise project teams had dealt with "record levels of rainfall with tremendous diligence, professionalism and integrity" but were "still battling the impacts of major flooding in the area last week . . . ."

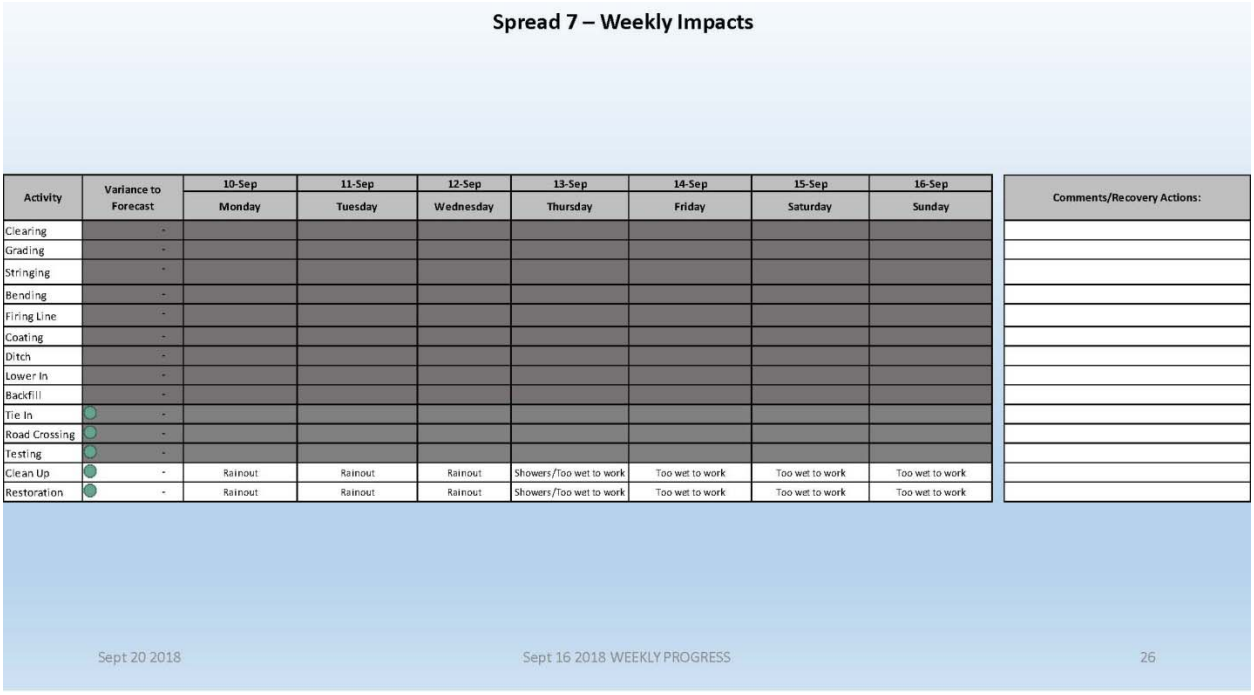
145. Three weeks later, Welded's status report reflected that it was still battling the effects of that flooding. In its report dated August 26, 2018, Welded described a number of "Critical Issues" :

- Over 20" of rain in the past 30 days. Wide spread flooding along the [right of way] footprint.
- Multiple bridge crossings washed away. Ongoing efforts to recover destruction debris off the [Limits of Disturbance].
- Re-work at Mahantango and Mahanoy creek.
- Loss of previously restored [right of way]. Severely hindered clean-up and restoration expectations.[13]

146. Even as construction neared completion, the rainy weather did not abate:[14]

[13] The weekly report dated August 26, 2018, is attached hereto as Exhibit 15.

[14] The weekly report dated September 16, 2018, is attached hereto as Exhibit 16.



**Spread 7 – Weekly Impacts**

| Activity | Variance to Forecast | 10-Sep Monday | 11-Sep Tuesday | 12-Sep Wednesday | 13-Sep Thursday | 14-Sep Friday | 15-Sep Saturday | 16-Sep Sunday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | | |
| Grading | - | | | | | | | | |
| Stringing | - | | | | | | | | |
| Bending | - | | | | | | | | |
| Firing Line | - | | | | | | | | |
| Coating | - | | | | | | | | |
| Ditch | - | | | | | | | | |
| Lower In | - | | | | | | | | |
| Backfill | - | | | | | | | | |
| Tie In | - | | | | | | | | |
| Road Crossing | - | | | | | | | | |
| Testing | - | | | | | | | | |
| Clean Up | - | Rainout | Rainout | Rainout | Showers/Too wet to work | Too wet to work | Too wet to work | Too wet to work | |
| Restoration | - | Rainout | Rainout | Rainout | Showers/Too wet to work | Too wet to work | Too wet to work | Too wet to work | |

Sept 20 2018 Sept 16 2018 WEEKLY PROGRESS 26

147. The pipeline's other contractors were similarly beset by rain. For instance, Latex Construction Company, Inc., which constructed the pipeline for Spread 4, adjacent to Welded's construction, achieved mechanical construction less than a week before Welded did.

148. As recently as April 4, 2019, Williams was claiming in its submissions to FERC that its labor costs on Latex's and Welded's portions of the pipeline were higher than expected due to winter construction, wet weather impacts, and the installation of substantially more erosion control measures than estimated.

149. In finally announcing the completion of the pipeline on October 4, 2018, Mr. Dunn reiterated on behalf of Williams how "proud" he was that the project was completed in a safe and responsible matter, particularly given that "[e]ven in the final months of construction, . . . some segments of the project area sustained more than 20 inches of rainfall . . . ."

150. On the same day that Mr. Dunn was praising the Atlantic Sunrise project teams, Williams withheld approximately $24 million from Welded, including $1,928,571 allegedly on account of delay damages.

151. The funds withheld by Williams diminished the Fixed Fee payable to Welded, which as set forth in section VIII, Article 2.A, of the Contract, represents the "profit payable to [Welded] in connection with the Project . . . ."

152. Section VIII, Article 2.B, is explicit that that profit "is a fixed, firm negotiated amount which is neither subject to modification nor escalation or reduction, due to . . . costs or delay due to due to unexpected weather or geological conditions experienced over the course of the Project."

153. The Contract does not permit Williams to withhold or reduce Welded's Fixed Fee due to weather-related delay or cost overruns.

154. In addition, the Contract does not permit Williams to withhold or reduce payment to Welded on account of cost and schedule overruns that Williams caused and for which it now blames Welded.

155. On several occasions, Williams specifically directed Welded to hire more personnel. For instance, around April or May 2018, Williams required Welded to hire four more tie-in crews of 25–30 people each to assist with making the final welds between sections of the pipeline. And around July or August of 2018, Williams required Welded to hire another four crews of 25–30 people each to assist in clean-up and restoration efforts.

156. In addition to the above, Williams required Welded to install and maintain additional environmental controls to protect adjacent wetlands and waterbodies and to keep soil and water on the rights-of-way and off the property of adjacent landowners. Williams's increased environmental-control demands forced Welded to retain five additional Environmental Crews, a slope-drain crew, and three Teamsters, causing environmental-related costs to exceed the budgeted amount by more than 40%.

157. Even putting aside Williams's ever-increasing demands, however, the target budget and target completion date were obsolete from the moment the project began because they were computed in the first instance using faulty information supplied by Williams.

158. For instance, Williams's survey data described the terrain that Welded could expect to encounter. According to Williams's survey data, the terrain in Spreads 5, 6, and 7 was mostly dirt, with relatively little rock.

159. Rocky terrain requires blasting, which takes longer than digging and requires additional time, effort, material, and equipment to ensure that the pipe is secure and the surrounding area is cleaned and restored. Accordingly, pipeline construction in rocky terrain takes significantly longer and is significantly more expensive than pipeline construction where the terrain is mostly dirt.

160. Williams's survey data significantly underestimated the amount of rock in Spreads 5, 6, and 7. For instance, the rock footage in Welded's bore estimate for Spread 7 needed to be adjusted from 25% rock to 85% rock. The rock footage for Spread 6 was increased from 40% to 85%. At the end of the day, actual blasting-related expenses were approximately three times the amount budgeted based on Williams's faulty survey data.

161. Similarly, Williams's engineering study for Spreads 5, 6, and 7 significantly underestimated the amount of karst areas that Welded would need to contend with.

162. In karst areas, soluble rocks like sandstone create the risk of a sinkhole or other subsurface void forming under the pipeline. Karst mitigation required Welded to fill voids with grout and put cement piles under the pipeline for support.

163. As with the rock blasting, the actual cost of karst mitigation was nearly three times the amount budgeted based on Williams's faulty engineering study.

164. Williams also dictated the welding protocol for Welded to follow in constructing the pipeline. Welded followed that protocol meticulously, and yet the X-ray imaging performed by JANX, the expert hired by Williams to provide nondestructive-testing and inspections services, continued to identify "transverse indications"—that is, cracks perpendicular to the weld.

165. Williams modified the welding procedures numerous times to try to address the issue identified by JANX. On March 21, 2018, Mr. Hood wrote to Mr. Sztroin that the welds continued to be deemed unacceptable despite significant efforts:

> The SMAW welding process has continued to provide less than desirable results across the project. Since first identified, Welded has taken a number of steps in an effort to improve results, all in consultation with Williams[']s] welding [expert]:
>
> - Additional competency tests performed by welders on 42" pipe
> - Preheat temperature raised
> - Interpass heating applied
> - Post-weld blanketing applied
> - Induction heating performed on Spread 5 mainline welds
> - Detailed instructions on number of passes by pipe gang and firing line implemented.
>
> Even with these mitigating measures, weld acceptance has not significantly improved.
>
> In addition to this, a number of accepted repair welds were recently identified as potential cut-outs.
>
> Welded requests specific guidance on the SMAW process to be followed going forward and a disposition for the newly identified repair welds in question.

166. Mr. Sztroin quickly responded: "We are very aware of the issue, and we will get back with Welded no later than tomorrow. But until then, please proceed with the latest procedures that our [expert] issued to our construction management."

167. Welded even retained its own certified expert in non-destructive evaluation, Mr. David Culbertson with Shaw Pipeline Services, to assess the reported "transverse indications" in the weld.

168. Upon arriving on site, however, Mr. Culbertson was immediately informed by JANX that Bob Comeaux, Williams's Senior Technical Specialist Welding, had instructed JANX not to allow Mr. Culbertson to review any of the X-ray film.

169. After several days and numerous attempts to obtain authorization to allow Mr. Culbertson to review the X-ray film, Welded gave up and sent Mr. Culbertson home. Mr. Culbertson then departed without ever viewing the X-ray film showing transverse indications.

170. Meanwhile, Spread 5 had multiple locations where the pipe was sitting on support skids for more than 30 days, awaiting a determination of whether the welds were acceptable. Beyond simply delaying the project, however, leaving the pipe exposed for that length of time presented a safety hazard.

171. As Welded reported to Williams, "[f]reezing, thawing, melting snow & rain have degraded conditions on [the right of way] so that skids are breaking, separating and creating a potential hazard to crews working nearby." Welded experienced "multiple incidents of pipe falling of skids and causing damage to adjacent equipment[] and materials."

172. Eventually, a few weeks after Welded was forced to send Mr. Culbertson home, Williams itself hired Mr. Culbertson who determined, finally, that there was no integrity issue with the welds after all, and many of the welds were deemed acceptable.

173. Welded received the final list of transverse indications from JANX on June 9, 2018, which revealed that as many as 77 welds had been cut out without any justification at all.

174. Cutting out and replacing all of these welds increased Welded's costs and hindered its progress significantly. Neither Williams nor JANX ever provided any explanation for their errors.

175. Williams's inability to exercise proper oversight over the project did not end there, however. Welded's weekly status reports from June 17 to July 19, 2018, repeatedly lamented the "[a]bsence of Williams Construction Manager to coordinate and resolve critical issues with Williams land, inspection, environmental, security, roads, etc."

176. Williams also failed to provide adequate security to address significant protestor interference in Spread 7 from a group organized specifically to oppose construction of the Atlantic Sunrise pipeline in Lancaster County.

177. For instance, on October 9, 2017, protestors formed a vehicle blockade to obstruct Welded's access to the construction site. And on October 16, 2017, twenty-three people were arrested for defiant trespassing after they blocked Welded's access to construction equipment. On October 21, 2017, six more people were arrested for blocking access to the construction site. Other protests brought other arrests, including five more individuals who were arrested after sitting in front of a working backhoe. By November 18, 2017, less than two months into construction, protester interference had already led to the arrest of 45 individuals.

178. Welded's weekly reports pleaded repeatedly that "additional security measures be taken by Williams" at the site, including a full-time police presence.[15]

179. Welded also repeatedly warned Williams that action was necessary because the pipeline's horizontal directional drilling (HDD) subcontractor "plans to leave the site for the day when protestors arrive."

[15] As noted above, the weekly report dated March 25, 2018, is attached hereto as Exhibit 12.

180. In its weekly report dated March 25, 2018, Welded alerted Williams that "[r]ecent protestor action has become more aggressive," forcing Welded to add daytime security to the site and to consult with local police on multiple occasions.

181. After months of inaction by Williams, Welded's weekly status report dated May 6, 2018, was blunt:

** Welded is awaiting approval to place the constables on site. **[16]

182. Williams's failings were not limited to its neglect of worksite security. Williams also failed to obtain timely permits on numerous occasions, which cumulatively were a significant cause of the project's cost and schedule overruns. As set forth in the table below, in many cases Williams did not obtain the necessary regulatory approvals until just before the June 14 target completion date. Indeed, in many cases, Williams did not obtain regulatory approval until long after the target completion date.

| | Variance | Date Received |
|---|---|---|
| Spread 5 | Industrial/Quaker Run | 7/14/2018 |
| Spread 6 | Goldmine Road | 6/7/2018 |
| | Cavalry Rd | 6/29/2018 |
| | Jonestown Rd | 6/29/2018 |
| Spread 7 | I-76 Bore (include creek) | 6/7/2018 |
| | Pequea Creek | 6/27/2018 |
| | Chiques Creek | 6/12/2018 |

183. For instance, as early as April 12, 2018, Welded had begun to warn Williams that "[t]he Amtrak Railroad bore permit is not ready and could take 30-60 days for approval after submittal. Approval of the first submittal is not guaranteed and any revisions are subject to the

[16] The weekly report dated May 6, 2018, is attached hereto as Exhibit 17.

same review period."[17] By that point, Welded had already submitted all of the documents that it was responsible for.

184. Throughout April and May 2018, Welded provided Williams with weekly reminders about the Amtrak permit.

185. By the end of May, Welded's concerns were borne out, and Williams was forced to reapply for the Amtrak permit on May 31, 2018—just two weeks before the target completion date.[18]

186. Accordingly, the target completion date had already passed by the time that Williams obtained the Amtrak permit necessary to allow Welded to complete its work.

187. In the 10-Q filed with the SEC for the period ended June 30, 2018, Williams itself acknowledged that its failure to obtain the requisite permits was a gating issue for completion of the pipeline: "We expect to place the full project into service in the second half of August 2018, assuming timely receipt of the remaining regulatory approvals."

## V. Transco filed two proofs of claim in these chapter 11 cases.

188. On February 28, 2019, Transco filed two proofs of claim against Welded.

### A. Claim 632 should be disallowed in full.

189. Pursuant to claim number 632 ("Claim 632"), Transco contends that it has identified "a number of anomalies/defects covered by Debtor's warranty under the Contract" and seeks damages in the estimated amount of $16,320,000 for costs that Transco contends it will incur in connection with the repair of allegedly defective work performed by Welded.

190. Welded disputes the validity of Claim 632 because, on information and belief, to the extent that any pipeline coating anomalies or defects exist at the locations identified in the

[17] The weekly report dated April 8, 2018, is attached hereto as Exhibit 18.

[18] The weekly report dated May 31, 2018, is attached hereto as Exhibit 19.

documents included within Claim 632, such anomalies or defects are attributable to inadequate or improper coating on pipes provided by Transco's third-party supplier.

191. Section I, Article 22C, of the Contract is explicit that "[a]ll labor and materials necessary to replace or repair items originally furnished by [Transco] that prove to be defective will be paid for by [Transco]."

192. As such, the pipeline-coating anomalies or defects identified by Transco, to the extent that they actually exist (which Welded does not concede), do not constitute "Defective Work" for which Welded may have obligations under the Contract to remedy, repair, or replace at its sole cost and expense.

193. Welded reserves any and all other defenses and rights to object to Claim 632 on any other grounds.

**B. Claim 636 should be disallowed in full.**

194. Pursuant to claim number 636 ("Claim 636"), Transco contends that Welded is indebted to Transco in the aggregate amount of $94,291,513.58. Transco asserts the following four general categories of damages against Welded: (i) allegedly overbilling Williams ($45,611,991.00), (ii) purportedly violating municipal regulations and billing Williams for allegedly non-reimbursable expenses ($7,605,609.63), (iii) allegedly causing schedule overruns ($1,928,571.00), and (iv) allegedly withholding payments to subcontractors and suppliers ($39,145,341.95).

**(i) Transco's claims for "Category I" damages lack merit.**

195. *Equipment Fee for Wait/Show Up Time ($2,426,943.00).* Transco claims that the amounts Welded paid its workers for wait time and show-up time were not payments for "actual work done" and thus should not have been considered when calculating the Equipment Fee.

196. The Withheld Funds include at least $2,317,447 that Williams has withheld based on its supposition that the amounts Welded paid its workers for wait time and show-up time were not Labor Costs.

197. As set forth in paragraphs 76–91, 95–96, 101–107, and 115 above, expenses associated with Wait/Show Up Time are Labor Costs for purposes of calculating the Equipment Fee.

198. *Equipment Fee for Travel Pay/Per Diem ($9,153,676.00).* Transco claims that the amounts Welded paid its workers for travel pay and per diem expenses were not payments for "actual work done" and thus should not have been considered when calculating the Equipment Fee.

199. The Withheld Funds include at least $8,037,287 that Williams has withheld based on its supposition that the amounts Welded paid its workers for travel pay and per diem expenses were not Labor Costs.

200. As set forth in paragraphs 76–88, 97–99, 101–107, and 115 above, Travel Pay/Per Diem expenses are Labor Costs for purposes of calculating the Equipment Fee.

201. *Equipment Fee for Paid Time Off/Holidays ($82,932.00).* Transco claims that the amounts Welded paid its workers for paid time off and holidays were not payments for "actual work done" and thus should not have been considered when calculating the Equipment Fee.

202. As set forth in paragraphs 76–88, 92–96, 101–107, and 115 above, expenses associated with Paid Time Off/Holidays are Labor Costs for purposes of calculating the Equipment Fee.

203. *Equipment Fee for Employer's Tax and Insurance Liabilities ($8,584,364.00).* Transco claims that amounts Welded paid on account of its "employer's tax" and "insurance

liabilities" were not payments for "actual work done" and thus should not have been considered when calculating the Equipment Fee.

204. As set forth in paragraphs 76–88, 100–107, and 115 above, expenses associated with the Employer's Tax and Insurance Liabilities are Labor Costs for purposes of calculating the Equipment Fee.

205. *Equipment Fee for Rig Rental ($3,506,778.00).* Transco claims that the rig-rental allowance that Welded paid its workers was not a payment for "actual work done" and thus should not have been considered when calculating the Equipment Fee.

206. The Withheld Funds include at least $3,104,487 that Williams has withheld based on its supposition that the rig-rental allowance that Welded paid its workers was not a Labor Cost.

207. As set forth in paragraphs 76–88 and 101–115 above, expenses associated with the Rig Rental Allowance are Labor Costs for purposes of calculating the Equipment Fee.

208. *Equipment Fee for Vehicle Allowance ($3,888,130.00).* Transco claims that the vehicle allowance that Welded paid its workers was not a payment for "actual work done" and thus should not have been considered when calculating the Equipment Fee.

209. The Withheld Funds include at least $3,330,852 that Williams has withheld based on its supposition that the vehicle allowance that Welded paid its workers was not a Labor Cost.

210. As set forth in paragraphs 76–88 and 101–115 above, expenses associated with the Vehicle Allowance are Labor Costs for purposes of calculating the Equipment Fee.

211. *Charges for Portable Toilets ($1,105,008.00).* Transco claims that Welded billed Transco for the cost of providing portable toilets. According to Transco, offices, site establishment, and facilities are Included Equipment under the Contract.

212. The Withheld Funds include at least $772,752 that Williams has withheld allegedly on account of "Site Utilities."

213. As set forth in paragraphs 116–124 above, costs that Welded incurred in connection with portable toilets are reimbursable under the Contract.

214. *Charges for Dump-Truck Rentals ($534,068.00)*. Transco claims that Welded billed Transco for dump-truck rentals in its Materials Invoices. According to Transco, dump trucks are Included Equipment under the Contract.

215. The Withheld Funds include at least $1,044,000 that Williams has withheld based on its supposition that Welded billed Transco for dump-truck rentals in the Materials Invoices.

216. As set forth in paragraphs 116–124 above, third parties contracted by Welded to provide aggregates and other Materials for the project are Subcontractors, and the costs associated with the Materials provided by these Subcontractors are reimbursable on a CIF (costs including freight and taxes) basis. Accordingly, freight costs associated with the delivery of Materials are fully reimbursable under the Contract, even if the third-party Subcontractor may have used dump trucks to deliver the Materials.

217. *Charges for Subcontractor's Truck Rentals ($3,035,144.00)*. Transco claims that Welded billed Transco for the cost of Subcontractor's truck rentals. According to Transco, trucks are Included Equipment under the Contract.

218. The Withheld Funds include at least $2,406,710 that Williams has withheld based on its supposition that the "Included Equipment" Welded brought to the project should extend to include trucks rented by Subcontractors.

219. As set forth in paragraphs 116–124 above, Subcontractor costs, including costs related to truck rental, are entitled to reimbursement under the Contract.

220. *Charges for Trailers and Site Offices ($621,432.00).* Transco claims that Welded billed Transco for the cost of trailers and site offices. According to Transco, trailers and site offices are Included Equipment under the Contract.

221. The Withheld Funds include $621,432 that Williams has withheld based on its supposition that Welded improperly billed Transco for trailers and site offices.

222. Upon information and belief, Transco's alleged damages relate to an agreement under which Welded leased land for a laydown yard to receive, store, and assemble project equipment and materials.

223. On July 27, 2017, Welded and Transco reached agreement on the Extra Work Request From Contract, Request Number 2017-01-WPG-01-63-1 REV. 2 (the "Side Agreement"), which permitted Welded to lease acreage for a laydown yard at Highridge Travel Plaza for 14 months, at an estimated cost of $781,200. To that end, Welded entered into a lease with Schuylkill Economic Development Corporation for land in the Highridge Business Park Commercial Site.

224. To the extent that Transco is objecting to reimbursing Welded for the cost of Welded's Subcontractors' trailers and site office, such Subcontractor costs are entitled to reimbursement under the Contract, as set forth in paragraphs 116–124 above.

225. *Charges for Included Equipment ($7,387,643.00).* Transco's explanation for this alleged category of damages states in full as follows: "Included Equipment was improperly charged as Specialty Equipment."

226. Upon information and belief, this category of alleged damages is premised on an incorrect or superficial reading of Welded's invoices. For example, Exhibit 2 to the Contract identifies "On-road Dump Trucks" as Included Equipment. Off-road dump trucks, by contrast,

are Specialty Equipment because they are not vehicles "typically owned, leased and/or provided by contractors performing work similar to this Work . . . ."

227. As set forth in paragraphs 101–104 and 116–124 above, the cost of any such Specialty Equipment is fully reimbursable under the Contract.

228. *Charges for the Transportation and Delivery of Included Equipment ($1,518,145.00).* Transco claims that Welded billed Transco for costs associated with the transportation and delivery of Included Equipment. According to Transco, these costs were to be covered by the Equipment Fee.

229. Contrary to Transco's surmise, mobilization costs are fully reimbursable under the Contract. Section VIII, Article 2C, defines "mobilization" as "the activities required to load, secure, transport, and deploy personnel, equipment, supplies, materials, and consumables to the Field upon receipt of written [Transco] authorization to proceed with mobilization."

230. Mobilization is reimbursable Work under the Contract. For instance, the "Scope of Work" under Section II, Article 3C1, is explicit that "[t]he Work for each Spread shall include . . . Mobilization of all required [Welded] personnel and equipment for the entire scope of Work for each Spread." Section VIII, Article 2C, is similarly explicit: "Mobilization and demobilization are included in the Work and compensated under the terms of this Section VIII." Accordingly, mobilization costs are entitled to reimbursement under the Contract.

231. *Double-Payment of Union Dues ($2,767,729.00).* Transco claims that, after the Petition Date, Welded asked Transco to pay outstanding union dues, which Transco did. Transco seeks to recover the amount it paid because, according to Transco, the union dues related to the prepetition period and had already been paid by Transco in the ordinary course.

232. Any union dues that Transco paid postpetition are not duplicative of amounts that Transco paid Welded prepetition. As set forth in paragraphs 22–29 and 51–62 above, Transco has withheld substantial sums related to the prepetition period, and there is no basis for Transco to allocate any payments to Welded to union dues specifically.

**(ii) Transco's claims for "Category II" damages lack merit.**

233. *Rework/Weld Repair Damages ($6,077,015.00).* Transco claims that Welded charged Transco for repairs to Welded's own "Defective Work," which the Contract allegedly required Welded to correct at its own cost and expense.

234. Section I, Article 22B, of the Contract defines "Defective Work":

> [Transco] may reject defective, deficient, improper, unsound or nonconforming Work or materials, all of which shall be deemed defective Work. For purposes of this Article, all defective, deficient, improper, unsound or nonconforming: (i) Work; or (ii) [Welded] provided materials shall be referred to as "Defective Work."

235. Many of the welds that Welded was required to repair or cut out were not defective, deficient, improper, unsound, or nonconforming, and were thus not "Defective Work" under the Contract.

236. As set forth in paragraphs 164–166 above, JANX, the expert hired by Williams to provide nondestructive-testing and inspections services, continued to identify transverse indications that Welded would have to repair or cut out.

237. As set forth in paragraphs 167–172 above, Williams eventually hired Mr. Culbertson who determined that there was no integrity issue with the welds after all, and many of the welds were deemed acceptable.

238. As set forth in paragraphs 173 and 174 above, Welded received the final list of transverse indications from JANX on June 9, 2018, which revealed that as many as 77 welds had been cut out without any justification at all.

239. In addition, Section I, Article 22C, of the Contract is explicit that Welded is allowed a weld repair rate of 5% over the course of the project: "To the extent [Welded] does not exceed a weld repair rate of 5% over the course of the project, the repair of such welds will not constitute correction of Defective Work that [Welded] must correct at its sole cost and expense."

240. Moreover, "[a]ny repairs or cutouts made as a result of defective material provided by [Transco] shall not be included in the calculation of the 5% weld repair rate."

241. To the extent that weld repairs or cutouts did exceed 5%, the Contract limits Transco's recovery to:

> [$5,000 per weld] x [total number of welds repaired on the Project in excess of the 5% weld repair allowance] or [$7,500 per weld] x [total number of cutouts on the Project in excess of the 5% weld repair allowance].

242. *Damage to Materials, Machinery or Equipment ($301,288.00).* Transco claims that Welded improperly charged Transco for replacing damaged materials, machinery or equipment.

243. Welded has not charged Transco for replacing any damaged materials, machinery or equipment that the Contract required Welded to replace at its own cost and expense.

244. *Damages Related to Safety Shutdowns ($585,096.00).* Transco claims that Welded improperly charged Transco for the time workers spent attending safety shutdown meetings.

245. The "Scope of Work" under Section II, Article 3C1, is explicit that "[t]he Work for each Spread shall include . . . Safety training of ALL [Welded] and subcontractor Personnel."

246. As noted in Claim 636, if Transco were to have issued Welded a stop-work notice due to one of three significant safety issues identified in Section I, Article 12, of the Contract, Welded would have borne the cost of any associated corrective actions, safety meetings, or training sessions:

> If [Transco] issues [Welded] a stop work notice due to (i) [Welded's] failure to remediate a previously reported unsafe action, (ii) [Welded's] willful disregard of [Transco's] safety standards as set forth in the Williams Onshore Contractor Safety Handbook . . . or (iii) [Welded's] involvement in a severe safety incident, such a life-threatening injury or death, then all resulting costs of associated corrective actions, safety meetings, safety stand down, and/or safety training sessions will be at [Welded's] sole cost and expense.

247. Transco never issued Welded a stop work-notice due to any of the safety issues identified in Section I, Article 12, of the Contract.

248. Accordingly, in the absence of a stop-work notice from Transco citing one of the conditions specified in the Contract, Welded's safety meetings or training sessions are part of the "Work" and are reimbursable under the Contract.

249. *Damages Related to Environmental-Compliance Incidents ($630,384.00).* Transco's explanation for this alleged category of damages states in full as follows: "The audit identified $620,384.00 worth of impermissible charges to Transco associated with Debtor's environmental compliance incidents that were improperly charged to Transco."

250. Nothing in the Contract provides that Welded would bear the cost of environmental compliance for the project. In fact, as described in paragraph 156 above, Williams specifically approved the increased costs associated with additional environmental controls and crews required by Williams.

251. *Damages Related to Violation of Municipal Regulations ($21,826.63).* Transco seeks to recover from Welded on account of a claim that Union Township, Pennsylvania, has asserted against Transco. According to Transco, Union Township has alleged that Welded or its agents hauled materials across a bridge in excess of the specified weight restriction. The Union Township claim covers (i) labor for traffic control, (ii) inconvenience to the residents and the Township, and (iii) non-routine bridge inspection fees.

252. Transco fails to allege facts sufficient to support a claim for damages related to the Union Township claim. Transco does not provide even *prima facie* evidence of the validity and amount of the alleged damages claim against Welded.

**(iii) Transco's claims for "Category III" damages lack merit.**

253. *Damages Related to Schedule Overrun ($1,928,571.00).* Transco claims that it is entitled to damages because Welded did not complete construction by June 14, 2018.

254. As set forth in paragraphs 133–187 above, Transco caused or contributed to the schedule overrun, and its actions precluded Welded from completing construction by June 14, 2018.

**(iv) Transco's claims for "Category IV" damages lack merit.**

255. *Lancaster County Solid Waste Management ("LCSWM") Claim ($182,842.80).* Transco claims that, after the Petition Date, it received a bill from LCSWM for certain prepetition services, which Transco paid. According to Transco, Welded previously billed Transco (and Transco paid) for the same services through a Subcontractor.

256. Any amounts that Transco paid LCSWM postpetition are not duplicative of amounts that Transco paid Welded prepetition. As set forth in paragraphs 22–29 and 51–62 above, Transco has withheld substantial sums related to the prepetition period, and any amounts Welded did receive prepetition are not allocable to LCSWM's services specifically.

257. *Rexroth Equities, LP ("Rexroth") Claim ($2,574.30).* Transco claims that, after the Petition Date, it received a bill from Rexroth for the prepetition storage of rail cars, which Transco paid. According to Transco, Rexroth was a Subcontractor that Welded was responsible for paying.

258. Any amounts that Transco paid Rexroth postpetition are not duplicative of amounts that Transco paid Welded prepetition. As set forth in paragraphs 22–29 and 51–62 above, Transco has withheld substantial sums related to the prepetition period, and any amounts Welded did receive prepetition are not allocable to Rexroth's services specifically.

259. *Outstanding Subcontractor and Supplier Claims (estimated amount of $38,959,924.85).* Transco claims that Subcontractors and suppliers have made claims for payment to Welded's surety and may cause liens to be filed against Transco or the project, or both.

260. As set forth in paragraphs 22–29 and 51–62 above, Transco has withheld substantial sums related to the prepetition period. There is no basis for Transco to assert a claim against Welded for amounts that Welded's surety pays Subcontractors and suppliers on Welded's behalf.

261. Welded reserves any and all other defenses and rights to object to Claim 636 on any other grounds.

**Count I**

**(Against Transco – Breach of Contract)**

262. Welded repeats and incorporates by reference its allegations contained in the foregoing paragraphs as if fully set forth herein.

263. The Contract constitutes a valid and enforceable agreement between Transco and Welded.

264. Transco breached the Contract by failing to fulfill its payment obligations to Welded under the Contract.

265. Specifically, Transco has breached the Contract through its following actions:

a. Transco breached the Contract by (i) failing to reimburse Welded for $2,317,447 in Equipment Fees owed to Welded for Labor Costs that Welded paid on account of Wait/Show Up Time and (ii) continuing to withhold the $2,317,447 owed to Welded for amounts Welded paid on account of Wait/Show Up Time;

b. Transco breached the Contract by (i) failing to reimburse Welded for $8,037,287 in Equipment Fees owed to Welded for Labor Costs that Welded paid on account of Travel Pay/Per Diem and (ii) continuing to withhold the $8,037,287 owed to Welded for amounts Welded paid on account of Travel Pay/Per Diem;

c. Transco breached the Contract by (i) failing to reimburse Welded for $6,435,339 in Equipment Fees owed to Welded for Labor Costs that Welded paid on account of Vehicle and Rig Rental Fees and (ii) continuing to withhold the $6,435,339 owed to Welded for amounts Welded paid on account of Vehicle and Rig Rental Fees;

d. Transco breached the Contract by (i) failing to reimburse Welded for $2,406,710 that Welded paid to Subcontractors on account of truck rental and (ii) continuing to withhold the $2,406,710 owed to Welded for amounts Welded paid to Subcontractors on account of truck rental;

e. Transco breached the Contract by (i) failing to reimburse Welded for $1,044,000 that Welded paid to Subcontractors on account of dump truck rental for post-delivery hauling and (ii) continuing to withhold the

$1,044,000 owed to Welded for amounts Welded paid to Subcontractors on account of dump truck rental for post-delivery hauling;

f. Transco breached the Contract by (i) failing to reimburse Welded for $772,752 that Welded paid on account of site utilities and (ii) continuing to withhold the $772,752 owed to Welded for amounts Welded paid on account of site utilities;

g. Transco breached the Contract by (i) failing to reimburse Welded $621,432 for amounts that Welded paid to Subcontractors on account of site office trailers and equipment and (ii) continuing to withhold the $621,432 owed to Welded for amounts that Welded paid to Subcontractors on account of site office trailers and equipment;

h. Transco breached the Contract by improperly withholding $1,928,571 from amounts owed to Welded on account of purported delay damages;

i. Transco breached the Contract by (i) failing to reimburse Welded $16,592,432.09 for costs that Welded actually incurred constructing Williams's pipeline in August 2018 and (ii) continuing to withhold the $16,592,432.09 owed to Welded for costs that Welded actually incurred constructing Williams's pipeline in August 2018;

j. Transco breached the Contract by (i) failing to reimburse Welded $17,440,392.90 for costs that Welded actually incurred constructing Williams's pipeline in September 2018 and (ii) continuing to withhold the $17,440,392.90 owed to Welded for costs that Welded actually incurred constructing Williams's pipeline in September 2018; and

k. Transco breached the Contract by (i) failing to reimburse Welded $13,713,655.68 for costs that Welded actually incurred constructing Williams's pipeline in October 2018 and (ii) continuing to withhold the $13,713,655.68 owed to Welded for costs that Welded actually incurred constructing Williams's pipeline in October 2018.

266. Transco's failure to remit the Withheld Funds to Welded constitutes a material violation of the Contract and has deprived Welded of the benefit of its bargain.

267. Moreover, as Welded informed Williams on several occasions, withholding the reimbursement of such substantial amounts—funds that Welded had already expended—destroyed Welded's ability to make payroll and to continue operations in the ordinary course. Transco's (and Williams's) actions pitched Welded into severe financial distress, causing loss of business opportunities and the filing of these chapter 11 cases, and ultimately resulting in the destruction of Welded's business.

268. Welded has suffered a material reduction in enterprise value and other consequential damages as a result of Transco's breaches of the Contract, including, but not limited to, financial injury and lost business opportunities.

269. Accordingly, Welded is entitled to an award of damages in an amount to be determined at trial incurred as a result of Transco's breaches of the Contract and its (or Williams's) intentional and wrongful retention of the Withheld Funds, and such additional amount as is determined by the Court in order to sufficiently and fully compensate Welded for the damages and losses suffered as result of Transco's (or Williams's) actions, including, but not limited to, financial injury, lost business opportunities, and the destruction of Welded's business.

**Count II**

**(Against Transco – Breach of Implied Covenant of Good Faith and Fair Dealing)**

270. Welded repeats and incorporates by reference its allegations contained in the foregoing paragraphs as if fully set forth herein.

271. The Contract constitutes a valid and enforceable agreement between Transco and Welded.

272. Under applicable state law, which governs the Contract, the covenant of good faith and fair dealing is an implied term of every contract.

273. Transco has breached the implied covenant of good faith and fair dealing contained in the Contract by purposely waiting until Welded had performed all work necessary to achieve mechanical completion of the Atlantic Sunrise project, thereby enabling Transco to obtain final FERC approval, before it abruptly notified Welded that Williams was withholding reimbursement of approximately $24 million that Welded had paid to construct Williams's pipeline over the previous 10 months. Coupled with that improper withholding, Transco, without any warning or prior discussion with Welded, filed a lawsuit in Oklahoma state court asserting a breach-of-contract claim against Welded in the approximate amount of $24 million.

274. Transco thereafter withheld the Additional Withholdings which amounts are due and owing to Welded under the Contract for amounts that Welded paid out of its own pocket to construct Williams's pipeline, notwithstanding that mechanical completion and been achieved and Transco was receiving substantial earnings from the Atlantic Sunrise pipeline.

275. Moreover, as Welded informed Williams on several occasions, withholding the reimbursement of such substantial amounts—funds that Welded had already expended—destroyed Welded's ability to make payroll and to continue operations in the ordinary course.

Transco's (and Williams's) actions pitched Welded into severe financial distress, causing loss of business opportunities and the filing of these chapter 11 cases, and ultimately resulting in the destruction of Welded's business.

276. Welded has suffered a material reduction in enterprise value and other consequential damages as a result of Transco's intentional actions, including, but not limited to, financial injury and lost business opportunities.

277. As a result of Transco's actions, Welded has suffered damages and losses and it is entitled to an award of damages in an amount to be determined at trial incurred as a result of Transco's (or Williams's) intentional and wrongful retention of the Withheld Funds, and such additional amount as is determined by the Court in order to sufficiently and fully compensate Welded for the damages and losses suffered as result of Transco's (or Williams's) actions, including, but not limited to, financial injury, lost business opportunities, and the destruction of Welded's business.

**Count III**

**(Against Williams Partners and Williams Co. – Tortious Interference with Contractual Relationships)**

278. Welded repeats and incorporates by reference its allegations contained in the foregoing paragraphs as if fully set forth herein.

279. Transco and Welded entered into the Contract.

280. The Contract constitutes a valid and enforceable agreement between Transco and Welded.

281. Williams Partners, as the sole member of Transco, and Williams Co., as the sole member of Williams Partners, had and have knowledge of the Contract and the respective rights and obligations of Transco and Welded under the Contract.

282. Upon information and belief, Williams Partners and/or Williams Co. wrongfully and intentionally interfered with the contractual relationships between Welded and Transco by directing or otherwise causing Transco—a closely held company they control and dominate—to, among other things, improperly withhold the Withheld Funds from Welded.

283. Moreover, as Welded informed Williams on several occasions, withholding the reimbursement of such substantial amounts—funds that Welded had already expended—destroyed Welded's ability to make payroll and to continue operations in the ordinary course. Williams Partners and/or Williams Co. caused Transco to take actions that pitched Welded into severe financial distress, causing loss of business opportunities and the filing of these chapter 11 cases, and ultimately resulting in the destruction of Welded's business.

284. Welded has suffered a material reduction in enterprise value and other consequential damages as a result of Williams Partners and/or Williams Co.'s interference with Welded's rights under the Contract, including, but not limited to, financial injury and lost business opportunities.

285. As a result of Williams Partners and/or Williams Co.'s tortious interference with the contractual relationships between Transco and Welded, Williams Partners and/or Williams Co. have caused Welded to suffer damages, including, but not limited to, the Withheld Funds, financial injury and lost business opportunities, in an amount to be determined by the Court in order to sufficiently and fully compensate Welded for the damages and losses suffered as result of Williams Partners and/or Williams Co.'s actions, including, but not limited to, financial injury, lost business opportunities, and the destruction of Welded's business.

**Count IV**

**(Against Williams – Turnover of Property of the Estate – 11 U.S.C. § 542)**

286. Welded repeats and incorporates by reference its allegations contained in the foregoing paragraphs as if fully set forth herein.

287. Williams possesses, has custody of, or controls the Withheld Funds.

288. Specifically, Williams possesses, has custody of, or controls (i) the $2,317, 447 owed by Transco to Welded on account of Labor Costs that Welded paid for Wait/Show Up Time, (ii) the $8,037,287 owed by Transco to Welded on account of Labor Costs that Welded paid for Travel Pay/Per Diem, (iii) the $6,435,339 owed by Transco to Welded on account of Labor Costs that Welded paid for Vehicle and Rig Rental Fees, (iv) the $2,406,710 owed by Transco to Welded for amounts that Welded paid to Subcontractors on account of truck rentals, (v) the $1,044,000 owed by Transco to Welded for amounts that Welded paid to Subcontractors on account of dump truck rental for post-delivery hauling, (vi) the $772,752 owed by Transco to Welded for amounts that Welded paid on account of site utilities, (vii) the $621,432 owed by Transco to Welded for amounts that Welded paid to Subcontractors on account of site office trailers and equipment; (viii) the $1,928,571 improperly withheld from Welded on account of purported delay damages; (ix) the $16,592,432 owed by Transco to Welded for costs that Welded actually incurred constructing Williams's pipeline in August 2018; (x) the $17,440,392 owed by Transco to Welded for costs that Welded actually incurred constructing Williams's pipeline in September 2018; and (xi) the $13,713,655 owed by Transco to Welded for costs that Welded actually incurred constructing Williams's pipeline in October 2018.

289. In retaining possession of the funds due and owing by Transco to Welded under the Contract, Williams is in possession, custody, and control of property that Welded may use or sell under section 363 of the Bankruptcy Code.

290. The Withheld Funds constitute property of Welded's estate under section 541 of the Bankruptcy Code.

291. For the reasons set forth above, Williams has no claim or right to continue withholding the Withheld Funds.

292. Williams should be compelled to immediately deliver the Withheld Funds (plus interest) to Welded pursuant to section 542(a) of the Bankruptcy Code.

**Count V**

**(Declaratory Judgment Against Williams – Violation of the Automatic Stay)**

293. Welded repeats and incorporates by reference its allegations contained in the foregoing paragraphs as if fully set forth herein.

294. Williams possesses, has custody of, or controls the Withheld Funds.

295. The Withheld Funds constitute property of Welded's estate under section 541 of the Bankruptcy Code.

296. For the reasons set forth above, Williams has no claim or right to continue withholding the Withheld Funds.

297. Williams has refused to turn over the Withheld Funds to Welded and has not sought relief from the automatic stay set forth in section 362(a) of the Bankruptcy Code with respect to the Withheld Funds.

298. Welded is entitled to a declaration that Williams has violated the automatic stay of section 362(a)(3) of the Bankruptcy Code by (i) obtaining (and maintaining) possession of and

exercising control over property of Welded's estate and (ii) refusing to remit the Withheld Funds to Welded.

299. Upon information and belief, Williams has actual knowledge of the Debtors' chapter 11 cases, and Williams's violations of the automatic stay were and are willful. Accordingly, Williams's actions constitute "appropriate circumstances" for the imposition of punitive damages and sanctions against Williams under sections 105(a) and 362(k) of the Bankruptcy Code, and Welded is entitled to recover punitive damages from Williams in an amount and manner to be determined by the Court.

300. An actual controversy exists between the parties regarding Williams's right to continue withholding the Withheld Funds and its refusal to remit such funds to Welded.

301. There exists a substantial controversy between Welded and Williams of sufficient immediacy and reality to warrant the issuance of a declaratory judgment under 28 U.S.C. § 2201. A prompt judicial determination of the respective rights and duties of the parties in these respects is necessary and appropriate.

**Count VI**

**(Declaratory Judgment Against Williams – Impermissible Setoff)**

302. Welded repeats and incorporates by reference its allegations contained in the foregoing paragraphs as if fully set forth herein

303. Williams possesses, has custody of, or controls the Withheld Funds.

304. The Withheld Funds constitute property of Welded's estate under section 541 of the Bankruptcy Code.

305. For the reasons set forth above, Williams has no claim or right to the Withheld Funds.

306. Williams has refused to turn over the Withheld Funds to Welded and has not sought relief from the automatic stay set forth in section 362(a) of the Bankruptcy Code with respect to the Withheld Funds.

307. If and to the extent that Williams performed a postpetition offset of any amounts that Welded allegedly owes to Transco under the Contract against the amounts Transco owes to Welded, Williams effectuated an impermissible setoff in violation of the automatic stay.

308. As a result, to the extent applicable, any postpetition setoff exercised by Williams in respect of the Withheld Funds should be declared void *ab initio*.

309. To the extent applicable, an actual controversy exists between the parties regarding Williams's right to offset any amounts that Welded allegedly owes to Transco under the Contract against the amounts Transco owes to Welded.

310. To the extent applicable, there exists a substantial controversy between Welded and Williams of sufficient immediacy and reality to warrant the issuance of a declaratory judgment under 28 U.S.C. § 2201. A prompt judicial determination of the respective rights and duties of the parties in these respects is necessary and appropriate.

**Count VII**

**(Against Williams – Unjust Enrichment)**

311. Welded repeats and incorporates by reference its allegations contained in the foregoing paragraphs as if fully set forth herein.

312. By the acts described above, Williams has wrongfully retained possession, custody, or control of the Withheld Funds despite the facts that (i) Welded provided the services it was contractually obligated to perform under the Contract, (ii) the Project has been completed, (iii) the pipeline is fully operational and is being operated by Williams as part of its business

operations, (iv) Williams is receiving (and will continue to receive) substantial income from the operation of the pipeline, and (v) Welded has no outstanding service obligations to Williams in connection with the Contract or any other agreement.

313. Welded has suffered a substantial detriment as a result of Williams's retention of the Withheld Funds. Specifically, Welded has suffered a substantial detriment because (i) it has already performed the services required under the Contract, (ii) it has already paid third parties the amounts for which it seeks reimbursement from Transco under the Contract, and (iii) the Withheld Funds have not been available for Welded's use or distribution to creditors of the Debtors' estates. Indeed, as detailed in the *Declaration of Frank Pometti in Support of the Debtors' Chapter 11 Petitions and First-Day Motions* [Docket No. 4, Case No. 18-12378 (KG)], Williams's abrupt and improper withholding of the Withheld Funds deprived the Debtors of the necessary liquidity to sustain their business operations outside of chapter 11 proceedings.

314. Based on the foregoing, Williams has been unjustly enriched by its receipt of the benefits of Welded's services under the Contract and its failure and refusal to deliver the Withheld Funds to Welded, and Welded has suffered a substantial detriment as a result of Williams's actions. As such, Williams is liable to Welded for an amount not less than $71 million (plus accrued interest), and for Welded's reasonable attorneys' fees and the costs of prosecuting this action.

**Count VIII**

**(Against Transco – Objection to Claim 632)**

315. Welded repeats and incorporates by reference its allegations contained in the foregoing paragraphs as if fully set forth herein.

316. Transco filed Claim 632 on February 28, 2019.

317. Welded hereby objects to Claim 632 pursuant to section 502 of the Bankruptcy Code on the grounds that Claim 632 should be disallowed in its entirety because to the extent that any pipeline coating anomalies or defects exist at the locations identified in the documents included within Claim 632, such anomalies or defects are attributable to inadequate or improper coating on pipes provided by Transco's third-party supplier.

318. Section I, Article 22C, of the Contract is explicit that "[a]ll labor and materials necessary to replace or repair items originally furnished by [Transco] that prove to be defective will be paid for by [Transco]." Transco contracted with the third-party pipe supplier, and therefore, the pipes for the Atlantic Sunrise project were furnished by Transco, not Welded. As such, the pipeline-coating anomalies or defects identified by Transco in Claim 632, to the extent that they actually exist (which Welded does not concede), do not constitute "Defective Work" for which Welded may have obligations under the Contract to remedy, repair, or replace at its sole cost and expense.

319. Welded is therefore entitled to judgment that Claim 632 is disallowed in its entirety because Transco has no amounts owed to it under the Contract.

320. Alternatively, to the extent it is determined that Welded owes any amounts to Transco on account of or in connection with Claim 632, then, pursuant to section 558 of the Bankruptcy Code and applicable state law, Welded is entitled to judgment that it is permitted to offset the amounts Transco owes to Welded under the Contract against Welded's liability on account of Claim 632.

321. Welded reserves any and all other defenses and rights to object to Claim 632 on any other grounds.

**Count IX**

**(Against Transco – Objection to Claim 636)**

322. Welded repeats and incorporates by reference its allegations contained in the foregoing paragraphs as if fully set forth herein.

323. Transco filed Claim 636 against Welded on February 28, 2019.

324. Transco fails to allege facts sufficient to support a legal basis for Claim 636. Claim 636 does not provide even *prima facie* evidence of the validity and amount of the alleged claim against Welded.

325. Welded hereby objects to Claim 636 pursuant to section 502 of the Bankruptcy Code on the grounds that Claim 636 should be disallowed in its entirety.

326. Specifically, Claim 636 should be disallowed because, among other reasons: (i) Welded is entitled under the Contract to reimbursement for Equipment Fees owed to Welded for Labor Costs that Welded paid on account of Wait/Show Up Time; (ii) Welded is entitled under the Contract to reimbursement for Equipment Fees owed to Welded for Labor Costs that Welded paid on account of Travel Pay/Per Diem; (iii) Welded is entitled under the Contract to reimbursement for Equipment Fees owed to Welded for Labor Costs that Welded paid on account of Paid Time Off/Holidays; (iv) Welded is entitled under the Contract to reimbursement for Equipment Fees owed to Welded for Labor Costs that Welded paid on account of Employer's Tax and Insurance Liabilities; (v) Welded is entitled under the Contract to reimbursement for Equipment Fees owed to Welded for Labor Costs that Welded paid on account of Vehicle and Rig Rental Fees; (vi) Welded is entitled under the Contract to reimbursement for Equipment Fees owed to Welded for Labor Costs that Welded paid on account of Vehicle Allowance costs; (vii) Welded is entitled to reimbursement under the Contract for costs that Welded incurred in

connection with portable toilets; (viii) Welded is entitled under the Contract to reimbursement for amounts that Welded paid to Subcontractors on account of dump truck rental for post-delivery hauling; (ix) Welded is entitled under the Contract to reimbursement for amounts that Welded paid to Subcontractors on account of truck rentals; (x) Welded is entitled under the Contract to reimbursement for amounts that Welded paid to Subcontractors on account of site office trailers and equipment; (xi) Welded is entitled under the Contract to reimbursement for any costs Welded incurred for Specialty Equipment; (xii) Welded is entitled under the Contract to reimbursement for mobilization costs Welded incurred in connection with the Atlantic Sunrise project; (xiii) the amounts that Transco paid to Welded on account of union dues after the Petition Date are not duplicative of the amounts it paid prior to the Petition Date; (xiv) the amounts Transco is seeking on account of purported "Rework/Weld Repair Damages" do not relate to Defective Work by Welded and, even if they did, the number of repairs or cutouts needed were within the weld repair rate allowed under the Contract; (xv) contrary to Transco's assertions, Welded has not charged Transco for replacing any damaged materials, machinery or equipment that the Contract required Welded to replace at its own cost and expense; (xvi) Welded is entitled under the Contract to reimbursement for costs Welded incurred in connection with safety meetings or training sessions given that Transco never issued Welded a stop-work notice due to any of the safety issues identified in Section I, Article 12, of the Contract; (xvii) Welded is entitled under the Contract to reimbursement for costs Welded incurred on account of environmental compliance issues in connection with the Atlantic Sunrise project; (xviii) Williams has failed to allege facts sufficient to support a claim for damages related to the alleged violation of municipal regulations; (xix) Williams erroneously asserted purported delay damages against Welded in the amount of $1,928,571; (xx) the amounts that

Transco paid to LCSWM after the Petition Date are not duplicative the amounts it paid to Welded prior to the Petition Date; (xxi) the amounts that Transco paid to Rexroth after the Petition Date are not duplicative the amounts it paid to Welded prior to the Petition Date; and (xxii) there is no basis for Transco to assert a claim against Welded for amounts that Welded's surety pays Subcontractors and suppliers on Welded's behalf.

327. Alternatively, to the extent it is determined that Welded owes any amounts to Transco on account of or in connection with Claim 636, then, pursuant to section 558 of the Bankruptcy Code and applicable state law, Welded is entitled to judgment that it is permitted to offset the amounts Transco owes to Welded under the Contract against Welded's liability on account of Claim 636.

328. Welded is therefore entitled to judgment that Claim 636 is disallowed in its entirety.

329. Welded reserves any and all other defenses and rights to object to Claim 636 on any other grounds.

**Count X**

**(Declaratory Judgment Against Transco – No Amounts Owed to Transco in Connection with Postpetition Reconciliation)**

330. Welded repeats and incorporates by reference its allegations contained in the foregoing paragraphs as if fully set forth herein.

331. Transco and Welded entered into three Court-approved Commitment Letters, whereby Transco agreed to pay for Welded's postpetition work on the Atlantic Sunrise project during specified time periods.

332. Under the Commitment Letters, Transco agreed to pre-fund $8,050,000, in the aggregate, for "Welded's internal costs and expenses of providing work, as well as Welded third-

party subcontractor, vendor, materialmen, and supplier costs, expenses, profit and invoices for work, labor, material and rentals" on spreads 5, 6, and 7 of Transco's Atlantic Sunrise project.

333. Under the Third Commitment Letter, Welded agreed to provide Transco "a reconciliation of all remaining amounts for obligations that were accrued or were incurred for forecasted work versus actual cost of work." To the extent that any advanced funds remained after that reconciliation, the funds would be returned to Transco within one business day.

334. Overhead costs were not subject to reconciliation: "fixed overhead costs of $25,000 per week from the Petition Date through December 8, 2018, . . . shall be available to the Debtors for general use, not subject to reconciliation, to offset the significant overhead costs not captured in the project cost estimate."

335. Welded provided Transco with its reconciliation on January 17, 2019, demonstrating that all advanced funds had been used on the project and that no remainder was due to Transco. In short, no amounts are owed by Welded to Transco in connection with the postpetition work performed by Welded on the Atlantic Sunrise project. In support of its reconciliation, Welded attached approximately 25 pages of line-item expenses.

336. More than three months later, on April 18, 2019, Transco's counsel sent a Demand Letter identifying purported revisions to Welded's postpetition reconciliation and demanding that Welded pay a $2,399,279.48 refund within one business day.

337. Transco sent its demand for immediate payment of a multi-million dollar refund without any notice to, or discussion with, Welded and without any supporting documentation or identification of the specific bases for Transco's alleged refund.

338. On April 19, 2019, Welded's counsel responded to the Demand Letter, stating that Welded believes its reconciliation is factually correct and consistent with the terms of the

Commitment Letters. Welded's counsel indicated, however, that Welded would endeavor to review Transco's revised reconciliation expeditiously. Welded's counsel also requested that Transco identify the specific items it viewed as problematic, explaining that that information would aid Welded's review considerably.

339. To date, Transco has not responded.

340. Based on the foregoing, Welded is entitled to entry of a judgment declaring that Welded does not owe any amounts to Transco under the Commitment Letters or on account of any postpetition work performed by Welded on Transco's Atlantic Sunrise project.

**Count XI**

**(Against Transco – Violation of Pennsylvania Contractor and Subcontractor Payment Act, 73 Pa. Cons. Stat. §§ 501–516)**

341. Welded repeats and incorporates by reference its allegations contained in the foregoing paragraphs as if fully set forth herein.

342. Welded, as contractor, performed construction work subject to the Pennsylvania Contractor and Subcontractor Payment Act ("CASPA"), 73 Pa. Cons. Stat. §§ 501–516, on behalf of Transco, the owner.

343. Under 73 Pa. Cons. Stat. § 515, CASPA applies to any "construction contracts" executed on or after April 18, 1994. Section 502 of CASPA defines "construction contract" as any "agreement, whether written or oral, to perform work on any real property located within th[e] Commonwealth" of Pennsylvania.

344. The Contract is an agreement to perform work on real property located within the Commonwealth of Pennsylvania.

345. Section 514 of CASPA precludes enforcement of any forum-selection or choice-of-law provision in the Contract: "Making a contract subject to the laws of another state or

requiring that any litigation, arbitration or other dispute resolution process on the contract occur in another state, shall be unenforceable."

346. In compliance with the terms of the Contract, Welded timely requested payment from Transco for the Initial Withholdings each month through October 5, 2018, and for the Additional Withholdings on March 5, 2019.

347. Welded has performed in accordance with the terms of the Contract, or if it has not strictly performed, its ability to do so was the fault of Transco and is excused. Welded, therefore, was entitled to payment in full for its work.

348. Transco has violated CASPA by withholding payment for work that was completed according to the specifications of the Contract.

349. Transco failed and refused to pay Welded strictly in accordance with the terms of the Contract, in violation of 73 Pa. Cons. Stat. § 505(a).

350. Under 73 Pa. Cons. Stat. § 505(c), payment of invoices is due 20 days after the end of the billing period or 20 days after delivery of the invoice, whichever is later, or as otherwise agreed by the parties.

351. Transco's withholding of payments due to Welded is in contravention of the terms of the Contract and is thus in violation of 73 Pa. Cons. Stat. § 506.

352. The amounts that Transco has withheld are not reasonable, in violation of 73 Pa. Cons. Stat. § 506.

353. Transco failed to provide proper notice of any alleged deficiency items, in violation of 73 Pa. Cons. Stat. § 506. Among other things, Transco failed to notify Welded of any alleged deficiency items by a written explanation of its good-faith reason within 14 calendar days of receiving Welded's invoices.

354. Under 73 Pa. Cons. Stat. § 506(b)(2), Transco's failure to provide the notice required under CASPA constituted a waiver of any basis to withhold payment and necessitated payment to Welded in full for the invoice.

355. Transco withheld payment from Welded in violation of the Contract and CASPA and, further, failed to remit payment to Welded for each other item that Welded satisfactorily completed under the Contract, in violation of 73 Pa. Cons. Stat. § 506(b)(3).

356. Under 73 Pa. Cons. Stat. § 505(d), Transco is required to pay Welded, beginning on the eighth day after payment was due on an invoice, interest at the rate of 1% per month, or fraction of a month, on the balance that is at the time due and owing.

357. Under 73 Pa. Cons. Stat. § 512(a)(1), Transco's failure to comply with CASPA's payment terms requires that Welded be awarded, in addition to all other damages due, a penalty equal to 1% per month of the amount that was wrongfully withheld.

358. Under 73 Pa. Cons. Stat. § 512(b), Transco's failure to comply with CASPA's payment terms requires that Welded be awarded a reasonable attorney fee in an amount to be determined by the Court, together with expenses.

**Count XII**

**(Against Williams – Attorneys' Fees)**

359. Welded repeats and incorporates by reference its allegations contained in the foregoing paragraphs as if fully set forth herein.

360. Welded has made several demands for the return of the Withheld Funds, but Williams has refused to deliver or otherwise remit those funds to Welded.

361. As a result of Williams's refusal to deliver or otherwise remit the Withheld Funds to Welded, Welded should be awarded its attorneys' fees and costs and incurred in bringing this action.

**Prayer for Relief**

WHEREFORE, by reason of the foregoing, Welded demands judgment against Williams as follows:

A. An award of damages, in an amount to be determined at trial, incurred as a result of Transco's breaches of the Contract (and/or the implied covenant of good faith and fair dealing contained therein) and Williams's intentional and wrongful retention of the Withheld Funds and such additional amount as is determined by the Court in order to sufficiently and fully compensate Welded for the damages and losses suffered as result of Williams's actions, including, but not limited to, financial injury, lost business opportunities, and the destruction of Welded's business.

B. An award of damages in an amount to be determined at trial incurred as a result of Williams Partner and Williams, Co.'s tortious interference with the contractual relationships among Transco and Welded, and such additional amount as is determined by the Court in order to sufficiently and fully compensate Welded for the damages and losses suffered as result of Williams Partners and Williams, Co.'s actions, including, but not limited to, financial injury, lost business opportunities, and the destruction of Welded's business.

C. An order requiring Williams to immediately turnover the Withheld Funds to Welded, plus any accrued interest and penalty.

D. An order declaring that Williams has violated the automatic stay of section 362(a)(3) of the Bankruptcy Code by (i) obtaining (and maintaining) possession of and

exercising control over property of Welded's estate and (ii) refusing to remit the Withheld Funds to Welded, and an award of damages (including punitive and exemplary damages) in an amount to be determined at trial on account of Williams's willful violations of the automatic stay.

E. To the extent applicable, an order declaring that Williams's setoff of Transco's alleged damages under the Contract against the amounts due and owing to Welded under the Contract (i.e., the Withheld Funds) violated the automatic stay and is void *ab initio*.

F. Judgment against Williams, jointly and severally, in favor of Welded that Williams has been unjustly enriched at Welded's expense by the assertion of control over and retention of the Withheld Funds for Williams's benefit to the detriment of Welded and its estate and creditors.

G. An order declaring that Claim 632 is disallowed in its entirety because Transco has no claims or other amounts owed to Transco in connection with the Contract or any other agreement entered into between Transco and Welded.

H. Alternatively, to the extent necessary, an order declaring that Welded is permitted to offset the amounts Transco owes to Welded under the Contract against Welded's liability, if any, on account of Claim 632.

I. An order declaring that Claim 636 is disallowed in its entirety because Transco has no claims or other amounts owed to Transco in connection with the Contract or any other agreement entered into between Transco and Welded.

J. Alternatively, to the extent necessary, an order declaring that Welded is permitted to offset the amounts Transco owes to Welded under the Contract against Welded's liability, if any, on account of Claim 636.

K. An order declaring that Welded does not owe any amounts to Transco under the Commitment Letters or on account of any postpetition work performed by Welded on Transco's Atlantic Sunrise project.

L. An award of damages, in an amount to be determined at trial, incurred as a result of Transco's violation of CASPA, plus any interest, penalties, attorneys' fees, and expenses provided for under the statute.

M. Payment of Welded's attorneys' fees and expenses incurred in connection with this adversary proceeding.

N. An award of pre- and post-judgment interest.

O. Such other or further relief as the Court finds just and equitable.

*[Remainder of page intentionally left blank]*

Dated: May 3, 2019
Wilmington, Delaware

YOUNG CONAWAY STARGATT & TAYLOR, LLP

*/s/ Sean M. Beach*

Sean M. Beach (No. 4070)
Kevin A. Guerke (No. 4096)
Michael S. Neiburg (No. 5275)
Travis G. Buchanan (No. 5595)
Rodney Square
1000 North King Street
Wilmington, Delaware 19801
Telephone: (302) 571-6600
Facsimile: (302) 571-1256

-and-

LEWIS BRISBOIS BISGARD & SMITH, LLP
Kenneth D. O'Reilly
77 Water Street
21st Floor
New York, NY 10005
Telephone: (646) 783-1717
Facsimile: (212) 232-1399

*Counsel for the Debtors and Debtors in Possession*

# EXHIBIT 1

## Executed ASR LOI




**Fred Pace**
**Senior Vice President**
**Engineering & Construction**
**Transcontinetal Gas Pipe Line Company, LLC**
**2800 Post Oak Boulevard**
**Houston, Texas 77056-1396**

November 5, 2015

Richard C. Wall
President
Welded Construction L.P.
P.O. Box 470
Perrysburg, Ohio 43552

Dear Rich:

Transcontinental Gas Pipe Line Company, LLC , on behalf of itself and its successors and assigns, ("Transco ") hereby makes a contingent award to Welded Construction, L.P. ("Welded") of spreads 5, 6 & 7 of the Atlantic Sunrise Project (the "Project"). Transco currently anticipates issuing a Notice to Proceed for the Project between October 1, 2016 and January1, 2017. However, the date of the Notice to Proceed is subject to change based on regulatory approvals and other events outside the control of Transco.

Within sixty (60) days of receipt of this contingent award, Transco and Welded will use good faith efforts to reach a definitive agreement for the execution of the Project based on the following principles:

- The parties will work together ahead of the Notice to Proceed to jointly determine the execution plan to achieve the lowest capital cost to build the Project in the allotted schedule;
- The General Contract Conditions will be substantially based on Section 1 of Contract 2015-0030 between Transco and Welded as modified to reflect the bullets below;
- The contract will be executed on a cost reimbursable fixed fee basis generally in accordance with Attachment 1 to this letter;
- The payment terms will be based on achieving a neutral cash flow for Welded generally in accordance with Attachment 2 to this letter;

- In the event that the Notice to Proceed for the Project is delayed beyond January 1, 2017, Transco will issue a change order to cover Welded's demonstrable costs associated with the delay in Notice to Proceed; and
- In the event that Transco cancels the Project, after Transco and Welded have negotiated and executed a contract, Welded will have missed significant opportunities to put its most valuable assets to work. Therefore, a cancelation fee will be payable to Welded in the amount of $22,500,000 (50% of the projected fee).

In the event that you are prepared to move forward on the basis outlined above, please counter-sign below and return a copy to my attention with a copy to Victor Elizondo.

Regards,

Fred Pace
Senior Vice President, Engineering & Construction

AGREED TO AND ACCEPTED THIS 8th DAY OF NOVEMBER, 2015.

WELDED CONSTRUCTION L.P.

**Attachment 1**

**Cost Reimbursable Fixed Fee Structure for Atlantic Sunrise Project**

**Direct Costs:**

Labor – Actual Cost

- Based on current (at the time of construction) wage rates and agreements for classified personnel under the National Pipeline Agreement (NPLA) with the four international unions that are a party to the agreement.
- Regular Welded pay scale for site supervisory (employees not covered by the NPLA) clerical and support personnel assigned to the project.
- Fringe benefits, employee vehicle rental, travel pay, subsistence or per diem payments, payroll taxes and insurance.

Equipment, Fuel, and Supplies – 50% of actual Labor cost

- All owned/leased other construction equipment typically deployed on large-diameter pipeline spreads required for the project including trucks, pickups and other support equipment (other than those items deemed Subcontract/Services or Specialty Equipment as per the examples below).
- Fuel, oil and lubricants associated with the project.
- Supplies such as small tools (hammers, shovels, wrenches, levels, etc.) wooden stakes or laths, water cans, rags, fuels repair parts, grinding discs, brushes, flashlights, employee PPE, ribbon or marking pens, spill kits, filters, winch cable, road signs or other traffic control items, digging teeth, and measuring tapes.

Subcontracts, Materials, Specialty Equipment and Outside Services – Actual cost

- The cost for items in this category will be paid on a CIF (cost including freight and all taxes) reimbursable basis. The items included in this category include services/subcontracts that have both a labor and equipment component and materials that will remain with the project. A list of example Subcontracts/Services, Specialty Equipment and Materials and is attached.

Timber Mats -- Actual cost

- Actual costs associated with timber mat lease agreement.

**Overhead and Fee:**

- A fixed fee of $45,000,000 to compensate Welded for home office overheads, senior management and margins associated with the project

Examples of Subcontracts and Services:

Clearing, HDD, material hauling, mechanized welding equipment and services (*labor component for main line welding included in labor cost), padding equipment, commercial coating FBE equipment, sanitation (dumpsters), trench boxes, fencing, landscape services, caliper tool services, hauling permits, drug testing, dump truck services, outside trucking, , road repairs, sanitation (port-a-john), foam equipment & technicians, welding procedures, road boring sheet piling, dewatering, drain tile repair, vacuum excavation.

Examples of Materials:

Mulch or straw bales, sand bags, erosion control fabric, stone for MLV locations, coating materials, lime and fertilizers, warning tape, concrete, sakcrete, fencing material (post and wire), rock (used for stabilization at roads, stream banks or yards) rock shield, welding rod and wire, mulch binder, seed, reinforcing steel, asphalt or gravel for roads, filter bags, silt fence/sock, paint, tile materials, CP materials, test/cleaning/drying pigs, bentonite bags turbidity curtains, flowable fill.

Examples of Specialty Equipment:

Rock-cutting bore heads, trenchers, drying units, HDD boring rigs, screening equipment (other than standard padding buckets), sheet pile drivers, dewatering equipment, portable dams, storage tanks, vacuum-excavation units, cranes, pumps (12" and larger), boats.

**Attachment 2**

**Neutral Cash Flow Structure for Atlantic Sunrise Project**

In the month preceding physical progress on the Project for which compensation is anticipated to be due to Contractor pursuant to the terms of the Contract, Contractor shall submit to Company an initial invoice for the good faith estimated amount of progress to be achieved by Contractor in the following calendar month as calculated in accordance with Exhibit C Section 4 (the "Initial Invoice"). Company shall pay the Initial Invoice within 15 calendar days. Thereafter, each month, Contractor shall submit an invoice for such estimate not later than the 15th day of such calendar month setting forth the estimated physical progress to be achieved and the unit pay items anticipated to be installed/incurred during the next calendar month as calculated in accordance with Exhibit C Section 4 and a reconciliation of the prior monthly invoice. The reconciliation will identify and account for any difference between the last monthly payment and the actual physical progress and unit pay items installed/incurred in the last monthly time period in accordance with the terms of the Contract. Any difference in the reconciliation will be added to or subtracted from the current invoice.

Within 20 calendar days of Company's receipt of Contractor's invoice, Company shall remit to Contractor such funds as are required to meet such estimate and reconciliation. Should Company in good faith dispute any portion of the estimate and/or reconciliation, Company shall promptly advise Contractor in writing of the disputed portion and remit the undisputed portion by its due date. When the dispute is resolved, the amount of the disputed portion that is determined to be correct, if any, shall be promptly remitted to Contractor.

Remittance shall be made by electronic funds transfer directed as follows:

Payments in U.S. Dollars:
The Huntington National Bank
519 Madison Avenue
Toledo, OH 43604
ABA No. [TBD]
Account No. [TBD]
For the benefit of Welded Construction, L.P.
Regarding invoice number: [insert number]

Mobilization Payment TBD – The amount of the mobilization payment shall be agreed upon to cover Contractor's upfront costs and to ensure cost neutral funding over the duration of the project given the project's security requirements.

# EXHIBIT 4

## Hawkins Email

**From:** "Stephen D. Hawkins" <sdhawkin@welded.com>
**Date:** October 11, 2018 at 1:07:29 PM CDT
**To:** "Evan.Kirchen@williams.com" <Evan.Kirchen@williams.com>
**Cc:** "R.Chris.Springer@Williams.com" <R.Chris.Springer@Williams.com>, "Ron Gratton" <rgratton@trimac.com>, "rcwall@bechtel.com" <rcwall@bechtel.com>
**Subject: [EXTERNAL] Welded Cash**

Evan and Chris,

Thanks for making the time today to speak with Welded and its shareholders. As we expressed earlier today in the meeting, Welded is in acute financial distress because of Transco's decision to withhold $24M without any notice.

Welded's shareholders came to the meeting today with the hope of resolving your concerns. Given Williams' position that it will continue to look for ways to claw back costs incurred by Welded on the ASR project, leaving this as an open ended liability, our shareholders are unwilling to put additional funds into the company to allow it to operate in the normal course. As a consequence, Welded's ability to make payroll on your project next week is in jeopardy.

I reiterate my request that I made at the meeting to provide funds immediately. In addition to the $24M withheld, we currently have a $17M true up due on November 5th. This true up is money owed to Welded for costs already incurred. Welded respectfully requests that the $17M be released immediately by Williams to enable us to continue in operation and resolve the broader issue.

Steve

This email originates outside of Williams. Use caution if this message contains attachments, links or requests for information.

# EXHIBIT 5

## Teamsters NPLA

# NATIONAL PIPE LINE AGREEMENT

AGREEMENT made by and between the PIPE LINE CONTRACTORS ASSOCIATION, hereinafter referred to as "PLCA", and those of its contractor members and such other Mainline Pipeline Contractors who execute an acceptance of the terms and provisions of this Agreement, hereinafter referred to as the "Employer," and the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, hereinafter referred to as "Union."

WITNESSETH:

That, WHEREAS, the parties hereto desire to stabilize employment in the Mainline Pipeline Industry, agree upon wage rates, hours and conditions of employment;

NOW, THEREFORE, the undersigned and the Union, in consideration of the mutual promises and covenants herein contained agree as follows:

## I.
## COVERAGE AND DEFINITIONS

(A) This Agreement and the attachments covering (1) Addendum for Small Diameter Pipe (16" and under) work and (2) Integrity Management and Maintenance work which are included and made part of this Agreement, shall apply to and cover all transportation mainline pipeline work coming within the jurisdiction of Union contracted for or performed by Employer within the United States as such work is more fully described in Paragraphs (B) and (C) below. Before any such work is done in the States of Alaska and Hawaii, the PLCA and Union shall meet to agree upon the wage rates and any special conditions which may be necessary in those states. By mutual agreement, this contract may be extended to cover other territory.

(B) Transportation mainline pipelines coming under this Agreement are those defined as follows:

The construction, installation, double-jointing, rebeveling, treating, insulating, reconditioning, testing, taking-up, re-laying, relocation, stockpiling or hauling of cross-country pipelines or any segments thereof transporting CO2, or coal, gas, oil, water* or other transportable materials, vapors, liquids or hydrocarbons, including portions of such pipelines within private property boundaries up to the final metering station or connection.

All hauling of pipe and stockpiling from the railhead, dock site, port, mill, owner's permanent yard or yards, or a coating mill, to be used for any work defined in Article I shall be performed under and in accordance with the terms and conditions of this Agreement when such hauling and/or stockpiling is within the scope of the Employer's job. Work may be subject to negotiated mileage/weight or footage rates.**

The phrase "final metering station or connection" means that point which divides

* (The Parties will negotiate special wages and conditions for water lines associated with the production of oil and natural gas or other transportable materials.)

** (Contact PLCA and/or IBT).

mainline transmission lines or higher pressure lateral or branch lines from lower pressure distribution systems. If a metering station or connection is located on a mainline transmission line, then the work covered by this Agreement includes the construction of all pipelines up to the point at which lower pressure distribution systems take off from higher pressure lateral and branch lines.

(C) Gathering lines which connect directly from the wells to the mainline pipelines, gathering lines to or from gas extraction and gas dehydration plants, and gathering lines to or from gas storage fields are included.

(D) All marine work, including push-jobs in-shore and work done from barges in-shore or off-shore, is covered by this Agreement.

(E) Such pipeline construction, installation, repair, maintenance, replacement or reconditioning as may combined with or associated or comprising an integral part of other work more particularly and usually defined as Engineering or Building Construction, or work covering pumping stations, tank farms, refineries, plant-to-plant connecting lines within city limits and city distribution lines are not covered by this Agreement.

(F) In order to assure that the operation, maintenance and repair of all equipment is performed under the terms and conditions of this Agreement, the parties agree that the laying of underground cable is covered only when Employer performs the work as a prime or general contractor or when Employer has complete control of all the equipment used in the performance of the work.

(G) That if and when Employer shall perform work covered by this Agreement under its own name, under the name of another as a corporation, company, partnership, enterprise, or any combination, including a joint venture, this Agreement shall be applicable to all such work performed under the name of the Employer or the name of any other corporation, company, partnership, enterprise, combination or joint venture.

(H) If an owner-operator is engaged by an Employer under this Agreement he shall be paid applicable wage rates with proper fringe benefit contributions and be subject to the terms and conditions of this Agreement. It is not the responsibility of the Employer to recruit and/or organize service providers to complete the work. If a Union Employer is available, he will be utilized first.

(I) All of the work covered by this Agreement shall be done under and in accordance with the terms and conditions of this Agreement, whether done by Employer or any subcontractor of said Employer, provided, however, that where equipment other than that listed in Article V(C) and not customarily used by Employer in the performance of the work herein defined, is leased, rented or borrowed, and the labor to operate such equipment is wholly or partially to be furnished by the owners of such equipment, or the work to be done by said equipment is subcontracted, the provisions of this paragraph shall be inoperative as to the labor furnished; but any labor furnished by Employer in the operation of said equipment shall be covered by the terms of this Agreement. It is specifically agreed that the arrangements set forth in this subsection (I) may not be used for the purpose of evading this Agreement. Alleged

violations of this provision shall be submitted to the Grievance Procedure.

(J) It is the intent of the Union to have uniform wages and working conditions in the industry. However, the parties recognize that in connection with the Unions' organizing efforts to increase the market share of the union industry, it may be necessary to permit newly organized employers to complete existing projects or projects where bids have been accepted under the conditions which the employer bid the work; except for multiyear maintenance agreements and any pipeline project extending more than one (1) year; it may be necessary for the Union to, on a temporary basis, represent employees who perform work outside the Union's traditional jurisdiction and, on a temporary basis, it may be necessary to make adjustment to accommodate existing market segments where there is not currently significant union market share. Union also agrees that Employers granted any concessions under this paragraph will be obligated to sign the current National Pipe Line Agreement for future covered work. It is further agreed that the Union and the Association will meet on a regular basis (minimum two times annually) to review progress in planning under this Article. Employer agrees that work within the traditional jurisdiction of the Teamsters, as defined in this Agreement and by decisions of the Policy Committee, shall be assigned only to Teamsters represented by the Union and shall not be assigned to employers not covered by this Agreement. Absent the above exception, the following continues to apply: In no event shall Employer be required to pay higher rates of wages, or be subject to more unfavorable working rules than those established by Union for any other employer engaged in similar work. Should the Union extend to any other Employer engaged in similar work terms and conditions more favorable than those set out in this agreement, such terms and conditions shall automatically be extended to all Employers, parties to this Agreement.

(K) Employer and Union agree that neither of them shall take any action which shall discriminate against any individual with respect to his compensation terms, conditions, or privileges of employment because of such individual's race, age, color, religion, sex, national origin, or disability.

(L) It is the intention of the parties hereto to comply with all applicable provisions of State or Federal Law, and they believe that each and every part of this contract is lawful. All provisions of this contract shall be complied with unless any of such provisions shall be declared invalid or inoperative by final order of any Court or Board of competent jurisdiction. In such event, the Union or the Employer may, at its option, require renegotiations of such individual provisions for the purpose of adequate legal replacement thereof, each reserving the right of economic recourse in the event agreement cannot be reached in such negotiations and such actions shall not constitute a violation of this Agreement.

In the event of the invalidation of any paragraph, sentence, or Article of this Agreement by any Court or Board of competent jurisdiction, all remaining provisions of this Agreement shall remain in full force and effect.

(M) This Agreement shall supersede all other agreements between Employer and any local of the Union for any work covered herein.

(N) Wherever in this Agreement a gender pronoun or the singular or plural form of a gender is used, it is understood that such references are meant to have equal application to all persons covered by this Agreement, male or female.

## II.
## UNION RECOGNITION AND UNION SECURITY, NOTIFICATION AND PRE-JOB CONFERENCES

(A) The Employer hereby recognizes and acknowledges that the Union is the exclusive representative of all employees in the classifications of work covered by this Agreement for the purpose of collective bargaining as provided by the Labor Management Relations Act of 1947, as amended.

(B) All employees covered by this Agreement, as a condition of their continued employment, shall, commencing on the eighth day following the beginning of their employment, or the effective date of this Agreement, or the execution date of this Agreement, whichever is the later, acquire and, for the duration of this Agreement, maintain membership in the Union. This provision shall not apply in any state where such requirement for acquiring or continuing membership in the Union as a condition for continued employment is prohibited by law; provided, however, that where an Agency Shop is permitted under the laws of such state, then such employee shall pay to the Union on his eighth day of employment or the effective date of this Agreement or the execution date of this Agreement, whichever is the later, and while so employed, a sum equal to the amount paid by members thereof for initiation fees and monthly dues; and further provided that should the laws of any such state be changed by action of legislation, or by Court determination, in such a way that the foregoing provisions may not be applied, then the parties hereto shall, upon thirty days' written notice, renegotiate this provision. Employer will provide the Union in writing with the names, addresses, social security numbers and dates of hire for all new employees within 72 hours of the date of hire.

(C) Employer agrees to immediately notify the Union of jobs obtained by Employer, describing the size, location and length of the proposed pipeline and the proposed starting date. The Union agrees to notify the Employer of the Regional Office which shall participate in the pre-job conference. Before any unloading, racking, or stringing of pipe or before clearing any right-of-way, or before performing any other work covered by this Agreement, the contractor-Employer shall, except in cases of extreme emergency, contact the Union within a reasonable time prior to the proposed starting date for the purpose of arranging a pre-job conference at least one week prior to the proposed starting date.

(D) Employer and representatives of the International Union and the local union or local unions involved shall hold a pre-job conference so that the start and continuation of the work may progress without interruption, and Union's representatives at such conferences shall be authorized by Union to represent Union for the entire area covered by the job. It shall be the purpose of the pre-job conference to agree upon such matters as the length of the work week, the number of men to be employed, the layoff procedure, the applicable wage rates in accordance with the contract, and any other matters not including any interpretation of the clauses of this Agreement, it being agreed that any interpretation of the Agreement should be made between the principal parties hereto, so that proper application thereof may be made on the jobs. No

additional pre-job conference will be required if hours of work or work conditions are changed.

No representative of any individual Employer and no representative of the Union or any of its local unions shall demand at the pre-job conference or at any other time during the continuance of the job any term or condition not covered by this Agreement. A copy of the report made of each pre-job conference shall be furnished to the Pipe Line Contractors Association and to the International Brotherhood of Teamsters, and no agreement made at any pre-job conference which adds to or modifies in any way the terms and conditions of this Agreement shall be binding on any individual Employer or the Union, or any of its local unions, unless approved and ratified by the PLCA and the International Brotherhood of Teamsters.

In the event that the Union and the Employer are unable to mutually agree upon layoff procedure at the pre-job conference, the matter will be referred to the Director, Construction Division, International Brotherhood of Teamsters, and the Managing Director, PLCA, for decision along previously established guidelines.

(E) If any individual Employer pays any wages in excess of the wages negotiated in this Agreement in the form of extra money, extra hours, extra travel or stand-by-time, or in the form of a bonus by any subterfuge, and if the PLCA and the International Brotherhood of Teamsters shall jointly determine that such bonus is for the purpose of pirating men from other individual Employers, or results in conditions injurious to the pipeline industry, then such individual Employer shall be required to pay the same extra compensation to all employees classified as Group 1 or Group 2 in this Agreement, and a proportionate additional compensation to all employees classified as Group 3 in this Agreement, and such requirement shall continue until that particular job is completed. It is understood and agreed, however, that any profit-sharing, retirement, or pension plan which an individual Employer may have in effect which has not been set up for that particular job shall not be considered a bonus.

(F) Upon request of the local union having jurisdiction of the job, and upon presentation of proper authorization forms executed by the individual employees, the individual Employer agrees to deduct from the wages of such individual employees Union initiation fees and dues and shall pay over to such local unions the amount so deducted.

(G) The Union agrees to send a copy of this Agreement to each and every one of its locals having jurisdiction over any area in which Employer becomes obligated to construct a pipe line, and agrees that the terms of this Agreement shall be recognized by such local, so that industrial peace will not be disturbed and so that the Employees may perform Employer's work efficiently and continuously. The Employer agrees as well to furnish its supervisory personnel copies of this Agreement so that they may be familiar with the terms.

(H) Employer shall have the right to hire the first driver, the second employee hired shall be the steward. Employer shall have the right to employ, direct and bring into the job men who are regular employees in Employer's work and shall have the right to keep such men in his employ on all work throughout the territory covered by this Agreement.

(I) The words "regular employee" shall mean those who are regularly and customarily employed by the individual Employer and because of their special knowledge and experience in

pipeline construction work, are considered key men. It is anticipated that the number of regular employees shall not be more than a majority of the total number required but there shall be no limitation on the classification of such regular employees, with the understanding that these classifications will be distributed as evenly as possible.

(J) It is understood and agreed that the above limitations shall not apply to the pipeline stringing operations.

(K) The hiring of men in addition to the Employer's regular employees, either at the start of the job or later, shall be conducted in the following manner:

1. In the event a valid non-discriminatory exclusive referral procedure has been established by collective bargaining between a local of the Union and an association of highway and heavy contractors in the area in which the job is to be done, Union shall notify the Association from time to time as to the existence of such exclusive referral procedures and Employer agrees to utilize such referral procedures upon the following conditions:

a. Nothing in this Agreement shall affect the Employer's inherent right to determine the competence and qualifications of applicants for employment or of his employees and his right to reject or discharge accordingly.

b. The selection of applicants for referral to jobs shall be based on a non-discriminatory basis and shall not be based on or in any way affected by union membership, by-laws, regulations, constitutional provisions, or any other aspect or obligation of union membership, policy or requirement.

c. Workmen referred under Article II to the contractor's job who are not able to perform the job to which they are referred because of their own lack of qualifications, or for some other reason which is the workman's own responsibility, shall not be paid show-up time.

d. Qualified applicants required by Employer at the start of the job must be referred by a local referral office within 48 hours of the receipt of Employer's request; those required by Employer after a job has started must be referred by a local referral office within 24 hours of the receipt of Employer's request. If the local referral office fails to comply with this condition, Employer may secure qualified applicants from any other source. Qualified applicants under this section must have the following:

(i) Proper federal and state licenses;

(ii) Proper OQ credentials where necessary;

(iii) Pipeline or general construction work experience relevant to pipeline work or completion of a certified pipeline training course operated or approved by the Teamsters Pipeline Training Fund. The Teamsters and PLCA also agree they will jointly review the training program on a 6-month basis.

(iv) Compliance with company Employee and safety policy standards. These

policy standards will be provided by each Employer at the pre-job conference.

2. In the event there is no valid exclusive referral procedure established in the area where the particular job is to be done or the proper conditions set out hereinabove have not been met by the referral procedure which has been established, Employer will at the pre-job conference notify Union, as one of the sources from which men are to be recruited, as to the number of men who will be needed in addition to his Regular Employees. Employer shall give preference in employment to men in the area who have had previous pipeline construction experience. It is understood that Employer may also recruit men from other sources, will hire all employees at the job site in a non-discriminatory manner, and shall have the absolute right to determine the competence and qualifications of applicants and employees and to reject and discharge accordingly.

3. Once the original crew has been employed, Employer shall have the right to keep such crew on all the work throughout the territory covered by the particular job for which the pre-job conference was held, regardless of local union jurisdiction.

(L) The Union shall post in places where notices to employees and applicants for employment are customarily posted all provisions relating to the functioning of this hiring arrangement, including the provisions set forth. The Employer shall similarly post in places where notices to employees and applicants for employment are customarily posted all provisions relating to the functioning and operation of the hiring arrangements, including these provisions.

(M) The business representative of the Union shall have access to any job at any time, subject to the owner safety and security rules and Federal and State regulations, and shall notify the field office of his presence on the job prior to entering the job site. The representatives of the Union shall not schedule meetings which could in any way hinder ongoing production.

## III.
## STEWARDS

As soon as any work starts, including unloading, racking, or stringing of pipe or clearing of right-of-way, the Union may select any Employee of the Employer who shall act as Steward for the Union. It is understood that the Employer will not be required to employ a Steward for any subcontract work prior to the start of operations by the Employer. The Steward shall be paid for the number of hours he actually works each day or for the number of hours for which the job is set up on a daily basis, whichever is greater, except that on those days when no work is performed, then the Reporting Time Pay provisions of Article VIII will apply. The steward shall perform his work for Employer the same as any other worker, and shall be entitled to receive the rate of pay in Article V(C) for the area in which the job is located. Stewards shall not be discharged without forty-eight hours' previous notice to Union. Although it is agreed that there will be no non-working stewards, it is also recognized by the parties that the steward has an important function in maintaining harmony and cooperation on the job, and therefore his assignment should not be such to prevent his normal function as a steward. Therefore, the parties agree that his job assignment will be a subject to be decided at the pre-job conference. The Employer shall provide the steward a weekly record of all Teamster employees listing date of

hire, social security number, local union number if applicable, classification, hours worked or paid, rate of pay, and date of lay-off or discharge. The Steward shall cooperate with the Employer in the communication of all owner, State, and Federal health and safety regulations applicable to the work covered by the Agreement.

## IV.
## WORKING RULES

(A) The time of the men shall start when the men leave the warehouse and shall end when the equipment is stored or parked at the warehouse or in the field. The lunch period shall be excluded when computing working time. Teamsters may be paid driving time for going out and back to the job site based upon 1/2 hour instead of one hour. As an example, if a Teamster's shift is 6:30 am to 5:30 pm he will be paid eleven (11) hours.

(B) The payday shall be once each week, unless the Employer agrees to allow employees to draw on money earned; under such conditions, payday may be once every two weeks. All Employees shall be paid by (1) check, or by (2) direct deposit of wages to the bank or financial institution of Employee's choice or (3) a cash/debit card on a weekly basis, in which case pay stubs will be provided to the Employee. Employees are to be paid at the end of their regular shift whether working in Employer's yard or in the field. When employees are laid off or discharged, they must be paid wages due them at the time of the layoff or discharge.

(C) Employer shall only be obligated to make arrangements in remote locations where there are no check cashing facilities available to enable employees to cash their paychecks at no cost to the employees. In all other areas, Employees will be responsible for check cashing.

(D) The Union shall place no limitation upon the amount of work which an employee shall perform during the working day and there shall be no restriction imposed against the use of any type of machinery, tools, or labor saving devices; at the discretion of Employer, men may be changed from one classification to another within the jurisdiction of the Union, and, during emergencies, any employee of Employer may be assigned to any work; provided that where an employee is so changed and assigned to work in a classification carrying a higher wage rate he shall be paid such higher wage rate for the period so changed or assigned.

(E) The Employer shall have the right to make and revise, from time to time, safety rules and working rules which are not inconsistent with any of the terms of this Agreement or with existing laws. Union agrees to cooperate in the enforcement of such safety and working rules. Provisions for first aid will be made available on each job.

(F) Where special safety equipment is required by the circumstances under which the employee is working, it shall be the responsibility of the Employer to furnish such equipment at no cost to the employee. Per calendar year, Employer shall make a $150 payment for one pair of boots which would be replaced for wear in the course of the job if needed. Failure to comply with Employer driver and safety policies may result in discipline up to and including termination.

(G) A working Straw-Foreman may be employed and paid on an hourly, weekly, or monthly basis, with a minimum of the applicable Group 1 rate plus top premium. If working Straw-Foreman is salaried, fringes shall be capped at 60 hours per week.

## V.
## WAGE RATES AND CLASSIFICATIONS

(A) The classifications and wages to be paid for all work covered by this Agreement are set out in Schedule A.

(1) In those States or Zones marked by a "PL," the wages and fringe contributions are negotiated by the PLCA and the International Brotherhood of Teamsters, and shall become effective on work in such areas on the dates indicated in Schedule A.

(2) In all other States and Zones effective January 1 and July 1, each year, the Employer will initially recognize and put into effect highway construction wages (including welfare, pension and other fringe benefits) which have been negotiated during the six-month periods immediately preceding January 1 and July 1, each year, provided copies of such highway construction agreements are furnished to the PLCA office in Dallas in accordance with the following provisions and conditions:

(a) The highway construction agreements furnished to the PLCA office must be negotiated between a local of the International Brotherhood of Teamsters and a recognized Employer's Association.

(b) Said highway agreements must be furnished to the PLCA office on or before January 1 and July 1 of each year in order to be recognized; or the Union may notify the Association prior to January 1 and July 1 of each year that a particular local is still in negotiations, and that copies of the completed highway agreement will be sent to the PLCA office within 25 days after the applicable January 1 or July 1 date.

(c) In the event no current or recognized highway agreements have been furnished to the PLCA office in accordance with the provisions of paragraphs (a) and (b) above, then the last published or recognized wages (including welfare, pension and other fringe benefits) will be published or recognized until the next applicable January 1 or July 1 date.

(d) After initial recognition on January 1 or July 1, subsequent increases in wages and fringes called for and set out in such local highway agreements will be put into effect in accordance with the dates negotiated locally.

(e) It is understood that Employer will not be required to recognize or put into effect any highway construction wages (including welfare, pension, and other fringe benefits) received in the PLCA office after January 1, or 25 days after January 1, if applicable, of each year until the following July 1 of that year, nor those received after July 1, or 25 days after July 1, if applicable, of each year until the following January 1.

(f) The parties to this Agreement specifically recognize that only the wages and fringe

benefits from the applicable highway agreements will be recognized for inclusion in this National Pipe Line Agreement. All other terms and conditions of the National Pipe Line Agreement will remain in effect for covered work.

(B) On any work on which government regulations, such as the pre-determination made by the Davis-Bacon Division of the U.S. Department of Labor, specify minimum wage rates and fringes, such wage rates and fringes shall be paid by Employer; provided that in no case shall wage rates and fringes be paid which are lower than those set out in Schedule A.

(C) The work coming under the jurisdiction of the Union and covered by the terms of this contract includes driving of all necessary equipment used for transportation of men, equipment and materials, as indicated in the following classifications:

**Group 1**
Articulating End Dump
*Log/Grapple Truck
**Low Boy
Rollagon or similar type equipment
**Steward
**Stringing Truck
***Truck mechanics

**Group 2**
A-Frame/Gin Pole/Winch Truck
Challenger (For transportation purposes)
Dump Truck (3 axle)
Fork Lift
**Fuel Truck
Rubber-tired Tractor
Skid Truck (3 axle)
Tandem Float (4 & 5 axle)
Track Truck/All-Track
Dumper Equipment

**Group 3******
Bus
Dump Truck (2 axle)
Flat Bed Truck (2 and 3 axle)
Hot Pass Truck (3 axle)
Jeep
Pick-up
Pilot Car
Single Axle Float (3 axle)
Skid Truck (2 axle)
Swamp Buggy/Marsh Buggy, or
similar type Equipment
Team Driver
*****Parts Chaser
Water Truck (2 axle)
Water Truck (3 axle)

*Log truck/Grapple truck is split with the Teamsters assigned the first truck in odd years, second in even years, and the Teamster will receive the applicable Group 1 basic Operator rate.

**(Premium of $2.25 above regular rate)***(Premium of $3.00 above regular rate)

****When a Group 3 vehicle has a trailer added which exceeds 26,000 pounds requiring a Classs A license, the driver will receive Group 2 pay.

*****(Employer hire. Must have Teamster book.)

**Note:** Haz-Mat endorsement premium.

(Teamsters required to work in Haz-Mat classification will receive premium of $1.00 above regular group rate. Premium to be paid for full day where Haz-Mat work is required. Haz-Mat license required.)

(D) No stacking of premiums.

(E) The naming of the particular classifications above does not imply that the Employer is required to employ men in each classification, and the Employer shall be the sole judge as to the number of men to be employed.

(F) Suburbans and/or passenger vans, crew cabs, pick-up trucks and 1-ton trucks shall come under the jurisdiction of the Union when used primarily for transportation of men, equipment and material and will be carried under the Group 3 classification. Employer retains sole discretion for hiring and assignment of this equipment. When this equipment is assigned to specialty crews such as fence crews, environmental crews, survey crews, bending engineer/crews, clearing crews or similar crews a Teamster will be assigned only when such equipment is used primarily for transportation of men, equipment and material.

(G) When new equipment not covered by the above classifications is to be used for transportation of men and/or materials, a new classification and rate shall be negotiated between the parties hereto and put into effect before the equipment involved is put into service.

(H) In the event any individual Employer is delinquent in his payment of any health and welfare, pension or other fringe benefit contribution, as set out in Schedule A of this Agreement for more than thirty days, it is agreed that the principal officer of that particular Employer, the International Brotherhood of Teamsters and the PLCA shall be notified as to such delinquency. If after five days all delinquencies have not been paid in full, it is agreed that the Union may take any appropriate action it deems necessary in order to collect such delinquent contributions, and will not be considered in violation of Article IX should a work stoppage occur. If there is a conflict with the delinquency language in this section and any Trust Fund Agreement, this section will apply.

(I) In order that Employer may legally contribute to the Fringe Funds called for in Schedule "A" of this Agreement and in order that employees may legally participate as beneficiaries of such Fringe Funds, The National Participation Agreement, a copy of which is set out in Schedule "B", shall be signed by each individual Employer and filed with Union in Washington, D.C. By signing The National Participation Agreement, Employer will not be required to sign any local Participation Agreement.

(J) (a) Fringe Benefit contributions under this Agreement shall be paid for all hours worked. All welfare contributions for Travelers will be remitted to the Central States, Southeast and Southwest Areas Health and Welfare Fund. Contributions for fringe benefits for all Non-Travelers will be remitted to the local funds having jurisdiction over the work, unless that local fund is the Central States, Southeast and Southwest Areas Pension Plan ("Central States Pension Plan"). Except as stated in (aa) below, the amount of those pension contributions, as well as the amount of all pension contributions on behalf of the Travelers, shall be made to the Teamsters National Pipe Line Pension Fund ("TNPLP Fund").

Notwithstanding anything to the contrary set forth in this Article V, or anything elsewhere in this Agreement (including Schedule B), any Employer, who has an obligation under this Agreement to remit contributions for pension benefits on behalf of any Employees to a local pension fund having jurisdiction over the work, may elect to have the contributions remitted instead on a continuing basis to the TNPLP Fund if the pension fund is not a construction fund as defined by ERISA Section 4203, or is in critical status ("Red Zone"). The employer must make the election within 120 days of the date it receives annual written notice of the local pension fund's zone status certification, or the execution date of this Agreement whichever is later, and shall provide written notice to the local pension fund and the Union of its election as soon as practicable thereafter.

(aa) Notwithstanding anything to the contrary, should a contractor choose to continue to participate in the Central States, Southeast and Southwest Areas Pension Plan, then contributions for both that contractors Travelers and local hands will be remitted to Central States.

(b) All Employees covered by this Agreement will be classified on each project as either a traveler or non-traveler. Travelers will be defined as 1) those employees who are considered (regular) or (key) employees hired for a project directly by the Employer, and 2) Employees dispatched by the Local Union who are members of another Local Union outside of the Joint Council which has jurisdiction for the project. Employees dispatched from Local Unions or Local Unions in the Joint Council having jurisdiction over the project shall be determined as non-travelers.

(K) If, in the opinion of the Board of Trustees of any of the Funds for which contributions are due under this Agreement, any individual Employer has had a record of delinquent contributions to such an extent that it is necessary for the protection of the beneficiaries of such Funds that some security for the contributions be obtained, said Board of Trustees is authorized to require such individual Employer to deposit the sum of $300 per employee in an escrow account designated by the Director of the Funds. Upon completion of the job, any amounts in excess of the contributions due shall be refunded to the individual Employer.

(L) Pension Protection Act: The undersigned Parties acknowledge and agree that the applicable multi-employer pension plans are, or may become, subject to the remedial provisions and requirements of the federal Pension Protection Act of 2006 (PPA), which sets forth certain funding standards and remedial requirements for multi-employer pension plans. Under applicable circumstances, the PPA imposes extra-contractual obligations upon contributing employers. The Union hereby agrees that, in the event any contribution surcharges, funding obligation, eligibility requirements, rehabilitation plan terms, or any other PPA provision or requirement results, in obligating the Employer to contribute any amount in excess of the amount agreed upon here- in during the term of this Agreement, the corresponding amount of such additional contribution obligation shall be offset by equivalent reductions to the wage rates set forth in Schedule A of this Agreement. Should the offset amounts not be readily ascertainable, i.e., other than $xx.xx per hour per employee or $xx.xx per week, per employee, the undersigned Parties shall attempt to agree upon the amount(s) and methodology for the calculation and implementation of any such offsets. Failing to agree, the matter shall be subject to the grievance and arbitration procedure set forth in Article X of this Agreement. The costs of

such arbitration shall be borne by the Union.

(M) If any federal or state legislation or regulations impose extra funding obligations, such as additional fringe benefit increases, penalties, or surcharges, in any amount in excess of the amount bargained for in this Agreement on or after February 1, 2014, such additional amounts shall be offset from wages.

(N) The parties have agreed to the following increases in the wage and benefit package. Effective June 5, 2017, a three percent (3%) total package increase, effective June 4, 2018, a three percent (3%) total package increase, and effective June 3, 2019, a three percent (3%) total package increase. The union will determine the distribution of such increases.

(O) Pickup Rentals. The Steward will receive $65 per day for pickup rental. Rental of other pickup trucks will be at the discretion of the Employer.

(P) The parties have also agreed to twenty-five cent ($.25) increase for pension in all states in each of the three years and effective on June 5, 2017, June 4, 2018 and June 3, 2019.

## VI.
## JURISDICTIONAL DISPUTES

The PLCA and the four International Unions with which National Pipe Line Agreements have been negotiated have established a National Pipeline Industry Joint Policy Committee for the purpose of hearing and considering matters of concern to the pipeline construction industry, such as jurisdictional disputes and any other matters affecting the welfare of the industry.

If a dispute arises involving a work assignment or work covered in the above classifications between Union and any other Union, there shall be no slowdown, stoppage, or abandonment of work, and the parties hereto agree to resolve such dispute in accordance with the rules and regulations adopted by the National Pipeline Industry Joint Policy Committee.

The Policy Committee decisions are incorporated and made a part of this Agreement and should be referred to specifically as if set out herein. The Policy Committee decisions may be obtained by contacting the Union or the PLCA.

## VII.
## WAITING TIME

(A) Employees classified as Group 1, Group 2 or Group 3 in this Agreement shall be paid waiting time for any day lost during the normal scheduled work week. For any day lost during any one work week, the waiting time payment will be 2 hours to be paid at the applicable Group 1, Group 2, or Group 3 straight-time rate, and will include any premium.

(B) If the Employer is working a regularly scheduled six-day work week, no waiting time will be paid for the seventh day.

(C) In no event shall the waiting time payment be included in counting the eight or forty hours after which overtime is payable.

(D) If no work is performed on a holiday designated by this Agreement, waiting time only shall be paid to Employees classified as Group 1, 2 or 3. However, if an official holiday designated by this Agreement comes on a Sunday, and the Employer is working a regular six-day week, no waiting time shall be paid for that day.

(E) In emergencies, when the local union is notified beforehand, the Employer may work any Employee or Employees on any day without incurring liability for waiting time payments to any Employees.

(F) There will be no fringe benefits paid for waiting time under this section.

## VIII.
## OVERTIME AND HOLIDAY PAY

(A) The work week shall begin Monday and shall end Sunday. Except as otherwise provided in Schedule "A", all hours worked by an employee in excess of eight hours per day and/or 40 straight-time hours per week and all work on Sunday shall be paid for at the rate of time and one-half the straight time pay. Work performed on Christmas, Thanksgiving, Memorial Day, Labor Day, New Years' Day and July 4th shall be paid for at double the straight-time hourly rate; provided, however, that in the event one of the holidays named hereinabove occurs during the first forty hours of any work week, the hours worked on such holidays shall not be counted in computing the forty hours after which the employee is entitled to a rate of time and one-half the straight time rate.

(B) If one of the holidays named in Paragraph (A) falls on Sunday, it shall be observed on Monday. Accordingly, if such an event occurs, work performed on Sunday shall be paid for at the applicable rate for that employee for that day; work performed on Monday will be paid for at double the straight- time hourly rate. If no work is performed on Monday, no pay shall be required.

## IX

## REPORTING TIME PAY

(A) After a person has been hired and ordered to report for work at the regular starting time, and no work is provided for him on the day that he has so reported, he shall receive pay equivalent to four hours at the rate applicable for that day. This pay shall be provided notwithstanding that he has not been ordered to report for work on that particular day, if the person has been working regularly and the Employer has failed to notify him not to report for work at or before 8:00 P.M. the preceding day.

(B) Any person who reports to work and for whom any work is provided, regardless of the time that he works, shall receive the equivalent of not less than four hours pay at the rate applicable for that day.

(C) Any person who reports to work and who works more than four hours in any one day, shall receive the equivalent of not less than eight hours pay for said day.

(D) It is expressly provided, however, that when a person refuses to work or continue to work, or work stoppage conditions brought about by a third party or third parties prevent or make ill-advised, in the opinion of the Employer, the performance of any work or the continuance of work once started, no pay for time not worked shall be required under any of the above enumerated conditions.

(E) Where notification of the men is required under this Agreement to the effect that work shall not be performed on a particular day, notification of such fact to the steward shall be sufficient notification to the men, provided such notification is made during working hours and he is afforded a reasonable opportunity to notify the men during working hours.

## X.
## WORK STOPPAGES

(A) No local union nor the International Union, nor any representative of either, shall cause or promote a strike, slowdown, stoppage of work or any interference, directly or indirectly, with the operation and progress of the work; nor shall any Employer or the PLCA engage in any lockout during the life of this Agreement, it being the good faith intention of the parties hereto that by the execution of this Agreement industrial peace shall be maintained. All grievances, disputes, differences of opinion and other questions concerning this Agreement shall be settled in accordance with the procedure for settlement of grievances and disputes set out in Article X below. Any settlement where hours of pay are involved shall be retroactive.

(B) If the local union or any representative thereof causes or promotes a strike, slowdown, stoppage of work or any interference with the operation or progress of the work, or if the Employer breaches this Agreement, then the Employer (where the local union interfered with the work) or the local union (where Employer has breached the Agreement) may at its option declare the provisions of Article X inoperative and seek whatever remedy may be available from the National Labor Relations Board or any Federal or State court having jurisdiction of the matter.

(C) If the International Union or any representative thereof causes or promotes a strike, slowdown, stoppage of work or any interference with the operation or progress of the work, or if the Employer breaches this Agreement, then the Employer (where the International Union interfered with the work) or the International Union (where Employer has breached the Agreement) may at its option declare the provisions of Article X inoperative and seek whatever remedy may be available from the National Labor Relations Board or any Federal or State court having jurisdiction of the matter.

(D) It shall not be a violation of this Agreement or of the no-strike clause if members of the International Brotherhood of Teamsters refuse to cross a picket line established by another craft

union within the pipeline industry.

## XI.
## PROCEDURE FOR SETTLEMENT OF GRIEVANCES AND DISPUTES

(A) Any grievances, disputes or differences of opinion which arise between the contractors' supervisory personnel and Union representatives in the field shall be settled on the job whenever possible; provided that such settlements shall not vary any of the wages, terms or conditions of this Agreement. Misassignments of work which are not jurisdictional disputes will be subject to the Grievance Procedure of the National Pipe Line Agreement. Misassignments will be defined as the assignment of work traditionally belonging to the Teamsters under the National Pipe Line Agreement to another craft.

(B) If a grievance, dispute or difference of opinion cannot be settled on the job within forty-eight (48) hours, then such matter must be referred within ten (10) days by the Union representative in the field to the appropriate International Union representative, and the contractors' supervisory personnel must within the same period refer the matter to the contractors' executive personnel and, if necessary, to the Managing Director or Executive Director of the PLCA. These parties shall immediately make every effort to settle the grievance, dispute or difference of opinion.

(C) Any grievance, dispute, difference of opinion or controversy of any kind or character between the Union and the PLCA and/or individual Employer signatory hereto involving or relating to the interpretation, construction or application of the terms of this Agreement, and the relations between the parties arising during the term of this Agreement which cannot be settled by the parties, shall be settled by the arbitration procedure which is set out below.

(D) If, within forty-eight (48) hours, no adjustment or settlement is reached by the procedures set out above, the matter shall immediately be referred in writing to an Arbitration Board consisting of six (6) members, all of whom shall be familiar with the main line, cross-country pipeline construction industry, three (3) to be appointed by the International Union, and three (3) by the PLCA . These six (6) individuals shall constitute the Arbitration Board.

(E) The Members of the Arbitration Board shall not have the power to amend or alter the provisions of this Agreement but shall within fourteen (14) days of their appointment determine the procedure that they will use in considering the evidence and render a decision based on the evidence submitted by the parties, such decision to be consistent with the terms and provisions of this Agreement. The decision of the Arbitration Board shall be binding upon both parties.

(F) In the unlikely event that the six (6) member Arbitration Board is unable to reach a decision, then either party may institute the following procedure:

1. Within seven (7) days after notification by the Arbitration Board that it is unable to reach a decision, the PLCA and the International Union shall attempt to mutually agree upon one (1) person to whom the matter shall be referred.

2. If within forty-eight (48) hours no mutual agreement has been reached by the

procedure set out above, the Association will immediately contact the Federal Mediation and Conciliation Service to obtain a list of three (3) individuals with as much experience and knowledge as possible in the pipeline construction industry. A copy of this list will be furnished to the Union, and thereafter, the PLCA and Union shall attempt to mutually agree upon one (1) of the individuals listed. If no agreement can be reached, the Union and the PLCA will each strike one (1) name from the list and the remaining individual will be the Arbitrator.

3. A statement of the facts shall be presented to the Arbitrator within forty-eight (48) hours after his selection either:

a. Jointly, if the Union and PLCA mutually agree; or

b. Separately, if no mutual agreement, and the Association will submit a written statement setting out the Employer's position and the Union will submit a written statement setting out the Union's position.

4. All information submitted to the Arbitrator will be in writing. No personal appearances or oral testimony will be allowed. The Arbitrator will then issue, within five (5) days, a decision based upon the evidence submitted.

(G) The Union and the Employer involved shall bear the expense of their appointed Arbitrators. In the event an Arbitrator from the Federal Mediation and Conciliation Service is selected, then the Union and the Employer shall be jointly responsible for that person's expenses.

(H) In the event Employer fails or refuses to comply with the grievance procedure set out hereinabove, the provisions of Article IX shall not be binding upon Union. If Union fails or refuses to comply with the grievance procedure set out hereinabove, the Employer shall have the right to declare this entire Agreement null and void.

## XII.
## SPECIAL CONDITIONS

In order to be more competitive in certain areas of the country, the PLCA and the Union may mutually agree to put into effect special wages and conditions for specific areas or projects. These special wages and conditions will apply to the areas or projects involved for the period of time to be established by the principal parties.

## XIII.
## DRUG AND ALCOHOL TESTING

(A) A Substance Abuse Policy has been negotiated by the PLCA and the International Brotherhood of Teamsters and is attached hereto and made a part of this Agreement as Schedule "C".

(B) If an Employee fails a pre-employment drug or alcohol test and is so notified by 9:00 a.m. on the fifth business day following the day of taking the test, then the Employee's wage rate shall not be the hourly wage rate set forth in this Agreement. Instead, the Employee shall be paid wages at a flat rate of $90 per day worked (but in no event less than the applicable

minimum wage) for all days worked prior to receiving such notification (not to exceed five (5) days) and for which no wages have yet been paid as required by this Agreement. If subsequent testing reveals a false positive, the Employee will be entitled to full compensation for the period he worked and reinstatement. The results of all tests will be kept confidential between the Employee, the Employer and the Union.

## XIV.
## TRAINING/DOT RULES

(A) Training – The Trustees of the Teamsters National Pipeline Training Fund will develop a National Pipeline Training Program for Teamsters to train in operating pipeline equipment in areas of high pipeline construction.

(B) DOT Rules – The Trustees of the Teamsters National Pipeline Training Fund will develop a DOT training program to teach Teamsters the necessary skills to comply with DOT driver requirements. Part of this program will be to develop a general pre-dispatch drug and alcohol testing program to be applied to all drivers seeking work under the National Pipe Line Agreement.

(C) Contributions shall be made to the Teamsters National Pipe Line Training Fund and Labor-Management Cooperation Trust in accordance with Schedule "A" and the provisions above. The National Pipe Line Training Fund will establish proficiency training standards to be used in a National Pipeline Training Course, which will include specific Operator Qualification training. Regional training courses also will be set up throughout the country as necessary and will be subject to the proficiency training standards developed by the Fund. A list of Teamsters who have successfully completed the course will be made available to signatory contractors on request. Funds contributed to local training funds for pipeline work covered under the National Pipe Line Agreement should be used by the local funds to provide pipeline and OQ training. Local pipeline training will be monitored by the Teamsters National Pipe Line Training Fund.

## XV.
## HISTORICAL PRECEDENT

Since the inception of the National Pipe Line Agreements, which cover all main line, cross-country pipeline construction, only four (4) Unions have been recognized, and all work relating to such pipeline construction has been performed by these four (4) Unions. They are: The International Brotherhood of Teamsters, The United Association of Journeyman and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada, The International Union of Operating Engineers, and the Laborers' International Union of North America. The recognition of only these four (4) Unions on such work is hereby reaffirmed.

## XVI.
## INDIAN PREFERENCE IN EMPLOYMENT

The hiring procedures contained in this Agreement shall not apply in the "territorial jurisdiction" of any Indian Nation which has adopted an Indian Preference in Employment law, provided that those persons covered by the law and seeking covered employment under this

Agreement possess the "necessary qualifications" which are essential to the performance of that specific job.

## XVII.
## TEAMSTERS NATIONAL PIPE LINE PENSION FUND

As part of this Agreement, there has been established a Teamsters National Pipe Line Pension Fund for pension contributions previously made to the Central States Pension Fund. The Plan and Trust documents for this Fund are made a part of this Agreement.

## XVIII.
## EFFECTIVE DATE, TERMINATION AND RENEWAL

(A) This Agreement represents a continuation of the original Agreement covering transportation mainline pipeline construction between the International Brotherhood of Teamsters and the members of the PLCA and other contractors dated January 1, 1966.

(B) This Agreement shall become effective June 5, 2017, when signed by the parties hereto and shall remain in full force and effect until its termination as provided hereinbelow.

(C) The provisions of this Agreement shall continue in full force and effect until May 31, 2020, and thereafter from year to year unless terminated at the option of either party after sixty (60) days' notice in writing to the other.

(D) Union agrees to reopen the Agreement upon two weeks' notice that federal or state legislation has been enacted which impacts signatory Employers.

## XIX.
## LIABILITY

(A) It is further understood that no liability shall arise on the part of the International Union herein by reason of any unauthorized act by any employee of the said Employers or any local union or official thereof affiliated with the International Union unless and until such unauthorized act is brought to the attention of the International Union and the International Union fails to use reasonable efforts to correct such unauthorized act.

(B) It is understood that the PLCA is acting merely as collective bargaining agent in the negotiation of this Agreement and in no event shall it be bound as principal or be held liable in any manner for any breach of this contract by any of the Employers signing the same.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this 13th day of March, 2017.

PIPE LINE CONTRACTORS ASSOCIATION

By: _____
Robert C. Osborn, President

By: _____
J. Patrick Tielborg, Managing Director
and General Counsel

INTERNATIONAL BROTHERHOOD OF TEAMSTERS

By: _____
James P. Hoffa, General President

By: _____
Marion D. Davis, Director of Building
Material and Construction Trade Division

**ATTACHMENT 1**

**2014 -2017 ADDENDUM TO THE NATIONAL PIPE LINE AGREEMENT BETWEEN THE PIPE LINE CONTRACTORS ASSOCIATION AND THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS**

The wage rates, fringes and conditions set out herein will apply in the states and for the type of work described below, through completion of jobs involving such work, where the International Brotherhood of Teamsters receives a job notification during the period June 5, 2017 to May 31, 2020, and the work on such jobs is started before May 31, 2020. This Addendum applies only to jobs for which both a signatory(ies) to the National Pipe Line Agreement and a non-signatory(ies) are bidding the work. Unless this Addendum is extended by mutual agreement of the parties prior to May 31, 2020, this Addendum shall expire on that date for all jobs not started prior to that date.

A. States

1. Alabama, Arizona, Arkansas, Colorado, Florida, Georgia, Idaho (A.2. States wages and fringes), Kansas, Louisiana, Mississippi, Montana, Nebraska, N. Mexico, N. Carolina, N. Dakota, Oklahoma, S. Carolina, S. Dakota, Tennessee, Texas, Utah, Virginia, and Wyoming

2. Connecticut, Delaware, D.C., Indiana (Bartholomew, Brown, Clark, Crawford, Dearborn, Decatur, Dubois, Floyd, Franklin, Gibson, Harrison, Jackson, Jefferson, Jennings, Lawrence, Martin, Ohio, Orange, Perry, Pike, Posey, Ripley, Scott, Spencer, Switzerland, Vanderburgh, Warrick, and Washington only), Iowa (except Cedar, Clinton, Des Moines, Lee, Louisa, Muscatine and Scott Counties), Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, New Hampshire, New York (Zones 4 through 13), Ohio (excluding Columbiana, Mahoning and Trumbull Counties), Pennsylvania (except Bucks, Chester, Delaware, Montgomery and Philadelphia Counties), Rhode Island, Vermont and West Virginia.

B. Scope of Work

1. In those states set out in A.1 above the scope of the work is 16" and under, only, regardless of length.

2. In the states set out in A.2 above the scope of the work will be 16" and under only.

C. Wage Rates, Fringes and Conditions

1. Wages and Fringes

a. In all states set out in A.1. above the total package for addendum

work shall be 80% of the full mainline total package as shown in Schedule "A". Applicable fringes deducted to determine base rate.

b. In all states set out in A.2. above, deduct $3.00 from full base rate. Full mainline fringes apply.

c. Low Boy, Stringing Truck, Mechanic, Fuel Truck and Steward will receive premium of $2.25 above regular pay.

2. Conditions

I. A.1. and A.2. States

a. Contractor has the right to hire 75% of employees direct for all states and scope of work set out above.

b. Employees who are required to report to the warehouse will receive four-hours show-up pay when no work is provided; if work is started, employees will receive pay for actual hours worked with a minimum payment of four (4) hours.

c. Assembly Point/Warehouse Location. The assembly point/warehouse location may be determined by contractor on right-of-way or another location.

d. Composite Crew Concept. By mutual agreement contractor may establish for a project or job a crew or crews known as a "composite" which shall consist of the required crafts in such proportions as are respective to the type of work to be performed. In performing its work, the composite crew shall be allowed relaxation from strict craft jurisdiction, provided the employees from each craft are assigned to their craft's jurisdiction as far as practicable and possible, but not inconsistent with the provisions of the Addendum and National Pipe Line Agreement.

There are specific jobs within the scope of work of this Agreement for which all of the wages and conditions contained herein may not be appropriate due to competition or other reasons. In such cases, adjustments will be made in accordance with recognized principles agreed to by the parties during negotiations. For additional clarification on work to be covered, Employers should contact the signatory parties to this Addendum.

All other terms and conditions of the National Pipe Line Agreement between the PLCA and the International Brotherhood of Teamsters will remain in effect.

**ATTACHMENT 2**

**INTERNATIONAL BROTHERHOOD OF TEAMSTERS**
**NATIONAL PIPE LINE AGREEMENT**
**INTEGRITY MANAGEMENT AND MAINTENANCE ADDENDUM**

The conditions set out below will apply in the continental United States for the type of work described below through completion of jobs involving such work. This Integrity Management Addendum will be attached to and made a part of the National Pipe Line Agreement.

**A. States**

See List of States below.

**B. Coverage**

This Addendum shall cover integrity management of all existing transportation mainline pipelines (existing pipelines) coming within the jurisdiction of the Union. This Addendum is intended to cover on-going maintenance, integrity work, repair, renovation, restoration, removal, reinsulating, rebevelling, reconditioning, modification, dismantling, demolition, and addition /or replacement of existing pipelines, including but not limited to the following:

1. replacement or relocation of existing pipelines, regardless of size, 15 miles or less
2. hydrostatic testing of existing pipelines regardless of size or length;
3. anomaly investigation and repair including recoating and/or replacement of pipe;
4. installation, removal or replacement of valves, launchers/receivers, and/or appurtenant piping for integrity programs;
5. right-of-way maintenance;
6. casing extension and split casing installation;
7. cathodic protection work; and
8. horizontal directional drill crossings and road boring.

**C. Existing Pipelines**

The term "existing pipelines" used within the terms of this Addendum is limited to a constructed pipeline already completed.

**D. Wage Rates and Fringe Benefits**

1. In A States – 20% off Wages with full mainline fringes.

2. In B States - 10% off Wages with full mainline fringes.

3. In C States – Full scale mainline wages and fringes and integrity addendum conditions.

**E. Conditions**

1. **Hiring** -50% Employer/50% Union, if Union has qualified workers available, otherwise, Employer hires.

2. **Living Expenses** – At Employer's option, Employer may provide living expenses only for Employees who are working away from home.

3. **Portability** - Once the crew is hired, the Employer can move that crew within the covered project without change regardless of Local Union jurisdiction.

4. **Composite Crew** – All Employees will work under a composite crew concept as determined by the Employer and the Union. The parties understand that the nature of this work requires working in a cooperative effort, making it sometimes difficult to adhere to strict jurisdictional guidelines. Thus, Employer shall make every reasonable effort to man specific tasks according to the jurisdiction of the Union and shall maintain a fair and balanced craft ratio in the overall manning of the job.

5. **Time** – The Employee's time will start at the jobsite which will be determined at the discretion of the Employer.

6. **Assembly Point** – There will be no restrictions on assembly point(s) or warehouse distance from living accommodations and may be on the right-of-way. The establishing of any assembly point or points will not affect the location of the warehouse.

7. **Pre-Job** – The pre-job will be with International Representatives.

8. **Additional Coverage** - The PLCA may request additional coverage to this Addendum by written request.

9. **Term**

The term of this Addendum will be the same as the National Pipe Line Agreement. This Addendum includes the entire Agreement on integrity management work reached by the parties and no past practice or precedence will apply to work covered by this Addendum.

**F. National Pipe Line Agreement**

All other terms and conditions of the National Pipe Line Agreement between the Pipe Line Contractors Association and the International Brotherhood of Teamsters will remain in effect.

LIST OF STATES

| A | B | C |
|---|---|---|
| | | |
| **ALABAMA** | **COLORADO** | **CALIFORNIA** |
| **ARIZONA** | **CONNECTICUT** | **ILLINOIS** |
| **ARKANSAS** | **DELAWARE** | ***INDIANA** (Lake, La Porte, Porter, St. Joseph, Elkhart, Fulton, Jasper, Kosciusko, LaGrange, Marshall, Newton, Noble, Pulaski and Stark) |
| **FLORIDA** | **D.C.** | ***IOWA** (Cedar, Clinton, Des Moines, Lee, Louisa, Muscatine and Scott Counties) |
| **GEORGIA** | **IDAHO** | **NEVADA** |
| **KENTUCKY** | ***INDIANA** (except counties in C) | **NEW JERSEY** |
| **LOUISIANA** | ***IOWA** (except counties in C) | ***NEW YORK** (Zones 1, 2, 3 and Delaware County) |
| **MISSISSIPPI** | **KANSAS** | ***PENNSYLVANIA** (Zone 1) |
| **NEW MEXICO** | **MAINE** | **WISCONSIN** |
| **NORTH CAROLINA** | **MARYLAND** | |
| **OKLAHOMA** | **MASSACHUSETTS** | |
| **SOUTH CAROLINA** | **MICHIGAN** | |
| **TENNESSEE** | **MINNESOTA** | |
| **TEXAS** | **MISSOURI** | |
| | **MONTANA** | |
| | **NEBRASKA** | |
| | **NEW HAMPSHIRE** | |
| | ***NEW YORK** (Zones 4 -12 except Delaware County) | |
| | **NORTH DAKOTA** | |
| | **OHIO** | |
| | **OREGON** | |
| | ***PENNSYLVANIA** (Zones 2-4) | |
| | **RHODE ISLAND** | |
| | **SOUTH DAKOTA** | |
| | **UTAH** | |
| | **VERMONT** | |
| | **VIRGINIA** | |
| | **WASHINGTON** | |
| | **WEST VIRGINIA** | |
| | **WYOMING** | |
| | | |
| | | |

**SCHEDULE B**

**NATIONAL PIPE LINE AGREEMENT**
**PARTICIPATION AGREEMENT**

WHEREAS, the undersigned Employer has entered into a National Pipe Line Agreement with the International Brotherhood of Teamsters which requires said Employer to make contributions into designated funds, approved by the National Labor Relations Act, 1947, Section 302(c), at a stipulated rate and under certain conditions;

NOW, THEREFORE, IT IS AGREED by and between the undersigned Employer, the applicable multiemployer plans, and the International Brotherhood of Teamsters that such Employer hereby subscribes to the various agreements and declarations of trust and policies and procedures of the particular funds into which such Employer will be required to make contributions pursuant to the National Pipe Line Agreement and agrees to be bound thereby and to amendments made or to be made thereto, but only to the extent they are consistent with the terms of this Agreement; and authorizes the parties to such trust agreements to name the trustees and successor trustees, and to administer the trusts; and does hereby ratify and accept such trustees and the terms and conditions of said trusts; provided, however, that no amendments or provisions of said agreement or declaration of trust shall bind the Employer for any financial obligations, including, without limitation, dues delinquency determinations or exit contributions, including withdrawal liability except as otherwise required by law, beyond that set forth in the National Pipe Line Agreement pursuant to which such contributions are made. The Employer shall only be obligated to an applicable multiemployer plan if said multiemployer plan provides to Employer its EIN number. Said Employer's obligations shall also be considered within and limited by the construction industry exemption of the Employee Retirement Income Security Act ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980 ("MPPAA") as long as said Employer is a construction industry employer within the meaning of 29 U.S.C. §1383(b). Furthermore, under this Agreement Employer shall only be obligated to contribute to plans that certify that they primarily cover employees in the building and construction industry, or plans that demonstrate to the satisfaction of the Employer that they have been amended to provide that the construction industry exemptions of Sections 4203 and 4208 of ERISA apply to the Employer as long Employer is a construction employer as defined above.

DATED this ____day of _____, 20__.

EMPLOYER:

By: _____
Name and Title

_____
Name of Company

_____
Address

_____
City and State

_____
Federal Employer Number

_____
Telephone Tax Number

"By the execution of this agreement on behalf of its affiliated local unions, the International Brotherhood of Teamsters does so for convenience only and does not assume any liabilities with respect to such agreements and declarations of trust or with respect to local union contracts to which the International Brotherhood of Teamsters is not a party."

ACCEPTED:

INTERNATIONAL BROTHERHOOD OF TEAMSTERS ON BEHALF OF ITS AFFILIATED LOCAL UNIONS

By:_____
Title

ACCEPTED:

BY THE TRUSTEES OF THE FOLLOWING

_____
Name of Fund

_____

_____

_____

_____

_____

_____

Local Union

By:_____
Authorized Business Agent

# EXHIBIT 6

## UA NPLA

**PIPELINERS LOCAL UNION 798**
**OF THE UNITED ASSOCIATION**
**OF JOURNEYMEN AND APPRENTICES**
**OF THE PLUMBING**
**AND PIPEFITTING INDUSTRY**
**OF THE UNITED STATES AND CANADA**

# NATIONAL PIPELINE AGREEMENT

**Effective June 5, 2017 - May 31, 2020**

**PIPELINERS LOCAL UNION 798**
**4823 South 83rd East Avenue**
**P.O. Box 470798**
**Tulsa, Oklahoma 74147-0798**
**918-622-1900**
**Fax 918-627-9327**
**www.local798.org**

GCIU C-651

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# NATIONAL PIPE LINE AGREEMENT

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# NATIONAL PIPE LINE AGREEMENT

This AGREEMENT is made by and between the PIPE LINE CONTRACTORS ASSOCIATION (hereinafter referred to as "PLCA"), its contractor members and such other mainline pipe line contractors who execute an acceptance of the terms and provisions of this Agreement (hereinafter referred to as the "Employer"), and THE UNITED ASSOCIATION OF JOURNEYMEN AND APPRENTICES OF THE PLUMBING AND PIPE FITTING INDUSTRY OF THE UNITED STATES AND CANADA, AFL-CIO (hereinafter referred to as the "Union").

W I T N E S S E T H :

WHEREAS, the Parties hereto desire to stabilize employment in the Mainline Pipe Line Industry, and agree upon wage rates, hours and conditions of employment for all employees performing work under this Agreement ("Employees").

NOW, THEREFORE, the undersigned Employer and the Union, in consideration of the mutual promises and covenants herein contained, agree as follows:

## I.

## COVERAGE

(A) This Agreement and the Attachments covering (1) Small Diameter Pipe (16" and under), (2) Station, (3) Mechanized Welding, and (4) Integrity Management and Maintenance, which are included and made a part of this Agreement, shall apply to and cover all transportation mainline pipe line work coming within the jurisdiction of Union contracted for or performed by Employer within the continental United States as such work is more fully described below. Work done in the State of Alaska shall also be covered by the terms of this Agreement; provided, however, that the PLCA and Union shall meet to agree upon the wage rates and any conditions relating to transportation, subsistence and camp jobs which may be necessary in that State. By mutual agreement, this Agreement may be extended to cover other territory.

(B) Transportation mainline pipe lines coming under this Agreement are those illustrated on accompanying charts and are defined as follows:

The construction, installation, double-jointing, rebevelling, treating, reconditioning, testing, taking-up, re-laying, or relocation of cross-country pipe lines or any segments thereof transporting coal, gas, oil, water* or other transportable materials, vapors or liquids, including portions of such pipe lines within private property boundaries up to the final metering station or connection.

* (The Parties will negotiate special wages and conditions for water lines.)

The phrase "final metering station or connection" means that point where a valve, consumer connection, or town border station divides mainline transmission lines or higher pressure lateral and branch lines from lower pressure distribution systems. If a metering station or connection is located on such mainline transmission line or higher pressure lateral or branch line or between two or more mainline transmission lines or higher pressure lateral or branch lines then such work is covered by this Agreement.

(C) Gathering lines which connect directly from the wells to the mainline pipe lines, gathering lines to or from gas extraction and gas dehydration plants, gathering lines to or from gas storage fields and water flood lines are included.

(D) All marine work, including "push" jobs in-shore and work done from barges in-shore or off-shore, is covered by this Agreement.

(E) Fabrication and installation of all launchers, receivers and appurtenant piping and related facilities on mainline pipe lines including those portions within private property boundaries which are an integral part of the pipe line system. Employer shall have the right to perform all fabrication work on mainlines or pumping stations under either (1) the terms and conditions of this Agreement, or (2) in a permanent fabrication shop under the terms and conditions of the National Minimum Standard Agreement for a Commercial Pipe Fabricating Shop. All fabrication performed in a permanent fabrication shop must carry the United Association Union label.

(F) Small Diameter Pipe Line work (16" and under), Station work as described in this Agreement, all Mechanized Welding work, and Integrity Management and Maintenance work is covered by this Agreement, but is subject to special conditions in accordance with the Special Agreements for each type of work set forth in Attachments 1-4 to this Agreement.

(G) Welding, cutting and setting of steel pipe supports as well as the setting, adjusting, aligning, repairing and maintaining of associated rollers is work that is covered by this Agreement.

(H) The work coming under the jurisdiction of the Union includes, regardless of the materials and mode or method used, the preparation of the pipe for joining, lining up of the pipe and the handling of the clamps, and joining of the pipe, and Employer shall respect the jurisdiction of the Union in assigning the work to be done.

(I) Such pipe line construction, installation, repair, maintenance, replacement or reconditioning as may be combined with or associated with or comprising an integral part of other work more particularly and usually defined as Engineering or Building Construction, tank farms, refineries, single owner plant to plant connecting lines within a city limit and city distribution lines are not covered by this Agreement.

(J) For purposes of this Agreement, wherever the words "special work" are used, they shall refer to and include the following work (but shall not include work covered by

Attachments 1-4) and special provisions pertaining to such work are set out in Article XXI hereafter.

1. Gathering lines as described in Paragraph (C) above.
2. Marine work as described in Paragraph (D) above.
3. Short lines
4. Highway relocation
5. Change outs
6. Congested area work
7. Road Crossings
8. Road Boring and Casing
9. River crossings
10. Bridge crossings
11. Fabrication
12. Testing (including Hydrostatic and Pressurization)
13. Take-up Jobs (Salvage Pipe)
14. Double jointing in the field
15. Reconditioning
16. Water lines including pipe made of material other than steel

(K) If and when Employer shall perform work covered by this Agreement under its own name, under the name of another, as a corporation, company, partnership, enterprise, or any combination, including a joint venture, this Agreement shall be applicable to all such work performed under the name of Employer or the name of any other corporation, company, partnership, enterprise, combination or joint venture.

(L) All of the work covered by this Agreement shall be done under and in accordance with the terms and conditions of this Agreement, whether done by Employer or any subcontractor of said Employer.

(M) In order to preserve work customarily performed by Employees working under this Agreement, it is agreed that, as a primary working condition, all double-jointing and rebevelling of pipe shall be performed by an Employer bound to this Agreement, except as otherwise mutually agreed upon in writing by the Union and the PLCA with relation to any particular job or project. It is further agreed that no subterfuge shall be used to avoid the intent and scope of this provision, and this Agreement shall apply to all firms, corporations or contractors owned, financed or in any way controlled by an employer bound to this Agreement. A violation of this provision shall be considered a material breach of the Agreement and shall be grounds for the Union's immediate cancellation of the Agreement with the individual Employer which has violated this provision. The Union's right to terminate the Agreement under this provision shall not be exclusive and shall not impair any and all remedies which the Union might otherwise seek for a breach of this provision.

(N) In the event new methods or new equipment (including double-jointing racks) for cutting, welding or lining up pipe are utilized, the manning of such equipment and the methods to be used in operating such equipment shall be agreed upon by the PLCA and the Union.

(O) It is the intent of the Union to have uniform wages and working conditions in the industry. However, the Parties recognize that in connection with the Union's organizing efforts to increase the market share of the union industry, it may be necessary to permit newly organized Employers to complete existing projects or projects where bids have been accepted under the conditions which the Employer bid the work. The Parties agree, however, that such newly organized Employer shall have no longer than one (1) year from execution of the Agreement to be in full compliance with all terms and conditions of the Agreement for all such projects. The Union also agrees that Employers granted any concessions under this paragraph will be obligated to sign the current National Pipe Line Agreement for future covered work. It is further agreed that the Union and the Association will meet on a regular basis (minimum two times annually) to review progress in planning under this Article. Absent the above exception, the following continues to apply: In no event shall Employer be required to pay higher rates of wages, or be subject to more unfavorable working rules than those established by Union for any other employer engaged in similar work. Should the Union extend to any other employer engaged in similar work terms and conditions more favorable for a particular project than those set forth in this Agreement, such terms and conditions shall be extended uniformly to all Employers bound to this Agreement for such project.

(P) If any provision of this Agreement is in conflict with the laws or regulations of the United States or of the State in which the work is to be performed, such provision shall be superseded by such law or regulation, but all other provisions of this Agreement shall continue in full force and effect provided that in no case shall wage rates be paid which are lower than those set out in this Agreement.

(Q) Employer and Union agree that neither of them shall take any action or refuse to take any action which shall discriminate against any individual with respect to his compensation, terms, conditions, or privileges of employment because of such individual's race, age, color, religion, sex, national origin or disability.

(R) This Agreement shall supersede all other agreements between Employer and any local of the Union for any work covered herein and described above.

(S) In order to be more competitive in certain areas in the country, the PLCA and the Union may mutually agree to put into effect special wages and conditions for specific areas or projects. These special wages and conditions will apply to the areas or projects involved for the period of time to be established by the principal Parties.

(T) Wherever in this Agreement a gender pronoun or the singular or plural form of a gender is used, it is understood that such references are meant to have application to all persons covered by this Agreement, male or female.

## II.

## TERRITORIAL JURISDICTION

No Local Union shall have territorial jurisdiction over work performed under this Agreement except as specifically determined by the Union on a day-to-day basis.

## III.

## UNION RECOGNITION, UNION SECURITY

(A) The Employer recognizes the Union as the sole bargaining representative for all the Employees covered by this Agreement with respect to wages, hours and other terms and conditions of employment.

(B) It is the intent and purpose of the Parties hereto that all of the terms and conditions of employment for work covered under this Agreement shall be set out herein, and that neither the Union nor any representative thereof shall demand of any individual Employer any wages, hours or other terms and conditions of employment not specified herein, nor shall any individual Employer or representative thereof offer any wages, hours or other terms and conditions of employment not specified herein.

(C) All Employees covered by this Agreement, as a condition of continued employment, shall, commencing on the 8th day following the beginning of such employment, or the effective date of this Agreement, whichever is later, acquire and, for the duration of this Agreement, maintain membership in the Union. This provision shall not apply in any State where such a requirement for continued employment is prohibited by law. In interpreting good standing, an Employer shall not discharge an employee for non-membership in the Union: (1) If he has reasonable grounds for believing that such membership was not available to the employee on the same terms or conditions generally applicable to other members; or (2) That membership was denied or terminated for reasons other than the failure of the employee to tender the periodic dues and initiation fee uniformly required as a condition of acquiring or retaining membership. Either party to this Agreement shall have the right to reopen the negotiations pertaining to Union Security should the federal laws or any state laws applicable thereto be changed, by giving the other party thirty (30) days written notice.

## IV.

## UNION DUES AND CHECK-OFF

(A) Upon request of the Local Union having jurisdiction of the work being performed, and upon presentation of proper authorization forms executed by the individual Employees, the individual Employers agree to deduct from the wages of such individual Employee Union initiation fees and dues, and shall pay over to such Local Union the amount so deducted. The proper authorization forms for deductions will be provided to the Employer at the time of hire.

(B) All sums of money withheld by an Employer from the paychecks of Employees as Union initiation fees or dues for the benefit of the Employees' local union shall be transmitted to the Local Union no later than thirty (30) days after the date on which said sums of money were withheld.

(C) If Employer fails to transmit all sums of money so withheld within the thirty (30) day period, he shall be subject to an additional payment of up to 15% of the amount due but not less than $100. If it becomes necessary for the Union to employ an attorney to collect such sums of money withheld by Employer, Employer shall also pay all court costs and attorneys' fees.

(D) Each Local Union shall have the authority to bring suit in a court of competent jurisdiction in the area where the Local Union has its headquarters for the purpose of collecting initiation fees and dues withheld but not transmitted within such thirty (30) day period.

(E) Any Employer more than three (3) months delinquent transmitting monies withheld pursuant to this Article may, at the Union's option, be required to supply a bond to secure future liabilities before the Union will pre-job any new projects with the delinquent Employer.

(F) For the purpose of venue and jurisdiction, each individual Employer hereby designates and appoints the Clerk of the United States District Court for the Northern District of Oklahoma, or the Clerk of the United States District Court in the area where the job is located, as agent for the service of process, and the Local Union shall promptly furnish the delinquent Employer, by certified mail, a copy of all pleadings and notices of suit.

(G) The arbitration provisions in Article XIX of this Agreement shall not be applicable to the rights and liabilities created by this Article.

(H) Notwithstanding any other provision of this Agreement, the Union shall be authorized to withhold labor and refuse Employee referrals to any Employer that becomes more than 60 days delinquent in transmission to the Union of any monies owed pursuant to this Article IV. No Employee shall be terminated or retaliated against by any Employer for participating in any work stoppage or cessation initiated by the Union pursuant to this subsection. The exercise of this right by the Union shall not impair the rights of the Union to pursue collection of delinquent transmission of dues and initiation fees through litigation or administrative collection on any surety bond.

## V.

## EMPLOYMENT, LAY-OFF AND DISCHARGE OF PERSONNEL

(A) The Employer shall have full responsibility for management, and shall be the sole judge as to the number of Employees required, subject to the conditions hereinafter stated.

(B) The work coming under the jurisdiction of the Union includes, regardless of the materials and mode or method used, the preparation of the pipe for joining, lining up of the pipe and the handling of the clamps, and joining of the pipe, and the Employer shall respect the jurisdiction of the Union in assigning the work to be done.

(C) The word "Journeyman" shall mean all persons seeking employment as Welders, spacers, stabbers, persons carrying the line in pipe line construction, testing Journeymen, technicians, mechanics and end facers. The word "Helper" shall mean all persons seeking employment as helpers assigned to help Journeymen and Helpers assigned to assist on work covered by this Agreement. It is understood that each Welder will have an assigned Helper.

(D) The Employer shall be the sole judge as to the competency of any Employee and shall have the right to discharge any Employee for just cause.

(E) At the start of each job all Journeymen and Helpers shall be hired by the Employers signatory hereto separately by classification (i.e., Journeyman or Helper) and in accordance with the following formula and subject to the conditions set out in Paragraph (G) hereinafter.

| Number of Employees Required By Classification | Number Hired Directly By Employer | Number Dispatched By Union | Number of Employees Required By Classification | Number Hired Directly By Employer | Number Dispatched By Union |
|---|---|---|---|---|---|
| 1 | 0 | 1 | 7 | 4 | 3 |
| 2 | 1 | 1 | 8 | 4 | 4 |
| 3 | 2 | 1 | 9 | 5 | 4 |
| 4 | 2 | 2 | 10 | 5 | 5 |
| 5 | 3 | 2 | 11 | 6 | 5 |
| 6 | 3 | 3 | 12 | 6 | 6 |

Thereafter, the Employer shall have the right to hire the thirteenth (13th) Employee by classification, and the Union shall dispatch the fourteenth (14th) Employee by classification, and they shall alternate thereafter until the full crew has been employed. The Testing Journeyman shall be dispatched by the Union and shall not be subject to the above formula. The Testing Helper shall be an Employer direct hire and shall not be subject to the above formula.

(F) Once a job has started, replacements of additional Employees by classification needed will be hired either directly by the Employer or referred by the Union in accordance with the formula in effect at that time so that at all times the ratio of Employees on the job shall be as set forth in the applicable formula.

(G) The conditions to be followed in the initial hiring or replacement of Employees are:

1. The Employer retains the right to reject any job applicant for cause and may exercise the right before the Union dispatches any Employees required by Employer. Upon request, Employer will confirm in writing any verbal rejections made.

2. The selection of applicants for referral by Union or hired directly by Employer shall not be based on, or in any way affected by, Union membership, bylaws, rules, regulations, constitutional provisions or any other aspect of or obligation of Union membership, policy or requirements.

3. There shall be no limitation on Employer's right to select Employees with particular classifications or skills from among the Employees hired. Nor shall there be any limitation on Employer's right to assign Employees to particular classifications because of the Employee's membership or non-membership in a particular local union.

4. The Union must dispatch the Employees requested by the Employer at the start of a job within forty-eight (48) hours. The Union must dispatch the Employees requested after a job has started within twenty-four (24) hours. If such Employees are not actually en route to the job site within the time required, Employer may hire any Employees from any source. In this event, Union shall not interfere with Employer's right to hire Employees direct. If a stick-rod Welder is hired directly by the Employer under Article V(G)(4) and has passed an owner's qualification test, he will not be required to pass a local union welding test to obtain employment as a Welder on that particular project. Upon conclusion of the Employee's employment with the Employer, however, such Welder will be required to pass a local union welding test (if such test is required) prior to dispatch to any other Employer under the hiring procedures in Article V of this Agreement.

5. Union agrees that unless the Employer requests otherwise, no Journeymen or Welder Helpers will be dispatched to the Employer's job until the Welders required through the referral procedure have actually been dispatched.

(H) The Employer shall be the sole judge as to the number of Employees required. The work coming under the jurisdiction of the Union includes, regardless of the materials and mode or method used, the preparation of the pipe for joining, lining up of the pipe and the handling of the clamps, and joining of the pipe, and Employer shall respect the jurisdiction of the Union in assigning the work to be done. In addition to the Welder Foreman, the Welders, and their Helpers, Employer shall be required to employ other Journeymen (including but not limited to spacers, stabbers and persons carrying the line) as needed. A Graded Helper may be used instead of a Journeyman for stabbing the pipe in section crews where two (2) or fewer Welders are making their own line-ups and completing welds as they go.

(I) Once the original crew has been hired, the Employer shall have the right to keep such crew intact for the duration of the job, regardless of the Local Union jurisdiction.

(J) The Employer shall have the right to keep and transfer such original crew from one job to another within the jurisdiction of the same Local Union, provided journeymen are paid

waiting time for any days intervening between the two jobs, and travel pay in accordance with this Agreement.

(K) At the end of the job, the Employer will lay off Employees who are no longer needed. The layoff procedure should be such that the ratio of Employees hired directly by Employer and those referred by the Union shall be the same as that set out in the formula above.

## VI.

## STEWARDS

(A) The Union shall notify the Employer of the appointment of the job Steward at the pre-job conference or sooner, if possible. Separate Stewards shall not be required on remote segments of a mainline pipe line construction job if the Steward on the mainline job is given sufficient time and transportation to perform his duties as Steward among the Employees on such remote segments.

(B) Following the pre-job conference, the Steward shall be placed on the Employer's payroll on the date corresponding to one of the following two occurrences, whichever date is earliest:

1. The date of testing Welders; or

2. The date that rigging up welding equipment, such as sleds, tack rigs, hot-pass rigs, etc., on the right-of-way begins.

(C) The Steward shall be a working steward and shall perform his duties the same as any other Journeyman, and shall not be discharged for Union activities. The Steward's duties shall not include any matters relating to referral, hiring, retention, termination, or discipline of Employees.

(D) The Steward shall cooperate with the Employer in the communication and enforcement of all owner, State and Federal health and safety regulations applicable to the work covered by this Agreement.

(E) The Steward shall not be permitted to take time away from his job duties to handle administrative work for the Union. The Steward will be allowed a reasonable time to process grievances or complaints. Whenever the Steward is occupied away from his job duties, his helper may be assigned to other work.

(F) The Employer shall provide the Steward with a detailed payroll report for each payroll period no later than two (2) work days following the end of the pay period week ending date.

(G) It is agreed that the Steward has no authority from the Union to cause a work stoppage.

(H) Where the Steward has been regularly working on a job and for some unanticipated reason does not show up for work on a particular day, the Employees shall start and continue to work and the Welder Foreman shall notify the Local Union office of the Steward's absence.

(I) The Steward shall remain on the Employer's payroll until the tie-in work has been completed. After the firing line has finished its work, the Steward may, at Employer's option, be used as one of the tie-in welders.

(J) To ensure the integrity and fairness of the evaluation of Welders, the Steward shall be present, so long as his presence away from the jobsite does not hinder production. By mutual agreement between the Welder Foreman and the Steward, an alternate may be selected to be present at the testing.

VII.

FOREMEN

(A) The appointment of all foremen is the responsibility of Employer. Such appointments shall not be interfered with by Union. Such foremen may be paid on an hourly, weekly or monthly basis, as determined by Employer.

(B) Contributions to all fringe benefit funds provided for under this Agreement shall be made on behalf of all Foremen. Contributions shall be made by Employer for the same number of hours that the job is set up on per week except as provided in (C).

(C) The Welder Foreman will be allowed to work with the tools, at the discretion of Employer. Such working Foreman shall be paid a minimum of $2.00 per hour more than the regular Journeyman rate and contributions shall be made to all fringe benefit funds provided for under this Agreement for all hours worked by such Foreman. The Employer shall identify all working Foremen for each project at the pre-job conference, and the names of such individual(s) shall be included in the pre-job report.

VIII.

JOB NOTIFICATION AND ENFORCEMENT

(A) Employer agrees to notify Union promptly before starting any job covered under the terms of this Agreement. Such notification is to be sent to the Union's General Office, Three Park Place, Annapolis, MD 21401, and shall describe for each job the location, size and proposed starting date. It is a violation of this Agreement to start a job without prior notification to the General Office and a local pre-job conference assigned by the General Office. Any Employer that starts a job without prior notification as required by this Agreement (such as a blanket job notification or standard pre-job notification) shall be liable for each such violation in the sum of $5,000 to be paid to the International Training Fund. In no event shall any penalty

payment be made by any Employer until such time as the Pipeline Director of the United Association and the Managing Director of the PLCA have reviewed the facts and mutually agree that such payment is due. When no mutual agreement between the PLCA and the Union can be reached, the question shall be resolved by arbitration in accordance with the procedure set out in Article XIX, Sections (C), (D) and (E) of this Agreement.

(B) Employer and Union shall hold a pre-job conference before the start of any job and Union's representatives at such conference shall be authorized by the Union to represent Union for the entire area covered by the job. It shall be the purpose of the pre-job conference to agree upon such matters as the length of the work week, the number of Employees to be employed, the applicable wage rates in accordance with the Agreement, and any other matters not including any interpretation of the clauses of this Agreement, it being agreed that any interpretation of the Agreement should be made between the PLCA and the Union, so that proper application thereof may be made on the jobs. No representative of any individual Employer and no representative of the Union shall demand at the pre-job conference or at any other time during the continuance of the job any term or condition not covered by this Agreement. A copy of the report made on each pre-job conference shall be furnished to the PLCA and the Union, and no agreement made at any pre-job conference which adds to or modifies in any way the terms and conditions of this Agreement shall be binding on any individual Employer or the Union unless approved and ratified by the PLCA and the Union. No additional pre-job conference will be required if hours of work or work conditions are changed; however, it will be necessary to amend the current pre-job. Such amended pre-job must be submitted by the Employer to the Union representative as soon as possible. When such changes to the original pre-job affect hours of work or the amount of work set out in the original pre-job, then all travel pay will be due at the time the amended pre-job is approved.

(C) Union agrees to send a copy of this Agreement to each of its Local Unions having pipe line jurisdiction and agrees that the terms of this Agreement shall be recognized by each Local Union. The enforcement of this Agreement by Union is vested in the Local Union designated by the Union to handle work covered under this Agreement.

(D) There shall be a pre-job agreement known as a blanket pre-job to cover numerous job assignments in one jurisdiction only. The blanket pre-job may be extended to another jurisdiction upon proper notification to and authorization from the Union Pipeline Director or his designee.

(E) Job site agreements or understandings made in the field between Union representatives and Employer representatives that are not covered by this Agreement or that are in variance with the terms and conditions of this Agreement will not be effective until a joint letter covering the matter and confirming the agreement or understanding has been signed by the Union and the PLCA.

(F) Any representative of the Union or Local Union having jurisdiction of the work being performed shall have access to any job subject to the owner safety and security rules and Federal and State regulations, and shall notify the field office of his presence on the job prior to

entering the job site. The representatives of the Union shall use their best efforts not to hinder ongoing production.

IX.

ASSEMBLY POINT AND WAREHOUSE

(A) The time of each Employee shall start in the morning at his designated Assembly Point, which shall be agreed upon at the pre-job conference, but which in no event shall be on the pipe line right-of-way.

(B) If possible, there should be only one Assembly Point for all Employees and in no event shall there be more than two Assembly Points.

(C) If one city, town or community large enough to provide living accommodations for all Employees is located near the job site, then one Assembly Point may be designated not more than ten (10) miles outside the city limits and all Employees shall report to and their time shall begin at that Assembly Point. This distance may be increased beyond the ten (10) miles when circumstances warrant as agreed to by the principal Parties.

(D) If one such city, town or community is not located near the job site, then one Assembly Point may be designated which is approximately the same distance from several cities, towns or communities where living accommodations are available.

(E) If living accommodations for all of the Employees cannot be found in the one large city, town or community contemplated in Paragraph (C), or in several cities, towns and communities contemplated in Paragraph (D), then a second Assembly Point which qualifies according to either Paragraph (C) or Paragraph (D), so far as available nearby living accommodations is concerned, may be designated by Employer, to which only the remaining Employees shall report and at which only their time shall begin.

(F) Notwithstanding the provisions of Paragraphs (C), (D), and (E) above, Employers bidding work in remote areas of the country may use assembly points closer to the job site so that non-productive riding time may be eliminated or reduced. It is agreed that the number of miles involved will vary.

(G) Employer shall make suitable and prompt transportation available from each Assembly Point agreed upon to the job site and back. The time of the Employees shall end at quitting time on the job site. The lunch period may start at anytime between 11:30 a.m. and 12:15 p.m. and continue for 30 uninterrupted minutes (pipe gang/firing line excluded). The Employer shall return the Employees to the Assembly Points in the shortest possible time. It is intended that the lapse of time used to transport the Employees from normal quitting time at the job site back to each Assembly Point shall not exceed the lapse of time from starting time at each Assembly Point in the morning to the job site.

(H) The terms and conditions of any camp job shall be mutually agreed to by the UA and the PLCA and set forth in a Letter of Understanding executed by both Parties.

X.

WORKING AND SAFETY RULES

(A) There shall be no inequitable minimum or maximum amount of work which an Employee may be required to perform during the working day, and there shall be no restriction imposed against the use of any type of machinery, tools or labor saving devices, except as provided in Article I, Paragraph (N), above. At the discretion of Employer, Employees may be changed from one classification to another within the jurisdiction of the Union. During emergencies, any Employee of Employer may be assigned to any work; provided, however, that no Employee's hourly rate shall be lowered under this provision, and provided further that in the event an Employee is assigned to work calling for a higher rate of pay, he shall receive such higher rate for hours so employed.

(B) Stringer bead and hot-pass Welders and Helpers can be required to weld back on incomplete welds, as long as their wage rate is not lowered.

(C) All maintenance and repair of micro-wire equipment from the lugs out shall be done either by the Welder using such equipment or, at Employer's option, by some other Journeyman.

(D) Employer shall have the right to make and revise from time to time safety and working rules which are not inconsistent with any of the terms of this Agreement. Union agrees to cooperate in the enforcement of such safety and working rules. Employer, Union, and all Employees shall at all times abide by all Federal and State Safety Regulations. No Employee shall be subject to retaliation for reporting any unsafe event, act or conduct occurring on the job.

(E) Before any Employee is required to participate in safety training or any other Employer orientation, he shall be placed on Employer's payroll.

(F) No Employee will be required to take a physical examination as a prerequisite to employment.

(G) No Foreman or other Employee shall be subject to any penalties or fines assessed by Union so long as he is in compliance with the terms and conditions of this Agreement.

(H) The Employer shall have the sole right to determine the number and classifications of the Employees to be hired provided such assignments are not inconsistent with this Agreement.

(I) To ensure flexibility and efficiency, Welders may be moved from crew to crew. If a Welder is assigned to a crew and is temporarily assigned to another crew, he will be entitled

to the hours worked that day by his original crew or to the hours worked by the temporary crew, whichever is greater, with the exception of the testing crew.

(J) The Employer shall provide Employees with all Personal Protective Equipment ("PPE") that is required for the job. This includes the provision of special steel-toed boots if required for the job. Employer is required to provide a stipend of $150 to each Employee per year for one pair of boots. The Employer is also required to replace the boots for wear during the course of the job, if needed. The Employer shall ensure that all such PPE is correctly sized for each Employee. The Employer shall also undertake the maintenance of all PPE. This includes the Employer's obligation to launder at the Employer's expense all Employer-provided flame resistant/fire retardant clothing (e.g., Nomex suits).

## XI.

## WAGE RATES AND CLASSIFICATIONS

(A) The hourly wage rates, per diem and fringe benefits shall be as follows:

1. The wage rates, per diem and fringe benefits shall be increased by 3.0% effective as of June 5, 2017 (except that the per diem increase for the Welder Journeyman shall be based on the non-Welder Journeyman per diem applicable as of June 4, 2017.) In addition to the increases set forth in this paragraph, as of June 5, 2017, the Welder/Journeyman per diem shall be increased by $5.00 and the Helper per diem shall be increased by $3.00. Such increases (including the allocation of such increases) are shown on Exhibits "A" and "B" and shall extend through June 3, 2018.

2. Effective June 4, 2018, the total wage, per diem and fringe benefits package shall be increased by 3.0% (except that the per diem increase for the Welder Journeymen shall be based on the Non-Welder Journeyman per diem applicable as of June 3, 2018). The Union shall decide the allocation of the increase. In addition to the increases set forth in this paragraph, as of June 4, 2018, the Welder/Journeyman per diem shall be increased by $5.00 and the Helper per diem shall be increased by $3.00. Modified Exhibits "A" and "B" will be distributed after the June 4, 2018 increase is allocated.

3. Effective June 3, 2019, the total wage, per diem and fringe benefits package shall be increased by 3.0% (except that the per diem increase for the Welder Journeymen shall be based on the Non-Welder Journeyman per diem applicable as of June 2, 2019). The Union shall decide the allocation of the increase. In addition to the increases set forth in this paragraph, as of June 3, 2019, the Welder/Journeyman per diem shall be increased by $5.00 and the Helper per diem shall be increased by $3.00. Modified Exhibits "A" and "B" will be distributed after the June 3, 2019 increase is allocated.

(B) Per diem will be paid for the number of days in the work week set out on the pre-job form or the number of days worked, whichever is greater.

(C) The Graded Helper rate shall be $.75 per hour above the welder helper rate.

(D) No premium shall be paid for any job assignment unless specifically provided in this Agreement.

(E) Journeymen employed as "stringer bead" Welders and Journeymen who are regularly employed as "hot-pass" Welders shall receive $2.00 per hour more than other Journeymen. The Journeyman employed carrying the line shall receive $2.00 per hour more than other Journeymen. The Testing Journeyman shall receive $2.00 per hour above the applicable Journeyman rate for all work done on Hydrostatic Testing. This includes Welders that are permanently assigned to weld on a separate hydrostatic testing crew as described in Decision No. 5 of the attached National Pipeline Industry Joint Policy Committee Decisions.

(F) Welders running "stringer bead" or "hot-pass" on "cutouts" or "tie-ins" on a production basis shall be paid $2.00 per hour above the Journeyman rate. "Production basis" shall mean those situations where one or more Welders have been assigned to welding the stringer bead or hot-pass as a permanent or semi-permanent assignment, and to cover areas of skips and/or large amounts of pups in one location. It is not intended to cover the temporary assignment on a daily basis in a cut-out or tie-in crew where any such assignment is for the express purpose of expediting the movement of the tie-in tractors.

(G) Welders assigned to making repairs other than their own ("Repair Welders") shall be paid a rate that is $2.00 greater than the applicable Journeyman rate. Helpers assigned to Repair Welders will be paid the Graded Helper rate.

(H) Whenever a Welder Helper is employed using a power buffer or power grinder immediately behind the stringer bead and/or hot-pass welders, and the pipe gang is set up on a production basis, he shall be paid $2.00 per hour above the Helper rate. Whenever an extra Welder Helper is employed using a power buffer or power grinder anywhere else on the job, he shall be paid the Graded Helper rate. Whenever an alternative method is used for buffing bevels such as sandblasting for weld preparation, all Helpers assigned to operate the equipment necessary for such alternative method (e.g., a sandblaster), shall be paid the Graded Helper rate. Whenever an Employer elects to use a Welder Helper with a tiger disc or sander pad for ultrasonic test preparation – grinding seams or buttons, said Welder Helper shall be paid $2.00 per hour above the Helper rate. The premium set forth in this paragraph (H) will not apply on work listed in Article I, Paragraph (J). (Exception for marine work, see Article XXI, Marine Barge and Marine Push Jobs, Paragraph 8.)

(I) The Helper assigned to operate the bending mandrel of the bending machine or line-up clamp shall be paid the Graded Helper rate.

(J) The Employer may at its sole discretion appoint a Helper straw(s) who will be paid the Graded Helper rate.

(K) Pre-heating with oxygen or acetylene torches and stress relieving shall be assigned to a Journeyman. Preheating with liquefied petroleum gas shall be performed by the Welder's assigned Helper. If an extra Helper is hired to perform this work, he shall be paid at

the regular Helper rate. Setting the heat on welding machines and hooking and unhooking of welding machines to tow cats shall also be performed by the Welder's assigned Helper.

(L) Journeymen acting as job stewards shall wherever possible be assigned to the firing line and shall be paid $2.00 an hour above the Welder rate for the greater of 1) all hours worked by him or 2) the number of hours worked by any UA Journeyman on the job (except the UA mechanic and Journeymen and/or Welders working on testing), subject to the maximums described below. However, if the UA mechanic performs any welding after the end of the regular shift, such hours shall be counted in computing the steward's pay. It is intended that the steward shall, wherever possible, and at Employer's option, actually work the number of hours for which he is paid. The maximum number of hours referenced above shall be determined by adding three (3) hours to the number of hours per day set forth in the pre-job. Thus, if the pre-job states that the number of hours per day is ten (10), then the maximum shall be thirteen (13) hours. Likewise, if the pre-job states that the number of hours per day is twelve (12), then the maximum shall be fifteen (15) hours, and so on.

(M) In the event back welding is performed inside the pipe under either or both of the following conditions, then Employer will pay such Welder engaged in back welding at a wage rate $3.00 per hour above his regular rate for the job only for the days on which such back welding is performed. If the Welder Helper is required to go inside the pipe for the purpose of brushing, buffing and grinding the weld, he shall receive a wage rate $1.00 per hour above the regular helper rate for the days involved.

1. If Employer elects, as a regular procedure, to back weld each line-up, then one Welder will be selected each day to perform all of such back welding. This condition is not intended to apply to occasional back welding performed by the pipe gang to repair a bead, to rectify a "hi-lo" condition or wall thickness change, etc.

2. Whenever a Welder is required to back weld a completed weld behind the firing line.

(N) Welders working on "hot work" shall be paid a rate that is $2.00 an hour above the applicable Journeyman rate and Helpers working on "hot work" shall be paid the Graded Helper rate for each day engaged in such work. If the job specifications require a full-time fire watch for UA "hot work," then such work will be assigned to the UA. Journeymen and Helpers working on "hot work" shall not receive such premium pay unless required by Employer to be in the area of danger. It is agreed that the "area of danger" shall include fire watch work assigned to the Helper. It is understood that in emergency situations anyone may be assigned to fire watch. "Hot work" is defined as work on lines in service where there is the danger of fire or explosion. Premium pay shall not be required on work on lines not in service where such lines have been purged with air movers, water or other acceptable methods. Even if such lines have been purged by such methods, if fire or explosion results, then premium pay shall be required. The Welder Foreman and Steward will agree on what constitutes "Hot Work." Lines in service are defined as lines not cut and isolated from any source of flammable product.

(O) The pay day shall be once each week, unless the Employer agrees to allow Employees one draw on money earned; under such conditions, pay day may be once every two weeks. At the Employer's option, the Employees may be paid on a weekly basis by 1) check; 2) direct deposit of wages to the bank or financial institution of the Employee's choice; or 3) a no-fee cash/debit card. If the Employer elects to pay by option (2) or (3) above, the Employee shall have the right to choose between the two options (i.e., direct deposit or cash/debit card). In all cases, pay stubs will be provided to the Employees. Employees are to be paid at the end of their regular shift whether working in Employer's yard or in the field. When Employees are laid off or discharged, they must be paid wages due them at the time of the layoff or discharge except, however, final payment may be made by 1) check; 2) cash/debit card; 3) or direct deposit, subject to the Employee's execution of a standard authorization form agreed upon by the UA and the PLCA providing for direct deposit in the normal course of the Employer's direct deposit program. If payment is not made as provided herein, the Employees shall be paid for four (4) hours' pay per day at the applicable rate. Deductions from Employee's pay will be itemized on all payments.

(P) When no work is performed on pay day, Employer shall not be required to deliver checks for wages before the expiration of the number of hours which would ordinarily have been worked during that day.

(Q) Employer shall make arrangements where Employees are employed to enable such Employees to cash their pay checks or use their cash/debit card for one initial weekly withdrawal at no cost to the Employee. If the Employee is required to pay for check or cash/debit card cashing, the Employer agrees to reimburse the Employee promptly. If the Employee is required to make more than one withdrawal because of bank limits in order to receive the full value of his pay check, the Employer will promptly pay any additional charge. Employees shall use pay check cashing/debit card facilities designated by Employer. Check cashing, cash/debit card facilities shall be located within 25 miles of the designated warehouse or assembly point.

(R) The wage rate for all Employees covered by this Agreement shall be that of the County or State in which the pipe gang is currently working or in which it was located when the pipe was laid out. Notwithstanding the foregoing, where the work in question is expected to be performed in more than one County or State, the Local Union and the Employer may agree at the pre-job conference to a blended wage rate to cover the entire project based upon the percentage of the work located in each area where the work will be performed.

(S) If, without prior mutual approval by the PLCA and the Union, any individual Employer pays in excess of the wages set out in this Agreement in the form of extra money, extra hours, extra travel or stand-by time or in the form of a bonus by any subterfuge, and the PLCA and the Union both agree that such excess payment is in violation of this Agreement, then such individual Employer shall be required to pay the same extra compensation to all Journeymen (as defined in Article V(C)) covered by this Agreement) and a proportionate additional compensation to all other Employees covered by this Agreement, and such requirement shall continue until that particular job is completed. In no event shall any penalty payment be made by any Employer until such time as the Pipeline Director of the United

Association and the Managing Director of the PLCA have reviewed the facts and mutually agree that such payment is due. When no mutual agreement between the PLCA and the United Association can be reached, the question shall be resolved by arbitration in accordance with the procedure set out in Article XIX, Sections (C), (D) and (E) of this Agreement. It is understood and agreed, however, that any profit-sharing, retirement or pension plan which an individual Employer may have established and which has not been set up for one particular job shall not be considered an excess payment or bonus.

(T) If an Employee fails a pre-employment drug or alcohol test and is so notified within five (5) business days (Monday through Friday, excluding holidays) of taking the test, then the Employee's wage rate shall not be based on the hourly wage rate set forth in this Agreement. Instead, the Employee shall be paid wages at a flat rate of $90 per day worked (but in no event less than the applicable minimum wage) for all days worked prior to receiving such notification (not to exceed five (5)) and for which no wages have yet been paid. If the Employee is not notified by 9:00 a.m. on the fifth business day, then the Employee is entitled to full compensation for all days from the date of the testing. As an example, if the initial test is administered on a Monday, the Employer has until 9:00 a.m. the following Monday to notify the individual of the test results. If the Employee being tested is not provided the test results by 9:00 a.m. on the following Monday, but at a later time, the Employee will be entitled to full compensation for all days from the test day until he is notified. Per diem and rig pay for days worked will be paid as required by this Agreement. If subsequent testing reveals a false positive, the Employee will be entitled to full compensation for the period he worked and reinstatement.

(U) For quick reference, a summary of the premium pay requirements of this Agreement is attached hereto as Attachment 5.

## XII.

## OVERTIME AND HOLIDAY PAY

(A) The work week shall begin Monday and shall end Sunday. All hours worked by an Employee in excess of eight hours per day and in excess of forty straight time hours per week shall be paid for at the rate of time and one-half the straight time rate. Work performed on Sundays shall be paid for at the rate of time and one-half. After an Employee has worked more than sixteen (16) hours, he will be on double his straight-time rate for all hours worked (starting with the 17$^{th}$ hour of work) until he is given at least an eight (8) hour break from work. After he has been given an eight (8) hour break from work, he will revert to his applicable rate at the start of his next shift. Reporting time pay provisions will not apply when on overtime pay; however, waiting time as provided for in this Agreement will apply. Work performed on Christmas, Thanksgiving, Labor Day, New Year's Day, Memorial Day and July 4 shall be paid for at double the straight time hourly rate; provided, however, that in the event one of the holidays hereinabove named occurs during the first forty hours of any work week, hours worked on such holidays shall not be counted in computing the forty hours after which the Employee is entitled to a rate of time and one-half the straight time rate.

(B) If one of the holidays named in Paragraph (A) above falls on Sunday, it shall be observed on Monday. Accordingly, if such an event occurs, work performed on Sunday shall be paid for at the applicable rate for that day; work performed on Monday will be paid for at double the applicable straight time hourly rate. If no work is performed on Monday, no pay other than waiting time to Journeymen and Helpers shall be required.

XIII.

WAITING TIME

(A) Journeymen and Helpers shall be paid waiting time for any day(s) or regular shift(s) lost during the normal scheduled work week. For any day lost during any one work week, the waiting time payment shall be a lump sum which is the equivalent of five (5) hours' pay for Journeymen and four (4) hours' pay for Helpers. Such pay shall be at the straight time rate applicable on that particular job. Helpers shall not receive any fringe benefit contributions on any waiting time hours.

(B) The applicable waiting time for each State is based on the applicable straight time rate and not on any premium rate. In no event shall the waiting time payment be included in counting the eight or forty hours after which overtime is payable.

(C) If no work is performed on a holiday designated by this Agreement, Journeymen and Helpers shall be paid waiting time. However, if an official holiday as designated by this Agreement comes on a Sunday, and the Employer is working a regular six day week, such Journeymen and Helpers will not be paid waiting time for that day.

(D) If the regularly scheduled work week is less than seven (7) days, Journeymen and Helpers shall not be paid any waiting time for the days lost which are not part of the regularly scheduled work week.

(E) If a Journeyman's Assembly Point is moved from one location to another, he shall be paid eight hours at the straight time rate whether any working time is actually lost or not. Such hours shall not be counted in computing the forty hours after which overtime is payable, and no fringe benefit contributions shall be required for such moving time hours.

(F) If the Assembly Point for a Helper or Graded Helper is moved, such Helper or Graded Helper shall be paid four hours at the straight time rate whether any working time is actually lost or not. Such hours shall not be counted in computing the forty hours after which overtime is payable, and no contributions shall be required to the Pipe Line Industry Benefit, Pension and Advancement Funds for such moving time hours.

(G) If one or more days of work are lost during the work week and Journeymen/Helpers are paid waiting time for such lost days, then Employer may require Journeymen/Helpers to make up such lost days in the future by working on days which are not part of the regularly scheduled work week without incurring any liability for payment of waiting time on such days not worked in the future. However, once the Employer declares a make-up

day, such day must then be worked or, if no work is provided on such day, then waiting time will be paid. The Employer must declare its intent to work no later than 10 a.m. the day prior to the day the Employer plans to work. The Employer shall notify the Employees directly; informing only the Steward shall not constitute sufficient notice.

(H) Even if no days are lost during the regularly scheduled work week, those Journeymen/Helpers regularly employed in utility, tie-in crews, gate or valve settings, road crossings or fabrication work may work on the days not part of the regularly scheduled work week or on holidays without the Employer becoming liable for waiting time payments to the other Journeymen/Helpers. Helpers and those Journeymen regularly employed as stringer bead Welders, hot-pass Welders, firing line Welders, spacers, or stabbers may be worked in tie-in crews, gate or valve settings, road crossings, or utility or fabrication work on the days not part of the regularly scheduled work week or on holidays, when needed, without the Employer becoming liable for waiting time payments to other Journeymen/Helpers provided each Journeyman/Helper in the classifications needed is given equal opportunity to work, starting with the firing line.

(I) If the regularly scheduled work week is less than seven (7) days, in emergencies, when the Business Agent of the Local Union is notified beforehand, Employer may require Journeymen and Helpers to work on the days not part of the regularly scheduled work week without incurring liability for waiting time payments on future such days not worked.

(H) In the absence of an emergency, if Employer is working a regularly scheduled work week which is less than seven (7) days and works the pipe gang and/or firing line for more than twenty (20) days without a day off, the Employer will incur liability for waiting time payments on all such days that were not part of the regularly scheduled work week if those days are not worked in the future on said job. A “day off” is a day in which no work is performed.

## XIV.

## TRAVEL EXPENSES

(A) All Employees will receive the applicable IRS allowable rate per mile travel pay via the nearest route from the city or town in which he is located at the time he receives his dispatch to the location of the job site. The Employee will be entitled to travel pay to the job site (initial travel pay) with his third paycheck or earlier if there is an amendment of the pre-job report as described in Article VIII(B). The Employee will be entitled to an equal amount of travel pay upon completion of the job (return travel pay). If he fails to complete the job for any reason, he shall not be entitled to any return travel pay.

(B) Employees hired directly by Employer or dispatched by Union to jobs in the continental United States from Alaska will only be entitled to receive travel pay from the point at which they enter the continental United States to the job site.

(C) When a job converts from micro-wire to stick rod and vice-versa, all Welders shall be entitled to travel pay at that time. However, other Employees employed will be entitled to travel pay only as otherwise provided in this Agreement.

(D) Travel expense provided for herein shall not be applicable when the Employee's Assembly Point is moved from one location to another on the same job.

(E) When an Employee is hired directly by Employer or dispatched by Union, and no work at all is available for him, he shall be paid eight (8) hours at the straight time rate applicable for that job plus applicable fringe benefits.

(F) Whenever any dispute arises over travel pay, the final decision shall be made by agreement between a representative of the PLCA and a representative of the Union.

## XV.

## REPORTING TIME PAY

(A) After a Welder Helper has been hired and ordered to report for work at the regular starting time, and no work is provided for him on the day that he has so reported, he shall receive Waiting Time pay in accordance with Article XIII(A) equivalent to four (4) hours at the rate applicable for that day without fringes for that day.

(B) Any Welder Helper who reports to work and for whom any work is provided, regardless of the time that he works, shall receive the equivalent of not less than four (4) hours pay with fringe conributions.

(C) Any Welder Helper who reports to work and works more than four (4) hours in any one day shall receive pay equal to the number of hours for that day for which the job has been set up not to exceed ten (10) hours.

(D) If a Journeyman who is entitled to waiting time performs some work during the day and is then prevented from completing a full day's work for any reason, he shall receive five (5) hours pay at the rate for that work day. If he works more than four hours and is then prevented from completing a full day's work for any reason, then such Journeyman shall be entitled to receive pay equal to the number of hours for that day for which the job has been set up; provided, however, that such Journeyman shall not leave the job site unless specifically directed by his foreman. If he leaves the job site or stops work without being directed to do so by his foreman, he shall be entitled to receive pay only for hours actually worked. If, under any of the circumstances described above, any Employee leaves the jobsite or stops work without being directed to do so by his Foreman, he shall be entitled to receive pay only for hours actually worked.

(E) Fringe contributions shall be required on any hours paid under these provisions even though not actually worked. Hours paid for under this provision shall be counted in computing the forty (40) hours after which overtime is payable.

(F) It is expressly provided, however, that when any Employee refuses to work or to continue to work or work stoppage conditions brought about by a third party or third parties prevent or make ill-advised in the opinion of the Employer the performance of any work or the continuance of work once started, no pay for time not worked shall be required under any of the above enumerated conditions.

(G) Where notification of Employees is required under this Agreement to the effect that work shall not be performed on a particular day, notification of such fact must be made to the affected Employees. Notice to the steward shall not constitute sufficient notification to the Employees.

## XVI.

## WELDING RIGS

(A) It shall not be a condition of employment for Welder Journeymen to provide their own welding rigs. It is understood and agreed, however, that a Welder Journeyman who is dispatched to a project as a rig Welder will be required to provide a usable rig as a condition of the dispatch. If the Union is unable to fill the dispatch request, the Employer may obtain rig Welders from any source in accordance with Article V(G)(4) of the Agreement.

(B) The Parties agree to treat rig rental rates as a mandatory subject of bargaining within the meaning of the National Labor Relations Act, with all of the rights and obligations that attach to such a subject of bargaining.

(C) Employers who rent rigs from Welder Journeymen who perform work covered by this Agreement shall pay such Welder Journeymen the maximum hourly rate determined by the Internal Revenue Service ("IRS") to be non-taxable pursuant to IRS Revenue Procedure 2002-41, as periodically increased by the IRS. The Parties shall agree at the pre-job conference whether the applicable rate shall be a "wet" rate or a "dry" rate. The rig rate will not be included in calculating total package annual increases. Payment for the rig rental shall be separate from the check or other payment for regular payroll.

(D) If the IRS eliminates or issues a procedure or ruling that adversely affects the favorable tax status of rental payments for welding rigs currently provided for in IRS Revenue Procedure 2002-41, the Parties agree that they will reopen this Agreement for the limited purpose of renegotiating rig rental rates.

(E) All trucks and welding machines will be gassed up during regular working hours unless the Employer has negotiated a rental and fuel rate. Welders are entitled to a full tank of gas for their truck and welding machine on the same day they complete work on that job and they are laid off; this does not include the drag-up tank.

## XVII.

## TESTING TIME

(A) Before any Welder is given a test (single or multiple) for qualification he shall be placed on Employer's payroll.

(B) If a Welder successfully completes a qualification test, he shall be entitled to receive pay equal to the number of hours for that day for which the job has been set up (defined as normally scheduled work day); however, Employer may require the Welder to work any remaining hours of the normally scheduled work day after completing his test without additional pay. A Welder will be entitled to additional pay for any hours he is required to work beyond the normally scheduled work day.

(C) If a Welder fails a qualification test he shall receive: (1) pay at the straight time rate for the number of hours for which the job has been set up; (2) rig pay for the number of hours for which the job has been set up; (3) per diem for the day; and (4) no fringe benefit contributions.

(D) Welders will not be entitled to any separate test pay for single or multiple tests other than as set out in this Article.

(E) Welders reporting for qualification tests must arrive at the job site at the designated work time on the day designated by Employer for their arrival. If not, they shall not be entitled to receive waiting time pay for that day.

(F) A Welder shall be tested or placed on waiting time upon arrival at the job site, provided that it is the day designated by Employer for his arrival. Hours paid for under this provision shall be counted in computing the 40-hour week.

## XVIII.

## WORK STOPPAGES, SECONDARY BOYCOTTS AND JURISDICTIONAL DISPUTES

(A) No local union nor the International Union, nor any representative of either, shall cause or promote a strike, slowdown, stoppage of work or any interference, directly or indirectly, with the operation and progress of the work; nor shall any Employer or the PLCA engage in any lockout during the life of this Agreement, it being the good faith intention of the Parties hereto that by the execution of this Agreement industrial peace shall be maintained. All grievances, disputes, differences of opinion and other questions concerning this Agreement shall be settled in accordance with the procedure for settlement of grievances and disputes set out in Article XIX below. Any settlement where hours or pay are involved shall be retroactive.

(B) If either the local union or the International Union or any representative of either causes or promotes a strike, slowdown, stoppage of work or any interference with the operation or progress of the work, or if the Employer breaches this Agreement, then the Employer (where the Union interfered with the work) or the International Union (where Employer has breached the Agreement) may at its option declare the provisions of Article XIX inoperative and seek whatever remedy may be available from the National Labor Relations Board or any Federal or State court having jurisdiction of the matter.

(C) It shall not be a violation of this Agreement or of the no-strike clause if members of the United Association refuse to cross a picket line established by another craft union within the pipe line industry.

(D) Questions regarding the interpretation of this Agreement are to be resolved by the Parties to this Agreement in accordance with Article XIX. Questions regarding work coverage or jurisdictional disputes between or among local unions affiliated with the United Association will be resolved by the United Association, and shall be binding on all Parties to this Agreement. Work coverage or jurisdictional disputes between local unions affiliated with the United Association shall not be cause for work stoppages.

(E) It shall not be a violation of this Article or Agreement for the Union to withhold labor pursuant to Article IV(H) or Article XXIV(N) of this Agreement.

## XIX.

## PROCEDURE FOR SETTLEMENT OF GRIEVANCES AND DISPUTES

(A) Any grievances, disputes or differences of opinion which arise between the Employer's supervisory personnel and Union representatives in the field shall be settled on the job, wherever possible; provided that such settlements shall not vary any of the wages, terms or conditions of this Agreement.

1. Any Employee who believes that he has a grievance shall first take the matter up with the Welder Foreman.

2. If the matter is not satisfactorily adjusted by the Foreman, the grievance shall be referred to the job Steward. The job Steward and the Foreman will attempt to resolve the grievance.

3. If the grievance is not settled between the Steward and Foreman, the Employer's superintendent will be summoned to enter the discussion. When the matter cannot be settled at this level, it will be referred to the Union's Business Agent and Employer's superintendent.

4. In the event the grievance, dispute, or difference of opinion shall not have been satisfactorily settled during the preceding steps within forty-eight (48) hours, then the

Union representative shall refer it to the appropriate International Union representative, and the Employer's superintendent shall refer it to the Managing Director or Executive Director of the PLCA. These parties shall immediately make every effort to settle the difference, grievance or dispute.

(B) Any other grievance, dispute, difference of opinion or controversy of any kind or character between the Union and the Association and/or individual Employer signatory hereto involving or relating to the interpretation or application of the terms of this Agreement, and the relations between the Parties arising during the term of this Agreement which cannot be settled by the Parties, shall be settled by the arbitration procedure which is set out below.

(C) If, within forty-eight (48) hours, no adjustment or settlement is reached by the procedure set out above, the matter shall immediately be referred in writing to an Arbitration Board consisting of six (6) members, all of whom shall be familiar with the mainline, cross country pipe line construction industry, three (3) to be appointed by the International Union, and three (3) by the PLCA. These six (6) individuals shall constitute the Arbitration Board.

(D) The Members of the Arbitration Board shall not have the power to amend or alter the provisions of this Agreement but shall within fourteen (14) days of their appointment determine the procedure that they will use in considering the evidence and render a decision based on the evidence submitted by the Parties, such decision to be consistent with the terms and provisions of this Agreement. The decision of the Arbitration Board shall be binding upon both Parties.

(E) In the unlikely event that the six (6) member Arbitration Board is unable to reach a decision, then either Party may institute the following procedure:

1. Within seven (7) days after notification by the Arbitration Board that it is unable to reach a decision, the PLCA and the InternationalUnion shall attempt to mutually agree upon one (1) person to whom the matter shall be referred.

2. If within forty-eight (48) hours no mutual agreement has been reached by the procedure set out above, the Association will immediately contact the Federal Mediation & Conciliation Service to obtain a list of five (5) individuals with as much experience and knowledge as possible in the pipe line construction industry. A copy of this list will be furnished to the Union, and thereafter, the Association and Union shall attempt to mutually agree upon one (1) of the individuals listed. If no agreement can be reached, the Union and the PLCA will each strike two (2) names from the list and the remaining individual will be the Arbitrator.

3. A statement of the facts shall be presented to the Arbitrator within forty-eight (48) hours after his selection either:

(a) Jointly, if the Union and the PLCA mutually agree; or

(b) Separately, if no mutual agreement and the PLCAwill submit a written statement of the facts setting out the Employer's position and the Union will submit a written statement setting out the Union's position.

4. All information submitted to the Arbitrator will be in writing. No personal appearances or oral testimony will be allowed. The Arbitrator will then issue, within five (5) days, a decision based upon the evidence submitted.

(F) The Union and Employer involved shall bear the expense of their appointed Arbitrators. In the event an Arbitrator from the Federal Mediation & Conciliation Service is selected, then the Union and Employer shall be jointly responsible for that person's expenses.

(G) In the event Employer fails or refuses to comply with the grievance procedure set out hereinabove, the provisions of Article XVIII shall not be binding upon the Union. If Union fails or refuses to comply with the grievance procedure set out hereinabove, then Employer shall have the right to declare this entire Agreement null and void.

## XX.

## JURISDICTIONAL DISPUTES

The PLCA and the four International Unions with which National Pipe Line Agreements have been negotiated have established a Policy Committee for the purpose of hearing and considering matters of concern to the pipe line construction industry, such as jurisdictional disputes and any other matters affecting the welfare of the industry.

Whenever a jurisdictional dispute arises between Union and any other union over proper jurisdiction of work assigned by an individual Employer, no work stoppage shall occur, and the individual signatories hereto agree to abide by any decision reached by the Policy Committee.

The Policy Committee decisions are incorporated and made a part of this Agreement, and should be referred to specifically as if set out herein. The Policy Committee decisions may be obtained by contacting the Union or the PLCA.

## XXI.

## SPECIAL WORK

Whenever the Employer performs any of the special work described in Article I, Paragraph (J) above, except that covered by the Attachments, the special provisions set out herein shall apply and, to the extent they differ from the provisions in other parts of this Agreement, they shall supersede such provisions.

### TAKEUP JOBS (SALVAGE PIPE)

(A) Roughcutters will be paid $2.00 per hour above the applicable Helper rate.

(B) One Helper will be employed for each roughcutter.

(C) Bevelers will be paid $2.00 per hour above the applicable Helper rate.

(D) Utility Welder or some other Journeyman designated by Employer will act in the capacity of Foreman. In the event the pipe being salvaged is also being re-laid or re-conditioned as part of the same job, and where the distance is such that the welder Foreman is readily available, then no other Welder Foreman will be required.

(E) All work on Takeup Jobs (Salvage Pipe) for projects under fifteen (15) miles in length shall be performed in accordance with Attachment 4 to this Agreement.

RECONDITIONING

(A) Over the Trench -- Line In or Out of Service.

1. Journeymen Welders will be used for all welding.

2. One Helper will be employed for each Welder.

3. One Journeyman other than the Welders will be employed.

4. One Welder foreman will be employed.

(B) In the Yard (Where Manual Double Jointing Is Performed)

1. Welders may make their own stringer beads and finish welds.

2. One Helper will be employed for each Welder. Helpers will be employed to roll all pipe on the welding rack.

3. Bevelers will be paid $2.00 per hour above the applicable Helper rate.

4. One Helper will be employed for every two bevelers.

5. Roughcutters will be paid $2.00 per hour above the applicable Helper rate.

6. One Helper at a rate $.75 above the applicable rate paid to other Welder Helpers on the job will be employed as attendant for the oxygen manifold and acetylene generator. However, if pipe is not being double jointed, this paragraph does not apply.

7. One Welder foreman will be employed.

8. It is recognized that rigging up of equipment on a double joint rack that is to be used in the lining-up and welding of pipe is the work of the United Association.

(C) Re-Laying Reconditioned Pipe.

If certain joints, portions of joints, or infrequent sections are removed to be replaced with new or better pipe, then when the pipe line is relaid, Employer shall have the sole right to determine the number and classifications of the Employees to be hired; provided that Employer shall respect the jurisdiction of the Union in assigning the work to be done so that welder Helpers will not be assigned to work heretofore done by graded Helpers or Journeymen, and Graded Helpers will not be assigned to work heretofore done by Journeymen.

(D) All work on Reconditioning for projects under fifteen (15) miles in length shall be performed in accordance with Attachment 4 to this Agreement.

MARINE BARGE AND MARINE PUSH-JOBS

(A) On marine barge and marine push-jobs, Employer shall have the sole right to determine the number and classifications of the Employees to be hired; provided that Employer shall respect the jurisdiction of the Union in assigning the work to be done so that welder Helpers will not be assigned to work heretofore done by Graded Helpers or Journeymen, and Graded Helpers will not be assigned to work heretofore done by Journeymen.

(B) The Employer will make every effort to secure safe water transportation and adequate and safe loading and unloading facilities for the Employees (ladder on barges, docks, lifebelts, seating for all, radar where possible).

(C) Employees will be paid riding time on the first trip from land to quarter boat, and on the last trip from quarter boat to dock of origin or back to the dock last left from.

(D) Board and room shall be furnished at no cost to the Employees, when required to live on quarter boats.

(E) The Employer will provide crew boats for trips to shore, except when the distance to be traveled to and from shore is excessive.

(F) The Employer shall regulate time schedules and decide when crew boats will go to and from shore. If no work is done on a particular day, the Employees shall be paid for their full shifts unless they are brought to shore or given an opportunity to be brought to shore. In such event they shall be paid their applicable waiting time only.

(G) The Employer will make every effort to provide daily mail service and once a week laundry service. Laundry service will be paid for by the Employee.

(H) A crew room shall be made available for off-duty Employees, with reading material, radio and television; soft drinks and cigarettes will be made available at regular prices.

(I) Marine push-jobs will also include shoves on a main line job where ramps or racks with dollies and rollers are set up as opposed to the pipe being carried in by tractors.

(J) When the stringer bead Welders' regularly assigned helpers are using a power buffer or power grinder, such Helpers shall receive $2.00 per hour above the applicable Helper rate for that job. This premium applies in the "Pipe Gang" area only, and is applicable on "push" jobs in-shore and on work done from barges in-shore and off-shore.

## GATHERING LINES, RIVER & BRIDGE CROSSINGS, HIGHWAY RELOCATION, CHANGE-OUTS, SHORT LINES AND WORK IN CONGESTED AREAS

(A) Employer shall have the sole right to determine the number and classifications of the Employees to be hired; provided that Employer shall respect the jurisdiction of the Union in assigning the work to be done so that welder Helpers will not be assigned to work heretofore done by graded Helpers or Journeymen, and graded Helpers will not be assigned to work heretofore done by Journeymen.

(B) On River and Bridge Crossings and Highway Relocation work all Welders will receive premium pay when running their own beads and finishing welds.

(C) On all such work the manning shall be decided by the Employer. In so doing, the Employer shall respect the jurisdiction of the Union in assigning the work to be done.

(D). All work on replacements of River and Bridge Crossings, Highway Relocations and Change-Outs for projects under fifteen (15) miles in length shall be performed in accordance with Attachment 4 to this Agreement.

## DOUBLE JOINTING IN THE FIELD

Employer will respect Union jurisdiction for all double jointing in the field.

## HYDROSTATIC TESTING

(A) Qualified testing Journeymen (Welder or Non-Welder) and Graded Helpers will be employed to assist in the lining-up, beveling and testing of these lines including but not limited to the operation of high pressure test valves. The Employer and the Union recognize that Journeymen who are qualified (with necessary OQ documentation) to perform hydrostatic testing on pipe lines possess a special skill. Furthermore, the Union and the Employer recognize that safety requirements dictate that only qualified Journeymen will be employed to perform hydrostatic testing on pipe lines. Employer in accordance with Article V shall be the sole judge as to the competency of any Employee assigned for hydrostatic testing. Journeymen for hydrostatic testing will be dispatched Employees. The Graded Helper will be an Employer hire. The Employer and the Union will mutually agree on the selection of all testing Employees.

(B) If any night work is performed under this section by employees of any other craft, a UA Employee will be assigned to that crew.

(C) All work on Hydrostatic Testing of existing pipelines shall be performed in accordance with Attachment 4 to this Agreement.

FABRICATION

(A) Where a fabrication crew is set up, the following formula will be used to determine the number of Non-Welder Journeymen and Graded Helpers required in addition to the Welders and their Helpers.

| Welders | Non-Welder Journeymen | Graded Helpers |
|---|---|---|
| 1-4 | 0 | 0 |
| 5-10 | 1 | 1 |
| 11 or more | 2 | 1 |

(B) If the fabrication crew is set up as part of a mainline job, and where the distance is such that the welder foreman is readily available, then no other Welder foreman will be required for the fabrication crew.

(C) Employer may designate one Welder to act as the lead Welder or fabricator or tack and layout person and pay him a rate $2.00 per hour above the applicable Journeyman rate.

(D) In the event a Welder is required to go completely inside the pipe in order to back weld on fabrication work, the Employer will pay such Welder engaged in such back welding at a rate of $3.00 per hour above his regular rate for the job only for the days on which such back welding is performed.

ROAD BORING, CASING AND CABLE

(A) One Welder and one Helper shall work on road casings where the casing is to be welded.

(B) On other types of casing where no welding is required, one non-Welder Journeyman and one Helper shall be employed.

(C) The welding and aligning of pipe for road casing and slick bore pipe shall be performed by a Welder and Helper as defined in this Agreement.

WATER LINES INCLUDING THE
LAYING OF PIPE MADE OF MATERIAL
OTHER THAN STEEL

The Parties will negotiate special wages and conditions for water lines on a per job basis.

XXII.

AUTOMATIC DOUBLE JOINTING RACKS

The manning requirements and other special provisions for double jointing racks are as follows:

(A) First O.D. Head Position

1. Two Journeymen

2. One Welder

3. One Graded Helper to line up seams and to help with line-up.

4. Levers or buttons to be operated by one of the Journeymen or the Welder listed above.

(B) Second O.D. Head Position

1. One Welder

2. One Graded Helper

(C) I.D. Head Position

1. One Welder

2. One Graded Helper

NOTES: (The following notes apply to all double-jointing racks.)

1. One spell-off Welder per rack per shift will be employed to relieve at all head positions. The spell-off Welder will receive premium pay of $2.00 per hour above the applicable Journeyman rate only when he is required to go inside the pipe.

2. No additional Helper shall be required for the spell-off Welder.

3. One patch Welder shall perform utility and cut-outs and patch welds on rack. This Welder may be the steward. In the event, however, there is more utility or cut-out work than this one patch Welder can reasonably perform during his regular shift, then another Journeyman will be employed to help with this work or, at Employer's option, the patch Welder will be allowed to perform the extra work after his regular shift.

4. I.D. Head Welder shall receive premium pay of $2.00 per hour above the applicable Journeyman rate.

5. Helpers shall roll all pipe from grinders through inspection.

6. Helpers operating the automatic grinding stations on double-jointing racks will receive a rate of $.75 per hour below the applicable Journeyman rate.

7. Other Helpers or graded Helpers shall be employed as needed, depending upon the work required.

8. It is understood that all fabrication of double-jointing racks, rigging them up in the field, tearing them down and moving will be done by the United Association personnel.

9. Premium pay will not be paid for back welding inside the pipe on double-jointing, nor shall any additional pay be due to Welders for tearing down the rack on the theory of "welding back."

10. A UA mechanic will be allowed to do maintenance and repair welding on the rack whenever required.

## XXIII.

## PIPE LINE INDUSTRY FRINGE CONTRIBUTIONS

(A) All Employers working under the terms of this Agreement shall make contributions for each hour paid to Employees covered hereunder, including hours paid to Employees for waiting time, passing a test, and reporting time as applicable:

1. For Journeymen and Non-Journeymen, the sums set forth in the Exhibits and Attachments to this Agreement (and as hereinafter modified by the Parties in accordance with this Agreement) are to be paid to the Pipe Line Industry Benefit Fund. The Agreement and Declaration of Trust of the Pipe Line Industry Benefit Fund is incorporated and made a part of this Agreement by reference thereto.

2. For Journeymen and Non-Journeymen, the sums set forth in the Exhibits and Attachments to this Agreement (and as hereinafter modified by the Parties in accordance with this Agreement) are to be paid to the Pipe Line Industry Pension Fund ("PIPF"). The Agreement and Declaration of Trust of the Pipe Line Industry Pension Fund is incorporated and made a part of this Agreement by reference thereto.

3. For all Employees, the sum of $.40 per hour is to be paid to the Pipe Line Industry Advancement Fund ("PLIAF"). Contributions to the Pipe Line Industry Advancement Fund are irrevocable; however, this contribution is elective for any Employer who is not a member of the PLCA. The Pipe Line Industry Advancement Fund is administered by the PLCA and the rules and regulations of this Fund are incorporated and made a part of this Agreement by reference thereto.

4. For all Employees, the sums set forth in the Exhibits and Attachments to this Agreement (and as hereinafter modified by the Parties in accordance with this Agreement) are to be paid to the United Association International Training Fund ("ITF"). The Agreement and Declaration of Trust of the United Association International Training Fund is incorporated and made a part of this Agreement by reference thereto.

5. For all Employees, the sums set forth in the Exhibits and Attachments to this Agreement (and as hereinafter modified by the Parties in accordance with this Agreement) are to be paid to the United Association Local 798 Training Fund. Notwithstanding the foregoing, for hours worked by Employees in the jurisdiction of a United Association pipeline local other than Local 798 (as determined by the Union), training fund contributions shall be paid instead to the training fund of that pipeline local union for such hours worked if, and only if, the training fund provides certification sufficient to the UA Pipeline Department that it provides training in the pipeline industry. The Agreement and Declaration of Trust of the United Association Local 798 Training Center is incorporated and made a part of this Agreement by reference thereto. Likewise the Agreement and Declaration of Trust of the Training Fund of any other United Association pipeline local union training fund to which the Employer remits training fund contributions as provided herein is incorporated and made a part of this Agreement by reference thereto. Nothing in this section shall be construed to require any signatory employer to execute a local union collective bargaining agreement.

6. For all Employees, the sums set forth in the Exhibits and Attachments to this Agreement (and as hereinafter modified by the Parties in accordance with this Agreement) shall be paid as a qualified non-elective contribution ("QNEC") to the Pipeline Industry Annuity/401(k) Fund. The amount of the QNEC shall not be less than 3% (three percent) of wages and shall be made from the 3% total package increase provided for in Article XI(A). For all Employees, Employer shall also deduct from wages when authorized by Employee pursuant to a written deferral agreement, amounts to be remitted to the Pipeline Industry Annuity/401(k) Fund as elective deferrals. There are no matching employer contributions. To initiate such deferrals, the Employee must provide the Employer with a properly executed wage deferral agreement that is consistent with the requirements of the Pipeline Industry Annuity/401(k) Fund. The Employee and Employer are bound by the terms of the Pipeline Industry Annuity/401(k) Plan including the rules for eligibility and benefits set forth in such Plan and the ability to designate the QNEC as a safe harbor 401(k) contribution. The Agreement and Declaration of Trust of the Pipeline Industry Annuity/401(k) Fund to which the Employer remits the QNEC and authorized wage deferrals pursuant to a fully executed wage deferral agreement is incorporated and made a part of this Agreement by reference thereto.

(B) The submitting of contributions/deductions provided for in this Article shall be governed by the provisions of Article XXIV.

(C) Notwithstanding the specific contribution rates set forth in this Agreement (including the Exhibits and Attachments thereto), the Parties agree that contributions to the fringe benefit funds shall increase periodically in accordance with the terms set forth in Article XI(A) and Attachment 1, and such increased rates shall be binding on the Parties hereto.

## XXIV.

## SUBMITTING REPORTS AND CONTRIBUTIONS, LATE FILING CHARGES AND DELINQUENCIES

(A) All contributions due and owing to the Pipe Line Industry Benefit Fund, the Pipe Line Industry Pension Fund, the Pipeline Industry Annuity/401(k) Fund, the Local 798 Training Center and any other pipeline local union training fund in accordance with Article XXIII(A)(5) above, and the International Training Fund shall be deemed and are considered to be the assets of each such trust fund.

(B) Changes in the amounts to be contributed to each Fund may be made by agreement between the Pipe Line Contractors Association and the Union.

(C) The Pipe Line Industry Benefit Fund, the Pipe Line Industry Pension Fund, the International Training Fund, the Pipeline Industry Annuity/401(k) Fund, and the U.A. Local 798 Training Center shall be administered by their respective Board of Trustees, appointed in accordance with the applicable Trust Agreements.

(D) There have heretofore been prepared and executed Trust Agreements for the Benefit Fund, Pension Fund, Training Center, Pipeline Industry Annuity/401(k) Fund, and the International Training Fund, which the Employers have agreed to adopt. The Employers have also agreed to adopt the Trust Agreements for any Local Union Training Fund to which contributions are remitted in accordance with Article XXIII(A)(5) above. The Employers consent to the appointment and retention of the current and future governing boards of trustees of each Trust Fund to which contributions are to be made under this Agreement. Such Trust Agreements set out the type of health and welfare, pension, training and other benefits which are provided by the Funds and the manner and procedure to be followed in qualifying for such benefits. The Trustees shall have the authority to determine the amount of each of such benefits which can be provided by the resources of the Funds and the time when such benefit payments may begin.

(E) Each Employer working under this Agreement agrees to be bound by the terms and provisions of the Trust Agreements referred to hereinabove, and to promptly pay all contributions to the office of the Pipe Line Industry Benefit Fund upon forms supplied by that office, and to any Local Union Training Fund to which contributions are remitted in accordance with Article XXIII(A)(5) above.

(F) If, in the opinion of the Board of Trustees of any of the above named Funds, any individual Employer has had a record of delinquent contributions to such an extent that it is necessary for the protection of the beneficiaries of such Funds that some security for the Employer contributions be obtained, said Board of Trustees is authorized to require an Employer to deposit a sum of up to $10,000 per Employee in an escrow account designated by the Director of the Funds or, as an alternative, an appropriate bond shall be established to protect the beneficiaries of such Funds. If an escrow deposit is made instead of bonding, upon completion of

the job, any amounts in excess of the contributions due shall be refunded to the individual Employer.

(G) No Employer working under the terms of this Agreement shall be obligated or required to make any other contributions or payments in and to any other Trust Fund administered for the purpose of any of the provisions authorized pursuant to the National Labor Relations Act, as amended, when engaged in work covered by the terms of this Agreement.

(H) When an Employee is taken from any crew to be used temporarily as a Welder Helper, and such Employee's wage rate is higher than the applicable Welder Helper wage rate, he shall be paid the higher wage rate; and if Employer is required to pay into other fringe funds for that Employee, Employer will not be required to make any contributions to the fringe funds called for in the National Pipe Line Agreement; provided, that contributions to the fringe funds called for by this National Pipe Line Agreement shall be required if the temporary Welder Helper has worked more than one day in that capacity. Nevertheless, if Employer has called upon Union to supply a permanent Welder Helper, and Union has failed to do so, Employer shall not be required to make such contributions for hours worked by the temporary Welder Helper.

(I) Each Employer shall report and pay regularly, and no less frequently than its regular payroll period, all contributions due.

(J) Contributions to the Pipeline Industry Benefit Fund, Pipeline Industry Pension Fund, Local Union Training Fund, International Training Fund, Pipeline Industry Advancement Fund, and any other Local Union Training Fund to which contributions are required to be made under this Agreement become delinquent after thirty (30) days from the end of the reporting period, and a late report charge of up to 15% of the amount due but not less than $100.00 shall be paid into the Funds by said delinquent Employer; provided, further, that if it becomes necessary in the opinion of the Board of Trustees to refer such delinquency to an attorney for collection, said Employer agrees to pay all court costs and all attorneys' fees in addition to the late report charge. Pipeline Industry Annuity/401(k) Fund employee wage deferrals become due the earlier of the day federal payroll taxes become due or the 10$^{th}$ day of the month following the reporting period. Any 401(k) report that is delinquent is subject to a late reporting charge of 15% of the amount due. Any 401(k) report that is more than sixty (60) days past due is subject to a late reporting charge of 20% of the amount due. In addition to the late fee, interest will be charged on all past due contributions at the rate of 15% per annum.

(K) For the purpose of venue and jurisdiction, each individual Employer hereby designates and appoints the Clerk of the United States District Court for the Northern District of Oklahoma as agent for the service of process, and the Funds' Director shall promptly furnish all delinquent Employers, by certified mail, a copy of all pleadings and notices of suit. The parties to this Agreement agree that all actions arising in connection with any Employer's obligation to contribute to the aforestated Trust Funds shall be tried and litigated exclusively in the United States District Court for the Northern District of Oklahoma. This choice of venue is mandatory and not permissive. Each party waives any right or defense of *forum non conveniens* or similar doctrine and will not object to venue with respect to any proceeding brought in accordance with

this Article XXIV. Any judgment rendered against any party in any such action shall be conclusive and may be enforced in other jurisdictions in any manner provided by law.

(L) The arbitration provisions in Article XIX of this Agreement shall not be applicable to the rights and liabilities created by this Article.

(M) Notwithstanding any other provision of this Agreement, the Union shall be authorized to withhold labor and refuse Employee referrals to any Employer that becomes more than 60 days delinquent in its fringe benefit contributions to any trust fund or to any Employer that fails to post a bond as required by the Board of Trustees of the PIBF or PIPF. No Employee shall be terminated or retaliated against by any Employer for participating in any work stoppage or cessation initiated by the Union pursuant to this subsection. The exercise of this right by the Union shall not impair the rights of the Union or Trustees of the Funds to pursue collection of delinquent contributions through litigation or administrative collection on any surety bond.

## XXV.

## SUBSTANCE ABUSE POLICY

A Substance Abuse Policy has been negotiated by the Pipe Line Contractors Association and the United Association and is attached hereto and made a part of this Agreement as Attachment 6.

## XXVI.

## ALCOHOL MISUSE PREVENTION POLICY

An Alcohol Misuse Prevention Policy has been negotiated by the Pipe Line Contractors Association and the United Association and is made part of the Agreement as Attachment 7.

## XXVII.

## HISTORICAL PRECEDENT

Since the inception of the National Pipe Line Agreements, which cover all mainline cross-country pipe line construction, only four (4) unions have been recognized, and all work relating to such pipe line construction has been performed by these four (4) unions. They are: The International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, The United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, The International Union of Operating Engineers, and The Laborers International Union of North America. The recognition of only these four (4) unions on such work is hereby reaffirmed.

XXVIII.

INTERPRETATIONS

Interpretations to this Agreement have been agreed upon between the Pipe Line Contractors Association and the United Association and are attached hereto and made a part of this Agreement as Attachment 8.

XXIX.

INDIAN PREFERENCE IN EMPLOYMENT

The hiring procedures contained in this Agreement shall not apply in the "territorial jurisdiction" of any Indian Nation which has adopted an Indian Preference in Employment Law, provided that those persons covered by the law and seeking covered employment under this Agreement possess the "necessary qualifications" which are essential to the performance of that specific job.

XXX

STANDARD FOR EXCELLENCE

The Parties subscribe to and adopt the United Association's Standard for Excellence. When Employees are hired on the job, they shall sign, subscribe and adhere to the United Association's Standard for Excellence (a copy of which is attached hereto as Attachment 9). Employer agrees that it will adhere to all employer and management responsibilities set forth in the Standard for Excellence. It is also agreed that the Employer, Union and Employees will be bound by the procedures in place to effectuate the Standard for Excellence. It is further agreed that the National Pipe Line Agreement ("NPLA") will take precedence over any term or condition in the Standard for Excellence which is inconsistent with or varies any condition of the NPLA.

XXXI.

EFFECTIVE DATE, TERMINATION AND RENEWAL

(A) This Agreement shall become effective, when signed by the Parties hereto and shall remain in full force and effect until its termination as provided herein below.

(B) The provisions of this Agreement shall continue in full force and effect from June 5, 2017 until May 31, 2020 and thereafter from year to year unless terminated at the option of either Party after sixty (60) days' notice in writing to the other.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement this 31st day of March, 2017.

THE UNITED ASSOCIATION OF JOURNEYMEN AND APPRENTICES OF THE PLUMBING AND PIPE FITTING INDUSTRY OF THE UNITED STATES AND CANADA

By: Mark McManus
General President

By: Tom D. Gross
Director, Department of Pipeline and Gas Distribution

PIPE LINE CONTRACTORS ASSOCIATION

By: Robert C. Osborn
President

By: J. Patrick Tielborg
Managing Director and General Counsel

# EXHIBIT A (JOURNEYMAN)
# WAGES, PER DIEM, AND FRINGE BENEFIT RATES
# June 5, 2017-June 3, 2018

| | | | |
|---|---|---|---|
| *Alabama* | $53.60 | *Montana* | $53.60 |
| *Alaska* | -- | *Nebraska* | $53.60 |
| *Arizona* | $54.58 | *Nevada* | $54.58 |
| *Arkansas* | $53.60 | *New Hampshire* | $53.95 |
| *California* | $54.58 | *New Jersey* | $54.58 |
| *Colorado* | $53.60 | *New Mexico* | $53.60 |
| *Connecticut* | $54.58 | *New York* | $53.95 |
| *Delaware* | $53.95 | *North Carolina* | $53.60 |
| *D.C.* | $53.95 | *North Dakota* | $53.60 |
| *Florida* | $53.60 | *Ohio* | $53.95 |
| *Georgia* | $53.60 | *Oklahoma* | $53.60 |
| *Idaho* | $53.60 | *Oregon* | $53.95 |
| *Illinois* | $53.95 | *Pennsylvania* | $53.95 |
| *Indiana* | $53.95 | *Rhode Island* | $54.58 |
| *Iowa* | $53.95 | *South Carolina* | $53.60 |
| *Kansas* | $53.60 | *South Dakota* | $53.60 |
| *Kentucky* | $53.95 | *Tennessee* | $53.60 |
| *Louisiana* | $53.60 | *Texas* | $53.60 |
| *Maine* | $53.95 | *Utah* | $53.60 |
| *Maryland* | $53.95 | *Vermont* | $53.95 |
| *Massachusetts* | $54.58 | *Virginia* | $53.95 |
| *Michigan* | $53.95 | *Washington* | $53.95 |
| *Minnesota* | $53.95 | *West Virginia* | $53.95 |
| *Mississippi* | $53.60 | *Wisconsin* | $53.95 |
| *Missouri* | $53.95 | *Wyoming* | $53.60 |

| JOURNEYMAN FRINGE BENEFITS (ALL STATES) | |
|---|---|
| | **6/5/2017 to 6/3/2018** |
| Pipeline Industry Benefit Fund | $7.00 |
| Pipeline Industry Pension Fund | $14.15 |
| Pipeline Industry 401(k) Fund | $6.62 |
| Pipeline Industry Advancement Fund | $0.40 |
| Local Union Training Fund | $0.70 |
| International Training Fund | $0.10 |
| **TOTAL** | **$28.97** |

For the period from June 5, 2017 through June 3, 2018, all PIBF contributions subject to reciprocation shall be $10.85 for Journeymen, and all PIPF contributions subject to reciprocation shall be $10.30 for Journeymen. Reciprocation adjustments will be made by the Fund Office.

| JOURNEYMAN PER DIEM (ALL STATES) | |
|---|---|
| | **6/5/2017 to 6/3/2018** |
| Welder Journeymen | $110.50 |
| Non-Welder Journeymen | $50.50 |

**EXHIBIT B (HELPER)**

**WAGES, PER DIEM AND FRINGE BENEFIT RATES**

**(June 5, 2017-June 3, 2018)**

| WAGES | | | |
|---|---|---|---|
| *Alabama* | $23.75 | *Mississippi* | $23.75 |
| *Alaska* | -- | *Missouri* | $30.20 |
| *Arizona* | $23.75 | *Montana* | $23.75 |
| *Arkansas* | $23.75 | *Nebraska* | $23.75 |
| ► *California:* | | *Nevada* | $30.91 |
| *Zone 1* | $35.38 | *New Hampshire* | $23.75 |
| *Zone 2A* | $39.56 | *New Jersey* | $33.27 |
| *Zone 2B* | $37.83 | *New Mexico* | $23.75 |
| *Zone 3* | $36.34 | ►***New York*** | |
| *Colorado* | $23.75 | *Zone 1* | $38.33 |
| *Connecticut* | $31.21 | *Zone 1A* | $38.43 |
| *Delaware* | $23.75 | *Zone 2* | $35.38 |
| *D.C.* | $23.75 | *Zone 3* | $36.61 |
| *Florida* | $23.75 | *Zone 4* | $36.93 |
| *Georgia* | $23.75 | *Zone 5* | $30.63 |
| *Idaho* | $31.44 | *Zone 6* | $30.18 |
| ► *Illinois:* | | *Zone 7* | $32.42 |
| *Zone 1* | $38.94 | *Zone 7A* | $28.83 |
| *Zone 2* | $33.40 | *Zone 7B* | $29.78 |
| *Zone 3* | $30.58 | *Zone 7C* | $30.13 |
| ► *Indiana* | | *Zone 7D* | $30.33 |
| *Zone 1* | $38.94 | *Zone 7E* | $31.48 |
| *Zone 2* | $26.92 | *Zone 7F* | $29.40 |
| ► *Iowa* | | *Zone 7G* | $33.52 |
| *Zone 1* | $29.07 | *Zone 8A* | $31.40 |
| *Zone 2* | $23.75 | *Zone 8B* | $31.62 |
| ► *Kansas* | | *Zone 9* | $33.47 |
| *Zone 1* | $27.75 | *Zone 10* | $31.07 |
| *Zone 2* | $23.75 | *Zone 11* | $27.01 |
| *Zone 3* | $26.11 | *Zone 12* | $28.90 |
| *Kentucky* | $23.75 | *Zone 13* | $32.39 |
| *Louisiana* | $23.75 | *North Carolina* | $23.75 |
| *Maine* | $23.75 | *North Dakota* | $23.75 |
| *Maryland* | $25.90 | *Ohio* | $31.75 |
| *Massachusetts* | $33.02 | *Oklahoma* | $23.75 |
| *Michigan* | $30.43 | *Oregon* | $31.03 |
| *Minnesota* | $25.14 | (cont'd below) | |

**HELPER WAGES (cont'd)**

| | | | |
|---|---|---|---|
| ► *Pennsylvania* | | *Utah* | $23.75 |
| *Zone 1* | $30.24 | *Vermont* | $23.75 |
| *Zone 2* | $28.03 | *Virginia* | $23.75 |
| *Rhode Island* | $32.69 | *Washington* | $30.63 |
| *South Carolina* | $23.75 | *West Virginia* | $27.40 |
| *South Dakota* | $23.75 | *Wisconsin* | $27.75 |
| *Tennessee* | $23.75 | *Wyoming* | $23.75 |
| *Texas* | $23.75 | | |

| **HELPER FRINGE BENEFITS (ALL STATES)** | |
|---|---|
| | **6/5/17 to 6/3/18** |
| Pipeline Industry Benefit Fund | $7.00 |
| Pipeline Industry Pension Fund | $8.44 |
| Pipeline Industry 401(k) Fund | $3.38 |
| Pipeline Industry Advancement Fund | $0.40 |
| Local Union Training Fund | $0.65 |
| International Training Fund | $0.10 |
| **TOTAL** | **$19.97** |

For the period from June 5, 2017 through June 3, 2018, all PIBF contributions subject to reciprocation shall be $8.00 for Helpers, and all PIPF contributions subject to reciprocation shall be $7.44 for Helpers. Reciprocation adjustments will be made by the Fund Office.

| **HELPER PER DIEM (ALL STATES)** | |
|---|---|
| | **6/5/2017 to 6/3/2018** |
| Helpers | $48.50 |

# EXHIBIT B – CONT'D

## ZONES BY COUNTIES FOR WELDER HELPERS

**CALIFORNIA**

Zone 1:

| | | | |
|---|---|---|---|
| Imperial | Los Angeles | Riverside | Santa Barbara |
| Inyo | Mono | San Bernardino | Ventura |
| Kern | Orange | San Luis Obispo | |

Zone 2A:

| | | |
|---|---|---|
| Alameda | Marin | San Mateo |
| Contra Costa | San Francisco | Santa Clara |

Zone 2B:

| | | | |
|---|---|---|---|
| Alpine | Kings | Nevada | Solano |
| Amador | Lake | Placer | Sonoma |
| Butte | Lassen | Plumas | Stanislaus |
| Calaveras | Madera | Sacramento | Sutter |
| Colusa | Mariposa | San Benito | Tehama |
| Del Norte | Mendocino | San Joaquin | Trinity |
| El Dorado | Merced | Santa Cruz | Tulare |
| Fresno | Modoc | Shasta | Tuolumne |
| Glenn | Monterey | Sierra | Yolo |
| Humboldt | Napa | Siskiyou | Yuba |

Zone 3:

San Diego County Only

**ILLINOIS**

Zone 1:

In Illinois:

| | | | |
|---|---|---|---|
| Boone | Grundy | Lake | Will |
| Cook | Kane | LaSalle | Winnebago |
| DeKalb | Kankakee | Livingston | |
| DuPage | Kendall | McHenry | |

Zone 2:

| | | | | |
|---|---|---|---|---|
| Adams | Dewitt | Knox | Morgan | Scott |
| Brown | Douglas | Lee | Moultrie | Shelby |
| Bureau | Edgar | Logan | Ogle | Stark |
| Carroll | Ford | Macon | Peoria | Stephenson |
| Cass | Fulton | Marshall | Piatt | Tazewell |
| Champaign | Hancock | Mason | Pike | Vermillion |
| Christian | Henderson | McClean | Putnam | Warren |
| Clark | Henry | McDonough | Rock Island | Whiteside |
| Cole | Iroquois | Menard | Sangamon | Woodford |
| Cumberland | Jo Davies | Mercer | Schuyler | |

Zone 3:

Rest of State

**INDIANA**

Zone 1:

| | |
|---|---|
| Jasper | Newton |
| Lake | Porter |
| LaPorte | |

Zone 2:

Rest of State

**IOWA**

Zone 1:

Scott

Zone 2:

Rest of State

**KANSAS**

Zone 1:

| | |
|---|---|
| Johnson | Wyandotte |

Zone 2:

| | | | |
|---|---|---|---|
| Allen | Dickinson | Leavenworth | Pottawatomie |
| Anderson | Doniphan | Linn | Reno |
| Atchison | Douglas | Lyon | Republic |
| Bourbon | Elk | Marion | Riley |
| Brown | Franklin | Marshall | Saline |
| Butler | Geary | McPherson | Sedgwick |
| Chase | Greenwood | Miami | Shawnee |
| Chatauqua | Harper | Montgomery | Summer |
| Cherokee | Harvey | Morris | Wahaunsee |
| Clay | Jackson | Nemaha | Washington |
| Cloud | Jefferson | Neosho | Wilson |
| Coffee | Kingman | Osage | Woodson |
| Cowley | Labette | Ottawa | |
| Crawford | | | |

Zone 3:

Rest of State

**NEW YORK**

Zone 1:

| | | | |
|---|---|---|---|
| Bronx | New York | Queens | Richmond |
| Kings | | | |

Zone 1A:

| | |
|---|---|
| Nassau | Suffolk |

Zone 2:

| | |
|---|---|
| Westchester | Putnam |

Zone 3:

Rockland

Zone 4:

Columbia (Townships of Ancram, Claverack, Clermont, Copake, Galatin, Germantown, Greenport, Hillside, Hudson, Livingston, Philmont and Taconic)

Dutchess

Zone 5:

| | | | |
|---|---|---|---|
| Delaware | Orange | Sullivan | Ulster |
| Green | Otsego | | |

Zone 6:

Erie

Zone 7:

Broome, Tioga (Townships of Richford, Berkshire, Newark Valley, Oswego, Tioga, Barton and Nichols)

Chenango (Townships of Columbus, Linklaen, Otselic, Smyrna, Pitcher, Pharsalis, Plymouth, North Norwich, German, McDonough, Preston, Norwich, Smithville, Oxford, Guilford, Greene, Conventry, Bainbridge and Afton)

Delaware (Townships of Sidney, Masonville, Walton, Tompkins, Deposit, Hancock and Colchester)

Zone 7A:

Herkimer, Oneida (Townships of Sangerfield, West Winfield, Bridgewater, Marshall, Paris, New Hartford, Whitestown, Marcy, Trenton, Deerfield, Forestport, Kirkland and Remsen)

Montgomery (Townships of St. Johnsville, Minden, Canajoharie, Palatine and Root)

Fulton (Townships of Stratford, Oppenheim, Caroga and Ephrata)

Madison, Oneida (Townships of Florence, Camden, Annsville, Lee, Ava, Boonville, Western Steuben, Vienna, Rome, Floyd, Westmoreland, Vernon, August and Verona)

Zone 7B:

Onondaga

Zone 7C:

| | | |
|---|---|---|
| Clinton | Essex | Warren |

Zone 7D:

Oswego

Zone 7E:

| | | | |
|---|---|---|---|
| Franklin | Jefferson | Lewis | St. Lawrence |

Zone 7F:

Cortland, Tompkins, Tioga (Townships of Spencer and Candor)

Schuyler (Townships of Catherine)

Zone 7G:

Chenango (Townships of Sheburne, Columbus and New Berlin)

Delaware (Townships of Franklin, Hamden, Stamford, Delhi, Kortright, Harpersfield, Meredith and Davenport)

Zone 8A:

| | | | |
|---|---|---|---|
| Albany (Town Of Calonie) | Fulton | Montgomery | Schenectady |
| Colombia | Green (Catskill Township) | Rennselaer (See 8B) | Schoharie |
| | | Saratoga | Washington |

Zone 8B:

Albany (except Town of Colonie)

Columbia (Townships of Stuyvesant, Stockport, Kunderhook, New Lebanon, Canaan, Ghent, Chatham and Austerlitz)

Green (except Catskill Township)

Rennselaer (Townships of North Greenbush, East Greenbush, Scholack, Nassau, Stephentown and Town of Rennselaer)

Zone 9:

Niagara

Zone 10:

| | | | |
|---|---|---|---|
| Genesee | Monroe | Orleans | Wyoming |
| Livingston | | | |

Zone 11:

| | |
|---|---|
| Allegany | Chataugua (Townships of French Creek, Clymer, Chautaugua, Gerry, |
| Cattaraugus | Ellington, Ellery and Stockton) |

Zone 12:

| | | |
|---|---|---|
| Chemung | Schuyler (except Township of Catherine) | Stueben |

Zone 13:

| | | | |
|---|---|---|---|
| Cayuga | Seneca | Wayne | Yates |
| Ontario | | | |

**PENNSYLVANIA:**

Zone 1:

| | | |
|---|---|---|
| Bucks | Delaware | Philadelphia |
| Chester | Montgomery | |

Zone 2:

Rest of State.

# ATTACHMENT 1

## SPECIAL AGREEMENT FOR SMALL DIAMETER PIPE

This Special Agreement to the National Pipe Line Agreement sets forth the terms and conditions under which Small Diameter Pipe Work, as defined in Article I below, shall be performed. Except as otherwise specifically set forth below, all other terms and conditions of the National Pipe Line Agreement shall apply in full to such work:

I.

COVERAGE

The wage rates, fringes and conditions set out in this Special Agreement will apply for all pipeline work, 16" and under of any length, performed in the Continental United States with the exception of such work performed in California, Idaho, Illinois, Indiana (Jasper, Lake, La Port, Newton, and Porter Counties only), New Jersey, Oregon, Pennsylvania (Bucks, Chester, Delaware, Montgomery, Philadelphia Counties only), Washington, and Wisconsin. Work performed in these exempted states and counties shall be performed under the terms of the National Pipe Line Agreement. This Special Agreement applies only to jobs for which both a signatory(ies) to the National Pipe Line Agreement and a non-signaory(ies) are bidding the work.

II.

WAGE RATES, FRINGE BENEFITS AND PER DIEM

(A) For the period from June 5, 2017 through June 3, 2018, wage rates fringe benefits, and per diem for Journeymen and Helpers, respectively, shall be as follows:

| | **JOURNEYMEN** | **HELPERS** |
|---|---|---|
| **Wages** | 75% of applicable NPLA wage rate (see Article XI and Ex. A, and attachment hereto) | 75% of applicable NPLA wage rate (see Article XI and Ex. B and attachment hereto) but not less than Laborers' Rate |
| **Fringe Benefits** | **$24.69** | **$15.90** |
| PIBF | $6.80 | $6.80 |
| PIPF | $11.53 | $5.43 |
| 401(k) | $5.56 | $2.87 |
| PIAF | $0.40 | $0.40 |
| LU TF | $0.30 | $0.30 |
| ITF | $0.10 | $0.10 |

| | | |
|---|---|---|
| **Per Diem:** | | |
| **Welder** | **$99.75** | **$37.75** |
| **Non-Welder** | **$39.75** | |

For the period from June 5, 2017 through June 3, 2018, all PIBF contributions subject to reciprocation shall be $7.80 for Journeymen and Helpers, and all PIPF contributions subject to reciprocation shall be $10.53 for Journeymen and $4.43 for Helpers. Reciprocation adjustments will be made by the Fund Office.

(B) Effective June 4, 2018, the wage, per diem and fringe benefits rates shall be increased by 75% of the increase that the Union allocates to 1) wages; 2) per diem; and 3) each fringe benefit under NPLA, Article XI, Exhibits A and B. In addition to the increases set forth in this paragraph, as of June 4, 2018, the Welder/Journeyman per diem shall be increased by $5.00 and the Helper per diem shall be increased by $3.00. A modified Wage, Benefits and Per Diem chart will be distributed after the June 4, 2018 increase is allocated.

(C) Effective June 3, , 2019, the total wage, per diem and fringe benefits rates shall be increased by 75% of the increase that the Union allocates to 1) wages; 2) per diem; and 3) each fringe benefit under NPLA, Article XI, Exhibits A and B. In addition to the increases set forth in this paragraph, as of June 3, 2019, the Welder/Journeyman per diem shall be increased by $5.00 and the Helper per diem shall be increased by $3.00. A modified Wage, Benefits and Per Diem chart will be distributed after the June 3, 2019 increase is allocated.

(D) There will be no Graded Welder Helpers other than the Graded Welder Helper on hydrostatic testing, clampmen and the Graded Welder Helper using a power buffer or power grinder immediately behind the stringer bead and/or hot pass welders when the pipe gang is set up on a production basis. Such Graded Helpers will receive a rate that is $.75 per hour above the applicable welder Helper rate. The Graded Helper using a power buffer or grinder immediately behind the Stringer bead and/or hot pass welders under this section will receive a rate that is $2.00 per hour above the applicable Welder Helper rate.

(E) The Welder Helper will receive the hourly rate set forth above, or the Laborer's hourly rate, whichever is greater. Fringes are not involved in the comparison. The Welder Helper and Laborer comparison will be based on the wage rate with the per diem excluded if both the Helper and Laborer have equal per diem. If the Laborer's per diem exceeds the Helper's per diem, the difference will be included in the comparison. If only the Helper has per diem, the per diem will be added to the Welder Helper wage and that figure will be used to compare to the Laborer's rate for the adjustment.

(F) Per diem will be paid for number of days in the work week set out on the pre-job form.

III.

OTHER CONDITIONS

(A) Assembly Points(s) will not be established more than twenty (20) miles distance from living accommodations. This distance will be increased beyond the twenty (20) miles when circumstances warrant as agreed to by the principal Parties. The establishing of Assembly Point(s) will not affect the location of the warehouse.

(B) Once a crew is hired the Employer may move that crew from job to job without change, regardless of location of job.

(C) The Employer will have the right to hire five (5) of the first six (6) U.A. Employees (of each class – Journeymen/Welders and Helpers). After the sixth ($6^{th}$) Employee is hired, hiring will be in accordance with the hiring formula under the National Pipe Line Agreement so that 50/50 hire will begin after the sixth ($6^{th}$) hire.

(D) All Employees will work under a composite crew concept as determined by the Employer. The Parties understand that the nature of this work requires working in a cooperative effort, making it sometimes difficult to adhere to strict guidelines. Thus, the Employer shall make every reasonable effort to man specific tasks according to the jurisdiction of the Union and shall maintain a fair and balanced craft ratio in the overall manning of the job.

(E) The Employer shall have the sole right to determine the number and classifications of the Employees to be hired provided such assignments are not inconsistent with the provisions of this Special Agreement or the National Pipe Line Agreement.

# ATTACHMENT 2

## SPECIAL AGREEMENT FOR STATION WORK

This Special Agreement to the National Pipe Line Agreement sets forth the terms and conditions under which Station Work, as defined in Article I below, shall be performed. Except as otherwise specifically set forth below, all other terms and conditions of the National Pipe Line Agreement shall apply in full to such work.

I.

COVERAGE

This Special Agreement shall apply to all work relating to the construction, fabrication, installation, maintenance, reconditioning and/or repair of all pipeline stations, including without limitation, meter stations, meter sets, compressor stations, pumping stations, and reducing stations, performed by the Employer within the United States except for the states of Michigan (local Building Trades Agreement applies), and Pennsylvania (local Building Trades Agreement applies in Bucks, Chester, Delaware, Montgomery and Philadelphia Counties). The Parties recognize that the NPLA and this Attachment 2 apply only to Employers bound to this Agreement. Notwithstanding the foregoing, an Employer signatory to the NPLA who is also signatory to a UA local union building trades agreement has the option of performing work covered by this Attachment 2 under the terms of either the local agreement where the work is located or this Attachment 2.

II.

CLASSIFICATIONS

The classifications of employees which the Employer may employ on work performed under this Agreement, and the general definition of the duties of such classifications, are as follows:

(A) "Journeyman" shall mean a person seeking employment as a welder or journeyman pipefitter.

(B) "Helper/Apprentice" shall mean a person seeking employment as a helper or otherwise employed to assist in the performance of all work covered by this Agreement.

III.

HIRING PROCEDURE

(A) It is agreed that the Employer may man the original crew at the start of any job without restriction with the exception of the Steward which shall be dispatched by the Union as the first Employee on the job. The original crew shall be identified on the pre-job conference report.

(B) Once the original crew has been established, the Employer shall have the right to keep all or part of the original crew on all work covered by this Agreement.

IV.

WAGES AND FRINGE BENEFITS

(A) Wages and Fringe Benefits will be the same as the Special Agreement for Small Diameter Pipe (16" and under) or Building Trade wages and fringes, whichever are greater.

(B) During emergencies, any Employee of the Employer may be assigned to any work provided, however, no Employee's hourly rate shall be lowered under this provision. Emergencies shall be defined as an imminent threat to life or property.

(C) All overtime will be paid at one and one-half times the straight-time rate, except for work performed on the following holidays which will be paid at double the straight-time rate: New Year's Day; Memorial Day, July Fourth, Labor Day, Thanksgiving Day and Christmas Day. If any of the above holidays falls on a Sunday, the Monday following shall be considered a holiday.

(D) The Employer shall have the right to select all Foremen. The Foremen shall be paid a minimum of an additional $2.00 per hour above his regular wage rate.

(E) The following conditions for Stewards under this Agreement shall apply:

1. Wage Rates — The Steward shall be paid $2.00 per hour above the basic Welder or Journeyperson rate.

2. Hours — The Steward shall be paid for the number of hours for which the job is set up for the number of hours worked. The Steward's hours will not attach to any other Employee on the job. The Steward will be a working steward.

V.

WORKING RULES

(A) The job starts at the jobsite and shall end at quitting time at the jobsite; however, the lunch period shall be excluded. The work week and work day shall be established at the pre-job conference.

(B) The Employees needed to carry out work associated with the instrumentation threaded piping will be hired at the discretion of Employer.

# ATTACHMENT 3

## SPECIAL AGREEMENT FOR MAINLINE MECHANIZED WELDING

This Special Agreement to the National Pipe Line Agreement sets forth the terms and conditions under which Mainline Mechanized Welding Work, as defined in Article I below, shall be performed. Except as otherwise specifically set forth below, all other terms and conditions of the National Pipe Line Agreement shall apply in full to such work.

I.

COVERAGE

This Special Agreement shall apply to mechanized welding performed on mainline work covered by the National Pipe Line Agreement.

II.

CLASSIFICATIONS

(A) UA Technician

A UA Technician (or Technicians) will be assigned for the repair and maintenance of the mechanized welding equipment including the end-prep machine and related equipment (excluding that normally done by other crafts on tractors and generating sets). The UA Technician (or Technicians) will be a qualified employee who has received actual training on the repair and maintenance of the mechanized welding equipment. The UA Technician(s) will be obligated to show proof of training. Union Agrees that UA Technicians must be available for any jobs on which Employers use mechanized welding equipment. The Owner or Supplier of the mechanized welding equipment can place a designated Technician Representative (who may make actual repair if UA Technicians are unable to make repair) in a supervisory capacity over the Technician or Technicians comprising the repair and maintenance crew.

(B) Foreman

The appointment of all Foremen is the responsibility of the Employer. Foremen may be paid on an hourly, weekly, or monthly basis as determined by the Employer.

III.

WAGES AND FRINGE BENEFITS

(A) Wages and Fringe Benefits

1. The UA Technician(s) will be paid the Journeyman wage rate and fringe benefits under the National Pipe Line Agreement or applicable Project Agreement.

2. The Helper shall be paid the Helper wage rate and fringe benefits under the National Pipe Line Agreement or applicable Project Agreement.

(B) Pre-construction Rigging-Up at Job Site or Other Designated Location

Employers performing pre-construction rigging-up for mechanized welding at the job site or any other designated location for pipeline construction projects under the National Pipe Line Agreement will be obligated to pay the wage rates and fringe benefits under the National Pipe Line Agreement or applicable Project Agreement.

(C) Welding Procedures

For all welding procedures related to a project covered under the National Pipe Line Agreement using mechanized welding, the Employer will pay the wages and fringes as set out in the National Pipe Line Agreement or applicable Project Agreement regardless of whether procedures are being run at the jobsite or any other location.

IV.

HIRING AND EMPLOYMENT PROCEDURES

(A) Manning

The following manning requirements for UA Technicians and Helpers will apply:

1. One UA Technician and one Helper will be assigned for each internal welder being used on the job. This Technician may be used to maintain the hot pass bugs.

2. One UA Technician and one Helper will be assigned to each mechanized crew for every five welding stations/shacks.

It is understood that, in the event the Employer is short on Helpers, these UA Technician Helpers may be used at the Employer's discretion.

(B) Welder/Technician Qualification Test

Welder/Technicians hired by the Employer will be required to take a Welder qualification test (or tests) specified by the Owner or the Employer.

(C) Spell-Off Welder(s)

Spell-Off Welder(s) will be hired. Assignment of Spell-off Welder(s) will be at discretion of the Employer. At least one (1) Spell-Off Welder shall be hired. The Steward may be assigned to spell-off.

(D) End Facer

If an End Facer is used, the manning of such equipment shall consist of a Journeyman and one Graded Helper to assist and pick up shavings. If a Welder is dispatched to man the end facer, he will be dispatched as a Journeyman and no rig pay will be required. Repairs of such equipment shall be performed by the UA Technician. If additional Employees are needed to pick up shavings, then an additional Helper or Helpers will be hired to perform this work.

(E) Manning

When a Local Union is unable to dispatch a sufficient number of Welders to man a mechanized welding project, the Employer agrees to utilize other classifications of Employees under this Agreement to perform such work before obtaining Welders from an outside source pursuant to Article V(G)(4). Such Employees shall be hired in accordance with the hiring procedures set forth in Article V of the NPLA, and otherwise subject to all terms and provisions of the NPLA. All Employees performing such work shall be paid as a Welder.

V.

OTHER CONDITIONS

(A) Work Week

UA Technicians will be assigned the same work week hours as the mainline crews and will work on equipment during breaks and during lunch periods at the discretion of the Employer. UA Technicians will receive no additional payments for lunch provided they are allowed an uninterrupted 30 minutes during the day for lunch. Additional hours worked above the workweek by any Technician(s) will not attach to any other UA employee or the Steward.

(B) Welding Rigs

Welder/Technicians will be paid rig pay as follows: (1) standby IRS current Dry Rate plus fuel to be provided by the Employer so long as the rig is on the jobsite and available for work; (2) if used on the same basis as paid under the National Pipeline Agreement.

(C) Line Up and ID Welding or OD Welding

The provisions of the National Pipe Line Agreement covering work of handling the clamps and lining up the pipe shall apply. The ID Welder shall be paid premium pay of $2.00 per hour above the regular Journeyman rate. In the event back welding is performed for misfires and such inside the pipe, the Employer will pay such Welder engaged in back welding in accordance with the National Pipe Line Agreement. If a clamp utilizing internal backing in conjunction with OD Welders depositing the stringer bead is used, such Welders shall be paid premium pay at a rate that is $2.00 hour above the regular Journeyman rate.

(D) Bands

In the operation of the mechanized welding equipment, bands are placed on the pipe and there shall be employed one Journeyman or Welder at the Employer's discretion on the front end who will place, measure, and secure the bands for the necessary position and alignment for the O.D. welding devices. He shall be assisted by a Helper. One or more Helpers to be determined by the Employer shall be employed on the back end to remove the bands upon completion of the process. This manning requirement will also apply to the mini-crew.

(E) O.D. Welder

There may be two devices (one or more may be used) set up on the band to complete each O.D. weld. There shall be one Welder and one Helper employed for each device.

(F) Mechanic Work

The work of servicing welding heads, both internally and externally, and servicing the mechanized welding equipment from the lugs out, will be performed by a UA Technician or Welder.

(G) Premium Pay/Hiring

No premium pay shall be paid for any job assignment unless specifically provided for in this Agreement. Hiring shall be in accordance with the formulas set out in the National Pipe Line Agreement.

# ATTACHMENT 4

## SPECIAL AGREEMENT FOR INTEGRITY MANAGEMENT AND MAINTENANCE WORK

This Special Agreement to the National Pipe Line Agreement sets forth the terms and conditions under which Maintenance Work, as defined in Article I below, shall be performed. Except as otherwise specifically set forth below, all other terms and conditions of the National Pipe Line Agreement shall apply in full to such work:

I.

COVERAGE

(A) The wage rates, fringes and other conditions set out in this Special Agreement will apply to the work described in Article I, Section B, below, performed in the Continental United States.

(B) This Special Agreement shall cover maintenance of all existing transportation mainline pipelines (existing pipelines) coming within the jurisdiction of the Union. This Special Agreement is intended to cover on-going maintenance, integrity work, repair, renovation, restoration, removal, modification, addition and/or replacement of existing pipelines, limited to the following:

1. Replacement of existing pipelines of less than fifteen (15) miles, perjob, regardless of size;
2. Hydrostatic testing of existing pipelines regardless of size or length;
3. Anomaly investigation and repair including recoating and/or replacement of sections of pipe;
4. Installation/replacement of existing valves and/or launchers/receivers for integrity programs;
5. Right-of-way maintenance;
6. Road casing change outs, extensions, splits and removals;
7. Cathodic Protection removal and repair work; and
8. Road Boring and Horizontal Directional Drill work on existing replacements.

For purposes of this Section, the term “existing pipelines” is limited to a constructed pipeline already completed and shall not apply to any new pipeline.

(C) This Special Agreement shall apply through completion of jobs involving such work.

(D) The Parties (UA or PLCA) may request additional coverage to this Special Agreement by written request with approval contingent upon agreement by all four International Unions.

II.

WAGES, FRINGE BENEFITS, AND PER DIEM

(A) Work performed in California, Idaho, Illinois, Indiana (Jasper, Lake, La Porte, Newton, and Porter Counties only), New Jersey, Oregon, Pennsylvania (Bucks, Chester, Delaware, Montgomery, Philadelphia Counties only), Washington, and Wisconsin, shall be performed under the same Wage Rates and Fringe Contributions as set forth in Article XI and Exhibits A and B (as periodically modified) of the National Pipe Line Agreement.

(B) Subject to Paragraph (D), below, for work performed in the States of Alabama, Arizona, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, New Mexico, North Carolina, Oklahoma, South Carolina, Tennessee and Texas, the wage rate shall be 80% of the Wage Rates and the fringe benefit contributions shall be 100% of the Fringe Contributions as set forth in Article XI and Exhibits A and B (as periodically modified) of the National Pipe Line Agreement.

(C) Subject to Paragraph (D) below, for work performed in all other states not listed in Paragraphs (A) and (B) above, the wage rate shall be 90% of the Wage Rates and the fringe benefit contributions shall be 100% of the Fringe Contributions as set forth in Article XI and Exhibits A and B (as periodically modified) of the National Pipe Line Agreement.

(D) The wage rate reductions set forth in Paragraphs (B) and (C) above shall not apply on any project for which the Teamsters, Operators, or Laborers do not accept the reduction in wage rates and, in such case, 100% of the Wage Rates and Fringe Contributions as set forth in Article XI and Exhibits A and B (as periodically modified) of the National Pipe Line Agreement shall apply.

III.

OTHER CONDITIONS

(A) Hiring/Discharge: The hiring will be the same as set out in Attachment 1 of the National Pipe Line Agreement (Special Agreement for Small Diameter Pipe). The United Association will assign the jurisdiction on a job-by-job basis.

(B) Portability: Once a properly executed pre-job report has been signed for any particular project and the crew is hired, the Employer may move that crew within the covered project without change regardless of the Local Union jurisdiction.

(C) Composite Crew: All Employees will work under a composite crew concept as determined by the Employer and the Union at the pre-job conference. The Parties understand that the nature of this work requires working in a cooperative effort, making it sometimes

difficult to adhere to strict jurisdictional lines. Thus, the Employer shall make every reasonable effort to man specific tasks according to the jurisdiction of the Union and shall maintain a fair and balanced craft ratio in the overall manning of the job.

(D) Work Week: The work week will begin on Monday and end on Sunday.

(E) Assembly Point/Warehouse: Assembly Point(s) will not be established more than twenty (20) miles distance from living accommodations. This distance may be increased beyond the twenty (20) miles when circumstances warrant as agreed to by the Parties. The establishing of Assembly Point or points will not affect the location of the warehouse.

(F) The Employer shall pay the meals and hotel expenses for all days in which any Employee who is working from his/her assigned warehouse location is temporarily assigned to work in another location that is far enough away that it is determined that the Employee will have to stay away for one or more nights.

(G) In the event that the circumstances set forth in paragraph (F) above occur, and provided that the Employee is kept on the payroll for all travel time involved, then Assembly Point move pay as described in Article XIII(E) will not be required.

(H) Pre-Job Conference: The Employer agrees to notify the Union of jobs obtained by the Employer. The Employer and representatives of the Union will hold an initial pre-job conference so that the start and continuation of the work may progress without interruption and the Union representative(s) at such pre-job conference shall be authorized by the Union to represent the Union for the entire area covered by the Job. The Union will invite each Local Union with jurisdiction to the pre-job. A pre-job will not be necessary each time the crew moves from one location or local jurisdiction to another after the initial pre-job.

(I) Bonus: If any individual Employer pays any wages in excess of the wages negotiated in this Agreement with any Union(s) in the form of extra money, extra hours, extra travel or standby time or in the form of a bonus by any subterfuge, and if the Pipe Line Contractors Association and the Union(s) shall jointly determine that such bonus is for the purpose of pirating men from other individual employers, or results in conditions injurious to the pipeline construction industry, then such individual Employer shall be required to pay a proportionate additional compensation to all Employees covered by this Agreement and such requirement shall continue until that particular job is completed. It is understood and agreed, however, that any profit-sharing, retirement or pension plan which an individual Employer may have in effect which has not been set up for that particular job shall not be considered a bonus.

# ATTACHMENT 5

# SUMMARY OF PREMIUM PAY

All premium pay will be in addition to the base rate (except the back welding rate, which is paid above employee's regular rate of pay).

## Welder

- Welder Foreman: $2.00 per hour. See Article VII (C).
- Welder Steward: $2.00 per hour. See Article XI (L).
- Welders Running Beads or Hot Pass on Cutouts or Tie-Ins on Production Basis: $2.00 per hour, See Article XI(F).
- Hot Pass Welders: $2.00 per hour. See Article XI (E&F).
- Back Welder: $3.00 per hour (above his/her regular rate of pay). See Article XI (M) & Article XXI Special work, Fabrication paragraph (4).
- Repair Welder: $2.00 per hour. See Article XI (G).
- Welder Hot Pay: $2.00 per hour. See Article XI (N).
- Welder Bead Automatic: $2.00 per hour. See Attachment 3 Article V (C).
- Welder Testing: $2.00 per hour. See Article XI (E).
- Welder Assigned to Weld on Separate Testing Crew: $2.00 per hour. See Article XI(E).
- Fabrication Lead Welder: $2.00 per hour. See Article XXI Special Work, Fabrication paragraph (C).
- Welders: $2.00 per hour. See Article XXI Special Work, Bridge & Highway Relocation paragraph (B).
- Welder Spell Off: $2.00 per hour. See Article XXII Note 1.
- Welder I.D. Head: $2.00 per hour. See Article XXII Note 4.

## Journeyman Pipefitter

- Line Carrier: $2:00 per hour. See Article XI(E).
- Journeyman Employed as Bead or Hot Pass Welder: $2.00 per hour. See Article XI (E).
- Journeyman Hot Pay: $2.00 per hour. See Article XI (N).
- Journeyman Testing: $2:00 per hour. See Article XI (E).

## Helper

- Helper Bevel Buffing/Sandblasting: $.75 per hour. See Article XI (H)
- Helper with Buffer or Grinder behind Bead or Hot Pass Welder on Production Basis: $2.00 per hour. See Article XI(H).
- Helper operating Internal Clamps or Bending Mandrel: $.75 per hour. See Article XI (I).

- Helper Grinder Ultrasonic Weld Prep: $2.00 per hour. See Article XI (H).
- Graded Helper: $.75 per hour. See Article XI(C).
- Extra Helper to buff/grind: $.75 per hour. See Article XI (H).
- Back Welder Helper: $1.00 per. See Article XI (M).
- Repair Welder Helper: $.75 per hour. See Article XI (G).
- Helper Straw: $.75 per hour. See Article XI (J).
- Helper Hot Pay: $.75 per hour. See Article XI (N).
- Helper Graded End Facing: $.75 per hour. See Attachment 3 Article IV (D).
- Helper Testing: $.75 per hour. See Article XXI Special work Hydrostatic Testing paragraph (1).
- Fabrication Helper Graded: $.75 per hour. See Article XXI Special Work, Fabrication paragraph (1).
- Helper Rough-Cutter: $2.00 per hour. See Article XXI Special Work, Take-Up paragraph (1).
- Helper Rough-Cutter: $2.00 per hour. See Article XXI Special Work, Reconditioning paragraph (B) 5.
- Helper Beveller: $2.00 per hour. See Article XXI Special Work, Take-Up paragraph (3).
- Helper Beveller: $2.00 per hour. See Article XXI Special Work, Reconditioning paragraph (B) 3.
- Bead Grinder: $2.00 per hour. See Article XXI Special Work, Marine Barge paragraph (J).
- Helper attending oxygen manifold and acetylene generator on Reconditioning in the Yard: $.75 per hour. See Article XXI Special Work, Reconditioning paragraph B(6).
- Helper Graded: $.75 per hour. See Article XXII (A) 3, (B) 2 (C) 2 and Note 6.
- Helper Testing: $.75 per hour. See Attachment 1, Article II (D)
- Helper Clamp-man: $.75 per hour. See Attachment 1, Article II (D)
- Welder Helper/Bead Grinder: $.75 per hour. See Attachment 1, Article II (D)
- Welder Helper/Extra Bead Grinder–Buffer: $2.00 per hour. See Attachment 1, Article II (D)

(With the exception of back welding, there is no stacking of premiums.)

# ATTACHMENT 6

## COPY OF SUBSTANCE ABUSE POLICY

## AVAILABLE

## UPON REQUEST FROM UA OR PLCA

# ATTACHMENT 7

## COPY OF ALCOHOL MISUSE POLICY

## AVAILABLE

## UPON REQUEST FROM UA OR PLCA

# ATTACHMENT 8

**NATIONAL PIPE LINE AGREEMENT INTERPRETATIONS BETWEEN THE PIPE LINE CONTRACTORS ASSOCIATION AND THE UNITED ASSOCIATION OF JOURNEYMEN AND APPRENTICES OF THE PLUMBING AND PIPE FITTING INDUSTRY OF THE UNITED STATES AND CANADA, AFL-CIO**

**(As amended effective June 1, 2014)**

The Interpretations set out below have been agreed to by the Pipe Line Contractors Association and the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada and are made a part of the National Pipe Line Agreement as if set out therein.

1. Road Boring: When a Welder is assigned and working with the road boring crew on any particular day, he will be entitled to the hours of the road boring crew for that day. For example, if the full road boring crew continues to work after regular quitting time and the Welder assigned to that crew that day is sent in before quitting time or at quitting time and not allowed to remain with the crew while it continues working after regular quitting time, he will be entitled to any additional hours worked by that crew that day. If the Welder assigned to the road boring crew is temporarily reassigned to perform other work and the full road boring crew continues to work performing regular road boring crew work that day, the Welder will be entitled to the same hours worked provided he returns to that crew or is relieved by the contractor from returning to the road boring crew.

2. Dispatching Employees: The contractor will provide the Union with the same advance notice of starting date for the Union's quota to be dispatched as it provides for its contractor-hired employees.

3. Drug Testing: The Substance Abuse Policy negotiated by the Association (PLCA) and the United Association (UA) will be applicable on all jobs covered by the National Pipe Line Agreement. The Journeyman shall be paid waiting time for any days lost during the normal scheduled work week in those cases which require completed testing before employment. In such cases, the Journeyman shall receive for any day lost during any one work week the sum of five hours plus fringes, and the Helper will receive a sum of four hours plus fringes. No payment or fringe contributions will be made if a test is positive for a prohibited drug.

4. Job Steward Hours: Under the National Pipe Line Agreement a journeyman acting as job steward is entitled to be paid for all hours worked by him or for the number of hours up to a maximum of thirteen (13) worked by any UA journeymen on the job except the UA mechanic and except for journeymen or welders working on testing.

It has been agreed by the PLCA and United Association that the maximum of thirteen (13) hours is based on a 10 hour work day, and that if the work day is set up on or extended to 11 hours or more the steward will be entitled to 3 hours above the number of hours the job is set up

or extended, provided some other journeymen, except the UA mechanic, journeymen or welder on testing, works those hours. As an example, if the contractor sets the work week at 6-12's, and a UA journeyman other than the UA mechanic, journeymen or welder on testing works 16 hours the steward would be entitled to 15 hours.

# ATTACHMENT 9

# STANDARD FOR EXCELLENCE

## Member and Local Union Responsibilities

**To ensure that U.A. Standard For Excellence platform meets and maintains its goals, U.A. business managers, representatives, shop stewards and members will:**

- Keep Safety at the forefront of everything we do.
- Focus on the quality of work being performed and strive to do it right the first time.
- Arrive at work on time every day. Observe lunch and break times. Absenteeism and tardiness will not be tolerated.
- Take care of the tools and equipment supplied by the contractor.
- Adhere to a zero tolerance substance abuse policy and be fit for work at all times.
- Be productive, keep inactive time to a minimum, and eliminate work disruptions.
- Do your part to ensure a safe and on time completion of the Project.
- Show respect for the contractor and customer. Graffiti, vandalism, or any other form of destruction to property will not be tolerated.
- Demonstrate professionalism by dressing for work in an appropriate manner. Offensive words and symbols on clothing, hard hats and buttons is not acceptable.
- Comply with the contractor's and customer's rules and policies.
- Follow safe and reasonable management directives.
- Enhance skill levels by using local and U.A. training classes, and take advantage of the certification system.
- Work with Site Supervision on resolving problems that involve the availability of materials, tools, equipment and information.
- Promptly investigate any jobsite problems and work with the contractor to resolve issues as quickly as possible.
- Accept, abide by and promote the UA "Standard For Excellence."

**Contractor Management Responsibilities**

- Ensure that the project is fully engaged in the goal of achieving zero accidents. Create and maintain a safe work environment. Provide proper safety training and equipment to all workers.
- Drive the ownership of the quality program down to the general foremen, foremen, and craftsmen so that they can help ensure that work is performed correctly the first time.
- Put in place effective superintendents.
- Return unsatisfactory journeyworkers, and helpers to the union hall with an explanation "why."
- Treat employees with respect. Recognize their contribution for a job well done.
- Supply necessary tools, equipment, material and information in a timely manner.
- Provide storage areas for tools as required.
- Designate locations where employees will be expected to take breaks and eat lunch.
- Demonstrate leadership and take responsibility for management decisions.
- Provide training that will help workers and jobsite leaders perform at the level required to ensure a successful project.
- Make sure that superintendents work with the jobsite Steward to resolve problems and conflicts.
- Be firm, fair and consistent in disciplinary actions.
- Ensure that there is a adequate number of employees to perform the work and demonstrate to the customer that the job is not over manned.
- Educate superintendents, general foremen and foremen about the purpose, intent and proper use of the UA Standard for Excellence.
- Accept, abide by and promote the UA "Standard for Excellence."

**NATIONAL PIPELINE INDUSTRY**
**JOINT POLICY COMMITTEE**

Committee:
International Union of Operating Engineers
United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada
Laborers' International Union of North America
Pipe Line Contractors Association
International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America

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**RULES AND REGULATIONS**
**FOR**
**POLICY COMMITTEE**

These rules and regulations are hereby adopted for the guidance of the Policy Committee established on December 14, 1967, by the Pipe Line Contractors Association; the Laborers' International Union of North America; the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America; the International Union of Operating Engineers; and the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada. They are intended as voluntary procedures to promote harmony among all the parties to the National Pipe Line Agreements, to encourage the continuation of collective bargaining, to prevent work stoppages and to provide for the settlement of disputes which have not been or cannot be settled through the grievance procedures set out in the National Pipe Line Agreements negotiated by the Pipe Line Contractors Association with the four International Unions named above who represent the employees employed in mainline pipe line construction throughout the United States.

1. The procedures of the Policy Committee shall be available to any pipe line contractor engaged in work covered by the National Pipe Line Agreements and to any local union having jurisdiction over such work; provided, however, that any request by a contractor for resort to the Policy Committee shall be made only through the Pipe Line Contractors Association, and any request by a local union for resort to the Policy Committee shall be made only through its International Union. Upon referral to the Policy Committee, the parties agree that the existing or agreed upon conditions and terms of employment shall continue in full force and effect without a work stoppage for a period of fourteen (14) calendar days following referral of the matter to the Policy Committee.

2. The Policy Committee shall meet on the third Wednesday of each June and upon call of any one of the five members at such place or places as may be mutually agreed upon. The Policy Committee may consider any matter of concern to the pipe line construction industry, whether or not a specific matter has been referred to it by one of the parties to the agreements. Only the five members of the Policy Committee shall be entitled to vote.

3. The procedures provided by this Policy Committee shall not be used where existing grievance procedures set out in one of the National Pipe Line Agreements govern the matter.

**PROCEDURAL RULES FOR POLICY COMMITTEE REGARDING JURISDICTIONAL DISPUTES**

1. Whenever a dispute arises between two or more Unions over proper jurisdiction of work assigned by a contractor, then one of the parties to the dispute may refer it to the Policy Committee for decision. Pending the decision, the work shall continue to be done by the one to whom it is assigned by the contractor.

2. Any of the disputants may submit any evidence desired for the purpose of substantiating its claim to the work in question, and the Policy Committee shall consider all such evidence submitted by any of the parties. A majority decision of the Policy Committee in such jurisdictional disputes shall be final and binding on all parties.

3. Unless otherwise agreed to by the disputing parties, any decision rendered by the Policy Committee shall be for the particular job on which dispute arose.

4. The Policy Committee shall select one of its members to act as Chairman, whose term shall last for one year only and who shall not be eligible for re-election until the representative of each of the other parties has served one year as Chairman. There shall also be a Secretary designated who may or may not be a member of the Policy Committee, but only the five principal members of the Policy Committee shall be entitled to vote.

5. Parties to disputes shall have a right to hearing before the Policy Committee only upon the terms and conditions set out herein. A decision shall be reached as promptly as possible, and not longer than fourteen (14) days after a dispute has been referred to it, unless a longer period has been agreed upon by the interested parties and the Policy Committee.

6. Each of the respective organizations shall bear the cost of expenses of their representatives on the Policy Committee, and any other parties in attendance at meetings of the Policy Committee shall bear their own cost of expense.

7. These rules and regulations may be amended at any time and from time to time by the Policy Committee upon unanimous vote of its members.

Executed this 11th day of July, 1968.
Signed By:
United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada Laborers' International Union of North America
International Union of Operating Engineers International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America
Pipe Line Contractors Association

**Decision No. 1**
Hydrostatic Testing

Because a controversy has arisen throughout the Pipe Line Construction Industry as to the proper manning of hydrostatic testing of pipe lines, the question was referred to the Policy Committee for decision. Having considered the claims and respective interests of all parties involved the Policy Committee has decided that on all hydrostatic testing of pipe lines throughout the United States:

1. The installation of temporary lines other than flexible lines will be handled by the U.A.

2. The installation of flexible lines will be handled by the Operating Engineer.

3. The operation of pumps, gauges and dead weights will be handled by the Operating Engineer.

4. The fabrication and installation of manifolds and valves will be done by the U.A.; the attachment of the flexible lines will be done by the Operating Engineer.

5. Nothing herein is intended to affect in any way the work ordinarily and customarily done by the Laborers and Teamsters.

July 25, 1968 (See Decision #5, as amended)

**Decision No. 2**
Operating Engineer's Equipment

In view of conflicting claims which have arisen in the Pipe Line Industry, the Policy Committee has made the following decision:

The welding, maintenance and repair of any equipment within the jurisdiction of the International Union of Operating Engineers will be done by Operating Engineers. This decision is not intended to interfere with the practical cooperative attitude among all crafts involved.

July 25, 1968

**Decision No. 3**
Portable Yard Double Jointing Racks

It is recognized that on yard double jointing racks there is certain repair work to be done which belongs to the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, and that there is certain repair work which belongs to the International Union of Operating Engineers.

It is the decision of the Pipeline Industry Policy Committee that one mechanic from each Union be employed on each rack and all repair and maintenance work necessary will be done by these two mechanics unless additional help is needed, in which case it shall be drawn from the established crew.

July 22, 1969

**Decision No. 4**
Portable Yard Double Jointing Racks

The operation of a portable yard double jointing rack, welder helpers from the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada are required to be employed by the National Pipe Line Agreement between the UA and the PLCA in the rolling of the pipe from the grinders through inspection. Therefore, if employees are needed to roll the pipe from the end of the rack up to the grinding station, such employees need not be UA welder helpers, and the contractor may assign the work to the members of the Laborers International Union of North America.

**Decision No. 5**
Hydrostatic Testing

The pipe line contractor may set up a separate testing crew or use employees performing other duties to also do the testing work without setting up a separate crew for that purpose. In some cases the testing work is performed by another contractor, either by subcontract from the pipe line contractor, or by direct contract with the owner. In any event, during the preparation, fill, discharge, and dismantling process connected with the pressurization testing of a new or old section of pipe line:

1. The provisions of the Policy Committee Decision No. 1 dated July 25, 1968, concerning hydrostatic testing will apply to those situations when the contractor elects not to set up a separate hydrostatic testing crew in connection with the pressurization testing of the pipe line. These provisions are as follows:

A. The installation of temporary lines other than flexible lines will be handled by the U.A.

B. The installation of flexible lines will be handled by the Operating Engineer.

C. The operation of pumps, gauges and dead weights will be handled by the Operating Engineer.

D. The fabrication and installation of manifolds and valves will be done by the U.A.; the attachment of the flexible lines will be done by the Operating Engineer.

E. Nothing herein is intended to affect in any way the work ordinarily and customarily done by the Laborers and Teamsters.

2. When the contractor elects to set up a separate hydrostatic testing crew for the pressurization testing of the pipe line, the manning requirements will normally consist of one U.A. journeyman, one Operating Engineer, one Laborer and one Teamster.

A. In the event more employees are needed, they will be employed for the work required under the terms of the appropriate National Pipe Line Agreement.

B. Once the manning requirements have been determined, all employees may be used as a composite crew, it being recognized that the nature of the work is such that at times it is impossible to adhere strictly to craft jurisdictional lines.

C. It is intended that the composite crew will be used during the preparation, fill, discharge and dismantling process with the hydrostatic testing of a new or old pipe line.

D. When the line is under pressure and "on test," or when the contractor has night work to be performed in connection with filling or discharging the line, an operating engineer will be employed to monitor the test, watch the pumps, and swing and read the dead weight.

E. When night work is performed as set out in D above, the U.A. Journeyman assigned to the composite crew during the day will receive two additional hours of pay in lieu of being called out to perform any U.A. work which might be necessary during the night time operation. No additional compensation will be paid to Laborers or Teamsters since there is no work performed at night that would belong to these unions.

3. When welding is performed by welders assigned to a separate hydrostatic testing crew set up by the pipe line contractor, premium pay of 50 cents per hour above the journeyman rate will be paid to the welders. This requirement for premium pay will not apply when the pipe line contractor has not set up a separate hydrostatic testing crew or when welders on the pipe line contractor's payroll are merely used by the testing contractor.

4. All other provisions concerning hiring, waiting time, travel time, reporting time, and moving time will be applicable as set out in the National Pipe Line Agreements.

Dated January 28, 1970, as amended October 26, 1971.

**Decision No. 6**

Local Industry Advancement Funds

In certain areas of the United States, Local Unions have negotiated Industry Advancement Funds with contractors for the purpose of advancing or promoting the Building, Heavy or Highway Construction Industry. Contributions to such funds are not negotiated in lieu of wage increases such as Welfare, Pension, Vacation and the like.

Since the Pipe Line Construction Industry does not benefit from the contributions to such local funds throughout the United States it is agreed that there is no requirement under any of the National Pipe Line Agreements for signatories to those agreements to contribute to such funds.

August 13, 1970

**Decision No. 7**
Buffing and Grinding

In order to clarify the proper jurisdiction between the Laborers' International Union of North America and the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada over work involving the buffing and grinding of pipe, the following decision has been reached.

Buffing, grinding, filing or brushing of the bevel in preparation for welding, or in connection with making or completing the weld, is in the jurisdiction of United Association. Buffing, grinding, filing or brushing not done in connection with the preparation or completion of the welding process shall be the jurisdiction of the Laborers' International Union of North America.

Dated October 21, 1970, and amended October 26, 1971

**Decision No. 8**
Dressing the Pig

"Dressing the Pig" means changing the rubber squeegees or brushes or appurtenances which are attached to the body of the "pig." The "pig" is inserted and travels inside the pipe for the purpose of cleaning or clearing the pipe line of all rust, scale, foreign objects, liquids and solids, and is normally used in connection with the cleaning and testing process.

The contractor will assign the work of "dressing the pig" to whatever employee is readily available at the time, and all four unions agree to abide by the contractor's assignment.

Dated October 26, 1971

**Decision No. 9**
Hooking and Unhooking

"The hooking and unhooking of the pipe under the National Pipe Line Agreements is the work of the Laborer."

Dated January 29, 1975

**Decision No. 10**
Urethane Foam Applicator

"The urethane foam applicator will be manned with a Group 2 Operating Engineer on the bed or platform handling the valves, mixing the contents and servicing the generators when handled from the bed or platform; a Laborer will be on the ground or in the ditch operating the nozzle of the applicator."

Dated July 6, 1978

**Decision No. 11**
Removal of Concrete

"The rough removal of concrete from the pipe will be done by Laborers. However, the balance of the preparation of the pipe for making the cut, bevel or the welding process is the jurisdiction of the United Association."

Dated July 6, 1978

# EXHIBIT 7

## IUOE NPLA

# NATIONAL PIPE LINE AGREEMENT

AGREEMENT made by and between the PIPE LINE CONTRACTORS ASSOCIATION, hereinafter referred to as "PLCA" and those of its contractor members and such other Main Line Pipeline Contractors who execute an acceptance of the terms and provisions of this Agreement, hereinafter referred to as the "Employer," and the INTERNATIONAL UNION OF OPERATING ENGINEERS, hereinafter referred to as the "Union" or "IUOE."

WITNESSETH:

That, WHEREAS, the parties hereto desire to stabilize employment in the Main Line Pipeline Industry, agree upon wage rates, hours and conditions of employment:

NOW, THEREFORE, the undersigned Employers and the Union, in consideration of the mutual promises and covenants herein contained, agree as follows:

## I.
## COVERAGE

(A) This Agreement and the attachments covering (1) Small Diameter Pipe (16" and under), (2) Station, (3) Integrity Management and Maintenance, and (4) Horizontal Directional Drilling which are included and made part of this Agreement, shall apply to and cover all transportation main line pipeline work coming within the jurisdiction of Union contracted for or performed by Employer within the United States as such work is more fully described in Paragraphs (B) and (C) below. Before any such work is done in the States of Alaska and Hawaii, the PLCA and Union shall meet to agree upon the wage rate and any special conditions which may be necessary in those States. By mutual agreement, this contract may be extended to cover other territory.

(B) Transportation main line pipelines coming under this Agreement are those defined as follows:

The construction, installation, double-jointing, re-beveling, treating, insulating, reconditioning, testing, taking-up, re-laying or relocation of cross-country pipelines or any segments thereof transporting CO2, or coal, gas, oil, or other hydrocarbons including portions of such pipelines within private property boundaries, up to the final metering station or connection.

The phrase "final metering station or connection" means that point where a valve, consumer connection, or town border station divides main line transmission lines or higher pressure lateral and branch lines from lower pressure distribution systems. If a metering station or connection is located on such main line transmission line or higher pressure lateral or branch line or between two or more main line transmission lines or higher pressure lateral or branch lines then such work is covered by this Agreement.

(C) Gathering lines which connect directly from the wells to the main line pipelines, gathering lines, to or from gas extraction or gas dehydration plants, and gathering lines to or from gas storage fields are included.

(D) All marine pipeline work, including push-jobs in-shore and work done from barges in-shore and off-shore is covered by this Agreement.

(E) All of the work covered by this Agreement shall be done under and in accordance with the terms and conditions of this Agreement, whether done by Employer or any subcontractor of said Employer; provided, however, that where heavy, specialized marine equipment not customarily used by Employer in the performance of the work herein defined, is leased, rented or borrowed, and the labor to operate such equipment is wholly or partially to be furnished by the owners of such equipment, or the work to be done by said equipment is subcontracted, and no qualified Union contractor is readily available, the provisions of this paragraph shall be inoperative as to the labor furnished; but any labor furnished by Employer in the operation of said equipment shall be covered by the terms of this Agreement. This paragraph shall not require employment of stand-by operators on specialty equipment.

(F) Such pipeline construction, installation, repair, replacement or reconditioning as may be combined with or associated or comprising an integral part of other work more particularly and usually defined as engineering or building construction, or work covering tank-farms, refineries, plant-to-plant connecting lines within city limits and city distribution lines are not covered by this Agreement, except for the work described in the attached Station and Integrity Management and Maintenance Agreements.

(G) If and when Employer shall perform work covered by this Agreement under its own name, under the name of another, as a corporation, company, partnership, enterprise, or any combination, including a joint venture, this Agreement shall be applicable to all such work performed under the name of Employer or the name of any other corporation, company, partnership, enterprise, combination or joint venture.

(H) In the event new methods or new equipment coming under the jurisdiction of the Union are used for work coming under this Agreement, the manning of such new equipment and the wage rates and methods to be used in operating such equipment shall within thirty days be agreed upon by the PLCA and the IUOE.

(I) It is the intent of the Union to have uniform wages and working conditions in the industry. However, the parties recognize that in connection with the Unions' organizing efforts to increase the market share of the union industry, it may be necessary to permit newly organized Employers to complete existing projects or projects where bids have been accepted under the conditions which the Employer bid the work except for multiyear maintenance agreements and any pipeline project extending more than one (1) year; it may be necessary for the Union to, on a temporary basis, represent Employees who perform work outside the Union's traditional jurisdiction and, on a temporary basis,

it may be necessary to make adjustment to accommodate existing market segments where there is not currently significant union market share. Union also agrees that Employers granted any concessions under this paragraph will be obligated to sign the current National Pipe Line Agreement for future covered work. It is further agreed that the Union and the PLCA will meet on a regular basis (minimum two times annually) to review progress in planning under this Article. Employer agrees that work within the traditional jurisdiction of the IUOE, as defined in this Agreement and by decisions of the Policy Committee, shall be assigned only to Operating Engineers represented by the Union and shall not be assigned to Employees not covered by this Agreement. Absent the above exception, the following continues to apply: In no event shall Employer be required to pay higher rates of wages, or be subject to more unfavorable working rules than those established by Union for any other Employer engaged in similar work. Should the Union extend to any other Employer engaged in similar work terms and conditions more favorable than those set out in this Agreement, such terms and conditions shall automatically be extended to all Employers, parties to this Agreement.

(J) If any provision of this Agreement is in conflict with the laws or regulations of the United States, or of the States in which the work is to be performed, such provision shall be superseded by such law or regulation, but all other provisions of this Agreement shall continue in full force and effect; provided that in no case shall wage rates be paid which are lower than those set out in this Agreement.

(K) Employer and Union agree that neither of them shall take any action or refuse to take any action which shall discriminate against any individual with respect to his compensation, terms, conditions, or privileges of employment because of such individual's race, color, religion, sex, national origin, disability, genetic information, or any other federal, state, or local laws, rules, or regulations prohibiting discrimination and/or harassment in employment (collectively, "Anti-Discrimination Laws").

(L) This Agreement shall supersede all other agreements between Employer and any local of the Union for any work covered herein and described above.

(M) Wherever in this Agreement a gender pronoun or the singular or plural form of a gender is used, it is understood that such references are meant to have equal application to all persons covered by this Agreement, male or female.

## II.
## UNION RECOGNITION AND UNION SECURITY NOTIFICATION AND PRE-JOB CONFERENCE

(A) The Employer hereby recognizes and acknowledges that the Union is the exclusive representative of all Employees in the classifications of work covered by this Agreement for the purpose of collective bargaining as provided by the Labor Management Relations Act of 1947.

(B) All Employees covered by this Agreement, as a condition of continued employment, shall, commencing after the seventh day following the beginning of their employment, or the effective date of this Agreement, whichever is the later, acquire and, for the duration of this Agreement, maintain membership in the Union. This provision shall not apply in any State where such a requirement for continued employment is prohibited by law.

(C) Employer agrees to notify Union of jobs obtained by Employer, describing the location, size and length of the proposed pipeline and the proposed starting date. Union agrees to advise Employer which local union or local unions have jurisdiction of the job, and Employer will then contact each local union having jurisdiction for the purpose of arranging a pre-job conference.

(D) Representatives of the Employer and all local unions with jurisdiction over the job authorized to represent the Union shall hold a pre-job conference for the entire area covered by the job. The Employer agrees to notify the Union of any local unions having jurisdiction who fail to have representatives present at the pre-job conference. It shall be the purpose of the pre-job conference to agree upon such matters as the length of the work week, the number of Employees to be employed, the applicable wage rates in accordance with the Contract, and any other matters not including any interpretation of the clauses of this Agreement, it being agreed that interpretation of this Agreement should be made between the PLCA and the IUOE so that proper application thereof may be made on the jobs. No representative of any individual Employer and no representative of the Union or any of its local unions shall demand, at the pre-job conference, or at any other time during the continuance of the job, any term or condition not covered by this Agreement. A copy of the report made of each pre-job conference shall be furnished to the PLCA and to the IUOE, and no agreement made at any pre-job conference which adds to or modifies, in any way, the terms and conditions of this Agreement, shall be binding on any individual Employer or the Union, or any of its local unions, unless approved and ratified by the PLCA and the IUOE. The pre-job report shall be considered confidential.

(E) If any individual Employer pays any wage in excess of the wages negotiated in the National Pipe Line Agreement in the form of extra money, extra hours, extra travel or standby time, or in the form of a bonus by any subterfuge, and if the PLCA and the IUOE shall jointly determine that such bonus is for the purpose of pirating Employees from other individual Employers or results in conditions injurious to the pipeline construction industry, then such individual Employer shall be required to pay the same extra compensation to all Employees classified as Group 1 or Group 2 in this Agreement, and a proportionate additional compensation to all Employees classified as Group 3 in this Agreement, and such requirement shall continue until that particular job is completed. It is understood and agreed, however, that any profit-sharing, retirement or pension plan which an individual Employer may have in effect which has not been set up for that particular job shall not be considered a bonus.

(F) Upon request of the local union having jurisdiction of the job, and upon presentation of proper authorization forms executed by the individual Employees, the individual Employers agree to deduct from the wages of such individual Employees, union initiation fees, dues and travel service dues, and shall pay over to such local unions the amount so deducted.

(G) The Union agrees to send a copy of this contract to each and every one of its locals having jurisdiction over any area in which Employer becomes obligated to construct a pipeline, and agrees that the terms of this contract shall be recognized by such local, so that industrial peace will not be disturbed and so that the Employees may perform Employer's work efficiently and continuously. The Employer agrees as well to furnish its supervisory personnel copies of this Agreement so that they may be familiar with the terms.

(H) It is recognized that because of the special nature of pipeline construction work, it is necessary that Employer have available experienced and qualified Employees, and that both parties shall cooperate to the end that all of the Employees hired hereunder shall be capable of performing pipeline construction work in an experienced manner.

(I) Employer shall have the right to employ and bring into the job Employees who are Regular Employees in Employer's work, and shall have the right to keep such Employees in his employ on all work throughout the territory covered by the particular job for which the pre-job conference was held. Employers shall have the right to employ up to fifty percent (50%) of the required Employees as Regular Employees. The local union in whose jurisdiction the work will be or is being performed shall have the right to dispatch up to fifty percent (50%) of the required Employees; however, Employer shall have the right to select for hire any Employee who is a member of the Local Union having jurisdiction over the work who (a) is listed as having completed the IUOE and Pipe Line Employers Training Fund course, or (b) has completed a comparable pipeline training course conducted by the training program of the Local Union having jurisdiction over the work. Such Employee shall be counted in Union's fifty percent (50%). All Union dispatched Employees shall be qualified pipeline Employees. The list of those Employees who have completed the IUOE Training Fund course will be supplied to PLCA by IUOE. The Employer will have the right to review with the Business Manager or Agent having jurisdiction over the work, the list of all Employees eligible for dispatch to the job to insure that only qualified Operating Engineers will be dispatched from the list.

Operators will receive pipeline training and Operator Qualification, as needed before dispatch.

Where a state license is required for hoisting or other Operator equipment as described in the equipment list of Appendix A, the local union with jurisdiction over the work will provide training and testing to all Operators on the project required to operate such equipment at no cost to the Employer. Training costs for such licensing will be reimbursed through the National Pipe Line Training Fund.

(J) The words "Regular Employees" shall mean those who are regularly and customarily employed by the individual Employer, and who, because of their special knowledge and experience in pipeline construction, are considered as "key men." There shall be no limitation on the classification of such Regular Employees with the understanding that these classifications will be distributed as evenly as possible.

(K) For purposes of hire and wage increases, the following regions are established:

1. Region I and II

a. Region I consists of the following areas:

| | |
|---|---|
| Illinois | Washington Zones 2 & 3 |
| Massachusetts | Oregon |
| Michigan | Wisconsin |
| Minnesota | |

b. Region II consists of the following areas:

| | |
|---|---|
| Connecticut | Missouri |
| Delaware | New York Zones 3, 6, 7A,B,C & D |
| Idaho | Ohio |
| Indiana | Pennsylvania |
| Iowa | Rhode Island |
| Kentucky | Washington Zone 1 |
| Maryland | West Virginia. |

2. Region III and California, Nevada, New Jersey and New York Zones 1, 2, 4 and 5.

a. Region III consists of the following areas:

| | |
|---|---|
| Alabama | New Mexico |
| Arizona | North Carolina |
| Arkansas | North Dakota |
| Colorado | Oklahoma |
| District of Columbia | South Carolina |
| Florida | South Dakota |
| Georgia | Tennessee |
| Kansas | Texas |
| Louisiana | Utah |
| Mississippi | Vermont |
| Montana | Virginia |
| Nebraska | Wyoming |

New Hampshire

b. In California, Nevada, New Jersey and New York Zones 1, 2, 4 and 5 highway construction wages are applicable as set out in Schedule "A".

(L) At the pre-job conference Employer shall notify the Union and/or local union(s) of the number and classifications of Regular Employees. Before the start of the job Employer will furnish where possible Union and or local union(s) with a list of the names, social security numbers, and, if possible, Union register numbers of the Regular Employees to be hired initially. Employer shall have the right at any time before the start of the job to substitute other names for those initially furnished. At any time during the job, Employer shall have the right to replace Regular Employees whose employment may have been terminated by employing other Regular Employees, it being the intention of both Employer and Union that the ratio of Regular Employees to those hired locally or dispatched by the Local Union shall remain substantially the same as that agreed upon at the start of the job.

All Employees in addition to Regular Employees shall be hired in accordance with the provisions of Paragraph (M) as set out below.

(M) The hiring of Employees in addition to Employer's Regular Employees, either at the start of the job, or later, shall be conducted in the following manner.

1. In the event a valid non-discriminatory exclusive referral procedure has been established by collective bargaining between a local of the Union and an association of highway and heavy contractors in the area in which the job is to be done, or has been established by the local union for the pipeline industry, Union shall notify the PLCA from time to time as to the existence of such exclusive referral procedures, and Employer agrees to utilize such referral procedures upon the following conditions:

(a) Nothing in this Agreement shall affect the Employer's inherent right to determine the competency and qualifications of his Employees and his right to reject and discharge Employees accordingly.

(b) The selection of applicants for referral to jobs shall be on a non-discriminatory basis and shall not be based on or in any way affected by race, color, religion, sex, disability, union membership, by-laws, regulations, constitutional provisions, or any other aspect or obligation of union membership, policy or requirement.

(c) Workers referred under Article II to the contractor's job who are not able to perform the job to which they are referred because of their own lack of qualifications, or for some other reason which is the workman's own responsibility, shall not be paid show-up time.

(d) Qualified applicants required by Employer at the start of the job must be referred by a local referral office within 48 hours of the receipt of Employer's request; those required by Employer after a job has started must be referred by a local referral office within 24 hours of the receipt of Employer's request. If the local referral office fails to comply with this condition, Employer may secure qualified applicants from any other source. Qualified applicant must have the following:

(1) Proper federal and state licenses;
(2) Proper OQ credentials where necessary;
(3) Compliance with company Employee policy standards. These policy standards will be provided by each Employer at the pre-job. Failure to comply with company safety policies may result in discipline up to and including termination.

2. In the event there is no valid exclusive referral procedure established in the area where the particular job is to be done or the proper conditions set out hereinabove have not been met by the referral procedure which has been established, Employer will at the pre-job conference notify Union, as one of the sources from which Employees are to be recruited, as to the number of Employees who will be needed in addition to his Regular Employees. Employer shall give preference in employment to Employees in the area who have had previous pipeline construction experience. It is understood that Employer shall also recruit Employees from other sources, will hire all Employees at the job site in a non-discriminatory manner, and shall have the absolute right to determine the competency and qualification of applicants and Employees and to reject and discharge accordingly.

3. Once the original crew has been employed, Employer shall have the right to keep such crew on all the work throughout the territory covered by the particular job for which the pre-job conference was held, regardless of local union jurisdiction.

(N) The Union shall post in places where notices to Employees and applicants for employment are customarily posted all provisions relating to the functioning of this hiring arrangement, including the provisions herein set forth. The Employer shall similarly post in places where notices to Employees and applicants for employment are customarily posted all provisions relating to the functioning and operation of the hiring arrangements, including these provisions.

(O) The appointment of a master mechanic is the responsibility of Employer. The master mechanic shall be in charge of all equipment on the job and shall not normally have any supervision over Employees. In the event, however, a master mechanic is to be employed in a supervisory capacity, his selection shall be discussed at the pre-job conference. Such a master mechanic may be paid a weekly or monthly rate, provided his annual salary would equal or exceed the annual salary of other supervisory Employees in like capacity.

(P) The business representative of the Union shall have access to any job at any time, subject to the owner safety and security rules and federal and state regulations, and shall notify the field office of his presence on the job prior to entering the job site. The representatives of the Union shall not schedule meetings during working hours or in any way hinder ongoing production.

## III.
## PRE-EMPLOYMENT PROFICIENCY TESTING

It was agreed that the IUOE and the PLCA will cooperate to establish a jointly acceptable pre-employment proficiency test for the following equipment: side-boom, dozer and excavator/backhoe for work covered by the terms and conditions of this Agreement. Upon completion of a mutually acceptable testing program, it will be attached and made a part of this Agreement.

## IV.
## STEWARDS

(A) There shall be no non-working steward. Union may, if it so desires, accept Employer's master mechanic to look out after Union's interests on the job. In the event Union accepts Employer's master mechanic to look out after Union's interests on the job, the master mechanic shall, whenever possible, attend the pre-job conference so that he can receive instruction as to how the job shall be run and how he can assist in maintaining a cordial relationship between Union and Employer. Otherwise, Union may select another Employee of Employer who shall act as steward for the Union. Such Employee shall perform his work for Employer the same as any other worker and shall not be entitled to any extra pay merely because he is acting as a steward. Steward may not be discharged without forty-eight (48) hours previous notice to Union. Although it is agreed that there will be no non-working stewards, it is also recognized by the parties that the steward has an important function in maintaining harmony and cooperation on the job and therefore his job assignment should not be such as to prevent his normal function as a steward. Therefore, the parties agree that his job assignment will be a subject to be decided at the pre-job conference.

(B) It is agreed that the steward has no authority from Union to cause a work stoppage, and if a work stoppage is brought by any action of the steward or lack of action on his part, then he may be discharged without notice to Union.

(C) Where the steward has been regularly working on a job and for some unanticipated reason does not show up for work on a particular day, the Employees shall start and continue to work, and the superintendent shall notify the local union office of the steward's absence.

(D) The steward shall be placed on Employer's payroll either (1) at the time of rigging up of operating engineer's equipment for covered work, or (2) when productive work commences and shall remain on Employer's payroll until all the work coming

within the jurisdiction of the Union has been completed. Separate stewards will not be required on remote sections of the main line pipeline construction job if the main line steward is given sufficient time and transportation to perform his duties as steward among the Employees on all segments of said job.

(E) The Employer shall submit to the Union, or its steward, a weekly record of all International Union of Operating Engineer Employees listing date of hire, social security number, local union number if applicable, classification, hours worked or paid, rate of pay, and date of lay-off or discharge.

(F) The Steward shall cooperate with the Employer in the communication of all owner, state, and federal health and safety regulations applicable to the work covered by this Agreement.

## V.
## WORKING RULES

(A) Employer shall select a warehouse in or near a city, town or community where living accommodations are available. Employer shall make suitable and prompt transportation available from the warehouse to the work site and back to the warehouse. The time of the Employees shall start when they leave the warehouse for the job site and shall end at quitting time on the job site; however, the lunch period shall be excluded. Employer shall return the Employees to the warehouse in the shortest possible time.

(B) The pay day shall be once each week, unless the Employer agrees to allow Employees to draw on money earned; under such conditions, pay day may be once every two weeks. All Employees shall be paid by (1) check, or by (2) direct deposit of wages to the bank or financial institution of the Employee's choice or (3) a cash/debit card on a weekly basis, in which case pay stubs will be provided to the Employee. Employees are to be paid at the end of their regular shift, whether working in Employer's yards or in the field. If an Employee is not paid off or does not receive his weekly check, the Employee will be entitled to pay for the appropriate waiting time. When Employees are laid off or discharged they must be paid wages due them at the time of the layoff or discharge, however, if the Employer has opted for direct deposit of wages, all wages due may be paid by direct deposit no later than the end of the week in which the Employee was laid off, provided the Employee has signed the Employer's Direct Deposit Enrollment Form.

(C) Employer shall only be obligated to make arrangements in remote locations where there are no check cashing facilities available to enable Employees to cash their pay checks at no cost to the Employees. In all other areas, Employees will be responsible for check cashing.

(D) The Union shall place no limitation upon the amount of work which an Employee shall perform during the working day and there shall be no restriction imposed against the use of any type of machinery, tools, or labor-saving devices; at the discretion of Employer, Employees may be changed from one classification to another and/or

between pieces of equipment within the jurisdiction of the Union, and, during emergencies, any Employee of Employer may be assigned to any work.

(E) Employer shall have the right to make and revise, from time to time, working rules which are not inconsistent with any of the terms of this Agreement or with existing laws. Union agrees to cooperate in the enforcement of such working rules.

(F) In the operation, care and maintenance of welding machines (except non-Employer owned), pumps, air compressors, concrete mixers, well point systems and other small equipment coming within the jurisdiction of the Union, an Employee will be employed at the appropriate rate to perform such work, such rate to be decided upon at the pre-job conference. Since there is no limitation upon the number of such machines placed under the operation, care and maintenance of any one or more Employees, it is the intention of the parties hereto that there shall be no abuse by either party of this condition.

(G) Oilers in Regions I and II will be required on the first backhoe, third, fifth, seventh, ninth and so on. In Region III, oilers will be required on the second backhoe, fourth, sixth, eighth, tenth and so on.

(H) In all regions, Oilers on specialized equipment will be required as follows:

(a) John Henry's. Only one Oiler will be required for every five pieces of equipment working in conjunction with each other and separated by a distance of no more than 100 yards. For John Henry's not operating as part of a group, manning will be in accordance with backhoe provisions or as set out in (b) below, as applicable.

(b) Other specialized equipment will be manned in accordance with backhoe provisions herein or as per the Memorandum of Understanding between the IUOE and PLCA dated April 28, 1978. Contact IUOE or PLCA for questions. IUOE jurisdiction over the operation and manning of equipment will be protected.

(I) Equipment operated by Employees will be provided with reasonable protection from the elements based upon the custom of the area where the job is being performed.

(J) Ice water in sanitary containers will be provided at all times, and the availability of toilet facilities will be based upon the custom of the area where the job is being performed and in accordance with applicable Federal and State Safety and Sanitation Regulations.

(K) Mechanics will be required to provide a usable rig which is in full compliance with federal and state laws as a condition of employment, but will not be required to furnish special tools as a condition of employment.

(L) No Employee will be required to work on the job alone between sunset and sunrise.

(M) Boot Pay - Per a calendar year Employer shall make a $150 payment for one pair of boots which would be replaced for wear in the course of the job if needed.

## VI.
## WAGE RATES AND CLASSIFICATIONS

(A) The classifications and wages to be paid for all work covered by this Agreement are set out in Appendix "A."*

1. In all states except California, Nevada, New Jersey and New York (Zones 1, 2, 4 & 5) the wages and fringe contributions are negotiated by the PLCA and the IUOE.

(a) Effective June 5, 2017, a three (3) percent total package increase will go into effect for all work.
(b) Effective June 4, 2018, a three (3) percent total package increase will go into effect for all work.
(c) Effective June 3, 2019, a three (3) percent total package increase will go into effect for all work.
(d) The union reserves the right to determine the distribution of the 3% total package increase in each year.

Union has discretion to make a deduction from wages for per diem during the term of this Agreement.

2. In California, Nevada, New Jersey, New York (Zones 1, 2, 4 & 5) effective January 1 and July 1, each year, the Employer will initially recognize and put into effect highway construction wages (including welfare, pension and other fringe benefits) which have been negotiated during the six month periods immediately preceding January 1 and July 1, each year, provided copies of such highway construction agreements are furnished to the PLCA office in Dallas in accordance with the following provisions and conditions:

(a) The highway construction agreements furnished to the PLCA office must be negotiated between a local of the International Union of Operating Engineers and a recognized Employer's Association.

(b) Said highway agreements must be furnished to the PLCA office on or

* Check with PLCA or IUOE for wages on Major Projects.

before January 1 and July 1 of each year in order to be recognized; or the Union may notify the PLCA prior to January 1 and July 1 of each year that a particular local is still in negotiations, and that copies of the completed highway agreement will be sent to the PLCA office within 25 days after the applicable January 1 or July 1 date.

(c) In the event no current or recognized highway agreements have been furnished to the PLCA office in accordance with the provisions of paragraphs (a) and (b) above, then the last published or recognized wages (including welfare, pension and other fringe benefits) will be published and recognized until the next applicable January 1 or July 1 date.

(d) After initial recognition on January 1 or July 1, subsequent increases in wages and fringes called for and set out in such local highway agreements will be put into effect in accordance with the dates negotiated locally.

(e) It is understood that Employer will not be required to recognize or put into effect any highway construction wages (including welfare, pension, and other fringe benefits) received in the PLCA office after January 1, or 25 days after January 1, if applicable, of each year until the following July 1 of that year, nor those received after July 1, or 25 days after July 1, if applicable, of each year until the following January 1.

(B) On any work on which government regulations, such as the pre-determinations made by the Davis-Bacon Division of the U.S. Department of Labor, specify minimum wage rates and fringes, such wage rates and fringes shall be paid by Employer; provided that in no case shall wage rates and fringes be paid which are lower than those set out in Appendix "A".

(C) In California, Nevada, New Jersey and New York Zones 1, 2, 4 and 5, the highway construction wage rate negotiated locally for the 3/4-yard shovel operator shall be recognized as the proper rate for operators classified as Group 1 herein; the wage rate negotiated locally for the oiler shall be recognized as the proper rate to be paid operators classified as Group 3 herein. The average of the wage rates recognized for Group 1 and Group 3 classifications shall be recognized and paid to those Employees classified as Group 2 herein.

(D) The work coming under the jurisdiction of the Union and covered by the terms of this contract includes the men for operations and maintenance and repair of the following equipment: All cranes, trenching machines, backhoes, draglines, bulldozers, boom cats, angledozers, backfillers, tow tractors, bending machines, welding machines, pumps, forklifts, boring machines, straightening machines, and any other power operated equipment coming within the jurisdiction of the Union.

(E) Pickup Rentals. Employer will have discretion to pay pickup rental to Group 1 and Group 2 Operators as follows:

(1) Distance from warehouse to right-of-way is 100 miles or less - $65 per day.

(2) Distance from warehouse to right-of-way exceeds 100 miles – up to 150 miles - $75 per day.

(3) Distance from warehouse to right-of-way exceeds 150 miles - $100 per day.

Pickup Rental is considered reportable income.

## VII.
## OVERTIME AND HOLIDAY PAY

(A) In all States and counties other than California, Nevada, New Jersey and New York Zones 1, 2, 4 and 5 (See Appendix for Special Conditions in these areas) in Appendix "A" of this Agreement, the work week shall begin on Monday and end on Sunday, and all hours worked by an Employee in excess of eight hours per day and in excess of forty straight time hours per week and all hours worked on Sunday shall be paid for at the rate of time and one-half the straight time rate. Once an Employee is placed on overtime he will remain on overtime pay until he is given an eight (8) hour break from work. If the employee is given an eight (8) hour break from work he will revert to his applicable rate at the start of his next shift.

(B) In all States and counties other than California, Nevada, New Jersey and New York Zones 1, 2, 4 and 5 (See Appendix for Special Conditions in these areas) in Appendix "A" of this Agreement, work performed on Christmas, Thanksgiving, Labor Day, Memorial Day, New Year's Day and July Fourth shall be paid for at double the straight time hourly rate; provided, however, that in the event one of the holidays named hereinabove occurs during the first forty hours of any work week, hours worked on such holidays shall not be counted in computing the forty hours after which the Employee is entitled to a rate of time and one-half the straight time rate.

(C) If one of the holidays named in Paragraph (B) above falls on Sunday, it shall be observed on Monday. Accordingly, if such an event occurs, work performed on Sunday shall be paid for at the regular rate for that day, and work performed on Monday shall be paid for at double the straight time hourly rate. If no work is performed on Monday, no pay shall be required.

(D) If an Employee is not given a lunch break at a reasonable time, the Employee will be entitled to one (1) hour's pay at the applicable rate.

## VIII.
## WAITING TIME PAY

(A) Employees classified as Group 1, Group 2 or Group 3 in this Agreement shall be paid waiting time for any day lost during the normal scheduled work week. For any day lost during any one work week, the waiting time payment shall be a lump sum payment of $120.00 per day for Group 1 Employees, $90.00 per day for Group 2 Employees, and $60.00 per day for Group 3 Employees.

(B) If the Employer is working a regularly scheduled six-day work week, no waiting time will be paid for the seventh day.

(C) In no event shall the waiting time payment be included in counting the eight or forty hours after which overtime is payable.

(D) If no work is performed on a holiday designated by this Agreement, waiting time only shall be paid to Employees classified as Group 1, 2 or 3. However, if an official holiday designated by this Agreement comes on a Sunday, and the Employer is working a regular six-day week, no waiting time shall be paid for that day.

(E) In emergencies, when the local union is notified beforehand, the Employer may work any Employee or Employees on any day without incurring liability for waiting time payments to any Employees.

(F) Waiting time payments as provided for hereinabove will not apply in California, Nevada, New Jersey or New York Zones 1, 2, 4 and 5 if any of those areas provide for a guaranteed work week in accordance with the local highway agreement. See Appendix "A" for Special Conditions in these areas.

(G) Any person who reports to work and for whom any work is provided, regardless of the time that he works, shall receive the equivalent of not less than four (4) hours' pay for said day.

(H) Any person who reports to work and who works more than four (4) hours in any one day shall receive the equivalent of not less than eight hours' pay for said day.

(I) It is expressly provided, however, that if an Employee leaves the job site without permission of Employer, or when a person refuses to work or to continue to work, or work stoppage conditions brought about by a third party or parties prevent or make ill-advised, in the opinion of the Employer, the performance of any work, or the continuance of work once started, no pay for time not actually worked shall be required under any of the above enumerated conditions.

(J) Where notification of the Employees is required under this Agreement to the effect that work shall not be performed on a particular day, notification of such fact to the steward shall be sufficient notification to the Employees, provided the steward is permitted enough time during working hours to notify the Employees.

## IX.
## JURISDICTIONAL DISPUTES

The PLCA and the four International Unions with which National Pipe Line Agreements have been negotiated have established a Policy Committee, for the purpose of hearing and considering matters of concern to the pipeline construction industry, such as jurisdictional disputes and any other matters affecting the welfare of the industry.

Whenever a jurisdictional dispute arises between Union and any other union over proper jurisdiction of work assigned by an individual contractor, no work stoppage shall occur, and the individual signatories hereto agree to abide by any decision reached by the Policy Committee.

The Policy Committee decisions are incorporated and made a part of this Agreement and should be referred to specifically as if set out herein. The Policy Committee decisions may be obtained by contacting the Union or the PLCA.

## X.
## WORK STOPPAGES

(A) No local union nor the International Union, nor any representative of either, shall cause or promote a strike, slowdown, stoppage of work or any interference, directly or indirectly, with the operation and progress of the work; nor shall any Employer or the PLCA engage in any lockout during the life of this Agreement, it being the good faith intention of the parties hereto that by the execution of this Agreement industrial peace shall be maintained. All grievances, disputes, differences of opinion and other questions concerning this Agreement shall be settled in accordance with the procedure for settlement of grievances and disputes set out in Article XI below. Any settlement where hours of pay are involved shall be retroactive.

(B) If the local union or any representative thereof causes or promotes a strike, slowdown, stoppage of work or any interference with the operation or progress of the work, or if the Employer breaches this Agreement, then the Employer (where the local union interfered with the work) or the local union (where Employer has breached the Agreement) may at its option declare the provisions of Article XI inoperative and seek whatever remedy may be available from the National Labor Relations Board or any Federal or State court having jurisdiction of the matter.

(C) If the International Union or any representative thereof causes or promotes a strike, slowdown, stoppage of work or any interference with the operation or progress of the work, or if the Employer breaches this Agreement, then the Employer (where the International Union interfered with the work) or the International Union (where Employer has breached the Agreement) may at its option declare the provisions of Article XI inoperative and seek whatever remedy may be available from the National Labor Relations Board or any Federal or State court having jurisdiction of the matter.

(D) It shall not be a violation of this Agreement or of the no-strike clause if members of the International Union of Operating Engineers refuse to cross a picket line established by another craft union within the pipeline industry.

## XI.
## PROCEDURE FOR SETTLEMENT OF GRIEVANCES AND DISPUTES

(A) Any grievances, disputes or differences of opinion which arise between the contractors' supervisory personnel and union representatives in the field shall be settled on the job whenever possible; provided that such settlements shall not vary any of the wages, terms or conditions of this Agreement.

(B) If a grievance, dispute or difference of opinion cannot be settled on the job within forty-eight (48) hours, then such matter must be referred within ten (10) days by the Union representative in the field to the appropriate International Union representative, and the Employers' supervisory personnel must within the same time period refer the matter to the Employers' executive personnel and, if necessary to the Managing Director or Executive Director of the Pipe Line Contractors Association. These parties shall immediately make every effort to settle the grievance, dispute or difference of opinion.

(C) Any grievance, dispute, difference of opinion or controversy of any kind or character between the Union and the Association and/or individual Employer signatory hereto involving or relating to the interpretation, construction or application of the terms of this Agreement, and the relations between the parties arising during the term of this Agreement which cannot be settled by the parties, shall be settled by the arbitration procedure which is set out below.

(D) If, within forty-eight (48) hours, no adjustment or settlement is reached by the procedure set out above, then either the PLCA or Union may request arbitration within fourteen (14) calendar days of the completion of the previous step of the grievance procedure.

(E) Within seven (7) days after the Managing Director or Executive Director of the PLCA and the International Union Representative receive notice of intent to arbitrate, the parties will immediately contact the Federal Mediation and Conciliation Service to obtain a list of five (5) individuals with as much experience and knowledge as possible in the pipeline construction industry. A copy of this list shall be furnished to the PLCA and Union, and thereafter, the PLCA and Union shall select an Arbitrator by alternating strikes from the list with the grieving party striking first. The grieving party will have forty-eight (48) hours to make the first strike and thereafter each party will have twenty-four (24) hours to make each alternating strike. The failure to strike in the allotted time results in the other party selecting the Arbitrator from the remaining names. The last remaining individual will be the Arbitrator. The Arbitrator shall set a hearing date as soon as practical and the Arbitrator shall determine the manner in which

the hearing will be conducted, and all evidentiary and other matters relating the hearing. The Arbitrator will issue a decision within five (5) calendar days of the close of the hearing.

(F) The Union and the Employer involved shall share the costs of the Arbitrator. The parties shall pay their own costs, and witness and attorney fees.

(G) The decision of the Arbitrator shall be final and binding on the Union, the Employer, the PLCA and the Employee or Employees involved. The Arbitrator shall not be empowered to rule contrary to, amend, add to, or eliminate any of the provisions of this Agreement. The Arbitrator shall not be empowered to award punitive, exemplary or consequential damages, and back pay awards, if applicable, shall not exceed seven (7) calendar days prior to the date the grievance was filed in the first step of the grievance procedure.

(H) Employer and the Union agree that the grievance and arbitration procedure set forth in this Article shall be the sole and exclusive method of settling all Employee grievances as defined herein. The Employer and the Union agree to follow each of the foregoing steps of the grievance procedure in the processing of a grievance, including the time limits for advancing the grievance and responding to the grievance.

(I) The Employer and Union agree that time is of the essence regarding the filing and processing of all grievances. Time limits set out in this Article shall be considered statute of limitations. Absent mutual agreement of the Employer and the Union to extend an applicable deadline, either party's failure to comply with any time limitations herein will result in dismissal with prejudice of the grievance. Absent mutual agreement of the Employer and Union to extend an applicable deadline, the Employer's failure to comply with the time limitations herein will result in a grievance advancing to the next step in the process set out herein. Notwithstanding the above, the Union and PLCA may agree on extending time limitations for extenuating circumstances.

## XII.
## SPECIAL CONDITIONS ON WORK IN LIMITED AREAS

(A) It is recognized that in a certain number of limited areas of the United States special conditions exist and prevail in the construction industry. These special conditions are set out in Appendix "A" as it now exists or as it may hereafter be amended. No special conditions other than those set out in Appendix "A" shall be required on work covered by this Agreement, nor shall such special conditions apply on work in any other state or zone.

(B) In marsh or marine pipe laying operations, in the event the Employees are required to live on quarter boats, room and board shall be furnished at no cost to the Employees.

(C) Employer shall make suitable marine transportation available to and from the landing dock location. The time of the Employees shall start when they leave this dock site and shall end when they are returned to the dock site.

## XIII.
## SPECIAL AMENDMENTS

In order to be more competitive in certain areas of the country, the PLCA and the Union may mutually agree to put into effect special wages and conditions for specific areas or projects. These special wages and conditions will apply to the areas or projects involved for the period of time to be established by the principal parties.

## XIV.
## DRUG AND ALCOHOL TESTING

The parties to this Agreement agree to abide by any State or Federal law mandating a drug free workplace by recognizing and implementing a drug testing program which satisfies such State or Federal law. Any grievances or disputes arising under this Article will be resolved through the Procedure For Settlement Of Grievances and Disputes, Article XI of this Agreement.

If an Employee fails a pre-employment drug or alcohol test and is so notified by 9:00 a.m. on the fifth business day following the day of taking the test, then the Employee's wage rate shall not be the hourly wage rate set forth in this Agreement. Instead, the Employee shall be paid wages at a flat rate of $90 per day worked (but in no event less than the applicable minimum wage) for all days worked prior to receiving such notification (not to exceed five (5) days) and for which no wages have yet been paid as required by this Agreement. If subsequent testing reveals a false positive, the Employee will be entitled to full compensation for the period he worked and reinstatement. The results of all tests will be kept confidential between the Employee, the Employer and the Union.

## XV.
## FRINGE BENEFIT FUND CONTRIBUTIONS

(A) Health & Welfare Contributions

1. When performing work in an area under the jurisdiction of a Local Union which has negotiated for highway and heavy construction work a jointly administered Health & Welfare Fund, Employer shall make contributions to that Fund for each hour worked by each Employee covered by this Agreement who is a member of that Local Union at the rate shown for that area in Appendix "A". For each hour worked by each

Employee covered by this Agreement who is not a member of that Local Union, Employer shall make contributions to the International Union of Operating Engineers and Pipe Line Employers Health & Welfare Fund at the same rate.

2. When performing work in all areas other than those described in Paragraph (l) above, Employer shall contribute to the International Union of Operating Engineers and Pipe Line Employers Health & Welfare Fund the amount set out in Appendix "A" for each hour worked by each Employee covered by this Agreement, regardless of whether the Employee is a member of the Local Union in whose jurisdiction the work is being performed.

3. The International Union of Operating Engineers and Pipe Line Employers Health & Welfare Fund shall, whenever requested to do so in writing by an Employee, transfer contributions made to the International Union of Operating Engineers and Pipe Line Employers Health & Welfare Fund on his behalf to the Health and Welfare Fund established by the Local Union of which he is a member.

4. Contributions to any Health & Welfare Fund shall be made monthly, within 30 days following the month in which the work was performed for which the contributions are owed, in such manner and on such forms, together with such information, as the Trustees of the respective Funds shall prescribe from time to time.

5. Copies of completed reporting forms for all contributions made shall be furnished both to the Local Union in whose jurisdiction the work is being performed and to the applicable Health and Welfare Fund.

(B) Pension Contributions

1. When performing work in an area under the jurisdiction of a Local Union which has negotiated for highway and heavy construction work a jointly administered Pension Fund, other than the Central Pension Fund, Employer shall make contributions to that Fund for each hour worked by each Employee covered by this Agreement who is a member of that Local Union at the rate shown for that area in Appendix "A". For each hour worked by each Employee covered by this Agreement who is not a member of that Local Union, Employer shall make contributions to the Central Pension Fund at the same rate.

2. When performing work in all areas other than those described in Paragraph (1) above, Employer shall contribute to the Central Pension Fund the amount set out in Appendix "A" for each hour worked by each Employee covered by this Agreement, regardless of whether the Employee is a member of the Local Union in whose jurisdiction the work is being performed.

3. The Central Pension Fund shall, whenever requested to do so in writing by an Employee, transfer contributions made to the Central Pension Fund on his behalf to the Pension Fund established by the Local Union of which he is a member.

4. Contributions to any Pension Fund shall be made monthly within 30 days following the month in which the work was performed for which the contributions are owed, in such a manner and on such forms, together with such information, as the Trustees of the respective Funds shall prescribe from time to time.

5. Copies of completed reporting forms for all contributions made shall be furnished both to the Local Union in whose jurisdiction the work is being performed and to the applicable Pension Fund.

(C) Enforcement

1. A Trust Agreement for the Central Pension Fund has heretofore been executed by the PLCA, the IUOE, and the participating Employers. A Trust Agreement for the International Union of Operating Engineers and Pipe Line Employers Health & Welfare Fund has been prepared and executed by the principal parties hereto. Such trust agreements set out the type of health and welfare, pension, and other benefits which are provided by the Funds and the manner and procedure to be followed in qualifying for such benefits. The Trustees shall have the authority to determine the amount of each of such benefits which can be provided by the resources of the Funds and the time when such benefit payments may begin.

2. All such contributions due and owing to any of the above named Funds shall be deemed, and are considered to be, Trust Funds.

3. In order that Employer may legally contribute to the Fringe Funds called for in Appendix "A" of this Agreement and in order that Employees may legally participate as beneficiaries of such Fringe Funds, the National Participation Agreement, a copy of which is set out in Appendix "B", shall be signed by each individual Employer and filed with Union in Washington, D.C. By signing The National Participation Agreement, Employer will not be required to sign any local Participation Agreements.

4. In the event any individual Employer is delinquent in his payment to any health and welfare, pension or other fringe benefit contribution, as set out in Appendix "A" of this Agreement for more than 30 days, it is agreed that the Trust Fund(s) will notify the principal officer of that particular Employer, the IUOE and the PLCA as to such delinquency pursuant to the Fund's delinquency program. If after five days from such notice all delinquencies have not been paid up in full, it is agreed that the Union may take any appropriate action it deems necessary in order to collect such delinquent contributions, and will not be considered in violation of Article XI of this Agreement should a work stoppage occur. Employers who are delinquent in their payments to any health and welfare, pension or other fringe benefit Fund will be subject to the collection procedures of the particular Fund(s), including the assessment of interest and liquidated damages from the date of delinquency, and costs and attorneys' fees, in accordance with the Fund's delinquency program.

5. If in the opinion of the Board of Trustees of a Fund to which Employer is required to contribute, any individual Employer has had a record of delinquent contributions to such an extent that it is necessary for the protection of the beneficiaries of such Funds that some security for the contributions be obtained, said Board of Trustees is authorized to require such individual Employer to deposit sums in the amount determined by the Board of Trustees in an escrow account designated by the Administrator of the Funds. Upon completion of the job, any amounts in excess of the contributions due shall be refunded to the individual Employer.

6. For the purposes of venue and jurisdiction in connection with the International Union of Operating Engineers and Pipe Line Employers Health & Welfare Fund and the Central Pension Fund, each individual Employer hereby designates and appoints the Clerk of the United States District Court for the District of Columbia as agent for the service of process, and the Funds' Administrators shall promptly furnish the delinquent contractors, by certified mail, a copy of all pleadings and notices of suit.

7. The arbitration provisions in Article XI of this Agreement shall not be applicable to the rights and liabilities created by this Article XV.

(D) Fringe Benefit Contributions for Supervisors

Supervisors who are members of the IUOE will have health and welfare and pension contributions made on their behalf at the rate set out in the Appendix "A" and based on the number of hours per week for which the job is set up unless they elect not to be covered. Such election not to be covered shall be in writing.

(E) Contributions shall be made to the International Union of Operating Engineers and Pipe Line Contractors Association National Pipe Line Training Fund, the International Union of Operating Engineers and the Pipe Line Contractors Association Labor Management Cooperation Trust, and the IUOE National Training Fund in accordance with Appendix "A" and the provisions above. The National Pipe Line Training Fund will establish proficiency training standards to be used in a National Pipeline Training Course, which will include specific Operator Qualification training. Regional training courses also will be set up throughout the country as necessary and will be subject to the proficiency training standards developed by the Fund. A list of operators who have successfully completed the course will be made available to signatory contractors on request. Funds contributed to local training funds for pipeline work covered under the National Pipe Line Agreement should be used by the local funds to provide pipeline and OQ training. Local pipeline training will be monitored by the IUOE National Pipe Line Training Fund.

(F) The Employer will deduct five cents ($0.05) for each hour that the Employee receives wages under the terms of the Agreement, on the basis of individually signed, voluntary authorized deduction forms. It is agreed that these authorized deductions for the Engineers Political Education Committee are not conditions of

membership in the IUOE or of employment with the Employer and that the IUOE/EPEC will use such monies in making political contributions in connection with Federal, State, and local elections. Payments made on separate check to IUOE/EPEC, accompanied by monthly reports reflecting Employee hours worked on forms so provided by the IUOE, shall be remitted to 1125 17th Street, N.W., Washington, D.C. 20036, at the same time the Employer submits his other benefits to the appropriate offices.

(G) The Employer will deduct (when authorized by the Employee) ten cents ($0.10) for each hour the Employee receives wages under the terms of this Agreement on the basis of individually signed voluntary authorized deduction forms. It is agreed that these authorized deductions are for remittance to the Local Unions' Political Action Committee (PAC) and are not a condition for membership in the Union. The costs of administering the PAC payroll deduction are incorporated into the economic package provided under the terms of this Agreement, and the Employer will comply with the payment and reporting obligations of the Local Union PAC.

(H) If any federal or state legislation or regulations impose extra funding obligations, such as additional fringe benefit increases, penalties, or surcharges, in any amount in excess of the amount bargained for in the Agreement on or after February 1, 2014, such additional amounts shall be offset from wages. In addition, the Union agrees to reopen the National Pipe Line Agreement within two weeks if federal or state legislation is enacted which impacts signatory Employers.

## XVI.
## HISTORICAL PRECEDENT

Since the inception of the National Pipe Line Agreements, which cover all main line, cross-country pipeline construction, only four (4) Unions have been recognized, and all work relating to such pipeline construction has been performed by these four (4) Unions. They are: The International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America; The United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada; The International Union of Operating Engineers; and The Laborers' International Union of North America. The recognition of only these four (4) Unions on such work is hereby reaffirmed.

## XVII.
## INDIAN PREFERENCE IN EMPLOYMENT

The hiring procedures contained in this Agreement shall not apply in the "territorial jurisdiction" of any Indian Nation which has adopted an Indian Preference in Employment Law, provided that those persons covered by the law and seeking covered employment under this Agreement possess the "necessary qualifications" which are essential to the performance of that specific job.

## XVIII.
## EFFECTIVE DATE, TERMINATION AND RENEWAL

(A) This Agreement represents the continuation of the original agreement covering transportation main line pipeline construction between the IUOE and the members of the PLCA and other contractors dated September 1, 1949, later re-negotiated January 26, 1951, and revised and renegotiated on April 1, 1952, April 24, 1953, June 10, 1954, May 1, 1957, September 15, 1960, June 1, 1965, August 1, 1968, as amended and extended on January 1, 1971, and revised and re-negotiated on January 1, 1974, and amended and extended on January 1, 1977 and July 1, 1977, revised and re-negotiated January 1, 1978, January 1, 1981, January 1, 1984, January 1, 1985, January 1, 1987, January 1, 1989, and amended and extended January 1, 1992, and July 1, 1993, and revised and re-negotiated on May 1, 1996, May 1, 1999, August 1, 2004, June 29, 2006, January 12, 2011, May 21 , 2014, and February 14, 2017.

(B) The provisions shall become effective June 5, 2017, for all work , when signed by the parties hereto and shall remain in full force and effect until its termination as provided hereinbelow.

(C) The provisions of this Agreement shall continue in full force and effect until May 31, 2020 , and thereafter from year to year unless terminated at the option of either party after sixty (60) days' notice in writing to the other.

1. In the event of failure of the parties to agree upon the proper wage rates, welfare, pension or other fringe benefits to be recognized and put into effect in California, Nevada, New Jersey and New York (Zones 1, 2, 4 and 5) on January 1 and July 1, of each year, then the parties agree that the grievance procedure set out in Article XI shall be used in resolving such disagreement.

(D) It is understood that the PLCA is acting merely as collective bargaining agent in the negotiation of this Agreement and that it is agent only for those of its members, and none other, who accept and sign this Agreement, and in no event shall it be bound as principal or be held liable in any manner for any breach of this contract by any of the contractors signing the same.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this 14 day of February 2017.

INTERNATIONAL UNION OF OPERATING ENGINEERS

BY: _____
James T. Callahan, General President

PIPE LINE CONTRACTORS ASSOCIATION

BY: _____
Bernie Bermack, President

BY: _____
J. Patrick Tielborg, Managing Director & General Counsel

## ATTACHMENT 1

## 2017 - 2020 ADDENDUM TO THE NATIONAL PIPE LINE AGREEMENT BETWEEN THE PIPE LINE CONTRACTORS ASSOCIATION AND THE INTERNATIONAL UNION OF OPERATING ENGINEERS

The wage rates, fringes and conditions set out herein will apply in the states and for the type of work described below, through completion of jobs involving such work, where the IUOE receives a job notification during the period June 5, 2017 to May 31, 2020, and the work on such jobs is started before, May 31, 2020. Unless this Addendum is extended by mutual agreement of the parties prior to May 31, 2020, this Addendum shall expire on that date for all jobs not started prior to that date. This Addendum applies only to jobs for which both a signatory(ies) of the National Pipe Line Agreement and non-signatory(ies) are bidding the work.

A. STATES

1. Alabama, Arizona, Arkansas, Colorado, Florida, Georgia, Idaho (A.2. wages and fringes), Louisiana, Mississippi, Montana, Nebraska, New Mexico, North Carolina, North Dakota, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Wyoming.

2. Connecticut, Delaware, D.C., Indiana Zone 2, Iowa (Local 234 only), Kansas, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, New York (Zones 3, 6, 7A B, and C), Ohio (Zones 1 and 3), Oregon, Pennsylvania (Zones 2, 3 and 4), Rhode Island, Vermont, Washington, and West Virginia

B. SCOPE OF WORK

The scope of the work is 16" and under for all States in A.1. and A.2. above.

C. Wage Rates, Fringes and Conditions

1. Wages and Fringes

a. In all states set out in (A.1) above, except Idaho, the wage rates will be 80% of the full mainline wage rate in Appendix "A" and including any scheduled Annuity.

b. In all states set out in (A.2) above, and Idaho, the wage rates will be 90% of the full mainline wage rate in Appendix "A".

c. A.1. States - The following fringes will apply for work bid on or after June 5, 2017, through May 31, 2020:

Effective June 5, 2017 – June 4, 2018

| | |
|---|---|
| Welfare: | $6.25 |
| Pension Group 1: | $2.50 |
| Pension Groups 2 and 3: | $1.50 |
| PL Training: | $0.75 |

Per Diem in accordance with Mainline Agreement – See State/Zone

d. A.2. States – Full mainline fringes and applicable per diem.

2. Conditions

a. In all States set out in A.1. above, Contractor has the right to hire 75% of Employees direct for all states and scope of work set out above. In all States set out in A.2. above, Contractor has the right to hire 50% of Employees direct for all states and scope of work set out above. Union must dispatch qualified workers. If qualified workers not available, Employer hires.

b. Employees who are required to report to the warehouse will receive four (4) hours show up pay when no work is provided; if work is started, Employees will receive pay for actual hours worked.

c. In all States set out in A.1. above, there will be no restriction on assembly point(s) location. The Contractor retains the right to establish the assembly point(s) at any location which may be on or near the right-of-way. The establishment of the assembly point or points will not affect the location of the warehouse. In all States set out in in A.2. above, the Contractor may establish an assembly point which will not exceed 25 miles from living accommodations and in no event will the assembly point be on the right-of-way or moving along the right-of-way.

d. Oilers will be hired at contractor's discretion; however, Operating Engineers' jurisdiction will be protected.

All other terms and conditions of the National Pipe Line Agreement between the PLCA and the IUOE will remain in effect.

There are specific jobs within the scope of work of this Agreement for which all of the wages and conditions contained herein may not be appropriate due to competition or other reasons. In such cases, adjustments will be made in accordance with recognized principles agreed to by the parties during negotiations. For additional clarification on work to be covered, contractors should contact the principal parties to this Addendum. The IUOE and PLCA will continue to negotiate over the inclusion of additional areas for coverage under these Addendums.

## ATTACHMENT 2

## IUOE STATION ADDENDUM

This Station Agreement is an Addendum to the National Pipe Line Agreement ("NPLA") and sets forth the terms and conditions under which Station Work, as defined in Article I below, shall be performed. Except as otherwise specifically set forth below, all other terms and conditions of the NPLA shall apply in full to such work.

### I.
### COVERAGE

This Station Agreement shall apply to all work relating to the construction, fabrication, installation, maintenance, reconditioning and/or repair of all pipeline stations, meter stations, meter sets, compressor stations, pumping stations, and reducing stations, performed by the Employer within the United States.

### II.
### CLASSIFICATIONS

The classifications of Employees which the Employer may employ on work performed under this Agreement, and the general definition of the duties of such classifications, are as follows:

(A) Operator Group 1 and 2 shall mean persons seeking employment as Operating Engineers operating, maintaining and repairing equipment defined by the NPLA Article VI (D).

(B) Operator Group 3 shall mean a person seeking employment as a fuel person, mechanic helper, or oiler or swamper (on trenching or shovel type machines) or any other Group 3 covered work. Group 3 Operating Engineers will be hired at the Employer's discretion.

### III.
### HIRING PROCEDURE

(A) Hiring will be in accordance with the NPLA.

(B) Once the original crew has been established, the Employer shall have the right to keep all or part of the original crew on all work covered by this Agreement.

## IV.
## WAGES AND FRINGE BENEFITS

(A) Wages and Fringe Benefits will be the same as the IUOE Addendum Attachment 1.

(B) Employees of the Employer may be assigned to any work provided no Employee's hourly rate shall be lowered under this provision.

(C) All overtime will be paid at one and one-half times the straight-time rate, except for work performed on the following holidays which will be paid at double the straight-time rate: Christmas, Thanksgiving, Labor Day, Memorial Day, New Year's Day and July Fourth. If any of the above holidays falls on a Sunday, the Monday following shall be considered a holiday.

## V.
## WORKING RULES

(A) The job starts at the jobsite and shall end at quitting time at the jobsite; however, the lunch period shall be excluded. The work week and work day shall be established at the pre-job conference.

(B) Operators shall be paid waiting time for any days lost during the normal scheduled work week in accordance with the NPLA.

## ATTACHMENT 3

## INTERNATIONAL UNION OF OPERATING ENGINEERS NATIONAL PIPE LINE INTEGRITY MANAGEMENT AND MAINTENANCE ADDENDUM

The conditions set out below will apply in the continental United States for the type of work described below through completion of jobs involving such work. This Integrity Management and Maintenance Addendum will be attached to and made a part of the National Pipe Line Agreement.

**A. States**

See list of States below.

**B. Coverage**

This Addendum shall cover integrity management of all existing transportation mainline pipelines (existing pipelines) coming within the jurisdiction of the Union. This Addendum is intended to cover on-going maintenance, integrity work, repair, renovation, restoration, removal, reinsulating, rebevelling, reconditioning, modification, dismantling, demolition, and addition /or replacement of existing pipelines, including but not limited to the following:

1. replacement or relocation of existing pipelines, regardless of size, 15 miles or less;

2. hydrostatic testing of existing pipelines regardless of size or length;

3. anomaly investigation and repair including recoating and/or replacement of pipe;

4. installation, removal or replacement of valves, launchers/receivers, and/or appurtenant piping for integrity programs;

5. right-of-way maintenance;

6. casing extension and split casing installation;

7. cathodic protection work; and

8. horizontal directional drill crossings and road boring.

**C. Existing Pipelines**

The term "existing pipelines" used within the terms of this Addendum is limited to a constructed pipeline already completed.

**D. Wage Rates and Fringe Benefits**

1. In A States – 20% off Wages with full mainline fringes.
2. In B States - 10% off Wages with full mainline fringes.
3. In C States – Full mainline wage and fringes with no reduction and mainline conditions.

**E. Conditions**

1. **Hiring** –In A States, 75% Employer/ 25% Union. In B states, 50% Employer/50% Union if qualified workers available, otherwise Employer hires. Employer shall have the right to select for hire, if available, any Employee who has worked for Employer on Integrity Management and Maintenance projects previously. Such Employee shall be counted in the Union's percentage.
2. **Oilers** – Oilers shall be hired at the Employer's discretion; however Operating Engineers' jurisdiction shall be protected.
3. **Portability** - Once the crew is hired, the Employer can move that crew within the covered project without change regardless of Local Union jurisdiction.
4. **Assembly Point** – There will be no restrictions on assembly point(s) or warehouse distance from living accommodations and may be on the right-of-way. The establishing of any assembly point or points will not affect the location of the warehouse.
5. **Living Expenses** – At Employer's option, Employer may provide living expenses only for Employees who are working away from home.
6. **Composite Crew** – All Employees will work under a composite crew concept as determined by the Employer and the Union. The parties understand that the nature of this work requires working in a cooperative effort, making it sometimes difficult to adhere to strict jurisdictional guidelines. Thus, Employer shall make every reasonable effort to man specific tasks according to the jurisdiction of the Union and shall maintain a fair and balanced craft ratio in the overall manning of the job.
7. **Time** – The Employee's time will start at the jobsite which will be determined at the discretion of the Employer.

8. **Pre-Job** – The pre-job will be with International Representative or Local Union Representative.

9. **Additional Coverage** - The PLCA may request additional coverage to this Addendum by written request.

10. **Term**

The term of this Addendum will be the same as the National Pipe Line Agreement. This Addendum includes the entire Agreement on integrity management work reached by the parties and no past practice or precedence will apply to work covered by this Addendum.

**F. National Pipe Line Agreement**

All other terms and conditions of the National Pipe Line Agreement between the Pipe Line Contractors Association and the International Union of Operating Engineers will remain in effect.

LIST OF STATES

| A | B | C |
|---|---|---|
| | | |
| ALABAMA | COLORADO | CALIFORNIA |
| ARIZONA | CONNECTICUT | ILLINOIS |
| ARKANSAS | DELAWARE | INDIANA (Zones 1 and 4) |
| FLORIDA | D.C. | IOWA (Zone 1) |
| GEORGIA | IDAHO | NEVADA |
| KENTUCKY | INDIANA (Zones 2, 3 and 5) | NEW JERSEY |
| LOUISIANA | IOWA (Zone 2 ) | NEW YORK(Zones 1,2,4 and 5) |
| MISSISSIPPI | KANSAS | PENNSYLVANIA (Zone 1) |
| NEW MEXICO | MAINE | WISCONSIN |
| NORTH CAROLINA | MARYLAND | |
| OKLAHOMA | MASSACHUSETTS | |
| SOUTH CAROLINA | MICHIGAN | |
| TENNESSEE | MINNESOTA | |
| TEXAS | MISSOURI | |
| | MONTANA | |
| | NEBRASKA | |
| | NEW HAMPSHIRE | |
| | NEW YORK(except Zones 1, 2, 4 and 5) | |
| | NORTH DAKOTA | |
| | OHIO | |
| | OREGON | |
| | PENNSYLVANIA (Zones 2,3 and 4) | |
| | RHODE ISLAND | |
| | SOUTH DAKOTA | |
| | UTAH | |
| | VERMONT | |
| | VIRGINIA | |
| | WASHINGTON | |
| | WEST VIRGINIA | |
| | WYOMING | |
| | | |
| | | |

## ATTACHMENT 4

## HORIZONTAL DIRECTIONAL DRILLING AGREEMENT

In an effort to make horizontal drilling contractors ("contractors") who work under the terms and conditions of the National Pipe Line Agreements ("NPLA") more competitive, it is hereby agreed that whenever a contractor working under the terms of the NPLA is bidding work where others also bidding work on that particular project are not working under the terms and conditions of the NPLAs, the signatory contractor will be authorized to bid such drilling work on that project with the following modification to the NPLA.

A. COMPOSITE CREW

Contractor may establish for a project or job a crew or crews known as a "composite crew", which shall consist of the required crafts in such proportions as are customary for the type of work to be performed. It being recognized that the nature of directional drilling work is such that at times it is impossible to adhere strictly to the craft jurisdictional lines. It is further recognized that while this Agreement provides exceptions to the National Pipe Line Agreement the International Union of Operating Engineers does not relinquish their traditional jurisdiction for work covered by the National Agreement. The composite crew will be for the drilling operation only.

B. HIRING

Because of the specialized nature of the work and because the crews are mobile and travel from location to location, contractor may bring its key personnel which include:

1. Operating Engineers - Drilling Operator, Mud Technician and Mechanic; and

2. Laborers - Floor Hands

The Stewards and all other Employees will be hired under and in accordance with the hiring procedures of the National Pipe Line Agreement.

C. OVERTIME

Overtime will be in accordance with the National Pipe Line Agreement.

D. REPORTING TIME/WAITING TIME

No waiting time will be applicable except as provided in Paragraph F. If Employees are notified not to report to work at or before 8:00 PM the preceding day, no reporting time pay will be applicable.

E. WAGE RATES AND CLASSIFICATIONS

1. Wage Rates. The wage rates and fringe benefit contributions set out under the NPLA Attachment 1 for A.1. state addendum-type work will be applicable except as provided in Paragraph F.

2. Classifications. The classifications are as follows:

a. All operators are Group 1 (Mechanic, Rig Operators, other Equipment Operators - no oilers required); and

b. All laborers will be at the basic rate.

3. Coverage.

a. The above conditions will apply automatically on work 16" and under in the following states: Alabama, Arizona, Arkansas, Colorado, District of Columbia, Florida, Georgia, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Mississippi, Missouri, Nebraska, New Hampshire, New Mexico, North Carolina, North Dakota, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, West Virginia, and Wyoming.

b. On work over 16" in the above states a request for use of the Horizontal Directional Drilling Addendum must be made to the PLCA and approved by the International Union of Operating Engineers.

F. Whenever a horizontal drilling contractor is performing covered work for a contractor who is signatory to the NPLAs ("prime contractor") rather than an owner company, then the wage rates, fringe contributions, waiting time and/or reporting time that are applicable to the prime contractor will also be applicable to the horizontal drilling contractor.

G. The terms and conditions of the NPLAs will prevail for all conditions other than those set out herein.

H. This Agreement is made by and between the PLCA and those of its contractor members and such other main line pipeline or drilling contractors who execute an acceptance of the terms and provisions of this Agreement, and the International Union of Operating Engineers.

The provisions of this Agreement shall become effective on the date of execution when signed by the parties hereto and shall remain in full force and effect through the terms of the NPLA.

This Agreement as set out above may be extended to other areas by mutual agreement of the parties.

## APPENDIX A

The Employees covered by the terms of this National Pipe Line Agreement between the PLCA and the IUOE shall be divided into the following classifications:

**Group 1**

Back Filler
Back Hoe
Bending Machine
Boring Machine
Bulldozer
Clam
Cleaning Machine
Coating Machine
Crane
Ditching Machine
Drag Line
End Loader/Fork Lift-3 Yd. And Over
Equipment Welder
Forwarder
Forwarding Truck Crane
Gin Truck or Winch Truck with poles when used for hoisting
Heavy Equipment Robotic Operator/Technician
Horizontal Directional Drill
Hydro-Axe
Log Truck*
Mat Cleaning Machine
Mechanic
Mobile Lubrication and Service Engineer
Motor Grader
Mud Tech - Horizontal Drill
Operator on Dredges
Shot Blast Machine
Side Booms
Stinger Type Boom Crane
Super Sucker - Vac Truck (Qualified Operator runs all equipment, hoses, etc.)
Tack Tractor
Vacuworx Pipe Lifter
Wate-Kote Machine

**Group 2**

ASV/Brush Hog
Bombardier/Marsh Buggy (tack or tow rig)
Challenger
End Loader under 3 Yds.
Farm Tractor
Fork Lift, Industrial Type
Hydrostatic Testing Operator
Pipe Dream
Pot Fireman (power agitated)
Rollagon or Similar Type Equipment
Silt fence Blower
Skidder
Skid Steer
Straightening Machine
Tow Tractor
Vac Truck - Bumper Pull Type (Qualified Operator runs all equipment, hoses, etc.)

**Group 3**

Fuel Man
Mechanic Helper
Oiler or Swamper (on trenching machine or shovel-type equipment)

* Log Truck is split with Operator assigned first truck in even years, second in odd years.

****HELICOPTER** - Whenever a Contractor owns or leases a helicopter, and the crew of that helicopter is on the Contractor's payroll, then such Employees are covered by the National Pipe Line Agreement with the IUOE; and the correct classification and wage rate must be determined before the start of the job.

**See Attached Wage Sheets A-301 - A-339**
**Attached Hereto Which Are a Part of This Appendix A**

**APPENDIX B**
**NATIONAL PIPE LINE PARTICIPATION AGREEMENT**

WHEREAS, the undersigned Employer has entered into a National Pipe Line Agreement with the International Union of Operating Engineers, which requires said Employer to make contributions into designated funds, approved by the National Labor Relations Act, 1947, Section 302(c), at a stipulated rate and under certain conditions;

NOW, THEREFORE, IT IS AGREED by and between the undersigned Employer, the applicable multiemployer plans, and the International Union of Operating Engineers that such Employer hereby subscribes to the various agreements and declarations of trust and policies and procedures of the particular funds into which such Employer will be required to make contributions pursuant to the National Pipe Line Agreement, and agrees to be bound thereby and to amendments made or to be made thereto, but only to the extent they are consistent with the terms of this Agreement; and authorizes the parties to such trust agreements to name the trustees and successor trustees, and to administer the trusts; and does hereby ratify and accept such trustees and the terms and conditions of said trusts; provided, however, that no amendments or provisions of said agreement or declaration of trust shall bind the Employer for any financial obligations, including, without limitation, dues delinquency determinations or exit contributions, beyond that set forth in the National Pipe Line Agreement pursuant to which such contributions are made. Said Employer's obligations shall also be considered within and limited by the construction industry exemption of the Employee Retirement Income Security Act ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980 ("MEPPA") as long as said Employer is a construction industry employer within the meaning of 29 U.S.C. §1383(b).

DATED this _____ day of _____ 20___.

EMPLOYER:

By: _____

_____
Name of Company

_____
Address

_____
City and State

_____
Title

"By the execution of this agreement on behalf of its affiliated local unions, the International Union of Operating Engineers does so for convenience only and does not assume any liabilities with respect to such agreements and declarations of trust or with respect to local union contracts to which the International Union of Operating Engineers is not a party."

ACCEPTED:

INTERNATIONAL UNION OF OPERATING ENGINEERS
ON BEHALF OF ITS AFFILIATED LOCAL UNIONS

By: _____
Title

ACCEPTED:

BY THE TRUSTEES OF THE FOLLOWING

_____
Name of Fund

_____

_____

_____

_____

_____

_____

_____

Local Union

By:_____

Authorized Business Agent

## APPENDIX D

## SUBSTANCE ABUSE POLICY
## CONSENT FORM

I hereby authorize (Company) to conduct through its designated Medical Review Officer and medical laboratory testing facility a drug test as set out below. I have received a copy of the company's Substance Abuse Policy. I further understand that the presence of any of the prohibited drugs or substances above the limit set forth in the Substance Abuse Policy will cause my immediate termination or ineligibility for hire, whichever is applicable.

I understand that refusal to submit to the drug test will constitute voluntary termination or withdrawal of my application for employment, whichever is applicable. I further understand and agree that switching or adulterating my urine sample or otherwise failing to cooperate in the administration of the test will result in my termination.

I authorize that the results of my substance abuse test be given only to the Medical Review Officer as defined in the Substance Abuse Policy and those persons duly authorized to receive such information under applicable law.

I authorize (Company) to request the following information about me from all other Employers regulated by the Department of Transportation ("DOT") for whom I have worked within the past two years: (1) alcohol tests with a result of 0.04 or higher alcohol concentration; (2) verified positive drug tests; (3) refusals to be tested (including verified adulterated or substituted drug test results); (4) other violations of DOT agency drug and alcohol testing regulations; and (5) with respect to any violation of a DOT drug and alcohol regulation, documentation of successful completion of DOT return-to-duty requirements (including follow-up tests).

I further hereby acknowledged that I have read, understand and agree to comply with the National Pipe Line Substance Abuse Policy this _____ day of _____, 20____.

_____
Employee

_____
Date

## APPENDIX E

### ACCEPTANCE

### NATIONAL PIPE LINE AGREEMENT

The undersigned is aware of and familiar with the foregoing **2017 NATIONAL PIPE LINE AGREEMENT** for the United States of America between the **International Union of Operating Engineers** and the **Pipe Line Contractors Association** operating in the United States, and for valuable consideration hereby becomes party to this Agreement as currently written and amended, extended or revised by the negotiating parties from time to time.

**ACCEPTED BY:** _____
(Print Name of Company)

_____
(Street Address)

_____
(City) (State) (Zip)

_____
(Telephone Number) (FAX Number) (E-mail address)

_____
**(Signature)** **(Date)**

_____
(Name/Title of Signer) (Please print)

**INTERNATIONAL UNION OF OPERATING ENGINEERS:**

_____
**James T. Callahan**
**General President**

**Forward Original Signed Copy to:**

**Robert Wilds, Director of Pipeline**
**1125 17th Street NW**
**Washington, DC 20036**

# EXHIBIT 8

## Laborers NPLA

# NATIONAL PIPE LINE AGREEMENT

AGREEMENT made by and between the PIPE LINE CONTRACTORS ASSOCIATION, herein after referred to as "PLCA," and those of its contractor members and such other Main Line Pipeline Contractors who execute an acceptance of the terms and provisions of this Agreement, hereinafter referred to as the "Employer," and the LABORERS' INTERNATIONAL UNION OF NORTH AMERICA, hereinafter referred to as the "Union" or "LIUNA."

WITNESSETH:

That, WHEREAS, the parties hereto desire to stabilize employment in the Main Line Pipeline Industry, agree upon wage rates, hours and conditions of employment;

NOW, THEREFORE, the undersigned Employer and the Union, in consideration of the mutual promises and covenants herein contained agree as follows:

## I.
## COVERAGE

(A) This Agreement and the attachments covering Small Diameter Pipe (16" and under) and Horizontal Directional Drilling, and Integrity Management shall apply to and cover all transportation main line pipeline work coming within the jurisdiction of Union, contracted for or performed by Employer within the United States, as such work is more fully described in paragraphs (B) and (C) and (D) below. Before any such work is done in the States of Alaska and Hawaii, the PLCA and Union shall meet to agree upon the wage rates and any special conditions which may be necessary in those states. By mutual agreement, this contract may be extended to cover other territory.

(B) Transportation main line pipelines coming under this Agreement are those defined as follows:

The construction, installation, double-jointing, rebeveling, treating, insulating, reconditioning, testing, taking-up, re-laying or relocation of cross-country pipelines or any segments thereof transporting CO2, coal, gas, oil, water lines associated with the production of oil and natural gas or other transportable materials, vapors or liquids or hydrocarbons including portions of such pipelines within private property boundaries, up to the final metering station or connection.

The phrase "final metering station or connection" means that point where a valve, consumer connection, or town border station divides main line transmission lines or higher pressure lateral and branch lines from lower pressure distribution systems. If a metering station or connection is located on such main line transmission line or higher pressure lateral or branch line or between two or more main line transmission lines or higher pressure lateral or branch lines then such work is covered by this Agreement.

(C) Gathering lines which connect directly from the wells to the main line pipelines, gathering lines, to or from gas extraction or gas dehydration plants, and gathering lines to or from gas storage fields are included.

(D) All marine pipeline work, including push-jobs in-shore and work done from barges in-shore and off-shore is covered by this Agreement.

(E) Such pipeline construction or installation, repair, maintenance, replacement or reconditioning as may be combined with or associated or comprising an integral part of other work more particularly and usually defined as engineering or building construction, or work covering pumping stations, tank farms, refineries, plant-to-plant connection lines within city limits and city distribution lines are not covered by this Agreement.

(F) If and when Employer shall perform work covered by this Agreement under its own name, under the name of another, as a corporation, company, partnership, enterprise, or any combination, including a joint venture, this Agreement shall be applicable to all such work performed under the name of Employer or the name of any other corporation, company, partnership, enterprise, combination or joint venture.

(G) It is the intent of the Union to have uniform wages and working conditions in the industry. However, the parties recognize that in connection with the Union's organizing efforts to increase the market share of the union industry, it may be necessary to permit newly organized Employers to complete existing projects or projects where bids have been accepted under the conditions which the Employer bid the work except for the first 12 months of multi-year maintenance agreements and the first 12 months of any pipeline project extending more than one year. The Union also agrees that Employers granted any concessions under this paragraph will be obligated to sign the current National Pipe Line Agreement for future covered work. Absent the above exception, the following continues to apply: In no event shall Employer be required to pay higher rates of wages, or be subject to more unfavorable working rules than those established by Union for any other employer engaged in similar work. Union will advise PLCA immediately of the signing of any contractor pursuant to this provision.

(H) Wherever in this Agreement a gender pronoun or the singular or plural form of a gender is used, it is understood that such references are meant to have equal application to all persons covered by this Agreement, male or female.

(I) This Agreement shall supersede all other agreements between the parties or between Employer and any local of the Union for any work covered herein and described above.

(J) The work coming under the jurisdiction of the Union and covered by terms of this Agreement includes but is not limited to, the Laborers' work, for the clearance of right-of-way preparatory to the installation of the pipeline, the demolition and removal of fences, the digging and trimming of trenches and ditches for pipelines;

work in connection with the bending of pipe except the mechanical work involved; Laborers' work in connection with the distribution of pipe and skids and pipe over the trench; the cleaning, scaling, etc., of pipe; all Laborers' work in connection with the lineup crew; the cleaning, wrapping and doping of the pipe as well as the covering of pipe for any and all purposes before lowering after the welding of joints has been made; the cleaning, wrapping and doping of the pipe in all yards; the work in connection with the lowering of the pipe and the removal of the skids; in connection with the backfilling of trenches after the pipe has been laid; all work in connection with clean-up after the pipe has been laid and the trenches backfilled; demolition, take-up and reconditioning of old pipe; Laborers' work on barges and floating equipment; hooking and unhooking of pipe, and all other general and miscellaneous Laborers' work in connection with the entire operation, falling within the jurisdiction of the Union.

## II.
## SAVINGS CLAUSE

If any provision of this Agreement is in conflict with the laws or regulations of the United States or of the State in which the work is to be performed, such provision shall be superseded by such law or regulation, but all other provisions of this Agreement shall continue in full force and effect; provided that in no case shall wage rates be paid which are lower than those set out in this Agreement and provided further, that the parties agree to meet without delay within thirty (30) days and negotiate a replacement for any affected provisions, which insofar as legally permitted, shall serve a similar purpose as the affected provisions.

## III.
## NOTIFICATION OF PRE-JOB CONFERENCE AND ENFORCEMENT

(A) Employer agrees to immediately notify the *Union of jobs obtained by Employer, including unloading, racking and stringing of pipe. Such notification shall include the size and length of the proposed job, the states and counties and the proposed starting date. The Union agrees to notify the Employer of its Regional Office which shall participate in the pre-job conference. It is a violation of this Agreement to start a job without prior notification and a pre-job conference. If an Employer fails to notify the Union in accordance with the procedure above, the Union shall retain the right to pursue a grievance in accordance with Article XVII, Procedure for Settlement of Grievances and Disputes.

(B) The Employer and representatives of the International Union, Local Union or Local Unions involved shall hold a pre-job conference so that the start and continuation of the work may progress without interruption, and the Union

* For purpose of notification, Union office to be contacted shall be the Laborers' International Union of North America, 905-16th Street, N.W., Washington, D.C. 20006. Fax 202-737-2754.

representatives at such conference shall be authorized by the Union to represent Union for the entire area covered by the job. It shall be the purpose of the pre-job conference to notify the Union of the tentative number of warehouses to be used and the location of each, to agree upon such matters as the length of the work-week, the approximate number of employees to be employed, including the number of Key Employees, the method of referral, the check-off of Union initiation fees, dues or agency shop fees, the applicable wage rates in accordance with the contract and any other matters, not including interpretation of the clauses of this Agreement, it being agreed that interpretation of this Agreement should be made between the PLCA and the LIUNA, so that proper application thereof may be made on the jobs.

(C) If any individual Employer pays any wages in excess of the wages negotiated in the National Pipe Line Agreement in the form of extra money, extra hours, extra travel or stand-by time or in the form of a bonus by any subterfuge, and if the PLCA and LIUNA shall jointly determine that such bonus is for the purpose of pirating employees from other individual employers or results in conditions injurious to the pipeline construction industry, then such individual Employer shall be required to pay a proportionate additional compensation to all employees covered by this Agreement and such requirement shall continue until that particular job is completed. It is understood and agreed, however, that any profit-sharing, retirement or pension plan which an individual Employer may have in effect which has not been set up for that particular job shall not be considered a bonus. This paragraph does not apply regarding fringe benefits of Key Employees.

(D) The Union and the PLCA agree to send a copy of this Agreement to all of their affiliates so that the work covered by this Agreement may be performed in an effective and peaceful manner and the Union agrees that the terms of this Agreement shall be recognized by its affiliated Local Unions. The individual Employer agrees as well to furnish its supervisory personnel copies of this Agreement so that they may be familiar with the terms.

## IV.
## MANAGEMENT RIGHTS

(A) Employer shall have the right to make and revise from time to time safety and working rules which are not inconsistent with the above or any other of the terms of this Agreement or with existing laws. Union agrees to cooperate in the enforcement of safety and working rules. Failure to comply with Employer safety policies may result in discipline up to and including termination.

(B) Nothing in this Agreement shall affect the Employer's inherent right to determine the competency and qualifications of any applicant or employee and his right to reject and discharge applicants or employees for cause accordingly.

(C) There shall be no inequitable minimum or maximum amount of work which an employee may be required to perform during the working day, and there shall

be no restriction imposed against the use of any type of machinery, tools, or labor saving devices. At the discretion of Employer, employees may be changed from one classification to another within the jurisdiction of the Union. During emergencies, any employee of Employer may be assigned to any work; provided, however, that no employee's hourly rate shall be lowered under this provision, and provided further that in the event an employee is assigned to work calling for a higher rate of pay, he shall receive such higher rate for the entire day.

## V.
## UNION RECOGNITION, UNION SECURITY AND EMPLOYMENT

(A) The Employer hereby recognizes and acknowledges that the Union is the exclusive representative of all employees in the classifications of work covered by this Agreement for the purpose of collective bargaining as provided by the Labor Management Relations Act of 1947.

(B) All employees covered by this Agreement, as a condition of continued employment, shall, commencing on the 8th day following the beginning of such employment or the effective date of this Agreement, whichever is later, acquire and, for the duration of this Agreement, maintain membership in the Union. This provision shall not apply in any state where such a requirement for continued employment is prohibited by law; provided, however, that where an Agency Shop is lawful in any such state, conformity therewith shall be a condition of employment on the 8th day following the beginning of such employment or the effective date of the Agreement, whichever is the later period.

(C) Upon request of the Local Union or District Council having jurisdiction of the job, and upon presentation of the proper authorization form executed by the individual employee, the Employer agrees to deduct from the wages of such employee Union fees, dues or agency shop fees and remit in accordance with Article XVIII, Fringe Benefit Fund Contributions.

(D) The Employer shall deduct as voluntary contributions to the Laborers' International Union of North America (LIUNA) PAC such amount in each payroll period as an employee so authorizes in writing on a form provided by the Union. At least once each month, the Employer shall remit all such deducted contributions to the Laborers-Employers Benefit Plan Cooperation Trust. The Employer shall simultaneously provide to that office the following information about each employee whose contribution is included in the remittance: (1) name; (2) total amount contributed within the remittance; and (3) rate of payroll deduction. The Union and the Employer agree that the Employer's costs of administering LIUNA PAC payroll deduction were factored into the overall economic provisions of the contract, so no additional payment by the Union for these costs is necessary. The Union will indemnify and hold harmless the Employer from any and all liability arising from the Employer's compliance with this section.

## VI.
## KEY EMPLOYEES/HIRING PROCEDURE

(A) It is recognized that because of the special nature of pipeline construction work, it is necessary that Employers have available experienced and qualified employees, and that both parties shall cooperate to the end that all of the employees hired hereunder shall be capable of performing pipeline construction work in an experienced manner.

(B) The Employer shall have the right to hire directly fifty percent (50 %) of all employees hired depending upon the type of work, the location of the job and the existence of an exclusive referral procedure. Employer hired employees shall be known as "Key Employees." If the local union is unable to provide qualified skilled pipeline employees then the Employer shall immediately notify the International Union. The words "Key Employees" shall mean those who are regularly and customarily employed by the individual Employer and because of their special knowledge, skill and experience in pipeline construction work are considered necessary by Employer to the efficient performance of the work to be done under this Agreement. Straws are subject to the same rules and fees of the Local Union and if salaried, fringes shall be capped at 60 hours per week.

(C) At the pre-job conference Employer shall notify the Union of the number and classifications of Key Employees. At any time during the job, Employer shall have the right to replace Key Employees whose employment may have been terminated by employing other Key Employees, it being the intention of both Employer and Union that the ratio of Key Employees to those hired locally or dispatched by Union shall remain substantially the same as that agreed upon at the start of the job.

All employees in addition to Key Employees shall be hired in accordance with the provisions of Paragraph (D) as set out below.

(D) The hiring of employees in addition to Employer's Key Employees, either at the start of the job, or later, shall be conducted in the following manner.

(1) Employer and Union agree that neither of them shall take any action or refuse to take any action which shall discriminate against any individual with respect to his compensation, terms, conditions, or privileges of employment because of such individual's race, color, religion, sex, national origin or disability, or any other status protected by applicable law.

(2) In the event a valid non-discriminatory exclusive referral procedure has been established by collective bargaining between a local of the Union and an association of highway and heavy contractors in the area in which the job is to be performed, Union shall notify the PLCA from time to time as to the existence of such exclusive referral procedure, and Employer agrees to utilize such referral procedures upon the following conditions:

(a) The selection of applicants for referral to jobs shall be on a non-discriminatory basis and shall not be based on or in any way affected by race, color, religion, sex, national origin, disability or union membership, by-laws, regulations, constitutional provisions, or any other aspect or obligation of union membership, policy or requirement, or any other status protected by applicable law.

(b) Qualified applicants required by Employer at the start of the job must be referred by a local referral office within 48 hours of the receipt of Employer's request; those required by Employer after a job has started must be referred by a local referral office within 24 hours of the receipt of Employer's request. If the local referral office fails to comply with this condition, Employer may secure qualified applicants from any other source.

(3) In the event there is no valid exclusive referral procedure established in the area where the particular job is to be done or the proper conditions set out hereinabove have not been met by the referral procedure which has been established, Employer will at the pre-job conference notify Union, as one of the sources from which laborers are to be recruited, as to the number of laborers who will be needed in addition to his Key Employees. It is understood that Employer shall also recruit laborers from other sources, will hire all employees at the job site in a non-discriminatory manner, and shall have the absolute right to determine the competency and qualification of applicants and employees and to reject and discharge accordingly.

(4) Once the original crew has been employed, Employer shall have the right to keep such crew on all the work throughout the territory covered by the particular job for which the pre-job conference was held, regardless of local union jurisdiction.

(E) Applicants for employment will not be dispatched to jobs by Local Unions unless the applicant has completed at least 200 hours of pipeline work in the pipeline industry (pipeline work as defined by the National Pipe Line Agreement) within the last 24 months or 400 hours of pipeline work in the pipeline industry (pipeline work as defined by the National Pipe Line Agreement) in the past 4 years; the parties agree to review the 200 and 400 hour requirements periodically. Applicants who successfully complete approved training as specified in Article XII will be eligible for dispatch.

(F) The PLCA and Laborers International Union will cooperate to implement a program so dispatched Laborers are Operator Qualified for the specific tasks called for on the job or Owner requirements.

(G) The Union shall post in places where notices to employees and applicants for employment are customarily posted all provisions relating to the functioning of this hiring arrangement, including the provisions herein set forth. The Employer shall similarly post in places where notices to employees and applicants for employment are customarily posted all provisions relating to the functioning and operation of the hiring arrangements, including these provisions.

(H) The business representative of the Union shall have access to any job at any time subject to owner safety and security rules and federal and state regulations, and shall notify the field office of his presence on the job prior to entering the job site. The representative of the Union shall use best efforts not to hinder production.

## VII.
## STEWARDS

The Union may select one of its members who shall be recognized as job steward. The Union will attempt to notify the Employer of its steward selection before the pre-job. If the steward selected by the Union is objected to by Employer for just cause, the Union shall select another steward. The steward shall perform his duties the same as any other worker and shall not be discharged for union activities. The steward shall be allowed a reasonable time during the working hours to perform the work of the Union, but shall not abuse this privilege. A steward may not be discharged without forty-eight (48) hours previous notice to the Union. The steward shall not be laid off for any reason other than just cause. The steward shall cooperate with the Employer in the communication of all owner, state and federal health and safety regulations applicable to the work covered by this Agreement.

## VIII.
## SUBCONTRACTORS

The Employer agrees to make the terms and conditions of this Agreement a part of all subcontracts let on covered work except where the International Union and PLCA have determined that there are no qualified or competitive union subcontractors available. The names and business addresses of all subcontractors on work covered by this Agreement shall be transmitted to the Union by the Employer; provided, however, that the Employer will not be held responsible for the labor policies of stringing contractors where such contractors are employed directly by the owner; further provided, that where heavy specialized marine equipment not customarily used by Employer in the performance of the work herein defined, is leased, rented or borrowed and the labor to operate such equipment is wholly or partially to be furnished by the owners of such equipment, or the work to be done by said equipment is subcontracted the provisions of this paragraph shall be inoperative as to the labor furnished; but any labor furnished by Employer in the operation of said equipment shall be covered by the terms of this Agreement. In regard to suppliers and vendors who furnish and/or deliver finished goods and materials to the Employer the terms and conditions of this Agreement shall not apply and the Employer signatory to this Agreement shall have no obligation to see that the terms and conditions of this Agreement apply to any equipment or employees of such vendor or supplier.

## IX.
## WORKING RULES

(A) The Employer shall select a warehouse in or near a city, town or community where living accommodations are available. Employer shall make suitable and prompt transportation available from the warehouse to the work site and back to the warehouse. The time of the employees shall start when the employees leave the warehouse for the job site and shall end at quitting time on the job site; however, the lunch period shall be excluded. Employer shall return the employees to the warehouse in the shortest possible time.

(B) The payday shall be once each week, unless the Employer agrees to allow Employees one draw on money earned; under such conditions, payday may be once every two weeks. At the Employer's option, the Employees may be paid on a weekly basis by (1) check; (2) direct deposit of wages to the bank or financial institution of the Employee's choice; or 3) a no-fee cash/debit card. If the Employer elects to pay by option (2) or (3) above, the Employee shall have the right to choose between the two options (i.e., direct deposit or cash debit card). In all cases, pay stubs will be provided to the Employees. Employees are to be paid at the end of their regular shift whether working in Employer's yard or in the field. When Employees are laid off or discharged, they must be paid wages due them at the time of the layoff or discharge. If payment is not made as provided herein, the Employees shall be paid for four (4) hours' pay per day at the applicable rate. Deductions from Employee's pay will be itemized on all checks.

(C) Employer shall make arrangements where Employees are employed to enable such Employees to cash their pay checks or use their cash/debit card for one initial weekly withdrawal at no cost to the Employees. If the Employee is required to pay for check cashing, the Employer agrees to reimburse the Employee promptly. Check cashing arrangements shall be located within 25 miles of the designated warehouse or assembly point.

(D) The furnishing of tools or equipment shall not be a condition of employment. Where special safety equipment is required by the circumstances under which the employee is working, it shall be the responsibility of the Employer to furnish such equipment at no cost to the employee.

(E) Truck Pay – Stewards will receive truck pay of $65 per day for use of his personal vehicle when six or more Laborers are employed on a project. Truck pay, other than the Steward, is to match the International Union of Operating Engineers Agreement. Truck rental is at the Employer's discretion.

(F) Boot Pay – For a calendar year Employer shall make a $150 payment for one pair of safety-toed boots which would be replaced for wear in the course of the job if needed.

## X.
## WAGE RATES AND CLASSIFICATIONS

(A) The classifications and wages to be paid for all work covered by this Agreement are set out in Appendix "A".

(1) In those States or Zones marked by a "PL", the wages and fringe contributions are negotiated by the PLCA and the LIUNA, and shall become effective on work in such areas and on the dates indicated in Appendix "A". Effective June 5, 2017, June 4, 2018, and June 3, 2019, a 3% total package increase for all work. For California Zone 3, it shall receive a $1.65 total package increase each year instead of the 3% increase. California Zones 1 and 2 shall receive the 3% total package increase for all work. In addition, for work under Attachment 1 – 2017 – 2020 16" and Under Addendum applicable per diem shall be increased $2.00 per day to $49.50 the first year, $51.50 the second year and $53.50 the third year. (Work under Project Labor Agreements and Letters of Understanding will be governed by the terms of those agreements.) In addition, in all States, effective June 4, 2018, the Collection Trust contribution shall increase by one cent to six cents ($0.06).

(2) In all other States or Zones effective January 1, and June 1, each year, the Employer will initially recognize and put into effect highway construction wages (including welfare, pension and other fringe benefits) which have been negotiated during the 6-month periods immediately preceding January 1, and June 1, each year, provided copies of such highway construction agreements are furnished to the PLCA office in Dallas in accordance with the following provisions and conditions:

(a) The highway construction agreements furnished to the PLCA office must be negotiated between a local of LIUNA and a recognized Employer's Association.

(b) Said highway agreements must be furnished to the PLCA office on or before January 1 and June 1 of each year in order to be recognized; or the Union may notify the PLCA prior to January 1 and June 1 of each year that a particular local is still in negotiations, and that copies of the completed highway agreements will be sent to the PLCA office within thirty (30) days after the applicable January 1 or June 1 date.

(c) In the event no current or recognized highway agreements have been furnished to the PLCA office in accordance with the provisions of Paragraphs (a) and (b) above, then the last published or recognized wages (including welfare, pension and other fringe benefits) will be published and recognized until the next applicable January 1 or June 1 date.

(d) After initial recognition on January 1 or June 1, subsequent increases in wages and fringes called for and set out in such local highway agreements will be put into effect in accordance with the dates negotiated locally.

(e) It is understood that Employer will not be required to recognize or put into effect any highway construction wages (including welfare, pension,

and other fringe benefits) received in the PLCA office after January 1, or 30 days after January 1, if applicable, of each year until the following June 1 of that year, nor those received after June 1, or 30 days after June 1, if applicable, of each year until the following January 1.

(f) The parties to this Agreement specifically recognize that only the wages and fringe benefits from the applicable highway agreements will be recognized for inclusion in this National Pipe Line Agreement. All other terms and conditions of the National Pipe Line Agreement will remain in effect for covered work.

(B) The rates to be paid for intermediate classifications shall be as set out below and the amount indicated shall be the amount per hour to be paid over and above the basic wage rate set out in the Appendix to this Agreement, and is payable only for the days that employee is performing the work covered by the intermediate classification.

| | |
|---|---|
| Buffing Machine Man | .60 |
| Dope Pot Firemen (hot or cold, nonmechanical) | .75 |
| Drillers | 1.25 |
| *EM Scope/EM Scope for Directional Drill<br>*(Laborers entitled to the premium only when a Laborer is assigned to operate the EM Scope. Contact PLCA or LIUNA for Guidelines) | 2.00 |
| Feller | 3.00 |
| Form Builder/Concrete Finisher | 1.00 |
| Hazardous Waste Specialist/Asbestos Abatement<br>(employee must be certified under applicable state regulations at dispatch) | 1.00 |
| *Hot Dope Man<br>*(main dope crew only—contact PLCA or LIUNA for Guidelines) | .75 |
| Hot Pay<br>(where employee required to be in the area of danger and there is the possibility of fire or explosion because of a cut or weld being made) | .75 |
| Jackhammermen | 2.00 |
| Loaders and Tampers | 1.25 |
| Nozzleman on Sandblasting<br>(sandblasting for Laborers will include all sand-blasting except that which is done in preparation of the welding or completing the welding process which is the jurisdiction of the UA) | 2.00 |
| Powdermen, Blasters | 1.75 |
| Power Saw Operators (other than Fellers) | 2.00 |
| Skid Crew (When Laborer assigned on permanent basis) | .75 |
| Steward<br>(Steward premium is above the Laborer base rate) | 3.00 |

| | |
|---|---|
| Swamper (tractor, pipe gang and bending crew) | 1.00 |

## XI.
## WORKERS COMPENSATION COOPERATION

In an effort to enhance the competitive position of the signatory Employers and to provide greater work opportunities for the members of the signatory Union, it is hereby agreed that the parties may negotiate and implement alternative dispute resolution (ADR) procedures to resolve workers' compensation claims disputes when and where permissible and/or legal.

Such alternative dispute resolution procedures shall be final and binding on the parties and shall be made a part of this Agreement to the extent permitted by law.

## XII.
## TRAINING

Training and certification procedures concerning all work and safety factors involved on the job will be instituted for all laborers by the Local Union or LIUNA. Union will work to develop a certification program to show dispatched employees are trained and qualified to work in the pipeline industry.

## XIII.
## OVERTIME AND HOLIDAY PAY

(A) In all states, the work-week shall begin on Monday and end on Sunday, and all hours worked by an employee in excess of eight hours per day and in excess of forty straight time hours per week and all hours worked on Sunday shall be paid for at the rate of time-and-one-half the straight time rate. In all states after an employee has worked eight hours, he will be on overtime until he is relieved. Converting back to straight time at midnight, under above circumstances, shall not be recognized.

(B) In all states, work performed on Christmas, Thanksgiving, Labor Day, Memorial Day, New Year's Day and July Fourth shall be paid for at double the straight time hourly rate; provided, however, that in the event one of the holidays named hereinabove occurs during the first forty hours of any work-week, hours worked on such holidays shall not be counted in computing the forty hours after which the employee is entitled to a rate of time-and-one-half the straight time rate.

(C) If one of the holidays named in Paragraph (B) above falls on Sunday, it shall be observed on Monday. Accordingly, if such an event occurs, work performed on Sunday shall be paid for at the regular rate for that day; work performed on Monday shall be paid for at double the straight time hourly rate. If no work is performed on Monday, no pay shall be required.

## XIV.
## REPORTING TIME PAY

(A) After a person has been hired and ordered to report for work at the regular starting time, and no work is provided for him on that day he has so reported, he shall receive pay equivalent to four (4) hours at the rate applicable for that day. This pay shall be provided, although the person has not been ordered to report for work on that particular day if the person has been working regularly and the Employer fails to give sufficient notification. Sufficient notification shall mean notice that there will be no work performed on a particular day to the steward during working hours, and he is afforded a reasonable opportunity to notify the employees involved during working hours, or the Employer notifies the employees involved not to report to work at or before 8:00 P.M. the preceding day. No fringe benefit contributions will be paid on the four (4) hours reporting time pay and such hours will not be used in computing the forty hours after which overtime is payable. Per diem in "PL" states will be paid for the number of days in the work week set out on the pre-job form and will be paid on days when Reporting Time under this section is paid.

(B) Any employee who reports to work and is transported to the job site or for whom any work is provided, regardless of the time that he works, shall receive the equivalent of not less than four hours' pay at the rate applicable for that day. Fringe benefit contributions shall be paid on such hours and they will be used in computing the forty hours after which overtime is payable.

(C) Any person who reports to work and who works more than four (4) hours in any one day shall receive the equivalent of not less than eight hours' pay at the rate applicable for that day. Fringe benefit contributions shall be paid on such hours and they will be used in computing the forty hours after which overtime is payable.

(D) It is expressly provided, however, that when a person refuses to work or to continue to work or work stoppage conditions brought about by a third party or third parties prevent or make ill-advised in the opinion of the Employer the performance of any work or the continuance of work once started, no pay for time not worked shall be required under any of the above enumerated conditions.

## XV.
## JURISDICTIONAL DISPUTES

The PLCA and the four International Unions with which National Pipe Line Agreements have been negotiated have established a Policy Committee, for the purpose of hearing and considering matters of concern to the pipeline construction industry, such as jurisdictional disputes and any other matters affecting the welfare of the industry.

Whenever a jurisdictional dispute arises between Union and any other union over proper jurisdiction of work assigned by an individual contractor, no work stoppage shall

occur, and the individual signatories hereto agree to abide by any decision reached by the Policy Committee.

The Policy Committee decisions are incorporated and made a part of this Agreement and should be referred to specifically as if set out herein. The Policy Committee decisions may be obtained by contacting the Union or the PLCA.

## XVI.
## WORK STOPPAGES

(A) No local union nor the International Union, nor any representative of either, shall cause or promote a strike, slowdown, stoppage of work or any interference, directly or indirectly, with the operation and progress of the work; nor shall any Employer or the PLCA engage in any lockout during the life of this Agreement, it being the good faith intention of the parties hereto that by the execution of this Agreement industrial peace shall be maintained. All grievances, disputes, differences of opinion and other questions concerning this Agreement shall be settled in accordance with the procedure for settlement of grievances and disputes set out in Article XVII below. Any settlement where hours of pay are involved shall be retroactive.

(B) If the local union or any representative thereof causes or promotes a strike, slowdown, stoppage of work or any interference with the operation or progress of the work, or if the Employer breaches this Agreement, then the Employer (where the local union interfered with the work) or the local union (where Employer has breached the Agreement) may at its option declare the provisions of Article XVII inoperative and seek whatever remedy may be available from the National Labor Relations Board or any Federal or State court having jurisdiction of the matter.

(C) If the International Union or any representative thereof causes or promotes a strike, slowdown, stoppage of work or any interference with the operation or progress of the work, or if the Employer breaches this Agreement, then the Employer (where the International Union interfered with the work) or the International Union (where Employer has breached the Agreement) may at its own option declare the provisions of Article XVII inoperative and seek whatever remedy may be available from the National Labor Relations Board or any Federal or State court having jurisdiction of the matter.

(D) It shall not be a violation of this Agreement or of the no-strike clause if members of the Laborers' International Union refuse to cross a picket line established by another craft union within the pipeline industry.

## XVII.
## PROCEDURE FOR SETTLEMENT OF GRIEVANCES AND DISPUTES

(A) Any grievances, disputes or differences of opinion which arise between the contractors' supervisory personnel and Union representatives in the field shall be settled on the job whenever possible; provided that such settlements shall not vary any of the wages, terms or conditions of this Agreement.

(B) If a grievance, dispute or difference of opinion cannot be settled on the job within forty-eight (48) hours, then such matter must be referred within ten (10) days by the Union representative in the field to the appropriate International Union representative, and the Employers' supervisory personnel must within the same time period refer the matter to the Employers' executive personnel and, if necessary to the Managing Director or Executive Director of the PLCA. These parties shall immediately make every effort to settle the grievance, dispute or difference of opinion.

(C) Any grievance, dispute, difference of opinion or controversy of any kind or character between the Union and the PLCA and/or individual Employer signatory hereto involving or relating to the interpretation, construction or application of the terms of this Agreement, and the relations between the parties arising during the term of this Agreement, which cannot be settled by the parties, shall be settled by the arbitration procedure which is set out below.

(D) If, within forty-eight (48) hours no adjustment or settlement is reached by the procedure set out above, the matter shall immediately be referred in writing to an Arbitration Board consisting of six (6) members, all of whom shall be familiar with the mainline, cross-country pipeline construction industry, three (3) to be appointed by the International Union, and three (3) by the PLCA. These six (6) individuals shall constitute the Arbitration Board.

(E) The Members of the Arbitration Board shall not have the power to amend or alter the provisions of this Agreement but shall within fourteen (14) days of their appointment determine the procedure that they will use in considering the evidence and render a decision based on the evidence submitted by the parties, such decision to be consistent with the terms and provisions of this Agreement. The decision of the Arbitration Board shall be binding upon both parties.

(F) In the Unlikely Event that the six (6) member Arbitration Board is unable to reach a decision, then either party may institute the following procedure:

(1) Within seven (7) days after notification by the Arbitration Board that it is unable to reach a decision, the PLCA and the International Union shall attempt to mutually agree upon one (1) person to whom the matter shall be referred.

(2) If within forty-eight (48) hours no mutual agreement has been reached by the procedure set out above, the Association will immediately contact the Federal Mediation & Conciliation Service to obtain a list of three (3) individuals with as much experience and knowledge as possible in the pipeline construction industry. A copy of this list will be furnished to the Union, and thereafter, the PLCA and Union shall

attempt to mutually agree upon one (1) of the individuals listed. If no agreement can be reached, the Union and the PLCA will each strike one (1) name from the list and the remaining individual will be the Arbitrator.

(3) A statement of the facts shall be presented to the Arbitrator within forty-eight (48) hours after his selection either:

(a) Jointly, if the Union and the PLCA (or nonmember contractor) mutually agree; or

(b) Separately, if no mutual agreement, and the PLCA (or nonmember contractor) will submit a written statement setting out the Employer's position and the Union will submit a written statement setting out the Union's position.

(4) All information submitted to the Arbitrator will be in writing. No personal appearances or oral testimony will be allowed. The Arbitrator will then issue, within five (5) days, a decision based upon the evidence submitted.

(G) The Union and Employer involved shall bear the expense of their appointed Arbitrators. In the event an Arbitrator from the Federal Mediation & Conciliation Service is selected, then the Union and the Employer shall be jointly responsible for that person's expenses.

(H) In the event Employer fails or refuses to comply with the grievance procedure set out hereinabove, the provisions of Article XVI shall not be binding upon Union. If Union fails or refuses to comply with the grievance procedure set out hereinabove, then Employer shall have the right to declare this entire Agreement null and void.

## XVIII.
## FRINGE BENEFIT FUND CONTRIBUTIONS

(A) The Employer shall make fringe benefit fund contributions at the rates set forth in the Appendix A to this Agreement for each hour worked in covered employment according to the State and Zone where the work is performed. The Employer shall submit all such contributions to the Laborers-Employers Benefit Plan Collection Trust at such times and in such manner as required by said Collection Trust, but no less frequently than monthly. The Collection Trust shall distribute all contributions received as soon as practical after receipt to the appropriate benefit funds as follows:

(1) to the local or national benefit funds covering the State and Zone within which the work is performed, except as provided in Subparagraph (A)(2), below;

(2) in the case of an employee working on a project outside of his home local's jurisdiction, the following types of contributions required on his

behalf under this Paragraph shall be distributed to the benefit funds maintained by his home local (his "home funds") to the extent there are home funds for these types of contributions: pension, annuity, health and welfare, dental, vision and similar personal health-related benefits, disability, death, savings, vacation, legal services, educational, supplemental unemployment benefits, and similar individual entitlement benefits. Other contributions such as apprenticeship and training, LECET, Health and Safety Fund and labor-management cooperation organization funds shall be distributed in accordance with Subparagraph (A)(1), above.

The Employer's contributions shall be deemed paid upon receipt by the Collection Trust. Disputes or questions about which benefit fund is the appropriate fund to receive a particular contribution distribution shall be resolved by the PLCA and LIUNA.

(B) In recognition of certain legal conditions for the making and acceptance of contributions to fringe benefit funds, the Employer hereby accepts and agrees to be bound by the agreement and declaration of trust (including the provisions for appointment of trustees and successor trustees, and amendments heretofore or hereafter adopted in accordance with its terms) of each fringe benefit fund for which contributions are required under this Article, to the same effect as if the Employer signed the agreement and declaration of trust, provided:

(1) that the Employer shall not be bound by any financial obligations to any such fund beyond those set forth in this Agreement or by any other obligations to any such fund that are inconsistent with this Agreement;

(2) that, for purposes of the withdrawal liability provisions of the Employee Retirement Income Security Act (ERISA), as amended, the special building and construction industry rules shall apply with respect to the Employer; and

(3) that the Employer shall be provided, upon its request with a true copy of the agreement and declaration of trust (including amendments) of each fringe benefit fund to which the Employer is required to contribute under this Article.

(C) In the event that the Employer fails to pay any contributions owed under this Article within thirty (30) days after they are due, the principal officer of the Employer, LIUNA and the Association shall be notified of this delinquency by the Collection Trust, by the Union, or by any benefit fund to which the contribution is owed. If the delinquent contributions have not been paid in full within (5) days after such notice is given, the Union shall be entitled to take any appropriate action it deems necessary in order to collect such delinquent contributions, and such action will not be considered a violation of Article XVI of this Agreement should a work stoppage occur. In addition to

any action that the Union may take hereunder, the Collection Trust and/or the benefit funds to which the contributions are owed shall be entitled to bring proceedings in law or equity to collect the delinquent contributions plus interest, liquidated damages, and attorneys' fees authorized by law or by the agreements and declarations of trust of the Collection Trust or the benefit funds to which the contributions are owed. The Collection Trust and/or any benefit funds to which the contributions may be owed, at their expense, shall be entitled to audit the payroll and related records of the Employer from time-to-time to verify the accuracy of the Employer's contributions and for no other purpose.

(D) All authorized dues deductions made by the Employer under this Agreement shall be submitted by the Employer to said collection Trust, at such times and in such manner as required by the Collection Trust, which shall remit dues to the appropriate Local Union or District Council as soon as practical after receipt.

(E) If, in the opinion of the Board of Trustees of any of the Funds for which contributions are or will be due under this Agreement, any individual Employer has had a record of delinquent contributions to such an extent that it is necessary for the protection of the beneficiaries of the Funds that some security for the contributions be obtained, said Board of Trustees is authorized to require such individual Employer before or after the commencement of any job to deposit an amount not to exceed $10,000 per employee in an escrow account designated by the Board of Trustees. The amount shall be based on a good faith estimate of the total contributions that will be owed to the Fund for the job.

(F) With regard to paragraph (E), any escrow account shall be established with a bank or other regulated financial institution. The terms of the escrow agreement for the account shall entitle the Fund to make claims against the account for otherwise unpaid contributions and related assessments as they come due. If the account is exhausted before the job is completed, the Fund's Board of Trustees may require that the Employer make an additional escrow deposit. If, upon completion of the job, any amount remains in the account in excess of the contributions, the excess shall be returned to the Employer. The cost of maintaining and administering the account shall be paid from the account's assets unless the Fund and Employer otherwise agree.

(G) With further regard to paragraph (E), a Fund may require or accept a bond for the designated amount in lieu of the escrow deposit.

## XIX.
## CODE OF PERFORMANCE

(A) To implement the LIUNA Code of Performance adopted by LIUNA, the Employer agrees to designate discharges "for cause," when appropriate, as described in the attached Notification of Termination clause and to substantiate such cause if necessary in proceedings under the Code of Performance.

(B) This clause is intended only to assist the Union in implementing its Code of Performance, and a worker's only rights there under are in connection with future referrals under the Union's hiring hall procedures. This clause does not create any new or additional rights whatsoever for workers under this Agreement, including not creating any new or additional rights to reinstatement with or without back pay from the Employer.

## XX.
## MARSH AND MARINE OPERATIONS

(A) In marsh or marine pipe laying operations, in the event the employees are required to live on quarter boats, room and board shall be furnished at no cost to the employees.

(B) Employer shall make suitable marine transportation available to and from the landing dock location. The time of the employees shall start when they leave this dock site and shall end when they are returned to the dock site.

## XXI.
## SPECIAL AMENDMENTS

In order to be more competitive in certain areas of the country, the PLCA and the Union may mutually agree to put into effect special wages and conditions for specific areas or projects. These special wages and conditions will apply to the areas or projects involved for the period of time to be established by the principal parties. Please contact the designated representatives of the PLCA and LIUNA for further information.

## XXII.
## DRUG AND ALCOHOL TESTING

Substance and Alcohol Abuse Policies have been negotiated by the PLCA and LIUNA and is attached hereto and made a part of this Agreement as Appendix "C".

In the event that a drug or alcohol test taken by an Employee upon his hire is returned with a positive result, his pay for the days from hire to the test result will be limited to ninety dollars ($90.00) per day, subject to any federal or state minimum wage requirement. If subsequent testing reveals a false positive, the Employee will be entitled to full compensation for the period he worked, and will be reinstated.

## XXIII.
## INDIAN PREFERENCE IN EMPLOYMENT

The hiring procedures contained in this Agreement shall not apply in the "territorial jurisdiction" of any Indian Nation which has adopted an Indian Preference in Employment Law, provided that those persons covered by the law and seeking covered employment under this Agreement possess the "necessary qualifications" which are essential to the performance of that specific job.

## XXIV.
## HISTORICAL PRECEDENT

Since the inception of the National Pipe Line Agreements, which cover all mainline, cross-country pipeline construction, only four (4) Unions have been recognized, and all work relating to such pipeline construction has been performed by these four (4) Unions. They are: The International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, The United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada, The International Union of Operating Engineers, and The Laborers' International Union of North America. The recognition of only these four (4) Unions on such work is hereby reaffirmed.

## XXV.
## EFFECTIVE DATE, TERMINATION AND RENEWAL

(A) This Agreement shall become effective June 5, 2017 when signed by the parties hereto and shall remain in full force and effect until termination is provided below.

(B) The provisions of this Agreement shall continue in full force and effect until May 31, 2020, and thereafter from year-to-year unless terminated at the option of either party after sixty (60) days' notice in writing to the other.

(C) The parties agree that upon notice provided in the 30 days prior to the first anniversary date of the execution of this Agreement and upon mutual consent, this Agreement may be reopened with respect to such terms and conditions as the parties may agree.

## XXVI.
## LIABILITY

(A) It is further understood that no liability shall arise on the part of the International Union herein by reason of any unauthorized act by any employee of the said Employers or any Local Union or official thereof affiliated with the International Union unless and until such unauthorized act is brought to the attention of the International Union and a reasonable opportunity given to the Union to correct such act or ratify same.

(B) It is understood that the PLCA is acting merely as collective bargaining agent in the negotiation of this Agreement and that it is agent only for those of its members, and none other, who accept and sign this Agreement, and in no event shall it be bound as principal or be held liable in any manner for any breach of this contract by any of the Employers signing the same.

IN WITNESS WHEREOF the parties hereto have executed this Agreement this March 16, 2017.

LABORERS' INTERNATIONAL UNION OF NORTH AMERICA

By: _____
Terry O'Sullivan, President

PIPE LINE CONTRACTORS ASSOCIATION

By: _____
Robert C. Osborn, President

By: _____
J. Patrick Tielborg, Managing Director
and General Counsel

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ATTACHMENT 1

**2017 – 2020 16 " AND UNDER ADDENDUM TO THE NATIONAL PIPE LINE AGREEMENT BETWEEN THE PIPE LINE CONTRACTORS ASSOCIATION AND THE LABORERS' INTERNATIONAL UNION OF NORTH AMERICA**

The wage rates, fringes and conditions set out herein will apply in the states and for the type of work described below through completion of jobs involving such work where the Laborers' International Union of North America receives a job notification during the period June 5, 2017, through May 31, 2020. This Addendum applies only to jobs for which both a signatory(ies) to the National Pipe Line Agreement and a non-signatory(ies) are bidding the work. Unless this Addendum is extended by mutual agreement of the parties prior to May 31, 2020, this Addendum shall expire on that date for all jobs not started prior to that date. This Addendum is attached to and made part of the National Pipe Line Agreement.

A. States

| | |
|---|---|
| Alabama | New Mexico |
| Arizona | North Carolina |
| Arkansas | Oklahoma |
| Colorado | South Carolina |
| Florida | South Dakota |
| Georgia | Tennessee |
| Kansas | Texas |
| Louisiana | Utah |
| Mississippi | Virginia |
| Nebraska | Wyoming |

B. Scope of Work

16" and under.

C. Wage Rates, Fringes and Conditions:

1. Wages and Fringes

a. In all states set out in A. above, the following wage rates and fringes will apply for work during the period June 5, 2017, through May 31, 2020:

General Laborer - Eff. 6/5/2017 $22.67; Eff. 6/4/2018 - $23.50; Eff. June 3, 2019- $24.36 Total Package (minimum $2.00 fringe deduction)

| | | |
|---|---|---|
| Steward | - | $ 3.00 premium above Laborer base rate |
| Collection Trust | - | $ 0.05 deducted |
| Power Saw | - | $ 2.00 premium above rate |
| EM – Scope | - | $ 2.00 premium above rate |
| Per Diem | - | Effective 6/5/2017 - $ 49.50 per day per diem to be paid for number of days in work week set out in the pre-job form. Effective 6/4/2018 - $51.50 per day. Effective 6/3/2019 - $53.50 per day. |

2. Conditions. 16" Addendum. The following conditions will apply for all states set out in A. above:

a. Contractor has the right to hire 75% of employees direct for all states and scope of work set out above.

b. Intermediate classifications will have a cap of $1.00, except power saw, EM Scope and steward.

c. Employees who are required to report to the warehouse will receive four (4) hours show-up pay when no work is provided; if work is started, employees will receive pay for actual hours worked, with a minimum payment of four (4) hours.

d. Contractor may establish an assembly point/warehouse on the right-of-way or another location.

e. The parties involved have agreed that Teamsters driving vehicles transporting crews to the jobsite will be allowed to work in Laborers Classifications after reaching the jobsite and vice versa insofar as the Laborers are concerned.

f. Composite Crew. By mutual agreement contractor may establish for a project or job a crew or crews known as a "composite" which shall consist of the required crafts in such proportions as are respective to the type of work to be performed. In performing its work, the composite crew shall be allowed relaxation from strict craft jurisdiction, provided the employees from each craft are assigned to their craft's jurisdiction as far as practicable and possible, but not inconsistent with the provisions of the Addendums and National Pipe Line Agreement.

## –2017 - 2020 16" AND UNDER SUPPLEMENTAL ADDENDUM TO THE NATIONAL PIPE LINE AGREEMENT BETWEEN THE PIPE LINE CONTRACTORS ASSOCIATION AND THE LABORERS' INTERNATIONAL UNION OF NORTH AMERICA

The wage rates, fringes and conditions set out herein will apply in the States and for the type of work described below through completion of jobs involving such work where the Laborers' International Union of North America receives a job notification during the period June 5, 2017, through May 31, 2020. This Addendum applies only to jobs for which both a signatory(ies) to the National Pipe Line Agreement and non-signatory(ies) are bidding the work. Unless this Addendum is extended by mutual agreement of the parties prior to May 31, 2020, this Addendum shall expire on that date for all jobs not started prior to that date. This Addendum is attached to and made part of the National Pipe Line Agreement.

A. States

Connecticut
Delaware
D.C.
Idaho
Iowa
Kentucky
Maine
Maryland
Massachusetts
Michigan
New Hampshire
New York (Zones 6-13)
North Dakota
Ohio
Pennsylvania (excluding Bucks, Chester, Delaware, Montgomery and Philadelphia counties only)
Rhode Island
Vermont

B. Wage Rates, Fringes and Conditions:

1. In all states set out in A., the following wage rates and fringes will apply during the period June 5, 2017 through May 31, 2020.

Deduct $3.00 from current full base rate plus fringes.

2. Conditions. 16" Supplemental Addendum: The following conditions will apply for all states set out in A.:

a. Employees who are required to report to the warehouse will receive four (4) hours show-up pay when no work is provided; if work is started, employees will receive pay for actual hours worked, with a minimum payment of four (4) hours.

b. Contractor may establish an assembly point which will not exceed 25 miles from living accommodations and in no event will the assembly point be on the right-of-way or move along the right-of-way.

There are special jobs within the scope of work of this Agreement for which all the wages and conditions contained herein may not be appropriate due to competition or other reasons. In such cases, adjustments will be made in accordance with recognized principles agreed to by the parties during negotiations. For additional clarification on work to be covered, please contact the designated representatives of the PLCA and the Laborers' International Union of North America.

ATTACHMENT 2

**HORIZONTAL DIRECTIONAL DRILLING AGREEMENT**

In an effort to make horizontal drilling contractors ("contractors") who work under the terms and conditions of the National Pipe Line Agreements more competitive, it is hereby agreed that whenever a contractor working under the terms of the National Pipe Line Agreements is bidding work where others also bidding work on that particular project are not working under the terms and conditions of the National Pipe Line Agreements, the signatory contractor will be authorized to bid such drilling work on that project with the following modification to the National Pipe Line Agreements. This Agreement is attached to and made part of the National Pipe Line Agreement.

A. COMPOSITE CREW

Contractor may establish for a project or job a crew or crews known as a "composite crew", which shall consist of the required crafts in such proportions as are customary for the type of work to be performed. It being recognized that the nature of directional drilling work is such that at times it is impossible to adhere strictly to the craft jurisdictional lines. It is further recognized that while this Agreement provides exceptions to the National Pipe Line Agreement the Laborers International Union of North America does not relinquish their traditional jurisdiction for work covered by the National Agreement. The composite crew will be for the drilling operation only.

B. HIRING

Because of the specialized nature of the work and because the crews are mobile and travel from location to location, contractor may bring its key personnel which include:

1. Operating Engineers - Drilling Operator, Mud Technician and Mechanic; and

2. Laborers - Floor Hands

The Stewards and all other Employees will be hired under and in accordance with the hiring procedures of the National Pipe Line Agreements.

C. OVERTIME

Overtime will be in accordance with the National Pipe Line Agreements.

D. REPORTING TIME/WAITING TIME

No waiting time will be applicable except as provided in Paragraph F. If Employees are notified not to report to work at or before 8 PM the preceding day, no reporting time pay will be applicable.

E. WAGE RATES AND CLASSIFICATIONS

1. Wage Rates. The wage rates and fringe benefit contributions set out under the National Pipe Line Agreement 16" and Under Addendum (pages 24-25) will be applicable except as provided in Paragraph F.

2. Classifications. The classifications are as follows:

a. All operators are Group 1 (Mechanic, Rig Operators, other Equipment Operators - no oilers required); and

b. All laborers will be at the basic rate.

3. Coverage.

a. The above conditions will apply automatically in the following states: Alabama, Arizona, Arkansas, Colorado, District of Columbia, Florida, Georgia, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Mississippi, Missouri, Nebraska, New Hampshire, New Mexico, North Carolina, North Dakota, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, West Virginia, and Wyoming.

b. On work over 16" in the above states a request for use of the Horizontal Directional Drilling Addendum must be made to the PLCA and approved by the Union.

F. Whenever a horizontal drilling contractor is performing covered work for a contractor who is signatory to the National Pipe Line Agreements ("prime contractor") rather than an owner company, then the wage rates, fringe contributions, waiting time and/or reporting time that are applicable to the prime contractor will also be applicable to the horizontal drilling contractor.

G. The terms and conditions of the National Pipe Line Agreements will prevail for all conditions other than those set out herein.

H. This Agreement is made by and between the PLCA and those of its contractor members and such other main line pipeline or drilling contractors who execute an acceptance of the terms and provisions of this Agreement and the Laborers International Union of North America.

The provisions of this Agreement shall become effective on the date of execution when signed by the parties hereto and shall remain in full force and effect through the terms of the National Pipe Line Agreement.

This Agreement as set out above may be extended to other areas by mutual agreement of the parties.

ATTACHMENT 3

**LABORERS' INTERNATIONAL UNION OF NORTH AMERICA**
**NATIONAL PIPE LINE INTEGRITY MANAGEMENT AND MAINTENANCE ADDENDUM**

The conditions set out below will apply in the continental United States for the type of work described below through completion of jobs involving such work. This Integrity Management Addendum will be attached to and made a part of the National Pipe Line Agreement.

**A. States**

See list of States below.

**B. Coverage**

This Addendum shall cover integrity management of all existing transportation mainline pipelines (existing pipelines) coming within the jurisdiction of the Union. This Addendum is intended to cover on-going maintenance, integrity work, repair, renovation, restoration, removal, reinsulating, rebevelling, reconditioning, modification, dismantling, demolition, and addition /or replacement of existing pipelines, including but not limited to the following:

1. replacement or relocation of existing pipelines, regardless of size, 15 miles or less;

2. hydrostatic testing of existing pipelines regardless of size or length;

3. anomaly investigation and repair including recoating and/or replacement of pipe;

4. installation, removal or replacement of valves, launchers/receivers, and/or appurtenant piping for integrity programs;

5. right-of-way maintenance;

6. casing extension and split casing installation;

7. cathodic protection work; and

8. horizontal directional drill crossings and road boring.

**C. Existing Pipelines**

The term "existing pipelines" used within the terms of this Addendum is limited to a constructed pipeline already completed.

**D. Wage Rates and Fringe Benefits**

1. In A States – 20% off Wages with full mainline fringes.

2. In B States - 10% off Wages with full mainline fringes.

3. In C States – Full mainline wages and fringes and integrity addendum conditions.

**E. Conditions**

1. **Hiring –In** A States 50% Employer/50% Union. In B States 50% Employer/50% Union.

2. **Portability -** Once the crew is hired, the Employer can move that crew within the covered project without change regardless of Local Union jurisdiction.

3. **Composite Crew** – All Employees will work under a composite crew concept as determined by the Employer and the Union. The parties understand that the nature of this work requires working in a cooperative effort, making it sometimes difficult to adhere to strict jurisdictional guidelines. Thus, Employer shall make every reasonable effort to man specific tasks according to the jurisdiction of the Union and shall maintain a fair and balanced craft ratio in the overall manning of the job.

4. **Time** – The Employee's time will start at the jobsite which will be determined at the discretion of the Employer.

5. **Assembly Point** – Assembly Point(s) will not be established more than twenty (20) miles distance from living accommodations. This distance may be increased beyond the twenty (20) miles when circumstances warrant as agreed to by the Parties. The establishing of Assembly Point or points will not affect the location of the warehouse.

6. **Initial Pre-Job** – Initial pre-job will be with International Representatives.

7. **Additional Coverage** - The PLCA may request additional coverage to this Addendum by written request.

8. **Term**

The term of this Addendum will be the same as the National Pipe Line Agreement. This Addendum includes the entire Agreement on integrity management work reached by the parties and no past practice or precedence will apply to work covered by this Addendum.

**F. National Pipe Line Agreement**

All other terms and conditions of the National Pipe Line Agreement between the Pipe Line Contractors Association and the Laborers' International Union of North America will remain in effect.

LIST OF STATES

| A | B | C |
|---|---|---|
| | | |
| ALABAMA | COLORADO | CALIFORNIA |
| ARIZONA | CONNECTICUT | ILLINOIS |
| ARKANSAS | DELAWARE | INDIANA Zones 1, 1A and Elkhart, Fulton, St. Joseph, Kosciusko, LaGrange, Marshall, Noble and Pulaski Counties |
| FLORIDA | D.C. | IOWA Zone 1 and Cedar, Clinton, Lee, Louisa, Des Moines and Muscatine Counties |
| GEORGIA | IDAHO | MASSACHUSETTS Zone 1 |
| KENTUCKY (Boone, Kenton & Campbell are under Ohio. Crittenden, Henderson, Union and Webster are under Indiana) | INDIANA Zone 3 (except Elkhart, Fulton, St. Joseph, Kosciusko, LaGrange, Marshall, Noble and Pulaski Counties) ( includes Crittenden, Henderson, Union and Webster in Kentucky – Indiana Zone 2) | MICHIGAN |
| LOUISIANA | IOWA Zone 2 (except Cedar, Clinton, Lee, Louisa, Des Moines and Muscatine Counties) | MINNESOTA |
| MISSISSIPPI | KANSAS | MISSOURI Zones 1, 2 and 5 and Local 663 counties |
| NEW MEXICO | MAINE | NEVADA |
| NORTH CAROLINA | MARYLAND | NEW JERSEY |
| OKLAHOMA | MASSACHUSETTS Zone 2 | NEW YORK Zones 1, 1A, 2, 3, 4 and Delaware, Orange, Sullivan and Ulster Counties |
| SOUTH CAROLINA | MISSOURI (except Zones 1, 2 and 5 and Local 663 counties) | OREGON |
| TENNESSEE | MONTANA | PENNSYLVANIA Zone 1 |
| TEXAS | NEBRASKA | RHODE ISLAND |
| | NEW HAMPSHIRE | WASHINGTON |
| | NEW YORK Zones 5-13 (except Delaware, Orange, Sullivan and Ulster Counties) | WISCONSIN |
| | NORTH DAKOTA | |
| | OHIO (includes Boone, Kenton & Campbell from Kentucky) | |
| | PENNSYLVANIA Zones 2 and 3 | |
| | SOUTH DAKOTA | |
| | UTAH | |
| | VERMONT | |
| | VIRGINIA | |
| | WEST VIRGINIA | |
| | WYOMING | |
| | | |
| | | |
| | | |

**APPENDIX B**
**NATIONAL PIPE LINE PARTICIPATION AGREEMENT**

WHEREAS, the undersigned Employer has entered into a National Pipe Line Agreement with the Laborers' International Union of North America, which requires said Employer to make contributions into designated funds, approved by the National Labor Relations Act, 1947, Section 302(c), at a stipulated rate and under certain conditions;

NOW, THEREFORE, IT IS AGREED by and between the undersigned Employer and the Laborers' International Union of North America, that such Employer hereby subscribes to the various agreements and declarations of trust of the particular funds into which such Employer will be required to make contributions pursuant to the National Pipe Line Agreement, and agrees to be bound thereby and to amendments made or to be made thereto; and authorizes the parties to such trust agreements to name the trustees and successor trustees, and to administer the trusts; and does hereby ratify and accept such trustees and the terms and conditions of said trusts as fully and as completely as if made by said undersigned Employer; provided, however, that no amendments or provisions of said trust agreements shall bind the Employer for any financial obligations beyond that set forth in the National Pipe Line Agreement pursuant to which such contributions are made. Said Employer's obligations shall also be considered within and limited by the construction industry exception of the Employee Retirement Income Security Act, as amended by the Multiemployer Pension Plan Amendments Act of 1980.

DATED this ____ day of _____, 20__.

EMPLOYER:

By: _____
Name

_____
Name of Company

_____
Address

_____
City and State

_____
Title

"By the execution of this agreement on behalf of its affiliated local unions, the Laborers'

International Union of North America does so for convenience only and does not assume any liabilities with respect to such agreements and declarations of trust or with respect to local union contracts to which the Laborers' International Union of North America is not a party."

ACCEPTED:

LABORERS' INTERNATIONAL UNION OF NORTH AMERICA ON BEHALF OF ITS AFFILIATED LOCAL UNIONS

By:_____
Title

ACCEPTED:

BY THE TRUSTEES OF THE FOLLOWING

_____
Name of Fund

_____

_____

_____

_____

_____

_____
Local Union

By:_____
Authorized Business Agent

208598334

PIPE LINE CONTRACTORS ASSOCIATION
1700 Pacific Avenue, Suite 4100, Dallas, Texas 75201 • (214) 969-2700 • Fax (214) 969-2705

March 3, 2017

Mr. Terrence M. Healy
Vice President
Laborers International Union of North America
8750 W. Bryn Mawr Avenue, Ste. 440
Chicago, IL 60631

***Re:*** ***National Pipe Line Agreement***

Dear Terry:

On February 23, 2017, our respective Negotiating Committees reached an agreement for an extension of our current National Pipe Line Agreement with certain changes. The terms and conditions are as follows:

1. Extend the current agreement for three years from June 5, 2017, until May 31, 2020.

2. A 3% total package increase in each year for the PL states, effective June 5, 2017, June 4, 2018 and June 3, 2019.

3. 16" and Under Addendum: 3% total package increase plus $2.00 per year increase to per diem. Per diem increase to $49.50 first year; $51.50 second year; $53.50 third year.

4. Steward truck pay of $65 per day when six or more Laborers are employed.

5. Truck pay, other than Steward, to match Operating Engineers Agreement. Truck rental at Employer's discretion.

6. Skid crew at 75 cents per hour – (Premium would apply only when Laborers are assigned to the skid crew on a permanent basis.)

7. Feller pay $3.00 per hour (all other power saw operators would remain at $2.00 per hour).

8. Kansas Zone 2 moved to Zone 3 as "PL" effective June 5, 2017.

9. California Zone 3 - $1.65 a year Zones 1 and 2 get 3% a year.

10. SWILDC to match overtime as calculated in local agreement (Side letter for all work bid on or after June 5, 2017, and applies only to Illinois Zones 2 & 5 in the National Pipe Line Agreement).

OFFICERS

Bernie Bermack, *President*
Robert A. Riess, Sr., *1st Vice President*
Robert C. Osborn, *2nd Vice President*
Jimmy L. Crotts, *Treasurer*
J. Patrick Tielborg, *Managing Director and General Counsel*
Kevin N. Barrett, *Executive Director*

DIRECTORS

John Allen
Bernie Bermack
Jimmy L. Crotts
Brian L. Ganske
Christopher T. Leines
Dwayne Osadchuk
Kelly W. Osborn
Robert C. Osborn
Robert A. Riess, Sr.
Steven R. Rooney
Jim Summers
Frank O. Welch
Ronnie Wise

11. Add just cause provision to body of agreement. (Add to Article IV(B))

12. Bonding – Leave to discretion of Trustees.

13. One cent increase in second year for LEBPCT June 4, 2018.

14. West Virginia and Michigan move to PL States, effective June 5, 2017. (A) West Virginia - effective June 5, 2017, 3% total package increase (plus 50 cents increase to Training) for all work; effective June 4, 2018, 3% total package increase plus $45 per diem per day for all work; effective June 3, 2019, 3% total package increase for all work. (B) Michigan – effective June 5, 2017, 3% total package increase for all work; effective June 4, 2018, 3% total package increase plus $45 per diem per day for all work; effective June 3, 2019, 3% total package increase for all work.

15. Negotiating Committee Co-chairs can authorize up to 5 cents for pipe coating training if they deem it necessary.

16. Lay-off: Regarding direct deposit. Examples will be given for both sides to agree upon.

17. Veterans Day: Set up 5-member committee to determine program.

18. Seven day per diem, FRC laundry and boot pay have been settled as follows:

A) Per diem based on number of days in work week set out in the pre-job.
B) Employer is not required to launder FRC. Employer will comply with OSHA regulations.
C) Boot Pay – For a calendar year Employer shall make a $150 payment for one pair of boots which would be replaced for wear in the course of the job if needed.

19. No Strike Clause. No Change.

20. Station Agreement to be negotiated.

If you agree that the above sets out our understanding, please sign in the spaces provided below. Our PLCA President and Labor Committee Chairman have signed.

Sincerely yours,

J. Patrick Tielborg

J. Patrick Tielborg

*Accepted:*

Terry O'Sullivan, General President, LIUNA — Date: 3/16/2017

Robert C. Osborn, PLCA President — Date: 3/3/17

Charles P. Joyce
PLCA Labor Committee Chairman — Date: 3/3/17

#208505202
cc: PLCA Labor Committee
Mr. Greg Davis, LIUNA

# EXHIBIT 9

## ASR Overall Weekly Progress 01-14R1

# Atlantic Sunrise Pipeline Project
# Spread 5 Progress Report

Week Ending 14-Jan-18

Review date:
Jan 18/18

Williams ATLANTIC SUNRISE

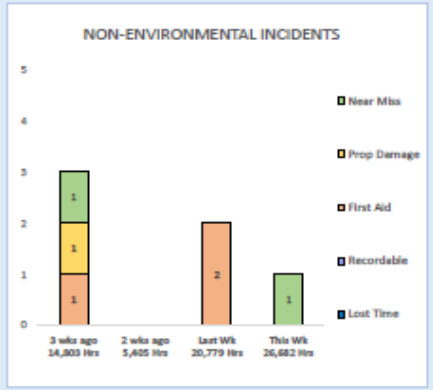
50 Years WELDED Pipeline Professionals Since 1966

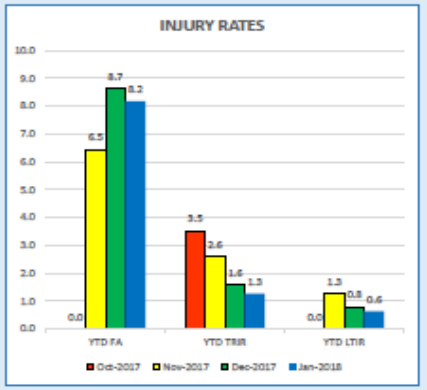
# SPREAD 5 - Safety

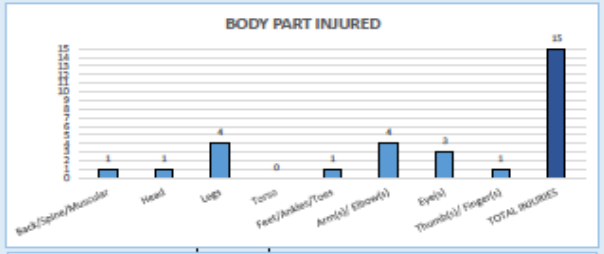
| Number of Incidents | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | RO |
|---|---|---|---|---|---|---|---|---|---|
| | | 1 | 2 | 13 | 8 | 18 | 0 | 0 | 5 |

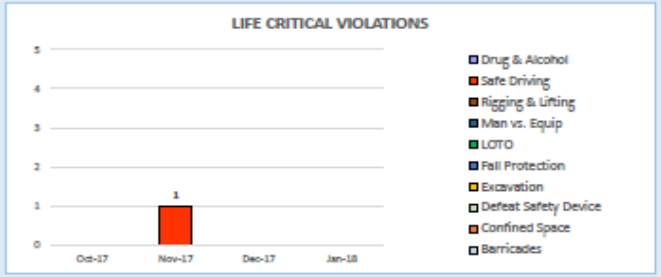
| Incident Rates | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | RO |
|---|---|---|---|---|---|---|---|---|---|
| | 0.0 | 0.6 | 1.3 | 8.2 | 5.0 | 12.0 | 0.0 | 0.0 | 3.1 |

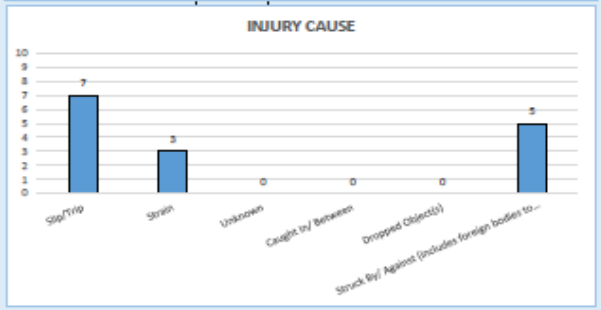
| | Weekly Hours | Monthly Hours | Project Hours | Total Headcount |
|---|---|---|---|---|
| Welded | 22,287 | 41,693 | 239,768 | 806 |
| Subcontractors | 4,395 | 8,386 | 78,005 | 137 |
| Total | 26,682 | 50,079 | 317,773 | 742 |



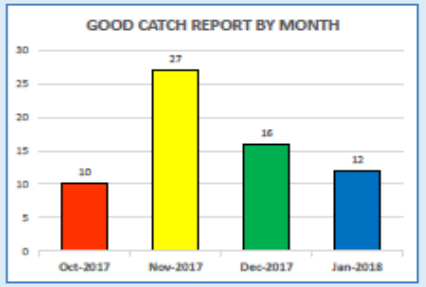



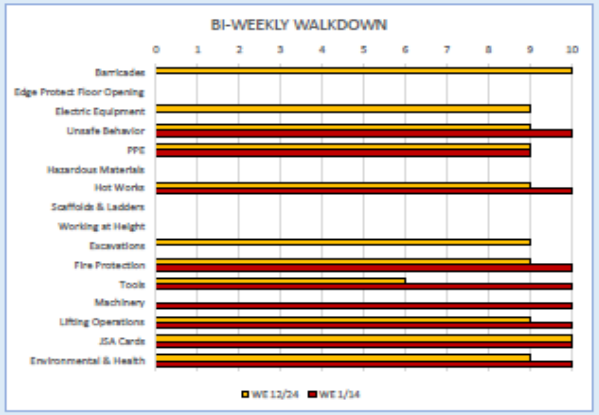



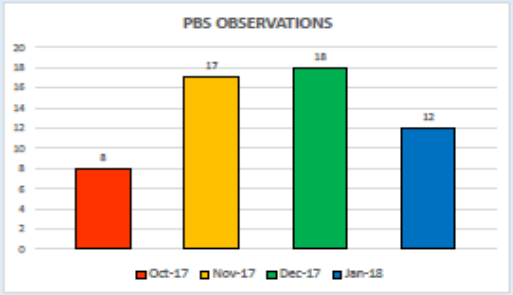


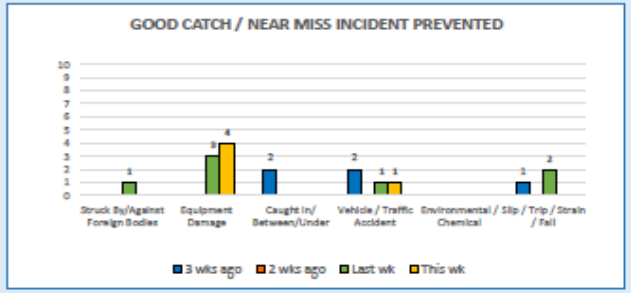


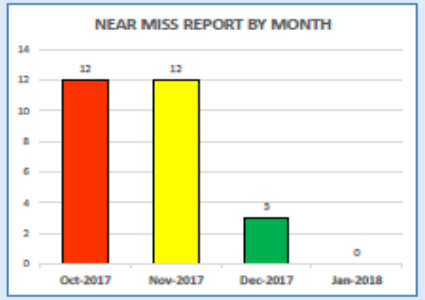


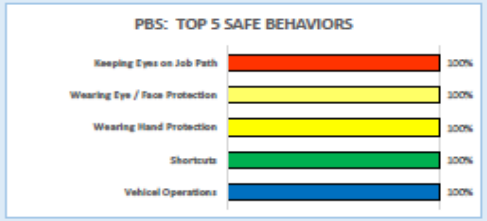



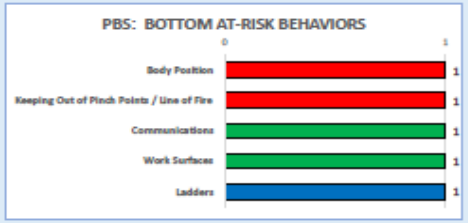



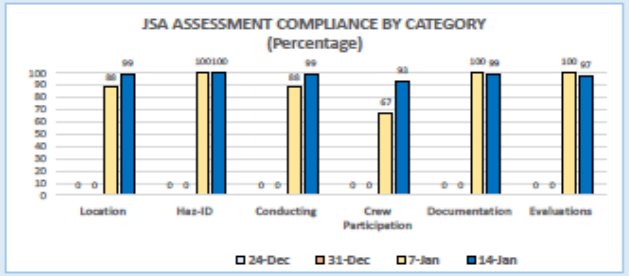



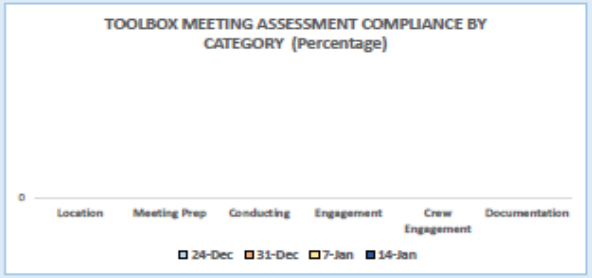









# Spread 5 – Environmental

1. Environmental Compliance

   FERC / Williams issued Non Compliance Reports (NCRs) and Notices of Violations (NOVs) from previous reporting periods:

   - FERC issued NCR issued for mixing subsoil and topsoil
   - FERC issued an NCR (MP 93.1) for disturbing 50' stream buffers
   - In-stream work outside the TOYR
   - Work within 50 foot buffer
   - Not following the construction sequence at the AR, Road Specific Construction Sequence (RSCS) for Access Road AR-NO-082s for:
   - Columbia CCD issued NOVs for:
     1. Failure to implement effective E&S Best Management Practices (BMPs).
     2. Failure to comply with permit conditions.
     3. Sediment or other pollutant was discharged into waters of the Commonwealth.
     4. Site conditions present a potential for pollution to waters of the Commonwealth.

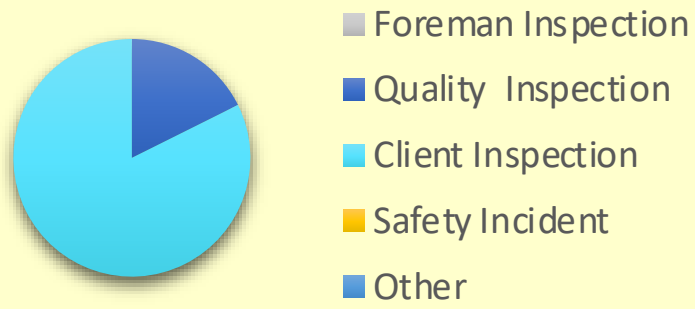
   NCRs and NOVs from current period – none reported

2. Environmental Concerns
   - None

3. Listing of variance requests outstanding
   - Air Bridge/ In stream supports for South Branch Creek
   - 9 - Bridge Equipment Crossing locations in Northumberland County
   - 9 - Bridge Equipment Crossing locations in Columbia County
   - 6 – Bridge Equipment Crossing locations in Schuylkill County
   - Happy Valley Construction Timeline Extension from 48 hrs. to 2 weeks (from 4936+33 to 4936+62, 4936+60 to 4935+67, and 4936+17 to 4936+48)

# SPREAD 5 Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework

| | |
|---|---|
| Other | |
| Safety Incident | $0 |
| Client Inspection | $0 |
| Quality Inspection | $0 |
| Foreman Inspection | |

| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 18.57% |
| Coating Rejection Rate | 0.00% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 2 | 29 |
| Closed | 2 | 26 |
| **Remaining Open** | | 3 |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | 5 | 17 |
| Closed | 8 | 12 |
| **Remaining Open** | | 5 |

**Working on the remaining NCRs.**

# Overall - Contract/Invoice Status

| CONTRACT | Original Contract | Extra Work Orders | | Current Contract |
|---|---|---|---|---|
| | | Submitted | Approved | |
| Spread 5 | $ 123,150,956 | $ 484,658 | $ 206,000 | $ 123,356,956 |
| Spread 6 | $ 163,861,454 | $ 861,658 | $ 231,000 | $ 164,092,454 |
| Spread 7 | $ 167,458,844 | $ 1,720,273 | $ 131,819 | $ 167,590,663 |
| **Total** | **$ 454,471,254** | **$ 3,066,589** | **$ 568,819** | **$ 455,040,073** |

| TRENDS | Total | Spread 5 | Spread 6 | Spread 7 |
|---|---|---|---|---|
| Recorded | $ 17,856,308 | $ 12,057,775 | $ 3,470,630 | $ 2,327,902 |
| Internal Review | $ 2,758,192 | $ - | $ 2,299,552 | $ 458,640 |
| Client Review | $ 4,181,416 | $ 18,896 | $ 3,106,990 | $ 1,055,530 |
| Declined | $ 3,155,748 | $ 1,000,000 | $ 1,133,874 | $ 1,021,874 |
| Revise and Resubmit | $ 17,393,400 | $ 3,980,500 | $ 7,146,700 | $ 6,266,200 |
| Proceed to EWR | $ 30,935,684 | $ 8,303,003 | $ 13,911,445 | $ 8,721,236 |
| EWR Submitted | $ 1,979,950 | $ 435,589 | $ 791,980 | $ 752,381 |
| EWR Approved | $ 568,819 | $ 206,000 | $ 231,000 | $ 131,819 |
| **Total Trends** | **$ 78,829,517** | **$ 26,001,763** | **$ 32,092,172** | **$ 20,735,582** |

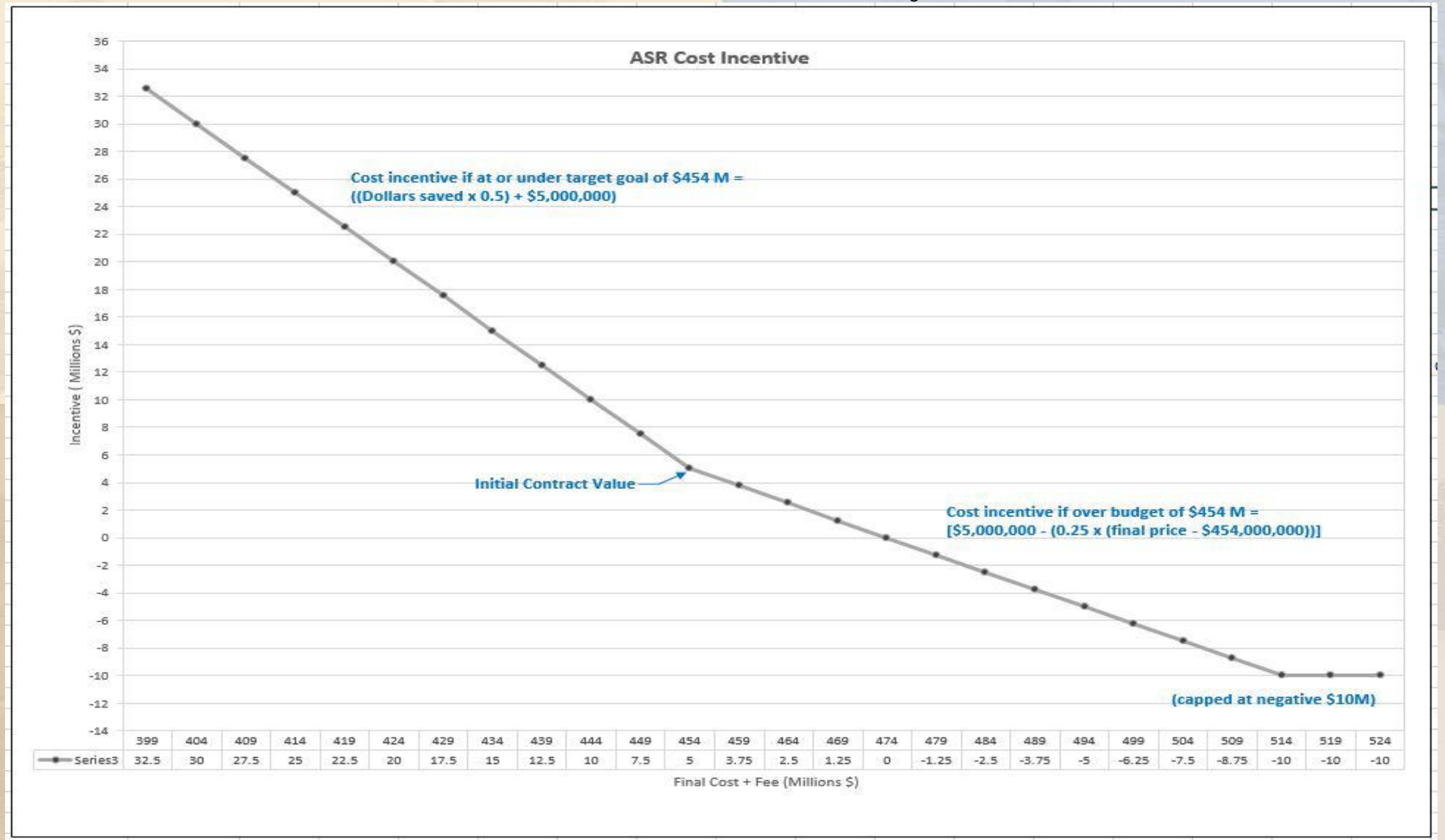
**Notes:**

| INVOICED | Invoiced | Paid | Outstanding |
|---|---|---|---|
| Spread 5 | $ 87,726,582 | $ 63,799,980 | $ 23,926,602 |
| Spread 6 | $ 105,579,340 | $ 82,335,752 | $ 23,243,588 |
| Spread 7 | $ 117,606,093 | $ 90,824,385 | $ 26,781,708 |
| **Total** | **$ 310,912,015** | **$ 236,960,117** | **$ 73,951,898** |

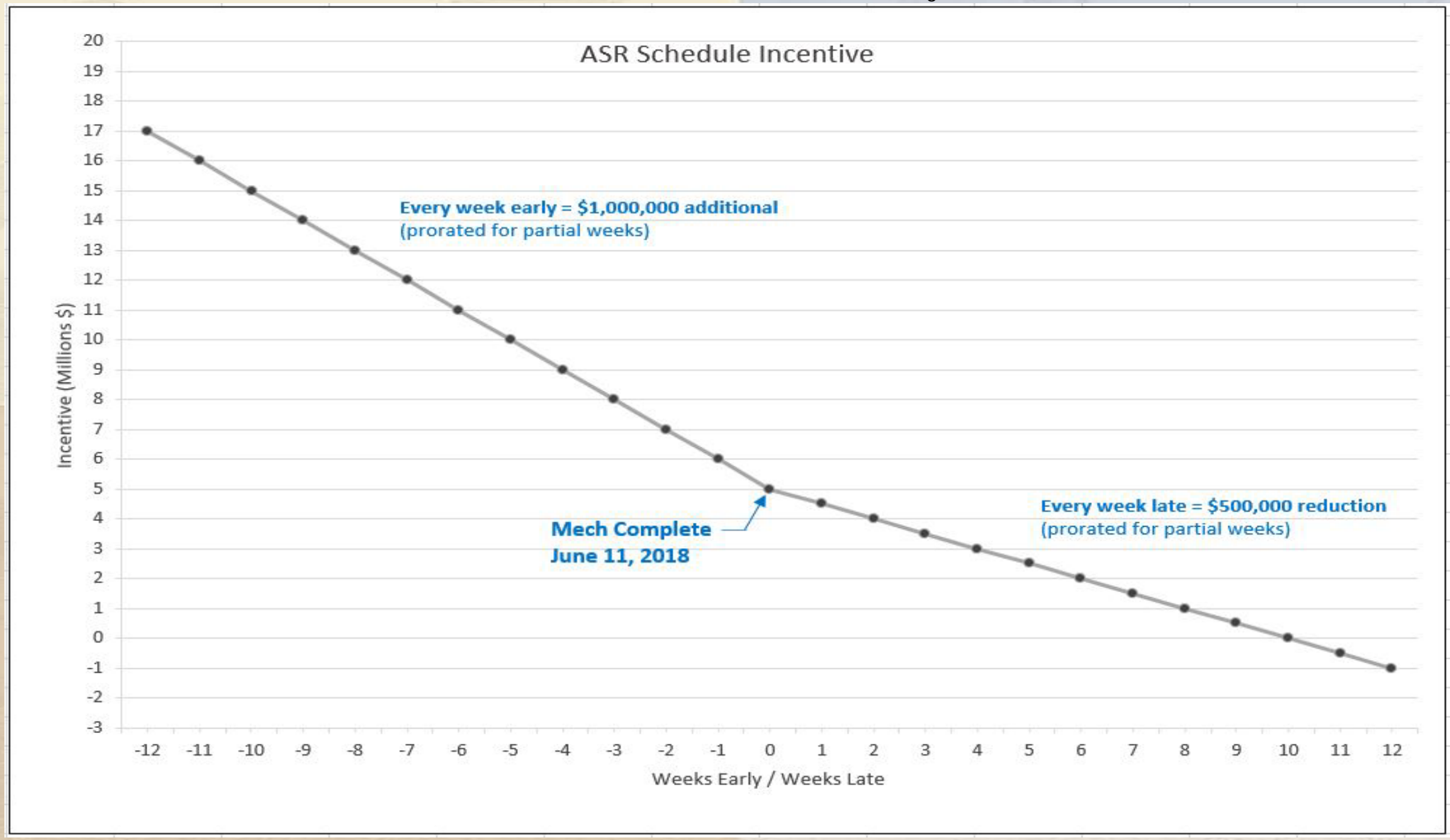
**Notes:**

February cash call (and November reconciliation) of $74M submitted January 11.

# Overall - Cost Incentive



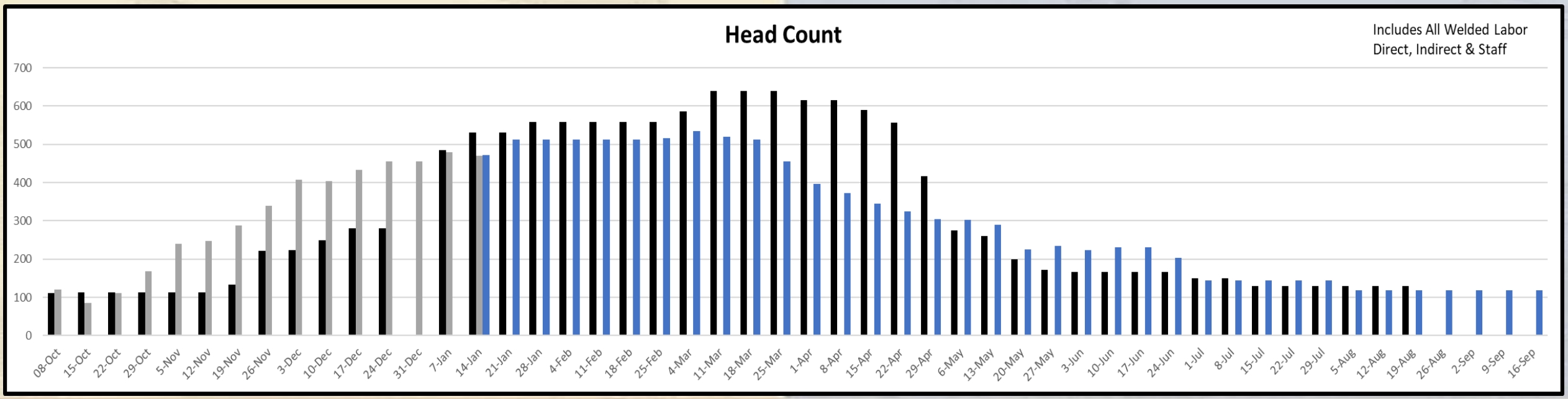
# Overall - Schedule Incentive

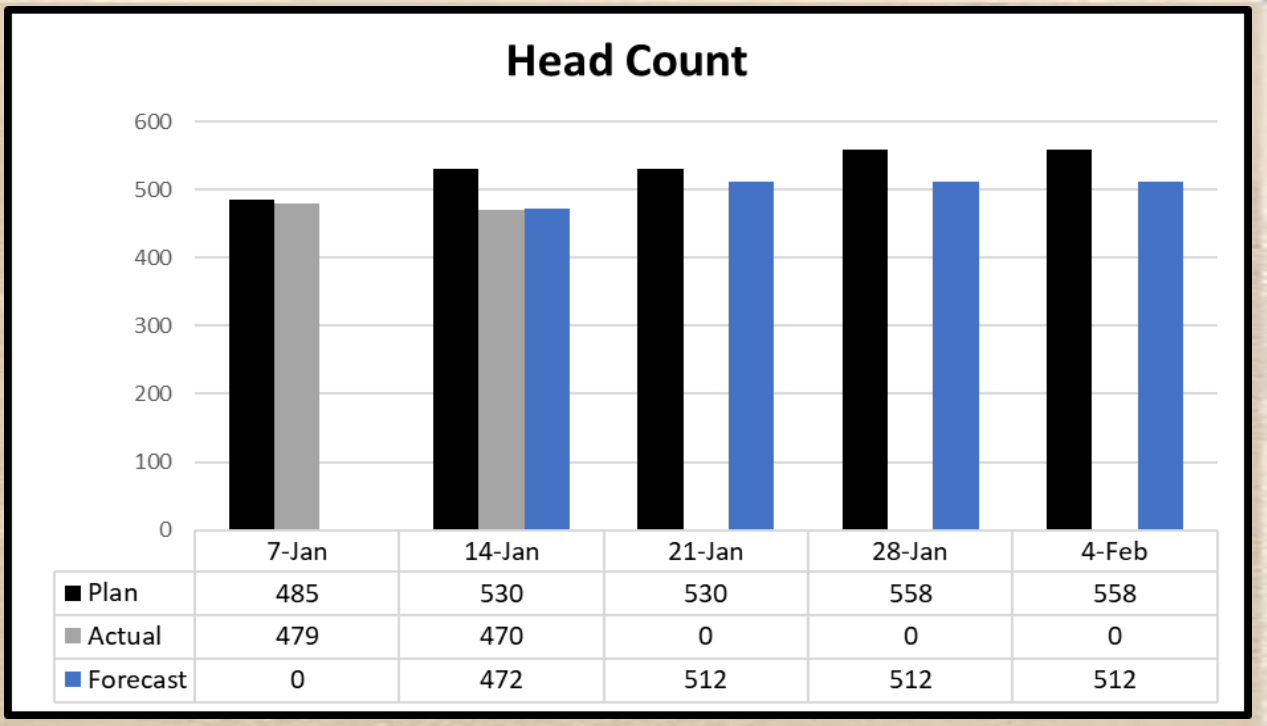


# Spread 5 – Cost Report

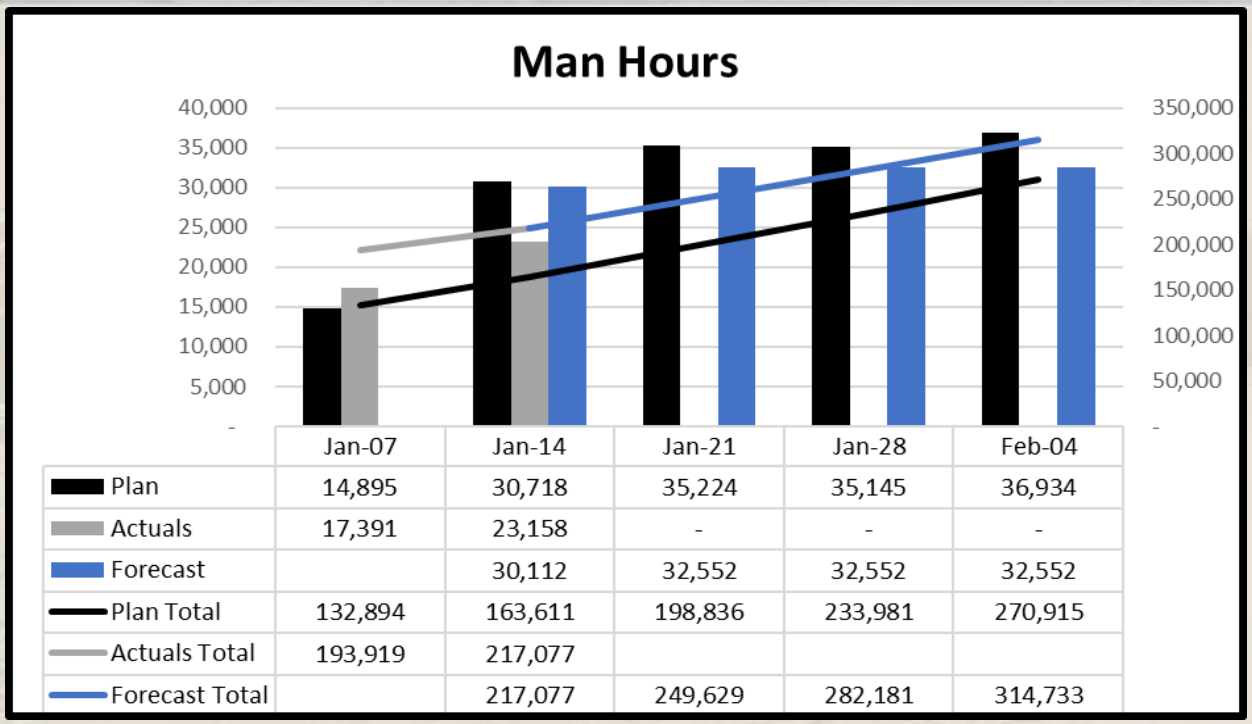
| Item | Activity | Original Budget A | Approved Changes B | Current Budget C = A+B | Committed to Date D | Incurred to Date E | Pending Trends G | Forecast To Go H = I-E | Current Forecast I = C+G | Previous Forecast J | Change in Forecast K | Variance from Budget L = I-C |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Direct Labor | $ 52,835,871 | $ - | $ 52,835,871 | $14,381,953 | $ 14,381,953 | $ 8,379,646 | $ 40,004,742 | $ 54,386,694 | $ 54,386,694 | $ - | $ 1,550,824 |
| 2 | Field Management & Supervision | $ 11,352,611 | $ - | $ 11,352,611 | $ 6,374,369 | $ 6,374,369 | $ - | $ 10,477,467 | $ 16,851,836 | $ 16,851,836 | $ - | $ 4,992,329 |
| 3 | Equipment | $ 24,588,850 | $ - | $ 24,588,850 | $31,283,808 | $ 10,956,486 | $ - | $ 13,632,364 | $ 24,588,850 | $ 24,588,850 | $ - | $ - |
| 4 | Small Equipment, Tools & Consumables | $ 3,363,991 | $ - | $ 3,363,991 | $ 3,066,082 | $ 1,524,414 | $ - | $ 1,839,577 | $ 3,363,991 | $ 3,363,991 | $ - | $ - |
| 5 | Temporary Facilities & Support | $ 2,367,706 | $ - | $ 2,367,706 | $ 1,632,241 | $ 955,253 | $ - | $ 1,412,452 | $ 2,367,706 | $ 2,367,706 | $ - | $ - |
| 6 | Home Office Support | $ 675,214 | $ - | $ 675,214 | $ 349,201 | $ 349,201 | $ - | $ 326,014 | $ 675,214 | $ 675,214 | $ - | $ - |
| 7 | Warranty & Reclamation | $ 499,009 | $ - | $ 499,009 | $ - | $ - | $ - | $ 499,009 | $ 499,009 | $ 499,009 | $ - | $ - |
| 8 | Other Costs | $ 337,607 | $ - | $ 337,607 | $ 75,479 | $ 41,051 | $ - | $ 296,556 | $ 337,607 | $ 337,607 | $ - | $ - |
| | **Sub Total Welded Cost** | **$ 96,020,860** | **$ -** | **$ 96,020,859** | **$57,163,134** | **$ 34,582,727** | **$ 8,379,646** | **$ 68,488,181** | **$103,070,908** | **$103,070,908** | **$ -** | **$ 6,543,152** |
| 9 | Specialty Equipment | $ 342,381 | $ - | $ 342,381 | $ 1,873,834 | $ 822,839 | $ 1,288,055 | $ 807,597 | $ 1,630,436 | $ 1,630,436 | $ - | $ 1,288,055 |
| 10 | Materials | $ 4,773,156 | $ 206,000 | $ 4,979,156 | $ 4,969,924 | $ 3,679,088 | $ - | $ 5,196,067 | $ 8,875,155 | $ 8,875,155 | $ - | $ 3,895,999 |
| 11 | Mats | $ 590,000 | $ - | $ 590,000 | $ 1,006,107 | $ 919,791 | $ 468,263 | $ 138,472 | $ 1,058,263 | $ 1,058,263 | $ - | $ 468,263 |
| 12 | Subcontracts | $ 10,947,640 | $ - | $ 10,947,640 | $15,057,837 | $ 10,733,989 | $ 12,209,187 | $ 14,716,603 | $ 25,450,592 | $ 25,450,592 | $ - | $ 14,502,952 |
| 13 | Equipment - NTP Delayed | $ 1,125,056 | $ - | $ 1,125,056 | $ 1,820,935 | $ 1,820,935 | $ - | $ - | $ 1,820,935 | $ 1,820,935 | $ - | $ 695,879 |
| 14 | Bonds | $ - | | $ - | $ 435,589 | $ 435,589 | $ 435,589 | $ - | $ 435,589 | $ 435,589 | $ - | $ 435,589 |
| | **Sub Total Other Cost** | **$ 17,778,233** | **$ 206,000** | **$ 17,984,233** | **$25,164,226** | **$ 18,412,231** | **$ 14,401,094** | **$ 20,858,738** | **$ 39,270,970** | **$ 39,270,970** | **$ -** | **$ 21,286,737** |
| 15 | Fixed Fee & Profit | $ 9,090,000 | $ - | $ 9,090,000 | $ 2,603,045 | $ 2,603,045 | $ - | $ 6,486,955 | $ 9,090,000 | $ 9,090,000 | $ - | $ - |
| | **Total Project Cost** | **$122,889,092** | **$ 206,000** | **$123,095,092** | **$84,930,405** | **$ 55,598,004** | **$ 22,780,740** | **$ 95,833,874** | **$151,431,878** | **$151,431,878** | **$ -** | **$ 27,829,889** |

# Spread 5 – Manpower



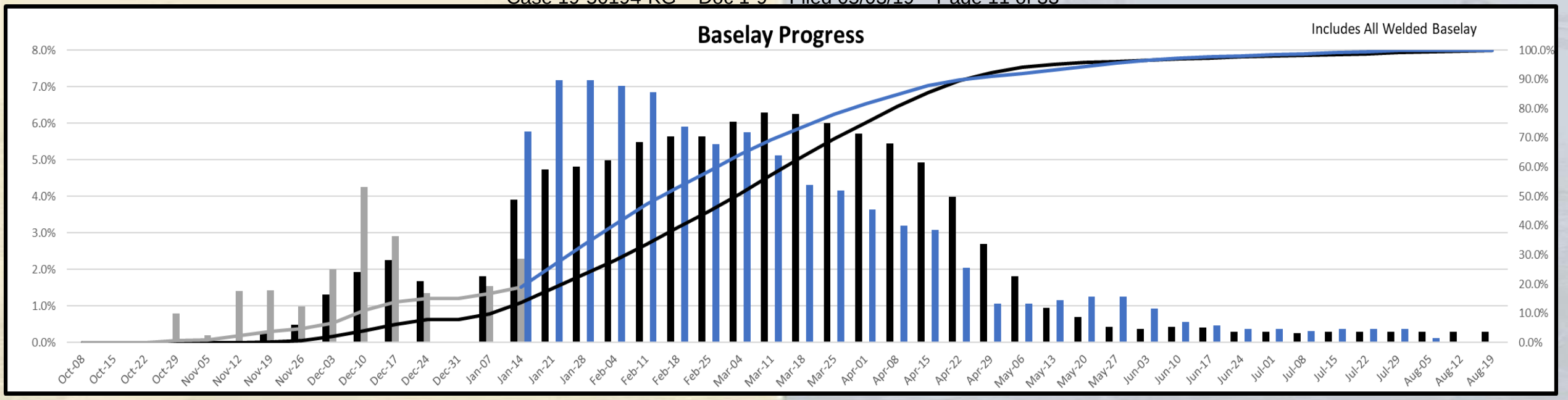

| | 7-Jan | 14-Jan | 21-Jan | 28-Jan | 4-Feb |
|---|---|---|---|---|---|
| Plan | 485 | 530 | 530 | 558 | 558 |
| Actual | 479 | 470 | 0 | 0 | 0 |
| Forecast | 0 | 472 | 512 | 512 | 512 |

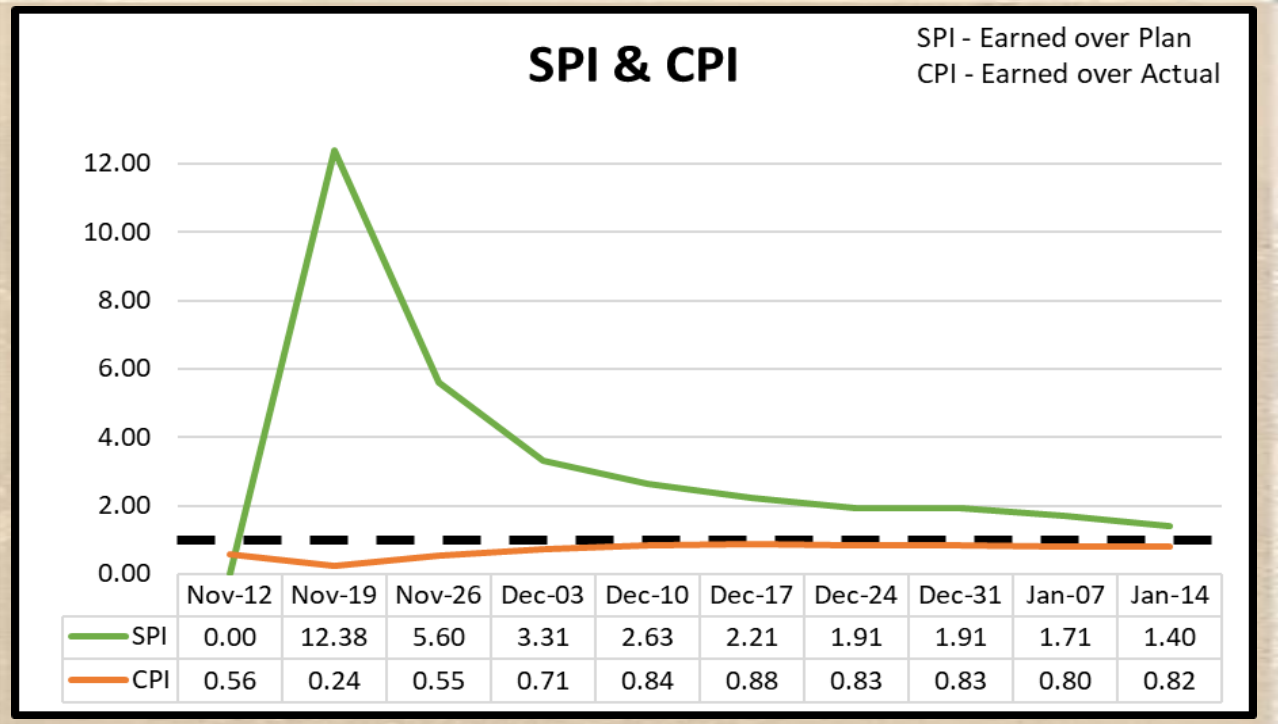



| | Jan-07 | Jan-14 | Jan-21 | Jan-28 | Feb-04 |
|---|---|---|---|---|---|
| Plan | 14,895 | 30,718 | 35,224 | 35,145 | 36,934 |
| Actuals | 17,391 | 23,158 | - | - | - |
| Forecast | | 30,112 | 32,552 | 32,552 | 32,552 |
| Plan Total | 132,894 | 163,611 | 198,836 | 233,981 | 270,915 |
| Actuals Total | 193,919 | 217,077 | | | |
| Forecast Total | | 217,077 | 249,629 | 282,181 | 314,733 |

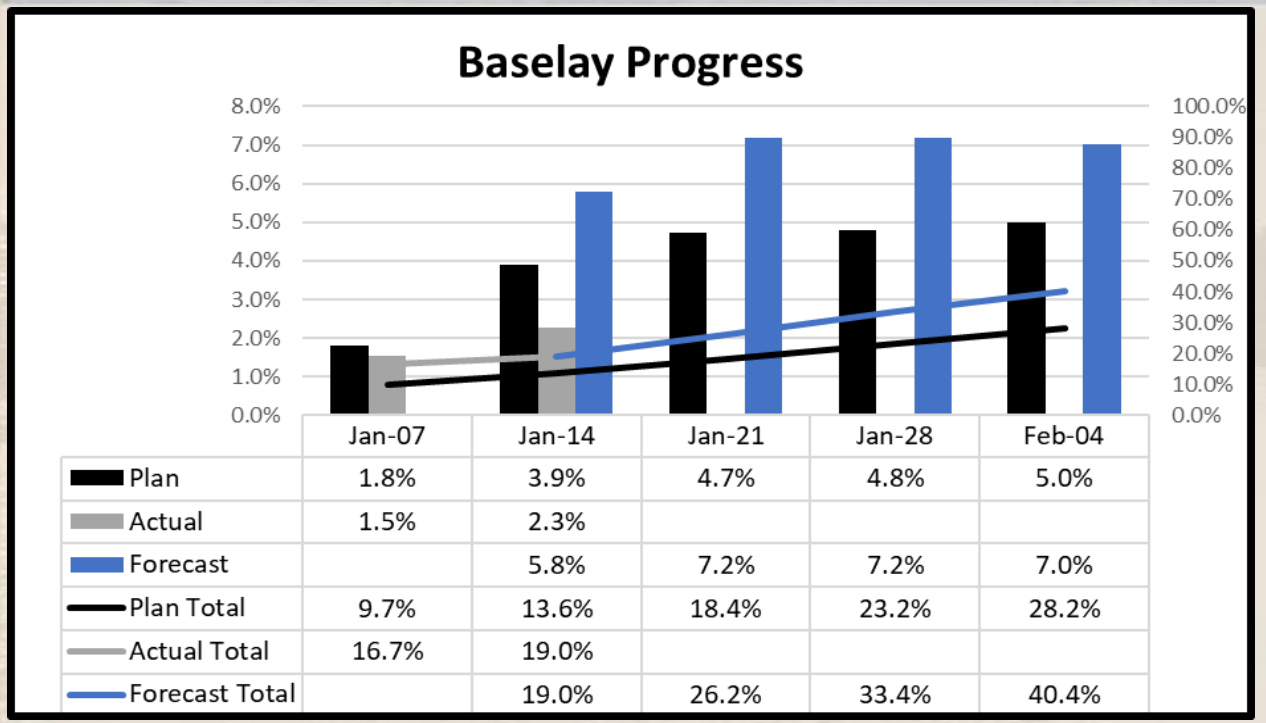
# Spread 5 – Progress Curve





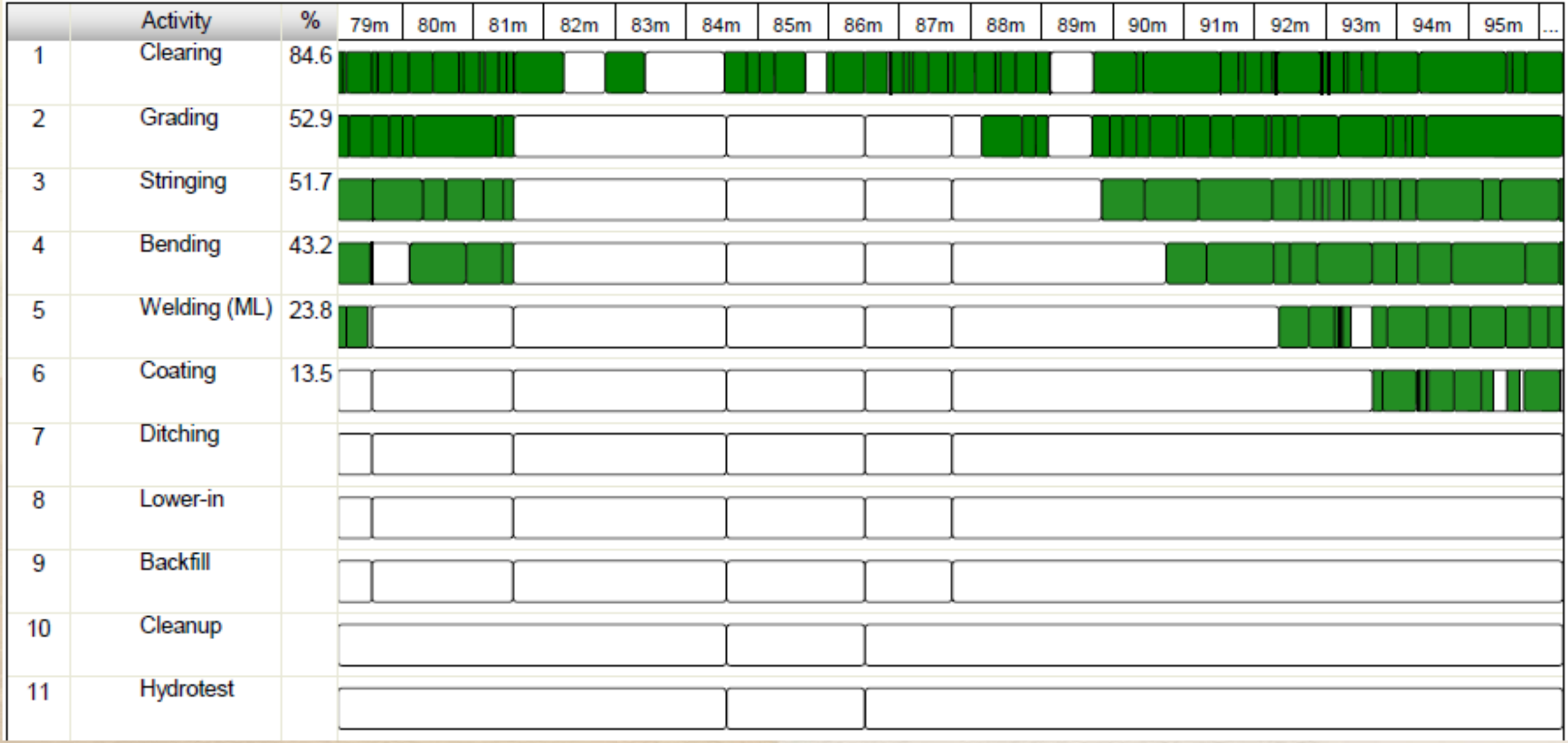




| | Nov-12 | Nov-19 | Nov-26 | Dec-03 | Dec-10 | Dec-17 | Dec-24 | Dec-31 | Jan-07 | Jan-14 |
|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.00 | 12.38 | 5.60 | 3.31 | 2.63 | 2.21 | 1.91 | 1.91 | 1.71 | 1.40 |
| CPI | 0.56 | 0.24 | 0.55 | 0.71 | 0.84 | 0.88 | 0.83 | 0.83 | 0.80 | 0.82 |




| | Jan-07 | Jan-14 | Jan-21 | Jan-28 | Feb-04 |
|---|---|---|---|---|---|
| Plan | 1.8% | 3.9% | 4.7% | 4.8% | 5.0% |
| Actual | 1.5% | 2.3% | | | |
| Forecast | | 5.8% | 7.2% | 7.2% | 7.0% |
| Plan Total | 9.7% | 13.6% | 18.4% | 23.2% | 28.2% |
| Actual Total | 16.7% | 19.0% | | | |
| Forecast Total | | 19.0% | 26.2% | 33.4% | 40.4% |

# Spread 5 – March Chart



# Spread 5 – Critical Issues

| Critical Issues | | Mitigation |
|---|---|---|
| 1 | Lost production time due to Inclement weather conditions | |
| 2 | Working in winter weather conditions | Continue to raise and promote safety awareness through daily safety talks and JSA's |
| 3 | | |

# Atlantic Sunrise Pipeline Project
# Spread 6 Progress Report

Week ending 14-Jan-18

Review date:
Jan 18/18

Williams ATLANTIC SUNRISE

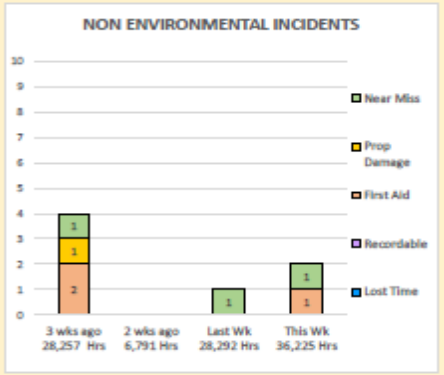
50 Years WELDED Pipeline Professionals Since 1966

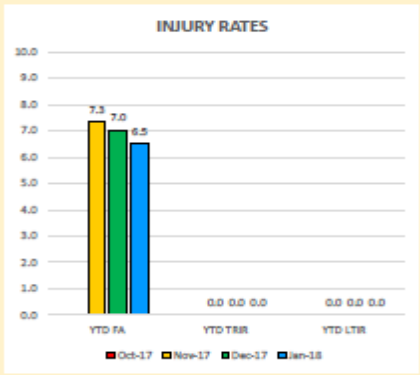
# SPREAD 6 - Safety

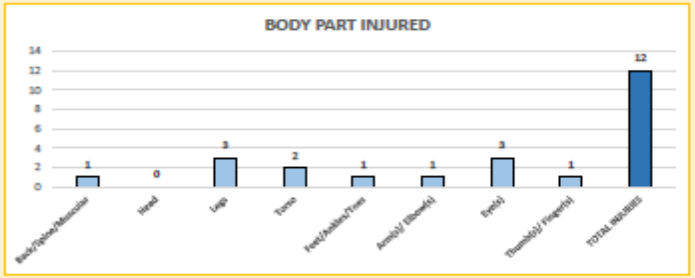
| Number of Incident | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | RO |
|---|---|---|---|---|---|---|---|---|---|
| | 0 | 0 | 0 | 12 | 8 | 22 | 4 | 0 | 6 |

| Incident Rates | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | RO |
|---|---|---|---|---|---|---|---|---|---|
| | 0.0 | 0.0 | 0.0 | 6.5 | 4.9 | 11.9 | 2.2 | 0.0 | 2.7 |

| | Weekly Hours | Monthly Hours | Project Hours | Total Headcount |
|---|---|---|---|---|
| Welded | 30,331 | 54,252 | 282,537 | 442 |
| Subcontractors | 5,894 | 10,440 | 87,155 | 84 |
| Total Hours | 36,225 | 64,692 | 369,692 | 526 |



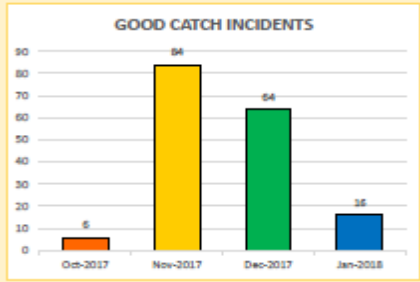



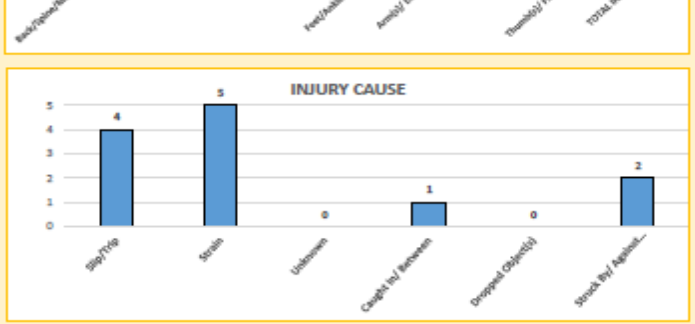



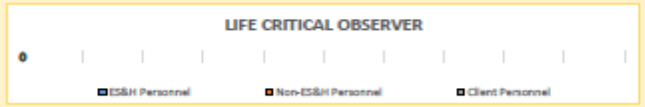


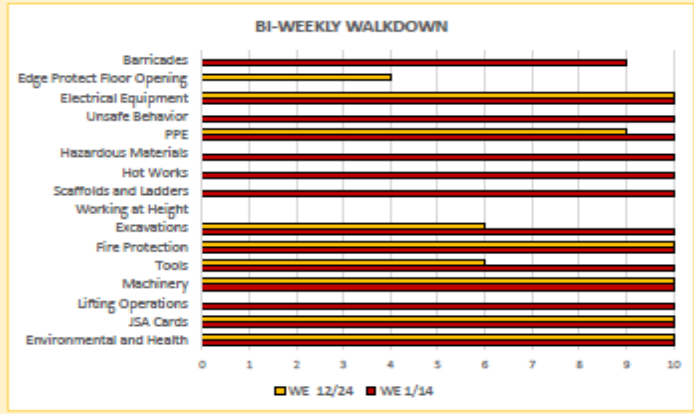


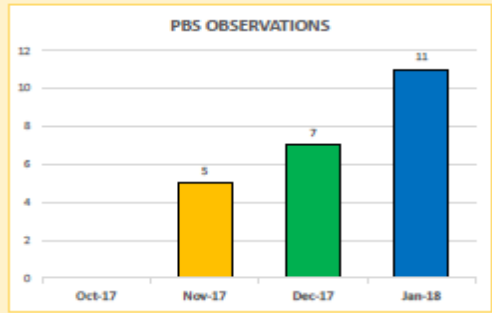


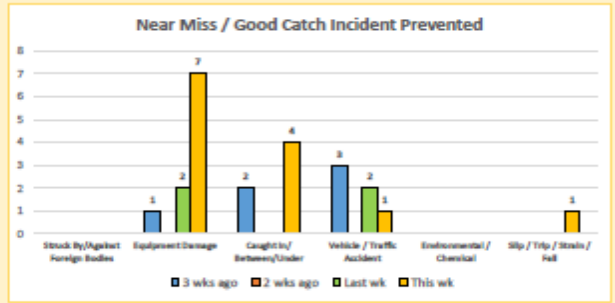



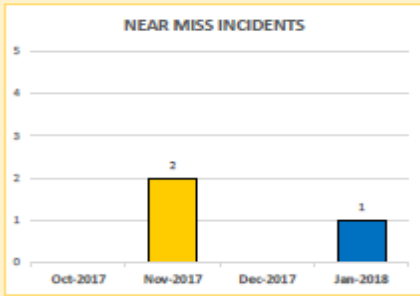



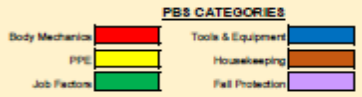



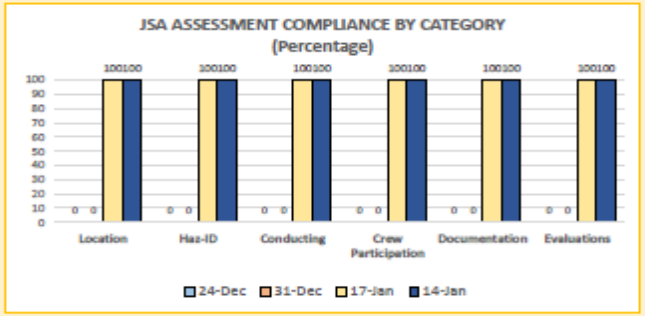



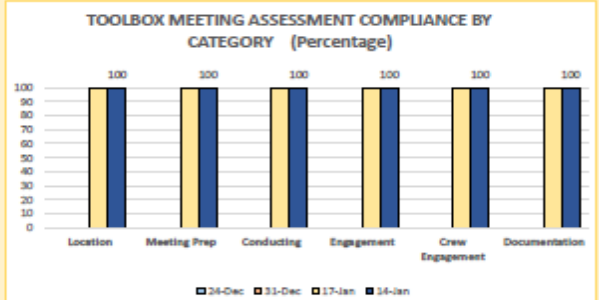






# Spread 6 – Environmental

1. Environmental Compliance
   - Non compliance from previous periods:
     - Clearing outside of LOD at Fort Swatara Yard;
     - ROW lacking temporary stabilization south of SR0322
     - Improper waterbody crossing (2593+91)
   - Non compliance from current period:
     - Improper construction methods while installing bridge equipment crossing – Forge Creek
     - Installing skids within a delineated waterway – 4015+00

2. Environmental Concerns
   - Not being able to use road plate to dam off streams
   - Not having all landowners agreeing to allow dewatering off LOD

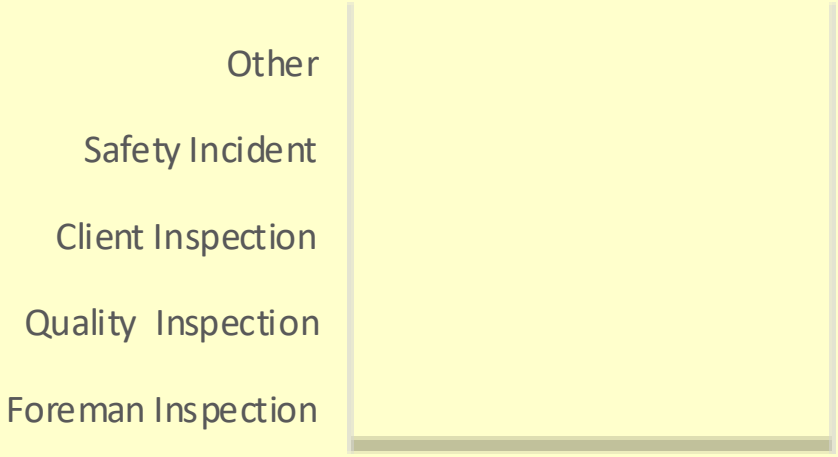
3. Listing of variance requests outstanding
   - Stream crossings (14) – flume + clean rock
   - Reduce Workspace within Contractor Staging Area CSA-CS-CSA-LE-2-011 (have verbal)
   - Reduce Workspace within Contractor Staging Area CSA-CS-CSA-SC-3-016 (have verbal)
   - Timeline extension for crossing WW-T20-1001, adj to Goldmine Rd., from 24 hrs to 10 days due to road bore stream impact.

# SPREAD 6 - Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 12.59% |
| Coating Rejection Rate | 4.05% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 1 | 11 |
| Closed | 1 | 10 |
| **Remaining Open** | | 1 |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | - | 7 |
| Closed | 2 | 6 |
| **Remaining Open** | | 1 |

**Started performing joint inspections with Williams QA.**

# Overall - Contract/Invoice Status

| CONTRACT | Original Contract | Extra Work Orders | | Current Contract |
|---|---|---|---|---|
| | | Submitted | Approved | |
| Spread 5 | $ 123,150,956 | $ 484,658 | $ 206,000 | $ 123,356,956 |
| Spread 6 | $ 163,861,454 | $ 861,658 | $ 231,000 | $ 164,092,454 |
| Spread 7 | $ 167,458,844 | $ 1,720,273 | $ 131,819 | $ 167,590,663 |
| **Total** | **$ 454,471,254** | **$ 3,066,589** | **$ 568,819** | **$ 455,040,073** |

| TRENDS | Total | Spread 5 | Spread 6 | Spread 7 |
|---|---|---|---|---|
| Recorded | $ 17,856,308 | $ 12,057,775 | $ 3,470,630 | $ 2,327,902 |
| Internal Review | $ 2,758,192 | $ - | $ 2,299,552 | $ 458,640 |
| Client Review | $ 4,181,416 | $ 18,896 | $ 3,106,990 | $ 1,055,530 |
| Declined | $ 3,155,748 | $ 1,000,000 | $ 1,133,874 | $ 1,021,874 |
| Revise and Resubmit | $ 17,393,400 | $ 3,980,500 | $ 7,146,700 | $ 6,266,200 |
| Proceed to EWR | $ 30,935,684 | $ 8,303,003 | $ 13,911,445 | $ 8,721,236 |
| EWR Submitted | $ 1,979,950 | $ 435,589 | $ 791,980 | $ 752,381 |
| EWR Approved | $ 568,819 | $ 206,000 | $ 231,000 | $ 131,819 |
| **Total Trends** | **$ 78,829,517** | **$ 26,001,763** | **$ 32,092,172** | **$ 20,735,582** |

**Notes:**

| INVOICED | Invoiced | Paid | Outstanding |
|---|---|---|---|
| Spread 5 | $ 87,726,582 | $ 63,799,980 | $ 23,926,602 |
| Spread 6 | $ 105,579,340 | $ 82,335,752 | $ 23,243,588 |
| Spread 7 | $ 117,606,093 | $ 90,824,385 | $ 26,781,708 |
| **Total** | **$ 310,912,015** | **$ 236,960,117** | **$ 73,951,898** |

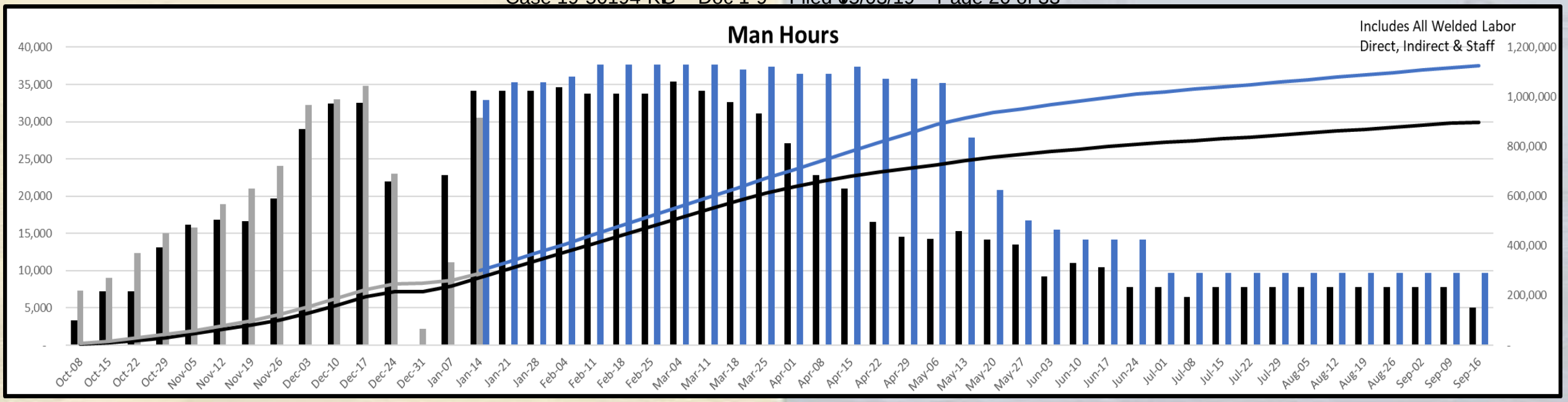
**Notes:**

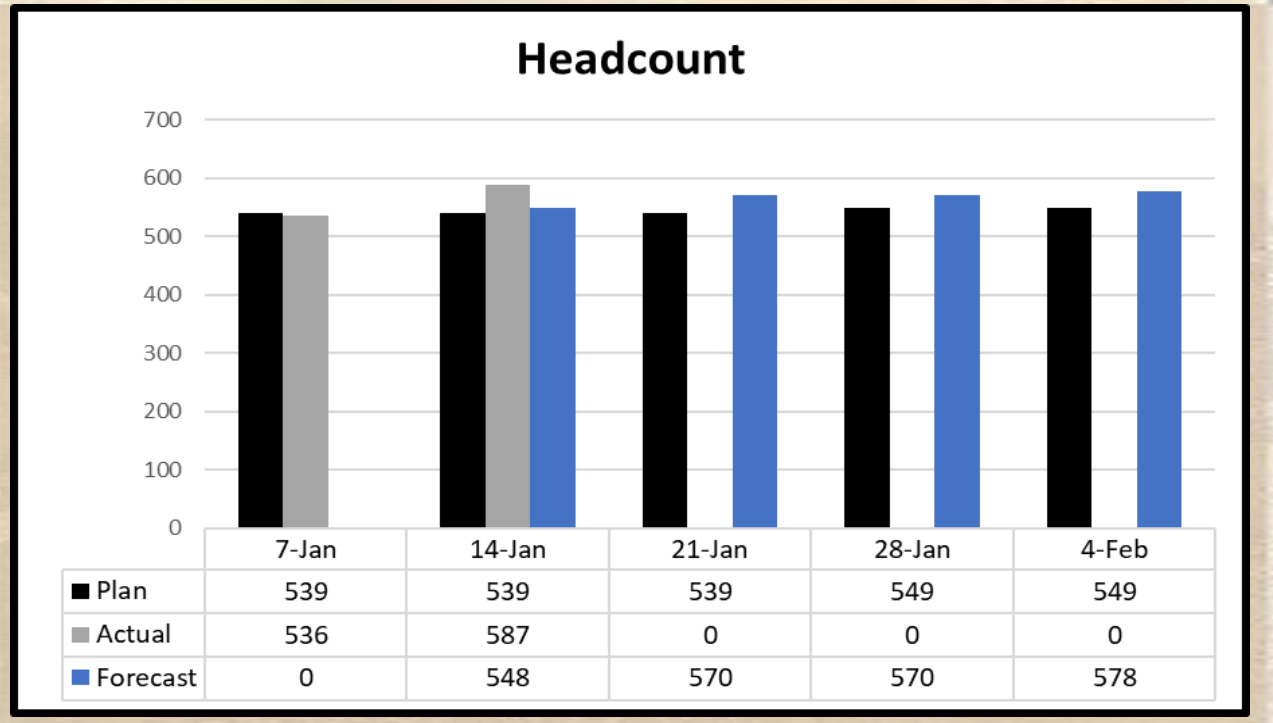
February cash call (and November reconciliation) of $74M submitted January 11.

# Spread 6 - Cost Report

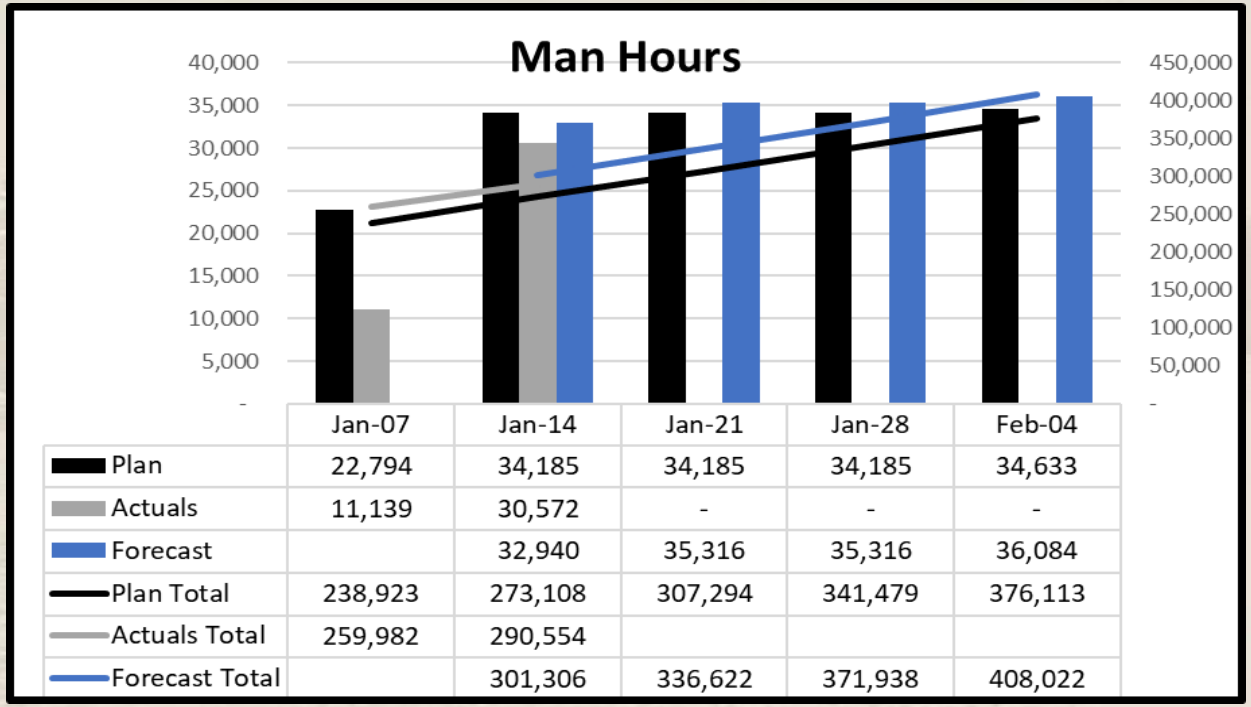
| Item | Activity | Original Budget A | Approved Changes B | Current Budget C = A+B | Committed to Date D | Incurred to Date E | Pending Trends G | Forecast To Go H = I-E | Current Forecast I = C+G | Previous Forecast J | Change in Forecast K | Variance from Budget L = I-C |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Direct Labor | $ 56,351,800 | $ - | $ 56,351,800 | $19,368,163 | $19,368,163 | $10,290,962 | $ 48,015,130 | $ 66,394,796 | $ 66,343,479 | $ 51,317 | $ 10,042,996 |
| 2 | Field Management & Supervision | $ 15,866,550 | $ - | $ 15,866,550 | $ 4,536,866 | $ 4,536,866 | $ - | $ 12,331,857 | $ 16,868,723 | $ 16,730,434 | $ 138,289 | $ 1,002,173 |
| 3 | Equipment | $ 25,606,428 | $ - | $ 25,606,428 | $19,181,063 | $ 7,576,819 | $ - | $ 18,029,609 | $ 25,606,428 | $ 25,606,428 | $ - | $ - |
| 4 | Small Equipment, Tools & Consumables | $ 3,618,917 | $ - | $ 3,618,917 | $ 4,956,944 | $ 2,054,531 | $ - | $ 1,564,385 | $ 3,618,917 | $ 3,618,917 | $ - | $ - |
| 5 | Temporary Facilities & Support | $ 2,378,442 | $ - | $ 2,378,442 | $ 1,517,401 | $ 926,323 | $ 185,790 | $ 1,649,272 | $ 2,564,232 | $ 2,564,232 | $ - | $ 185,790 |
| 6 | Home Office Support | $ 683,518 | $ - | $ 683,518 | $ 135,527 | $ 135,527 | $ - | $ 168,990 | $ 683,518 | $ 683,518 | $ - | $ - |
| 7 | Warranty & Reclamation | $ 1,192,078 | $ - | $ 1,192,078 | $ - | $ - | $ - | $ 1,192,078 | $ 1,192,078 | $ 1,192,078 | $ - | $ - |
| 8 | Other Costs | $ 341,759 | $ - | $ 341,759 | $ 43,541 | $ 43,541 | $ - | $ 298,218 | $ 341,759 | $ 341,759 | $ - | $ - |
| | **Sub Total Welded Cost** | **$106,039,491** | **$ -** | **$106,039,491** | **$49,739,504** | **$34,641,770** | **$10,476,752** | **$ 83,249,539** | **$117,270,450** | **$117,080,844** | **$ 189,606** | **$ 11,230,959** |
| 9 | Specialty Equipment | $ 817,909 | $ - | $ 817,909 | $ 2,297,389 | $ 638,044 | $ 884,428 | $ 1,677,659 | $ 2,315,702 | $ 2,241,618 | $ 74,085 | $ 1,497,793 |
| 10 | Materials | $ 11,328,005 | $ 231,000 | $ 11,559,005 | $ 6,692,172 | $ 4,516,645 | $ 1,688,000 | $ 8,192,912 | $ 12,709,557 | $ 12,709,557 | $ - | $ 1,150,552 |
| 11 | Mats | $ 2,358,000 | $ - | $ 2,358,000 | $ 2,465,984 | $ 2,156,864 | $ - | $ 309,120 | $ 2,465,984 | $ 2,465,984 | $ - | $ 107,984 |
| 12 | Subcontracts | $ 16,627,382 | $ - | $ 16,627,382 | $21,819,841 | $15,161,934 | $17,621,246 | $ 23,884,441 | $ 39,046,375 | $ 39,046,375 | $ - | $ 22,418,994 |
| 13 | Equipment - NTP Delayed | $ 2,687,635 | $ - | $ 2,687,635 | $ 1,632,262 | $ 1,632,262 | $ - | $ - | $ 1,632,262 | $ 2,431,754 | $ (799,492) | $ (1,055,373) |
| 14 | Bonds | $ - | | $ - | $ 791,980 | $ 791,980 | $ 791,980 | $ - | $ 791,980 | $ 791,980 | $ - | $ 791,980 |
| | **Sub Total Other Cost** | **$ 33,818,930** | **$ 231,000** | **$ 34,049,930** | **$35,699,628** | **$24,897,728** | **$20,985,654** | **$ 34,064,132** | **$ 58,961,860** | **$ 59,687,268** | **$ (725,408)** | **$ 24,911,930** |
| 14 | Fixed Fee & Profit | $ 21,715,000 | $ - | $ 21,715,000 | $ 6,662,556 | $ 6,662,556 | $ - | $ 15,052,444 | $ 21,715,000 | $ 21,715,000 | $ - | $ - |
| | **Total Project Cost** | **$161,573,421** | **$ 231,000** | **$161,804,421** | **$92,101,688** | **$66,202,054** | **$31,462,406** | **$132,366,116** | **$197,947,310** | **$198,483,112** | **$ (535,802)** | **$ 36,142,889** |

# Spread 6 – Manpower



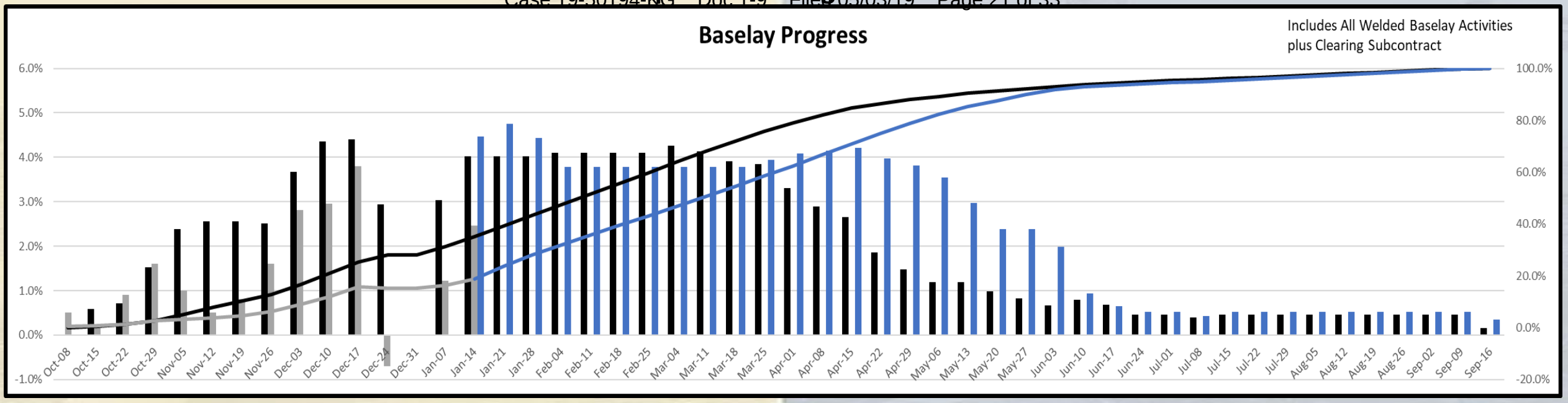



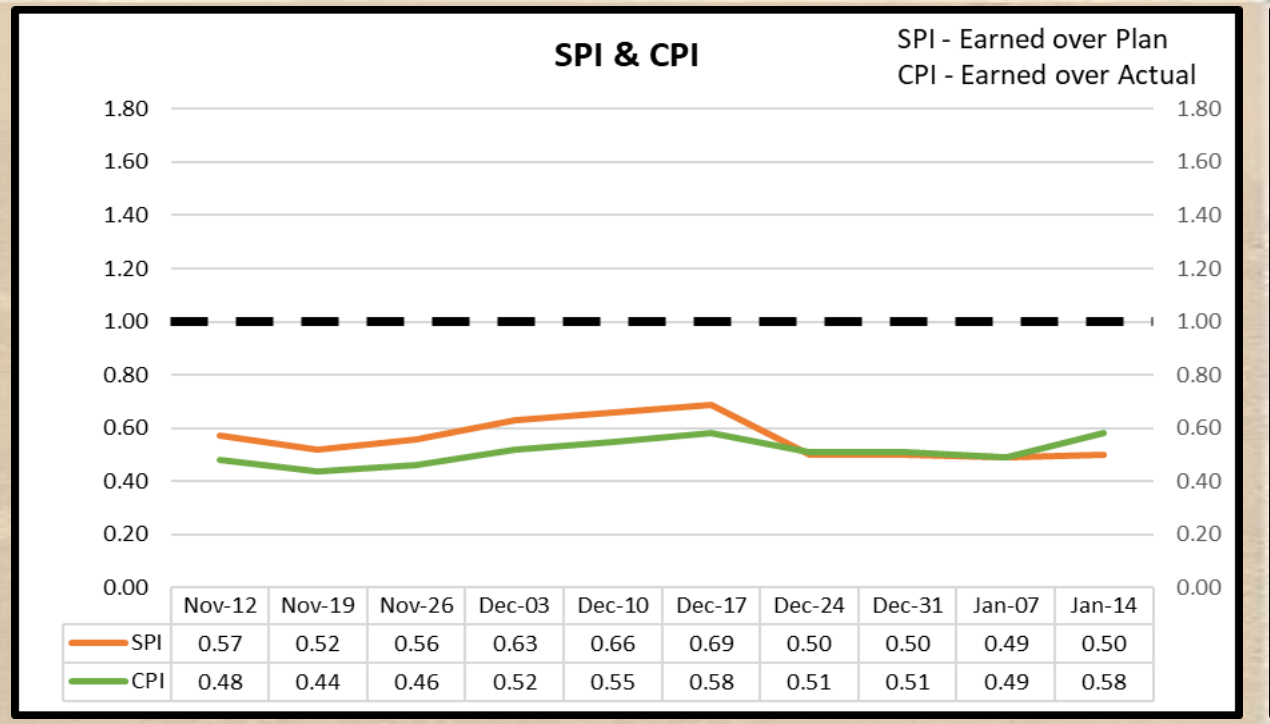

| | 7-Jan | 14-Jan | 21-Jan | 28-Jan | 4-Feb |
|---|---|---|---|---|---|
| Plan | 539 | 539 | 539 | 549 | 549 |
| Actual | 536 | 587 | 0 | 0 | 0 |
| Forecast | 0 | 548 | 570 | 570 | 578 |



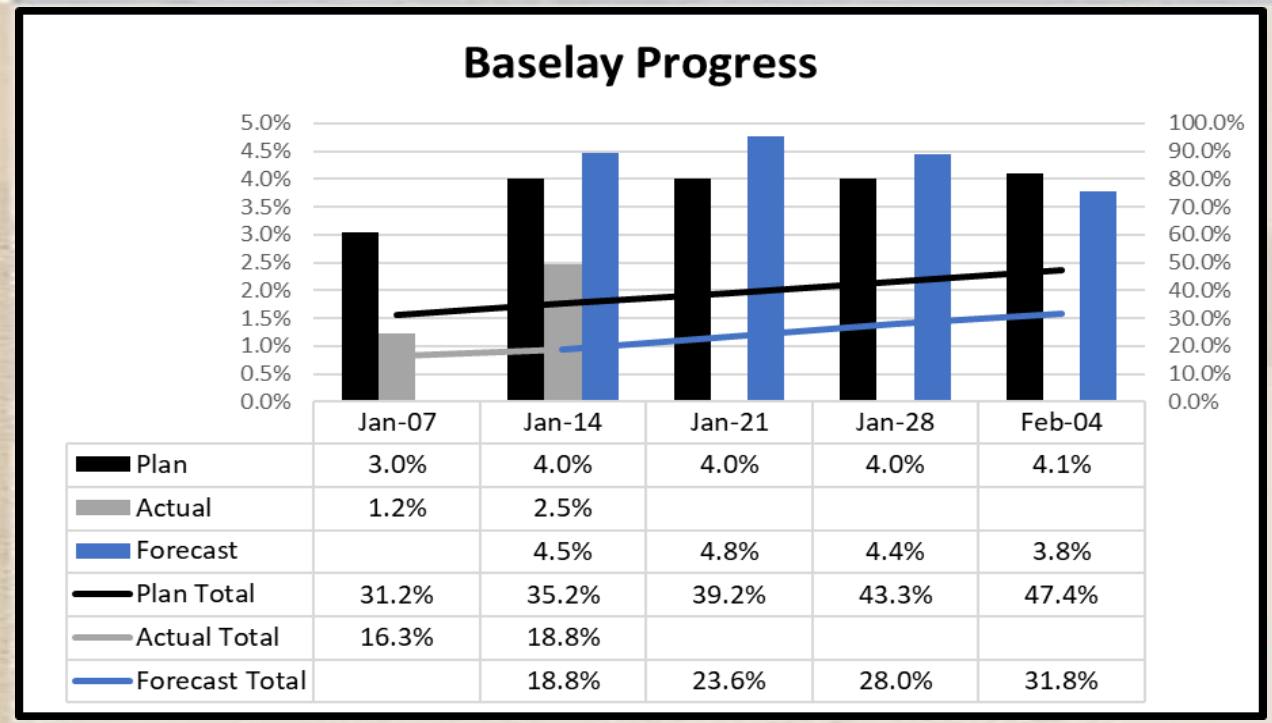

| | Jan-07 | Jan-14 | Jan-21 | Jan-28 | Feb-04 |
|---|---|---|---|---|---|
| Plan | 22,794 | 34,185 | 34,185 | 34,185 | 34,633 |
| Actuals | 11,139 | 30,572 | - | - | - |
| Forecast | | 32,940 | 35,316 | 35,316 | 36,084 |
| Plan Total | 238,923 | 273,108 | 307,294 | 341,479 | 376,113 |
| Actuals Total | 259,982 | 290,554 | | | |
| Forecast Total | | 301,306 | 336,622 | 371,938 | 408,022 |

# Spread 6 – Progress Curve



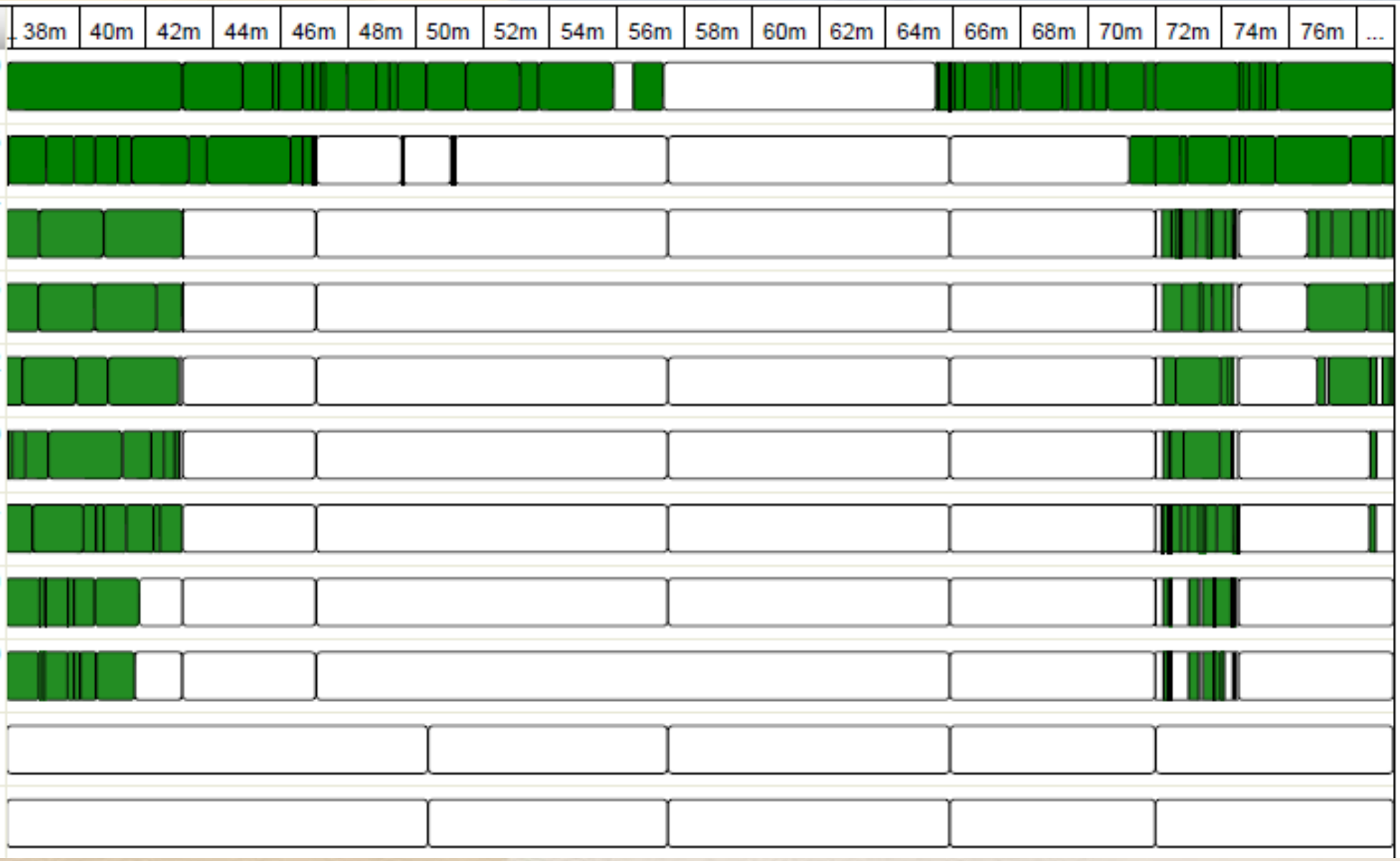

| | Nov-12 | Nov-19 | Nov-26 | Dec-03 | Dec-10 | Dec-17 | Dec-24 | Dec-31 | Jan-07 | Jan-14 |
|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.57 | 0.52 | 0.56 | 0.63 | 0.66 | 0.69 | 0.50 | 0.50 | 0.49 | 0.50 |
| CPI | 0.48 | 0.44 | 0.46 | 0.52 | 0.55 | 0.58 | 0.51 | 0.51 | 0.49 | 0.58 |




| | Jan-07 | Jan-14 | Jan-21 | Jan-28 | Feb-04 |
|---|---|---|---|---|---|
| Plan | 3.0% | 4.0% | 4.0% | 4.0% | 4.1% |
| Actual | 1.2% | 2.5% | | | |
| Forecast | | 4.5% | 4.8% | 4.4% | 3.8% |
| Plan Total | 31.2% | 35.2% | 39.2% | 43.3% | 47.4% |
| Actual Total | 16.3% | 18.8% | | | |
| Forecast Total | | 18.8% | 23.6% | 28.0% | 31.8% |

# Spread 6 – March Chart

| | Activity | % |
|---|---|---|
| 1 | Clearing | 78.9 |
| 2 | Grading | 41.6 |
| 3 | Stringing | 23.7 |
| 4 | Bending | 23.8 |
| 5 | Welding (ML) | 22.2 |
| 6 | Coating | 17.9 |
| 7 | Ditching | 18.4 |
| 8 | Lower-In | 13.0 |
| 9 | Backfill | 11.9 |
| 10 | Hydrotest | |
| 11 | Cleanup | |



# Spread 6 – Critical Issues

| Critical Issues | | Mitigation |
|---|---|---|
| 1 | Access road (69) has not yet been released for construction, access roads 68 & 72 will not be released - negative effect on productivity. | Identified constraints and adjusted construction plans to minimize delays and impacts. Constant communication with client on status of outstanding roads and road approaches. Develop trend to capture impact. |
| 2 | Environmental Control devices (ECDs) - as designed versus functional in the field. | Identifying to Williams as we come across, working with Williams and BL to rectify and install functional ECDs. |
| 3 | Extra workspace required from Highway 209 and RBMRR due to overburden and tailings from mining operations. | Moving crews around area to work available sites until Williams can provide the extra workspace. |
| 4 | Extra workspace required from off Access Road 70 due to overburden and ravine. | Moving crews around area to work available sites until Williams can provide the extra workspace. |
| 5 | Working in winter conditions, lost productivity | Address winter safety in foreman's meetings and on JSAs. Plan work according to the conditions. |

# Atlantic Sunrise Pipeline Project
# Spread 7 Progress Report

Week Ending 14-Jan-18

Review date:
Jan 18/18

Williams ATLANTIC SUNRISE

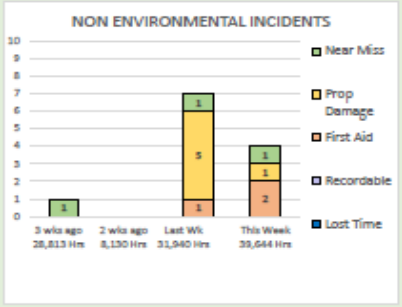
50 Years WELDED Pipeline Professionals Since 1966

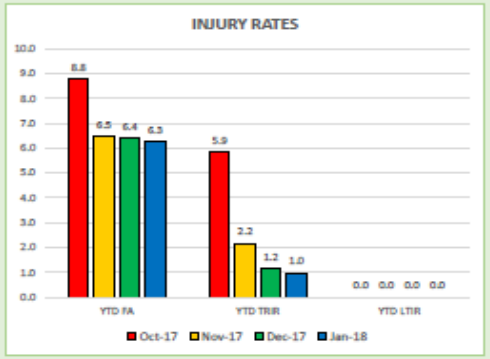
# SPREAD7 Safety

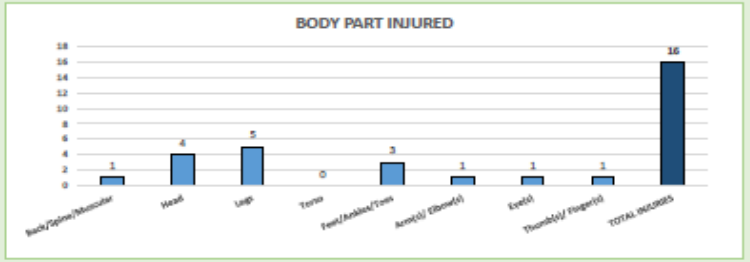
## TOTAL PROJECT INCIDENTS

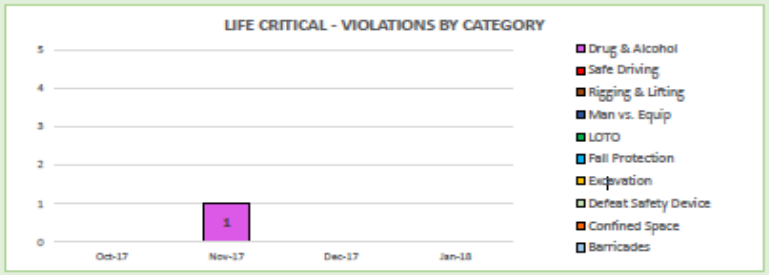
| | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | RO |
|---|---|---|---|---|---|---|---|---|---|
| Number of Incidents | 0 | 0 | 2 | 13 | 11 | 37 | 3 | 7 | 19 |
| Incident Rates | 0.0 | 0.0 | 1.0 | 6.3 | 5.3 | 17.8 | 1.4 | 3.4 | 9.2 |

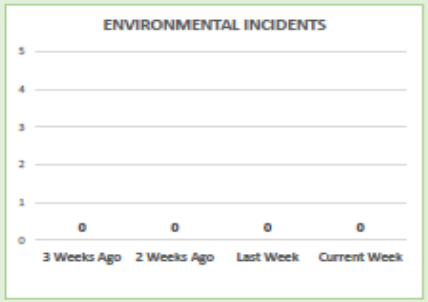
| | Total Weekly Hours | Total Monthly Hours | Total Project Hours | Total Head Count |
|---|---|---|---|---|
| Welded | 32,031 | 57,784 | 322,631 | 604 |
| Subcontractors | 7,613 | 13,800 | 92,216 | 169 |
| Total | 39,644 | 71,584 | 414,846 | 773 |

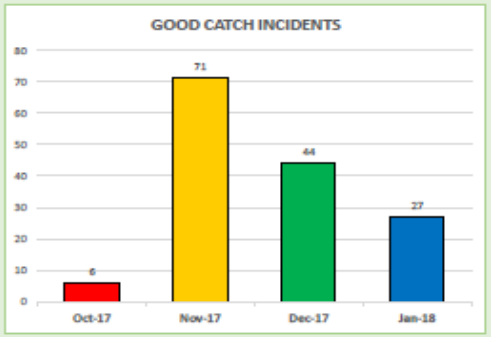


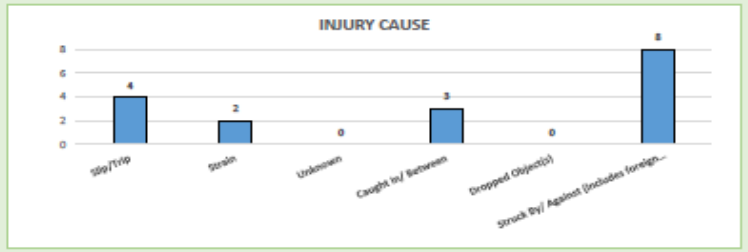



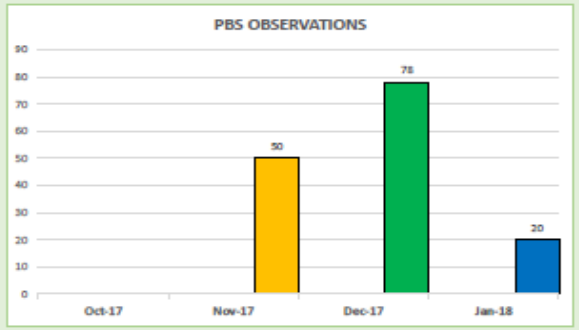



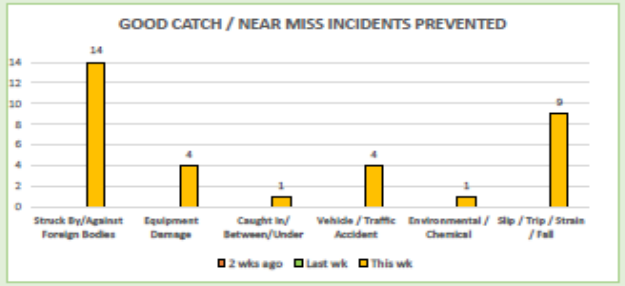



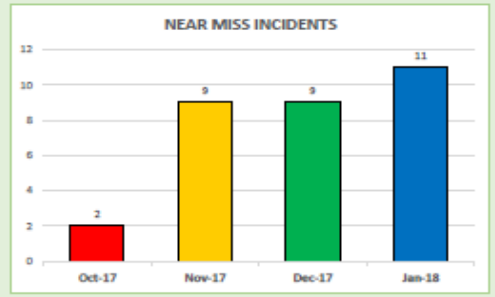



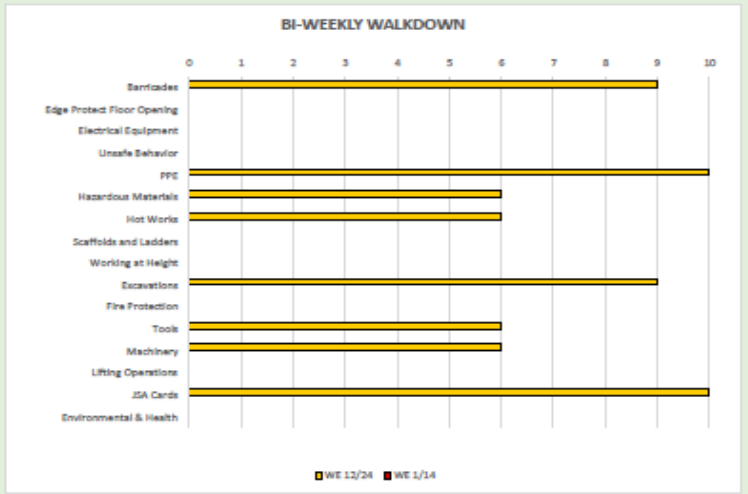


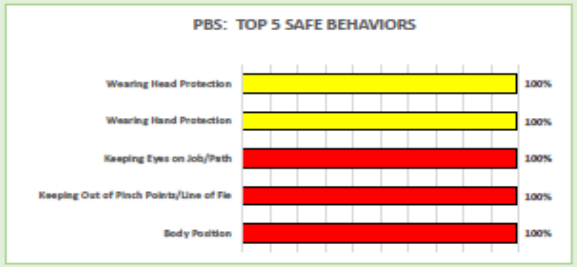




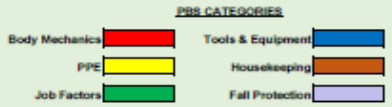



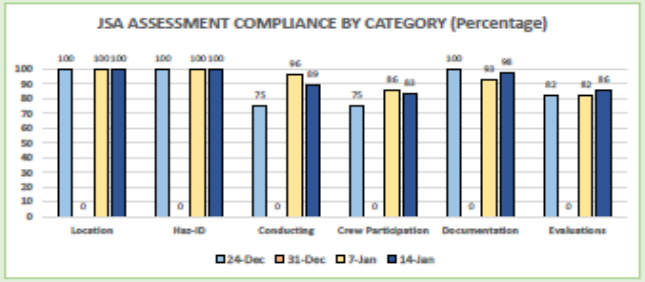



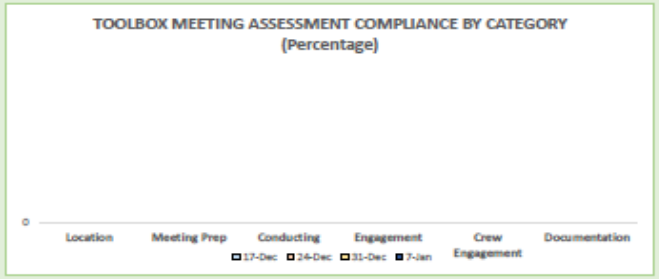









# Spread 7 – Environmental

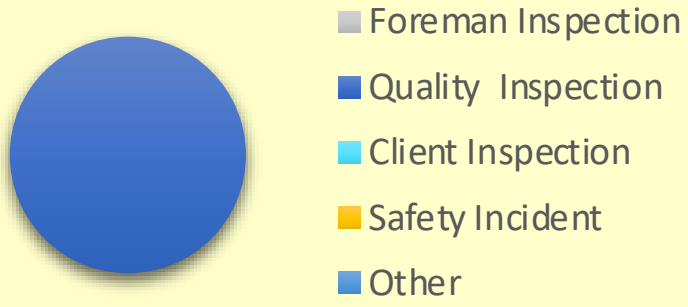
1. Environmental Compliance
   - Non compliance from previous periods:
     - Topsoil mixing
     - Avoiding air stations
     - 50’ buffer encroachment
     - Not installing air stations
   - Non compliance from current period – None

2. Environmental Concerns
   - Grade Shutdowns due to frozen conditions
   - Water bars
   - ECDs functionality

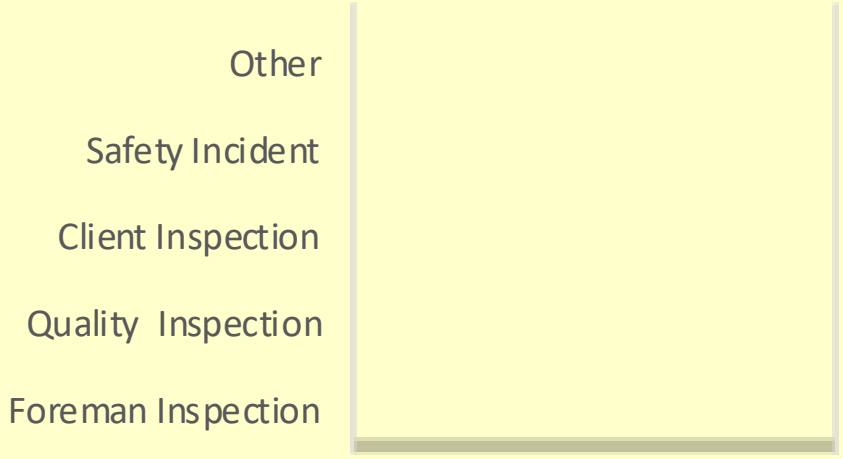
3. Listing of variance requests outstanding
   - Pequea Creek Extra Work Space

# SPREAD 7 - Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 3.46% |
| Coating Rejection Rate | 0.00% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 5 | 45 |
| Closed | 5 | 45 |
| **Remaining Open** | | - |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | - | 3 |
| Closed | - | 3 |
| **Remaining Open** | | - |

**No Quality Issues. Working with Welding to improve progress.**

# Overall - Contract/Invoice Status

| CONTRACT | Original Contract | Extra Work Orders | | Current Contract |
|---|---|---|---|---|
| | | Submitted | Approved | |
| Spread 5 | $ 123,150,956 | $ 484,658 | $ 206,000 | $ 123,356,956 |
| Spread 6 | $ 163,861,454 | $ 861,658 | $ 231,000 | $ 164,092,454 |
| Spread 7 | $ 167,458,844 | $ 1,720,273 | $ 131,819 | $ 167,590,663 |
| **Total** | **$ 454,471,254** | **$ 3,066,589** | **$ 568,819** | **$ 455,040,073** |

| TRENDS | Total | Spread 5 | Spread 6 | Spread 7 |
|---|---|---|---|---|
| Recorded | $ 17,856,308 | $ 12,057,775 | $ 3,470,630 | $ 2,327,902 |
| Internal Review | $ 2,758,192 | $ - | $ 2,299,552 | $ 458,640 |
| Client Review | $ 4,181,416 | $ 18,896 | $ 3,106,990 | $ 1,055,530 |
| Declined | $ 3,155,748 | $ 1,000,000 | $ 1,133,874 | $ 1,021,874 |
| Revise and Resubmit | $ 17,393,400 | $ 3,980,500 | $ 7,146,700 | $ 6,266,200 |
| Proceed to EWR | $ 30,935,684 | $ 8,303,003 | $ 13,911,445 | $ 8,721,236 |
| EWR Submitted | $ 1,979,950 | $ 435,589 | $ 791,980 | $ 752,381 |
| EWR Approved | $ 568,819 | $ 206,000 | $ 231,000 | $ 131,819 |
| **Total Trends** | **$ 78,829,517** | **$ 26,001,763** | **$ 32,092,172** | **$ 20,735,582** |

**Notes:**

| INVOICED | Invoiced | Paid | Outstanding |
|---|---|---|---|
| Spread 5 | $ 87,726,582 | $ 63,799,980 | $ 23,926,602 |
| Spread 6 | $ 105,579,340 | $ 82,335,752 | $ 23,243,588 |
| Spread 7 | $ 117,606,093 | $ 90,824,385 | $ 26,781,708 |
| **Total** | **$ 310,912,015** | **$ 236,960,117** | **$ 73,951,898** |

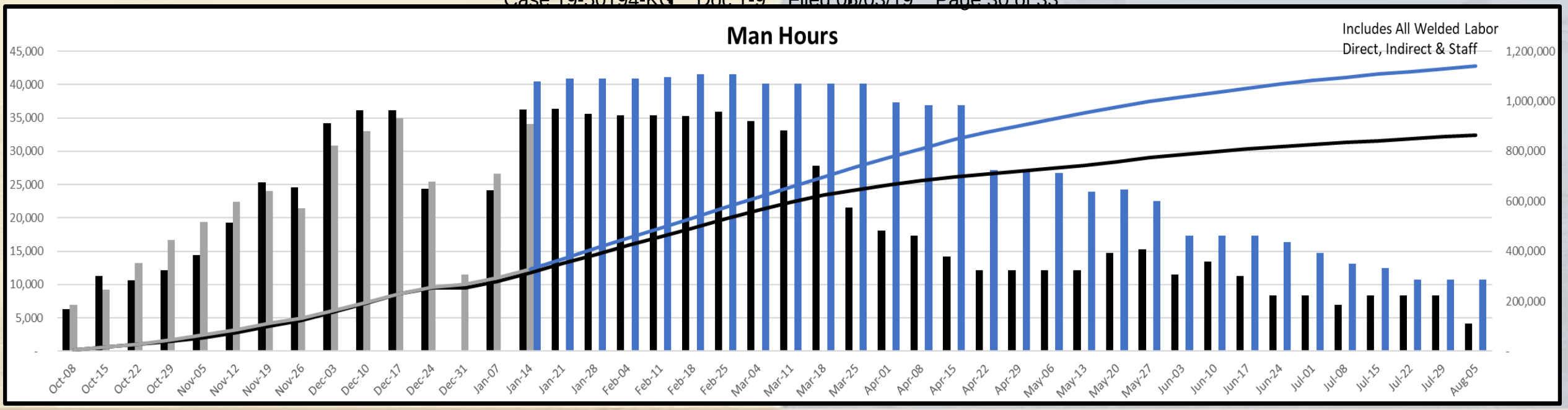
**Notes:**

February cash call (and November reconciliation) of $74M submitted January 11.

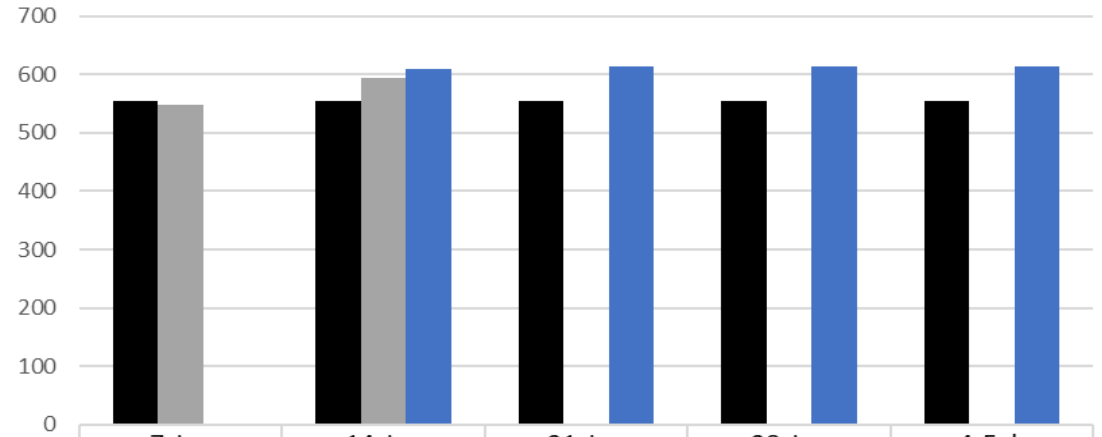
# Spread 7 – Cost Report

| Item | Activity | Original Budget A | Approved Changes B | Current Budget C = A+B | Committed to Date D | Incurred to Date E | Pending Trends G | Forecast To Go H = I-E | Current Forecast I = C+G | Previous Forecast J | Change in Forecast K | Variance to Budget L = I-C |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Direct Labor | $ 54,047,450 | $ - | $ 54,047,450 | $ 20,376,086 | $20,376,086 | $ 8,378,531 | $ 53,521,054 | $ 72,926,294 | $ 70,933,826 | $ - | $ 18,878,844 |
| 2 | Field Management & Supervision | $ 14,578,841 | $ - | $ 14,578,841 | $ 5,215,086 | $ 5,215,086 | $ - | $ 13,594,100 | $ 18,809,186 | $ 18,432,132 | $ 377,054 | $ 4,230,345 |
| 3 | Equipment | $ 23,042,382 | $ - | $ 23,042,382 | $ 26,268,203 | $ 9,262,936 | $ 14,456,871 | $ 28,236,317 | $ 37,499,253 | $ 37,499,253 | $ - | $ 14,456,871 |
| 4 | Small Equipment, Tools & Consumables | $ 3,443,124 | $ - | $ 3,443,124 | $ 4,789,235 | $ 2,220,229 | $ 3,060,049 | $ 4,282,944 | $ 6,503,173 | $ 6,503,173 | $ - | $ 3,060,049 |
| 5 | Temporary Facilities & Support | $ 2,357,812 | $ - | $ 2,357,812 | $ 2,266,463 | $ 660,242 | $ - | $ 1,790,732 | $ 2,357,812 | $ 2,357,812 | $ - | $ 0 |
| 6 | Home Office Support | $ 663,278 | $ - | $ 663,278 | $ 131,286 | $ 131,286 | $ - | $ 531,992 | $ 663,278 | $ 663,278 | $ - | $ - |
| 7 | Warranty & Reclamation | $ 1,081,187 | $ - | $ 1,081,187 | $ - | $ - | $ - | $ 1,081,187 | $ 1,081,187 | $ 1,081,187 | $ - | $ - |
| 8 | Other Costs | $ 331,639 | $ - | $ 331,639 | $ 35,883 | $ 32,784 | $ - | $ 298,855 | $ 331,639 | $ 331,639 | $ - | $ - |
| | **Sub Total Welded Cost** | **$ 99,545,714** | **$ -** | **$ 99,545,714** | **$ 59,082,242** | **$37,898,650** | **$ 25,895,451** | **$103,337,181** | **$140,171,823** | **$137,802,301** | **$ 377,054** | **$ 40,626,109** |
| 9 | Specialty Equipment | $ 741,824 | $ - | $ 741,824 | $ 1,773,819 | $ 803,129 | $ 1,049,087 | $ 1,064,434 | $ 1,790,911 | $ 1,790,911 | $ - | $ 1,049,087 |
| 10 | Materials | $ 9,071,391 | $ 131,820 | $ 9,203,211 | $ 6,779,883 | $ 3,225,366 | $ 1,323,762 | $ 7,301,607 | $ 10,526,973 | $ 10,526,973 | $ - | $ 1,323,762 |
| 11 | Mats | $ 1,180,000 | $ - | $ 1,180,000 | $ 3,823,600 | $ 3,823,600 | $ 2,643,600 | $ - | $ 3,823,600 | $ 3,823,600 | $ - | $ 2,643,600 |
| 12 | Subcontracts | $ 31,393,570 | $ - | $ 31,393,570 | $ 36,145,640 | $18,871,284 | $ 18,945,160 | $ 31,467,446 | $ 50,338,730 | $ 50,338,730 | $ - | $ 18,945,160 |
| 13 | Equipment - NTP Delayed | $ 2,437,622 | $ - | $ 2,437,622 | $ 1,430,925 | $ 1,430,925 | $ - | $ - | $ 1,430,925 | $ 1,430,925 | $ - | $ (1,006,697) |
| 14 | Bonds | $ - | | $ - | $ 752,381 | $ 752,381 | $ 752,381 | $ - | $ 752,381 | $ 752,381 | $ - | $ 752,381 |
| | **Sub Total Other Cost** | **$ 44,824,407** | **$ 131,820** | **$ 44,956,227** | **$ 50,706,249** | **$28,906,686** | **$ 24,713,990** | **$ 39,833,486** | **$ 68,663,520** | **$ 68,663,520** | **$ -** | **$ 23,707,294** |
| 15 | Fixed Fee & Profit | $ 19,695,000 | $ - | $ 19,695,000 | $ 5,639,932 | $ 5,639,932 | $ - | $ 14,055,068 | $ 19,695,000 | $ 19,695,000 | $ - | $ - |
| | **Total Project Cost** | **$164,065,121** | **$ 131,820** | **$164,196,941** | **$115,428,423** | **$72,445,268** | **$ 50,609,441** | **$157,225,735** | **$228,530,343** | **$226,160,822** | **$ 377,054** | **$ 64,333,402** |

# Spread 7 – Manpower

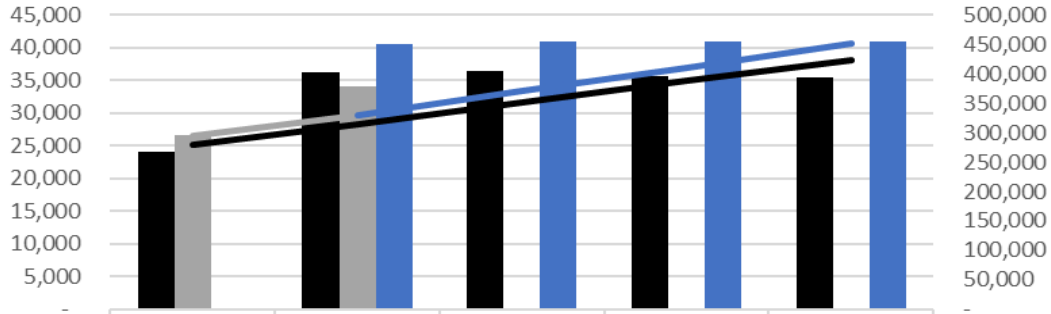



## Headcount



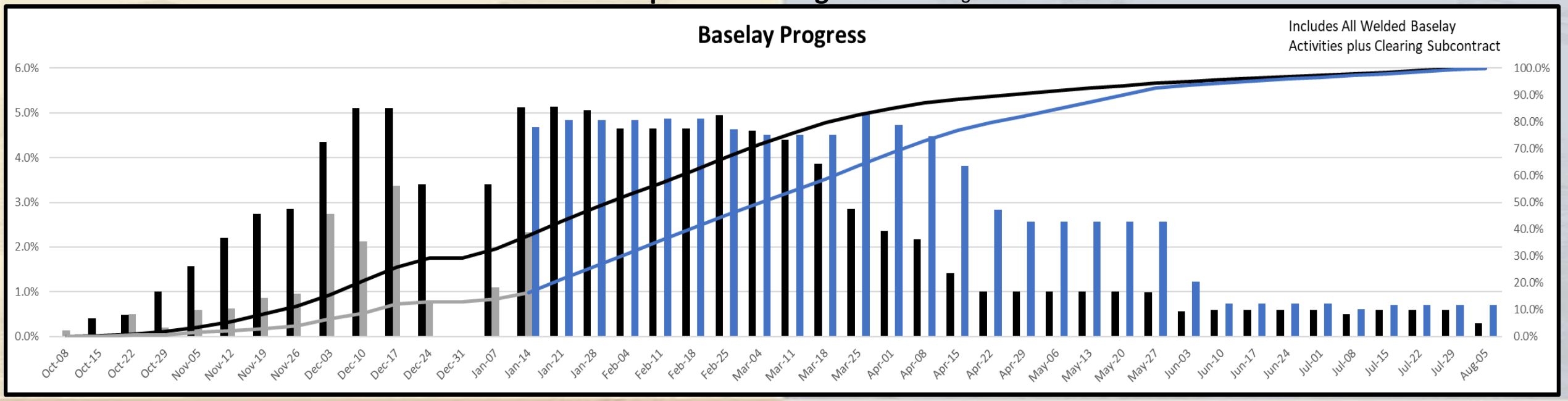

| | 7-Jan | 14-Jan | 21-Jan | 28-Jan | 4-Feb |
|---|---|---|---|---|---|
| Plan | 554 | 554 | 554 | 554 | 554 |
| Actual | 548 | 595 | 0 | 0 | 0 |
| Forecast | | 610 | 615 | 615 | 615 |

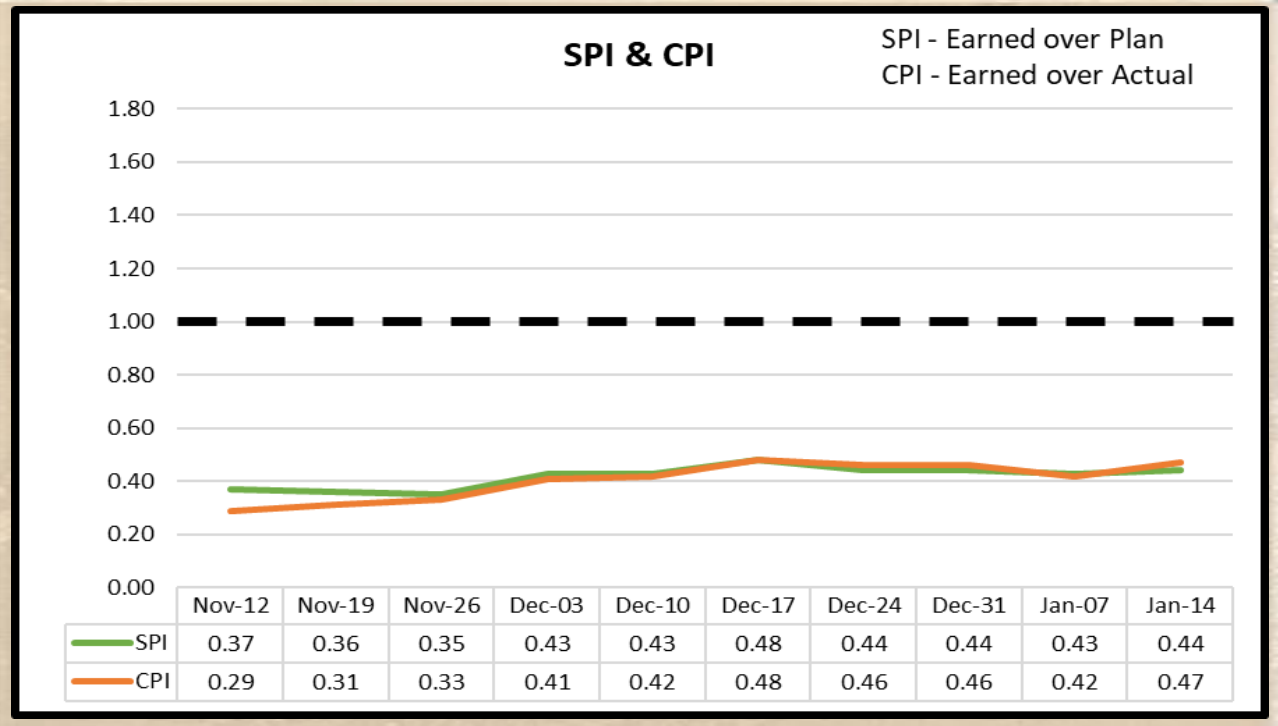
## Man Hours



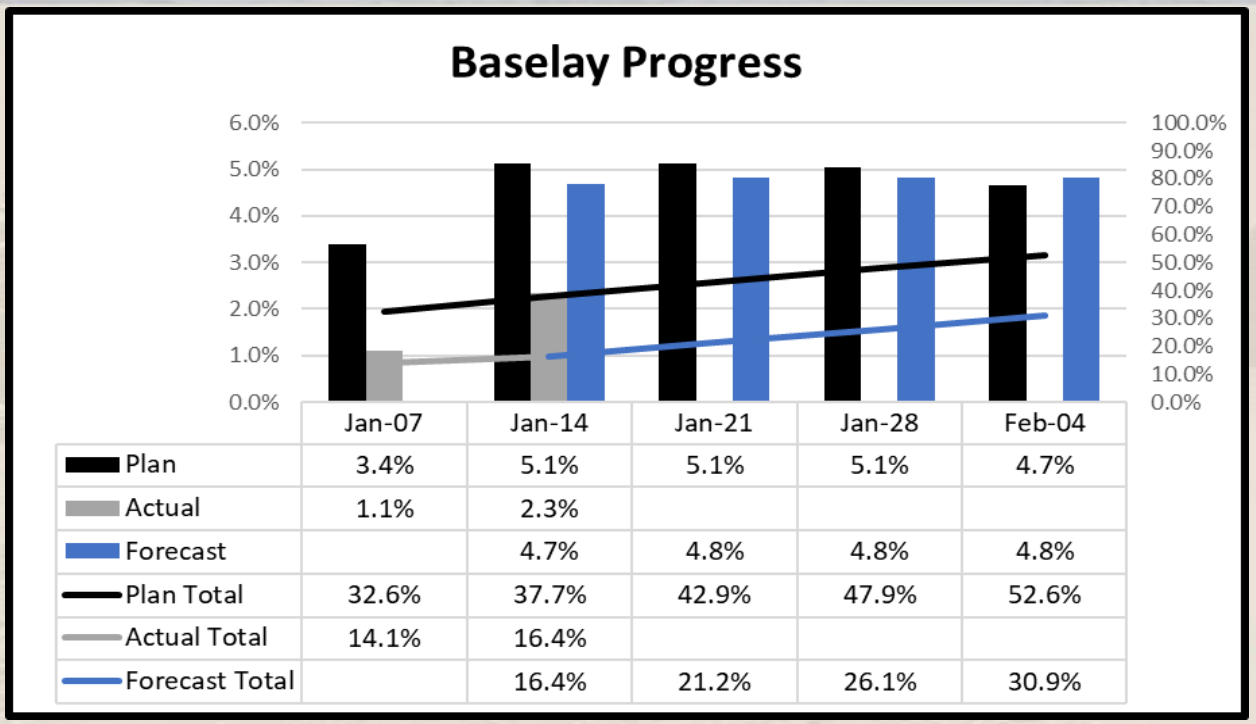

| | Jan-07 | Jan-14 | Jan-21 | Jan-28 | Feb-04 |
|---|---|---|---|---|---|
| Plan | 24,123 | 36,236 | 36,323 | 35,625 | 35,351 |
| Actuals | 26,586 | 34,117 | - | - | - |
| Forecast | | 40,455 | 40,941 | 40,941 | 40,941 |
| Plan Total | 279,048 | 315,283 | 351,606 | 387,230 | 422,581 |
| Actuals Total | 294,758 | 328,875 | | | |
| Forecast Total | | 328,875 | 369,816 | 410,757 | 451,698 |

# Spread 7 - Progress Curve



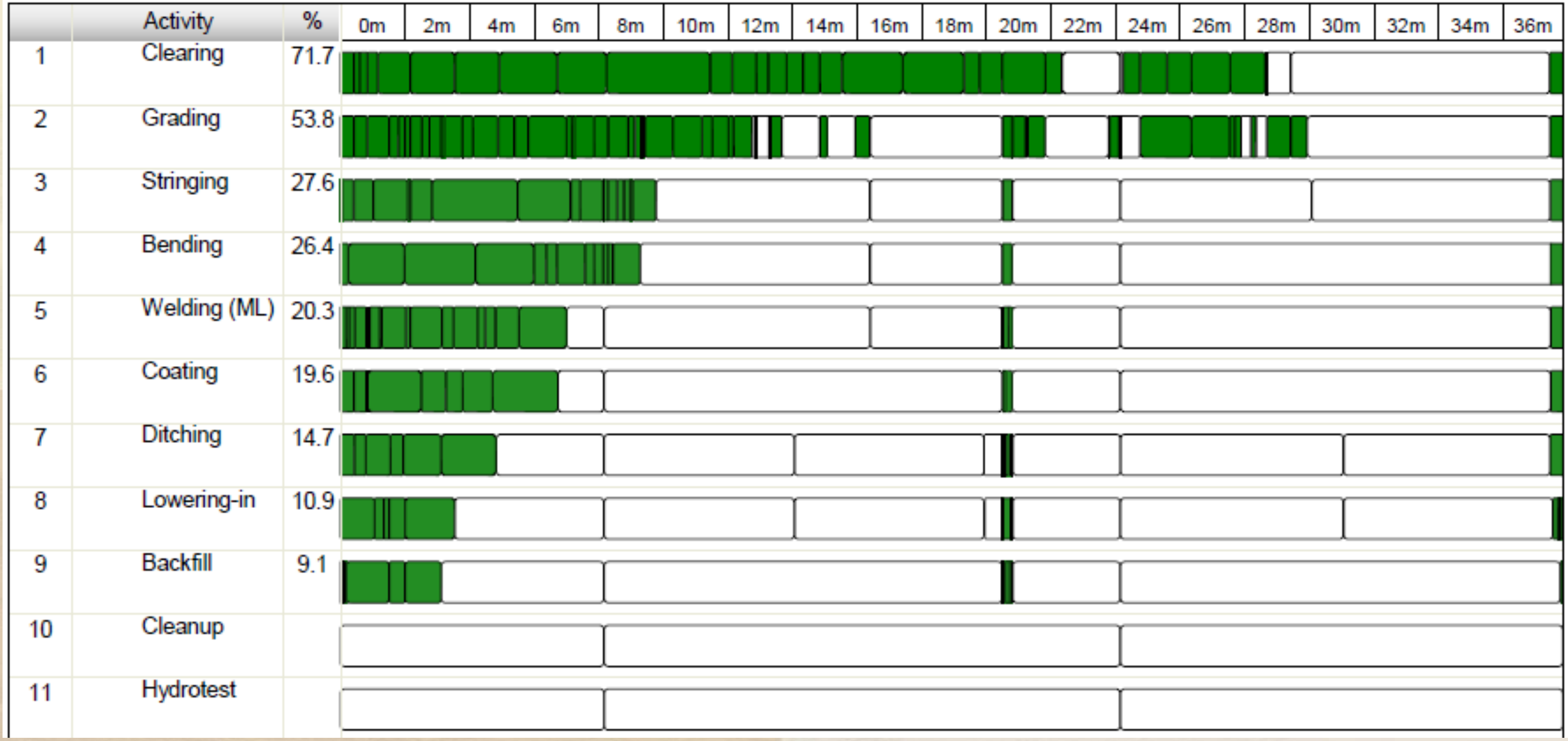




| | Nov-12 | Nov-19 | Nov-26 | Dec-03 | Dec-10 | Dec-17 | Dec-24 | Dec-31 | Jan-07 | Jan-14 |
|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.37 | 0.36 | 0.35 | 0.43 | 0.43 | 0.48 | 0.44 | 0.44 | 0.43 | 0.44 |
| CPI | 0.29 | 0.31 | 0.33 | 0.41 | 0.42 | 0.48 | 0.46 | 0.46 | 0.42 | 0.47 |




| | Jan-07 | Jan-14 | Jan-21 | Jan-28 | Feb-04 |
|---|---|---|---|---|---|
| Plan | 3.4% | 5.1% | 5.1% | 5.1% | 4.7% |
| Actual | 1.1% | 2.3% | | | |
| Forecast | | 4.7% | 4.8% | 4.8% | 4.8% |
| Plan Total | 32.6% | 37.7% | 42.9% | 47.9% | 52.6% |
| Actual Total | 14.1% | 16.4% | | | |
| Forecast Total | | 16.4% | 21.2% | 26.1% | 30.9% |

# Spread 7 – March Chart



# Spread 7 – Critical Issues

| Critical Issues | | Mitigation |
|---|---|---|
| 1 | Grade shutdowns due to frozen conditions. Critical waterbody crossings are awaiting grading. | A re-claimer is being brought in to try to facility grading |
| 2 | | |
| 3 | | |

# EXHIBIT 10

## ASR Overall Weekly Progress 02-18

# Atlantic Sunrise Pipeline Project Spread 5 Progress Report

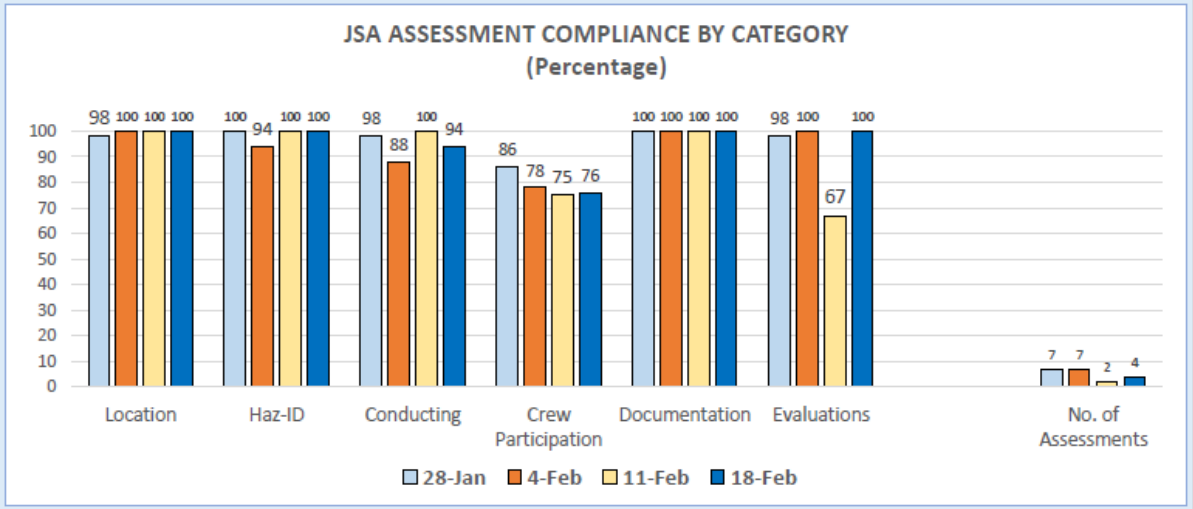
Week Ending 18-Feb-18

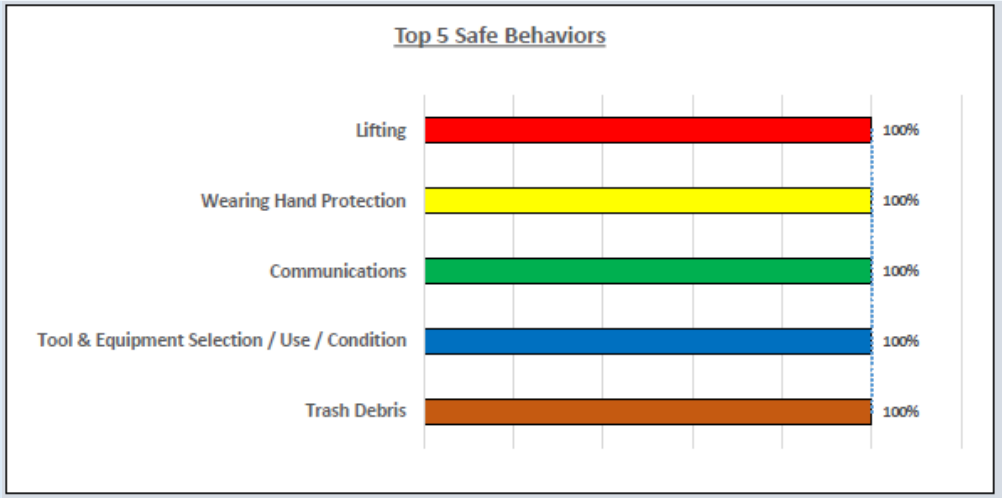
# SPREAD 5 - Safety

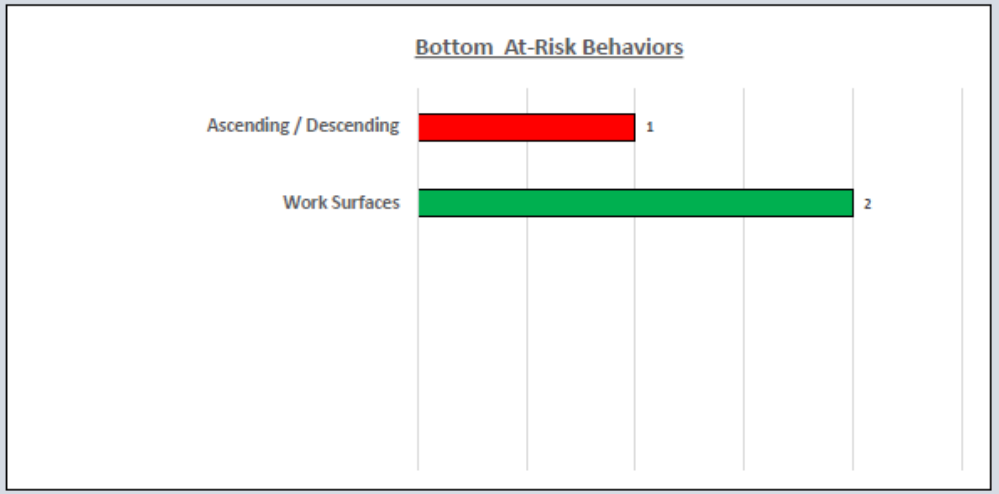
| Number of Incidents | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 | 1 | 24 | 16 | 32 | 8 | 1 | 0 | 9 |

| Incident Rates | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0.0 | 0.4 | 0.4 | 10.1 | 6.8 | 13.5 | 3.4 | 0.4 | 0.0 | 3.8 |

| | Weekly Hours | Monthly Hours | Project Hours | Total Headcount |
|---|---|---|---|---|
| **Welded** | 25,188 | 78,751 | 379,616 | **443** |
| **Subcontractors** | 1,123 | 5,933 | 93,763 | **36** |
| **Total** | 26,311 | 84,684 | **473,379** | **479** |



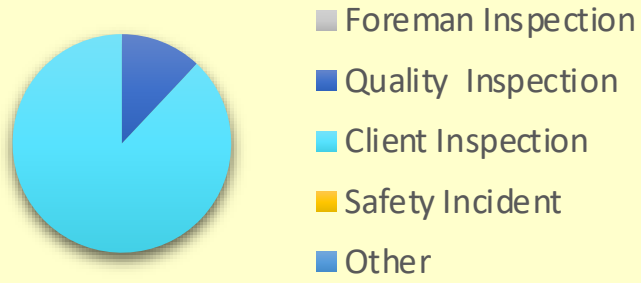




PBS CATEGORIES

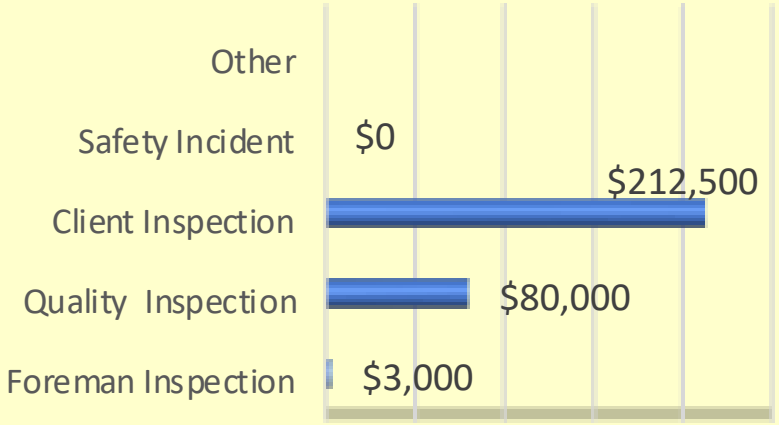
- Body Mechanics
- PPE
- Job Factors
- Tools & Equipment
- Housekeeping
- Fall Protection

# SPREAD 5 – Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 11.98% |
| Field Joint Coating Rejection Rate | 0.00% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 4 | 49 |
| Closed | 1 | 37 |
| **Remaining Open** | | 12 |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | 5 | 25 |
| Closed | - | 13 |
| **Remaining Open** | | 12 |

**Excessive NCRs received concerning pipe and coating damage due to bad weather and working conditions. Upper Management reviewing options.**

# Spread 5 – Environmental

1. Environmental Compliance

   FERC / Williams issued Non Compliance Reports (NCRs) and Notices of Violations (NOVs) from previous reporting periods:

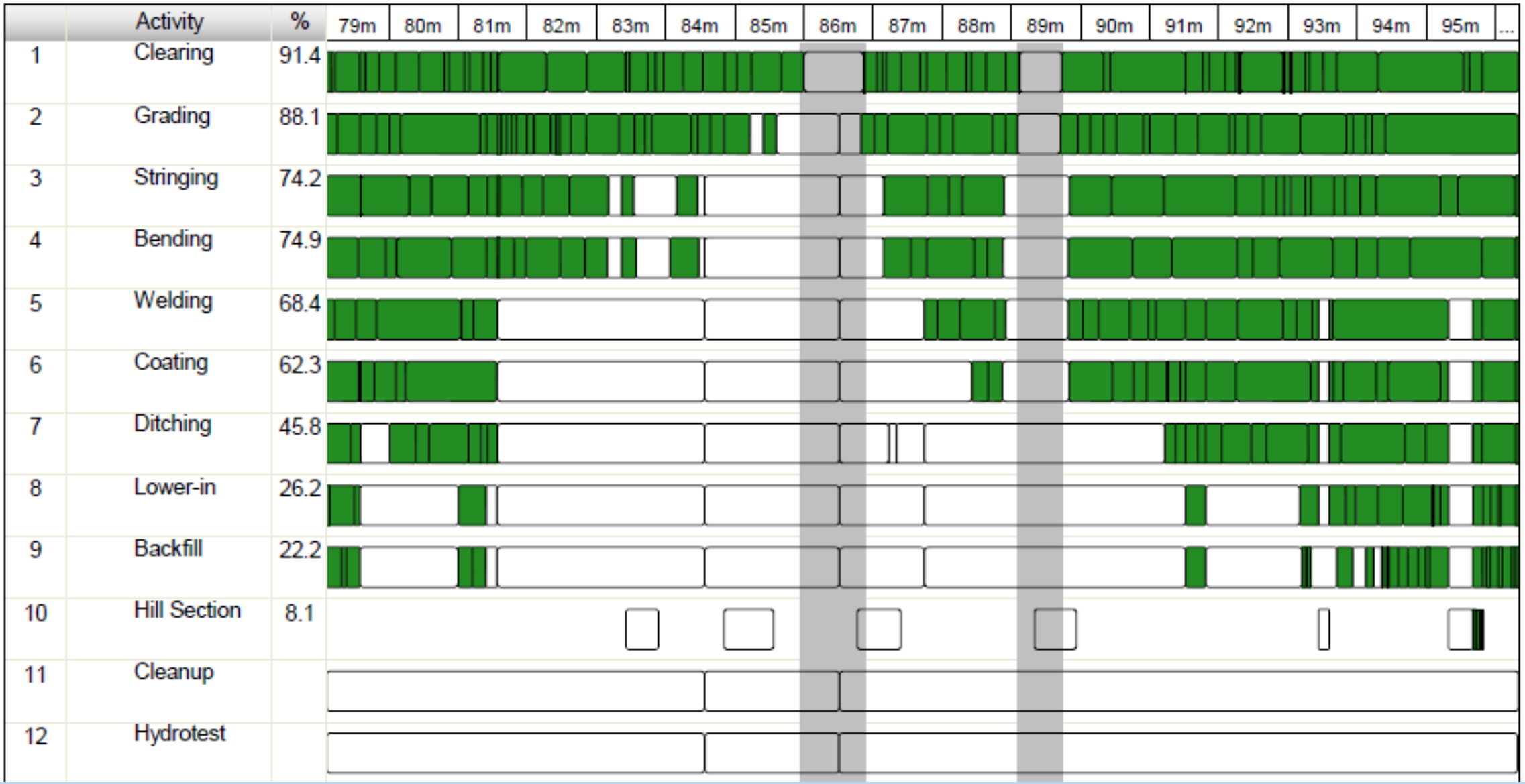
   - FERC issued NCR issued for mixing subsoil and topsoil
   - FERC issued an NCR (MP 93.1) for disturbing 50' stream buffers
   - In-stream work outside the TOYR
   - Work within 50 foot buffer
   - Not following construction sequence at the AR, Road Specific Construction Sequence (RSCS) for Access Road AR-NO-082s for:
   - Columbia CCD issued NOVs for:
     1. Failure to implement effective E&S Best Management Practices (BMPs).
     2. Failure to comply with permit conditions.
     3. Sediment or other pollutant was discharged into waters of the Commonwealth.
     4. Site conditions present a potential for pollution to waters of the Commonwealth.
   - Material off the right-of-way
   - Incomplete water bar installation

   NCRs and NOVs from current period – None

2. Environmental Concerns
   - Riparian area replanting plans

3. Listing of variance requests outstanding
   - Change WW-T01-10001 - Mahandy Creek crossing method from open cut to bore
   - Change WW-T18-10002 - Quaker Run crossing method from open cut to bore
   - Happy Valley Construction Timeline Extension from 48 hrs. to 2 weeks (from 4936+33 to 4936+62, 4936+60 to 4935+67, and 4936+17 to 4936+48)

# Spread 5 – March Chart




Bat restricted area

# Spread 5 – Weekly Impacts

| Activity | Variance to Forecast | 12-Feb Monday | 13-Feb Tuesday | 14-Feb Wednesday | 15-Feb Thursday | 16-Feb Friday | 17-Feb Saturday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|
| Clearing | - | 1/2 Rain Delay | | | | Rain Out | 3/4 Rain/Snow Delay | |
| Grading | (1,783) | 1/2 Rain Delay | | | | Rain Out | 3/4 Rain/Snow Delay | Working on last hill, will be done except bat zones |
| Stringing | (2,509) | 1/2 Rain Delay | | | | Rain Out | 3/4 Rain/Snow Delay | Crew is as far as they can go except the hills & bat zones |
| Bending | (153) | 1/2 Rain Delay | | | | Rain Out | 3/4 Rain/Snow Delay | Crew is as far as they can go except the hills & bat zones |
| Firing Line | (548) | 1/2 Rain Delay | | | | Rain Out | 3/4 Rain/Snow Delay | Weather/limited access/muddy ROW |
| Coating | 1,751 | 1/2 Rain Delay | | | | Rain Out | 3/4 Rain/Snow Delay | |
| Ditch | 180 | 1/2 Rain Delay | | | | Rain Out | 3/4 Rain/Snow Delay | |
| Lower In | (126) | 1/2 Rain Delay | | | | Rain Out | 3/4 Rain/Snow Delay | Weather/limited access/muddy ROW |
| Backfill | 357 | 1/2 Rain Delay | | | | Rain Out | 3/4 Rain/Snow Delay | |
| Tie In | (11) | 1/2 Rain Delay | | | | Rain Out | 3/4 Rain/Snow Delay | Weather/limited access/muddy ROW |
| Hill | (347) | 1/2 Rain Delay | | | | Rain Out | 3/4 Rain/Snow Delay | Unsafe working conditions in the hills |
| Road Crossing | (124) | 1/2 Rain Delay | | | | Rain Out | 3/4 Rain/Snow Delay | |
| Testing | - | 1/2 Rain Delay | | | | Rain Out | 3/4 Rain/Snow Delay | |
| Clean Up | - | 1/2 Rain Delay | | | | Rain Out | 3/4 Rain/Snow Delay | |
| Clean Water Div. | - | 1/2 Rain Delay | | | | Rain Out | 3/4 Rain/Snow Delay | |

| Spread 5 Critical Path Float for 26-Jun Commitment Date | | | | | | |
|---|---|---|---|---|---|---|
| Week Ending | 14-Jan | 21-Jan | 28-Jan | 4-Feb | 11-Feb | 18-Feb |
| Days Float | -6 | -9 | -10 | -1 | TBD | |

# Spread 5 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 18-Feb | | | Cumulative | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast |
| Clearing | lf | 90,990 | 91.4% | - | - | - | 86,286 | 83,190 | (3,096) |
| Grading | lf | 90,990 | 88.1% | 4,783 | 3,000 | (1,783) | 71,642 | 80,190 | 8,548 |
| Stringing | lf | 90,990 | 74.2% | 5,009 | 2,500 | (2,509) | 71,037 | 67,490 | (3,547) |
| Bending | lf | 90,990 | 74.9% | 5,153 | 5,000 | (153) | 69,637 | 68,190 | (1,447) |
| Firing Line | lf | 74,190 | 68.4% | 3,648 | 3,100 | (548) | 47,313 | 50,713 | 3,400 |
| Coating | lf | 74,190 | 62.3% | 3,899 | 5,650 | 1,751 | 42,896 | 46,240 | 3,344 |
| Ditch | lf | 74,190 | 45.8% | 4,570 | 4,750 | 180 | 38,352 | 34,008 | (4,344) |
| Lower In | lf | 74,190 | 26.2% | 3,899 | 3,773 | (126) | 27,306 | 19,422 | (7,884) |
| Backfill | lf | 74,190 | 22.2% | 3,899 | 4,255 | 357 | 27,307 | 16,458 | (10,849) |
| Tie In | ea. | 311 | 16.7% | 12 | 1 | (11) | 67 | 52 | (15) |
| Hill | lf | 16,800 | 8.1% | 1,253 | 906 | (347) | 3,437 | 1,363 | (2,074) |
| Road Crossing | lf | 1,086 | 59.3% | 124 | - | (124) | 838 | 644 | (194) |
| Testing | lf | 90,990 | 0.0% | - | - | - | - | - | - |
| Clean Up | lf | 90,990 | 0.0% | - | - | - | - | - | - |
| Clean Water Div. | ea. | 40 | 50.0% | - | - | - | - | 20 | 20 |

Forecast = Jan 21 Forecast Update

| Tie-In Status | 11-Feb | 18-Feb | 25-Feb | 4-Mar | 11-Mar | 18-Mar | 25-Mar | 1-Apr | 8-Apr |
|---|---|---|---|---|---|---|---|---|---|
| Jan 21 Forecast | 12 | 12 | 17 | 17 | 17 | 13 | 13 | 13 | 13 |
| Actual | 6 | 1 | - | - | - | - | - | - | - |
| Total Remaining | 260 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 |
| # of Tie In Crews | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |

# Spread 5 – Manhours and Performance (Craft Only)

| Activity | Budget Hours | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 27,500 | 0 | 0 | 44,257 | 44,257 | 42,579 | 0.96 | 0.96 | 46,571 | 19,071 |
| Grading | 23,320 | 2,574 | 1,382 | 29,033 | 26,084 | 33,905 | 1.30 | 1.17 | 38,471 | 15,151 |
| Stringing | 23,004 | 1,584 | 825 | 19,607 | 17,498 | 26,292 | 1.50 | 1.34 | 35,447 | 12,443 |
| Bending | 18,096 | 528 | 361 | 7,695 | 7,425 | 12,098 | 1.63 | 1.57 | 16,143 | -1,953 |
| Firing Line | 28,188 | 3,600 | 3,034 | 41,768 | 40,251 | 46,761 | 1.16 | 1.12 | 68,408 | 40,220 |
| Coating | 22,185 | 1,188 | 791 | 13,243 | 10,056 | 13,437 | 1.34 | 1.01 | 21,559 | -626 |
| Ditch | 22,185 | 1,188 | 1,442 | 11,872 | 8,833 | 9,254 | 1.05 | 0.78 | 20,188 | -1,997 |
| Lower In | 26,945 | 1,440 | 2,165 | 8,640 | 5,380 | 6,220 | 1.16 | 0.72 | 23,760 | -3,185 |
| Backfill | 13,515 | 924 | 1,164 | 5,261 | 4,946 | 3,422 | 0.69 | 0.65 | 15,425 | 1,910 |
| Tie In | 85,544 | 4,680 | 1,517 | 30,064 | 24,735 | 18,450 | 0.75 | 0.61 | 110,344 | 24,800 |
| Hill | 130,799 | 4,320 | 2,323 | 19,480 | 14,118 | 6,370 | 0.45 | 0.33 | 78,520 | -52,279 |
| Road Crossing | 51,200 | 1,224 | 895 | 16,607 | 15,521 | 17,106 | 1.10 | 1.03 | 28,847 | -22,353 |
| Testing | 4,872 | 66 | 60 | 464 | 440 | 0 | 0.00 | 0.00 | 15,446 | 10,574 |
| Clean Up | 43,024 | 0 | 65 | 270 | 301 | 0 | 0.00 | 0.00 | 37,362 | -5,662 |
| **Total Progressable Hours** | **520,377** | **23,316** | **16,024** | **248,261** | **219,845** | **235,894** | **1.07** | **0.95** | **556,491** | **36,114** |
| Non Progressable Hours | 303,974 | 10,494 | 8,083 | 193,240 | 171,452 | 0 | | | 341,636 | 37,662 |
| **Total Hours** | **824,351** | **33,810** | **24,107** | **441,501** | **391,297** | **235,894** | **1.07** | **0.95** | **898,127** | **73,776** |

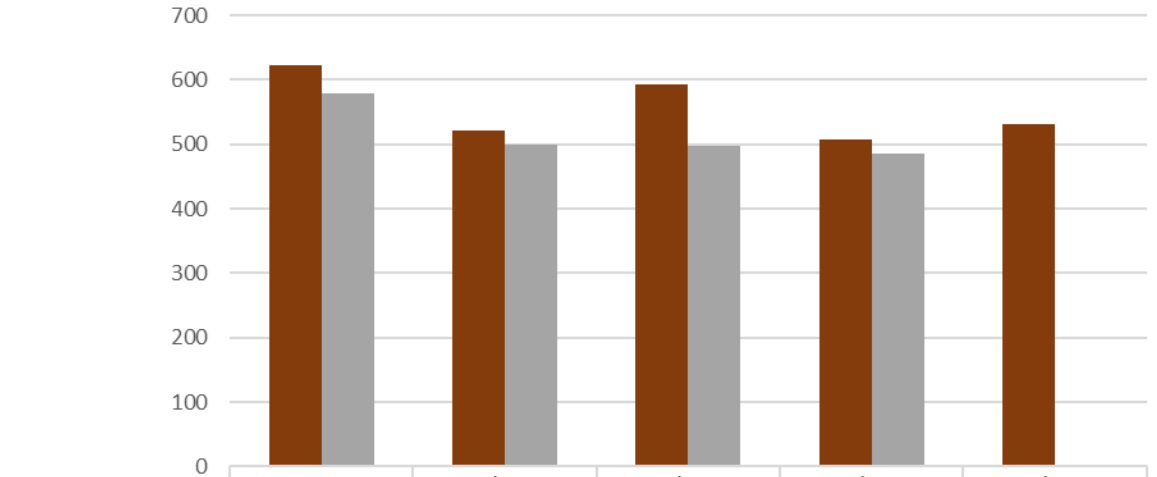
Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

CPI & SPI calculated on Jan 21 Forecast

Forecast = Jan 21 Forecast Update

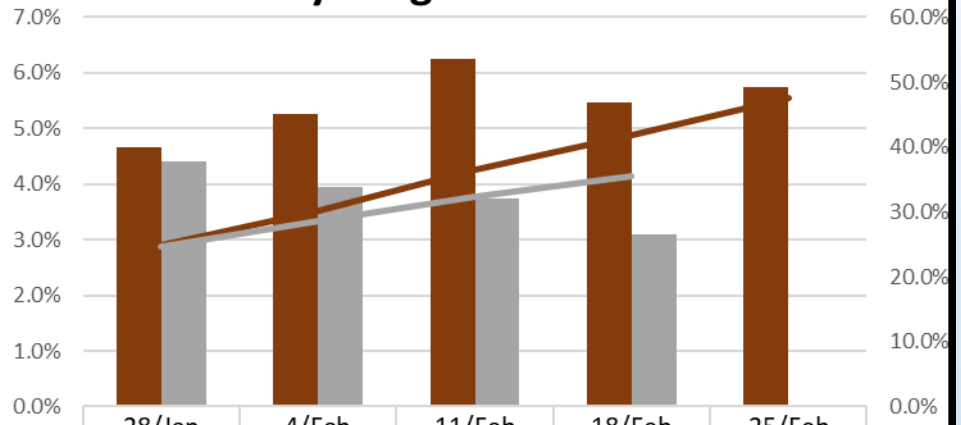
# Spread 5 – Progress and Performance Curves

## Head Count




| | Jan-28 | Feb-04 | Feb-11 | Feb-18 | Feb-25 |
|---|---|---|---|---|---|
| Jan 21 Forecast | 622 | 522 | 592 | 507 | 532 |
| Actual | 578 | 500 | 498 | 486 | 0 |

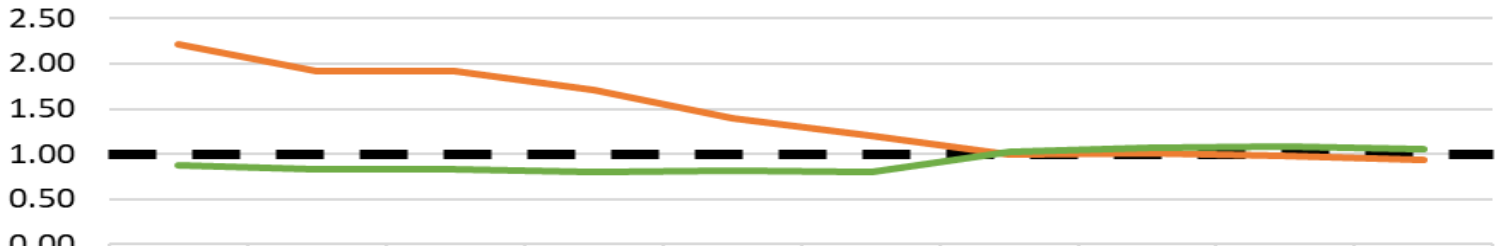
## Baselay Progress




| | 28/Jan | 4/Feb | 11/Feb | 18/Feb | 25/Feb |
|---|---|---|---|---|---|
| Jan 21 Forecast | 4.7% | 5.3% | 6.3% | 5.5% | 5.7% |
| Actual | 4.4% | 3.9% | 3.7% | 3.1% | |
| Jan 21 Forecast Total | 24.9% | 30.2% | 36.4% | 41.9% | 47.6% |
| Actual Total | 24.8% | 28.7% | 32.4% | 35.5% | |

## SPI & CPI

SPI - Earned over Jan 21 Forecst
CPI - Earned over Actual




| | Dec-17 | Dec-24 | Dec-31 | Jan-07 | Jan-14 | Jan-21 | Jan-28 | Feb-04 | Feb-11 | Feb-18 |
|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 2.21 | 1.91 | 1.91 | 1.71 | 1.40 | 1.20 | 1.00 | 1.01 | 0.98 | 0.94 |
| CPI | 0.88 | 0.83 | 0.83 | 0.80 | 0.82 | 0.80 | 1.03 | 1.07 | 1.08 | 1.06 |

# Spread 5 - Contract Status ($M's)

| CONTRACT | Original Contract | Extra Work Orders | | | Current Contract | Invoiced | Paid | Outstanding |
|---|---|---|---|---|---|---|---|---|
| | | Under Prep | Submitted | Approved | | | | |
| Spread 5 | $ 123.15 | $ 7.61 | $ 1.42 | $ 0.21 | $ 123.36 | $ 109.48 | $ 87.73 | $ 21.76 |
| Spread 6 | $ 163.86 | $ 14.60 | $ 2.21 | $ 0.23 | $ 164.09 | $ 139.13 | $ 105.58 | $ 33.55 |
| Spread 7 | $ 167.46 | $ 7.29 | $ 3.56 | $ 0.13 | $ 167.59 | $ 153.29 | $ 117.61 | $ 35.68 |
| **Total** | **$ 454.47** | **$ 29.50** | **$ 7.19** | **$ 0.57** | **$ 455.04** | **$ 401.90** | **$ 310.91** | **$ 90.99** |
| No new EWRs submitted this week. | | | | | | March cash call ($91M) outstanding; due March 5th. | | |

| TRENDS | Count | Total | | Spread 5 | | Spread 6 | | Spread 7 | |
|---|---|---|---|---|---|---|---|---|---|
| | | Hours | Cost | Hours | Cost | Hours | Cost | Hours | Cost |
| Recorded | 37 | 19,601 | $ 9.04 | 16,886 | $ 4.45 | - | $ 2.25 | 2,715 | $ 2.33 |
| Internal Review | 10 | 96,133 | $ 12.61 | - | $ 0.02 | 89,684 | $ 11.60 | 6,449 | $ 0.99 |
| Client Review | 30 | 19,761 | $ 11.24 | 1,776 | $ 3.96 | - | $ 2.78 | 17,985 | $ 4.50 |
| Declined | 2 | 30 | $ 3.16 | - | $ 1.00 | - | $ 1.13 | 30 | $ 1.02 |
| Revise and Resubmit | 3 | 89,050 | $ 10.32 | 36,000 | $ 3.98 | - | $ - | 53,050 | $ 6.33 |
| Proceed to EWR | 15 | 5,794 | $ 29.50 | - | $ 7.61 | - | $ 14.60 | 5,794 | $ 7.29 |
| EWR Submitted | 9 | 20,950 | $ 7.19 | 4,004 | $ 1.42 | 4,334 | $ 2.21 | 12,612 | $ 3.56 |
| EWR Approved | 2 | - | $ 0.57 | - | $ 0.21 | - | $ 0.23 | - | $ 0.13 |
| **Total Trends** | **108** | **251,319** | **$ 83.62** | **58,666** | **$ 22.64** | **94,018** | **$ 34.82** | **98,635** | **$ 26.16** |
| This week: 5 new trends initiated; no trends submitted to Client this week. | | | | | | | | | |

# Spread 5 – Cost Summary (M's)

| Account | Current Budget | Committed to Date | Incurred | | Current Forecast | Variance from Budget |
|---|---|---|---|---|---|---|
| | | | Period | To Date | | |
| Labor (Direct/Indirect) | $ 64.86 | $ 33.29 | $ 2.01 | $ 33.29 | $ 79.13 | $ 14.89 |
| Other Welded Costs | $ 31.16 | $ 36.67 | $ 0.88 | $ 18.59 | $ 34.89 | $ 3.74 |
| Billable Equipment | $ 1.47 | $ 3.40 | $ 0.03 | $ 2.66 | $ 3.22 | $ 1.75 |
| Materials (inc Mats) | $ 5.57 | $ 6.96 | $ 0.28 | $ 5.85 | $ 10.07 | $ 4.50 |
| Subcontracts | $ 10.95 | $ 22.18 | $ 0.20 | $ 15.40 | $ 26.56 | $ 15.61 |
| Fixed Fee | $ 9.09 | $ 3.53 | $ 0.19 | $ 3.53 | $ 9.09 | $ - |
| **Total** | **$ 123.10** | **$ 106.03** | **$ 3.58** | **$ 79.32** | **$ 162.96** | **$ 40.49** |

| | This Period | To Date |
|---|---|---|
| **Overall % Spent (of Budget)** | **2.9%** | **64.4%** |
| **Overall % Spent (of Forecast)** | **2.2%** | **48.7%** |
| **Labor only % Spent (of Forecast)** | **2.5%** | **42.1%** |
| **Physical % Complete Achieved** | **3.1%** | **35.5%** |

# Spread 5 – Critical Issues

| | Critical Issues | Mitigation |
|---|---|---|
| 1 | Working in winter weather conditions<br>- Safety<br>- Loss of production | Continue to raise and promote safety awareness through daily safety talks and JSA's |
| 2 | | |
| 3 | | |

# Atlantic Sunrise Pipeline Project Spread 6 Progress Report

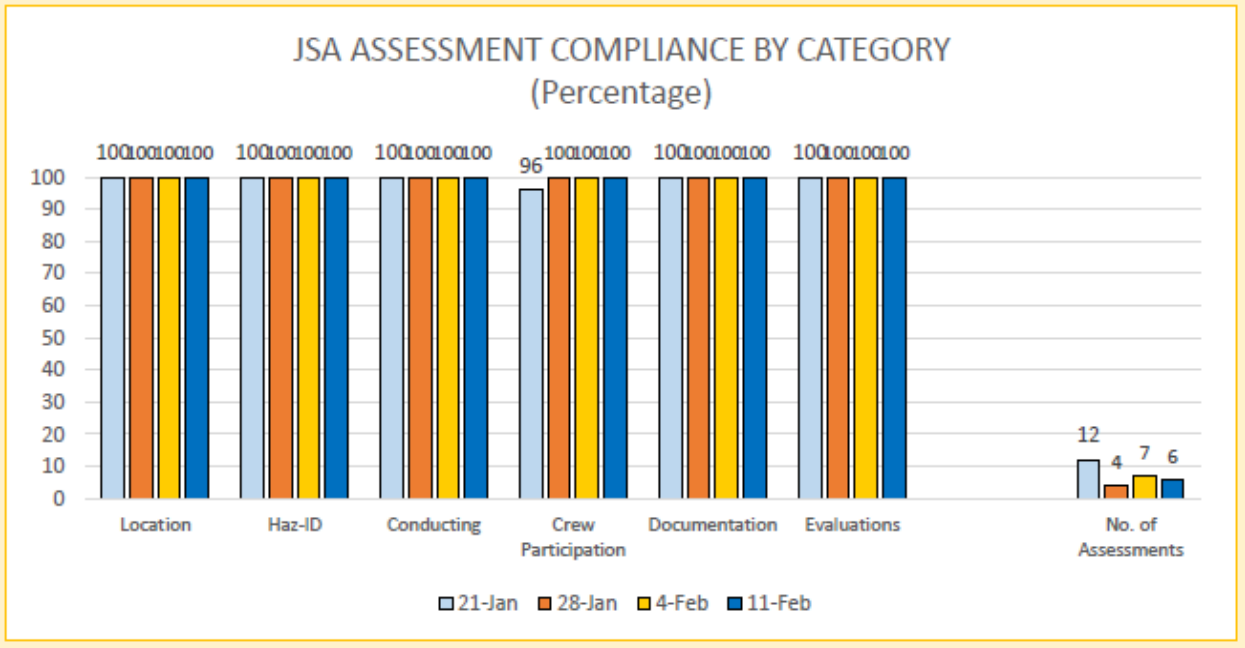
Week ending 18-Feb-18

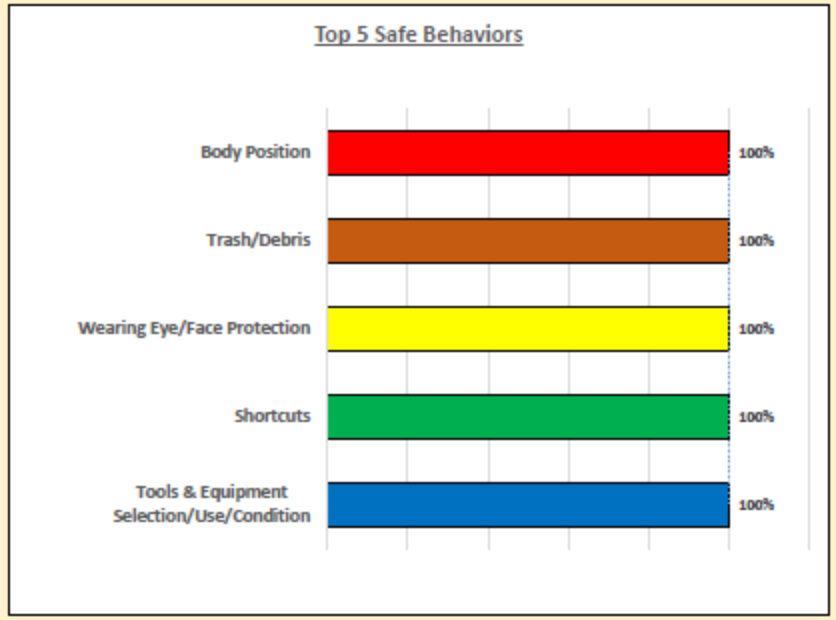
# SPREAD 6 - Safety

| Number of Incidents | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0 | 0 | 3 | 23 | 13 | 33 | 11 | 2 | 1 | 4 |

| Incident Rates | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0.0 | 0.0 | 1.1 | 8.1 | 4.6 | 11.7 | 3.9 | 0.7 | 0.4 | 1.4 |

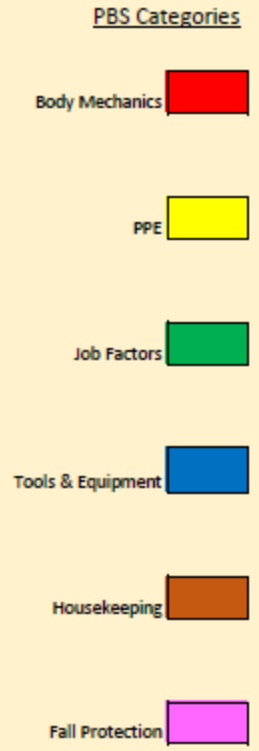
| | Weekly Hours | Monthly Hours | Project Hours | Total Headcount |
|---|---|---|---|---|
| Welded | 31,668 | 103,010 | 451,652 | 573 |
| Subcontractors | 1,188 | 12,290 | 113,033 | 102 |
| Total Hours | 32,856 | 115,300 | 564,685 | 675 |



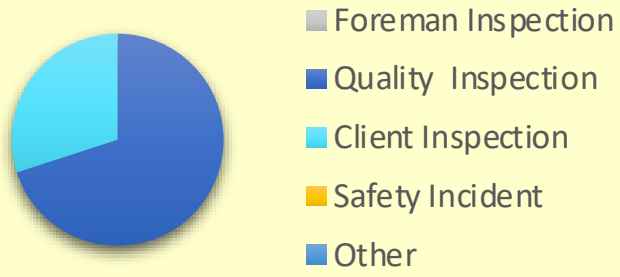




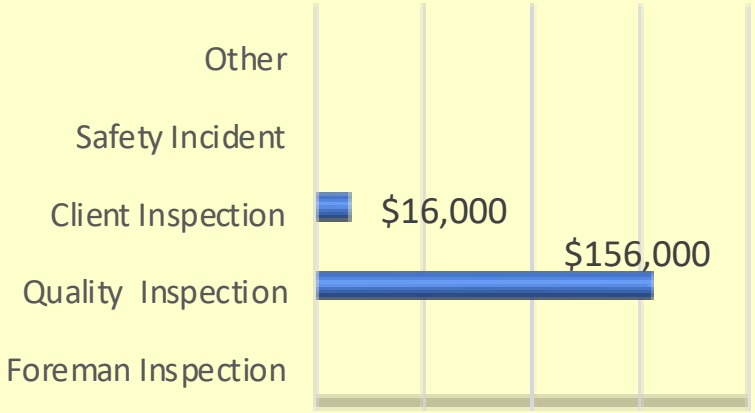


# SPREAD 6 - Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 9.97% |
| Field Joint Coating Rejection Rate | 3% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 3 | 22 |
| Closed | 2 | 18 |
| **Remaining Open** | | 4 |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | 1 | 10 |
| Closed | - | 7 |
| **Remaining Open** | | 3 |

**We had 3 observations last week and one of those OBS is an NCR. The NCR is because a coating crew coated 2 welds without an OQ Ct 427 trained person.**

# Spread 6 – Environmental

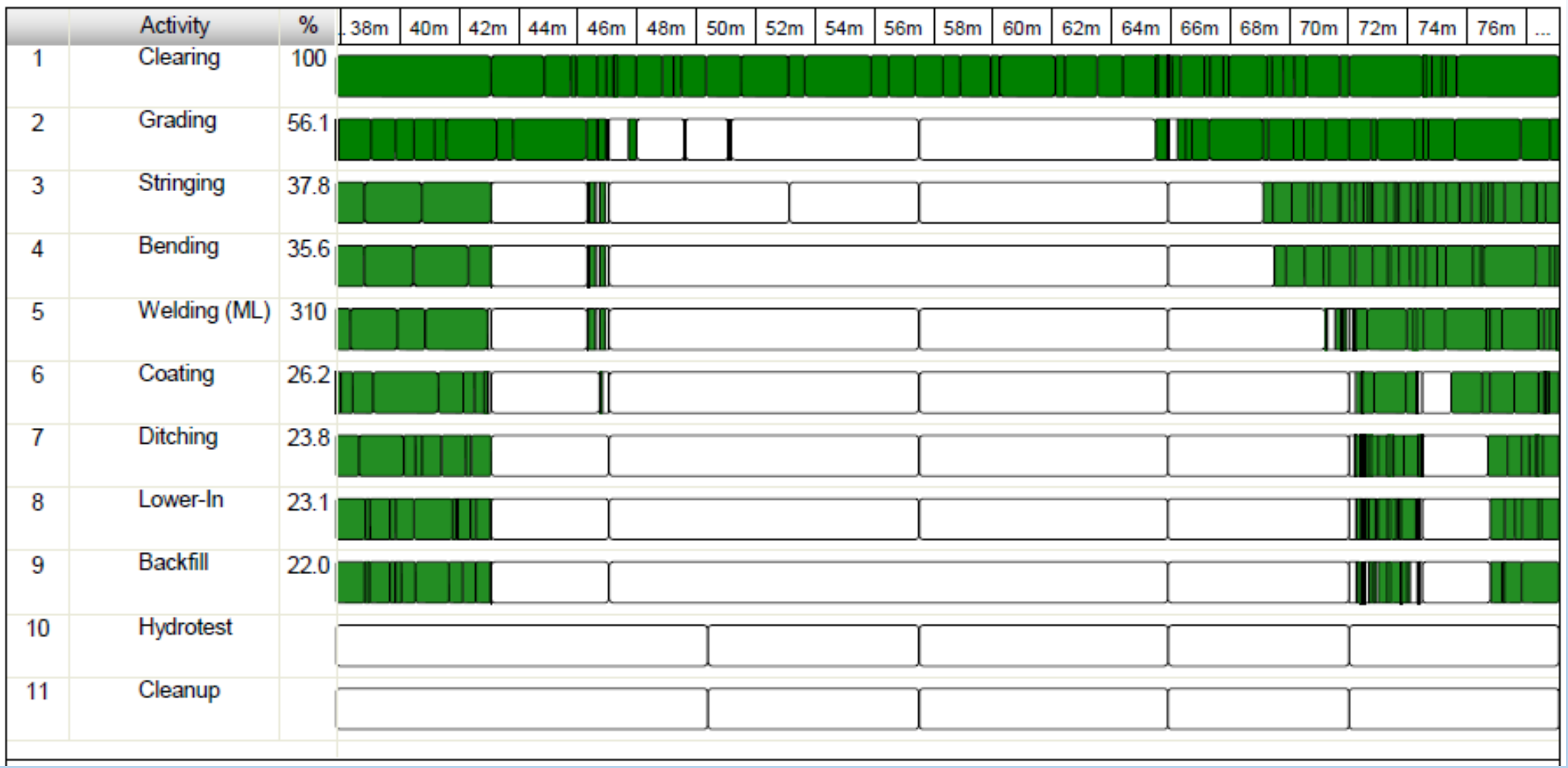
1. Environmental Compliance
   - Non compliance from previous periods:
     - Clearing outside of LOD at Fort Swatara Yard;
     - ROW lacking temporary stabilization south of SR0322
     - Improper waterbody crossing (2593+91)
     - Improper construction methods while installing bridge equipment crossing – Forge Creek
     - Installing skids within a delineated waterway – 4015+00
     - Sediment was discharged into waters 0f the Commonwealth – UNT to Conewego Creek(2002+00)

   - Non compliance from current period: None
   - Notifications from current period: None

2. Environmental Concerns
   - Not having all landowners agreeing to allow dewatering off LOD
   - Winter weather impacts
   - Riparian Area Replanting plans

3. Listing of variance requests outstanding
   - Stream crossings (13) – flume + clean rock
   - Timeline extension for crossing WW-T20-1001, adj to Goldmine Rd., from 24 hrs to 10 days due to road bore stream impact.
   - Bore option for scheduled open cut Swatara Creek
   - Gingrich Run WW-T64-5001 construction method change from flume to dam and pump.
   - 7 day extension request on 28 FEB 2018 trout stream window
   - Reduce workspace located off of Old Forge Rd. within PA-SC-004.000

# Spread 6 – March Chart



# Spread 6 – Weekly Impacts

| Activity | Variance to Fcst | 12-Feb Monday | 13-Feb Tuesday | 14-Feb Wednesday | 15-Feb Thursday | 16-Feb Friday | 17-Feb Saturday |
|---|---|---|---|---|---|---|---|
| Clearing | 5,837 | | | | | | |
| Grading | (5,810) | Rainout | | | Rainout | | |
| Stringing | (3,900) | Worked in Yard | | | Rainout | | |
| Bending | (3,600) | Worked in Yard | | | Rainout | | |
| Firing Line | (7,110) | Rainout | | | Rainout | | |
| Coating | (8,232) | Rainout | | | Rainout | | |
| Ditch | (9,000) | Rainout | Spread 5 | Spread 5 | Rainout | Spread 5 | Spread 5 |
| Lower In | (7,820) | Rainout | | Spread 5 | Rainout | Spread 5 | Spread 5 |
| Backfill | (8,400) | Rainout | | Spread 5 | Rainout | Spread 5 | Spread 5 |
| Tie In | (6) | Rainout | | | Rainout | | |
| Road Crossing | (154) | Rainout | | | | | |
| Testing | - | | | | | | |
| Clean Up | - | | | | | | |
| Clean Water Div. | 38 | | | | | | |

| Comments/Recovery Actions: |
|---|
| 2/12 Safety Stand down - all crews in a.m |
| 2/15 Grade moved from North end to South end |
| |
| Ditching/Lowering In/Backfill were to have completed spread 5 last week, but due to ongoing weather related issues, they have been delayed. |
| 2/13 - 2/17 tie in crews working on stream crossings |
| 2/12 Road Crossing crew abandoned bore due to cave in/dump and changed to open cut |

| Spread 6 Critical Path Float for 19-Jun Commitment Date | | | | | | |
|---|---|---|---|---|---|---|
| Week Ending | 14-Jan | 21-Jan | 28-Jan | 4-Feb | 11-Feb | 18-Feb |
| Days Float | -1 | -5 | -5 | 2 | -5 | |

# Spread 6 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 18-Feb | | | Cumulative | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast |
| Clearing | lf | 217,779 | 100.0% | - | 5,837 | 5,837 | 217,779 | 217,779 | - |
| Grading | lf | 217,779 | 56.1% | 9,000 | 3,190 | (5,810) | 132,305 | 122,252 | (10,053) |
| Stringing | lf | 217,779 | 37.8% | 9,000 | 5,100 | (3,900) | 95,889 | 82,286 | (13,603) |
| Bending | lf | 217,779 | 35.6% | 9,000 | 5,400 | (3,600) | 89,229 | 77,526 | (11,703) |
| Firing Line | lf | 217,779 | 31.0% | 9,000 | 1,890 | (7,110) | 80,690 | 67,464 | (13,226) |
| Coating | lf | 217,779 | 26.2% | 13,732 | 5,500 | (8,232) | 66,748 | 56,999 | (9,749) |
| Ditch | lf | 217,779 | 23.8% | 9,000 | - | (9,000) | 55,931 | 51,929 | (4,002) |
| Lower In | lf | 217,779 | 23.1% | 9,000 | 1,180 | (7,820) | 54,795 | 50,231 | (4,564) |
| Backfill | lf | 217,779 | 22.0% | 9,000 | 600 | (8,400) | 54,795 | 47,944 | (6,851) |
| Tie In | ea | 843 | 18.0% | 24 | 18 | (6) | 213 | 152 | (61) |
| Road Crossing | lf | 3,273 | 39.2% | 154 | - | (154) | 1,686 | 1,282 | (404) |
| Testing | lf | 217,779 | 0.0% | - | - | - | - | - | - |
| Clean Up | ea | 217,779 | 0.0% | - | - | - | - | - | - |
| Clean Water Div | 0 | 144 | 66.0% | - | 38 | 38 | - | 95 | 95 |

Forecast = Jan 21 Forecast Update

| Tie-In Status | 11-Feb | 18-Feb | 25-Feb | 4-Mar | 11-Mar | 18-Mar | 25-Mar | 1-Apr | 8-Apr |
|---|---|---|---|---|---|---|---|---|---|
| Jan 21 Forecast | 24 | 24 | 24 | 45 | 45 | 45 | 45 | 45 | 45 |
| Actual | 13 | 18 | - | - | - | - | - | - | - |
| Total Remaining | 709 | 691 | 691 | 691 | 691 | 691 | 691 | 691 | 691 |
| # of Tie In Crews | 4 | 4 | 4 | 6 | 6 | 7 | 7 | 7 | 7 |

# Spread 6 – Manhours and Performance (Craft Only)

| Activity | Budget Hours | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 38,500 | 2,940 | 2,089 | 61,466 | 63,122 | 61,466 | 0.97 | 1.00 | 61,466 | 22,966 |
| Grading | 18,693 | 1,240 | 963 | 16,177 | 15,514 | 12,562 | 0.81 | 0.78 | 22,377 | 3,684 |
| Stringing | 24,849 | 1,612 | 1,239 | 14,512 | 13,311 | 11,176 | 0.84 | 0.77 | 29,578 | 4,729 |
| Bending | 15,345 | 744 | 595 | 6,950 | 6,502 | 5,277 | 0.81 | 0.76 | 14,824 | -521 |
| Firing Line | 33,264 | 3,472 | 2,905 | 27,984 | 25,110 | 18,215 | 0.73 | 0.65 | 58,798 | 25,534 |
| Coating | 16,643 | 1,426 | 844 | 14,013 | 12,812 | 7,773 | 0.61 | 0.55 | 29,699 | 13,056 |
| Ditch | 22,968 | 1,364 | 0 | 12,794 | 11,340 | 6,628 | 0.58 | 0.52 | 27,798 | 4,830 |
| Lower In | 22,365 | 1,728 | 247 | 13,271 | 11,677 | 7,844 | 0.67 | 0.59 | 34,007 | 11,642 |
| Backfill | 7,455 | 930 | 450 | 7,805 | 8,519 | 4,380 | 0.51 | 0.56 | 19,895 | 12,440 |
| Tie In | 201,488 | 4,320 | 8,496 | 64,106 | 66,136 | 39,146 | 0.59 | 0.61 | 217,106 | 15,618 |
| Road Crossing | 42,120 | 4,032 | 3,716 | 47,858 | 45,541 | 33,862 | 0.74 | 0.71 | 86,450 | 44,330 |
| Testing | 6,760 | 0 | 0 | 0 | 0 | 0 | 0.00 | 0.00 | 19,344 | 12,584 |
| Clean Up | 64,613 | 0 | 0 | 0 | 0 | 0 | 0.00 | 0.00 | 58,714 | -5,899 |
| **Total Progressable** | **515,063** | **23,808** | **21,544** | **286,936** | **279,584** | **208,328** | **0.75** | **0.73** | **680,056** | **164,993** |
| Total Progressable Hours | 363,673 | 12,152 | 11,768 | 219,508 | 218,903 | 0 | | | 475,196 | 111,523 |
| **Non Progressable Hours** | **878,736** | **35,960** | **33,312** | **506,444** | **498,487** | **208,328** | **0.75** | **0.73** | **1,155,252** | **276,516** |

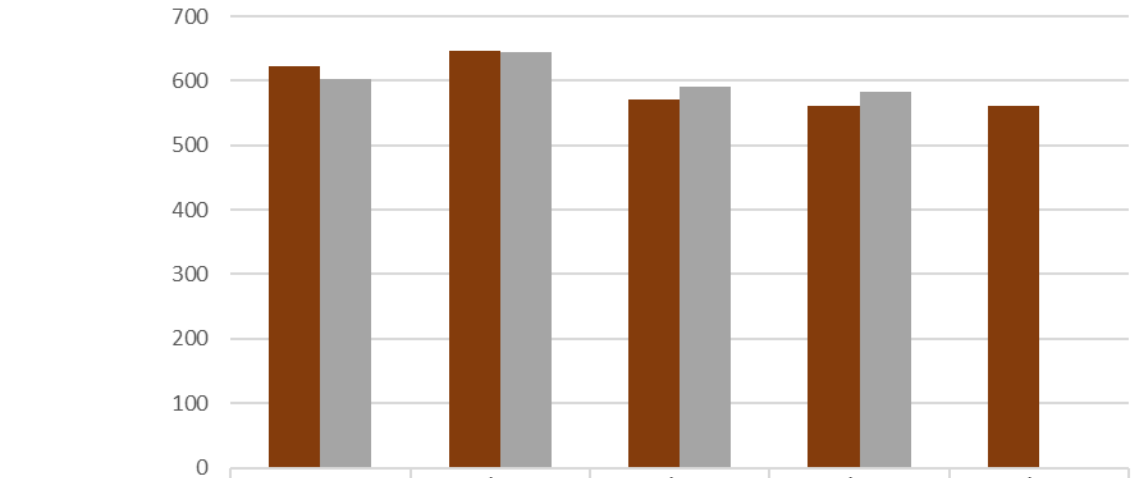
Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

CPI & SPI calculated on Jan 21 Forecast

Forecast = Jan 21 Forecast Update

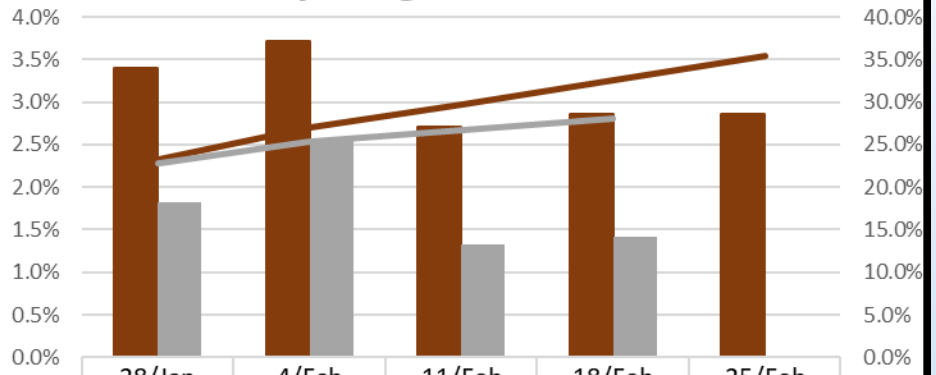
# Spread 6 – Progress & Performance Curves

## Headcount




| | Jan-28 | Feb-04 | Feb-11 | Feb-18 | Feb-25 |
|---|---|---|---|---|---|
| Jan 21 Forecast | 622 | 646 | 571 | 561 | 561 |
| Actual | 602 | 644 | 591 | 583 | 0 |

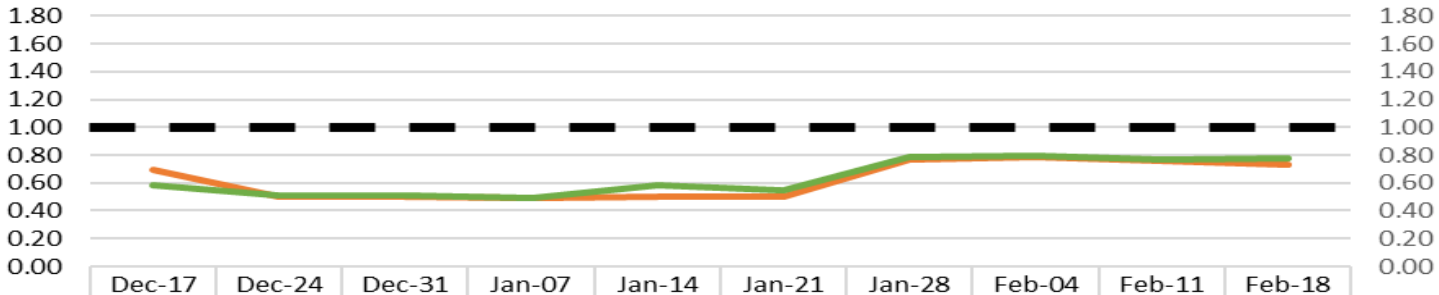
## Baselay Progress




| | 28/Jan | 4/Feb | 11/Feb | 18/Feb | 25/Feb |
|---|---|---|---|---|---|
| Jan 21 Forecast | 3.4% | 3.7% | 2.7% | 2.9% | 2.9% |
| Actual | 1.8% | 2.6% | 1.3% | 1.4% | |
| Jan 21 Forecast Total | 23.3% | 27.0% | 29.7% | 32.6% | 35.4% |
| Actual Total | 22.8% | 25.4% | 26.7% | 28.1% | |

## SPI & CPI

SPI - Earned over Jan 21 Forecast
CPI - Earned over Actual




| | Dec-17 | Dec-24 | Dec-31 | Jan-07 | Jan-14 | Jan-21 | Jan-28 | Feb-04 | Feb-11 | Feb-18 |
|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.69 | 0.50 | 0.50 | 0.49 | 0.50 | 0.50 | 0.77 | 0.79 | 0.76 | 0.73 |
| CPI | 0.58 | 0.51 | 0.51 | 0.49 | 0.58 | 0.55 | 0.79 | 0.80 | 0.77 | 0.78 |

# Spread 6 - Contract Status ($M's)

| CONTRACT | Original Contract | Extra Work Orders | | | Current Contract | Invoiced | Paid | Outstanding |
|---|---|---|---|---|---|---|---|---|
| | | Under Prep | Submitted | Approved | | | | |
| Spread 5 | $ 123.15 | $ 7.61 | $ 1.42 | $ 0.21 | $ 123.36 | $ 109.48 | $ 87.73 | $ 21.76 |
| Spread 6 | $ 163.86 | $ 14.60 | $ 2.21 | $ 0.23 | $ 164.09 | $ 139.13 | $ 105.58 | $ 33.55 |
| Spread 7 | $ 167.46 | $ 7.29 | $ 3.56 | $ 0.13 | $ 167.59 | $ 153.29 | $ 117.61 | $ 35.68 |
| **Total** | **$ 454.47** | **$ 29.50** | **$ 7.19** | **$ 0.57** | **$ 455.04** | **$ 401.90** | **$ 310.91** | **$ 90.99** |
| No new EWRs submitted this week. | | | | | | March cash call ($91M) outstanding; due March 5th. | | |

| TRENDS | Count | Total | | Spread 5 | | Spread 6 | | Spread 7 | |
|---|---|---|---|---|---|---|---|---|---|
| | | Hours | Cost | Hours | Cost | Hours | Cost | Hours | Cost |
| Recorded | 37 | 19,601 | $ 9.04 | 16,886 | $ 4.45 | - | $ 2.25 | 2,715 | $ 2.33 |
| Internal Review | 10 | 96,133 | $ 12.61 | - | $ 0.02 | 89,684 | $ 11.60 | 6,449 | $ 0.99 |
| Client Review | 30 | 19,761 | $ 11.24 | 1,776 | $ 3.96 | - | $ 2.78 | 17,985 | $ 4.50 |
| Declined | 2 | 30 | $ 3.16 | - | $ 1.00 | - | $ 1.13 | 30 | $ 1.02 |
| Revise and Resubmit | 3 | 89,050 | $ 10.32 | 36,000 | $ 3.98 | - | $ - | 53,050 | $ 6.33 |
| Proceed to EWR | 15 | 5,794 | $ 29.50 | - | $ 7.61 | - | $ 14.60 | 5,794 | $ 7.29 |
| EWR Submitted | 9 | 20,950 | $ 7.19 | 4,004 | $ 1.42 | 4,334 | $ 2.21 | 12,612 | $ 3.56 |
| EWR Approved | 2 | - | $ 0.57 | - | $ 0.21 | - | $ 0.23 | - | $ 0.13 |
| **Total Trends** | **108** | **251,319** | **$ 83.62** | **58,666** | **$ 22.64** | **94,018** | **$ 34.82** | **98,635** | **$ 26.16** |
| This week: 5 new trends initiated; no trends submitted to Client this week. | | | | | | | | | |

# Spread 6 – Cost Summary ($M's)

| Account | Current Budget | Committed to Date | Incurred | | Current Forecast | Variance from Budget |
|---|---|---|---|---|---|---|
| | | | Period | To Date | | |
| Labor (Direct/Indirect) | $ 72.90 | $ 37.55 | $ 2.58 | $ 37.55 | $ 91.21 | $ 18.31 |
| Other Welded Costs | $ 33.14 | $ 30.37 | $ 1.00 | $ 18.92 | $ 33.52 | $ 0.36 |
| Billable Equipment | $ 3.51 | $ 3.54 | $ 0.08 | $ 2.63 | $ 3.85 | $ 0.34 |
| Materials (inc Mats) | $ 13.92 | $ 12.12 | $ 0.26 | $ 8.90 | $ 15.73 | $ 1.81 |
| Subcontracts | $ 16.63 | $ 28.92 | $ 0.56 | $ 22.37 | $ 38.00 | $ 21.37 |
| Fixed Fee | $ 21.72 | $ 8.88 | $ 0.44 | $ 8.88 | $ 21.72 | $ - |
| **Total** | **$ 161.80** | **$ 121.38** | **$ 4.93** | **$ 99.25** | **$ 204.02** | **$ 42.20** |

| | This Period | To Date |
|---|---|---|
| **Overall % Spent (of Budget)** | **3.0%** | **61.3%** |
| **Overall % Spent (of Forecast)** | **2.4%** | **48.6%** |
| **Labor only % Spent (of Forecast)** | **2.8%** | **41.2%** |
| **Physical % Complete Achieved** | **1.4%** | **28.1%** |

# Spread 6 – Critical Issues

| Critical Issues | | Mitigation |
|---|---|---|
| 1 | Getting trout stream crossings installed prior to the window ending Feb 28th | Have Tie-in crews on each of the streams, have night shifts lined up for each of the tie-in crews. |
| 2 | | |
| 3 | | |

# Atlantic Sunrise Pipeline Project Spread 7 Progress Report

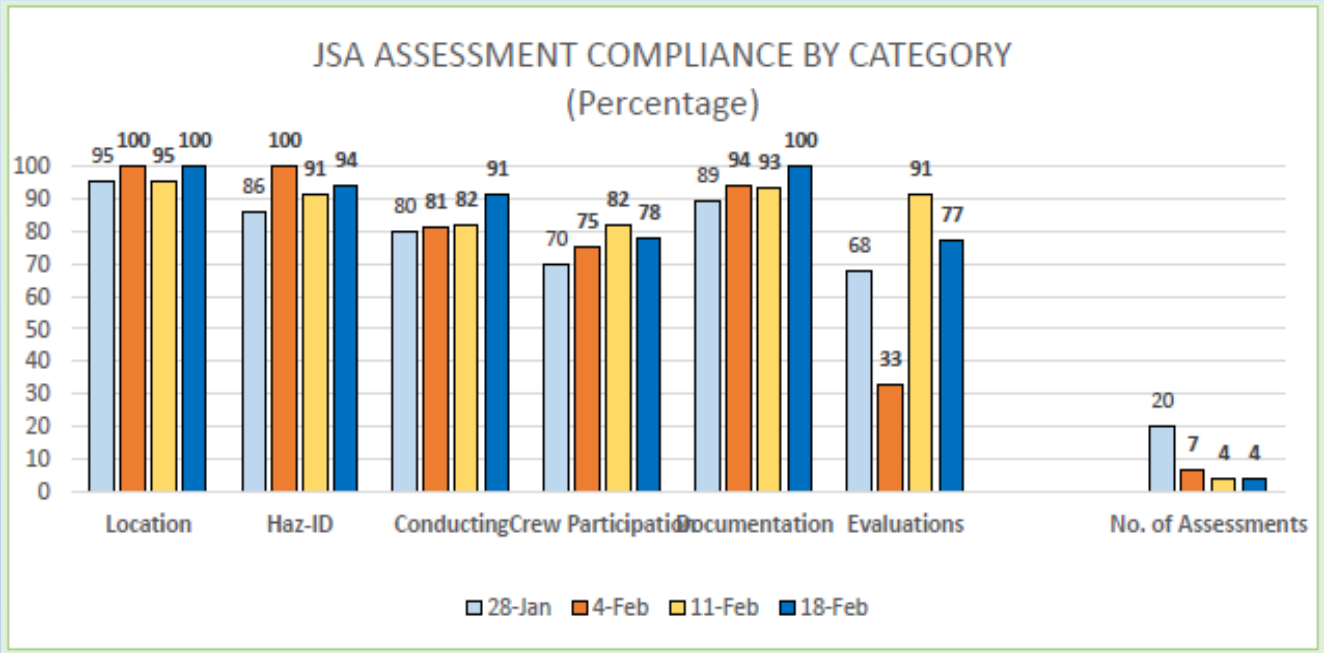
Week Ending 18-Feb-18

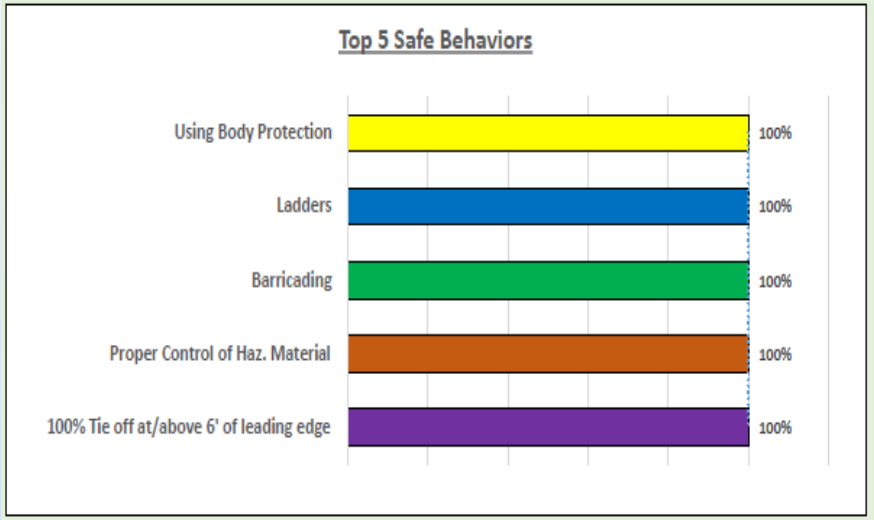
# SPREAD7 Safety

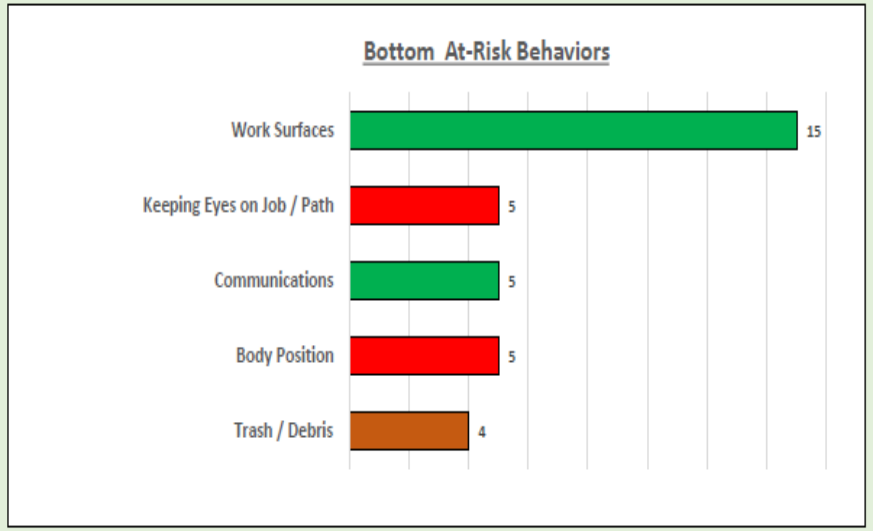
## TOTAL PROJECT INCIDENTS

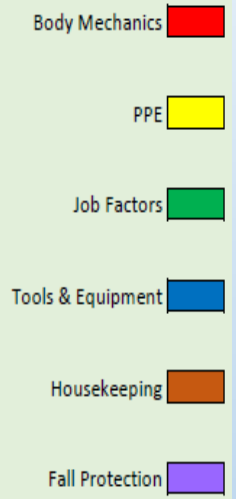
| | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| Number of Incidents | 0 | 0 | 0 | 29 | 17 | 55 | 3 | 6 | 0 | 30 |
| Incident Rates | 0.0 | 0.0 | 0.0 | 9.2 | 5.4 | 17.4 | 1.0 | 1.9 | 0.0 | 9.5 |

| | Total Weekly Hours | Total Monthly Hours | Total Project Hours | Total Head Count |
|---|---|---|---|---|
| Welded | 33,413 | 108,658 | 505,911 | 692 |
| Subcontractors | 4,993 | 16,524 | 124,544 | 137 |
| Total | 38,406 | 125,182 | 630,454 | 829 |



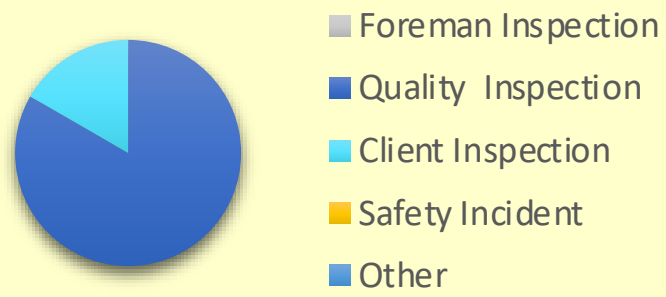



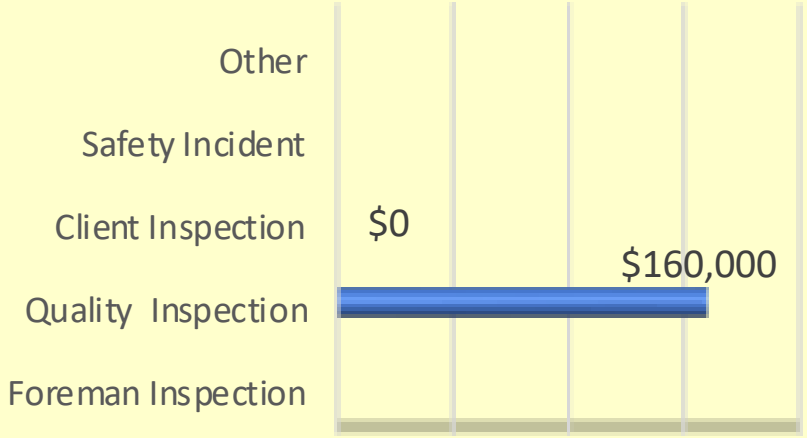



# SPREAD 7 Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 3.33% |
| Field Joint Coating Rejection Rate | 0.00% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 4 | 67 |
| Closed | 4 | 67 |
| **Remaining Open** | | - |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | 3 | 6 |
| Closed | - | 3 |
| **Remaining Open** | | 3 |

**Waiting on reply to Williams RFI concerning when to cut out damage to pipe.**

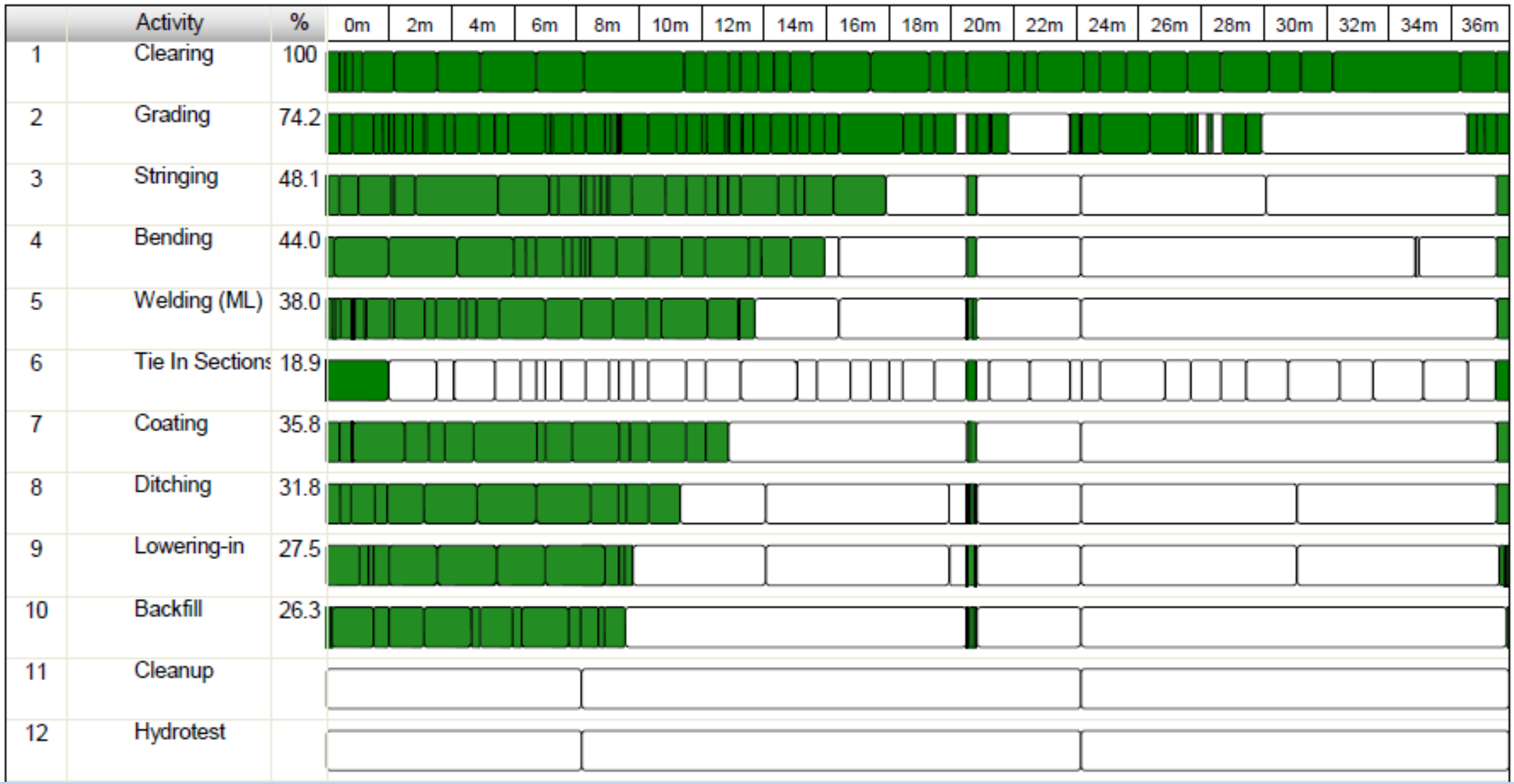
# Spread 7 – Environmental

1. Environmental Compliance
   - Non compliance from previous periods:
     - Topsoil mixing
     - Avoiding air stations
     - 50’ buffer encroachment
     - Not installing air stations
     - 2 x Water bar installation
   - Non compliance from current period – Water bar issue

2. Environmental Concerns
   - ECDs functionality during weather events
   - Riparian area replanting plans

3. Listing of variance requests outstanding
   - Pequea Creek Extra Work Space & Crossing

# Spread 7 – March Chart



# Spread 7 – Weekly Impacts

| Activity | Variance to Fcst | 12-Feb Monday | 13-Feb Tuesday | 14-Feb Wednesday | 15-Feb Thursday | 16-Feb Friday | 17-Feb Saturday |
|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | |
| Grading | (15,600) | Rainout | | | | Rainout | Rainout |
| Stringing | (2,100) | Rainout | | | | Rainout | Rainout |
| Bending | (4,966) | Rainout | | | | Rainout | Rainout |
| Firing Line | (7,966) | Rainout | | | | Rainout | Rainout |
| Coating | (6,856) | Rainout | | | | Rainout | Rainout |
| Ditch | (5,366) | Rainout | | | | Rainout | Rainout |
| Lower In | (8,366) | Rainout | | | | Rainout | Rainout |
| Backfill | (7,166) | Rainout | | Organic Farm | | Rainout | Rainout |
| Tie In | (21) | Rainout | | | | Rainout | Rainout |
| Section | - | | | | | | |
| Road Crossing | (129) | Rainout | | | | Rainout | Rainout |
| Testing | - | Rainout | | | | Rainout | Rainout |
| Clean Up | - | | | Shut down | | Rainout | Rainout |
| Clean Water Div. | 3 | | | | | | |

| Comments/Recovery Actions: |
|---|
| |

| Spread 7 Critical Path Float for 25-Jun Commitment Date | | | | | | |
|---|---|---|---|---|---|---|
| Week Ending | 14-Jan | 21-Jan | 28-Jan | 4-Feb | 11-Feb | 18-Feb |
| Days Float | -25 | -11 | -14 | -4 | TBD | |

# Spread 7 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 18-Feb | | | Cumulative | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast |
| Clearing | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - |
| Grading | lf | 199,896 | 74% | 15,600 | - | (15,600) | 166,868 | 148,361 | (18,507) |
| Stringing | lf | 199,896 | 48% | 11,000 | 8,900 | (2,100) | 108,462 | 96,198 | (12,264) |
| Bending | lf | 199,896 | 44% | 10,666 | 5,700 | (4,966) | 101,411 | 87,876 | (13,535) |
| Firing Line | lf | 199,896 | 38% | 10,666 | 2,700 | (7,966) | 94,713 | 75,949 | (18,764) |
| Coating | lf | 199,896 | 36% | 10,666 | 3,810 | (6,856) | 87,713 | 71,487 | (16,226) |
| Ditch | lf | 199,896 | 32% | 10,666 | 5,300 | (5,366) | 81,969 | 63,605 | (18,364) |
| Lower In | lf | 199,896 | 27% | 10,666 | 2,300 | (8,366) | 74,585 | 54,921 | (19,664) |
| Backfill | lf | 199,896 | 26% | 10,666 | 3,500 | (7,166) | 70,410 | 52,596 | (17,814) |
| Tie In | ea | 681 | 19% | 36 | 15 | (21) | 145 | 129 | (16) |
| Section Install | lf | 19,676 | 0% | - | - | - | - | - | - |
| Road Crossing | lf | 3,378 | 49% | 129 | - | (129) | 1,709 | 1,643 | (66) |
| Testing | lf | 199,896 | 0% | - | - | - | - | - | - |
| Clean Up | lf | 199,896 | 0% | - | - | - | - | - | - |
| Clean Water Div | ea | 87 | 55% | - | 3 | 3 | - | 48 | 48 |

Forecast = Jan 21 Forecast Update

| Tie-In Status | 11-Feb | 18-Feb | 25-Feb | 4-Mar | 11-Mar | 18-Mar | 25-Mar | 1-Apr | 8-Apr |
|---|---|---|---|---|---|---|---|---|---|
| Jan 21 Forecast | 24 | 36 | 42 | 42 | 42 | 42 | 42 | 42 | 42 |
| Actual | 16 | 15 | - | - | - | - | - | - | - |
| Total Remaining | 567 | 552 | 552 | 552 | 552 | 552 | 552 | 552 | 552 |
| # of Tie In Crews | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |

# Spread 7 – Manhours and Performance (Craft Only)

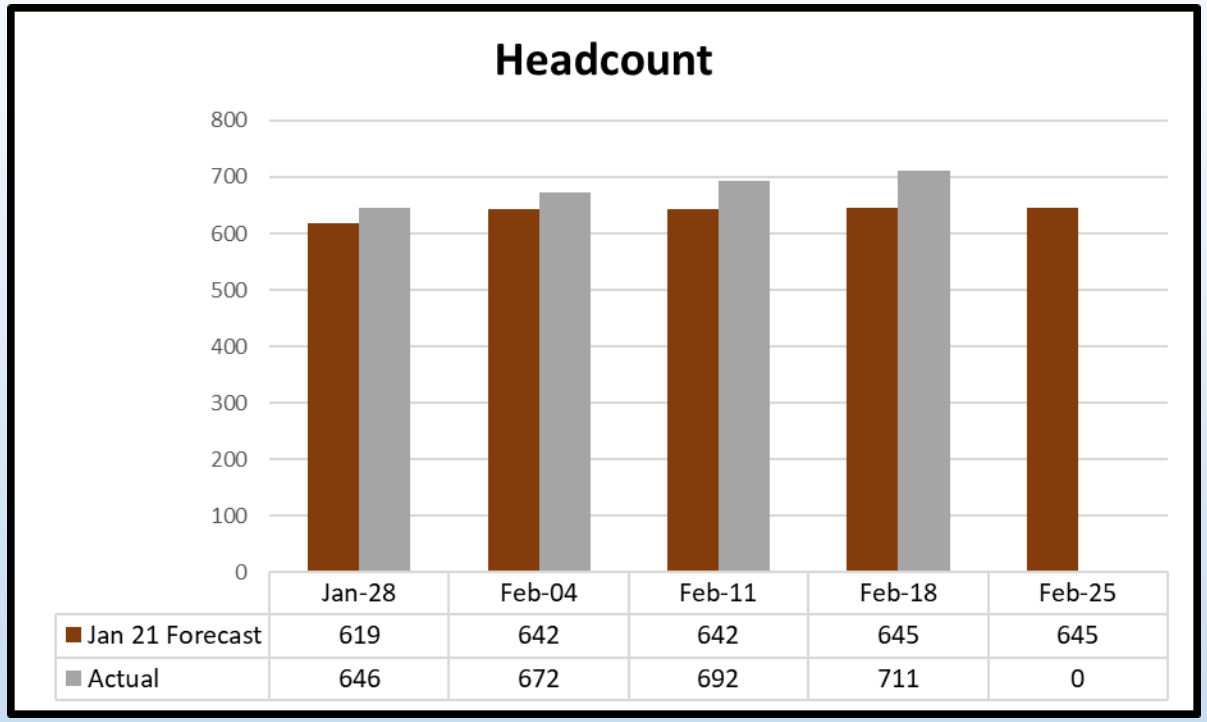
| Activity | Budget Hours | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 30,000 | 0 | 0 | 36,284 | 36,284 | 36,284 | 1.00 | 1.00 | 36,284 | 6,284 |
| Grading | 19,292 | 2,795 | 1,546 | 42,722 | 40,281 | 34,231 | 0.85 | 0.80 | 46,122 | 26,830 |
| Stringing | 23,842 | 1,820 | 1,299 | 23,444 | 21,774 | 16,537 | 0.76 | 0.71 | 34,364 | 10,522 |
| Bending | 14,105 | 520 | 420 | 7,297 | 7,324 | 4,527 | 0.62 | 0.62 | 10,297 | -3,808 |
| Firing Line | 30,576 | 3,120 | 2,583 | 42,027 | 40,759 | 25,442 | 0.62 | 0.61 | 66,964 | 36,388 |
| Coating | 16,830 | 1,170 | 940 | 12,642 | 11,425 | 7,868 | 0.69 | 0.62 | 22,002 | 5,172 |
| Ditch | 20,020 | 1,300 | 898 | 14,629 | 13,192 | 7,964 | 0.60 | 0.54 | 25,029 | 5,009 |
| Lower In | 19,912 | 1,885 | 1,357 | 16,478 | 14,707 | 9,706 | 0.66 | 0.59 | 35,328 | 15,416 |
| Backfill | 6,638 | 1,235 | 940 | 7,730 | 6,755 | 5,283 | 0.78 | 0.68 | 20,080 | 13,442 |
| Tie In | 122,265 | 11,914 | 9,479 | 61,787 | 50,719 | 43,084 | 0.85 | 0.70 | 227,443 | 105,178 |
| Section Install | 38,410 | 0 | 0 | 0 | 0 | 0 | 0.00 | 0.00 | 0 | -38,410 |
| Road Crossing | 38,160 | 1,950 | 2,027 | 26,926 | 28,378 | 24,478 | 0.86 | 0.91 | 50,326 | 12,166 |
| Testing | 3,328 | 650 | 663 | 2,764 | 2799 | 0 | 0.00 | 0.00 | 15,764 | 12,436 |
| Clean Up | 60,887 | 0 | 809 | 0 | 809 | 0 | 0.00 | 0.00 | 66,495 | 5,608 |
| **Total Progressable Hours** | **444,265** | **28,359** | **22,961** | **294,730** | **275,206** | **215,405** | **0.78** | **0.73** | **656,498** | **212,233** |
| Non Progressable Hours | 389,424 | 13,065 | 13,307 | 246,693 | 245,767 | 0 | | | 441,678 | 52,254 |
| **Total Hours** | **833,689** | **41,424** | **36,268** | **541,423** | **520,973** | **215,405** | **0.78** | **0.73** | **1,098,176** | **264,487** |

Non progressable includes direct and indirect craft; no Staff/Mgmt Supevision

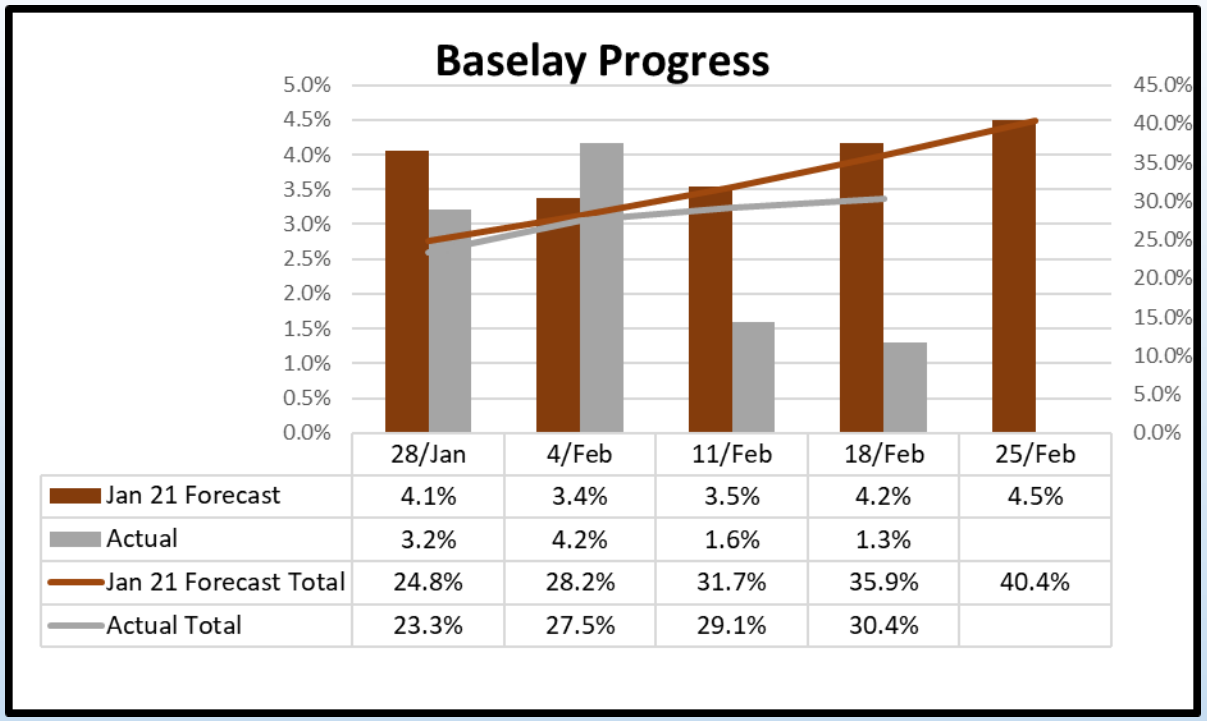
CPI & SPI calculated on Jan 21 Forecast

Forecast = Jan 21 Forecast Update

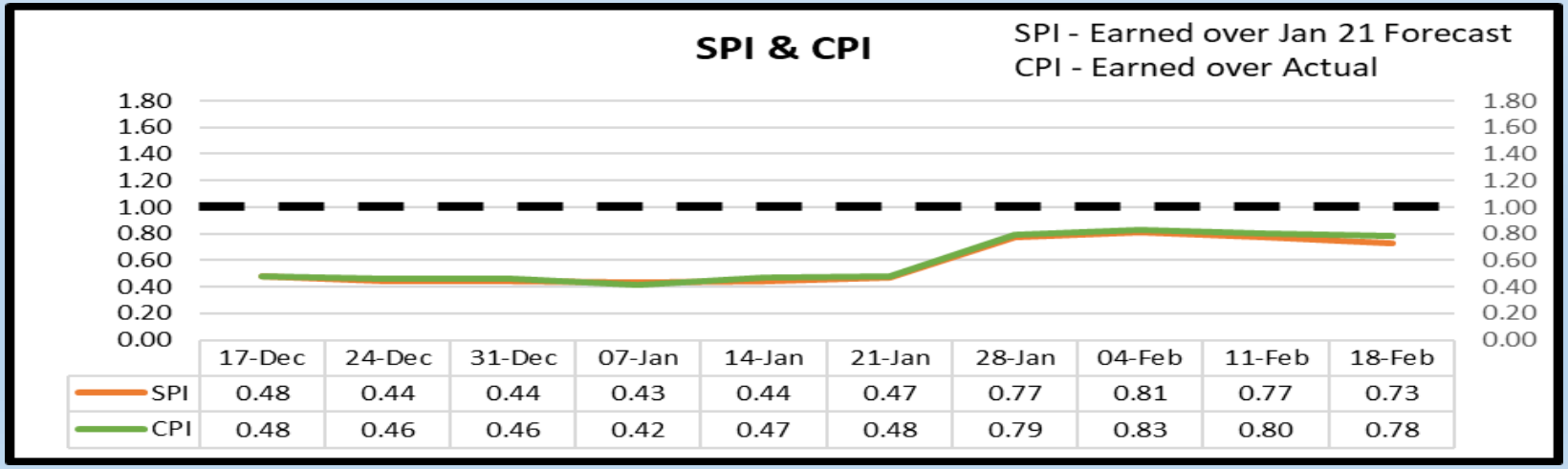
# Spread 7 – Progress and Performance Curves




| | Jan-28 | Feb-04 | Feb-11 | Feb-18 | Feb-25 |
|---|---|---|---|---|---|
| Jan 21 Forecast | 619 | 642 | 642 | 645 | 645 |
| Actual | 646 | 672 | 692 | 711 | 0 |




| | 28/Jan | 4/Feb | 11/Feb | 18/Feb | 25/Feb |
|---|---|---|---|---|---|
| Jan 21 Forecast | 4.1% | 3.4% | 3.5% | 4.2% | 4.5% |
| Actual | 3.2% | 4.2% | 1.6% | 1.3% | |
| Jan 21 Forecast Total | 24.8% | 28.2% | 31.7% | 35.9% | 40.4% |
| Actual Total | 23.3% | 27.5% | 29.1% | 30.4% | |




| | 17-Dec | 24-Dec | 31-Dec | 07-Jan | 14-Jan | 21-Jan | 28-Jan | 04-Feb | 11-Feb | 18-Feb |
|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.48 | 0.44 | 0.44 | 0.43 | 0.44 | 0.47 | 0.77 | 0.81 | 0.77 | 0.73 |
| CPI | 0.48 | 0.46 | 0.46 | 0.42 | 0.47 | 0.48 | 0.79 | 0.83 | 0.80 | 0.78 |

# Spread 7 - Contract Status ($M's)

| CONTRACT | Original Contract | Extra Work Orders | | | Current Contract | Invoiced | Paid | Outstanding |
|---|---|---|---|---|---|---|---|---|
| | | Under Prep | Submitted | Approved | | | | |
| Spread 5 | $ 123.15 | $ 7.61 | $ 1.42 | $ 0.21 | $ 123.36 | $ 109.48 | $ 87.73 | $ 21.76 |
| Spread 6 | $ 163.86 | $ 14.60 | $ 2.21 | $ 0.23 | $ 164.09 | $ 139.13 | $ 105.58 | $ 33.55 |
| Spread 7 | $ 167.46 | $ 7.29 | $ 3.56 | $ 0.13 | $ 167.59 | $ 153.29 | $ 117.61 | $ 35.68 |
| **Total** | **$ 454.47** | **$ 29.50** | **$ 7.19** | **$ 0.57** | **$ 455.04** | **$ 401.90** | **$ 310.91** | **$ 90.99** |
| No new EWRs submitted this week. | | | | | | March cash call ($91M) outstanding; due March 5th. | | |

| TRENDS | Count | Total | | Spread 5 | | Spread 6 | | Spread 7 | |
|---|---|---|---|---|---|---|---|---|---|
| | | Hours | Cost | Hours | Cost | Hours | Cost | Hours | Cost |
| Recorded | 37 | 19,601 | $ 9.04 | 16,886 | $ 4.45 | - | $ 2.25 | 2,715 | $ 2.33 |
| Internal Review | 10 | 96,133 | $ 12.61 | - | $ 0.02 | 89,684 | $ 11.60 | 6,449 | $ 0.99 |
| Client Review | 30 | 19,761 | $ 11.24 | 1,776 | $ 3.96 | - | $ 2.78 | 17,985 | $ 4.50 |
| Declined | 2 | 30 | $ 3.16 | - | $ 1.00 | - | $ 1.13 | 30 | $ 1.02 |
| Revise and Resubmit | 3 | 89,050 | $ 10.32 | 36,000 | $ 3.98 | - | $ - | 53,050 | $ 6.33 |
| Proceed to EWR | 15 | 5,794 | $ 29.50 | - | $ 7.61 | - | $ 14.60 | 5,794 | $ 7.29 |
| EWR Submitted | 9 | 20,950 | $ 7.19 | 4,004 | $ 1.42 | 4,334 | $ 2.21 | 12,612 | $ 3.56 |
| EWR Approved | 2 | - | $ 0.57 | - | $ 0.21 | - | $ 0.23 | - | $ 0.13 |
| **Total Trends** | **108** | **251,319** | **$ 83.62** | **58,666** | **$ 22.64** | **94,018** | **$ 34.82** | **98,635** | **$ 26.16** |
| This week: 5 new trends initiated; no trends submitted to Client this week. | | | | | | | | | |

# Spread 7 – Critical Issues

| Critical Issues | | Mitigation |
|---|---|---|
| 1 | Environmental Compliance – Waterbars | Stressing environmental ownership with all crews |
| 2 | | |
| 3 | | |

# Spread 7 – Cost Summary ($M's)

| Account | Current Budget | Committed to Date | Incurred | | Current Forecast | Variance from Budget |
|---|---|---|---|---|---|---|
| | | | Period | To Date | | |
| Labor (Direct/Indirect) | $ 69.29 | $ 40.70 | $ 2.59 | $ 40.70 | $ 89.74 | $ 20.45 |
| Other Welded Costs | $ 30.26 | $ 37.86 | $ 1.61 | $ 21.31 | $ 45.12 | $ 14.87 |
| Billable Equipment | $ 3.18 | $ 3.60 | $ 0.08 | $ 2.63 | $ 3.22 | $ 0.04 |
| Materials (inc Mats) | $ 10.38 | $ 12.50 | $ 0.69 | $ 9.53 | $ 14.50 | $ 4.12 |
| Subcontracts | $ 31.39 | $ 38.57 | $ 1.70 | $ 31.87 | $ 54.99 | $ 23.60 |
| Fixed Fee | $ 19.70 | $ 7.65 | $ 0.40 | $ 7.65 | $ 19.70 | $ - |
| **Total** | **$ 164.20** | **$ 140.88** | **$ 7.08** | **$ 113.69** | **$ 227.28** | **$ 63.08** |

| | This Period | To Date |
|---|---|---|
| **Overall % Spent (of Budget)** | **4.3%** | **69.2%** |
| **Overall % Spent (of Forecast)** | **3.1%** | **50.0%** |
| **Labor only % Spent (of Forecast)** | **2.9%** | **45.4%** |
| **Physical % Complete Achieved** | **1.3%** | **30.4%** |

# EXHIBIT 11

## ASR Overall Weekly Progress 02-25

# Atlantic Sunrise Pipeline Project Spread 5 Progress Report

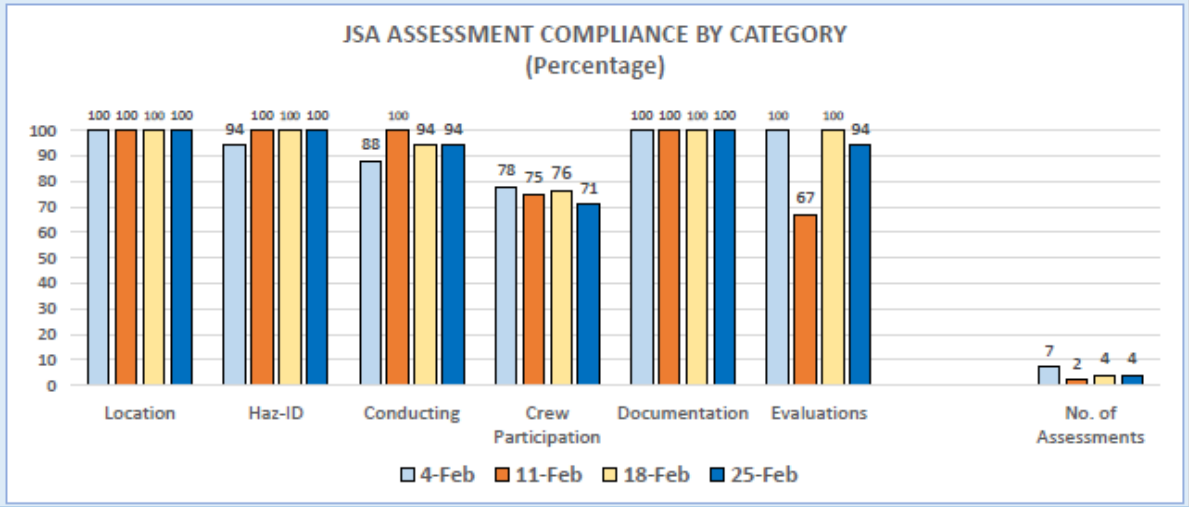
Week Ending 25-Feb-18

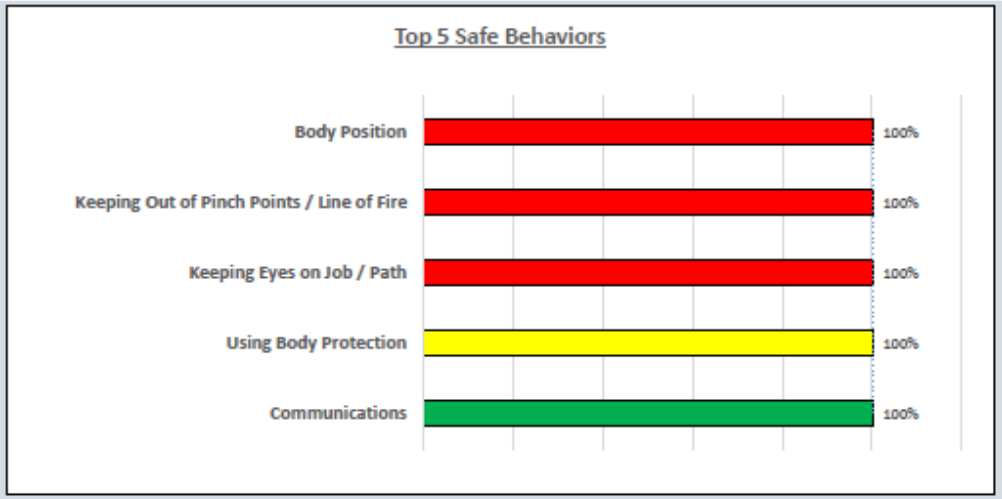
# SPREAD 5 - Safety

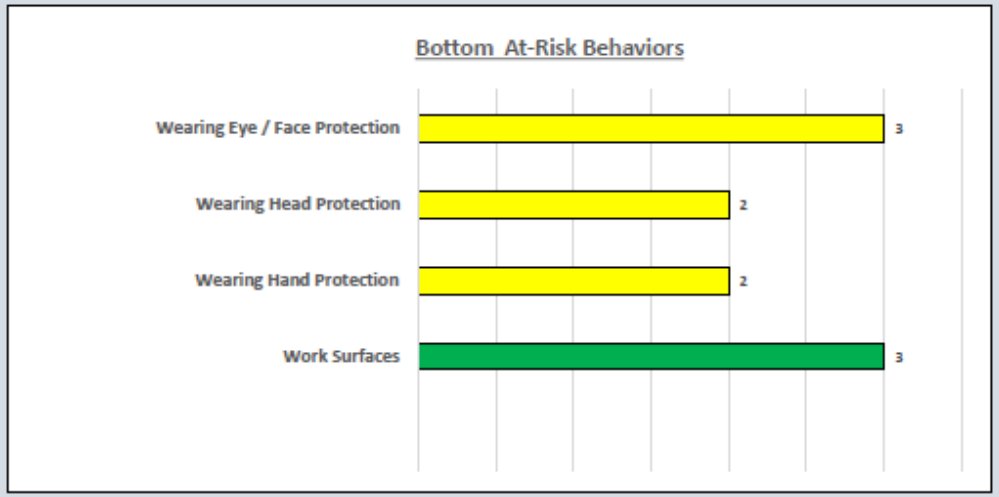
| Number of Incidents | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 | 1 | 25 | 16 | 34 | 8 | 1 | 0 | 9 |

| Incident Rates | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0.0 | 0.4 | 0.4 | 10.1 | 6.5 | 13.8 | 3.2 | 0.4 | 0.0 | 3.7 |

| | Weekly Hours | Monthly Hours | Project Hours | Total Headcount |
|---|---|---|---|---|
| Welded | 17,626 | 96,839 | 397,704 | 420 |
| Subcontractors | 1,079 | 7,460 | 95,290 | 32 |
| Total | 18,705 | 104,299 | 492,994 | 452 |



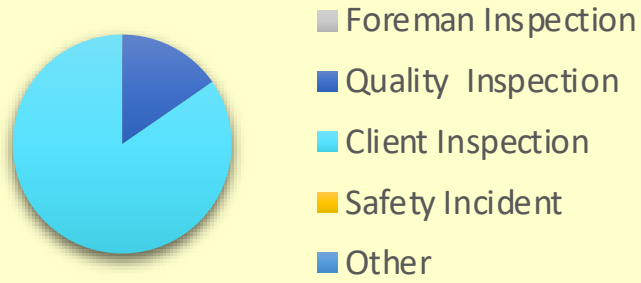



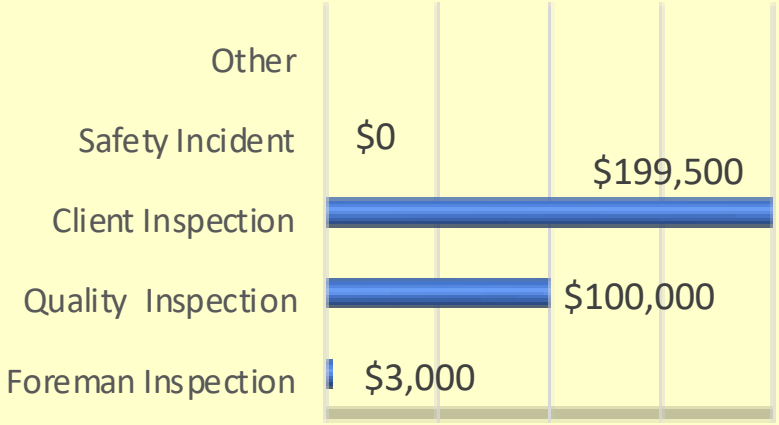

PBS CATEGORIES
- Body Mechanics
- PPE
- Job Factors
- Tools & Equipment
- Housekeeping
- Fall Protection

# SPREAD 5 Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 12.72% |
| Field Joint Coating Rejection Rate | 0.00% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 3 | 52 |
| Closed | 2 | 39 |
| **Remaining Open** | | 13 |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | 1 | 26 |
| Closed | - | 13 |
| **Remaining Open** | | 13 |

**Working close with Upper Management to mitigate NCRs.**

# Spread 5 – Environmental

1. Environmental Compliance

   FERC / Williams issued Non Compliance Reports (NCRs) and Notices of Violations (NOVs) from previous reporting periods:

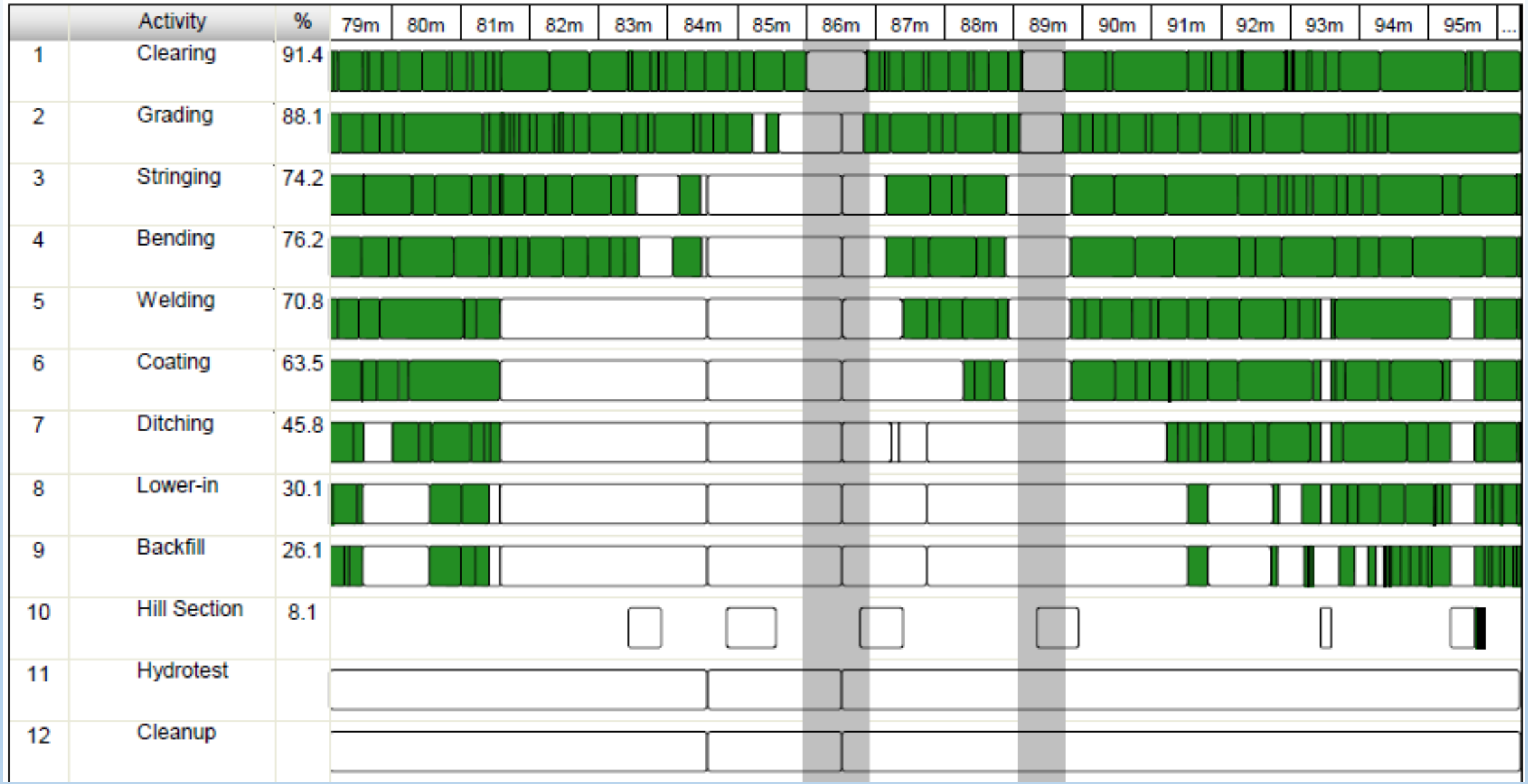
   - FERC issued NCR issued for mixing subsoil and topsoil
   - FERC issued an NCR (MP 93.1) for disturbing 50' stream buffers
   - In-stream work outside the TOYR
   - Work within 50 foot buffer
   - Not following construction sequence at the AR, Road Specific Construction Sequence (RSCS) for Access Road AR-NO-082s for:
   - Columbia CCD issued NOVs for:
     1. Failure to implement effective E&S Best Management Practices (BMPs).
     2. Failure to comply with permit conditions.
     3. Sediment or other pollutant was discharged into waters of the Commonwealth.
     4. Site conditions present a potential for pollution to waters of the Commonwealth.
   - Material off the right-of-way
   - Incomplete water bar installation

   NCRs and NOVs from current period – Improper waterbody crossing sequence @ HQ/EV UNT to Mugser Run WW-T31-11001

2. Environmental Concerns
   - Riparian area replanting plans

3. Listing of variance requests outstanding
   - Change WW-T01-10001 - Mahandy Creek crossing method from open cut to bore
   - Change WW-T18-10002 - Quaker Run crossing method from open cut to bore
   - Happy Valley Construction Timeline Extension from 48 hrs. to 2 weeks (from 4936+33 to 4936+62, 4936+60 to 4935+67, and 4936+17 to 4936+48)

# Spread 5 - March Chart




Bat restricted area

# Spread 5 – Weekly Impacts

| Activity | Variance to Forecast | 19-Feb Monday | 20-Feb Tuesday | 21-Feb Wednesday | 22-Feb Thursday | 23-Feb Friday | 24-Feb Saturday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | |
| Grading | (4,783) | Partial Rain Delay | | | Rain Out | Rain Out | Rain Out | |
| Stringing | (5,009) | Partial Rain Delay | | | Rain Out | Rain Out | Rain Out | |
| Bending | (4,053) | Partial Rain Delay | | | Rain Out | Rain Out | Rain Out | |
| Firing Line | (1,848) | Partial Rain Delay | | | Rain Out | Rain Out | Rain Out | |
| Coating | (3,049) | Partial Rain Delay | | | Rain Out | Rain Out | Rain Out | |
| Ditch | (4,570) | Partial Rain Delay | | | Rain Out | Rain Out | Rain Out | |
| Lower In | (1,018) | Partial Rain Delay | | | Rain Out | Rain Out | Rain Out | |
| Backfill | (999) | Partial Rain Delay | | | Rain Out | Rain Out | Rain Out | |
| Tie In | (12) | Partial Rain Delay | | | Rain Out | Rain Out | Rain Out | |
| Hill | (1,253) | Partial Rain Delay | | | Rain Out | Rain Out | Rain Out | |
| Road Crossing | (124) | Partial Rain Delay | | | Rain Out | Rain Out | Rain Out | |
| Testing | - | | | | | | | |
| Clean Up | - | | | | | | | |
| Clean Water Div. | - | | | | | | | |

# Spread 5 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 25-Feb | | | Cumulative | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast |
| Clearing | lf | 90,990 | 91.4% | - | - | - | 86,286 | 83,190 | (3,096) |
| Grading | lf | 90,990 | 88.1% | 4,783 | - | (4,783) | 76,425 | 80,190 | 3,765 |
| Stringing | lf | 90,990 | 74.2% | 5,009 | - | (5,009) | 76,047 | 67,490 | (8,557) |
| Bending | lf | 90,990 | 76.2% | 5,153 | 1,100 | (4,053) | 74,790 | 69,290 | (5,500) |
| Firing Line | lf | 74,190 | 70.8% | 3,648 | 1,800 | (1,848) | 50,961 | 52,513 | 1,552 |
| Coating | lf | 74,190 | 63.5% | 3,899 | 850 | (3,049) | 46,795 | 47,090 | 295 |
| Ditch | lf | 74,190 | 45.8% | 4,570 | - | (4,570) | 42,922 | 34,008 | (8,914) |
| Lower In | lf | 74,190 | 30.1% | 3,899 | 2,881 | (1,018) | 31,205 | 22,303 | (8,902) |
| Backfill | lf | 74,190 | 26.1% | 3,899 | 2,900 | (999) | 31,206 | 19,358 | (11,848) |
| Tie In | ea. | 311 | 19.6% | 17 | 5 | (12) | 84 | 61 | (23) |
| Hill | lf | 16,800 | 8.1% | 1,253 | - | (1,253) | 4,690 | 1,363 | (3,327) |
| Road Crossing | lf | 1,086 | 59.3% | 124 | - | (124) | 962 | 644 | (318) |
| Testing | lf | 90,990 | 0.0% | - | - | - | - | - | - |
| Clean Up | lf | 90,990 | 0.0% | - | - | - | - | - | - |
| Clean Water Div. | ea. | 40 | 50.0% | - | - | - | - | 20 | 20 |

Forecast = Jan 21 Forecast Update

| Tie-In Status | 18-Feb | 25-Feb | 4-Mar | 11-Mar | 18-Mar | 25-Mar | 1-Apr | 8-Apr | 15-Apr |
|---|---|---|---|---|---|---|---|---|---|
| Jan 21 Forecast | 12 | 17 | 17 | 17 | 13 | 13 | 13 | 13 | 14 |
| Actual | 5 | 5 | - | - | - | - | - | - | - |
| Total Remaining | 255 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 |
| # of Tie In Crews | - | - | 3 | 3 | 3 | 3 | 3 | 3 | 3 |

# Spread 5 – Manhours and Performance (Craft Only)

| Activity | Budget Hours | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 27,500 | 0 | 0 | 44,257 | 44,257 | 42,579 | 0.96 | 0.96 | 46,571 | 19,071 |
| Grading | 23,320 | 1,914 | 1,569 | 30,947 | 27,188 | 33,905 | 1.25 | 1.10 | 38,471 | 15,151 |
| Stringing | 23,004 | 1,584 | 455 | 21,191 | 18,145 | 26,292 | 1.45 | 1.24 | 35,447 | 12,443 |
| Bending | 18,096 | 528 | 289 | 8,223 | 7,798 | 12,293 | 1.58 | 1.49 | 16,143 | -1,953 |
| Firing Line | 28,188 | 3,600 | 2,114 | 45,368 | 42,370 | 48,420 | 1.14 | 1.07 | 68,408 | 40,220 |
| Coating | 22,185 | 1,188 | 629 | 14,431 | 10,685 | 13,684 | 1.28 | 0.95 | 21,559 | -626 |
| Ditch | 22,185 | 1,188 | 164 | 13,060 | 9,237 | 9,254 | 1.00 | 0.71 | 20,188 | -1,997 |
| Lower In | 26,945 | 1,440 | 1,842 | 10,080 | 7,408 | 7,143 | 0.96 | 0.71 | 23,760 | -3,185 |
| Backfill | 13,515 | 924 | 1,166 | 6,185 | 6,003 | 4,025 | 0.67 | 0.65 | 15,425 | 1,910 |
| Tie In | 85,544 | 6,480 | 1,026 | 36,544 | 25,897 | 21,643 | 0.84 | 0.59 | 110,344 | 24,800 |
| Hill | 130,799 | 4,320 | 1,818 | 23,800 | 15,907 | 6,370 | 0.40 | 0.27 | 78,520 | -52,279 |
| Road Crossing | 51,200 | 1,224 | 769 | 17,831 | 16,437 | 17,106 | 1.04 | 0.96 | 28,847 | -22,353 |
| Testing | 4,872 | 66 | 60 | 530 | 500 | 0 | 0.00 | 0.00 | 15,446 | 10,574 |
| Clean Up | 43,024 | 660 | 0 | 930 | 757 | 0 | 0.00 | 0.00 | 37,362 | -5,662 |
| **Total Progressable Hours** | **520,377** | **25,116** | **11,901** | **273,377** | **232,589** | **242,714** | **1.04** | **0.89** | **556,491** | **36,114** |
| Non Progressable Hours | 303,974 | 10,494 | 6,144 | 203,734 | 177,777 | 0 | | | 341,636 | 37,662 |
| **Total Hours** | **824,351** | **35,610** | **18,045** | **477,111** | **410,366** | **242,714** | **1.04** | **0.89** | **898,127** | **73,776** |

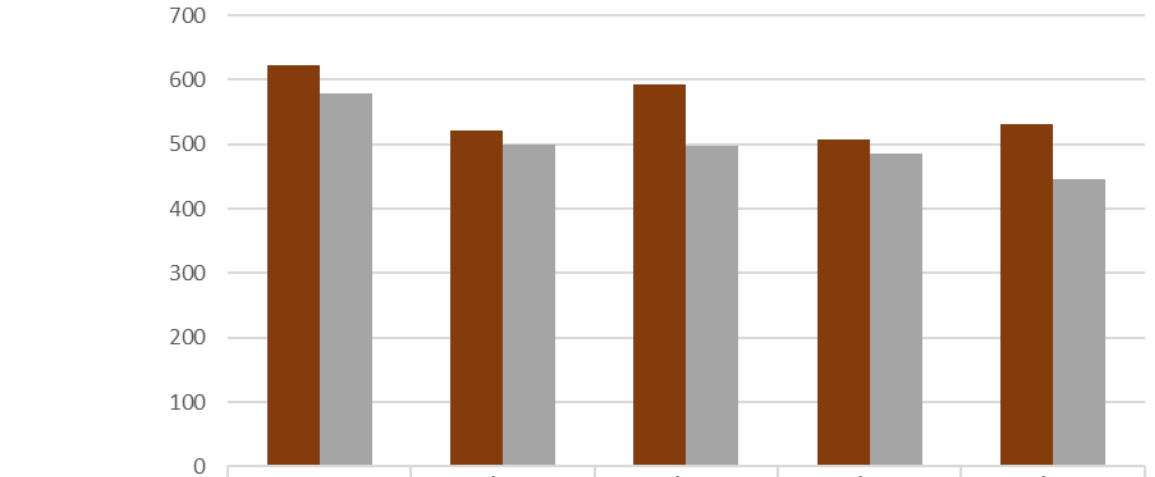
Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

CPI & SPI calculated on Jan 21 Forecast

Forecast = Jan 21 Forecast Update

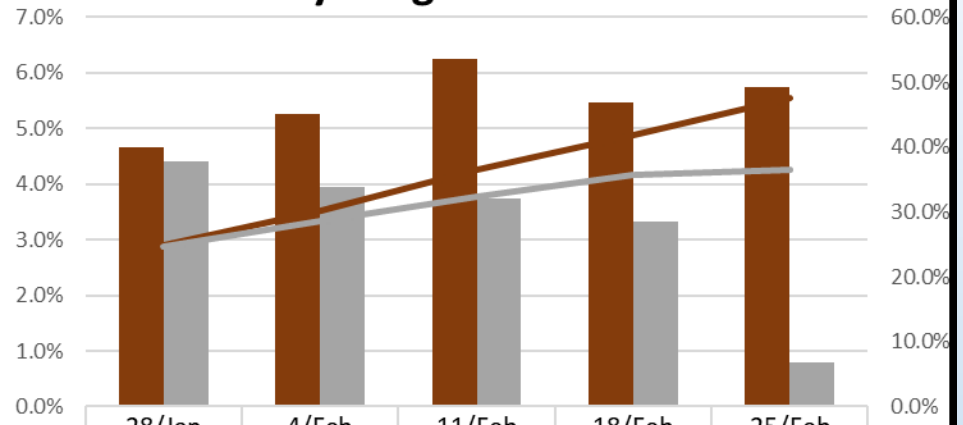
# Spread 5 – Progress and Performance Curves

## Head Count




| | Jan-28 | Feb-04 | Feb-11 | Feb-18 | Feb-25 |
|---|---|---|---|---|---|
| Jan 21 Forecast | 622 | 522 | 592 | 507 | 532 |
| Actual | 578 | 500 | 498 | 486 | 445 |

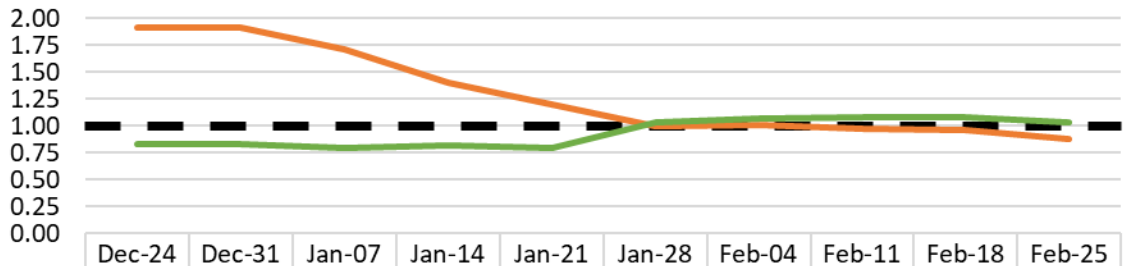
## Baselay Progress




| | 28/Jan | 4/Feb | 11/Feb | 18/Feb | 25/Feb |
|---|---|---|---|---|---|
| Jan 21 Forecast | 4.7% | 5.3% | 6.3% | 5.5% | 5.7% |
| Actual | 4.4% | 3.9% | 3.7% | 3.3% | 0.8% |
| Jan 21 Forecast Total | 24.9% | 30.2% | 36.4% | 41.9% | 47.6% |
| Actual Total | 24.8% | 28.7% | 32.4% | 35.7% | 36.5% |

## SPI & CPI

SPI - Earned over Jan 21 Forecast
CPI - Earned over Actual




| | Dec-24 | Dec-31 | Jan-07 | Jan-14 | Jan-21 | Jan-28 | Feb-04 | Feb-11 | Feb-18 | Feb-25 |
|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 1.91 | 1.91 | 1.71 | 1.40 | 1.20 | 1.00 | 1.01 | 0.98 | 0.96 | 0.88 |
| CPI | 0.83 | 0.83 | 0.80 | 0.82 | 0.80 | 1.03 | 1.07 | 1.08 | 1.08 | 1.04 |

# Spread 5 - Contract Status ($M's)

| CONTRACT | Original Contract | Extra Work Orders | | | Current Contract | Invoiced | Paid | Outstanding |
|---|---|---|---|---|---|---|---|---|
| | | Under Prep | Submitted | Approved | | | | |
| Spread 5 | $ 123.15 | $ 7.63 | $ 2.14 | $ 0.25 | $ 123.40 | $ 109.48 | $ 87.73 | $ 21.76 |
| Spread 6 | $ 163.86 | $ 12.93 | $ 8.32 | $ 0.52 | $ 164.38 | $ 139.13 | $ 105.58 | $ 33.55 |
| Spread 7 | $ 167.46 | $ 5.01 | $ 9.10 | $ 1.07 | $ 168.53 | $ 153.29 | $ 117.61 | $ 35.68 |
| **Total** | **$ 454.47** | **$ 25.58** | **$ 19.56** | **$ 1.84** | **$ 456.31** | **$ 401.90** | **$ 310.91** | **$ 90.99** |
| One EWR submitted this week (Karst $14M); 3 received back as approved ($1.3M). | | | | | | March cash call ($91M) outstanding; due March 5th. | | |

| TRENDS | Count | Total | | Spread 5 | | Spread 6 | | Spread 7 | |
|---|---|---|---|---|---|---|---|---|---|
| | | Hours | Cost | Hours | Cost | Hours | Cost | Hours | Cost |
| Recorded | 29 | 72 | $ 6.29 | - | $ 3.34 | - | $ 1.84 | 72 | $ 1.11 |
| Internal Review | 10 | 36,670 | $ 9.24 | 16,886 | $ 4.54 | 19,244 | $ 4.40 | 540 | $ 0.29 |
| Client Review | 40 | 98,753 | $ 18.22 | 1,776 | $ 1.56 | 70,440 | $ 10.27 | 26,537 | $ 6.39 |
| Approved - Fcst | 2 | 30 | $ 3.16 | - | $ 1.00 | - | $ 1.13 | 30 | $ 1.02 |
| Revise and Resubmit | 3 | 89,050 | $ 10.32 | 36,000 | $ 3.98 | - | $ - | 53,050 | $ 6.33 |
| Proceed to EWR | 16 | 5,794 | $ 25.58 | - | $ 7.63 | - | $ 12.93 | 5,794 | $ 5.01 |
| EWR Submitted | 7 | 41,558 | $ 19.56 | 10,150 | $ 2.14 | 15,206 | $ 8.32 | 16,202 | $ 9.10 |
| EWR Approved | 5 | 7,020 | $ 1.84 | - | $ 0.25 | - | $ 0.52 | 7,020 | $ 1.07 |
| **Total Trends** | **112** | **278,947** | **$ 94.20** | **64,812** | **$ 24.44** | **104,890** | **$ 39.42** | **109,245** | **$ 30.34** |
| This week: 2 new trends initiated; 13 trends submitted to Client this week. | | | | | | | | | |

# Spread 5 – Cost Summary (M's)

| Account | Current Budget | Committed to Date | Incurred | | Current Forecast | Variance from Budget |
|---|---|---|---|---|---|---|
| | | | Period | To Date | | |
| Labor (Direct/Indirect) | $ 64.86 | $ 33.29 | $ 2.01 | $ 33.29 | $ 79.13 | $ 14.89 |
| Other Welded Costs | $ 31.16 | $ 36.67 | $ 0.88 | $ 18.59 | $ 34.89 | $ 3.74 |
| Billable Equipment | $ 1.47 | $ 3.40 | $ 0.03 | $ 2.66 | $ 3.22 | $ 1.75 |
| Materials (inc Mats) | $ 5.57 | $ 6.96 | $ 0.28 | $ 5.85 | $ 10.07 | $ 4.50 |
| Subcontracts | $ 10.95 | $ 22.18 | $ 0.20 | $ 15.40 | $ 26.56 | $ 15.61 |
| Fixed Fee | $ 9.09 | $ 3.53 | $ 0.19 | $ 3.53 | $ 9.09 | $ - |
| **Total** | **$ 123.10** | **$ 106.03** | **$ 3.58** | **$ 79.32** | **$ 162.96** | **$ 40.49** |

No update this week

| | This Period | To Date |
|---|---|---|
| **Overall % Spent (of Budget)** | **2.9%** | **64.4%** |
| **Overall % Spent (of Forecast)** | **2.2%** | **48.7%** |
| **Labor only % Spent (of Forecast)** | **2.5%** | **42.1%** |
| **Physical % Complete Achieved** | **3.1%** | **35.5%** |

# Spread 5 – Critical Issues

| | Critical Issues | Mitigation |
|---|---|---|
| 1 | Working in winter weather conditions<br>- Safety<br>- Loss of production<br>- Environmental | Continue to raise and promote safety awareness through daily safety talks and JSA's |
| 2 | | |
| 3 | | |

# Atlantic Sunrise Pipeline Project Spread 6 Progress Report

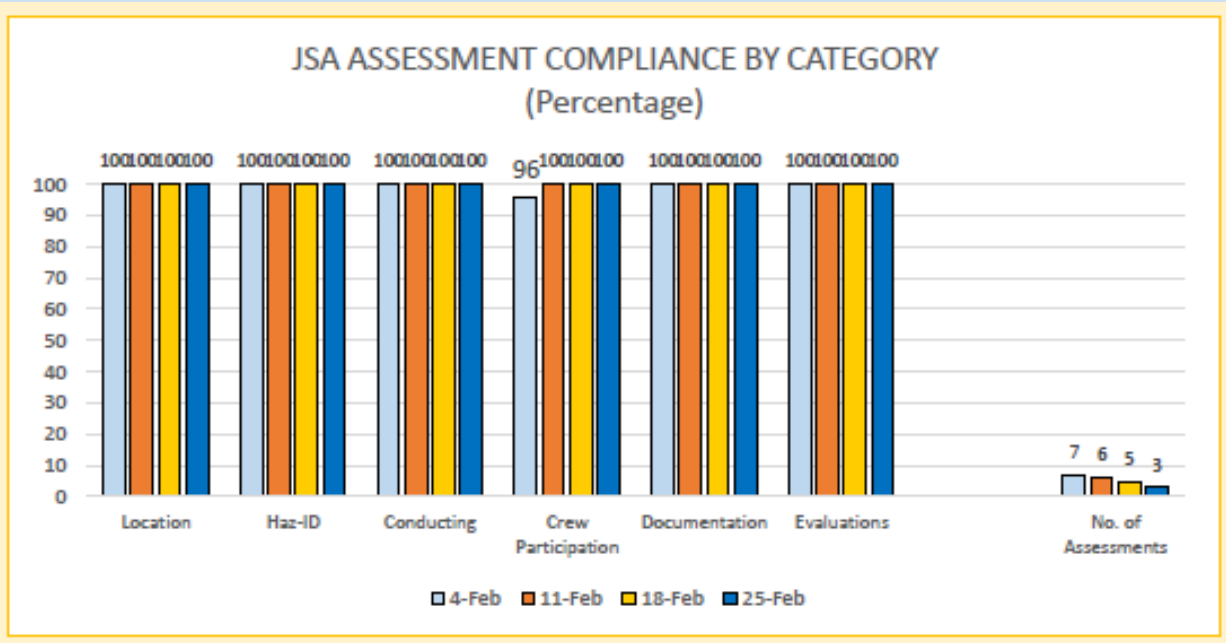
Week ending 25-Feb-18

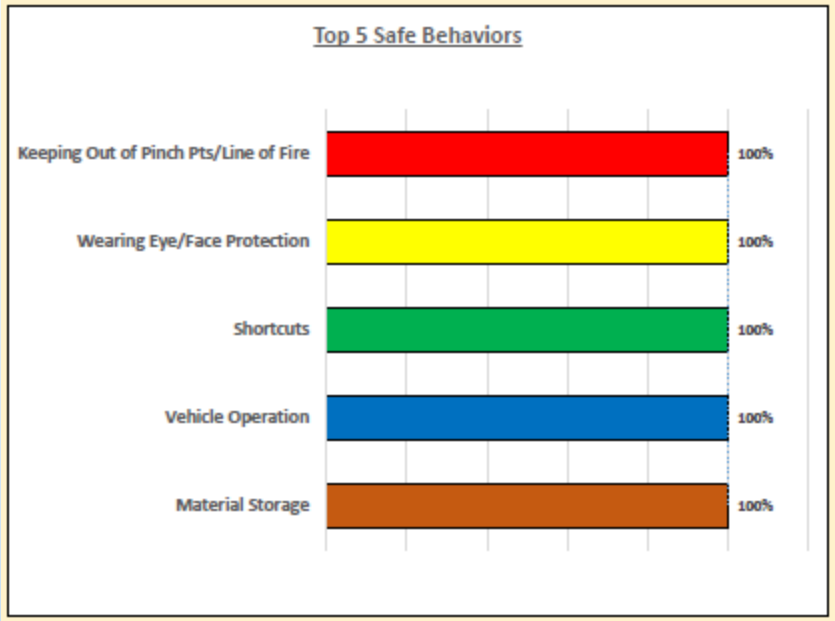
# SPREAD 6 - Safety

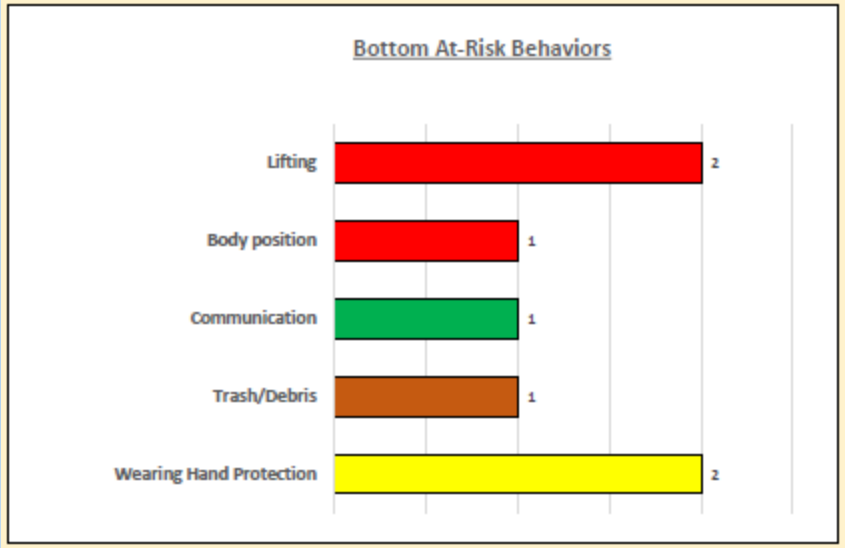
| Number of Incidents | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0 | 0 | 3 | 23 | 13 | 34 | 11 | 2 | 1 | 5 |

| Incident Rates | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0.0 | 0.0 | 1.0 | 7.7 | 4.4 | 11.4 | 3.7 | 0.7 | 0.3 | 1.7 |

| | Weekly Hours | Monthly Hours | Project Hours | Total Headcount |
|---|---|---|---|---|
| Welded | 25,998 | 129,816 | 478,458 | 564 |
| Subcontractors | 1,009 | 16,542 | 117,285 | 52 |
| Total Hours | 27,007 | 146,358 | 595,743 | 616 |



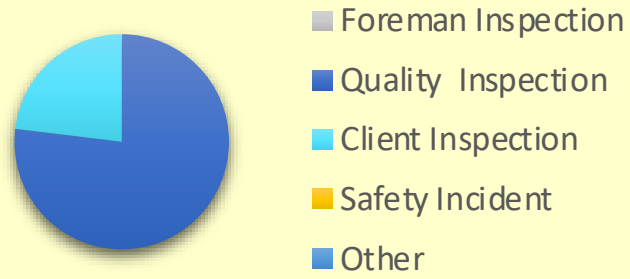




PBS Categories

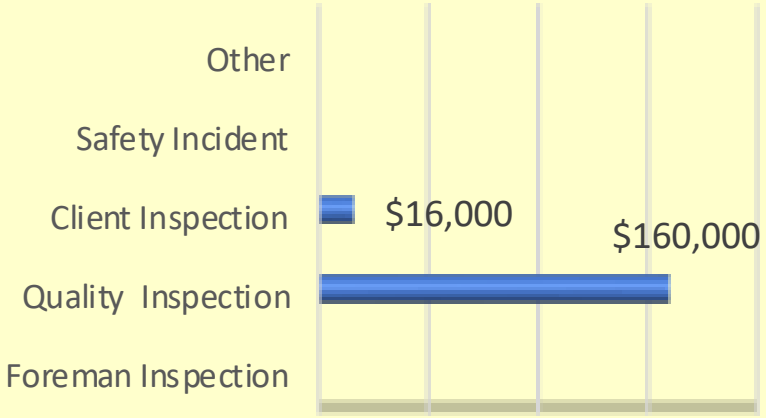
- Body Mechanics
- PPE
- Job Factors
- Tools & Equipment
- Housekeeping
- Fall Protection

# SPREAD 6 Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 9.55% |
| Field Joint Coating Rejection Rate | 3% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 3 | 25 |
| Closed | 1 | 19 |
| **Remaining Open** | | 6 |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | 2 | 13 |
| Closed | - | 7 |
| **Remaining Open** | | 6 |

**We had 3 observations last week and 2 became NCRs. The NCRs were for gouges found on pipe and for the coating peeling off the seam welds where the pipe is bent**

# Spread 6 – Environmental

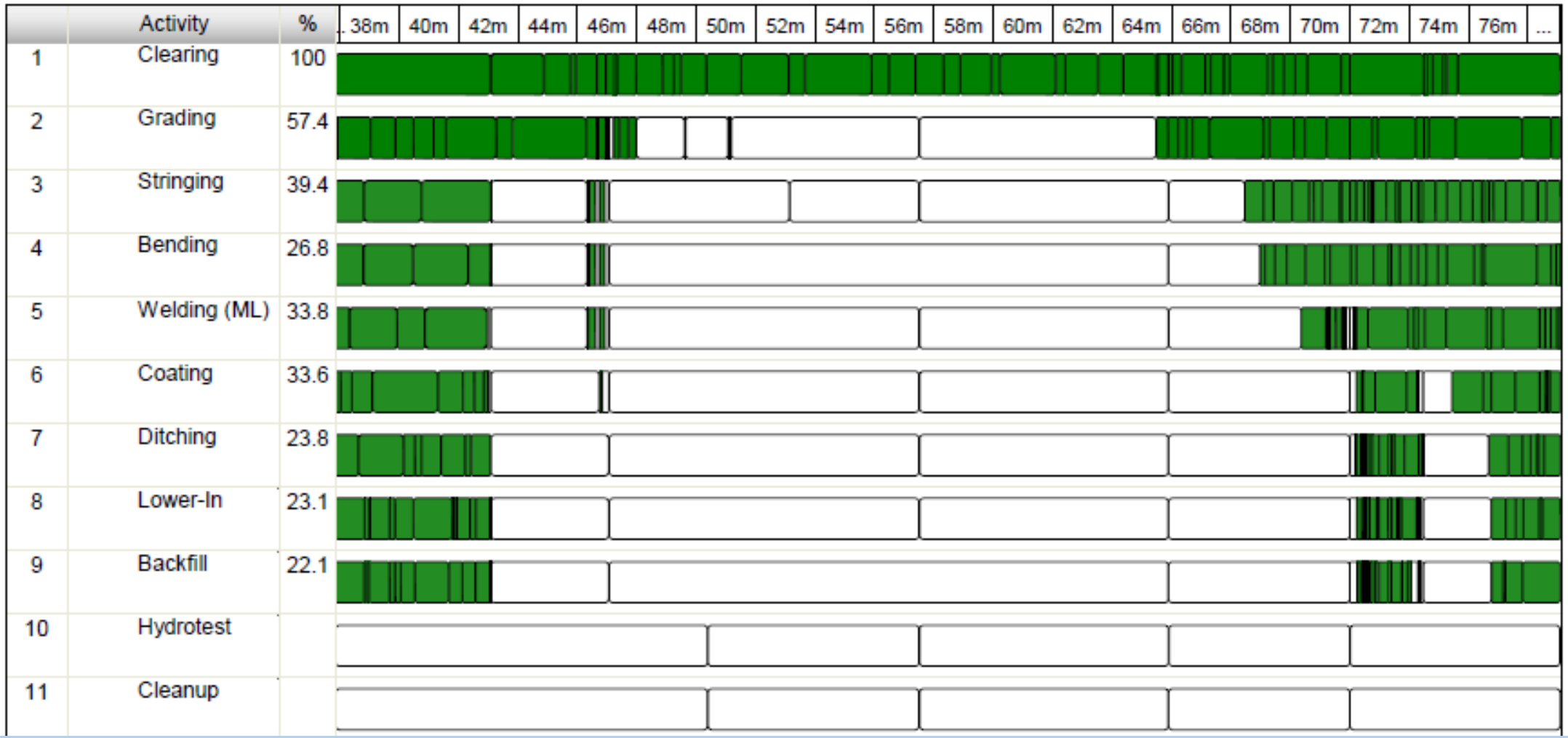
1. Environmental Compliance
   - Non compliance from previous periods:
     - Clearing outside of LOD at Fort Swatara Yard;
     - ROW lacking temporary stabilization south of SR0322
     - Improper waterbody crossing (2593+91)
     - Improper construction methods while installing bridge equipment crossing – Forge Creek
     - Installing skids within a delineated waterway – 4015+00
     - Sediment was discharged into waters 0f the Commonwealth – UNT to Conewego Creek(2002+00)

   - Non compliance from current period: Improper Waterbody Crossing Work Sequence - UNT to Pine Creek (WW-T20-9001) (4099+00)
   - Notifications from current period: None

2. Environmental Concerns
   - Not having all landowners agreeing to allow dewatering off LOD
   - Weather impacts
   - Riparian Area Replanting plans

3. Listing of variance requests outstanding
   - Stream crossings (13) – flume + clean rock
   - Timeline extension for crossing WW-T20-1001, adj to Goldmine Rd., from 24 hrs to 10 days due to road bore stream impact.
   - Bore option for scheduled open cut Swatara Creek
   - Gingrich Run WW-T64-5001 construction method change from flume to dam and pump.
   - 7 day extension request on 28 FEB 2018 trout stream window
   - Reduce workspace located off of Old Forge Rd. within PA-SC-004.000

# Spread 6 – March Chart



# Spread 6 – Weekly Impacts

| Activity | Variance to Forecast | 19-Feb Monday | 20-Feb Tuesday | 21-Feb Wednesday | 22-Feb Thursday | 23-Feb Friday | 24-Feb Saturday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | |
| Grading | (6,350) | | ROW Conditions | | Rain Out | Rain Out | Rain Out | 2/22 - 2/25 Rainout Days All Crews |
| Stringing | (5,550) | | ROW Conditions | | Rain Out | Rain Out | Rain Out | |
| Bending | (6,350) | | Worked in Yard | | Rain Out | Rain Out | Rain Out | |
| Firing Line | (3,390) | | | | Rain Out | Rain Out | Rain Out | |
| Coating | (13,732) | | | | Rain Out | Rain Out | Rain Out | Coating Crew jeeped & fixed repairs M-W |
| Ditch | (9,000) | Spread 5 | Assist Coating | Night Shift | Night Shift | Rain Out | Rain Out | Ditch Crew worked night shift to help with stream |
| Lower In | (9,000) | Spread 5 | Spread 5 | Spread 5 | Rain Out | Rain Out | Rain Out | Lower In & Backfill Worked on Spread 5-were to orginally have been complete on spread 5 |
| Backfill | (8,760) | Spread 5 | Spread 5 | Spread 5 | Rain Out | Rain Out | Rain Out | |
| Tie In | (22) | | | | Rain Out | Rain Out | Rain Out | Worked on Stream Crossings |
| Road Crossing | (154) | | | | Rain Out | Rain Out | Rain Out | Problems with equipment malfunctions |
| Testing | - | | | | | | | |
| Clean Up | - | | | | | | | |
| Clean Water Div. | 38 | | | | | | | |

# Spread 6 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 25-Feb | | | Cumulative | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast |
| Clearing | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - |
| Grading | lf | 217,779 | 57.4% | 9,000 | 2,650 | (6,350) | 141,305 | 124,902 | (16,403) |
| Stringing | lf | 217,779 | 39.4% | 9,000 | 3,450 | (5,550) | 104,889 | 85,736 | (19,153) |
| Bending | lf | 217,779 | 36.8% | 9,000 | 2,650 | (6,350) | 98,229 | 80,176 | (18,053) |
| Firing Line | lf | 217,779 | 33.6% | 9,000 | 5,610 | (3,390) | 89,690 | 73,074 | (16,616) |
| Coating | lf | 217,779 | 26.2% | 13,732 | - | (13,732) | 80,480 | 56,999 | (23,481) |
| Ditch | lf | 217,779 | 23.8% | 9,000 | - | (9,000) | 64,931 | 51,929 | (13,002) |
| Lower In | lf | 217,779 | 23.1% | 9,000 | - | (9,000) | 63,795 | 50,231 | (13,564) |
| Backfill | lf | 217,779 | 22.1% | 9,000 | 240 | (8,760) | 63,795 | 48,184 | (15,611) |
| Tie In | ea | 772 | 19.9% | 24 | 2 | (22) | 237 | 154 | (83) |
| Road Crossing | lf | 3,273 | 39.2% | 154 | - | (154) | 1,839 | 1,282 | (557) |
| Testing | lf | 217,779 | 0.0% | - | - | - | - | - | - |
| Clean Up | ea | 217,779 | 0.0% | - | - | - | - | - | - |
| Clean Water Div | 0 | 144 | 66.0% | - | 38 | 38 | - | 95 | 95 |

Forecast = Jan 21 Forecast Update

| Tie-In Status | 18-Feb | 25-Feb | 4-Mar | 11-Mar | 18-Mar | 25-Mar | 1-Apr | 8-Apr | 15-Apr |
|---|---|---|---|---|---|---|---|---|---|
| Jan 21 Forecast | 24 | 24 | 45 | 45 | 45 | 45 | 45 | 45 | 45 |
| Actual | 18 | 2 | - | - | - | - | - | - | - |
| Total Remaining | 620 | 618 | 618 | 618 | 618 | 618 | 618 | 618 | 618 |
| # of Tie In Crews | - | - | 6 | 6 | 7 | 7 | 7 | 7 | 7 |

# Spread 6 – Manhours and Performance (Craft Only)

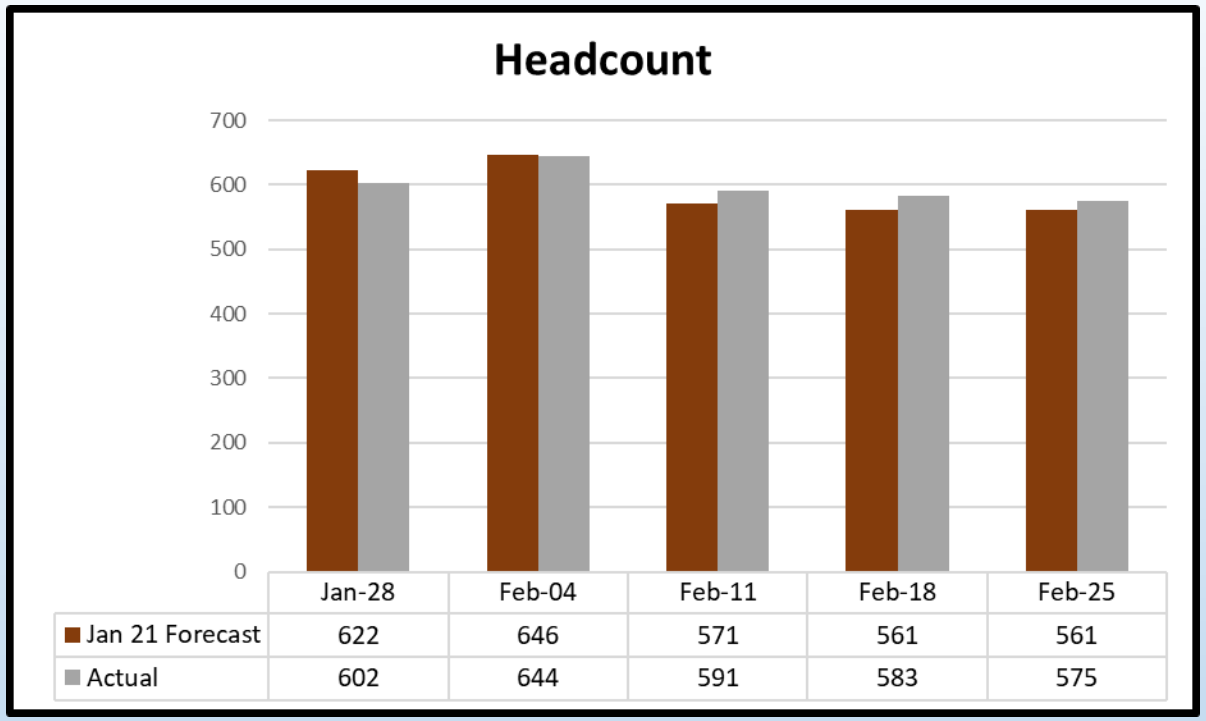
| Activity | Budget Hours | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 38,500 | 2,940 | 2,089 | 61,466 | 63,122 | 61,466 | 0.97 | 1.00 | 61,466 | 22,966 |
| Grading | 18,693 | 1,240 | 572 | 17,417 | 16,086 | 12,834 | 0.80 | 0.74 | 22,377 | 3,684 |
| Stringing | 24,849 | 1,612 | 915 | 16,124 | 14,240 | 11,644 | 0.82 | 0.72 | 29,578 | 4,729 |
| Bending | 15,345 | 744 | 464 | 7,694 | 6,975 | 5,458 | 0.78 | 0.71 | 14,824 | -521 |
| Firing Line | 33,264 | 3,472 | 2,489 | 31,456 | 27,612 | 19,729 | 0.71 | 0.63 | 58,798 | 25,534 |
| Coating | 16,643 | 1,426 | 744 | 15,439 | 13,546 | 7,773 | 0.57 | 0.50 | 29,699 | 13,056 |
| Ditch | 22,968 | 1,364 | 972 | 14,158 | 12,312 | 6,628 | 0.54 | 0.47 | 27,798 | 4,830 |
| Lower In | 22,365 | 1,728 | 0 | 14,999 | 11,735 | 7,844 | 0.67 | 0.52 | 34,007 | 11,642 |
| Backfill | 7,455 | 930 | 0 | 8,735 | 8,674 | 4,402 | 0.51 | 0.50 | 19,895 | 12,440 |
| Tie In | 201,488 | 4,320 | 6,647 | 68,426 | 72,988 | 43,309 | 0.59 | 0.63 | 217,106 | 15,618 |
| Road Crossing | 42,120 | 4,032 | 2,495 | 51,890 | 48,006 | 33,862 | 0.71 | 0.65 | 86,450 | 44,330 |
| Testing | 6,760 | 0 | 0 | 0 | 0 | 0 | 0.00 | 0.00 | 19,344 | 12,584 |
| Clean Up | 64,613 | 0 | 0 | 0 | 0 | 0 | 0.00 | 0.00 | 58,714 | -5,899 |
| **Total Progressable** | **515,063** | **23,808** | **17,387** | **307,804** | **295,296** | **214,948** | **0.73** | **0.70** | **680,056** | **164,993** |
| Total Progressable Hours | 363,673 | 12,152 | 9,688 | 231,660 | 228,553 | 0 | | | 475,196 | 111,523 |
| **Non Progressable Hours** | **878,736** | **35,960** | **27,075** | **539,464** | **523,849** | **214,948** | **0.73** | **0.70** | **1,155,252** | **276,516** |

Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

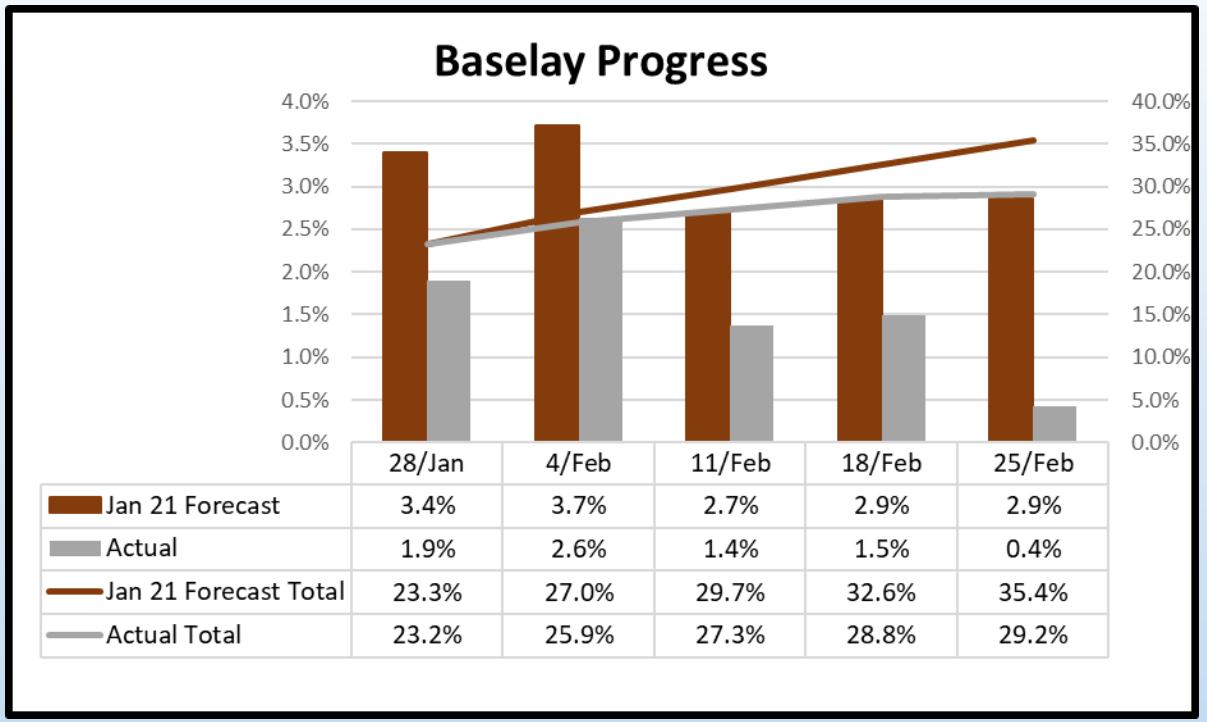
CPI & SPI calculated on Jan 21 Forecast

Forecast = Jan 21 Forecast Update

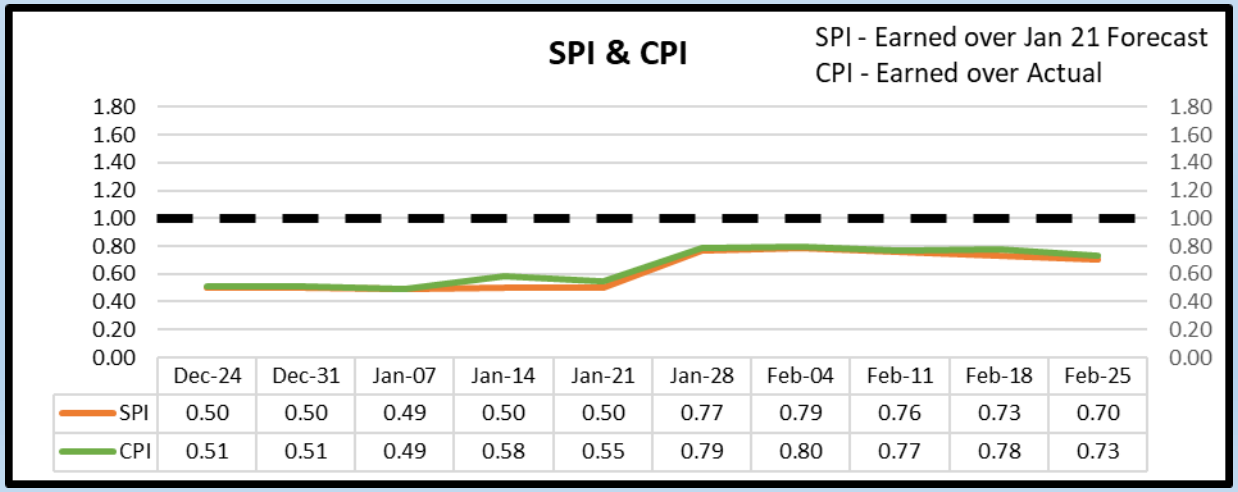
# Spread 6 – Progress & Performance Curves




| | Jan-28 | Feb-04 | Feb-11 | Feb-18 | Feb-25 |
|---|---|---|---|---|---|
| Jan 21 Forecast | 622 | 646 | 571 | 561 | 561 |
| Actual | 602 | 644 | 591 | 583 | 575 |




| | 28/Jan | 4/Feb | 11/Feb | 18/Feb | 25/Feb |
|---|---|---|---|---|---|
| Jan 21 Forecast | 3.4% | 3.7% | 2.7% | 2.9% | 2.9% |
| Actual | 1.9% | 2.6% | 1.4% | 1.5% | 0.4% |
| Jan 21 Forecast Total | 23.3% | 27.0% | 29.7% | 32.6% | 35.4% |
| Actual Total | 23.2% | 25.9% | 27.3% | 28.8% | 29.2% |




| | Dec-24 | Dec-31 | Jan-07 | Jan-14 | Jan-21 | Jan-28 | Feb-04 | Feb-11 | Feb-18 | Feb-25 |
|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.50 | 0.50 | 0.49 | 0.50 | 0.50 | 0.77 | 0.79 | 0.76 | 0.73 | 0.70 |
| CPI | 0.51 | 0.51 | 0.49 | 0.58 | 0.55 | 0.79 | 0.80 | 0.77 | 0.78 | 0.73 |

# Spread 6 - Contract Status ($M's)

| CONTRACT | Original Contract | Extra Work Orders | | | Current Contract | Invoiced | Paid | Outstanding |
|---|---|---|---|---|---|---|---|---|
| | | Under Prep | Submitted | Approved | | | | |
| Spread 5 | $ 123.15 | $ 7.63 | $ 2.14 | $ 0.25 | $ 123.40 | $ 109.48 | $ 87.73 | $ 21.76 |
| Spread 6 | $ 163.86 | $ 12.93 | $ 8.32 | $ 0.52 | $ 164.38 | $ 139.13 | $ 105.58 | $ 33.55 |
| Spread 7 | $ 167.46 | $ 5.01 | $ 9.10 | $ 1.07 | $ 168.53 | $ 153.29 | $ 117.61 | $ 35.68 |
| **Total** | **$ 454.47** | **$ 25.58** | **$ 19.56** | **$ 1.84** | **$ 456.31** | **$ 401.90** | **$ 310.91** | **$ 90.99** |
| One EWR submitted this week (Karst $14M); 3 received back as approved ($1.3M). | | | | | | March cash call ($91M) outstanding; due March 5th. | | |

| TRENDS | Count | Total | | Spread 5 | | Spread 6 | | Spread 7 | |
|---|---|---|---|---|---|---|---|---|---|
| | | Hours | Cost | Hours | Cost | Hours | Cost | Hours | Cost |
| Recorded | 29 | 72 | $ 6.29 | - | $ 3.34 | - | $ 1.84 | 72 | $ 1.11 |
| Internal Review | 10 | 36,670 | $ 9.24 | 16,886 | $ 4.54 | 19,244 | $ 4.40 | 540 | $ 0.29 |
| Client Review | 40 | 98,753 | $ 18.22 | 1,776 | $ 1.56 | 70,440 | $ 10.27 | 26,537 | $ 6.39 |
| Approved - Fcst | 2 | 30 | $ 3.16 | - | $ 1.00 | - | $ 1.13 | 30 | $ 1.02 |
| Revise and Resubmit | 3 | 89,050 | $ 10.32 | 36,000 | $ 3.98 | - | $ - | 53,050 | $ 6.33 |
| Proceed to EWR | 16 | 5,794 | $ 25.58 | - | $ 7.63 | - | $ 12.93 | 5,794 | $ 5.01 |
| EWR Submitted | 7 | 41,558 | $ 19.56 | 10,150 | $ 2.14 | 15,206 | $ 8.32 | 16,202 | $ 9.10 |
| EWR Approved | 5 | 7,020 | $ 1.84 | - | $ 0.25 | - | $ 0.52 | 7,020 | $ 1.07 |
| **Total Trends** | **112** | **278,947** | **$ 94.20** | **64,812** | **$ 24.44** | **104,890** | **$ 39.42** | **109,245** | **$ 30.34** |
| This week: 2 new trends initiated; 13 trends submitted to Client this week. | | | | | | | | | |

# Spread 6 – Cost Summary ($M's)

| Account | Current Budget | Committed to Date | Incurred | | Current Forecast | Variance from Budget |
|---|---|---|---|---|---|---|
| | | | Period | To Date | | |
| Labor (Direct/Indirect) | $ 72.90 | $ 37.55 | $ 2.58 | $ 37.55 | $ 91.21 | $ 18.31 |
| Other Welded Costs | $ 33.14 | $ 30.37 | $ 1.00 | $ 18.92 | $ 33.52 | $ 0.36 |
| Billable Equipment | $ 3.51 | $ 3.54 | $ 0.08 | $ 2.63 | $ 3.85 | $ 0.34 |
| Materials (inc Mats) | $ 13.92 | $ 12.12 | $ 0.26 | $ 8.90 | $ 15.73 | $ 1.81 |
| Subcontracts | $ 16.63 | $ 28.92 | $ 0.56 | $ 22.37 | $ 38.00 | $ 21.37 |
| Fixed Fee | $ 21.72 | $ 8.88 | $ 0.44 | $ 8.88 | $ 21.72 | $ - |
| **Total** | **$ 161.80** | **$ 121.38** | **$ 4.93** | **$ 99.25** | **$ 204.02** | **$ 42.20** |

No update this week

| | This Period | To Date |
|---|---|---|
| **Overall % Spent (of Budget)** | **3.0%** | **61.3%** |
| **Overall % Spent (of Forecast)** | **2.4%** | **48.6%** |
| **Labor only % Spent (of Forecast)** | **2.8%** | **41.2%** |
| **Physical % Complete Achieved** | **1.4%** | **28.1%** |

# Spread 6 – Critical Issues

| Critical Issues | | Mitigation |
|---|---|---|
| 1 | Weather conditions – rain, mud | Working where we can, environmental crews maintaining ECDs and stabilizing ROW |
| 2 | | |
| 3 | | |

# Atlantic Sunrise Pipeline Project Spread 7 Progress Report

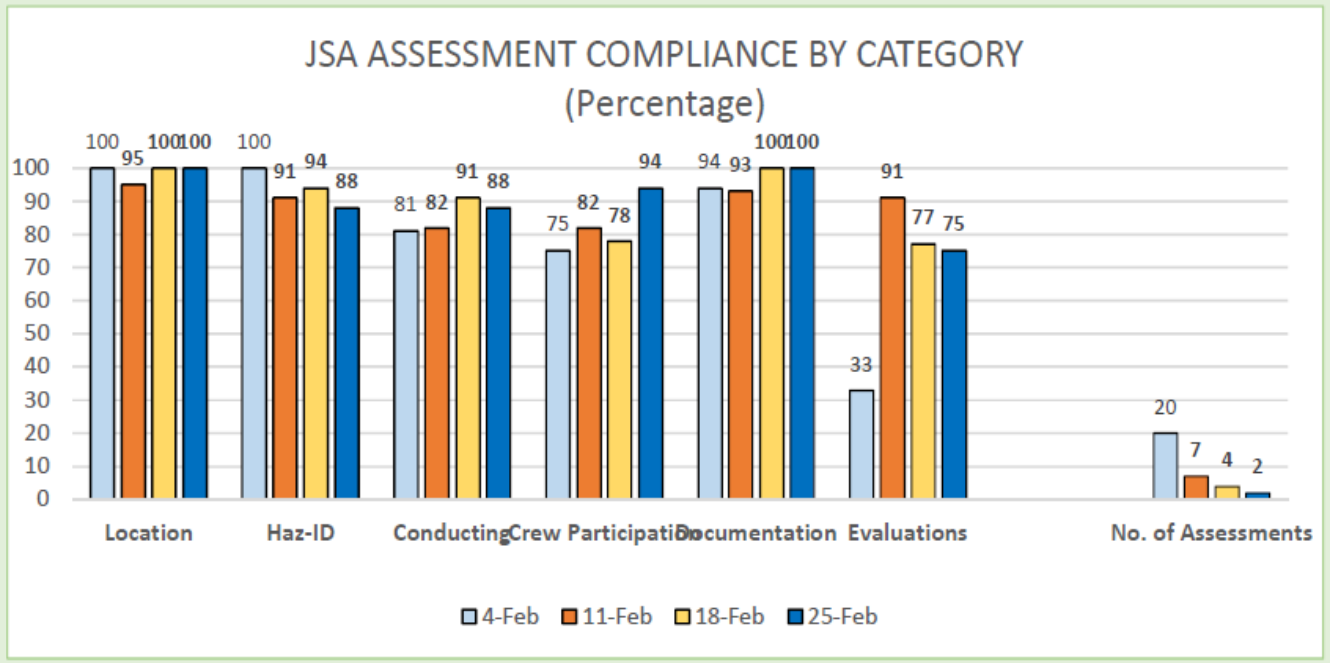
Week Ending 25-Feb-18

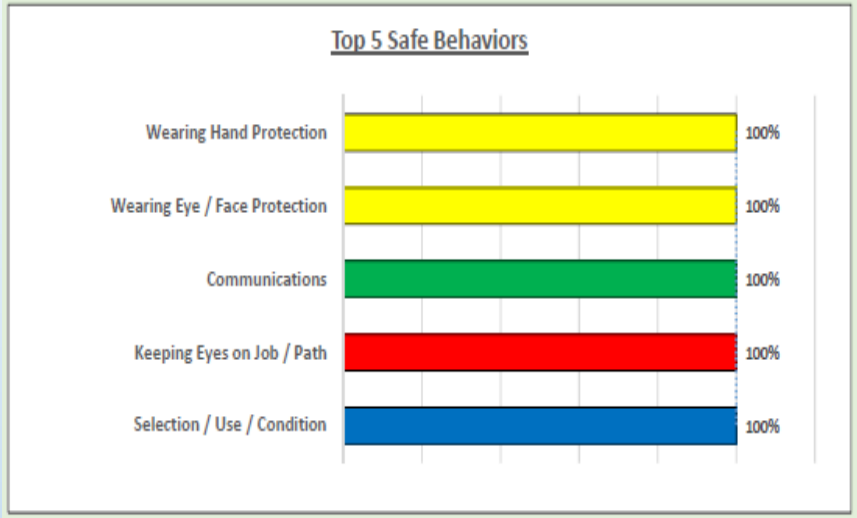
# SPREAD 7 Safety

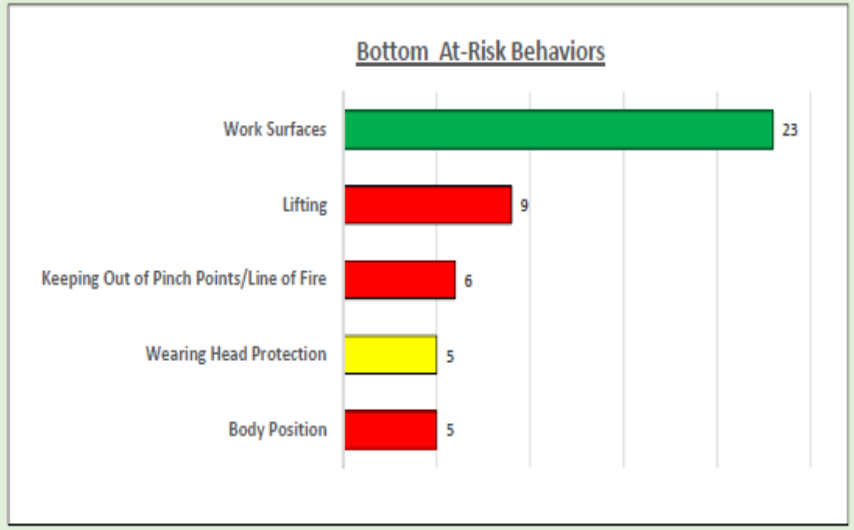
## TOTAL PROJECT INCIDENTS

| | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| Number of Incidents | 0 | 0 | 0 | 30 | 19 | 57 | 3 | 6 | 0 | 33 |
| Incident Rates | 0.0 | 0.0 | 0.0 | 8.9 | 5.7 | 17.0 | 0.9 | 1.8 | 0.0 | 9.8 |

| | Total Weekly Hours | Total Monthly Hours | Total Project Hours | Total Head Count |
|---|---|---|---|---|
| Welded | 33,514 | 143,105 | 540,358 | 692 |
| Subcontractors | 5,673 | 23,288 | 131,308 | 117 |
| Total | 39,187 | 166,393 | 671,666 | 809 |



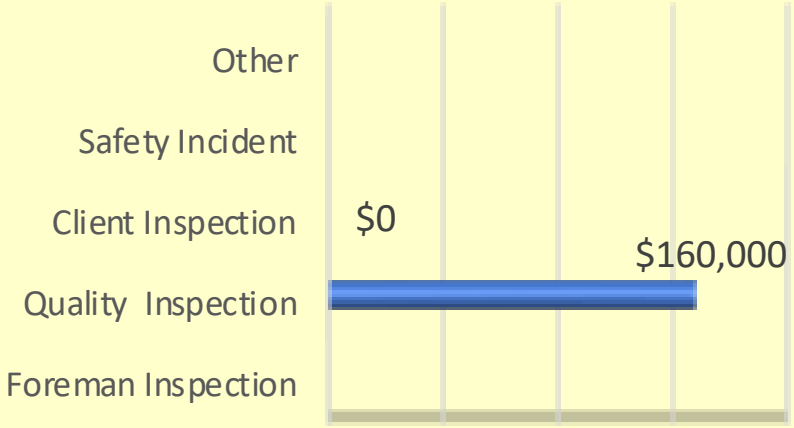

Body Mechanics
PPE
Job Factors
Tools & Equipment
Housekeeping
Fall Protection

# SPREAD 7 Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 3.32% |
| Field Joint Coating Rejection Rate | 0.00% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 3 | 70 |
| Closed | 3 | 70 |
| **Remaining Open** | | - |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | - | 6 |
| Closed | - | 3 |
| **Remaining Open** | | 3 |

**Joint Quality observation with Williams QA**

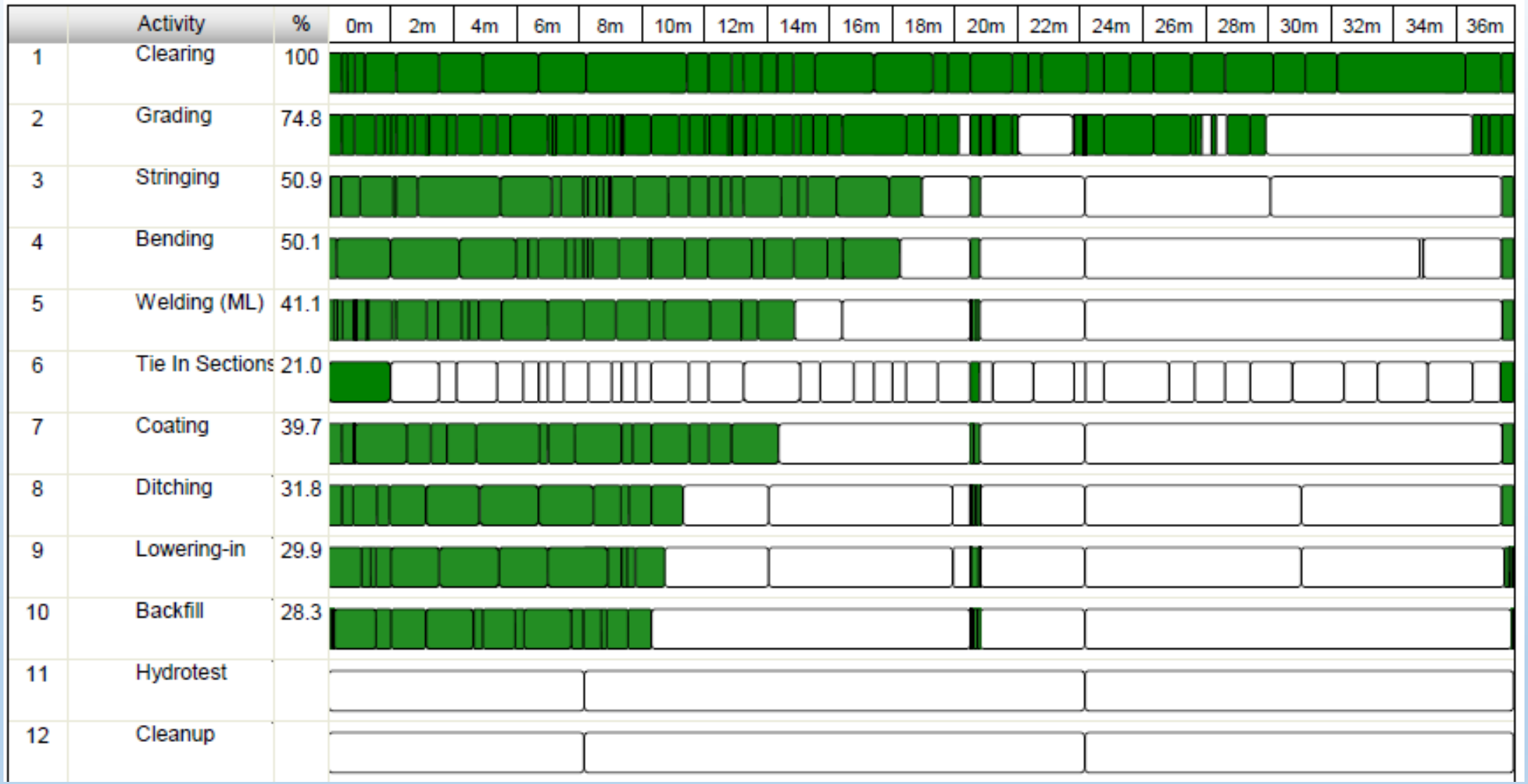
# Spread 7 – Environmental

1. Environmental Compliance
   - Non compliance from previous periods:
     - Topsoil mixing
     - Avoiding air stations
     - 50’ buffer encroachment
     - Not installing air stations
     - 3 x Water bar installation
   - Non compliance from current period – None

2. Environmental Concerns
   - Riparian area replanting plans

3. Listing of variance requests outstanding
   - Pequea Creek Extra Work Space & Crossing

# Spread 7 – March Chart



# Spread 7 – Weekly Impacts

| Activity | Variance to Fcst | 19-Feb Monday | 20-Feb Tuesday | 21-Feb Wednesday | 22-Feb Thursday | 23-Feb Friday | 24-Feb Saturday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | |
| Grading | (14,508) | | | | Rain Out | Rain Out | Rain Out | |
| Stringing | (5,500) | | | | Rain Out | Rain Out | Rain Out | |
| Bending | 1,534 | | | | | Rain Out | Rain Out | |
| Firing Line | (4,466) | Delayed start 4 hours | | | Rain Out | Rain Out | Rain Out | Took 4 hours to get busses and crew back into ROW to start work, due to muddy conditions and everyone getting stuck |
| Coating | (2,698) | | | | Rain Out | Rain Out | Rain Out | |
| Ditch | (10,666) | | | | Rain Out | Rain Out | Rain Out | |
| Lower In | (5,766) | | | | Rain Out | Rain Out | Rain Out | |
| Backfill | (6,666) | Organic Farm 2 hours | | | Rain Out | Rain Out | Rain Out | |
| Tie In | (28) | | Protester 4 hours | | Rain Out | Rain Out | Rain Out | |
| Road Crossing | 161 | | | | Rain Out | Rain Out | Rain Out | |
| Testing | - | | | | Rain Out | Rain Out | Rain Out | |
| Clean Up | - | | | | | | | |
| Clean Water Div. | 3 | | | | | | | |

# Spread 7 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 25-Feb | | | Cumulative | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast |
| Clearing | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - |
| Grading | lf | 199,896 | 75% | 15,600 | 1,092 | (14,508) | 182,468 | 149,453 | (33,015) |
| Stringing | lf | 199,896 | 51% | 11,000 | 5,500 | (5,500) | 119,462 | 101,698 | (17,764) |
| Bending | lf | 199,896 | 50% | 10,666 | 12,200 | 1,534 | 112,077 | 100,076 | (12,001) |
| Firing Line | lf | 199,896 | 41% | 10,666 | 6,200 | (4,466) | 105,379 | 82,149 | (23,230) |
| Coating | lf | 199,896 | 40% | 10,666 | 7,968 | (2,698) | 98,379 | 79,455 | (18,924) |
| Ditch | lf | 199,896 | 32% | 10,666 | - | (10,666) | 92,635 | 63,605 | (29,030) |
| Lower In | lf | 199,896 | 30% | 10,666 | 4,900 | (5,766) | 85,251 | 59,821 | (25,430) |
| Backfill | lf | 199,896 | 28% | 10,666 | 4,000 | (6,666) | 81,076 | 56,596 | (24,480) |
| Tie In | ea | 681 | 21% | 42 | 14 | (28) | 187 | 143 | (44) |
| Road Crossing | lf | 3,378 | 57% | 129 | 290 | 161 | 1,838 | 1,933 | 95 |
| Testing | lf | 199,896 | 0% | - | - | - | - | - | - |
| Clean Up | lf | 199,896 | 0% | - | - | - | - | - | - |
| Clean Water Div | ea | 87 | 55% | - | 3 | 3 | - | 48 | 48 |

Forecast = Jan 21 Forecast Update

| Tie-In Status | 18-Feb | 25-Feb | 4-Mar | 11-Mar | 18-Mar | 25-Mar | 1-Apr | 8-Apr | 15-Apr |
|---|---|---|---|---|---|---|---|---|---|
| Jan 21 Forecast | 36 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 |
| Actual | 15 | 14 | - | - | - | - | - | - | - |
| Total Remaining | 552 | 538 | 538 | 538 | 538 | 538 | 538 | 538 | 538 |
| # of Tie In Crews | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |

# Spread 7 – Manhours and Performance (Craft Only)

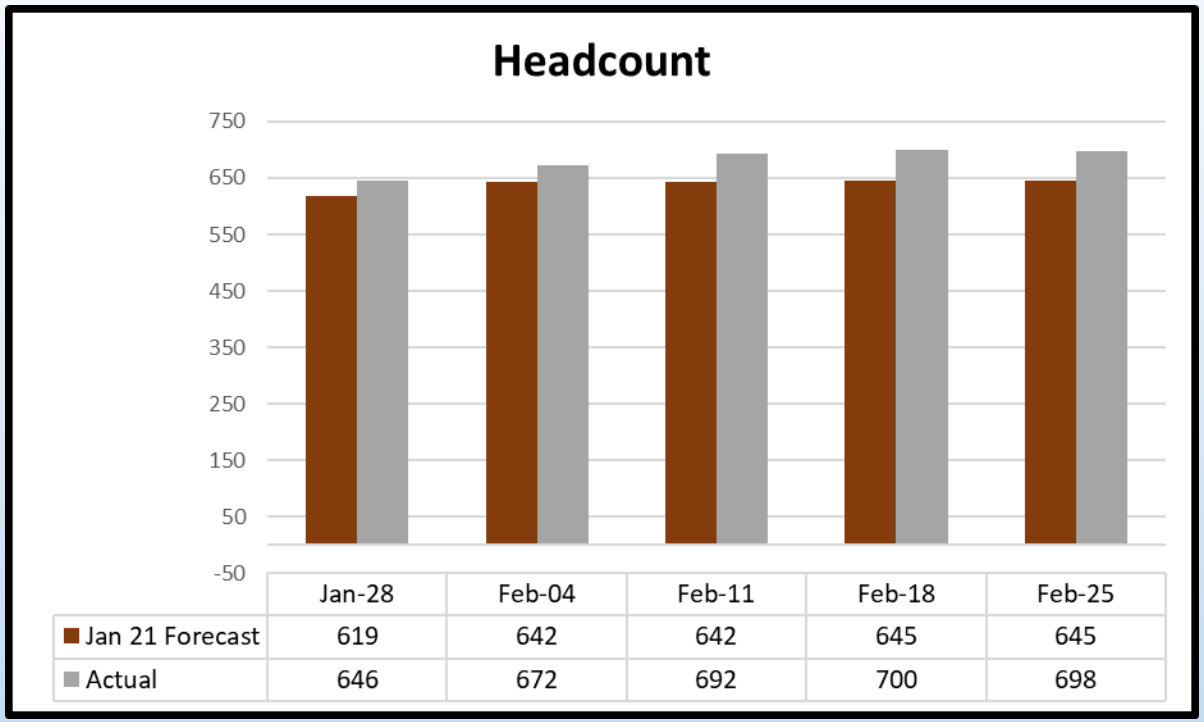
| Activity | Budget Hours | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 30,000 | 0 | 0 | 36,284 | 36,284 | 36,284 | 1.00 | 1.00 | 36,284 | 6,284 |
| Grading | 19,680 | 1,690 | 1,284 | 44,412 | 41,568 | 34,483 | 0.83 | 0.78 | 46,122 | 26,442 |
| Stringing | 23,966 | 1,820 | 1,284 | 25,264 | 22,850 | 17,483 | 0.77 | 0.69 | 34,364 | 10,398 |
| Bending | 14,105 | 520 | 460 | 7,817 | 7,856 | 5,155 | 0.66 | 0.66 | 10,297 | -3,808 |
| Firing Line | 32,966 | 3,120 | 2,407 | 45,147 | 43,174 | 27,519 | 0.64 | 0.61 | 66,964 | 33,998 |
| Coating | 17,520 | 1,170 | 823 | 13,812 | 12,102 | 8,745 | 0.72 | 0.63 | 22,002 | 4,482 |
| Ditch | 22,565 | 1,300 | 886 | 15,929 | 13,934 | 7,964 | 0.57 | 0.50 | 25,029 | 2,464 |
| Lower In | 19,705 | 1,885 | 1,343 | 18,363 | 15,866 | 10,572 | 0.67 | 0.58 | 35,328 | 15,623 |
| Backfill | 6,638 | 1,235 | 921 | 8,965 | 7,552 | 5,685 | 0.75 | 0.63 | 20,080 | 13,442 |
| Tie In | 182,180 | 11,914 | 8,716 | 73,701 | 58,738 | 47,760 | 0.81 | 0.65 | 227,443 | 45,263 |
| Road Crossing | 38,160 | 1,950 | 2,051 | 28,876 | 29,832 | 28,798 | 0.97 | 1.00 | 50,326 | 12,166 |
| Testing | 3,328 | 650 | 574 | 3,414 | 3349 | 0 | 0.00 | 0.00 | 15,764 | 12,436 |
| Clean Up | 60,887 | 1,105 | 864 | 1,105 | 1312 | 0 | 0.00 | 0.00 | 66,495 | 5,608 |
| **Total Progressable Hours** | **471,700** | **28,359** | **21,613** | **323,089** | **294,417** | **230,449** | **0.78** | **0.71** | **656,498** | **184,798** |
| Non Progressable Hours | 369,094 | 13,065 | 12,820 | 259,468 | 257,627 | 0 | | | 441,388 | 72,294 |
| **Total Hours** | **840,794** | **41,424** | **34,433** | **582,557** | **552,044** | **230,449** | **0.78** | **0.71** | **1,097,886** | **257,092** |

Non progressable includes direct and indirect craft; no Staff/Mgmt Supevision

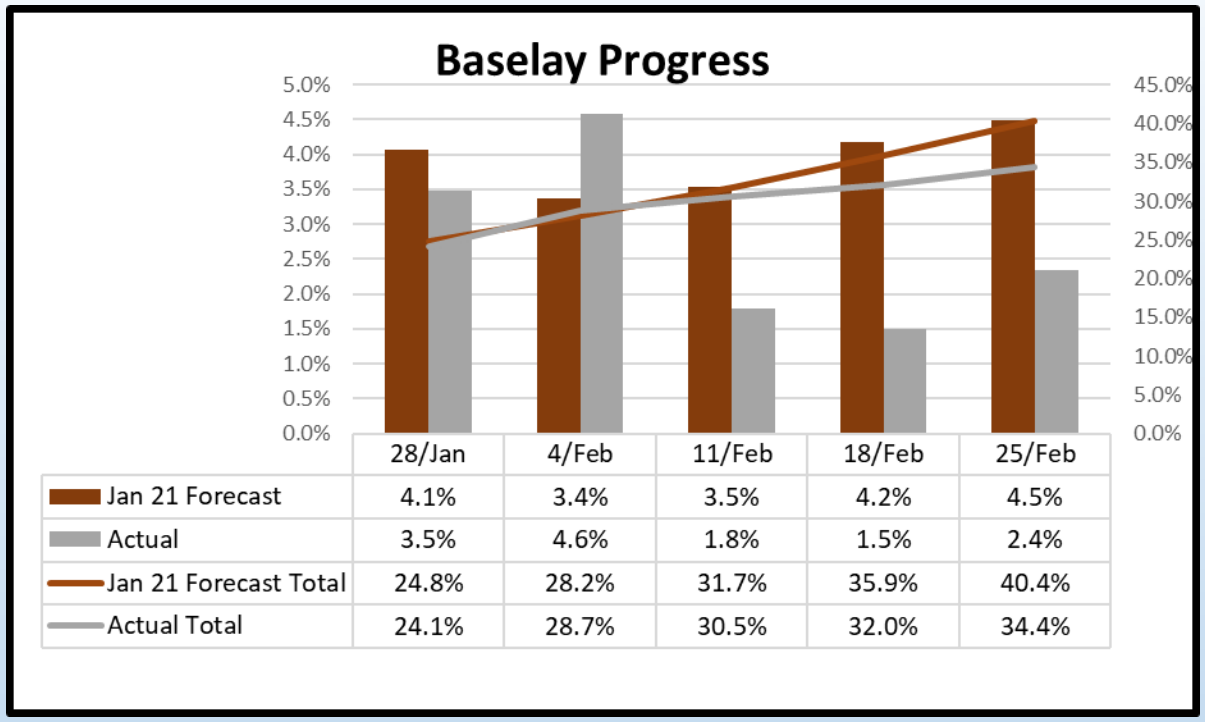
CPI & SPI calculated on Jan 21 Forecast

Forecast = Jan 21 Forecast Update

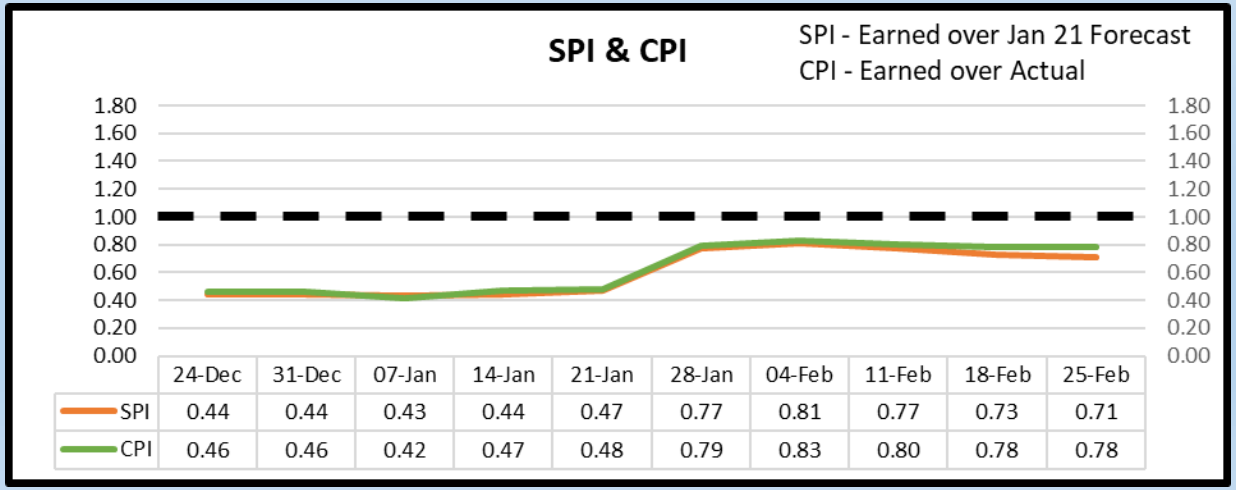
# Spread 7 – Progress and Performance Curves




| | Jan-28 | Feb-04 | Feb-11 | Feb-18 | Feb-25 |
|---|---|---|---|---|---|
| Jan 21 Forecast | 619 | 642 | 642 | 645 | 645 |
| Actual | 646 | 672 | 692 | 700 | 698 |




| | 28/Jan | 4/Feb | 11/Feb | 18/Feb | 25/Feb |
|---|---|---|---|---|---|
| Jan 21 Forecast | 4.1% | 3.4% | 3.5% | 4.2% | 4.5% |
| Actual | 3.5% | 4.6% | 1.8% | 1.5% | 2.4% |
| Jan 21 Forecast Total | 24.8% | 28.2% | 31.7% | 35.9% | 40.4% |
| Actual Total | 24.1% | 28.7% | 30.5% | 32.0% | 34.4% |




| | 24-Dec | 31-Dec | 07-Jan | 14-Jan | 21-Jan | 28-Jan | 04-Feb | 11-Feb | 18-Feb | 25-Feb |
|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.44 | 0.44 | 0.43 | 0.44 | 0.47 | 0.77 | 0.81 | 0.77 | 0.73 | 0.71 |
| CPI | 0.46 | 0.46 | 0.42 | 0.47 | 0.48 | 0.79 | 0.83 | 0.80 | 0.78 | 0.78 |

# Spread 7 - Contract Status ($M's)

| CONTRACT | Original Contract | Extra Work Orders | | | Current Contract | Invoiced | Paid | Outstanding |
|---|---|---|---|---|---|---|---|---|
| | | Under Prep | Submitted | Approved | | | | |
| Spread 5 | $ 123.15 | $ 7.63 | $ 2.14 | $ 0.25 | $ 123.40 | $ 109.48 | $ 87.73 | $ 21.76 |
| Spread 6 | $ 163.86 | $ 12.93 | $ 8.32 | $ 0.52 | $ 164.38 | $ 139.13 | $ 105.58 | $ 33.55 |
| Spread 7 | $ 167.46 | $ 5.01 | $ 9.10 | $ 1.07 | $ 168.53 | $ 153.29 | $ 117.61 | $ 35.68 |
| **Total** | **$ 454.47** | **$ 25.58** | **$ 19.56** | **$ 1.84** | **$ 456.31** | **$ 401.90** | **$ 310.91** | **$ 90.99** |
| One EWR submitted this week (Karst $14M); 3 received back as approved ($1.3M). | | | | | | March cash call ($91M) outstanding; due March 5th. | | |

| TRENDS | Count | Total | | Spread 5 | | Spread 6 | | Spread 7 | |
|---|---|---|---|---|---|---|---|---|---|
| | | Hours | Cost | Hours | Cost | Hours | Cost | Hours | Cost |
| Recorded | 29 | 72 | $ 6.29 | - | $ 3.34 | - | $ 1.84 | 72 | $ 1.11 |
| Internal Review | 10 | 36,670 | $ 9.24 | 16,886 | $ 4.54 | 19,244 | $ 4.40 | 540 | $ 0.29 |
| Client Review | 40 | 98,753 | $ 18.22 | 1,776 | $ 1.56 | 70,440 | $ 10.27 | 26,537 | $ 6.39 |
| Approved - Fcst | 2 | 30 | $ 3.16 | - | $ 1.00 | - | $ 1.13 | 30 | $ 1.02 |
| Revise and Resubmit | 3 | 89,050 | $ 10.32 | 36,000 | $ 3.98 | - | $ - | 53,050 | $ 6.33 |
| Proceed to EWR | 16 | 5,794 | $ 25.58 | - | $ 7.63 | - | $ 12.93 | 5,794 | $ 5.01 |
| EWR Submitted | 7 | 41,558 | $ 19.56 | 10,150 | $ 2.14 | 15,206 | $ 8.32 | 16,202 | $ 9.10 |
| EWR Approved | 5 | 7,020 | $ 1.84 | - | $ 0.25 | - | $ 0.52 | 7,020 | $ 1.07 |
| **Total Trends** | **112** | **278,947** | **$ 94.20** | **64,812** | **$ 24.44** | **104,890** | **$ 39.42** | **109,245** | **$ 30.34** |
| This week: 2 new trends initiated; 13 trends submitted to Client this week. | | | | | | | | | |

# Spread 7 – Cost Summary ($M's)

| Account | Current Budget | Committed to Date | Incurred | | Current Forecast | Variance from Budget |
|---|---|---|---|---|---|---|
| | | | Period | To Date | | |
| Labor (Direct/Indirect) | $ 69.29 | $ 40.70 | $ 2.59 | $ 40.70 | $ 89.74 | $ 20.45 |
| Other Welded Costs | $ 30.26 | $ 37.86 | $ 1.61 | $ 21.31 | $ 45.12 | $ 14.87 |
| Billable Equipment | $ 3.18 | $ 3.60 | $ 0.08 | $ 2.63 | $ 3.22 | $ 0.04 |
| Materials (inc Mats) | $ 10.38 | $ 12.50 | $ 0.69 | $ 9.53 | $ 14.50 | $ 4.12 |
| Subcontracts | $ 31.39 | $ 38.57 | $ 1.70 | $ 31.87 | $ 54.99 | $ 23.60 |
| Fixed Fee | $ 19.70 | $ 7.65 | $ 0.40 | $ 7.65 | $ 19.70 | $ - |
| **Total** | **$ 164.20** | **$ 140.88** | **$ 7.08** | **$ 113.69** | **$ 227.28** | **$ 63.08** |

No update this week

| | This Period | To Date |
|---|---|---|
| **Overall % Spent (of Budget)** | **4.3%** | **69.2%** |
| **Overall % Spent (of Forecast)** | **3.1%** | **50.0%** |
| **Labor only % Spent (of Forecast)** | **2.9%** | **45.4%** |
| **Physical % Complete Achieved** | **1.3%** | **30.4%** |

# Spread 7 – Critical Issues

| Critical Issues | | Mitigation |
|---|---|---|
| 1 | Environmental Compliance – Waterbars | Stressing environmental ownership with all crews |
| 2 | | |
| 3 | | |

# EXHIBIT 12

## ASR Overall Weekly Progress 03-25

# Atlantic Sunrise Pipeline Project Spread 5 Progress Report

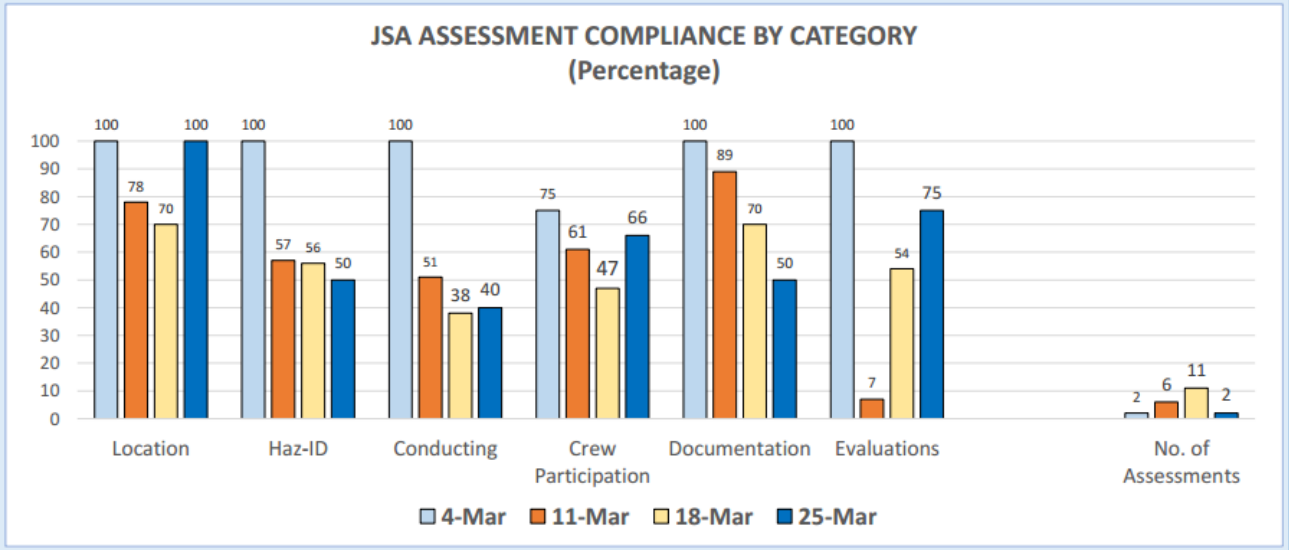
Week Ending 25-Mar-18

# SPREAD 5 - Safety

| Number of Incidents | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 | 1 | 29 | 17 | 39 | 9 | 4 | 0 | 14 |

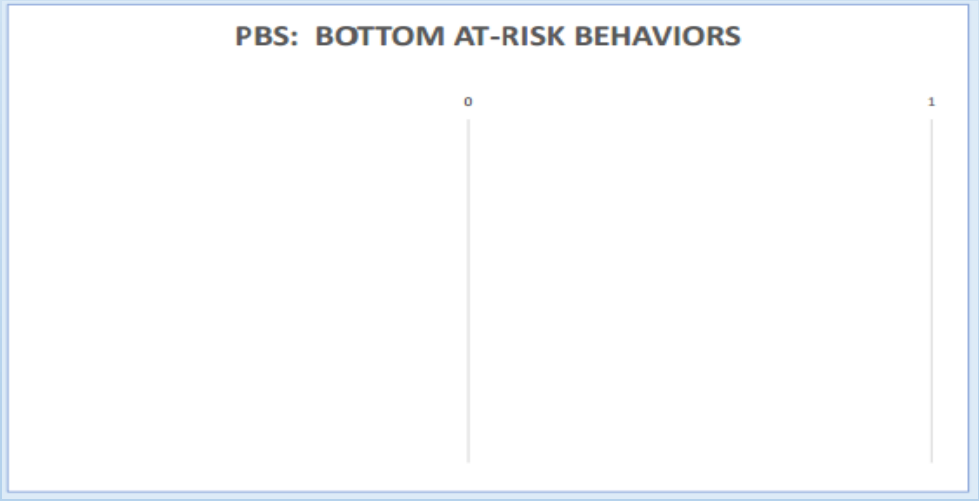
| Incident Rates | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0.0 | 0.3 | 0.3 | 9.7 | 5.7 | 13.1 | 3.0 | 1.3 | 0.0 | 4.7 |

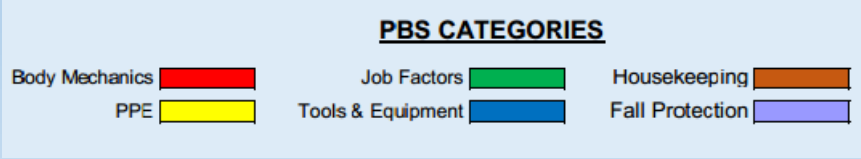
| | Weekly Hours | Monthly Hours | Project Hours | Total Headcount |
|---|---|---|---|---|
| **Welded** | 19,304 | 95,938 | 493,642 | **401** |
| **Subcontractors** | 1,189 | 5,716 | 101,358 | **24** |
| **Total** | 20,493 | 101,654 | **595,000** | **425** |





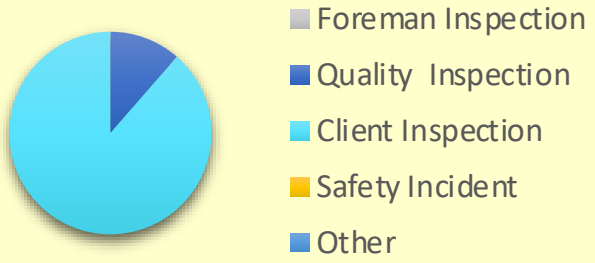




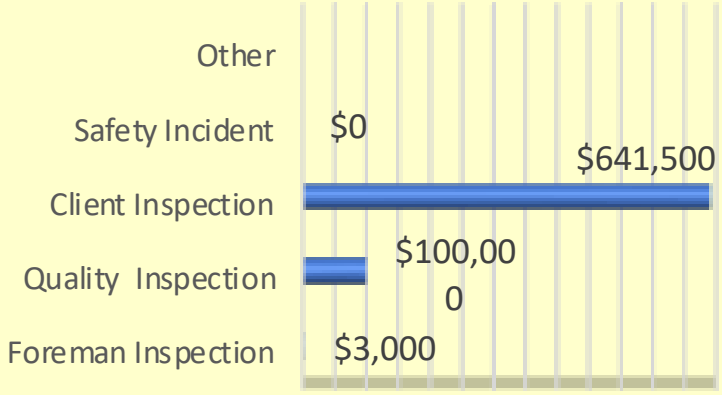



# Spread 5 - Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 17.88% |
| Field Joint Coating Rejection Rate | 0.00% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | - | 61 |
| Closed | - | 41 |
| **Remaining Open** | | 20 |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | 1 | 35 |
| Closed | 1 | 16 |
| **Remaining Open** | | 19 |

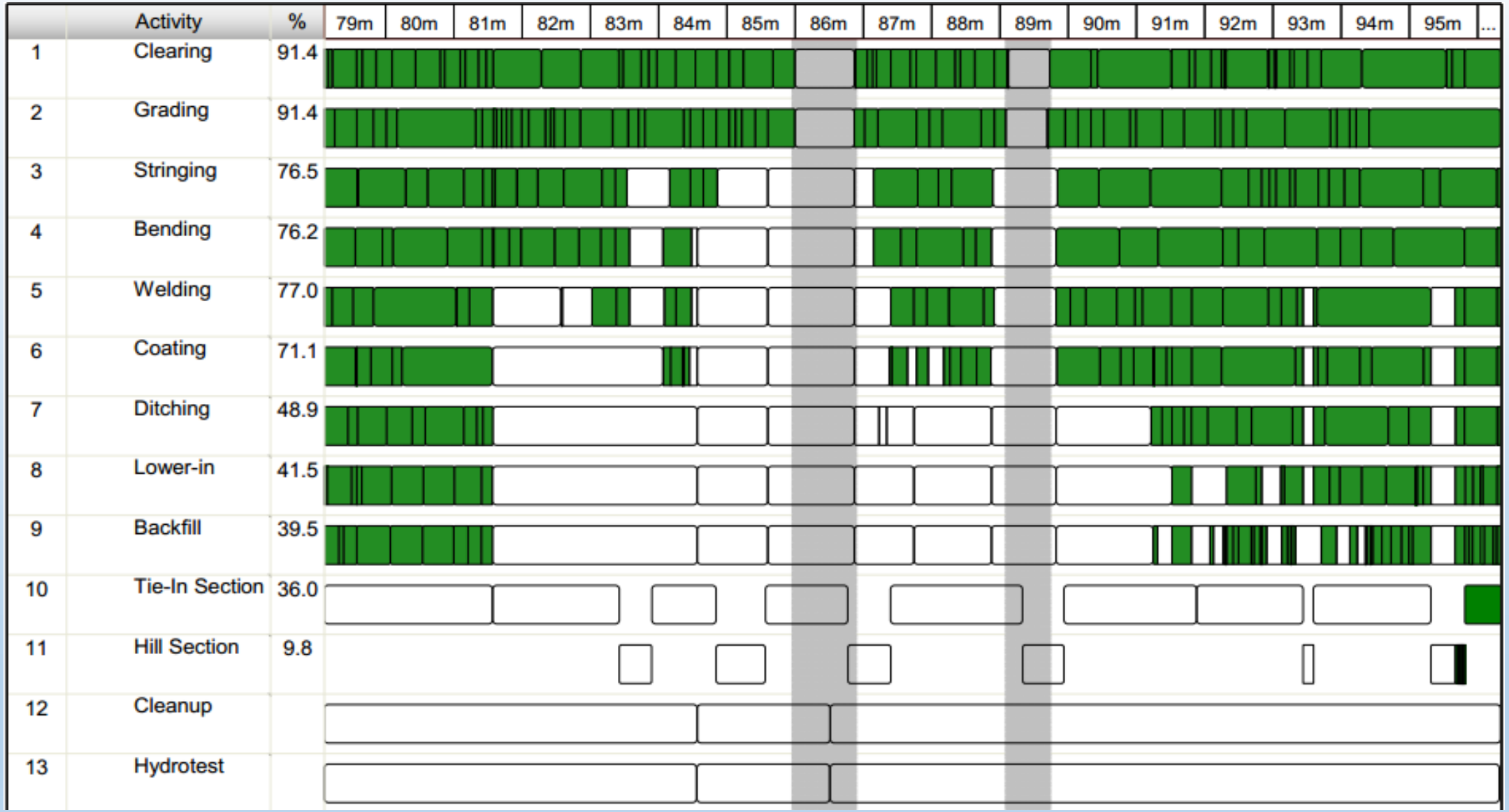
**Notes: Focus on onboarding and training of new personnel, auditing calibrations & certification of onhand equipment. Closing OBS & NCRs and joint auditing of Team Members.**

# Spread 5 – Environmental

1. Environmental Compliance
   - NCRs and NOVs from current period – Williams issued: Parking of LOD (Both Williams Inspection and Welded Construction)
   - FERC / Williams issued Non Compliance Reports (NCRs) and Notices of Violations (NOVs) from previous reporting periods:
     - FERC issued NCR issued for mixing subsoil and topsoil
     - FERC issued an NCR (MP 93.1) for disturbing 50' stream buffers
     - In-stream work outside the TOYR
     - Work within 50 foot buffer
     - Not following construction sequence at the AR, Road Specific Construction Sequence (RSCS) for Access Road AR-NO-082s for:
     - Columbia CCD issued NOVs for:
       1. Failure to implement effective E&S Best Management Practices (BMPs).
       2. Failure to comply with permit conditions.
       3. Sediment or other pollutant was discharged into waters of the Commonwealth.
     - Site conditions present a potential for pollution to waters of the Commonwealth.
     - Material off the right-of-way
     - Incomplete water bar installation
     - Improper waterbody crossing sequence @ HQ/EV UNT to Mugser Run WW-T31-11001
     - Improper waterbody crossing sequence @ HQ/EV UNT to Mugser Run WW-T31-11001 – 2/23/18
     - Follow up inspection for activities not being completed @ HQ/EV UNT to Mugser Run WW-T31-11001- 3/01/18
     - FERC issued: EV-2843 – Pine Swamp – Dewatering and Erosion and Sediment Control

2. Environmental Concerns
   - Riparian area replanting plans – who is responsible for planting trees and shrubs?
   - Poor ROW Conditions
3. Listing of variance requests outstanding
   - Change WW-T01-10001 - Mahandy Creek crossing method from open cut to bore
   - Change WW-T18-10002 - Quaker Run crossing method from open cut to bore
   - Happy Valley 1, 2 & 3 Construction Timeline Crossing Extension from 48 hrs. to 2 weeks
   - Happy Valley 1, 2 &3 - Work within the buffer zones due to limited work space
   - Availability to work 24 hrs. during 6 week Bat Hibernaculum construction window

# Spread 5 – March Chart




Bat restricted area

# Spread 5 – Weekly Impacts

| Activity | Variance to Forecast | 19-Mar Monday | 20-Mar Tuesday | 21-Mar Wednesday | 22-Mar Thursday | 23-Mar Friday | 24-Mar Saturday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | |
| Grading | - | | | Snow Out | Snow Out | Snow Out | | |
| Stringing | (1,115) | | | Snow Out | Snow Out | | | Stringing joints as needed |
| Bending | (1,115) | | | Snow Out | Snow Out | | | Bent 4 joints in the yard |
| Firing Line | (1,600) | | | Snow Out | Snow Out | | | Pending cut out decision |
| Coating | (1,600) | | | Snow Out | Snow Out | | | Pending cut out decision |
| Ditch | (1,200) | | | Snow Out | Snow Out | | | Pending cut out decision |
| Lower In | (1,600) | | | Snow Out | Snow Out | | | Pending cut out decision |
| Backfill | (1,650) | | | Snow Out | Snow Out | | | Pending cut out decision |
| Tie In | (8) | | | Snow Out | Snow Out | | | Made 15 cut out welds |
| Hill | - | | | Snow Out | Snow Out | | | |
| Road Crossing | (50) | | | Snow Out | Snow Out | | | Ranch Road bored, hoe broke down pulling pipe through |
| Testing | - | | | Snow Out | Snow Out | | | |
| Clean Up | (2,000) | | | Snow Out | Snow Out | Snow Out | | |
| Clean Water Div. | - | | | | | | | |

# Spread 5 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 25-Mar | | | Cumulative | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast |
| Clearing | lf | 90,990 | 91.4% | - | - | - | 83,190 | 83,190 | - |
| Grading | lf | 90,990 | 91.4% | - | - | - | 83,190 | 83,190 | - |
| Stringing | lf | 90,990 | 76.5% | 1,115 | - | (1,115) | 71,950 | 69,590 | (2,360) |
| Bending | lf | 90,990 | 76.2% | 1,115 | - | (1,115) | 73,750 | 69,290 | (4,460) |
| Firing Line | lf | 74,190 | 77.0% | 1,700 | 100 | (1,600) | 58,813 | 57,113 | (1,700) |
| Coating | lf | 74,190 | 71.1% | 2,050 | 450 | (1,600) | 55,290 | 52,740 | (2,550) |
| Ditch | lf | 74,190 | 48.9% | 1,200 | - | (1,200) | 41,008 | 36,260 | (4,748) |
| Lower In | lf | 74,190 | 41.5% | 1,900 | 300 | (1,600) | 35,003 | 30,817 | (4,186) |
| Backfill | lf | 74,190 | 39.5% | 2,100 | 450 | (1,650) | 32,858 | 29,283 | (3,575) |
| Tie In | ea. | 311 | 36.0% | 16 | 8 | (8) | 117 | 112 | (5) |
| Hill | lf | 16,800 | 9.8% | - | - | - | 1,363 | 1,644 | 281 |
| Road Crossing | lf | 1,086 | 59.3% | 50 | - | (50) | 844 | 644 | (200) |
| Testing | lf | 90,990 | 0.0% | - | - | - | - | - | - |
| Clean Up | lf | 90,990 | 0.0% | 2,000 | - | (2,000) | 6,000 | - | (6,000) |
| Clean Water Div. | ea. | 40 | 50.0% | - | - | - | - | 20 | 20 |

Forecast = Feb 25 Forecast Update

| Tie-In Status | 18-Mar | 25-Mar | 1-Apr | 8-Apr | 15-Apr | 22-Apr | 29-Apr | 6-May | 13-May |
|---|---|---|---|---|---|---|---|---|---|
| Forecast | 16 | 16 | 16 | 12 | 12 | 12 | 12 | 12 | 12 |
| Actual | 16 | 8 | - | - | - | - | - | - | - |
| Total Remaining | 207 | 199 | 199 | 199 | 199 | 199 | 199 | 199 | 199 |
| # of Tie In Crews | 5 | 6 | 6 | 5 | 5 | 5 | 5 | 5 | 5 |

# Spread 5 – Manhours and Performance (Craft Only)

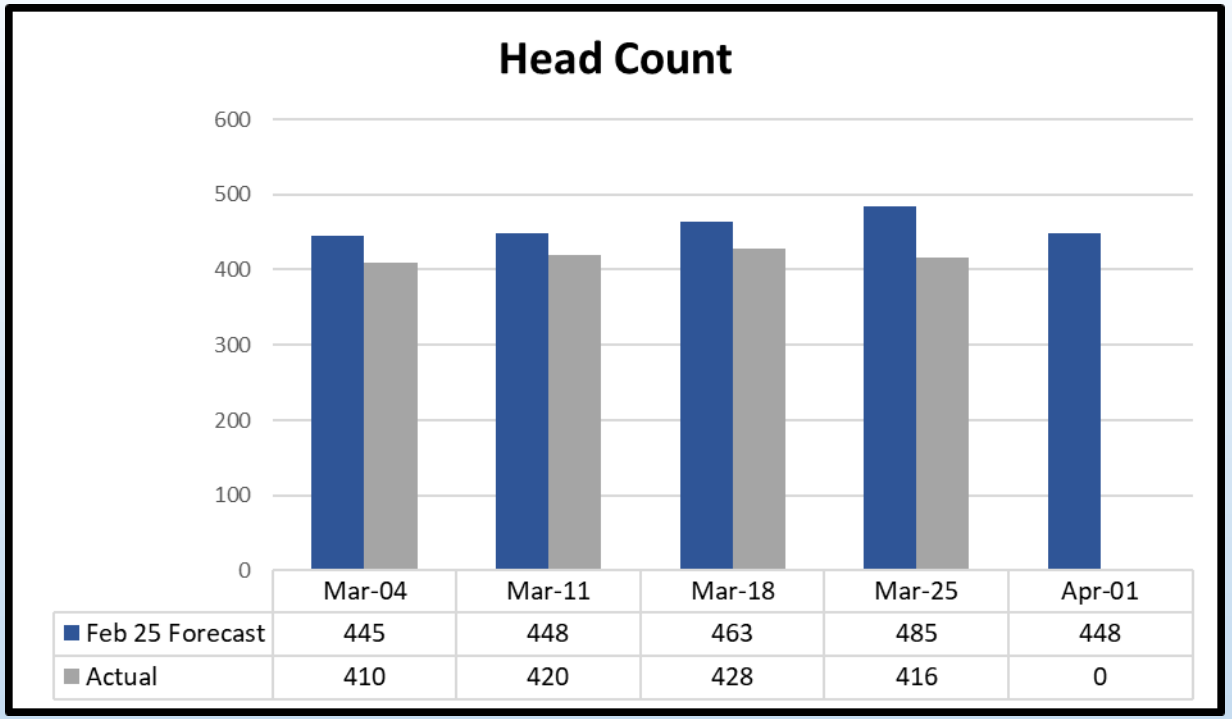
| Activity | Budget Hours | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 27,500 | 0 | 0 | 44,257 | 44,257 | 42,579 | 0.96 | 0.96 | 46,571 | 19,071 |
| Grading | 23,320 | 0 | 612 | 28,214 | 29,521 | 29,365 | 0.99 | 1.04 | 32,118 | 8,798 |
| Stringing | 23,004 | 520 | 499 | 20,171 | 20,214 | 22,356 | 1.11 | 1.11 | 29,231 | 6,227 |
| Bending | 18,096 | 312 | 258 | 9,030 | 9,122 | 11,295 | 1.24 | 1.25 | 14,832 | -3,264 |
| Firing Line | 28,188 | 3,000 | 2,968 | 54,279 | 52,878 | 48,806 | 0.92 | 0.90 | 63,399 | 35,211 |
| Coating | 22,185 | 1,080 | 588 | 15,137 | 13,487 | 14,906 | 1.11 | 0.98 | 20,969 | -1,216 |
| Ditch | 22,185 | 660 | 0 | 10,826 | 9,506 | 8,194 | 0.86 | 0.76 | 16,766 | -5,419 |
| Lower In | 26,945 | 1,500 | 271 | 17,358 | 16,141 | 13,316 | 0.82 | 0.77 | 32,058 | 5,113 |
| Backfill | 13,515 | 900 | 634 | 11,643 | 11,514 | 8,077 | 0.70 | 0.69 | 20,463 | 6,948 |
| Tie In | 85,544 | 7,500 | 5,622 | 44,623 | 45,623 | 36,952 | 0.81 | 0.83 | 102,607 | 17,063 |
| Hill | 130,799 | 0 | 0 | 17,873 | 18,469 | 7,531 | 0.41 | 0.42 | 76,961 | -53,838 |
| Road Crossing | 51,200 | 952 | 1,041 | 20,246 | 20,816 | 17,893 | 0.86 | 0.88 | 30,174 | -21,026 |
| Testing | 4,872 | 120 | 120 | 980 | 860 | 0 | 0.00 | 0.00 | 21,275 | 16,403 |
| Clean Up | 43,024 | 1,792 | 18 | 6139 | 3176 | 0 | 0.00 | 0.00 | 45,947 | 2,923 |
| **Total Progressable Hours** | **520,377** | **18,336** | **12,631** | **300,776** | **295,584** | **261,270** | **0.88** | **0.87** | **553,371** | **32,994** |
| Environmental | 75,700 | 2,912 | 2,957 | 60,415 | 61,920 | 0 | | | 131,647 | 55,947 |
| Non Progressable Hours | 232,846 | 5,890 | 4,275 | 151,981 | 147,911 | 0 | | | 214,289 | -18,557 |
| **Total Hours** | **828,923** | **27,138** | **19,863** | **513,172** | **505,415** | **261,270** | **0.88** | **0.87** | **899,307** | **70,384** |

Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

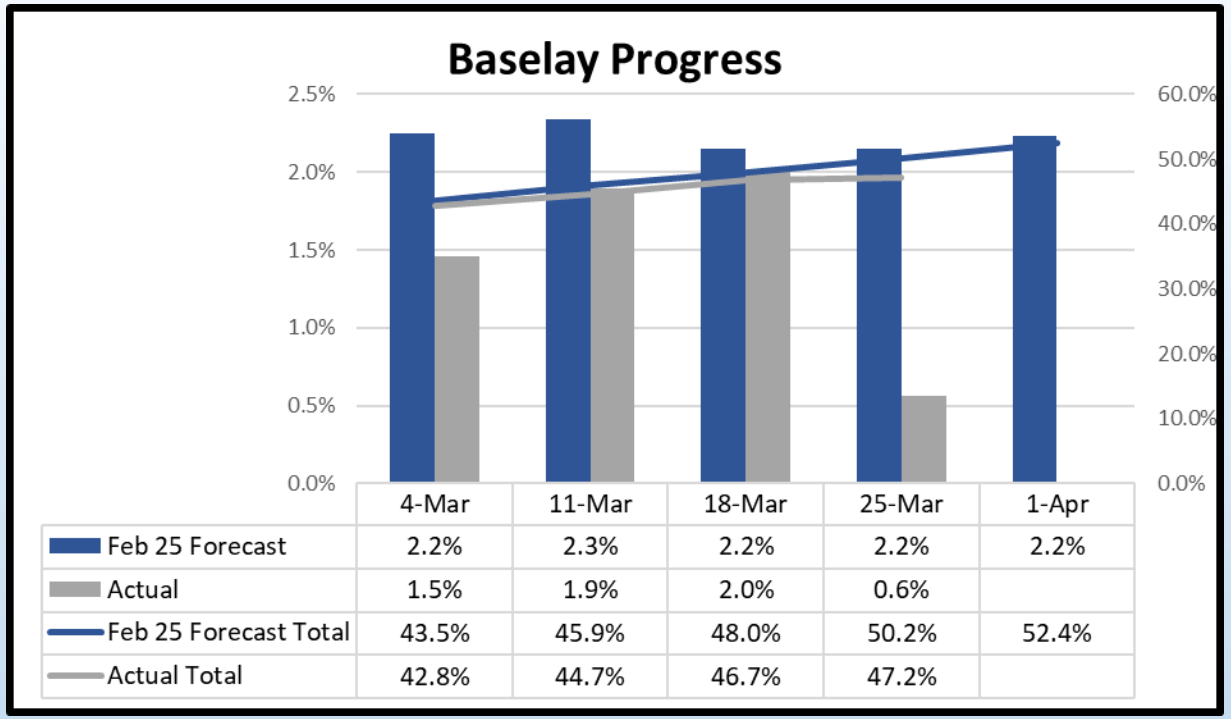
CPI & SPI calculated on Feb 25 Forecast

Forecast = Feb 25 Forecast Update

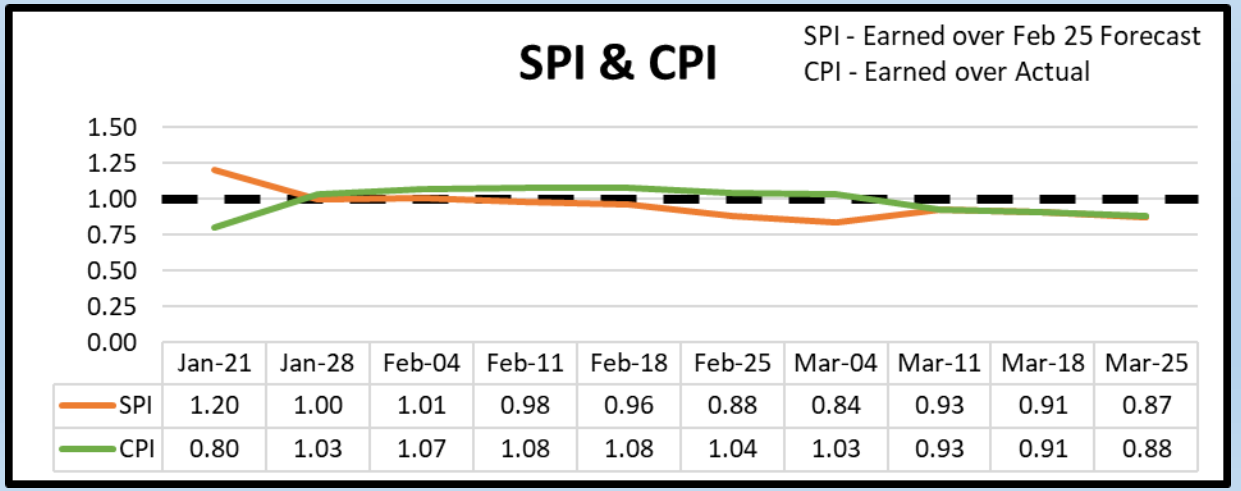
# Spread 5 – Progress and Performance Curves




| | Mar-04 | Mar-11 | Mar-18 | Mar-25 | Apr-01 |
|---|---|---|---|---|---|
| Feb 25 Forecast | 445 | 448 | 463 | 485 | 448 |
| Actual | 410 | 420 | 428 | 416 | 0 |




| | 4-Mar | 11-Mar | 18-Mar | 25-Mar | 1-Apr |
|---|---|---|---|---|---|
| Feb 25 Forecast | 2.2% | 2.3% | 2.2% | 2.2% | 2.2% |
| Actual | 1.5% | 1.9% | 2.0% | 0.6% | |
| Feb 25 Forecast Total | 43.5% | 45.9% | 48.0% | 50.2% | 52.4% |
| Actual Total | 42.8% | 44.7% | 46.7% | 47.2% | |




| | Jan-21 | Jan-28 | Feb-04 | Feb-11 | Feb-18 | Feb-25 | Mar-04 | Mar-11 | Mar-18 | Mar-25 |
|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 1.20 | 1.00 | 1.01 | 0.98 | 0.96 | 0.88 | 0.84 | 0.93 | 0.91 | 0.87 |
| CPI | 0.80 | 1.03 | 1.07 | 1.08 | 1.08 | 1.04 | 1.03 | 0.93 | 0.91 | 0.88 |

# Spread 5 - Contract Status ($M's)

| CONTRACT | Original Budget | Extra Work Orders | | | Currrent Budget | Invoiced | Paid | Outstanding |
|---|---|---|---|---|---|---|---|---|
| | | Under Prep | Submitted | Approved | | | | |
| Spread 5 | $ 123.15 | $ 7.93 | $ 0.78 | $ 1.60 | $ 124.75 | $ 128.61 | | |
| Spread 6 | $ 163.86 | $ 13.44 | $ 6.69 | $ 2.32 | $ 166.18 | $ 164.78 | | |
| Spread 7 | $ 167.46 | $ 5.51 | $ 7.95 | $ 3.25 | $ 170.71 | $ 186.03 | | |
| **Total** | **$ 454.47** | **$ 26.89** | **$ 15.43** | **$ 7.17** | **$ 461.64** | **$ 479.41** | **$ 362.45** | **$ 116.96** |
| All spreads: 2 EWRs submitted this week. | | | | | | April cash call submitted; outstanding is $39.5M partial March cash plus April cash call of $77.5M. | | |

| TRENDS | Count | Total | | Spread 5 | | Spread 6 | | Spread 7 | |
|---|---|---|---|---|---|---|---|---|---|
| | | Hours | Cost | Hours | Cost | Hours | Cost | Hours | Cost |
| Recorded | 45 | 1,383 | $ 6.83 | 1,311 | $ 2.15 | - | $ 3.49 | 72 | $ 1.20 |
| Internal Review | 2 | 5,412 | $ 3.21 | 5,412 | $ 3.21 | - | $ - | - | $ - |
| Client Review | 17 | 44,729 | $ 5.44 | - | $ 0.02 | 39,750 | $ 4.31 | 4,979 | $ 1.11 |
| Approved - Fcst | 27 | 91,620 | $ 18.94 | 6,574 | $ 3.21 | 19,244 | $ 4.24 | 65,802 | $ 11.49 |
| Revise and Resubmit | 1 | 36,000 | $ 3.98 | 36,000 | $ 3.98 | - | $ - | - | $ - |
| Proceed to EWR | 15 | 9,103 | $ 26.89 | - | $ 7.93 | - | $ 13.44 | 9,103 | $ 5.51 |
| EWR Submitted | 15 | 33,448 | $ 15.43 | 6,146 | $ 0.78 | 10,872 | $ 6.69 | 16,430 | $ 7.95 |
| EWR Approved | 7 | 20,950 | $ 7.17 | 4,004 | $ 1.60 | 4,334 | $ 2.32 | 12,612 | $ 3.25 |
| **Total Trends** | **129** | **242,645** | **$ 87.90** | **59,447** | **$ 22.89** | **74,200** | **$ 34.51** | **108,998** | **$ 30.51** |
| This week all spreads: 9 new trends initiated; 3 trends submitted to Client this week; 3 received back as Forecast Only; 2 EWRs submitted | | | | | | | | | |

# Spread 5 – Cost Summary ($M's)

| Account | Current Budget | Committed to Date | Incurred | | Current Forecast | Variance from Budget |
|---|---|---|---|---|---|---|
| | | | Period | To Date | | |
| Labor (Direct/Indirect) | $ 65.25 | $ 42.50 | $ 1.59 | $ 42.50 | $ 76.33 | $ 11.69 |
| Other Welded Costs | $ 31.59 | $ 37.78 | $ 0.98 | $ 23.90 | $ 40.06 | $ 8.46 |
| Billable Equipment | $ 1.49 | $ 3.39 | $ 0.06 | $ 2.73 | $ 3.50 | $ 2.01 |
| Materials (inc Mats) | $ 5.57 | $ 8.70 | $ 0.25 | $ 6.40 | $ 12.24 | $ 6.67 |
| Subcontracts | $ 11.30 | $ 23.75 | $ 0.18 | $ 18.74 | $ 26.70 | $ 15.39 |
| Fixed Fee | $ 9.09 | $ 4.31 | $ 0.15 | $ 4.31 | $ 9.09 | $ - |
| **Total** | **$ 124.30** | **$ 120.43** | **$ 3.20** | **$ 98.58** | **$ 167.92** | **$ 44.24** |

| | This Period | To Date |
|---|---|---|
| **Overall % Spent (of Budget)** | **2.6%** | **79.3%** |
| **Overall % Spent (of Forecast)** | **1.9%** | **58.7%** |
| **Labor only % Spent (of Forecast)** | **2.1%** | **55.7%** |
| **Physical % Complete Achieved** | **0.6%** | **47.2%** |

# Spread 5 – Critical Issues

| Critical Issues | | Mitigation |
|---|---|---|
| 1 | Welding : Transverse Indications resulting in cut outs | Welded continues to follow Williams guidance to combat this ongoing issue. Issue remains unresolved. |
| 2 | Environmental : Due to the Transverse Indications with welding, environmental is concerned with the 30 day rule of open ditches and the delay in sequence as stated in our BMPs. | |
| 3 | | |

# Atlantic Sunrise Pipeline Project Spread 6 Progress Report

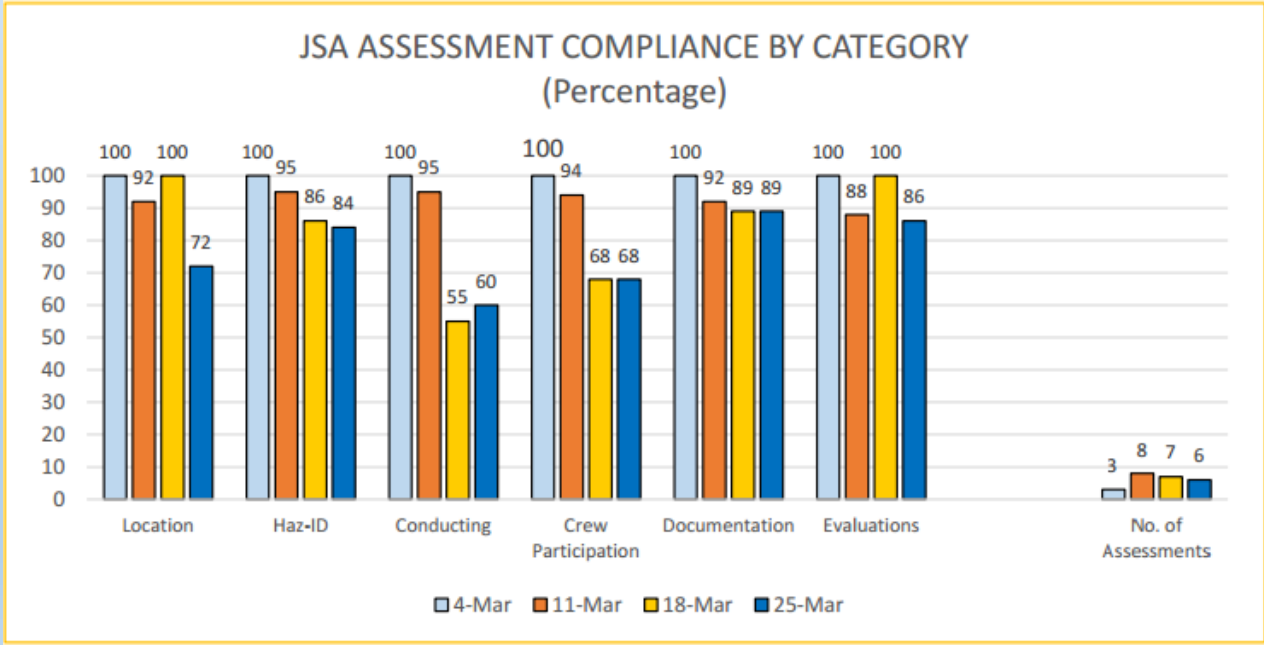
Week ending 25-Mar-18

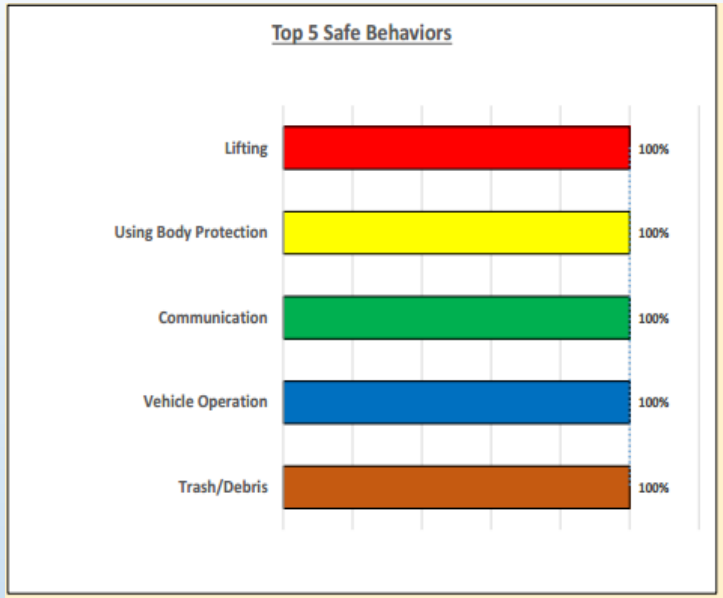
# SPREAD 6 - Safety

| Number of Incidents | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0 | 0 | 4 | 28 | 16 | 40 | 18 | 2 | 1 | 5 |

| Incident Rates | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0.0 | 0.0 | 1.1 | 7.7 | 4.4 | 10.9 | 4.9 | 0.5 | 0.3 | 1.4 |

| | Weekly Hours | Monthly Hours | Project Hours | Total Headcount |
|---|---|---|---|---|
| Welded | 28,873 | 129,437 | 607,841 | 616 |
| Subcontractors | 1,405 | 6,277 | 123,914 | 52 |
| Total Hours | 30,278 | 135,714 | 731,755 | 668 |





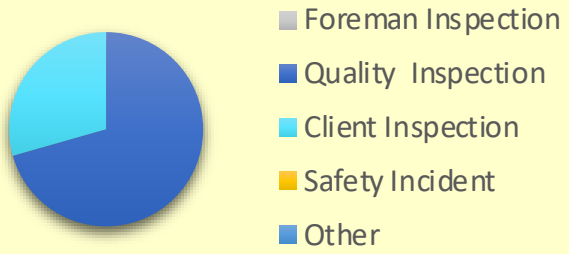


PBS Categories

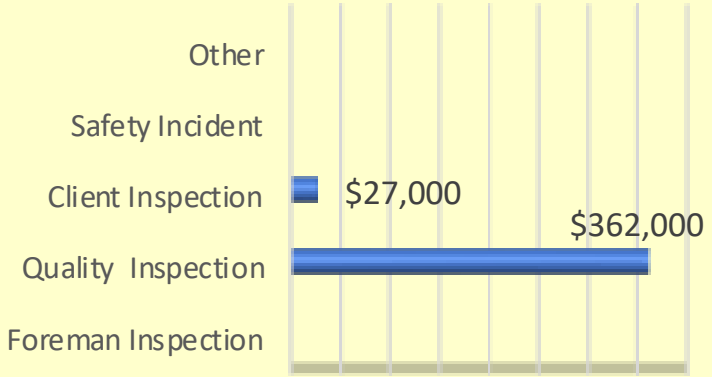
- Body Mechanics
- PPE
- Job Factors
- Tools & Equipment
- Housekeeping
- Fall Protection

# Spread 6 - Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 8.95% |
| Field Joint Coating Rejection Rate | 3.20% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | - | 28 |
| Closed | - | 21 |
| **Remaining Open** | | 7 |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | 2 | 17 |
| Closed | 1 | 9 |
| **Remaining Open** | | 8 |

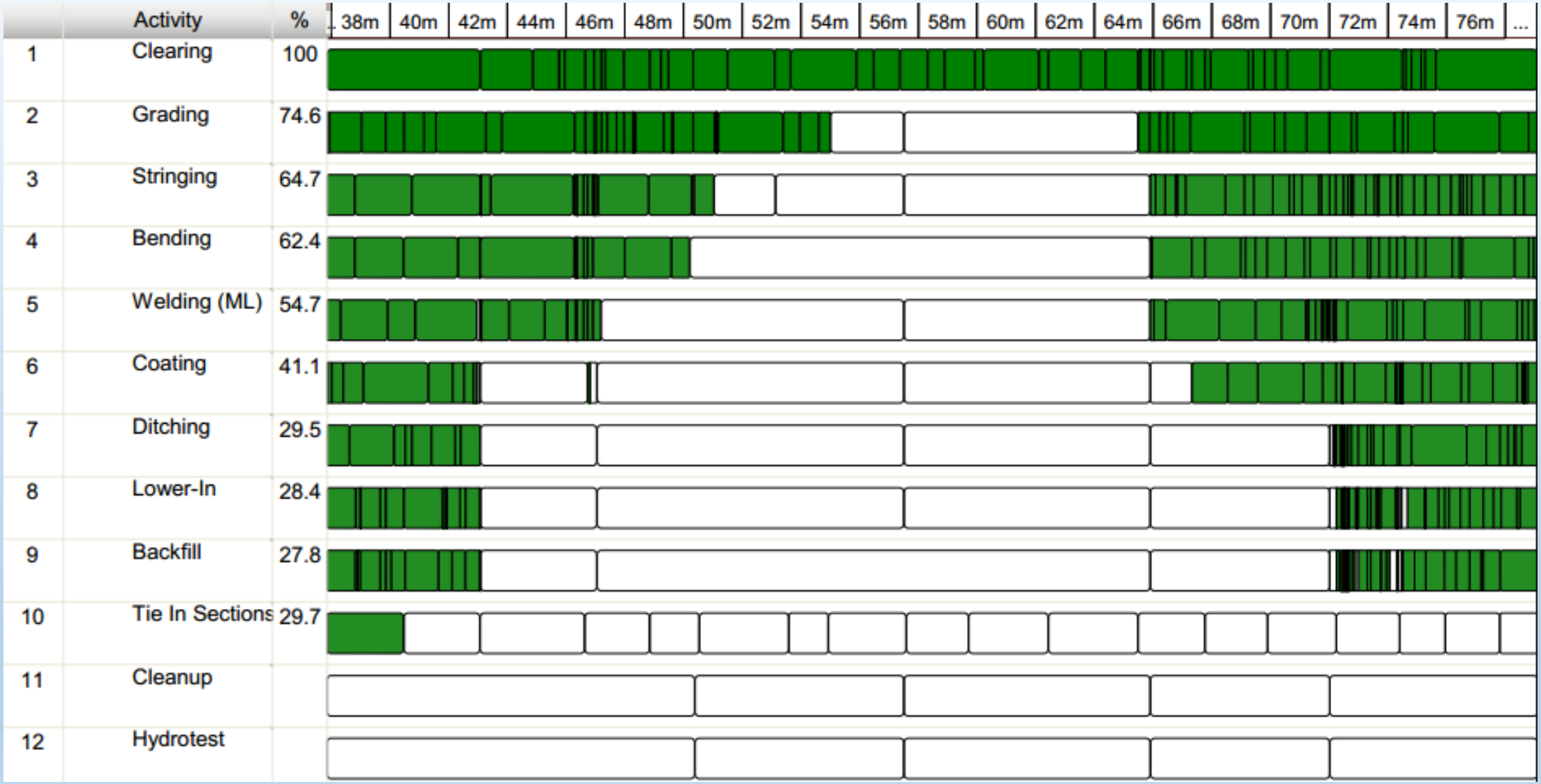
**Notes: Working with Williams to improve timing of reports**

# Spread 6 – Environmental

1. Environmental Compliance
   - Non compliance from current period: None
   - Notifications from current period: None
   - Non compliance from previous periods:
     - Clearing outside of LOD at Fort Swatara Yard;
     - ROW lacking temporary stabilization south of SR0322
     - Improper waterbody crossing (2593+91)
     - Improper construction methods while installing bridge equipment crossing – Forge Creek
     - Installing skids within a delineated waterway – 4015+00
     - Sediment was discharged into waters 0f the Commonwealth – UNT to Conewego Creek (2002+00)
     - Improper Waterbody Crossing Work Sequence - UNT to Pine Creek (WW-T20-9001) (4099+00)
     - Inadequate Interim Stabilization station 2152+00 and 2247+00 (S.Forge Road/Horseshoe Pike)
2. Environmental Concerns
   - Not having all landowners agreeing to allow dewatering off LOD
   - Weather impacts
   - Riparian Area Replanting plans

3. Listing of variance requests outstanding
   - Stream crossings (13) – flume + clean rock
   - Timeline extension for crossing WW-T20-1001, adj to Goldmine Rd., from 24 hrs to 10 days due to road bore stream impact.
   - Bore option for scheduled open cut Swatara Creek

# Spread 6 – March Chart



# Spread 6 – Weekly Impacts

| Activity | Variance to Forecast | 19-Mar Monday | 20-Mar Tuesday | 21-Mar Wednesday | 22-Mar Thursday | 23-Mar Friday | 24-Mar Saturday |
|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | |
| Grading | (10,075) | | | Snow Out | Snow Out | ROW Conditions | |
| Stringing | (3,321) | | | Snow Out | Snow Out | ROW Conditions | |
| Bending | (2,060) | | | Snow Out | Snow Out | | Moved Around |
| Firing Line | 141 | | | Snow Out | Snow Out | | |
| Coating | 6,702 | | | Snow Out | Snow Out | | |
| Ditch | (11,520) | | Assisted Lower In | Snow Out | Snow Out | Moved Around | |
| Lower In | (8,555) | | | Snow Out | Snow Out | | Moved Around |
| Backfill | (3,604) | | Sinkhole at Hwy 12 | Snow Out | Snow Out | | |
| Tie In | (16) | | | Snow Out | Snow Out | | |
| Road Crossing | 373 | | | Snow Out | Snow Out | | |
| Testing | - | | | Snow Out | Snow Out | | |
| Clean Up | - | | | | | | |
| Clean Water Div. | 12 | | | | | | |

| Comments/Recovery Actions: |
|---|
| All Crews Snowed out 3/21 - 3/22 |
| |
| |
| |
| |
| |
| Assisted Lower in Crew & moved around |
| Jeeped and rockshield pipe & sandbagged ditch. |
| Finished sinkhole at Hwy 125. |
| Worked on cutouts due to cracked welds |
| |
| |
| |
| |

# Spread 6 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 25-Mar | | | Cumulative | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast |
| Clearing | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - |
| Grading | lf | 217,779 | 74.6% | 18,575 | 8,500 | (10,075) | 195,202 | 162,442 | (32,760) |
| Stringing | lf | 217,779 | 64.7% | 14,671 | 11,350 | (3,321) | 140,420 | 140,829 | 409 |
| Bending | lf | 217,779 | 62.4% | 13,760 | 11,700 | (2,060) | 131,216 | 135,879 | 4,663 |
| Firing Line | lf | 217,779 | 54.7% | 13,155 | 13,296 | 141 | 125,694 | 119,179 | (6,515) |
| Coating | lf | 217,779 | 41.1% | 13,398 | 20,100 | 6,702 | 110,843 | 89,599 | (21,244) |
| Ditch | lf | 217,779 | 29.5% | 13,820 | 2,300 | (11,520) | 107,209 | 64,229 | (42,980) |
| Lower In | lf | 217,779 | 28.4% | 11,604 | 3,049 | (8,555) | 96,647 | 61,941 | (34,706) |
| Backfill | lf | 217,779 | 27.8% | 11,204 | 7,600 | (3,604) | 93,000 | 60,502 | (32,498) |
| Tie In | ea | 772 | 29.7% | 35 | 19 | (16) | 289 | 229 | (60) |
| Road Crossing | lf | 3,273 | 70.0% | 140 | 513 | 373 | 1,842 | 2,291 | 449 |
| Testing | lf | 217,779 | 0.0% | - | - | - | - | - | - |
| Clean Up | lf | 217,779 | 0.0% | - | - | - | - | - | - |
| Clean Water Div | ea | 250 | 69.2% | - | 12 | 12 | - | 173 | 173 |

Forecast = Feb 25 Forecast Update

| Tie-In Status | 18-Mar | 25-Mar | 1-Apr | 8-Apr | 15-Apr | 22-Apr | 29-Apr | 6-May | 13-May |
|---|---|---|---|---|---|---|---|---|---|
| Forecast | 35 | 35 | 35 | 35 | 40 | 40 | 40 | 40 | 40 |
| Actual | 20 | 19 | - | - | - | - | - | - | - |
| Total Remaining | 562 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 |
| # of Tie In Crews | 6 | 7 | 7 | 7 | 8 | 8 | 8 | 8 | 8 |

# Spread 6 – Manhours and Performance (Craft Only)

| Activity | Budget Hours | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 38,500 | 0 | 0 | 63,122 | 63,122 | 63,122 | 1.00 | 1.00 | 63,122 | 24,622 |
| Grading | 18,693 | 1,100 | 813 | 20,486 | 20,239 | 16,922 | 0.84 | 0.83 | 22,686 | 3,993 |
| Stringing | 24,849 | 1,430 | 1,077 | 19,960 | 19,016 | 20,447 | 1.08 | 1.02 | 31,620 | 6,771 |
| Bending | 15,345 | 605 | 523 | 9,395 | 9,321 | 9,566 | 1.03 | 1.02 | 15,332 | -13 |
| Firing Line | 33,264 | 2,915 | 2,749 | 39,285 | 38,814 | 33,680 | 0.87 | 0.86 | 61,545 | 28,281 |
| Coating | 16,643 | 1,265 | 1,121 | 18,376 | 18,034 | 12,121 | 0.67 | 0.66 | 29,462 | 12,819 |
| Ditch | 22,968 | 880 | 761 | 15,792 | 15,623 | 6,965 | 0.45 | 0.44 | 23,616 | 648 |
| Lower In | 22,365 | 1,320 | 1,353 | 14,375 | 14,938 | 9,119 | 0.61 | 0.63 | 32,063 | 9,698 |
| Backfill | 7,455 | 825 | 789 | 10,324 | 10,356 | 5,939 | 0.57 | 0.58 | 21,379 | 13,924 |
| Tie In | 201,488 | 11,160 | 5,664 | 125,039 | 108,189 | 85,572 | 0.79 | 0.68 | 288,479 | 86,991 |
| Road Crossing | 42,120 | 4,032 | 2,676 | 64,132 | 60,612 | 72,710 | 1.20 | 1.13 | 103,876 | 61,756 |
| Testing | 6,760 | 0 | 0 | 0 | 0 | 0 | 0.00 | 0.00 | 22,880 | 16,120 |
| Clean Up | 64,613 | 0 | 0 | 0 | 0 | 0 | 0.00 | 0.00 | 67,642 | 3,029 |
| **Total Progressable** | **515,063** | **25,532** | **17,526** | **400,286** | **378,264** | **336,165** | **0.89** | **0.84** | **783,702** | **268,639** |
| Environmental | 137,285 | 3,905 | 2,776 | 79,055 | 76,100 | 0 | | | 188,608 | 51,323 |
| Total Progressable Hours | 231,968 | 8,381 | 7,502 | 193,762 | 195,392 | 0 | | | 308,835 | 76,867 |
| **Non Progressable Hours** | **884,316** | **37,818** | **27,804** | **673,103** | **649,756** | **336,165** | **0.89** | **0.84** | **1,281,145** | **396,829** |

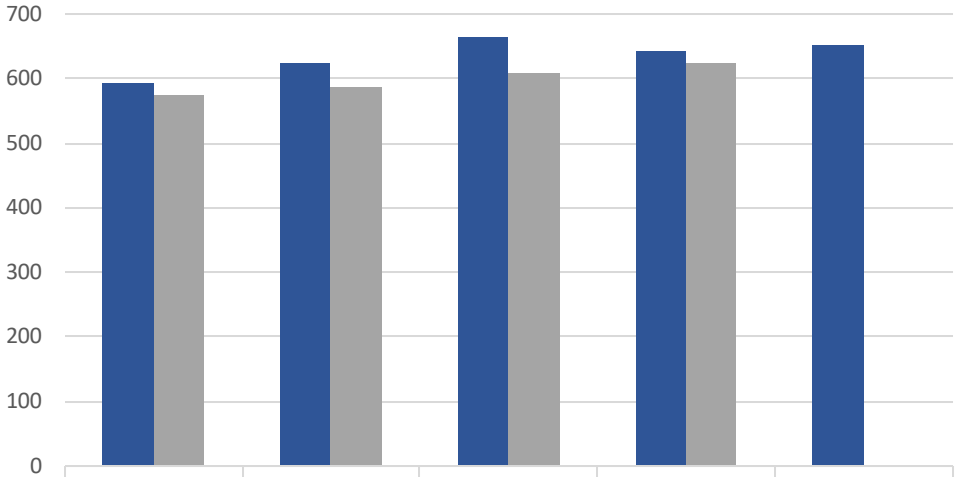
Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

CPI & SPI calculated on Feb 25 Forecast

Forecast = Feb 25 Forecast Update

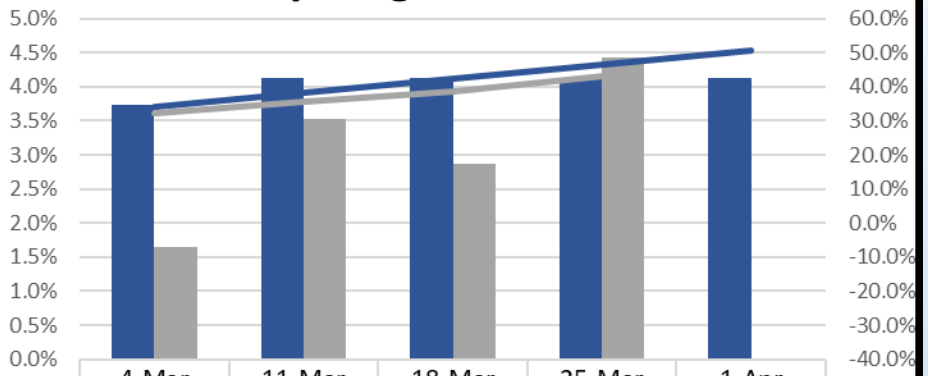
# Spread 6 – Progress & Performance Curves

## Headcount




| | Mar-04 | Mar-11 | Mar-18 | Mar-25 | Apr-01 |
|---|---|---|---|---|---|
| Feb 25 Forecast | 595 | 624 | 665 | 643 | 654 |
| Actual | 576 | 588 | 608 | 624 | 0 |

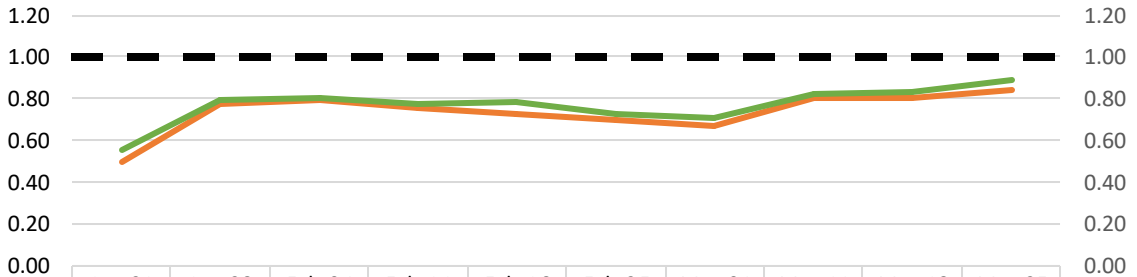
## Baselay Progress




| | 4-Mar | 11-Mar | 18-Mar | 25-Mar | 1-Apr |
|---|---|---|---|---|---|
| Feb 25 Forecast | 3.7% | 4.1% | 4.1% | 4.1% | 4.1% |
| Actual | 1.6% | 3.5% | 2.9% | 4.4% | |
| Feb 25 Forecast Total | 34.2% | 38.3% | 42.5% | 46.6% | 50.7% |
| Actual Total | 32.1% | 35.6% | 38.5% | 42.9% | |

## SPI & CPI

SPI - Earned over Feb 25 Forecast
CPI - Earned over Actual




| | Jan-21 | Jan-28 | Feb-04 | Feb-11 | Feb-18 | Feb-25 | Mar-04 | Mar-11 | Mar-18 | Mar-25 |
|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.50 | 0.77 | 0.79 | 0.76 | 0.73 | 0.70 | 0.67 | 0.80 | 0.80 | 0.84 |
| CPI | 0.55 | 0.79 | 0.80 | 0.77 | 0.78 | 0.73 | 0.71 | 0.82 | 0.83 | 0.89 |

# Spread 6 - Contract Status ($M's)

| CONTRACT | Original Budget | Extra Work Orders | | | Currrent Budget | Invoiced | Paid | Outstanding |
|---|---|---|---|---|---|---|---|---|
| | | Under Prep | Submitted | Approved | | | | |
| Spread 5 | $ 123.15 | $ 7.93 | $ 0.78 | $ 1.60 | $ 124.75 | $ 128.61 | $ - | $ - |
| Spread 6 | $ 163.86 | $ 13.44 | $ 6.69 | $ 2.32 | $ 166.18 | $ 164.78 | $ - | $ - |
| Spread 7 | $ 167.46 | $ 5.51 | $ 7.95 | $ 3.25 | $ 170.71 | $ 186.03 | $ - | $ - |
| **Total** | **$ 454.47** | **$ 26.89** | **$ 15.43** | **$ 7.17** | **$ 461.64** | **$ 479.41** | **$ 362.45** | **$ 116.96** |
| All spreads: 2 EWRs submitted this week. | | | | | | April cash call submitted; outstanding is $39.5M partial March cash plus April cash call of $77.5M. | | |

| TRENDS | Count | Total | | Spread 5 | | Spread 6 | | Spread 7 | |
|---|---|---|---|---|---|---|---|---|---|
| | | Hours | Cost | Hours | Cost | Hours | Cost | Hours | Cost |
| Recorded | 45 | 1,383 | $ 6.83 | 1,311 | $ 2.15 | - | $ 3.49 | 72 | $ 1.20 |
| Internal Review | 2 | 5,412 | $ 3.21 | 5,412 | $ 3.21 | - | $ - | - | $ - |
| Client Review | 17 | 44,729 | $ 5.44 | - | $ 0.02 | 39,750 | $ 4.31 | 4,979 | $ 1.11 |
| Approved - Fcst | 27 | 91,620 | $ 18.94 | 6,574 | $ 3.21 | 19,244 | $ 4.24 | 65,802 | $ 11.49 |
| Revise and Resubmit | 1 | 36,000 | $ 3.98 | 36,000 | $ 3.98 | - | $ - | - | $ - |
| Proceed to EWR | 15 | 9,103 | $ 26.89 | - | $ 7.93 | - | $ 13.44 | 9,103 | $ 5.51 |
| EWR Submitted | 15 | 33,448 | $ 15.43 | 6,146 | $ 0.78 | 10,872 | $ 6.69 | 16,430 | $ 7.95 |
| EWR Approved | 7 | 20,950 | $ 7.17 | 4,004 | $ 1.60 | 4,334 | $ 2.32 | 12,612 | $ 3.25 |
| **Total Trends** | **129** | **242,645** | **$ 87.90** | **59,447** | **$ 22.89** | **74,200** | **$ 34.51** | **108,998** | **$ 30.51** |
| This week all spreads: 9 new trends initiated; 3 trends submitted to Client this week; 3 received back as Forecast Only; 2 EWRs submitted | | | | | | | | | |

# Spread 6 – Cost Summary ($M's)

| Account | Current Budget | Committed to Date | Incurred | | Current Forecast | Variance from Budget |
|---|---|---|---|---|---|---|
| | | | Period | To Date | | |
| Labor (Direct/Indirect) | $ 73.27 | $ 48.79 | $ 2.33 | $ 48.79 | $ 99.49 | $ 26.22 |
| Other Welded Costs | $ 33.93 | $ 31.08 | $ 1.07 | $ 33.08 | $ 38.52 | $ 0.50 |
| Billable Equipment | $ 3.53 | $ 3.98 | $ 0.24 | $ 3.28 | $ 5.05 | $ 1.53 |
| Materials (inc Mats) | $ 13.92 | $ 14.04 | $ 0.15 | $ 11.49 | $ 17.18 | $ 3.26 |
| Subcontracts | $ 17.28 | $ 31.64 | $ 0.62 | $ 24.03 | $ 35.56 | $ 18.28 |
| Fixed Fee | $ 21.72 | $ 10.62 | $ 0.34 | $ 10.62 | $ 21.72 | $ - |
| **Total** | **$ 163.64** | **$ 140.14** | **$ 4.75** | **$ 131.30** | **$ 217.51** | **$ 49.78** |

| | This Period | To Date |
|---|---|---|
| **Overall % Spent (of Budget)** | **2.9%** | **80.2%** |
| **Overall % Spent (of Forecast)** | **2.2%** | **60.4%** |
| **Labor only % Spent (of Forecast)** | **2.3%** | **49.0%** |
| **Physical % Complete Achieved** | **4.4%** | **42.9%** |

# Spread 6 – Critical Issues

| Critical Issues | | Mitigation |
|---|---|---|
| 1 | Weather conditions – rain, mud – affecting ability to coat welds and make coating repairs | Cold weather coating not approved for pipe with ARO coating (FBE only) |
| 2 | Coating cracking at seams after heavy wall pipe is bent | Making coating repairs, documenting amount time to repair, preparing trend |
| 3 | Transverse cracks with stick rod welding – material/welding procedure issue | Waiting on response from Williams SME. Welded gas preheated pipe, kept heat on pipe in between passes, and applied post weld heat. Response due Wednesday, 28 MAR 2018. |
| 4 | Repair welds made in excess of 10.5” | Awaiting Williams disposition to cut out or not. Response due Wednesday, 28 MAR 2018. |

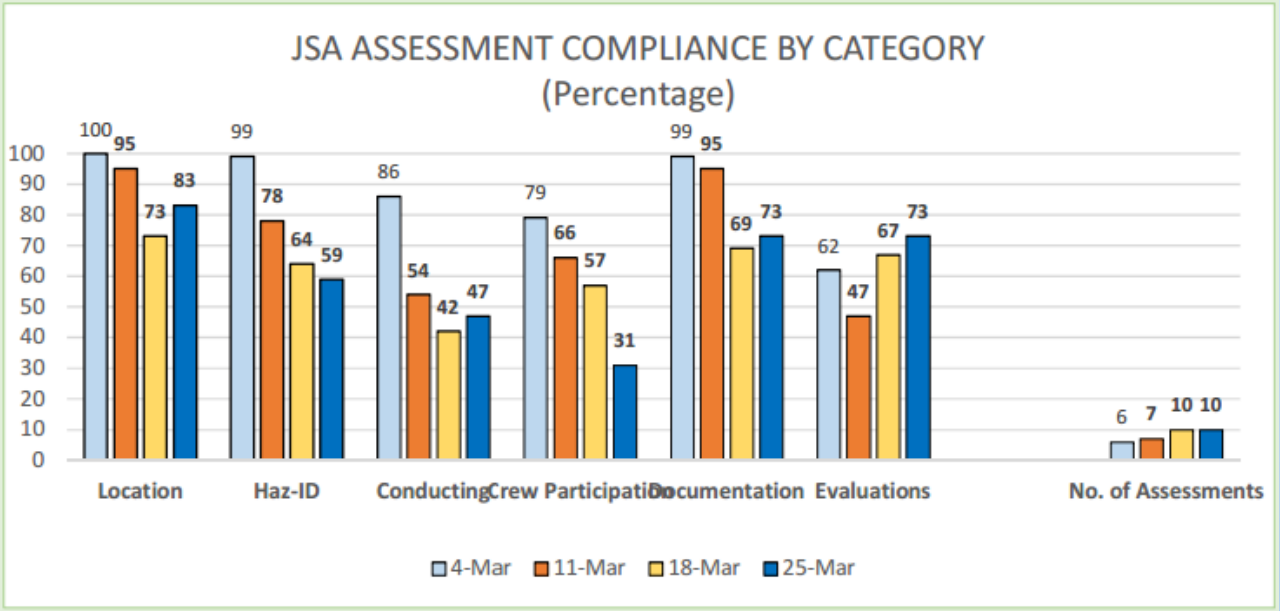
# Atlantic Sunrise Pipeline Project Spread 7 Progress Report

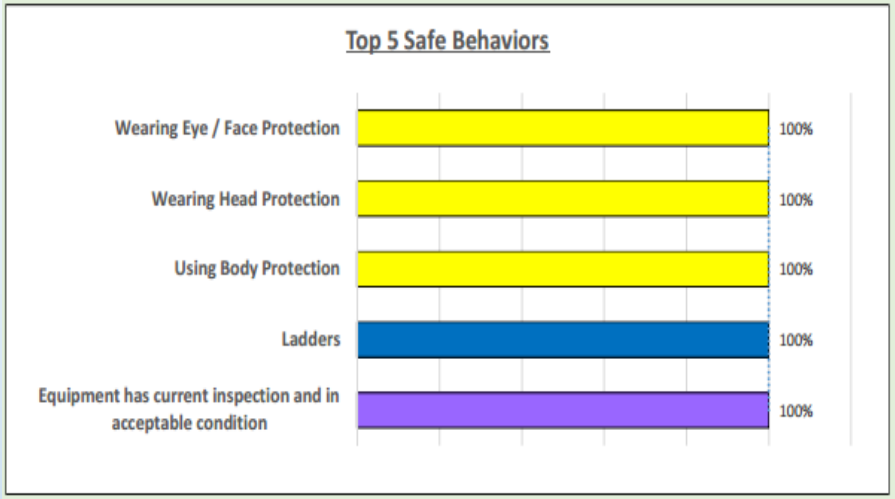
Week Ending 25-Mar-18

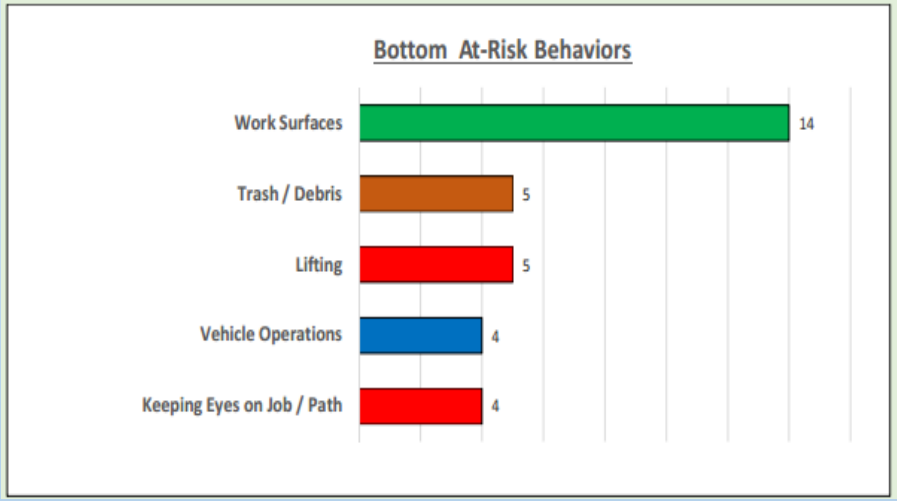
# SPREAD7 Safety

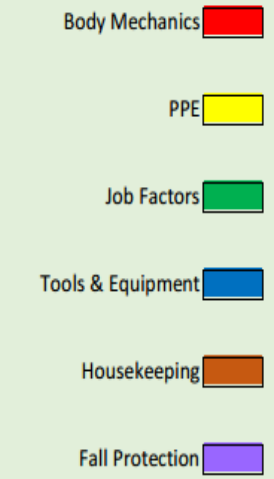
| TOTAL PROJECT INCIDENTS | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
| Number of Incidents | 0 | 0 | 1 | 39 | 20 | 66 | 3 | 6 | 1 | 34 |
| Incident Rates | 0.00 | 0.00 | 0.24 | 9.18 | 4.71 | 15.53 | 0.71 | 1.41 | 0.24 | 8.00 |

| | Total Weekly Hours | Total Monthly Hours | Total Project Hours | Total Head Count |
|---|---|---|---|---|
| Welded | 32,455 | 156,477 | 696,835 | 693 |
| Subcontractors | 4,680 | 21,770 | 153,078 | 119 |
| Total | 37,135 | 178,247 | 849,913 | 812 |



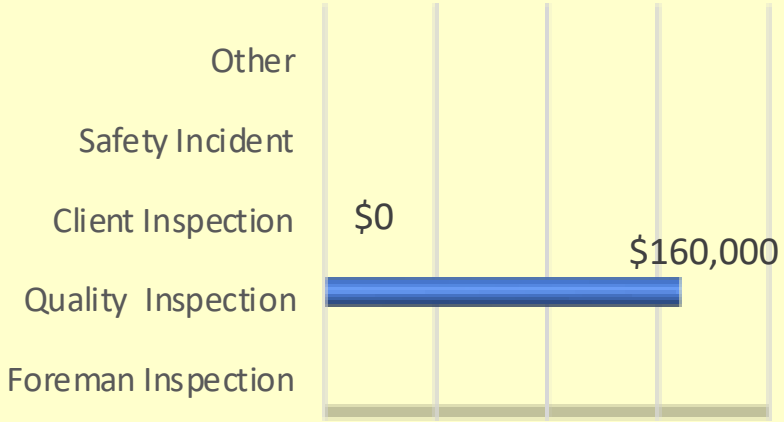



# Spread 7 - Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 3.34% |
| Field Joint Coating Rejection Rate | 0.00% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 3 | 88 |
| Closed | 3 | 88 |
| **Remaining Open** | | - |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | - | 6 |
| Closed | - | 6 |
| **Remaining Open** | | - |

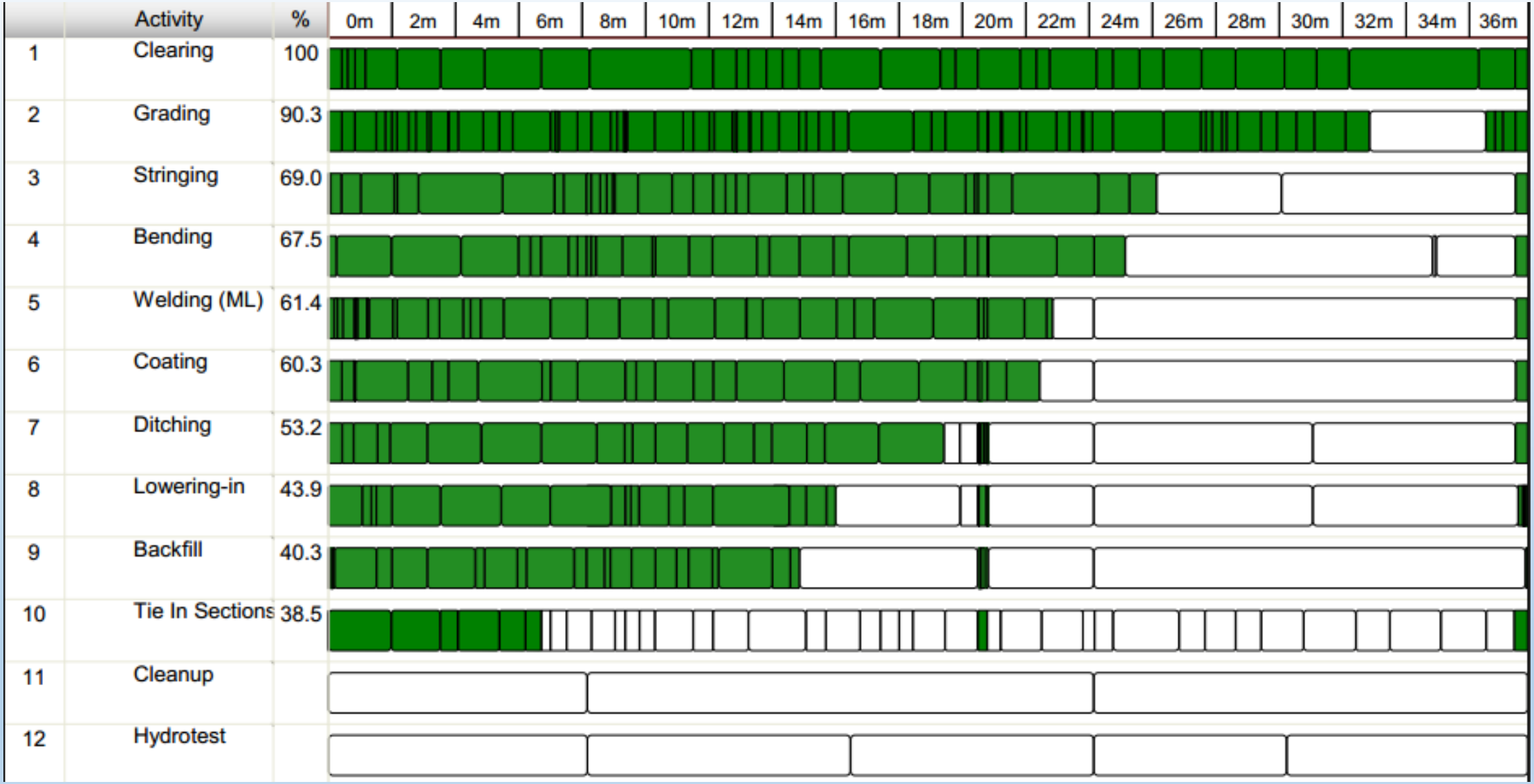
**Notes: OQ evaluations updated and paperwork given to Foremen.**

# Spread 7 – Environmental

1. Environmental Compliance
   - Non compliance from current period – None
   - Non compliance from previous periods:
     - Topsoil mixing
     - Avoiding air stations
     - 50’ buffer encroachment
     - Not installing air stations
     - 3 x Water bar installation
   - Environmental Concerns
   - Riparian area replanting plans
   - Seed mixtures

2. Listing of variance requests outstanding
   - Pequea Creek Extra Work Space

# Spread 7 – March Chart



# Spread 7 – Weekly Impacts

| Activity | Variance to Fcst | 19-Mar Monday | 20-Mar Tuesday | 21-Mar Wednesday | 22-Mar Thursday | 23-Mar Friday | 24-Mar Saturday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | |
| Grading | (6,666) | | 1/2 Day Snow Out | Snow Out | Snow Out | Snow Out | Snow Out | |
| Stringing | (2,800) | | 1/2 Day Snow Out | Snow Out | Snow Out | Snow Out | 3 Hour Weather | worked Sunday |
| Bending | (1,100) | | 1/2 Day Snow Out | Snow Out | Snow Out | Snow Out | | worked Sunday |
| Firing Line | (5,966) | 2 Hours - Road Restriction | 2 Hours / Road Restriction & 1/2 Day Snow Out | Snow Out | Snow Out | Snow Out | 1 Hour Weather | |
| Coating | (5,155) | | 1/2 Day Snow Out | Snow Out | Snow Out | Snow Out | | |
| Ditch | 234 | | 1/2 Day Snow Out | Snow Out | Snow Out | Snow Out | | worked Sunday |
| Lower In | (5,766) | | 1/2 Day Snow Out | Snow Out | Snow Out | Welds Only | | worked Sunday |
| Backfill | (6,166) | | 1/2 Day Snow Out | Snow Out | Snow Out | Snow Out | | |
| Tie In | (3) | | 1/2 Day Snow Out | Snow Out | Snow Out | | | worked Sunday (2 crews) |
| Road Crossing | (44) | | 1/2 Day Snow Out | Snow Out | Snow Out | | | worked Sunday |
| Testing | (21,120) | | 1/2 Day Snow Out | Snow Out | Snow Out | Snow Out | | |
| Clean Up | (3,000) | 3 Hours - Wet Soil | 1/2 Day Snow Out | Snow Out | Snow Out | Snow Out | Snow Out | |
| Clean Water Div. | 2 | | | | | | | |

# Spread 7 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 25-Mar | | | Cumulative | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast |
| Clearing | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - |
| Grading | lf | 199,896 | 90% | 10,666 | 4,000 | (6,666) | 192,117 | 180,496 | (11,621) |
| Stringing | lf | 199,896 | 69% | 12,500 | 9,700 | (2,800) | 146,196 | 137,987 | (8,209) |
| Bending | lf | 199,896 | 67% | 12,500 | 11,400 | (1,100) | 144,574 | 134,876 | (9,698) |
| Firing Line | lf | 199,896 | 61% | 10,666 | 4,700 | (5,966) | 124,813 | 122,696 | (2,117) |
| Coating | lf | 199,896 | 60% | 10,666 | 5,511 | (5,155) | 122,119 | 120,496 | (1,623) |
| Ditch | lf | 199,896 | 53% | 10,666 | 10,900 | 234 | 106,269 | 106,405 | 136 |
| Lower In | lf | 199,896 | 44% | 10,666 | 4,900 | (5,766) | 102,485 | 87,821 | (14,664) |
| Backfill | lf | 199,896 | 40% | 10,666 | 4,500 | (6,166) | 99,260 | 80,596 | (18,664) |
| Tie In | ea | 681 | 38% | 36 | 33 | (3) | 287 | 262 | (25) |
| Road Crossing | lf | 3,378 | 66% | 129 | 85 | (44) | 2,529 | 2,244 | (285) |
| Testing | lf | 199,896 | 0% | 21,120 | - | (21,120) | 21,120 | - | (21,120) |
| Clean Up | lf | 199,896 | 0% | 3,000 | - | (3,000) | 3,000 | - | (3,000) |
| Clean Water Div | ea | 87 | 66% | - | 2 | 2 | - | 57 | 57 |

Forecast = Feb 25 Forecast Update

| Tie-In Status | 18-Mar | 25-Mar | 1-Apr | 8-Apr | 15-Apr | 22-Apr | 29-Apr | 6-May | 13-May |
|---|---|---|---|---|---|---|---|---|---|
| Forecast | 36 | 36 | 42 | 42 | 42 | 42 | 42 | 42 | 50 |
| Actual | 32 | 33 | - | - | - | - | - | - | - |
| Total Remaining | 452 | 419 | 419 | 419 | 419 | 419 | 419 | 419 | 419 |
| # of Tie In Crews | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |

# Spread 7 – Manhours and Performance (Craft Only)

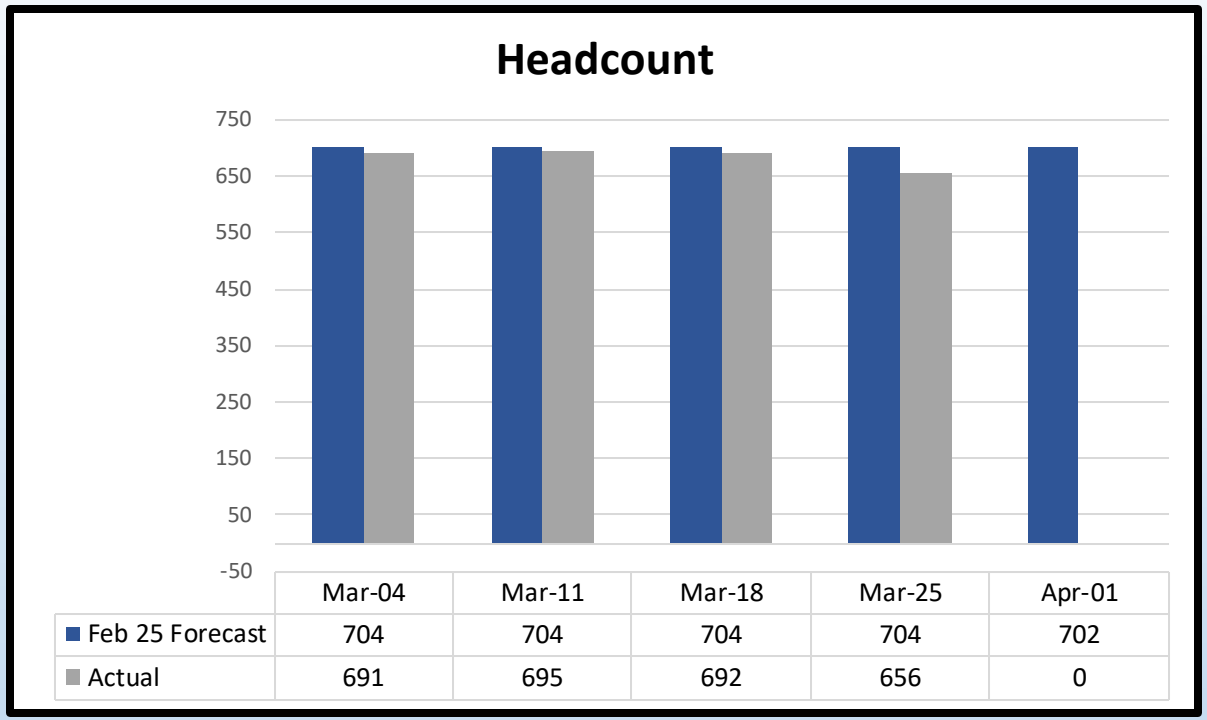
| Activity | Budget Hours | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 30,000 | 0 | 0 | 36,284 | 36,284 | 36,284 | 1.00 | 1.00 | 36,284 | 6,284 |
| Grading | 19,680 | 1,950 | 1,043 | 46,102 | 46,947 | 46,238 | 0.98 | 1.00 | 51,208 | 31,528 |
| Stringing | 23,966 | 1,820 | 1,583 | 32,544 | 28,882 | 25,686 | 0.89 | 0.79 | 37,210 | 13,244 |
| Bending | 14,105 | 520 | 501 | 9,897 | 10,117 | 8,159 | 0.81 | 0.82 | 12,092 | -2,013 |
| Firing Line | 32,966 | 3,120 | 3,096 | 57,627 | 55,828 | 43,753 | 0.78 | 0.76 | 71,282 | 38,316 |
| Coating | 17,520 | 1,235 | 778 | 18,492 | 15,806 | 13,905 | 0.88 | 0.75 | 23,067 | 5,547 |
| Ditch | 22,565 | 1,300 | 1,052 | 21,129 | 18,226 | 14,957 | 0.82 | 0.71 | 28,098 | 5,533 |
| Lower In | 19,705 | 1,950 | 1,982 | 25,903 | 23,392 | 16,382 | 0.70 | 0.63 | 37,288 | 17,583 |
| Backfill | 6,638 | 1,235 | 922 | 13,905 | 11,652 | 8,491 | 0.73 | 0.61 | 21,059 | 14,421 |
| Tie In | 182,180 | 12,950 | 9,303 | 121,357 | 98,724 | 91,482 | 0.93 | 0.75 | 237,783 | 55,603 |
| Road Crossing | 38,160 | 2,080 | 2,155 | 34,726 | 34,895 | 36,004 | 1.03 | 1.04 | 54,199 | 16,039 |
| Testing | 3,328 | 650 | 569 | 6,014 | 6109 | 0 | 0.00 | 0.00 | 14,454 | 11,126 |
| Clean Up | 60,887 | 1,235 | 655 | 10,595 | 4738 | 0 | 0.00 | 0.00 | 60,474 | -413 |
| **Total Progressable Hours** | **471,700** | **30,045** | **23,639** | **434,575** | **391,600** | **341,340** | **0.87** | **0.79** | **684,498** | **212,798** |
| Envrionmental | 131,168 | 5,850 | 4,349 | 91,357 | 93,461 | 0 | | | 151,926 | 20,758 |
| Non Progressable Hours | 245,351 | 9,490 | 8,129 | 222,321 | 218,841 | 0 | | | 320,647 | 75,296 |
| **Total Hours** | **848,219** | **45,385** | **36,117** | **748,253** | **703,902** | **341,340** | **0.87** | **0.79** | **1,157,071** | **308,852** |

Non progressable includes direct and indirect craft; no Staff/Mgmt Supevision

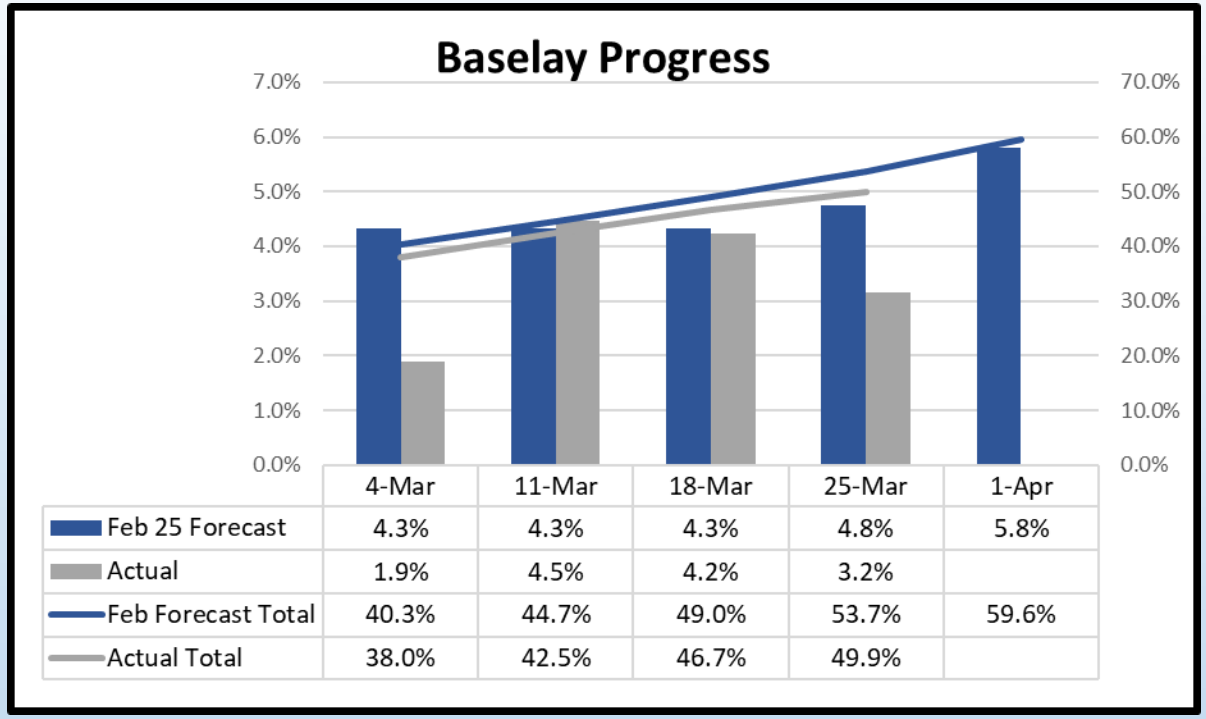
CPI & SPI calculated on Feb 25 Forecast

Forecast = Feb 25 Forecast Update

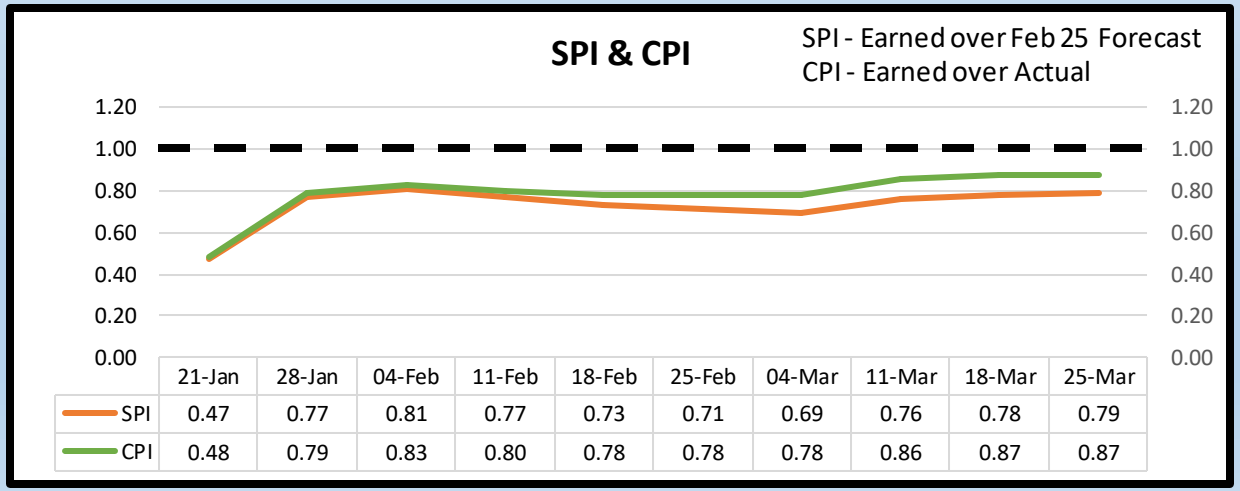
# Spread 7 – Progress and Performance Curves




| | Mar-04 | Mar-11 | Mar-18 | Mar-25 | Apr-01 |
|---|---|---|---|---|---|
| Feb 25 Forecast | 704 | 704 | 704 | 704 | 702 |
| Actual | 691 | 695 | 692 | 656 | 0 |




| | 4-Mar | 11-Mar | 18-Mar | 25-Mar | 1-Apr |
|---|---|---|---|---|---|
| Feb 25 Forecast | 4.3% | 4.3% | 4.3% | 4.8% | 5.8% |
| Actual | 1.9% | 4.5% | 4.2% | 3.2% | |
| Feb Forecast Total | 40.3% | 44.7% | 49.0% | 53.7% | 59.6% |
| Actual Total | 38.0% | 42.5% | 46.7% | 49.9% | |




| | 21-Jan | 28-Jan | 04-Feb | 11-Feb | 18-Feb | 25-Feb | 04-Mar | 11-Mar | 18-Mar | 25-Mar |
|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.47 | 0.77 | 0.81 | 0.77 | 0.73 | 0.71 | 0.69 | 0.76 | 0.78 | 0.79 |
| CPI | 0.48 | 0.79 | 0.83 | 0.80 | 0.78 | 0.78 | 0.78 | 0.86 | 0.87 | 0.87 |

# Spread 7 - Contract Status ($M's)

| CONTRACT | Original Budget | Extra Work Orders | | | Currrent Budget | Invoiced | Paid | Outstanding |
|---|---|---|---|---|---|---|---|---|
| | | Under Prep | Submitted | Approved | | | | |
| Spread 5 | $ 123.15 | $ 7.93 | $ 0.78 | $ 1.60 | $ 124.75 | $ 128.61 | $ - | $ - |
| Spread 6 | $ 163.86 | $ 13.44 | $ 6.69 | $ 2.32 | $ 166.18 | $ 164.78 | $ - | $ - |
| Spread 7 | $ 167.46 | $ 5.51 | $ 7.95 | $ 3.25 | $ 170.71 | $ 186.03 | $ - | $ - |
| **Total** | **$ 454.47** | **$ 26.89** | **$ 15.43** | **$ 7.17** | **$ 461.64** | **$ 479.41** | **$ 362.45** | **$ 116.96** |
| All spreads: 2 EWRs submitted this week. | | | | | | April cash call submitted; outstanding is $39.5M partial March cash plus April cash call of $77.5M. | | |

| TRENDS | Count | Total | | Spread 5 | | Spread 6 | | Spread 7 | |
|---|---|---|---|---|---|---|---|---|---|
| | | Hours | Cost | Hours | Cost | Hours | Cost | Hours | Cost |
| Recorded | 45 | 1,383 | $ 6.83 | 1,311 | $ 2.15 | - | $ 3.49 | 72 | $ 1.20 |
| Internal Review | 2 | 5,412 | $ 3.21 | 5,412 | $ 3.21 | - | $ - | - | $ - |
| Client Review | 17 | 44,729 | $ 5.44 | - | $ 0.02 | 39,750 | $ 4.31 | 4,979 | $ 1.11 |
| Approved - Fcst | 27 | 91,620 | $ 18.94 | 6,574 | $ 3.21 | 19,244 | $ 4.24 | 65,802 | $ 11.49 |
| Revise and Resubmit | 1 | 36,000 | $ 3.98 | 36,000 | $ 3.98 | - | $ - | - | $ - |
| Proceed to EWR | 15 | 9,103 | $ 26.89 | - | $ 7.93 | - | $ 13.44 | 9,103 | $ 5.51 |
| EWR Submitted | 15 | 33,448 | $ 15.43 | 6,146 | $ 0.78 | 10,872 | $ 6.69 | 16,430 | $ 7.95 |
| EWR Approved | 7 | 20,950 | $ 7.17 | 4,004 | $ 1.60 | 4,334 | $ 2.32 | 12,612 | $ 3.25 |
| **Total Trends** | **129** | **242,645** | **$ 87.90** | **59,447** | **$ 22.89** | **74,200** | **$ 34.51** | **108,998** | **$ 30.51** |
| This week all spreads: 9 new trends initiated; 3 trends submitted to Client this week; 3 received back as Forecast Only; 2 EWRs submitted | | | | | | | | | |

# Spread 7 – Cost Summary ($M's)

| Account | Current Budget | Committed to Date | Incurred | | Current Forecast | Variance from Budget |
|---|---|---|---|---|---|---|
| | | | Period | To Date | | |
| Labor (Direct/Indirect) | $ 70.45 | $ 55.37 | $ 2.81 | $ 55.37 | $ 92.80 | $ 22.35 |
| Other Welded Costs | $ 30.26 | $ 42.06 | $ 1.38 | $ 28.47 | $ 44.18 | $ 13.93 |
| Billable Equipment | $ 3.21 | $ 4.41 | $ - | $ 3.00 | $ 3.44 | $ 0.24 |
| Materials (inc Mats) | $ 10.38 | $ 15.04 | $ 0.52 | $ 11.81 | $ 19.12 | $ 8.74 |
| Subcontracts | $ 31.96 | $ 54.75 | $ 0.94 | $ 41.03 | $ 58.51 | $ 26.55 |
| Fixed Fee | $ 19.70 | $ 9.35 | $ 0.32 | $ 9.35 | $ 19.70 | $ - |
| **Total** | **$ 165.96** | **$ 180.98** | **$ 5.97** | **$ 149.01** | **$ 237.75** | **$ 71.80** |

| | This Period | To Date |
|---|---|---|
| **Overall % Spent (of Budget)** | **3.6%** | **89.8%** |
| **Overall % Spent (of Forecast)** | **2.5%** | **62.7%** |
| **Labor only % Spent (of Forecast)** | **3.0%** | **59.7%** |
| **Physical % Complete Achieved** | **3.2%** | **49.9%** |

# Spread 7 – Critical Issues

| Critical Issues | | Mitigation |
|---|---|---|
| **1** | Protestors interference at the HDD site | Welded has requested additional security measures be taken by Williams at the HDD site. Our HDD subcontractor plans to leave the site for the day when protestors arrive. Welded and Southeast would prefer a full time police presence. |
| **2** | Recent protestor action has become more aggressive | Welded is adding daytime security to yard and requiring employees to have parking tags. Welded safety invited the local police out to talk about the site layout again. |
| **3** | Pequea Creak Variances<br><br>Additional work space is required for this crossing. We are still awaiting the variance. We have a tie in crew in place prepping for this crossing. Our crew efficiency is < 100%<br><br>Welded has monitored the level of the stream and the conditions are ideal for install. Additional risk exposures exists of the levels of the water rise.<br><br>A trend was sent into notify Williams we are incurring costs on the pumps as we have been told the variance wild be received soon. (Feb) | **As co-permittees Welded needs to have representation on the weekly conference calls with the agencies to help explain and expedite these variances.** |
| **4** | Welded has mobilized a restoration contractor and is awaiting final direction for seed mixtures. The CD will not allow Williams to be released of their obligations because a landowner doesn't want anything on their property. | Williams has tasked it's land department to finalize the requirements for each landowner. Agricultural/farm lands currently call for no fertilizer/lime/seed/mulch.<br><br>These issues have continued to be raised since January. |

# EXHIBIT 13

## ASR Overall Weekly Progress 04-22

# Atlantic Sunrise Pipeline Project Spread 5 Progress Report

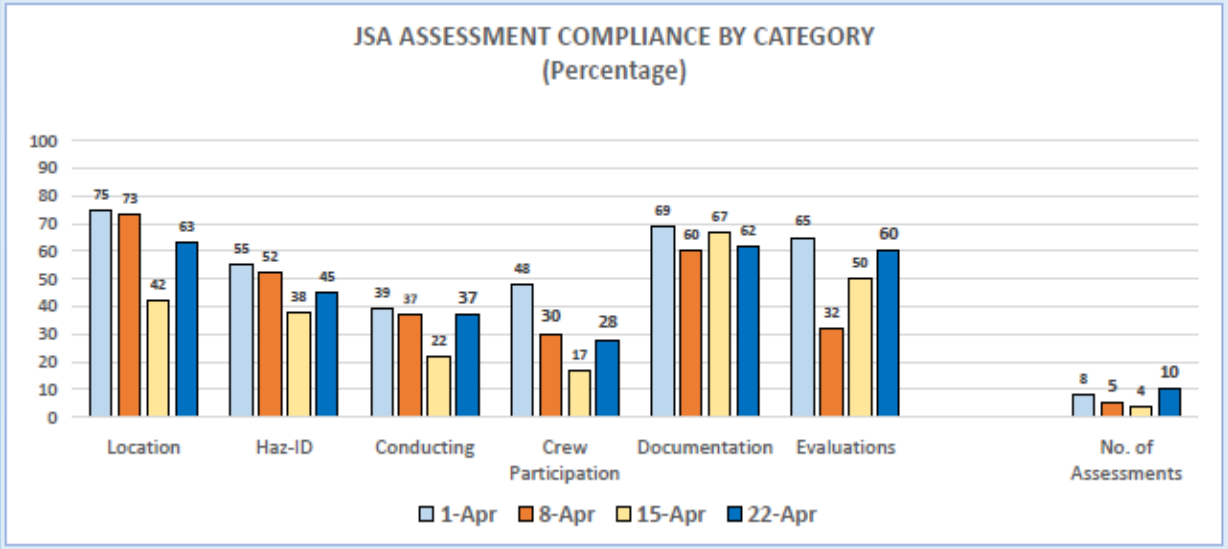
Week Ending 22-Apr-18

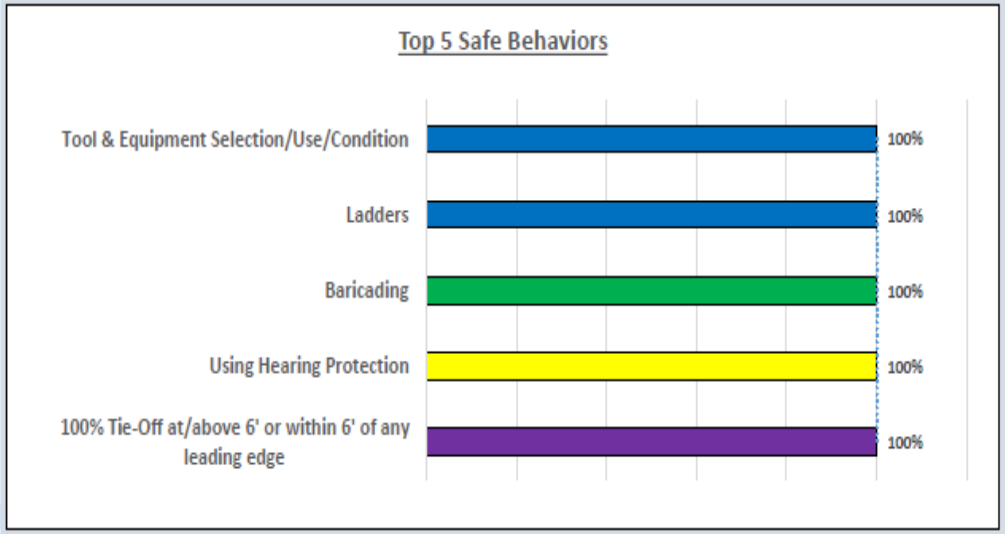
# SPREAD 5 - Safety

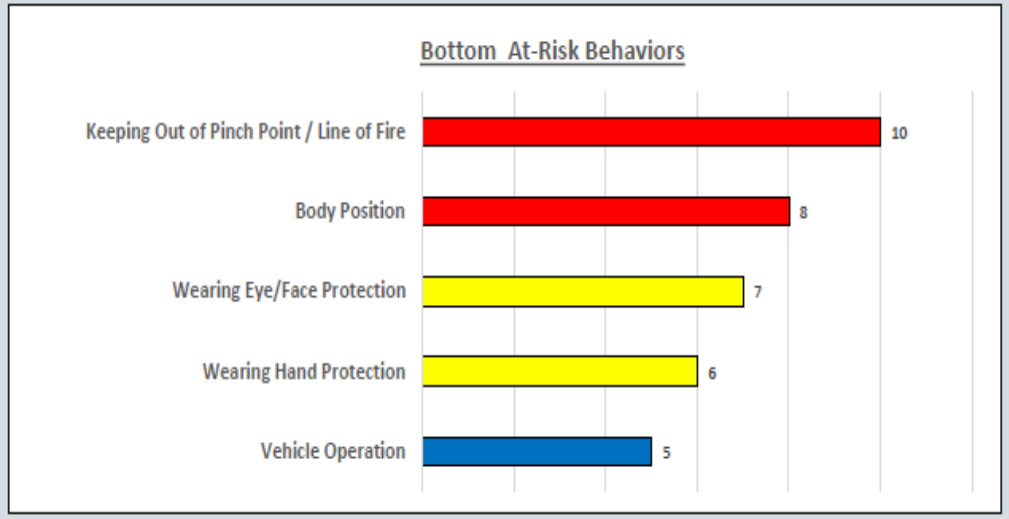
| Number of Incidents | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 | 2 | 36 | 18 | 47 | 10 | 4 | 1 | 17 |

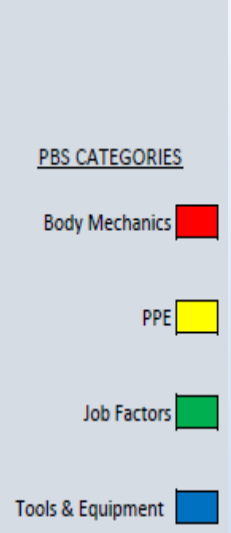
| Incident Rates | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0.00 | 0.28 | 0.56 | 10.10 | 5.05 | 13.19 | 2.81 | 1.12 | 0.28 | 4.77 |

| | Weekly Hours | Monthly Hours | Project Hours | Total Headcount |
|---|---|---|---|---|
| Welded | 24,926 | 84,110 | 606,108 | 410 |
| Subcontractors | 1,684 | 4,221 | 106,690 | 49 |
| Total | 26,610 | 88,331 | 712,798 | 459 |



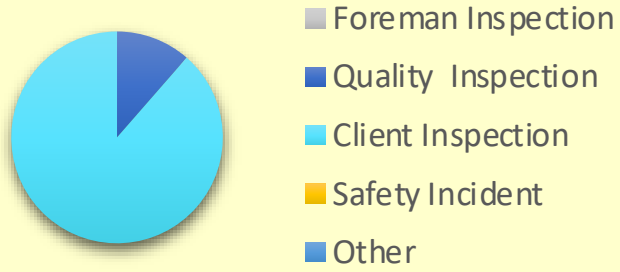



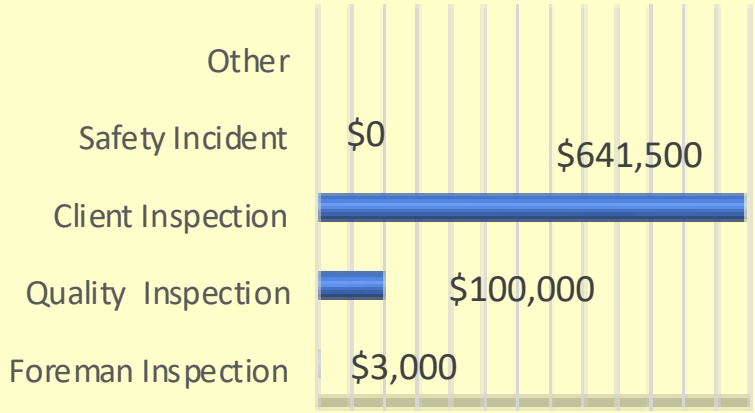



# SPREAD 5 Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 12.00% |
| Field Joint Coating Rejection Rate | 0.00% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 2 | 66 |
| Closed | - | 44 |
| **Remaining Open** | | 22 |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | - | 35 |
| Closed | 2 | 19 |
| **Remaining Open** | | 16 |

**Notes: Still working with Williams to remove (repaired) TIs. and continue to reduce rejection rate.**

# Spread 5 – Environmental

1. Environmental Compliance
   - NCRs and NOVs from current period – N/A
   - FERC / Williams issued Non Compliance Reports (NCRs) and Notices of Violations (NOVs) from previous reporting periods:
     - FERC issued NCR issued for mixing subsoil and topsoil
     - FERC issued an NCR (MP 93.1) for disturbing 50' stream buffers
     - In-stream work outside the TOYR
     - Work within 50 foot buffer
     - Not following construction sequence at the AR, Road Specific Construction Sequence (RSCS) for Access Road AR-NO-082s for:
     - Columbia CCD issued NOVs for:
       1. Failure to implement effective E&S Best Management Practices (BMPs).
       2. Failure to comply with permit conditions.
       3. Sediment or other pollutant was discharged into waters of the Commonwealth.
     - Site conditions present a potential for pollution to waters of the Commonwealth.
     - Material off the right-of-way
     - Incomplete water bar installation
     - Improper waterbody crossing sequence @ HQ/EV UNT to Mugser Run WW-T31-11001
     - Improper waterbody crossing sequence @ HQ/EV UNT to Mugser Run WW-T31-11001 – 2/23/18
     - Follow up inspection for activities not being completed @ HQ/EV UNT to Mugser Run WW-T31-11001- 3/01/18
     - FERC issued: EV-2843 – Pine Swamp – Dewatering and Erosion and Sediment Control

2. Environmental Concerns
   - Riparian area replanting plans – who is responsible for planting trees and shrubs?
   - Poor ROW Conditions
3. Listing of variance requests outstanding
   - Change WW-T18-10002 - Quaker Run crossing method from open cut to bore
   - Happy Valley 1, 2 & 3 Construction Timeline Crossing Extension from 48 hrs. to 2 weeks
   - Happy Valley 1, 2 & 3 - Work within the buffer zones due to limited work space
   - Availability to work 24 hrs. during 6 week Bat Hibernaculum construction window
   - Open ditch past 30 day window
   - Mahantango Creek – Construction timeline crossing extension from 48 hrs. to 7 days.

# Spread 5 - March Chart




Bat restricted area

# Spread 5 – Weekly Impacts

| Activity | Variance to Forecast | 16-Apr Monday | 17-Apr Tuesday | 18-Apr Wednesday | 19-Apr Thursday | 20-Apr Friday | 21-Apr Saturday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|
| Clearing | (1,283) | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | |
| Grading | (1,283) | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | Building access roads |
| Stringing | (2,200) | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | As needed from the yard |
| Bending | (2,200) | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | As needed from the yard |
| Firing Line | (2,196) | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | Welded in "Hill Section" |
| Coating | 1,792 | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | |
| Ditch | (1,870) | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | |
| Lower In | (1,129) | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | |
| Backfill | 350 | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | |
| Tie In | 10 | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | |
| Hill | (941) | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | |
| Road Crossing | (50) | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | Punched out at 901. |
| Testing | - | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | |
| Clean Up | (2,250) | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | |
| Clean Water Div. | - | Rain out | Rain out | 1/2 Day Delay | 4 hour delay | | | |

# Spread 5 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 22-Apr | | | Cumulative | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast |
| Clearing | lf | 90,990 | 94.8% | 1,950 | 667 | (1,283) | 89,040 | 86,257 | (2,783) |
| Grading | lf | 90,990 | 94.8% | 1,950 | 667 | (1,283) | 87,090 | 86,257 | (833) |
| Stringing | lf | 90,990 | 79.1% | 2,200 | - | (2,200) | 78,580 | 71,981 | (6,599) |
| Bending | lf | 90,990 | 78.2% | 2,200 | - | (2,200) | 80,380 | 71,167 | (9,213) |
| Firing Line | lf | 74,190 | 88.5% | 2,196 | - | (2,196) | 67,601 | 65,667 | (1,934) |
| Coating | lf | 74,190 | 86.8% | 2,808 | 4,600 | 1,792 | 65,764 | 64,408 | (1,356) |
| Ditch | lf | 74,190 | 63.1% | 2,625 | 755 | (1,870) | 50,083 | 46,806 | (3,277) |
| Lower In | lf | 74,190 | 58.6% | 2,900 | 1,771 | (1,129) | 45,603 | 43,478 | (2,125) |
| Backfill | lf | 74,190 | 54.0% | 3,100 | 3,450 | 350 | 44,258 | 40,027 | (4,231) |
| Tie In | ea. | 311 | 60.1% | 12 | 22 | 10 | 169 | 187 | 18 |
| Hill | lf | 16,800 | 11.9% | 941 | - | (941) | 4,186 | 2,000 | (2,186) |
| Road Crossing | lf | 1,086 | 64.8% | 50 | - | (50) | 1,044 | 704 | (340) |
| Testing | lf | 90,990 | 0.0% | - | - | - | - | - | - |
| Clean Up | lf | 90,990 | 0.0% | 2,250 | - | (2,250) | 14,750 | - | (14,750) |
| Clean Water Div. | ea. | 40 | 52.5% | - | - | - | - | 21 | 21 |

Forecast = Feb 25 Forecast Update

| Tie-In Status | 8-Apr | 15-Apr | 22-Apr | 29-Apr | 6-May | 13-May | 20-May | 27-May | 3-Jun |
|---|---|---|---|---|---|---|---|---|---|
| Forecast | 12 | 12 | 12 | 12 | 12 | 12 | 15 | 15 | 15 |
| Actual | 14 | 26 | 22 | - | - | - | - | - | - |
| Total Remaining | 172 | 146 | 124 | 124 | 124 | 124 | 124 | 124 | 124 |
| # of Tie In Crews | 5 | 5 | 5 | 5 | 5 | 5 | 6 | 6 | 7 |

# Spread 5 – Manhours and Performance (Craft Only)

| Activity | Budget Hours | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 27,500 | 0 | 0 | 44,257 | 44,257 | 44,149 | 1.00 | 1.00 | 46,571 | 19,071 |
| Grading | 23,320 | 976 | 808 | 30,166 | 33,205 | 30,447 | 0.92 | 1.01 | 32,118 | 8,798 |
| Stringing | 23,004 | 610 | 598 | 22,521 | 22,635 | 23,124 | 1.02 | 1.03 | 29,231 | 6,227 |
| Bending | 18,096 | 366 | 391 | 10,440 | 10,730 | 11,601 | 1.08 | 1.11 | 14,832 | -3,264 |
| Firing Line | 28,188 | 1,320 | 2,995 | 59,439 | 63,120 | 56,116 | 0.89 | 0.94 | 63,399 | 35,211 |
| Coating | 22,185 | 1,188 | 605 | 19,781 | 16,504 | 18,204 | 1.10 | 0.92 | 20,969 | -1,216 |
| Ditch | 22,185 | 660 | 0 | 13,466 | 9,506 | 10,578 | 1.11 | 0.79 | 16,766 | -5,419 |
| Lower In | 26,945 | 1,650 | 1,400 | 23,808 | 17,420 | 18,787 | 1.08 | 0.79 | 32,058 | 5,113 |
| Backfill | 13,515 | 990 | 777 | 15,513 | 14,812 | 11,040 | 0.75 | 0.71 | 20,463 | 6,948 |
| Tie In | 85,544 | 1,188 | 8,523 | 59,095 | 85,387 | 61,696 | 0.72 | 1.04 | 102,607 | 17,063 |
| Hill | 130,799 | 5,544 | 0 | 31,097 | 18,607 | 9,162 | 0.49 | 0.29 | 76,961 | -53,838 |
| Road Crossing | 51,200 | 1,122 | 1,229 | 24,564 | 25,886 | 19,560 | 0.76 | 0.80 | 30,174 | -21,026 |
| Testing | 4,872 | 1,220 | 191 | 4935 | 1501 | 0 | 0.00 | 0.00 | 21,275 | 16,403 |
| Clean Up | 43,024 | 1,056 | 0 | 12155 | 3182 | 0 | 0.00 | 0.00 | 45,947 | 2,923 |
| **Total Progressable Hours** | **520,377** | **17,890** | **17,517** | **371,237** | **366,752** | **314,464** | **0.86** | **0.85** | **553,371** | **32,994** |
| Envrionmental | 75,700 | 3,416 | 4,203 | 73,575 | 78,882 | 0 | | | 131,647 | 55,947 |
| Non Progressable Hours | 232,846 | 4,804 | 5,778 | 172,175 | 172,399 | 0 | | | 214,289 | -18,557 |
| **Total Hours** | **828,923** | **26,110** | **27,498** | **616,987** | **618,033** | **314,464** | **0.86** | **0.85** | **899,307** | **70,384** |

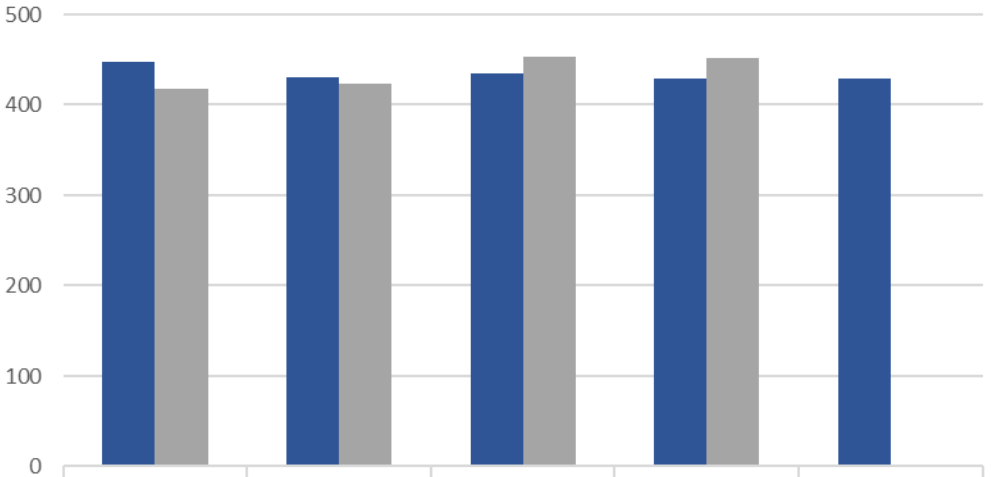
Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

CPI & SPI calculated on Feb 25 Forecast

Forecast = Feb 25 Forecast Update

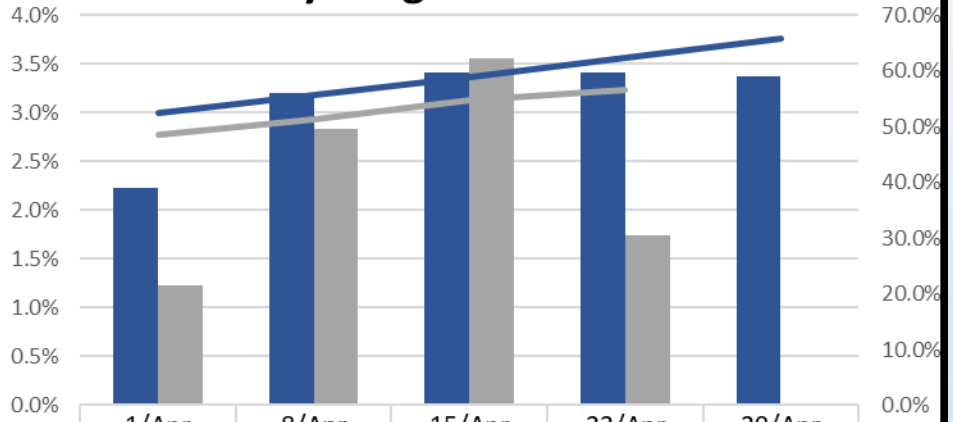
# Spread 5 – Progress and Performance Curves

## Head Count



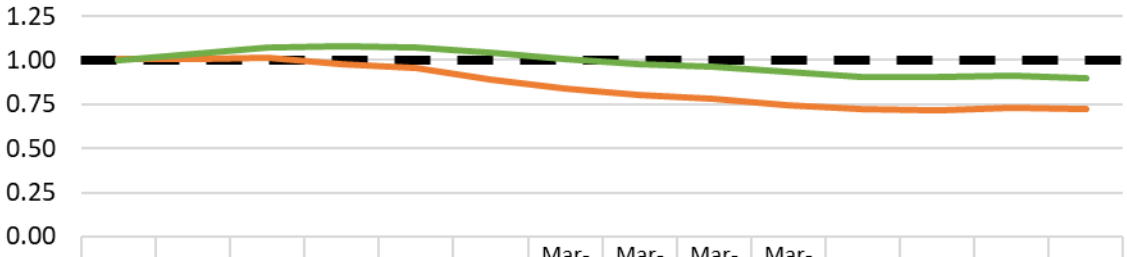

| | Apr-01 | Apr-08 | Apr-15 | Apr-22 | Apr-29 |
|---|---|---|---|---|---|
| Feb 25 Forecast | 448 | 430 | 435 | 429 | 429 |
| Actual | 418 | 423 | 453 | 452 | 0 |

## Baselay Progress



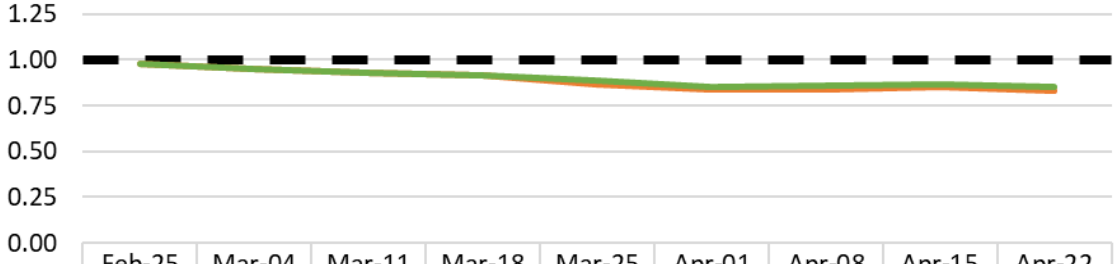

| | 1/Apr | 8/Apr | 15/Apr | 22/Apr | 29/Apr |
|---|---|---|---|---|---|
| Feb 25 Forecast | 2.2% | 3.2% | 3.4% | 3.4% | 3.4% |
| Actual | 1.2% | 2.8% | 3.6% | 1.7% | |
| Feb 25 Forecast Total | 52.4% | 55.6% | 59.0% | 62.5% | 65.8% |
| Actual Total | 48.5% | 51.3% | 54.9% | 56.6% | |

## SPI & CPI - Jan 21




| | Jan-21 | Jan-28 | Feb-04 | Feb-11 | Feb-18 | Feb-25 | Mar-04 | Mar-11 | Mar-18 | Mar-25 | Apr-01 | Apr-08 | Apr-15 | Apr-22 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 1.01 | 1.00 | 1.01 | 0.98 | 0.96 | 0.89 | 0.84 | 0.81 | 0.78 | 0.74 | 0.72 | 0.72 | 0.73 | 0.72 |
| CPI | 1.00 | 1.03 | 1.07 | 1.08 | 1.08 | 1.04 | 1.01 | 0.98 | 0.96 | 0.93 | 0.90 | 0.90 | 0.91 | 0.90 |

## SPI & CPI - Feb 25




| | Feb-25 | Mar-04 | Mar-11 | Mar-18 | Mar-25 | Apr-01 | Apr-08 | Apr-15 | Apr-22 |
|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.98 | 0.95 | 0.93 | 0.92 | 0.87 | 0.84 | 0.84 | 0.85 | 0.83 |
| CPI | 0.98 | 0.95 | 0.93 | 0.91 | 0.89 | 0.86 | 0.86 | 0.87 | 0.85 |

# Spread 5 - Change Management

| TREND STATUS | ASR PROJECT | | | Spread 5 | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | TO DATE | | | TO DATE | | | THIS WEEK | | |
| ORIGINAL BUDGET | | $ 454,471,254 | 2,167,574 | 27% | $ 123,150,956 | 699,374 | | | |
| | Distint Count | TOTAL | Hours | Count | Cost | Hours | Count | Cost | Hours |
| a) Recorded | 47 | $ 6,860,308 | 936 | 27 | $ 1,935,460 | - | 3 | $ - | |
| b) Internal review | 3 | $ 3,404,196 | 6,372 | 2 | $ 3,211,936 | 5,412 | | | |
| c) Client Review | 18 | $ 1,824,590 | 4,941 | 3 | $ 400,023 | 1,311 | | | |
| d) Approved - Forecast only | 34 | $ 23,378,129 | 131,910 | 7 | $ 3,231,631 | 6,574 | | | |
| e) Revise and Resubmit | 3 | $ 3,980,500 | 36,000 | 1 | $ 3,980,500 | 36,000 | | | |
| f) Proceed to EWR | 12 | $ 24,478,769 | 9,103 | 4 | $ 7,608,253 | - | | | |
| g) EWR Submitted | 16 | $ 15,744,750 | 33,448 | 5 | $ 1,109,801 | 6,146 | | | |
| h) EWR Approved | 8 | $ 7,257,032 | 20,950 | 4 | $ 1,599,981 | 4,004 | | | |
| **Total Trends** | | $ 86,928,275 | ` | 53 | $ 23,077,585 | 59,447 | | | |
| z) Cancelled | 49 | | | 20 | $ - | - | | | |
| **CURRENT BUDGET** | | $ 461,728,286 | 2,188,524 | | $ 124,750,937 | 703,378 | | | |
| | | | | | | | | | |
| **CURRENT FORECAST 2/25** | | $ 635,096,334 | 3,337,523 | 26% | $ 165,100,432 | 899,307 | | | |
| **VARIANCE to BUDGET** | | $ (173,368,048) | | 23% | $ (40,349,495) | | | | |
| This Week's Activity 4/22/18 | 4 Trends Recorded<br>2 EWR Approved | | | 3 Recorded - (Lake Tank, Pipe Gang standby for Bat Zone AR, Final Restoration Cost Increase) | | | | | |

# Spread 5 – Cost Summary ($M's)

| Item | Activity | Original Budget A | Approved Changes B | Current Budget C = A+B | Committed to Date D | Incurred to Date E | Pending Trends G | Forecast To Go H = I-E | Current Forecast | Previous Forecast J | Change in Forecast K | Variance from Budget L = I-C |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Direct Labor | $ 52.8 | $ 0.3 | $ 53.1 | $ 40.4 | $ 40.4 | $ 4.3 | $ 19.4 | $ 59.8 | $ 59.8 | $ - | $ 6.6 |
| 2 | Indirect Labor (Craft/Mgmt/Supervision) | $ 11.4 | $ 0.1 | $ 11.4 | $ 11.2 | $ 11.2 | $ - | $ 5.3 | $ 16.6 | $ 16.6 | $ - | $ 5.1 |
| | **Sub Total Labor Cost** | **$ 64.2** | **$ 0.4** | **$ 64.6** | **$ 51.6** | **$ 51.6** | **$ 4.3** | **$ 24.7** | **$ 76.3** | **$ 76.3** | **$ -** | **$ 11.8** |
| 3 | Equipment Fee | $ 32.1 | $ 0.2 | $ 32.3 | $ 24.4 | $ 24.4 | $ 2.1 | $ 12.4 | $ 36.8 | $ 36.8 | $ - | $ 4.5 |
| 4 | Specialty Equipment | $ 0.3 | $ 0.0 | $ 0.4 | $ 2.5 | $ 1.4 | $ 1.4 | $ 0.5 | $ 1.9 | $ 1.9 | $ - | $ 1.6 |
| 5 | Materials | $ 4.8 | $ 0.2 | $ 5.0 | $ 7.1 | $ 6.0 | $ 0.3 | $ 3.8 | $ 9.8 | $ 9.8 | $ - | $ 4.8 |
| 6 | Mats | $ 0.6 | $ - | $ 0.6 | $ 2.8 | $ 1.9 | $ 0.5 | $ 0.5 | $ 2.5 | $ 2.5 | $ - | $ 1.9 |
| 7 | Outside Services & Subcontract Cost | $ 10.9 | $ 0.4 | $ 11.3 | $ 24.0 | $ 19.4 | $ 8.9 | $ 7.3 | $ 26.7 | $ 26.7 | $ - | $ 15.4 |
| 8 | Equipment - NTP Delayed | $ 1.1 | $ - | $ 1.1 | $ 1.6 | $ 1.6 | $ - | $ - | $ 1.6 | $ 1.6 | $ - | $ 0.5 |
| 8.1 | Bonds | $ - | $ 0.4 | $ 0.4 | $ 0.4 | $ 0.4 | $ - | $ - | $ 0.4 | $ 0.4 | $ - | $ - |
| | **Sub Total Project Cost** | **$ 49.9** | **$ 1.2** | **$ 51.1** | **$ 62.9** | **$ 55.2** | **$ 13.2** | **$ 24.5** | **$ 79.7** | **$ 79.7** | **$ -** | **$ 28.6** |
| 10 | Fixed Fee & Profit | $ 9.1 | $ - | $ 9.1 | $ 5.0 | $ 5.0 | $ - | $ 4.1 | $ 9.1 | $ 9.1 | $ - | $ - |
| | **Total Project Cost** | **$ 123.2** | **$ 1.6** | **$ 124.8** | **$ 119.5** | **$ 111.8** | **$ 17.4** | **$ 53.3** | **$ 165.1** | **$ 165.1** | **$ -** | **$ 40.3** |

# Spread 5 – Critical Issues

| Critical Issues | Mitigation |
|---|---|
| 48 hour variances at Happy Valley crossings 1,2 & 3 | |
| 48 hour variance crossing at Mahantango Creek | |
| Crossing method variance at Quaker Run and Helfenstein | |
| Crossing method variance for Zion Church. Awaiting township meeting May 8th to allow open cut. | |
| List of outstanding bat area questions | |
| RFI for water source at north end to allow for earlier MLV installation. | |

# Atlantic Sunrise Pipeline Project Spread 6 Progress Report

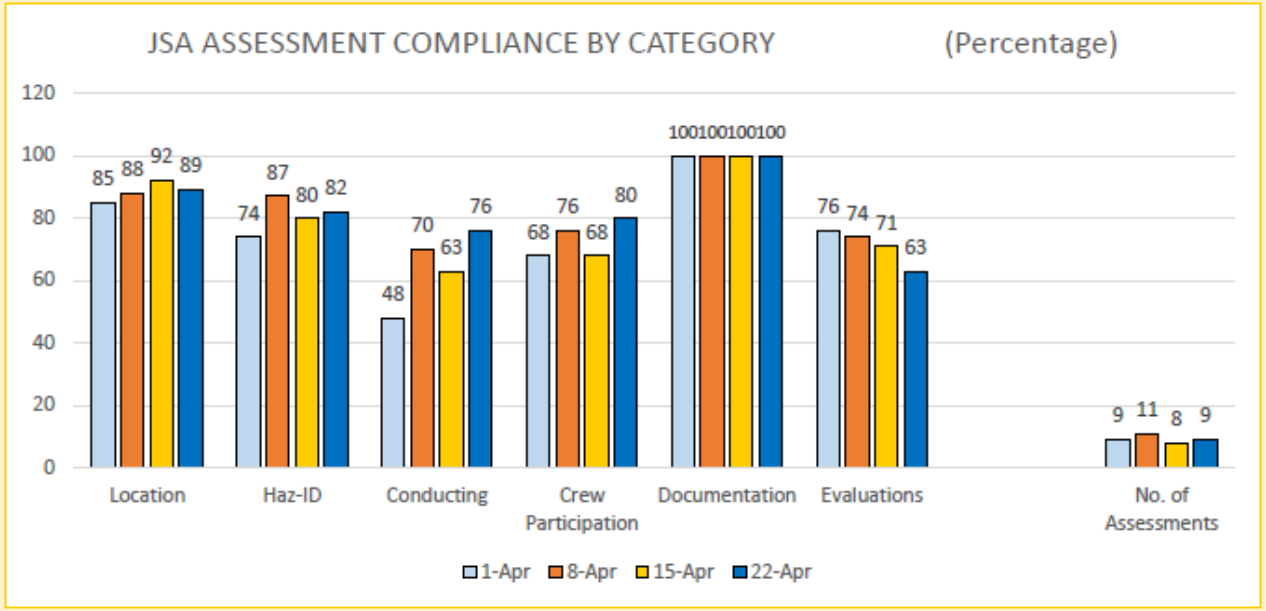
Week ending 22-Apr-18

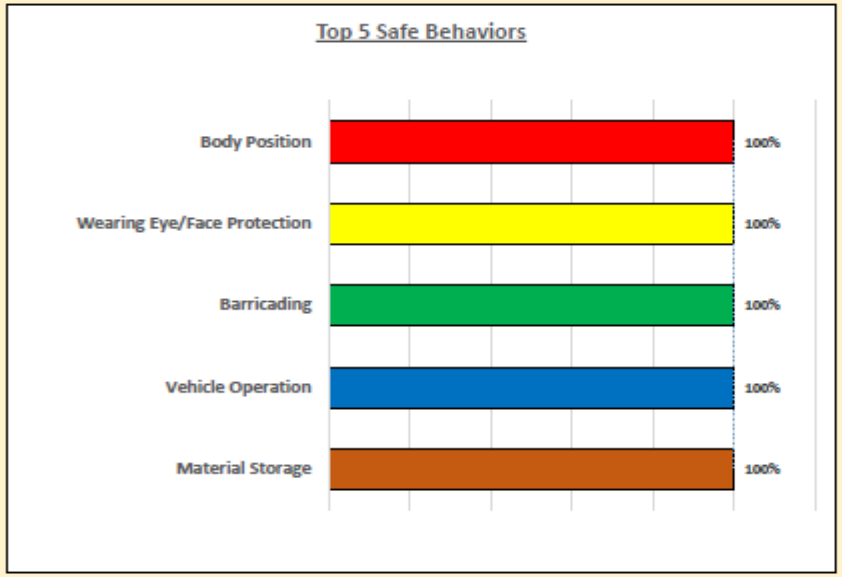
# SPREAD 6 - Safety

| Number of Incidents | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0 | 1 | 5 | 32 | 20 | 51 | 22 | 3 | 2 | 6 |

| Incident Rates | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0.00 | 0.23 | 1.15 | 7.36 | 4.60 | 11.74 | 5.06 | 0.69 | 0.46 | 1.38 |

| | Weekly Hours | Monthly Hours | Project Hours | Total Headcount |
|---|---|---|---|---|
| Welded | 36,985 | 109,057 | 738,370 | 628 |
| Subcontractors | 1,234 | 4,746 | 130,790 | 20 |
| Total Hours | 38,219 | 113,803 | 869,160 | 648 |





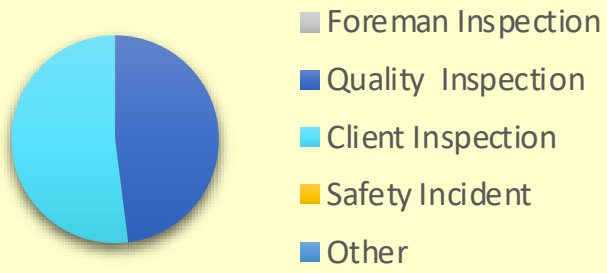


PBS Categories

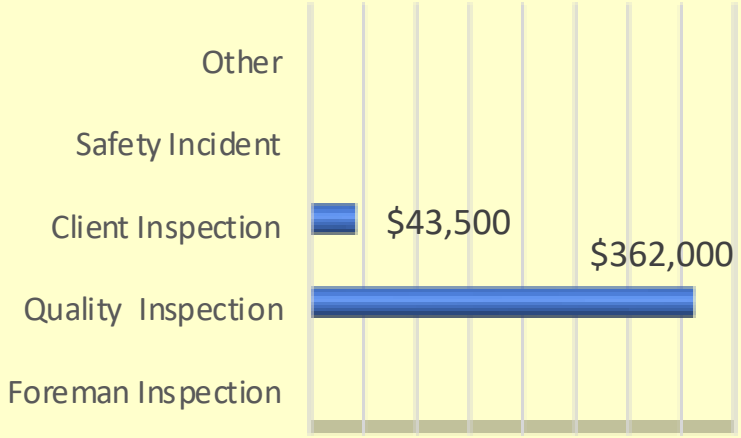
- Body Mechanics
- PPE
- Job Factors
- Tools & Equipment
- Housekeeping
- Fall Protection

# SPREAD 6 - Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 8.76% |
| Field Joint Coating Rejection Rate | 0.90% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 3 | 36 |
| Closed | 3 | 28 |
| **Remaining Open** | | 8 |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | - | 25 |
| Closed | 1 | 14 |
| **Remaining Open** | | 11 |

Notes: Focusing on complete closure of all Sp 6 NCRs.

# Spread 6 – Environmental

1. Environmental Compliance
   - Non compliance from current period: Stream Buffer Impacts and out of sequence work
   - Notifications from current period: None
   - Non compliance from previous periods:
     - Clearing outside of LOD at Fort Swatara Yard;
     - ROW lacking temporary stabilization south of SR0322
     - Improper waterbody crossing (2593+91)
     - Improper construction methods while installing bridge equipment crossing – Forge Creek
     - Installing skids within a delineated waterway – 4015+00
     - Sediment was discharged into waters 0f the Commonwealth – UNT to Conewego Creek (2002+00)
     - Improper Waterbody Crossing Work Sequence - UNT to Pine Creek (WW-T20-9001) (4099+00)
     - Inadequate Interim Stabilization station 2152+00 and 2247+00 (S.Forge Road/Horseshoe Pike)
     - Improper Wetland Crossing Techniques 4005+99 to 4009+27
     - Sediment into Resource (2243+13)
     - Improper wetland Restoration (4161+77 to 4177+00)
     - Sediment into a wetland (4161+77 to 4177+00)

2. Environmental Concerns
   - Not having all landowners agreeing to allow dewatering off LOD
   - Weather impacts
   - Riparian Area Replanting plans

3. Listing of variance requests outstanding
   - Timeline extension for crossing WW-T20-1001, adj to Goldmine Rd., from 24 hrs to 10 days due to road bore stream impact.
   - Bore option for scheduled open cut Swatara Creek
   - Mahantango Creek (WW-T11-9001) 7 day extension request beyond the 48 hour maximum time requirement to blanket the 100' stream bank buffer.
   - Lorberry Creek (WW-T31-8001) & UNT Lorberry Creek (WW-T31-8001A) 7 day extension request beyond the 48 hour maximum time requirement to blanket the 100' stream bank buffer.
   - Goldmine Road crossing method change to bore
   - Cavalry and Jonestown roadbores
   - Retrieval of Sediment off LOD at Deep Creek 4221-50-4224+10 (PA-SC-090.002)
   - Retrieval of Sediment off LOD at Summit 3715+00-3728+00 (PA-SC-040.000, PA-SC-042.000, PA-SC-041.000)
   - Retrieval of Sediment off LOD at Valley 4150+30-4158+20 (PA-SC-090.000)
   - Addition of timber mats within stream boundary WW-T10-7004, UNT Swatara Creek, for in stream support

# Spread 6 – March Chart



# Spread 6 – Weekly Impacts

| Activity | Variance to Forecast | 16-Apr Monday | 17-Apr Tuesday | 18-Apr Wednesday | 19-Apr Thursday | 20-Apr Friday | 21-Apr Saturday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | All crews rained out 4/16. Half day safety training |
| Grading | 9,400 | Rainout | | | | | | |
| Stringing | (5,871) | Rainout | Rainout | | | | | |
| Bending | (3,460) | Rainout | Made bends in the yard | | | | | |
| Firing Line | (2,455) | Rainout | | Lost 4 hours due to weather | | | | |
| Coating | (2,198) | Rainout | Repaired seams | | Repaired seams | | | |
| Ditch | (6,820) | Rainout | | | | Sandbagged | | Assisted Jimmy House |
| Lower In | (2,544) | Rainout | Sandbagged | | | | | Sandbagged ditch and rockshield pipe. |
| Backfill | (2,153) | Rainout | | | | | | |
| Tie In | (5) | Rainout | | | | | | |
| Road Crossing | 136 | Rainout | | | | | | |
| Testing | (12,812) | Rainout | | | | | | Not started |
| Clean Up | (9,074) | Rainout | | | | | | Not started |
| Clean Water Div. | 1 | Rainout | | | | | | |

# Spread 6 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 22-Apr | | | Cumulative | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast |
| Clearing | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - |
| Grading | lf | 217,779 | 95.5% | - | 9,400 | 9,400 | 217,779 | 207,942 | (9,837) |
| Stringing | lf | 217,779 | 89.0% | 14,671 | 8,800 | (5,871) | 199,104 | 193,779 | (5,325) |
| Bending | lf | 217,779 | 88.8% | 13,760 | 10,300 | (3,460) | 186,256 | 193,379 | 7,123 |
| Firing Line | lf | 217,779 | 81.4% | 13,155 | 10,700 | (2,455) | 178,314 | 177,179 | (1,135) |
| Coating | lf | 217,779 | 65.2% | 13,398 | 11,200 | (2,198) | 164,435 | 142,048 | (22,387) |
| Ditch | lf | 217,779 | 47.8% | 13,820 | 7,000 | (6,820) | 162,489 | 104,115 | (58,374) |
| Lower In | lf | 217,779 | 43.9% | 11,604 | 9,060 | (2,544) | 143,063 | 95,544 | (47,519) |
| Backfill | lf | 217,779 | 41.7% | 11,204 | 9,051 | (2,153) | 137,816 | 90,910 | (46,906) |
| Tie In | ea | 999 | 36.5% | 40 | 35 | (5) | 439 | 365 | (74) |
| Road Crossing | lf | 3,273 | 86.3% | 125 | 261 | 136 | 2,372 | 2,824 | 452 |
| Testing | lf | 217,779 | 0.0% | 12,812 | - | (12,812) | 38,411 | - | (38,411) |
| Clean Up | lf | 217,779 | 0.0% | 9,074 | - | (9,074) | 27,222 | - | (27,222) |
| Clean Water Div | ea | 250 | 88.0% | - | 1 | 1 | - | 220 | 220 |

Forecast = Feb 25 Forecast Update

| Tie-In Status | 8-Apr | 15-Apr | 22-Apr | 29-Apr | 6-May | 13-May | 20-May | 27-May | 3-Jun |
|---|---|---|---|---|---|---|---|---|---|
| Forecast | 35 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 |
| Actual | 36 | 40 | 35 | - | - | - | - | - | - |
| Total Remaining | 709 | 669 | 634 | 634 | 634 | 634 | 634 | 634 | 634 |
| # of Tie In Crews | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |

# Spread 6 – Manhours and Performance (Craft Only)

| Activity | Budget Hours | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 38,500 | 0 | 0 | 64,348 | 64,348 | 64,348 | 1.00 | 1.00 | 64,348 | 25,848 |
| Grading | 18,693 | 0 | 1,322 | 22,686 | 25,232 | 21,661 | 0.86 | 0.95 | 22,686 | 3,993 |
| Stringing | 24,849 | 1,612 | 1,053 | 26,226 | 24,063 | 28,135 | 1.17 | 1.07 | 31,620 | 6,771 |
| Bending | 15,345 | 682 | 509 | 12,046 | 11,698 | 13,614 | 1.16 | 1.13 | 15,332 | -13 |
| Firing Line | 33,264 | 3,286 | 3,359 | 51,687 | 52,909 | 50,071 | 0.95 | 0.97 | 61,545 | 28,281 |
| Coating | 16,643 | 1,426 | 1,222 | 23,758 | 23,556 | 19,217 | 0.82 | 0.81 | 29,462 | 12,819 |
| Ditch | 22,968 | 992 | 1,113 | 19,648 | 20,065 | 11,290 | 0.56 | 0.57 | 23,616 | 648 |
| Lower In | 22,365 | 1,488 | 1,951 | 20,159 | 22,381 | 14,067 | 0.63 | 0.70 | 32,063 | 9,698 |
| Backfill | 7,455 | 930 | 1,062 | 13,939 | 14,658 | 8,924 | 0.61 | 0.64 | 21,379 | 13,924 |
| Tie In | 201,488 | 12,816 | 9,126 | 172,991 | 141,009 | 105,400 | 0.75 | 0.61 | 288,479 | 86,991 |
| Road Crossing | 42,120 | 3,168 | 2,410 | 78,532 | 70,427 | 89,626 | 1.27 | 1.14 | 103,876 | 61,756 |
| Testing | 6,760 | 1,430 | 0 | 2,860 | 0 | 0 | 0.00 | 0.00 | 22,880 | 16,120 |
| Clean Up | 64,613 | 2,790 | 0 | 9,052 | 0 | 0 | 0.00 | 0.00 | 67,642 | 3,029 |
| **Total Progressable Hours** | **515,063** | **30,620** | **23,127** | **517,932** | **470,346** | **426,355** | **0.91** | **0.82** | **784,928** | **269,865** |
| Envrionmental | 137,285 | 4,402 | 3,911 | 96,166 | 90,991 | 0 | | | 188,608 | 51,323 |
| Non Progressable Hours | 231,968 | 8,448 | 8,994 | 227,487 | 233,028 | 0 | | | 308,835 | 76,867 |
| **Total Hours** | **884,316** | **43,470** | **36,032** | **841,585** | **794,365** | **426,355** | **0.91** | **0.82** | **1,282,371** | **398,055** |

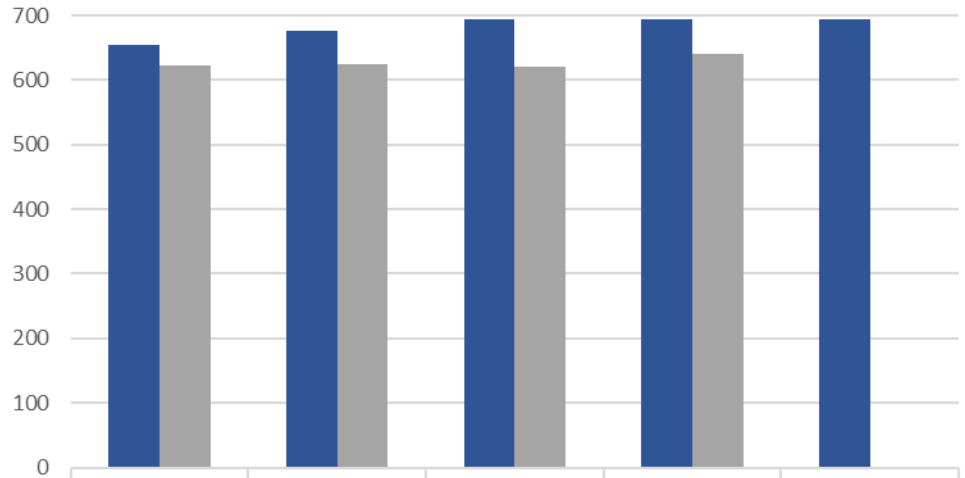
Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

CPI & SPI calculated on Feb 25 Forecast

Forecast = Feb 25 Forecast Update

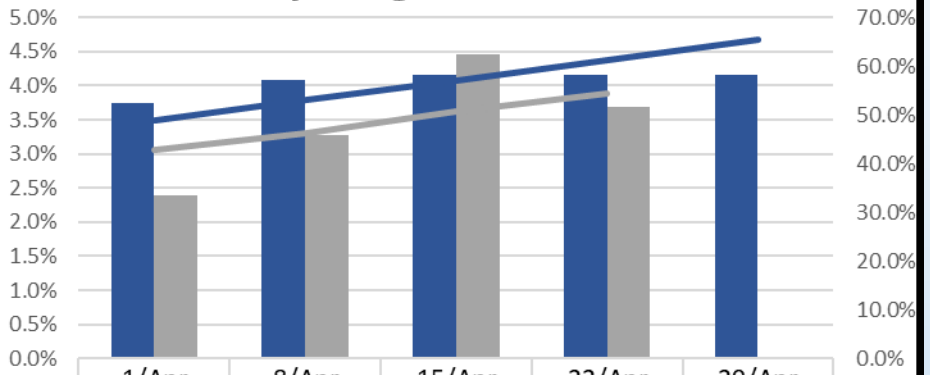
# Spread 6 Progress & Performance Curves

## Headcount



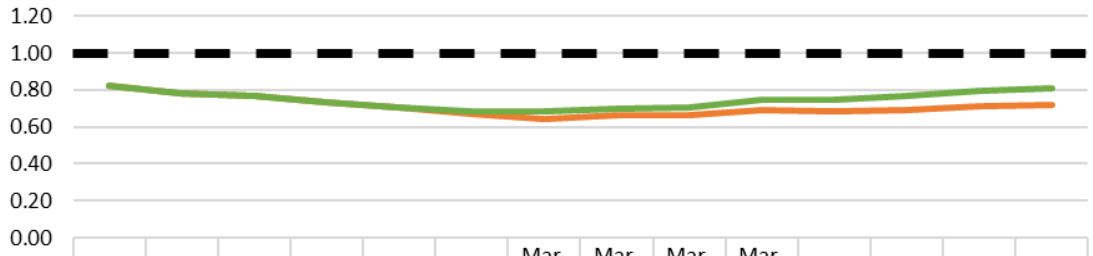

| | Apr-01 | Apr-08 | Apr-15 | Apr-22 | Apr-29 |
|---|---|---|---|---|---|
| Feb 25 Forecast | 654 | 677 | 694 | 694 | 694 |
| Actual | 622 | 625 | 620 | 640 | 0 |

## Baselay Progress



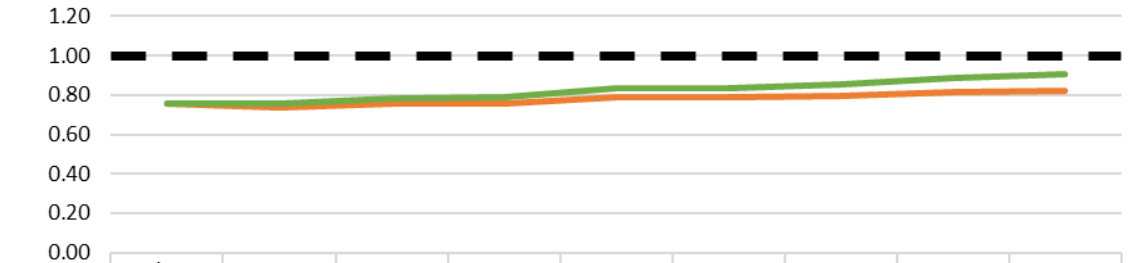

| | 1/Apr | 8/Apr | 15/Apr | 22/Apr | 29/Apr |
|---|---|---|---|---|---|
| Feb 25 Forecast | 3.7% | 4.1% | 4.2% | 4.2% | 4.2% |
| Actual | 2.4% | 3.3% | 4.5% | 3.7% | |
| Feb 25 Forecast Total | 48.9% | 53.0% | 57.1% | 61.3% | 65.4% |
| Actual Total | 42.9% | 46.2% | 50.7% | 54.3% | |

## SPI & CPI - Jan 21




| | Jan-21 | Jan-28 | Feb-04 | Feb-11 | Feb-18 | Feb-25 | Mar-04 | Mar-11 | Mar-18 | Mar-25 | Apr-01 | Apr-08 | Apr-15 | Apr-22 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.83 | 0.79 | 0.77 | 0.73 | 0.70 | 0.67 | 0.65 | 0.66 | 0.66 | 0.69 | 0.68 | 0.69 | 0.71 | 0.72 |
| CPI | 0.83 | 0.78 | 0.77 | 0.73 | 0.71 | 0.68 | 0.68 | 0.70 | 0.71 | 0.75 | 0.75 | 0.77 | 0.79 | 0.81 |

## SPI & CPI - Feb 25




| | Feb-25 | Mar-04 | Mar-11 | Mar-18 | Mar-25 | Apr-01 | Apr-08 | Apr-15 | Apr-22 |
|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.76 | 0.74 | 0.76 | 0.76 | 0.79 | 0.79 | 0.79 | 0.82 | 0.82 |
| CPI | 0.76 | 0.76 | 0.78 | 0.79 | 0.84 | 0.84 | 0.86 | 0.89 | 0.91 |

# Spread 6 - Change Management

| TREND STATUS | ASR PROJECT | | | Spread 6 | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | TO DATE | | | TO DATE | | | THIS WEEK | | |
| ORIGINAL BUDGET | | $ 454,471,254 | 2,167,574 | 36% | $ 163,861,454 | 752,374 | | | |
| | Distint Count | TOTAL | Hours | Count | Cost | Hours | Count | Cost | Hours |
| a) Recorded | 47 | $ 6,860,308 | 936 | 25 | $ 3,861,912 | 936 | 1 | $ - | |
| b) Internal review | 3 | $ 3,404,196 | 6,372 | - | $ - | - | | | |
| c) Client Review | 18 | $ 1,824,590 | 4,941 | 3 | $ 342,095 | - | | | |
| d) Approved - Forecast only | 34 | $ 23,378,129 | 131,910 | 12 | $ 8,599,089 | 58,994 | | | |
| e) Revise and Resubmit | 3 | $ 3,980,500 | 36,000 | - | $ - | - | | | |
| f) Proceed to EWR | 12 | $ 24,478,769 | 9,103 | 6 | $ 11,444,807 | - | | | |
| g) EWR Submitted | 16 | $ 15,744,750 | 33,448 | 7 | $ 6,694,340 | 10,872 | | | |
| h) EWR Approved | 8 | $ 7,257,032 | 20,950 | 5 | $ 2,323,485 | 4,334 | | | |
| **Total Trends** | | $ 86,928,275 | ` | 58 | $ 33,265,727 | | | | |
| z) Cancelled | 49 | | | 23 | $ - | | | | |
| **CURRENT BUDGET** | | $ 461,728,286 | 2,188,524 | | $ 166,184,939 | 756,708 | | | |
| | | | | | | | | | |
| **CURRENT FORECAST 2/25** | | $ 635,096,334 | 3,337,523 | 36% | $ 229,143,225 | 1,281,145 | | | |
| **VARIANCE to BUDGET** | | $ (173,368,048) | | 36% | $ (62,958,286) | | | | |
| This Week's Activity 4/22/18 | 4 Trends Recorded<br>2 EWR Approved | | | 1 Recorded - (Lake Tank) | | | | | |

# Spread 6 – Cost Summary ($M's)

| Item | Activity | Original Budget A | Approved Changes B | Current Budget C = A+B | Committed to Date D | Incurred to Date E | Pending Trends G | Forecast To Go H = I-E | Current Forecast I | Previous Forecast J | Change in Forecast K | Variance from Budget L = I-C |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Direct Labor | $ 56.4 | $ 0.3 | $ 56.7 | $ 50.1 | $ 50.1 | $ 3.8 | $ 31.9 | $ 82.0 | $ 82.0 | $ - | $ 25.3 |
| 2 | Indirect Labor (Craft/Mgmt/Supervision) | $ 15.9 | $ 0.1 | $ 15.9 | $ 10.0 | $ 10.0 | $ - | $ 7.5 | $ 17.5 | $ 17.5 | $ - | $ 1.6 |
| | **Sub Total Labor Cost** | **$ 72.2** | **$ 0.4** | **$ 72.6** | **$ 60.1** | **$ 60.1** | **$ 3.8** | **$ 39.4** | **$ 99.5** | **$ 99.5** | **$ -** | **$ 26.9** |
| 3 | Equipment Fee | $ 36.1 | $ 0.2 | $ 36.3 | $ 29.0 | $ 29.0 | $ 1.8 | $ 19.7 | $ 48.8 | $ 48.8 | $ - | $ 12.4 |
| 4 | Specialty Equipment | $ 0.8 | $ 0.0 | $ 0.8 | $ 3.4 | $ 2.1 | $ 2.5 | $ 1.2 | $ 3.3 | $ 3.3 | $ - | $ 2.5 |
| 5 | Materials | $ 11.3 | $ 0.2 | $ 11.6 | $ 11.1 | $ 9.1 | $ - | $ 3.5 | $ 12.6 | $ 12.6 | $ - | $ 1.0 |
| 6 | Mats | $ 2.4 | $ - | $ 2.4 | $ 5.4 | $ 4.4 | $ 2.3 | $ 0.2 | $ 4.6 | $ 4.6 | $ - | $ 2.3 |
| 7 | Outside Services & Subcontract Cost | $ 16.6 | $ 0.7 | $ 17.3 | $ 36.8 | $ 25.8 | $ 20.5 | $ 9.8 | $ 35.6 | $ 35.6 | $ - | $ 18.3 |
| 8 | Equipment - NTP Delayed | $ 2.7 | $ - | $ 2.7 | $ 2.3 | $ 2.3 | $ - | $ - | $ 2.3 | $ 2.3 | $ - | $ (0.4) |
| 8.1 | Bonds | $ - | $ 0.8 | $ 0.8 | $ 0.8 | $ 0.8 | $ - | $ - | $ 0.8 | $ 0.8 | $ - | $ - |
| | **Sub Total Project Cost** | **$ 69.9** | **$ 1.9** | **$ 71.8** | **$ 88.9** | **$ 73.5** | **$ 27.1** | **$ 34.4** | **$ 107.9** | **$ 107.9** | **$ -** | **$ 36.1** |
| 10 | Fixed Fee & Profit | $ 21.7 | $ - | $ 21.7 | $ 12.4 | $ 12.4 | $ - | $ 9.3 | $ 21.7 | $ 21.7 | $ - | $ - |
| | **Total Project Cost** | **$ 163.9** | **$ 2.3** | **$ 166.1** | **$ 161.4** | **$ 146.0** | **$ 30.9** | **$ 83.2** | **$ 229.1** | **$ 229.1** | **$ -** | **$ 63.0** |

# Spread 6 – Critical Issues

| Critical Issues | Mitigation |
|---|---|
| Coating cracking at seams after heavy wall pipe is bent | Making coating repairs, documenting amount time to repair, preparing trend. (Inspection aware of the issue). |
| Approval to proceed with I-81 roadbore | I-81 roadbore shutdown until approval received from PADEP |
| Variance in for Goldmine Road crossing method to change from open cut to bore | PennDOT has said there will be no road closure allowed so method must change to bore, PADEP must approve variance. |
| 48 hour variances at Lorberry and Mahatango crossings | |
| Need H2S Mitigation Plan | Industrial hygienist to be on site 26 APR, Need to complete tie-ins for first hydrotest sections |
| Variances for roadbores at Cavalry 2 and Jonestown, Williams did not include in 102 permit | Submitted variances, road bores on hold until approved |
| Variance to change Swatara creek open cut to bore | Variance submitted 3 FEB 2018, request update from Williams every week, with PADEP |
| Racehorse road and AWOL road – Awaiting township meeting to get full road closure with detour approved. | Had previously requested to change to bore, change made but Williams did not get PADEP approval. Changed back to open cut but Williams need to go Township meeting to get full road closure, 7 May |
| Enough pipe to finish the project | Pipe levels at both pipe yards are getting low, repeatedly voice concern to Williams, told there is enough pipe to finish. |

# Atlantic Sunrise Pipeline Project Spread 7 Progress Report

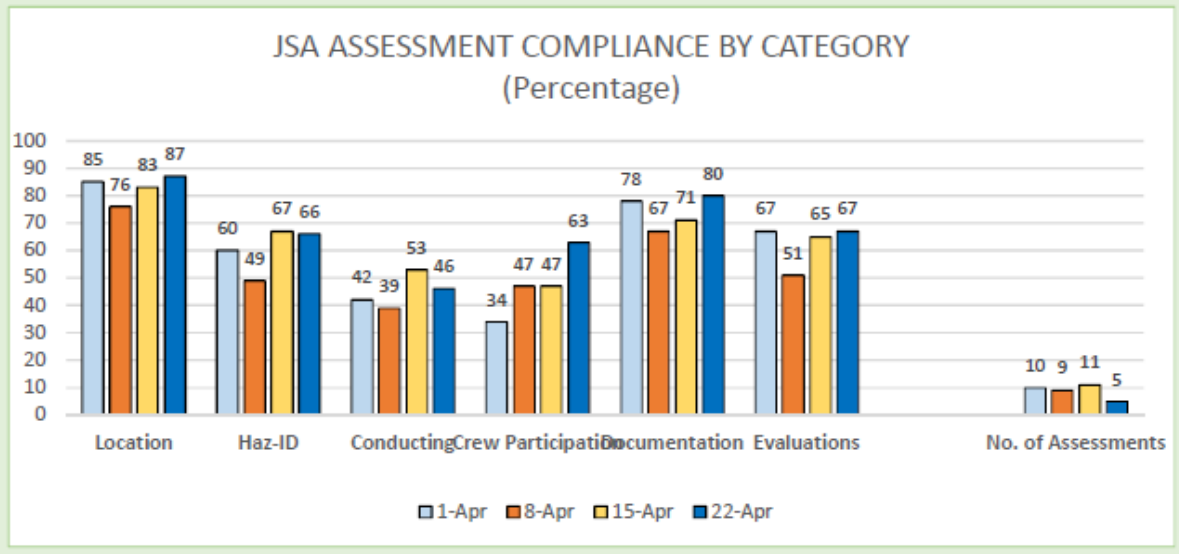
Week Ending 22-Apr-18

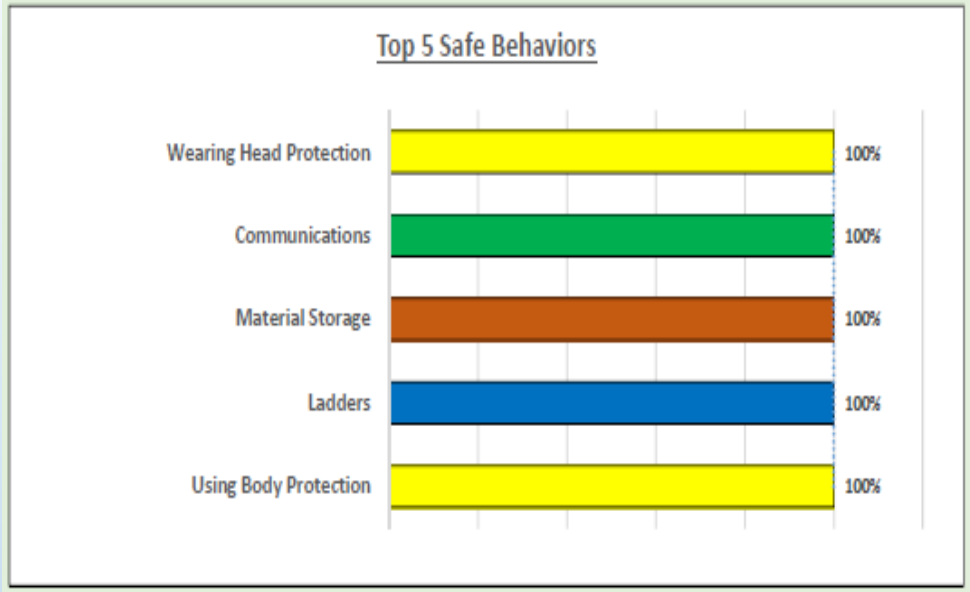
# SPREAD 7 Safety

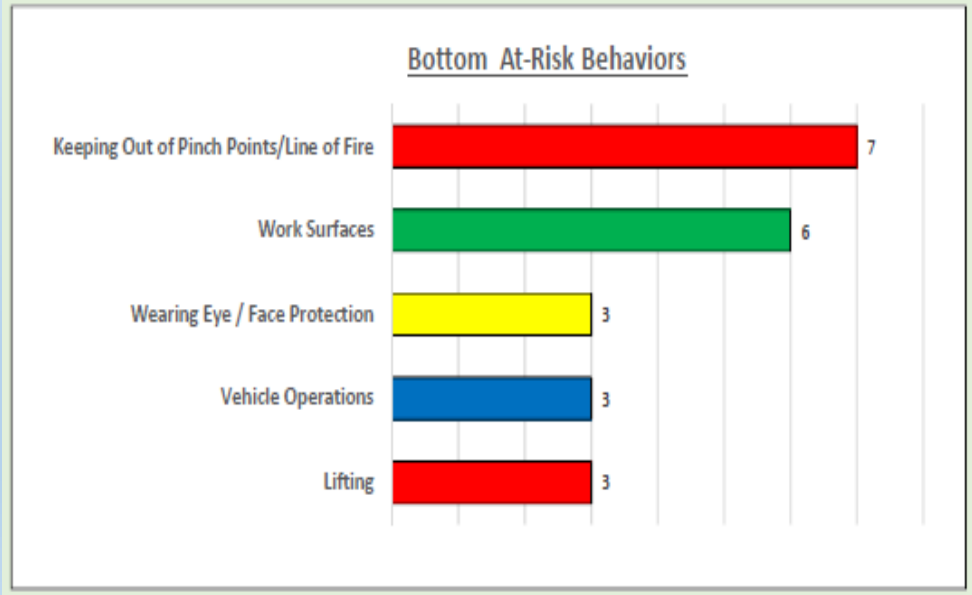
## TOTAL PROJECT INCIDENTS

| | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| Number of Incidents | 0 | 0 | 2 | 45 | 23 | 72 | 3 | 4 | 4 | 44 |
| Incident Rates | 0.00 | 0.00 | 0.38 | 8.59 | 4.39 | 13.74 | 0.57 | 0.76 | 0.76 | 8.40 |

| | Total Weekly Hours | Total Monthly Hours | Total Project Hours | Total Head Count |
|---|---|---|---|---|
| Welded | 43,639 | 132,385 | 874,300 | 633 |
| Subcontractors | 3,443 | 14,710 | 173,803 | 117 |
| Total | 47,082 | 147,094 | 1,048,103 | 750 |




Body Mechanics

PPE

Job Factors

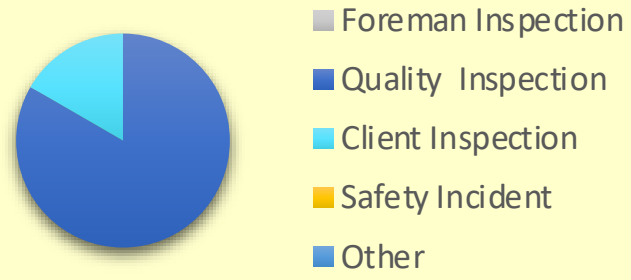
Tools & Equipment

Housekeeping

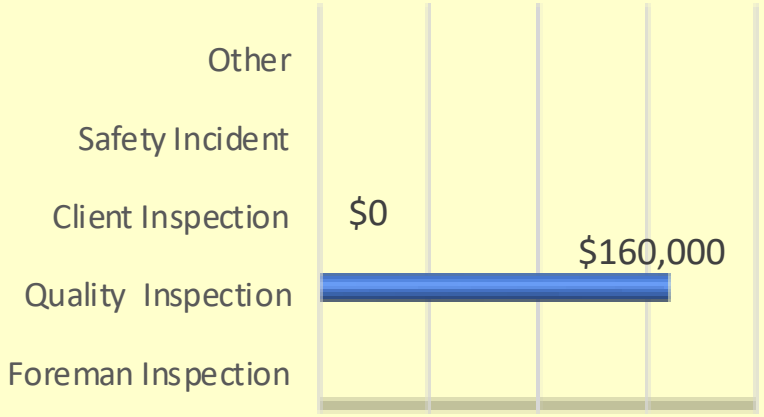
Fall Protection

# SPREAD 7 - Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 2.87% |
| Field Joint Coating Rejection Rate | 0.00% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 6 | 108 |
| Closed | 6 | 108 |
| **Remaining Open** | | - |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | - | 6 |
| Closed | - | 6 |
| **Remaining Open** | | - |

**Notes: Foremen and Inspectors are communicating and resolving problems on the ROW.**

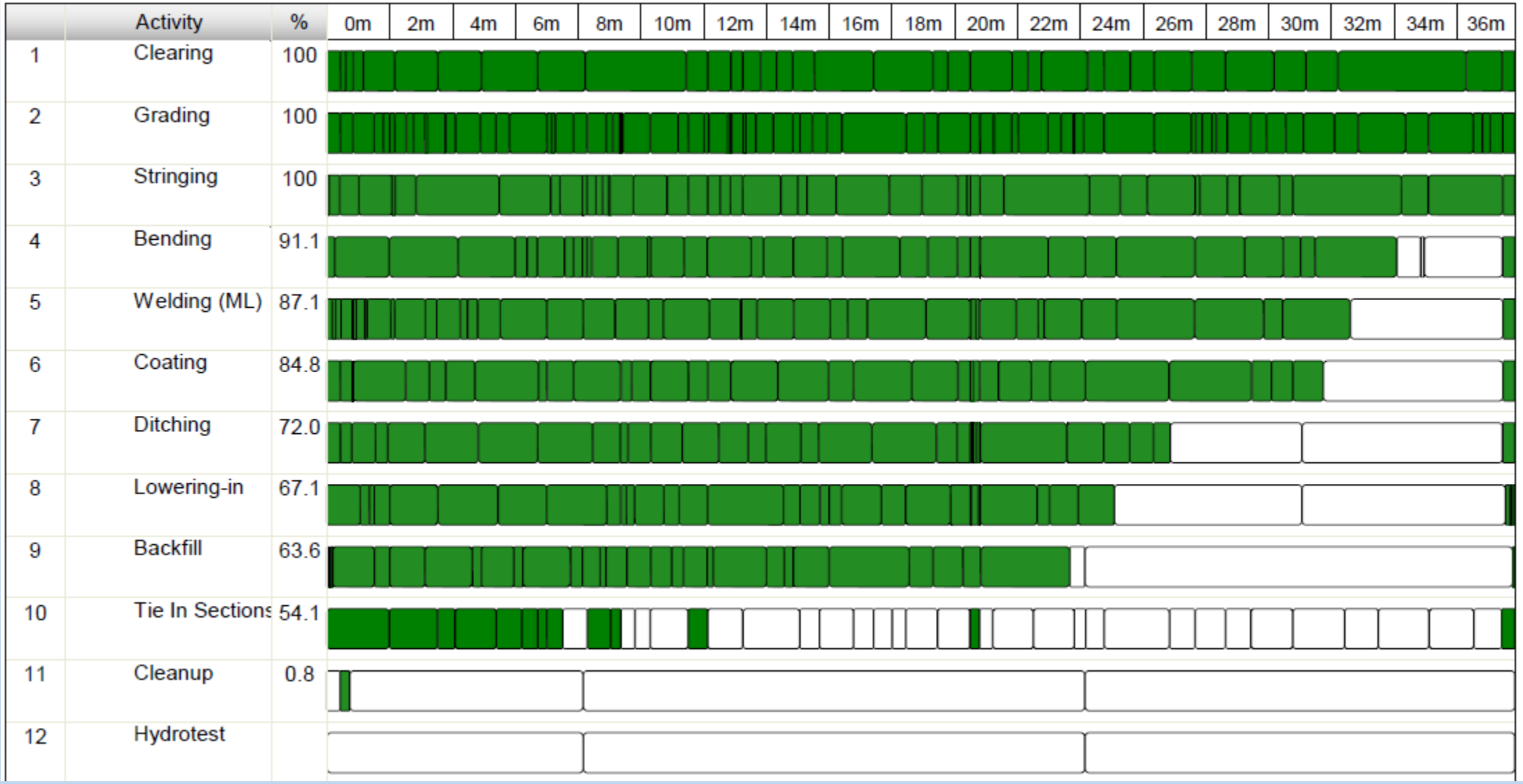
# Spread 7 – Environmental

1. Environmental Compliance
   - Non compliance from current period – None
   - Non compliance from previous periods:
     - Topsoil mixing
     - Avoiding air stations
     - 50’ buffer encroachment
     - Not installing air stations
     - 3 x Water bar installation

2. Environmental Concerns
   - Riparian area replanting plans
   - Seed mixtures

3. Listing of variance requests outstanding
   - Chiques Creek Extra Work Space
   - 1-76 Bore extension

# Spread 7 – March Chart



# Spread 7 – Weekly Impacts

| Activity | Variance to Forecast | 16-Apr | 17-Apr | 18-Apr | 19-Apr | 20-Apr | 21-Apr | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|
| | | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday | |
| Clearing | - | | | | | | | |
| Grading | - | | | | | | | |
| Stringing | 7,907 | Rainout | Rainout | | Rain On/Off / Muddy | 3 Hours - AFT Interview | | Worked Sunday |
| Bending | 5,476 | Rainout | | | | 3 Hours - AFT Interview | | Worked Sunday |
| Firing Line | (4,200) | Rainout | 4 Hours - Move Around | 6 Hours - Move Around | 3 Hours - On/Off Rain | 3 Hours - AFT Interview | 5 Hours - Safety Stand down | Worked Sunday |
| Coating | (6,900) | Rainout | | Waiting On Welding | 3 Hours - On/Off Rain | 3 Hours - AFT Interview | | Worked Sunday |
| Ditch | (8,800) | Rainout | Rock | Rock | Rock | 3 Hours - AFT Interview | Rock | Worked Sunday |
| Lower In | (4,700) | Rainout | | | | 3 Hours - AFT Interview | | Worked Sunday |
| Backfill | (600) | Rainout | | | | 3 Hours - AFT Interview | | Worked Sunday |
| Tie In | 6 | Rainout | | 4 Hours - Waited for X-Ray (Bill) | 6 Hours - On/Off Rain<br>7 Hours - Waited for X-Ray (Jamie) | 3 Hours - AFT Interview | | 7 Tie In crews worked Sunday |
| Road Crossing | (39) | Rainout | 2 Hour Delay - Railroad | | 1 Hour Delay - Railroad | 3 Hours - AFT Interview | | Worked Sunday |
| Testing | - | Rainout | | | | 3 Hours - AFT Interview | | |
| Clean Up | (8,498) | Rainout | Rainout / Turn Soil | | | 3 Hours - AFT Interview | | |
| Clean Water Div. | 2 | | | | | | | |

# Spread 7 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 22-Apr | | | Cumulative | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast |
| Clearing | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - |
| Grading | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - |
| Stringing | lf | 199,896 | 100% | 6,702 | 14,609 | 7,907 | 199,896 | 199,896 | - |
| Bending | lf | 199,896 | 91% | 8,324 | 13,800 | 5,476 | 199,896 | 182,076 | (17,820) |
| Firing Line | lf | 199,896 | 87% | 15,600 | 11,400 | (4,200) | 187,213 | 174,196 | (13,017) |
| Coating | lf | 199,896 | 85% | 15,600 | 8,700 | (6,900) | 184,519 | 169,596 | (14,923) |
| Ditch | lf | 199,896 | 72% | 15,600 | 6,800 | (8,800) | 168,669 | 143,975 | (24,694) |
| Lower In | lf | 199,896 | 67% | 15,600 | 10,900 | (4,700) | 164,885 | 134,121 | (30,764) |
| Backfill | lf | 199,896 | 64% | 15,600 | 15,000 | (600) | 161,660 | 127,096 | (34,564) |
| Tie In | ea | 726 | 54% | 42 | 48 | 6 | 455 | 393 | (62) |
| Road Crossing | lf | 3,378 | 77% | 129 | 90 | (39) | 3,045 | 2,595 | (450) |
| Testing | lf | 199,896 | 0% | - | - | - | 42,240 | - | (42,240) |
| Clean Up | lf | 199,896 | 1% | 10,099 | 1,601 | (8,498) | 38,297 | 1,601 | (36,696) |
| Clean Water Div | ea | 87 | 68% | - | 2 | 2 | - | 59 | 59 |

Forecast = Feb 25 Forecast Update

| Tie-In Status | 8-Apr | 15-Apr | 22-Apr | 29-Apr | 6-May | 13-May | 20-May | 27-May | 3-Jun |
|---|---|---|---|---|---|---|---|---|---|
| Forecast | 42 | 42 | 42 | 42 | 42 | 50 | 50 | 42 | - |
| Actual | 28 | 28 | 48 | - | - | - | - | - | - |
| Total Remaining | 409 | 381 | 333 | 333 | 333 | 333 | 333 | 333 | 333 |
| # of Tie In Crews | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 3 |

# Spread 7 – Manhours and Performance (Craft Only)

| Activity | Budget Hours | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 30,000 | 0 | 0 | 36,284 | 36,284 | 36,284 | 1.00 | 1.00 | 36,284 | 6,284 |
| Grading | 19,680 | 0 | 754 | 51,208 | 51,344 | 51,208 | 1.00 | 1.00 | 51,208 | 31,528 |
| Stringing | 23,966 | 1,820 | 1,529 | 37,210 | 35,025 | 37,210 | 1.06 | 1.00 | 37,210 | 13,244 |
| Bending | 14,105 | 520 | 584 | 12,092 | 12,171 | 11,014 | 0.90 | 0.91 | 12,092 | -2,013 |
| Firing Line | 32,966 | 3,120 | 3,058 | 68,162 | 67,239 | 62,117 | 0.92 | 0.91 | 71,282 | 38,316 |
| Coating | 17,520 | 1,235 | 1,270 | 21,832 | 20,244 | 19,571 | 0.97 | 0.90 | 23,067 | 5,547 |
| Ditch | 22,565 | 1,300 | 1,344 | 24,198 | 23,147 | 20,238 | 0.87 | 0.84 | 28,098 | 5,533 |
| Lower In | 19,705 | 1,950 | 2,077 | 31,438 | 31,894 | 25,019 | 0.78 | 0.80 | 37,288 | 17,583 |
| Backfill | 6,638 | 1,235 | 1,361 | 17,354 | 16,399 | 13,390 | 0.82 | 0.77 | 21,059 | 14,421 |
| Tie In | 182,180 | 12,950 | 14,644 | 161,933 | 149,874 | 128,717 | 0.86 | 0.79 | 237,783 | 55,603 |
| Road Crossing | 38,160 | 2,080 | 1,158 | 43,799 | 41,992 | 41,636 | 0.99 | 0.95 | 54,199 | 16,039 |
| Testing | 3,328 | 650 | 888 | 8,604 | 9348 | 0 | 0.00 | 0.00 | 14,454 | 11,126 |
| Clean Up | 60,887 | 2,795 | 1,672 | 15,754 | 9445 | 484 | 0.00 | 0.00 | 60,474 | -413 |
| **Total Progressable Hours** | **471,700** | **29,655** | **30,339** | **529,868** | **504,406** | **446,887** | **0.89** | **0.84** | **684,498** | **212,798** |
| Envrionmental | 131,168 | 5,850 | 4,988 | 120,076 | 113,292 | 0 | | | 151,926 | 20,758 |
| Non Progressable Hours | 245,351 | 9,230 | 9,684 | 259,352 | 257,038 | 0 | | | 320,647 | 75,296 |
| **Total Hours** | **848,219** | **44,735** | **45,011** | **909,296** | **874,736** | **446,887** | **0.89** | **0.84** | **1,157,071** | **308,852** |

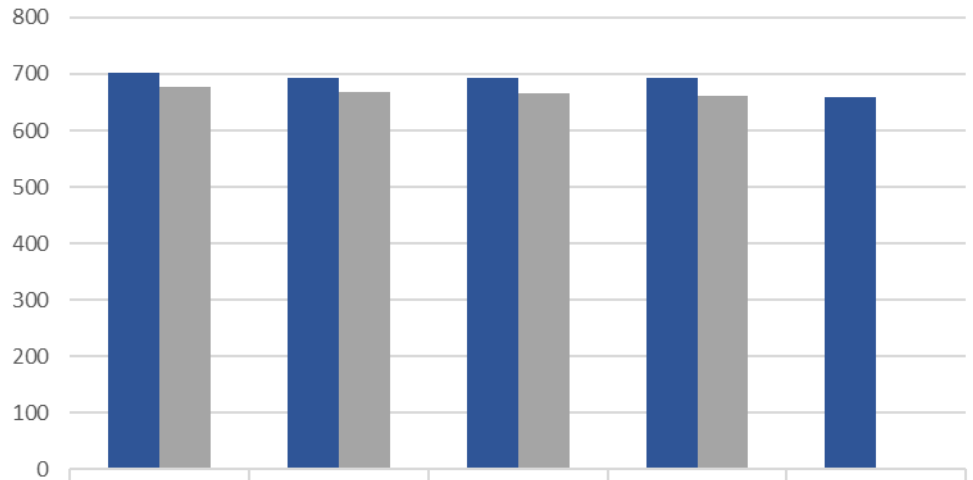
Non progressable includes direct and indirect craft; no Staff/Mgmt Supevision

CPI & SPI calculated on Feb 25 Forecast

Forecast = Feb 25 Forecast Update

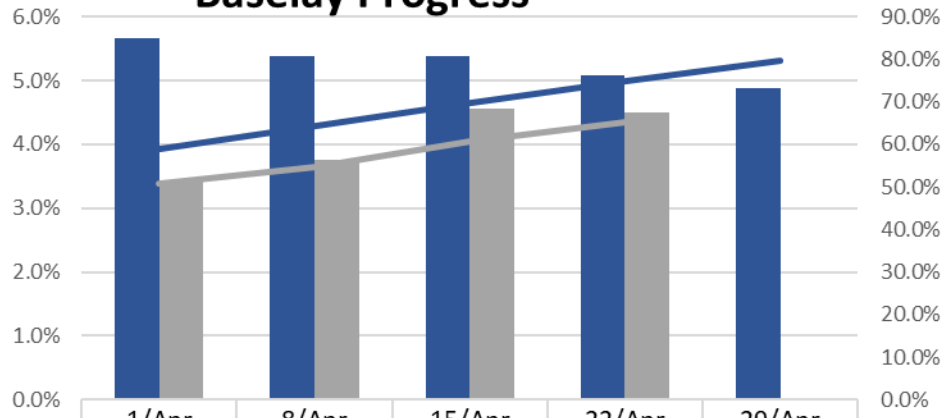
# Spread 7 – Progress and Performance Curves

## Headcount



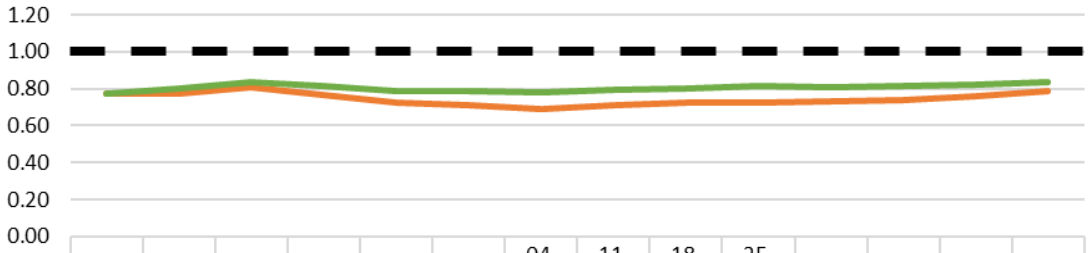

| | Apr-01 | Apr-08 | Apr-15 | Apr-22 | Apr-29 |
|---|---|---|---|---|---|
| Feb 25 Forecast | 702 | 694 | 694 | 694 | 658 |
| Actual | 676 | 669 | 665 | 662 | 0 |

## Baselay Progress




| | 1/Apr | 8/Apr | 15/Apr | 22/Apr | 29/Apr |
|---|---|---|---|---|---|
| Feb 25 Forecast | 5.7% | 5.4% | 5.4% | 5.1% | 4.9% |
| Actual | 3.4% | 3.8% | 4.6% | 4.5% | |
| Feb Forecast Total | 59.0% | 64.4% | 69.7% | 74.8% | 79.7% |
| Actual Total | 50.9% | 54.6% | 60.8% | 65.3% | |

## SPI & CPI - Jan 21




| | 21-Jan | 28-Jan | 04-Feb | 11-Feb | 18-Feb | 25-Feb | 04-Mar | 11-Mar | 18-Mar | 25-Mar | 01-Apr | 08-Apr | 15-Apr | 22-Apr |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.77 | 0.77 | 0.81 | 0.76 | 0.72 | 0.71 | 0.69 | 0.71 | 0.73 | 0.73 | 0.73 | 0.74 | 0.76 | 0.78 |
| CPI | 0.77 | 0.80 | 0.83 | 0.81 | 0.79 | 0.79 | 0.78 | 0.80 | 0.80 | 0.81 | 0.81 | 0.81 | 0.82 | 0.83 |

## SPI & CPI - Feb 25




| | 25-Feb | 04-Mar | 11-Mar | 18-Mar | 25-Mar | 01-Apr | 08-Apr | 15-Apr | 22-Apr |
|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.84 | 0.80 | 0.82 | 0.83 | 0.82 | 0.81 | 0.82 | 0.83 | 0.84 |
| CPI | 0.84 | 0.83 | 0.85 | 0.86 | 0.86 | 0.86 | 0.86 | 0.88 | 0.89 |

# Spread 7 – Change Management

| TREND STATUS | ASR PROJECT | | | Spread 7 | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | TO DATE | | | TO DATE | | | THIS WEEK | | |
| ORIGINAL BUDGET | | $ 454,471,254 | 2,167,574 | 37% | 167,458,844 | 715,826 | | | |
| | Distint Count | TOTAL | Hours | Count | Cost | Hours | Count | Cost | Hours |
| a) Recorded | 47 | $ 6,860,308 | 936 | 14 | $ 1,062,937 | - | 1 | $ - | |
| b) Internal review | 3 | $ 3,404,196 | 6,372 | 1 | $ 192,260 | 960 | | | |
| c) Client Review | 18 | $ 1,824,590 | 4,941 | 16 | $ 1,082,472 | 3,630 | | | |
| d) Approved - Forecast only | 34 | $ 23,378,129 | 131,910 | 21 | $ 11,547,409 | 66,342 | | | |
| e) Revise and Resubmit | 3 | $ 3,980,500 | 36,000 | 2 | $ - | - | | | |
| f) Proceed to EWR | 12 | $ 24,478,769 | 9,103 | 10 | $ 5,425,709 | 9,103 | | | |
| g) EWR Submitted | 16 | $ 15,744,750 | 33,448 | 10 | $ 7,940,609 | 16,430 | | | |
| h) EWR Approved | 8 | $ 7,257,032 | 20,950 | 8 | $ 3,333,567 | 12,612 | 2 | $ 110,217 | |
| **Total Trends** | | $ 86,928,275 | ` | 82 | $ 30,584,963 | | | | |
| z) Cancelled | 49 | | | 22 | $ - | - | | | |
| **CURRENT BUDGET** | | $ 461,728,286 | 2,188,524 | | $ 170,792,411 | 728,438 | | | |
| | | | | | | | | | |
| **CURRENT FORECAST 2/25** | | $ 635,096,334 | 3,337,523 | 38% | $ 240,852,677 | 1,157,071 | | | |
| **VARIANCE to BUDGET** | | $ (173,368,048) | | 40% | $ (70,036,049) | | | | |
| This Week's Activity 4/22/18 | 4 Trends Recorded<br>2 EWR Approved | | | 1 Recorded - LGS Standby<br>2 EWR Approved - SEED Water Haul and Purchase, Cost Adjustment from Trend 87 | | | | | |

# Spread 7 – Cost Summary ($M's)

| Item | Activity | Original Budget A | Approved Changes B | Current Budget C = A+B | Committed to Date D | Incurred to Date E | Pending Trends G | Forecast To Go H = I-E | Current Forecast | Previous Forecast J | Change in Forecast K | Variance from Budget L = I-C |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Direct Labor | $ 54.0 | $ 1.0 | $ 55.1 | $ 57.2 | $ 57.2 | $ 3.2 | $ 16.7 | $ 73.9 | $ 73.9 | $ - | $ 18.8 |
| 2 | Indirect Labor (Craft/Mgmt/Supervision) | $ 14.6 | $ 0.2 | $ 14.7 | $ 11.6 | $ 11.6 | $ - | $ 7.3 | $ 18.9 | $ 18.9 | $ - | $ 4.2 |
| | **Sub Total Labor Cost** | **$ 68.6** | **$ 1.2** | **$ 69.8** | **$ 68.9** | **$ 68.9** | **$ 3.2** | **$ 23.9** | **$ 92.8** | **$ 92.8** | **$ -** | **$ 23.0** |
| 3 | Equipment Fee | $ 34.3 | $ 0.6 | $ 34.9 | $ 33.8 | $ 33.8 | $ 0.9 | $ 12.0 | $ 45.8 | $ 45.8 | $ - | $ 10.9 |
| 4 | Specialty Equipment | $ 0.7 | $ 0.0 | $ 0.8 | $ 3.1 | $ 2.0 | $ - | $ 0.0 | $ 2.0 | $ 2.0 | $ - | $ 1.2 |
| 5 | Materials | $ 9.1 | $ 0.2 | $ 9.2 | $ 11.3 | $ 9.5 | $ 6.5 | $ 4.0 | $ 13.5 | $ 13.5 | $ - | $ 4.3 |
| 6 | Mats | $ 1.2 | $ - | $ 1.2 | $ 5.7 | $ 4.9 | $ 2.1 | $ 0.7 | $ 5.7 | $ 5.7 | $ - | $ 4.5 |
| 7 | Outside Services & Subcontract Cost | $ 31.4 | $ 0.7 | $ 32.0 | $ 56.3 | $ 48.3 | $ 4.3 | $ 10.2 | $ 58.5 | $ 58.5 | $ - | $ 26.5 |
| 8 | Equipment - NTP Delayed | $ 2.4 | $ - | $ 2.4 | $ 2.2 | $ 2.2 | $ - | $ - | $ 2.2 | $ 2.2 | $ - | $ (0.2) |
| 8.1 | Bonds | $ - | $ 0.8 | $ 0.8 | $ 0.8 | $ 0.8 | $ 0.8 | $ - | $ 0.8 | $ 0.8 | $ - | $ - |
| | **Sub Total Project Cost** | **$ 79.1** | **$ 2.2** | **$ 81.3** | **$ 113.2** | **$ 101.4** | **$ 14.5** | **$ 26.9** | **$ 128.4** | **$ 128.4** | **$ -** | **$ 47.1** |
| 10 | Fixed Fee & Profit | $ 19.7 | $ - | $ 19.7 | $ 10.9 | $ 10.9 | $ - | $ 8.8 | $ 19.7 | $ 19.7 | $ - | $ - |
| | **Total Project Cost** | **$ 167.5** | **$ 3.3** | **$ 170.8** | **$ 193.0** | **$ 181.1** | **$ 17.7** | **$ 59.7** | **$ 240.9** | **$ 240.9** | **$ -** | **$ 70.1** |

# Spread 7 – Critical Issues

| Critical Issues | Mitigation |
|---|---|
| Protestors interference at the HDD site. | Welded has requested additional security measures be taken by Williams at the HDD site. Our HDD subcontractor plans to leave the site for the day when protestors arrive. Welded and Southeast would prefer a full time police presence. |
| Welded has mobilized a restoration contractor and is awaiting final direction for seed mixtures. The CD will not allow Williams to be released of their obligations because a landowner doesn't want anything on their property. | Williams has tasked it's land department to finalize the requirements for each landowner. Agricultural/farm lands currently call for no fertilizer/lime/seed/mulch.<br><br>These issues have continued to be raised since January. Trend is being developed. |
| The Amtrak Railroad bore permit is not ready and could take 30-60 days for approval after submittal. Approval of the first submittal is not guaranteed and any revisions are subject to the same review period. | Welded is assisting Williams in providing construction plans for the Amtrak engineering reviewing.<br><br>Welded has submitted all of the documents 4/10/18. |
| I-76 Bore Variance<br>Welded has plans to turn our bore crew into a tie in crew to maintain schedule. | As co-permittees Welded needs to have representation on the weekly conference calls with the agencies to help explain and expedite these variances.<br><br>Welded plans to subcontract the bore to allow Welded crew to tie-in. |
| | |

# EXHIBIT 14

## ASR Overall Weekly Progress 07-29

# Atlantic Sunrise Pipeline Project Spread 5 Progress Report

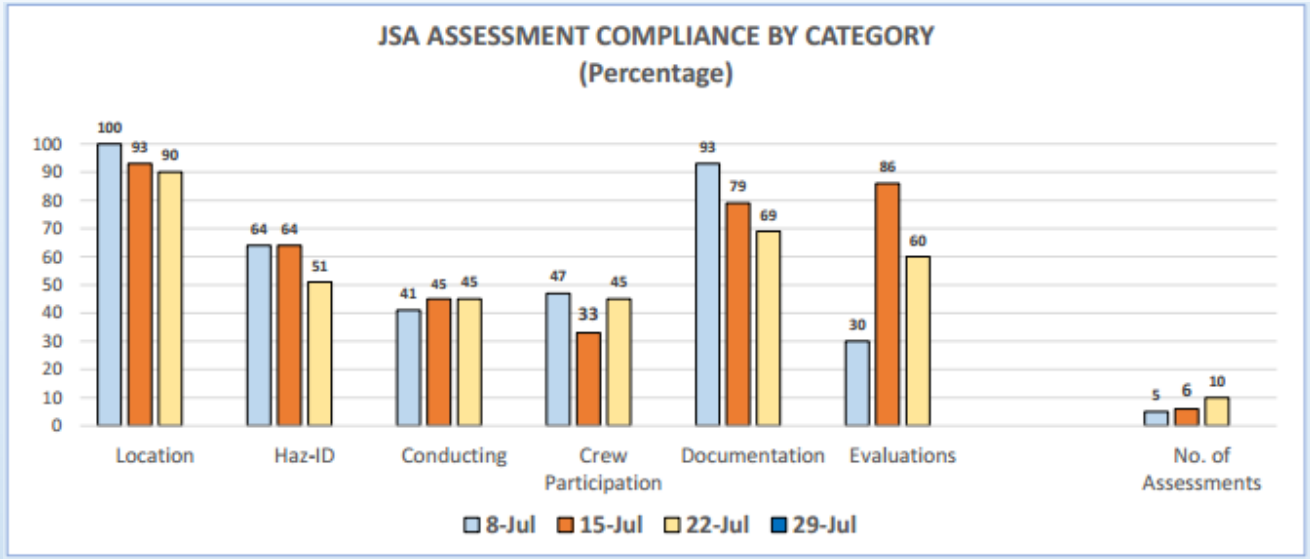
Week Ending 29-July-18

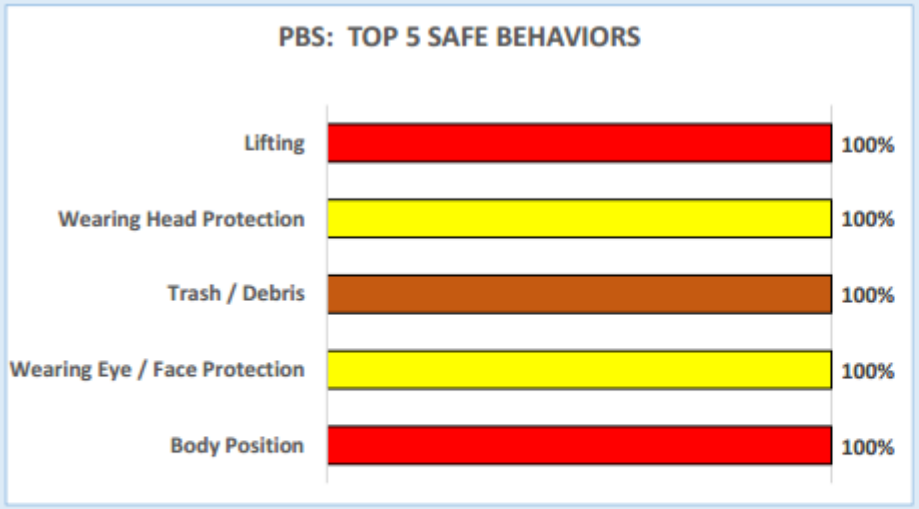
# SPREAD 5 Safety

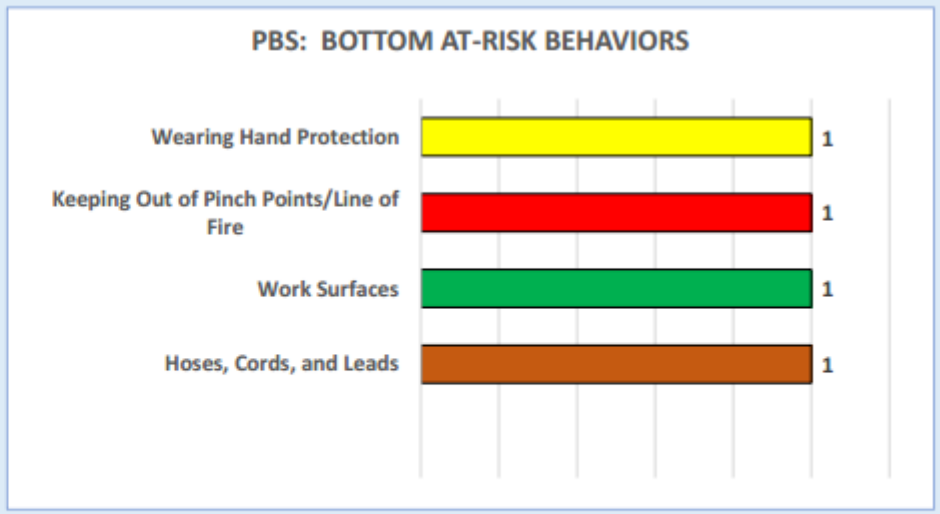
| Number of Incidents | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 | 3 | 66 | 26 | 72 | 29 | 7 | 2 | 34 |

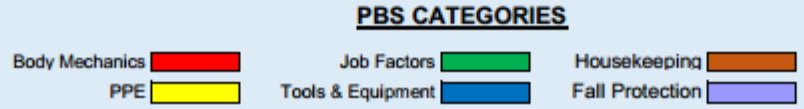
| Incident Rates | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0.00 | 0.17 | 0.52 | 11.40 | 4.49 | 12.44 | 5.01 | 1.21 | 0.35 | 5.87 |

| | Weekly Hours | Monthly Hours | Project Hours | Total Headcount |
|---|---|---|---|---|
| **Welded** | 17,752 | 113,513 | 1,027,803 | 379 |
| **Subcontractors** | 2,180 | 9,209 | 129,649 | 57 |
| **Total** | 19,932 | 122,722 | 1,157,452 | 436 |



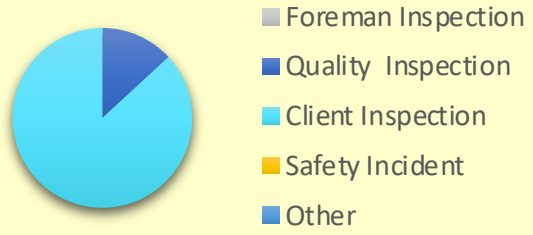



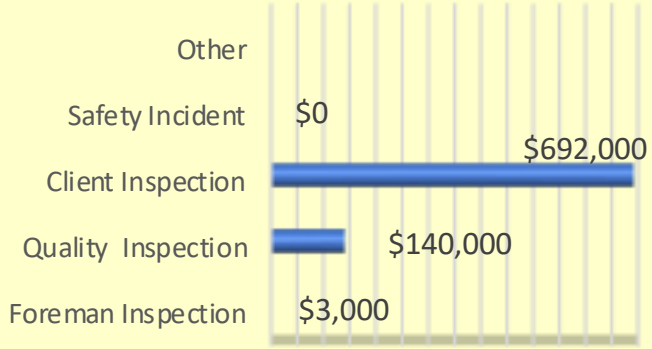
# SPREAD 5 - Quality Assurance

## Spread 5 - Quality Assurance

### Non Conformance Issues




### Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 10.50% |
| Field Joint Coating Rejection Rate | 0.00% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | - | 72 |
| Closed | - | 72 |
| **Remaining Open** | | - |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | - | 38 |
| Closed | 1 | 38 |
| **Remaining Open** | | - |

**Notes: Inclement weather – Heavy Rain. No restoration, but crews lowered in 1500', completing 9 welds and one road bore.**

Repair rate w/o TIs: 6.8%

# Spread 5 – Environmental

1. Environmental Compliance
   - NCRs and NOVs from current period: Williams Issued :
   - FERC / Williams issued Non Compliance Reports (NCRs) and Notices of Violations (NOVs) from previous reporting periods:
     - Waterbody and Wetland crossing – Mahantango Creek (Williams Issued)
     - Missing Waterbars (Williams Issued)
     - FERC issued NCR issued for mixing subsoil and topsoil
     - FERC issued an NCR (MP 93.1) for disturbing 50' stream buffers
     - In-stream work outside the TOYR
     - Work within 50 foot buffer
     - Not following construction sequence at the AR, Road Specific Construction Sequence (RSCS) for Access Road AR-NO-082s for:
     - Columbia CCD issued NOVs for:
       1. Failure to implement effective E&S Best Management Practices (BMPs).
       2. Failure to comply with permit conditions.
       3. Sediment or other pollutant was discharged into waters of the Commonwealth.
     - Site conditions present a potential for pollution to waters of the Commonwealth.
     - Material off the right-of-way
     - Incomplete water bar installation
     - Improper waterbody crossing sequence @ HQ/EV UNT to Mugser Run WW-T31-11001
     - Improper waterbody crossing sequence @ HQ/EV UNT to Mugser Run WW-T31-11001 – 2/23/18
     - Follow up inspection for activities not being completed @ HQ/EV UNT to Mugser Run WW-T31-11001- 3/01/18
     - FERC issued: EV-2843 – Pine Swamp – Dewatering and Erosion and Sediment Control
     - Williams issued NCR – Incomplete Stream Restoration
     - Noncompliance EV-2843 issued 13-Mar-18 for dewatering and erosion and sediment controls between MP 94.25 and 94.5.
     - Williams issued noncompliance for parking off ROW.
     - Two FERC non-compliances were issued; 2 are under dispute by Williams' Environmental Department for slope breakers missing during construction hours.
     - NCR issued for subsoil pushed onto topsoil pile during saturated water bar removal
     - FERC Issued: Lack of/inadequate secondary containment.
     - Improper dewatering and inadequate secondary containment.

2. Environmental Concerns
   - NA
3. Listing of variance requests outstanding

# Spread 5 – March Chart




Bat restricted area

# Spread 5 – Weekly Impacts

| Activity | Variance to Forecast | 23-Jul Monday | 24-Jul Tuesday | 25-Jul Wednesday | 26-Jul Thursday | 27-Jul Friday | 28-Jul Saturday | 29-Jul Sunday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | | |
| Grading | - | | | | | | | | |
| Stringing | - | Rain out | Rain out | Rain out | | | | | |
| Bending | - | Rain out | Rain out | Rain out | Rain out | | | | |
| Firing Line | - | | | | | | | | |
| Coating | - | | | | | | | | |
| Ditch | - | Rain out | Rain out | Rain out | Rain out | Rain out | | | |
| Lower In | - | Rain out | Rain out | Rain out | Rain out | Rain out | | | |
| Backfill | - | Rain out | Rain out | Rain out | Rain out | Rain out | | | |
| Tie In | - | Rain out | Rain out | Rain out | 5 of 6 RO | 5 of 6 RO | | | |
| Hill | - | Rain out | Rain out | Rain out | 2 or 3 RO | 2 or 3 RO | | | |
| Road Crossing | - | Rain out | Rain out | Rain out | Rain out | | | | |
| Testing | - | Rain out | Rain out | Rain out | Rain out | | | | |
| Clean Up | - | Rain out | Rain out | Rain out | Rain out | Rain out | Rain out | Rain out | |
| Restoration | - | Rain out | Rain out | Rain out | Rain out | Rain out | Rain out | Rain out | |

# Spread 5 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 29-Jul | | | Cumulative | | | To Go |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast | |
| Clearing | lf | 90,990 | 100.0% | - | - | - | 90,990 | 90,990 | - | - |
| Grading | lf | 90,990 | 100.0% | - | - | - | 90,990 | 90,990 | - | - |
| Stringing | lf | 90,990 | 98.8% | 200 | 200 | - | 89,890 | 89,890 | - | 1,100 |
| Bending | lf | 90,990 | 98.8% | 200 | 200 | - | 89,890 | 89,890 | - | 1,100 |
| Firing Line | lf | 74,690 | 100.0% | - | - | - | 74,690 | 74,690 | - | - |
| Coating | lf | 74,690 | 100.0% | - | - | - | 74,690 | 74,690 | - | - |
| Ditch | lf | 74,690 | 96.3% | 124 | 124 | - | 71,902 | 71,902 | - | 2,788 |
| Lower In | lf | 74,690 | 93.9% | 1,108 | 1,108 | - | 70,107 | 70,107 | - | 4,583 |
| Backfill | lf | 74,690 | 89.5% | 541 | 541 | - | 66,818 | 66,818 | - | 7,872 |
| Tie In | ea. | 627 | 92.0% | 9 | 9 | - | 577 | 577 | - | 50 |
| Hill | lf | 16,300 | 91.1% | 961 | 961 | - | 14,847 | 14,847 | - | 1,453 |
| Road Crossing | lf | 1,086 | 91.7% | 91 | 91 | - | 996 | 996 | - | 90 |
| Testing | lf | 90,990 | 29.1% | - | - | - | 26,500 | 26,500 | - | 64,490 |
| Clean Up | lf | 90,990 | 23.3% | - | - | - | 21,176 | 21,176 | - | 69,814 |
| Restoration | lf | 90,990 | 19.5% | - | - | - | 17,767 | 17,767 | - | 73,223 |

Progress forecast refreshed to match remaning work

| Tie-In Status | 15-Jul | 22-Jul | 29-Jul | 5-Aug | 12-Aug | 19-Aug | 26-Aug | 2-Sep | 9-Sep |
|---|---|---|---|---|---|---|---|---|---|
| Forecast | 20 | 19 | 3 | 21 | 21 | 11 | - | - | - |
| Actual | 30 | 21 | 9 | - | - | - | - | - | - |
| Total Remaining | 83 | 62 | 53 | 53 | 53 | 53 | 53 | 53 | 53 |
| # of Tie In Crews | 9 | 9 | 9 | 9 | 9 | 3 | 3 | 3 | - |

| | Scope | Amount complete by End of August | |
|---|---|---|---|
| | | Linear Feet | Percent Complete |
| Clean up | 90,990 | 47,936 | 53% |
| Restoration | 90,990 | 44,527 | 49% |

# Spread 5 – Manhours and Performance (Craft Only)

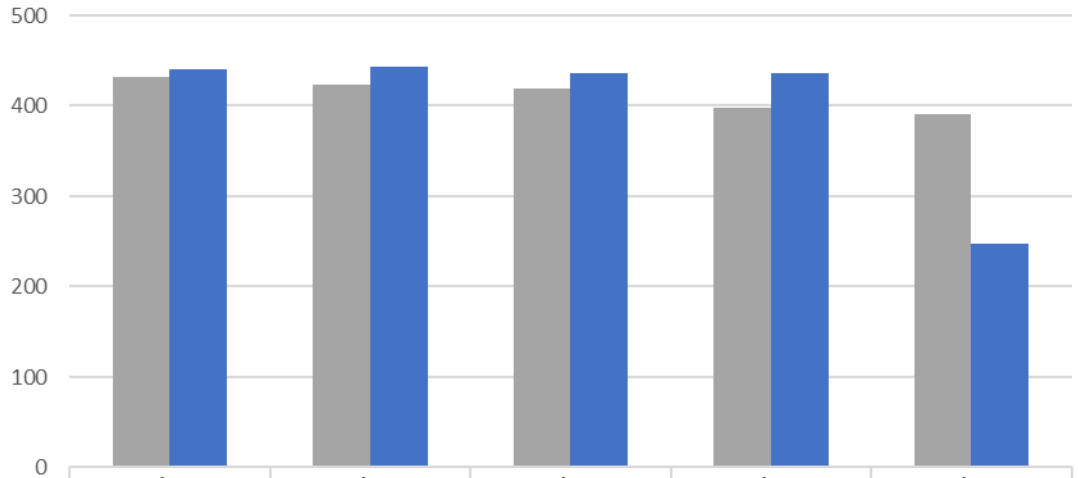
| Activity | Jan 21 Forecast | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 46,571 | 0 | 0 | 44,712 | 45,047 | 46,571 | 1.03 | 1.00 | 44,712 | -1,859 |
| Grading | 38,471 | 0 | 0 | 35,684 | 35,684 | 38,471 | 1.08 | 1.00 | 35,684 | -2,787 |
| Stringing | 35,447 | 195 | 305 | 29,457 | 29,728 | 35,018 | 1.18 | 1.19 | 29,652 | -5,795 |
| Bending | 16,143 | 195 | 188 | 16,065 | 15,885 | 15,948 | 1.00 | 0.99 | 16,260 | 117 |
| Firing Line | 68,408 | 1,014 | 652 | 88,817 | 88,757 | 68,408 | 0.77 | 1.00 | 90,169 | 21,761 |
| Coating | 21,559 | 0 | 298 | 25,431 | 25,733 | 21,559 | 0.84 | 1.00 | 25,431 | 3,872 |
| Ditch | 20,188 | 0 | 0 | 9,506 | 9,506 | 19,434 | 2.04 | 2.04 | 9,506 | -10,682 |
| Lower In | 23,760 | 0 | 0 | 28,994 | 28,994 | 22,302 | 0.77 | 0.77 | 28,994 | 5,234 |
| Backfill | 15,425 | 0 | 494 | 26,817 | 26,931 | 13,799 | 0.51 | 0.51 | 26,817 | 11,392 |
| Tie In | 110,344 | 2,535 | 3,168 | 182,460 | 185,099 | 101,545 | 0.55 | 0.56 | 187,530 | 77,186 |
| Hill | 78,520 | 2,535 | 3,565 | 89,785 | 83,603 | 71,521 | 0.86 | 0.80 | 94,855 | 16,335 |
| Road Crossing | 28,847 | 0 | 814 | 41,133 | 42,199 | 26,456 | 0.63 | 0.64 | 41,133 | 12,286 |
| Testing | 15,446 | 1,716 | 1,032 | 14916 | 15392 | 4,499 | 0.29 | 0.30 | 18,348 | 2,902 |
| Clean Up | 37,362 | 2,184 | 355 | 22349 | 18696 | 8,695 | 0.47 | 0.39 | 37,637 | 275 |
| **Total Progressable Hours** | **556,491** | **10,374** | **10,871** | **656,125** | **651,254** | **494,226** | **0.76** | **0.75** | **686,727** | **130,236** |
| Envrionmental | 113,642 | 3,575 | 4,258 | 139,955 | 141,602 | 0 | | | 157,115 | 43,473 |
| Non Progressable Hours | 227,994 | 3,575 | 3,013 | 235,950 | 236,306 | 0 | | | 254,293 | 26,299 |
| **Total Hours** | **898,127** | **17,524** | **18,142** | **1,032,030** | **1,029,162** | **494,226** | **0.76** | **0.75** | **1,098,135** | **200,008** |

Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

CPI & SPI calculated on Jan 21 Forecast

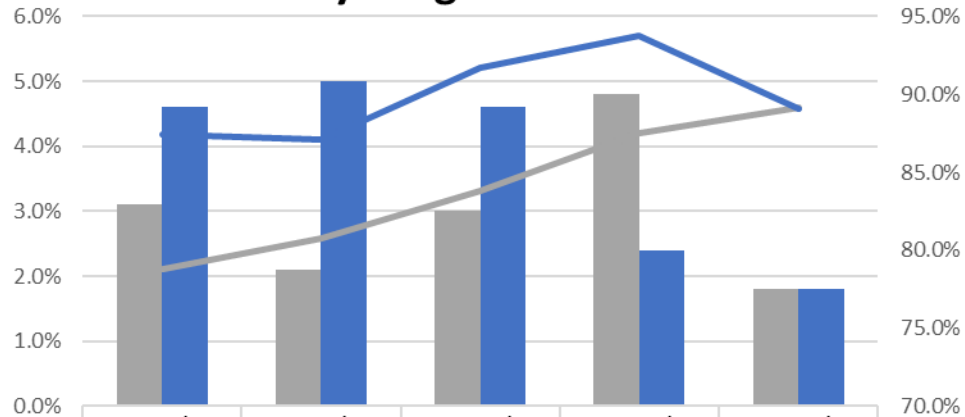
# Spread 5 – Progress and Performance Curves

## Head Count



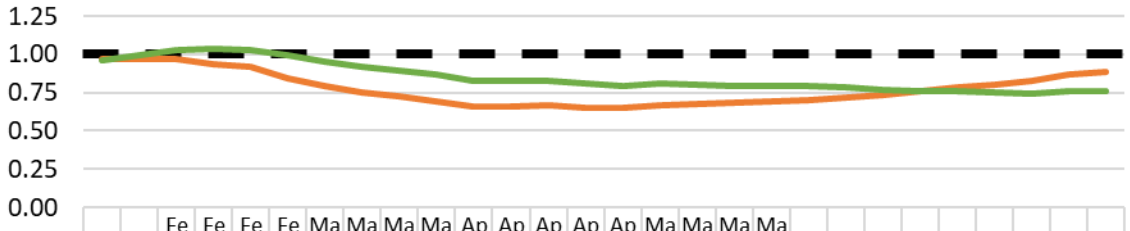

| | Jul-01 | Jul-08 | Jul-15 | Jul-22 | Jul-29 |
|---|---|---|---|---|---|
| Actual | 432 | 424 | 419 | 398 | 390 |
| Forecast | 440 | 443 | 436 | 436 | 248 |

## Baselay Progress




| | 1-Jul | 8-Jul | 15-Jul | 22-Jul | 29-Jul |
|---|---|---|---|---|---|
| Actual | 3.1% | 2.1% | 3.0% | 4.8% | 1.8% |
| Forecast | 4.6% | 5.0% | 4.6% | 2.4% | 1.8% |
| Actual Total | 78.8% | 80.8% | 83.8% | 87.5% | 89.2% |
| Forecast Total | 87.4% | 87.1% | 91.7% | 93.8% | 89.1% |

## SPI & CPI - Jan 21




| | Jan-21 | Jan-28 | Feb-04 | Feb-11 | Feb-18 | Feb-25 | Mar-04 | Mar-11 | Mar-18 | Mar-25 | Apr-01 | Apr-08 | Apr-15 | Apr-22 | Apr-29 | May-06 | May-13 | May-20 | May-27 | Jun-03 | Jun-10 | Jun-17 | Jun-24 | Jul-01 | Jul-08 | 15-Jul | 22-Jul | 29-Jul |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.8 | 0.8 | 0.7 | 0.7 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.8 | 0.8 | 0.8 | 0.8 |
| CPI | 0.9 | 1.0 | 1.0 | 1.0 | 1.0 | 0.9 | 0.9 | 0.9 | 0.9 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.7 | 0.8 | 0.8 | 0.8 | 0.8 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 |

## SPI & CPI - April 22




| | Apr-22 | Apr-29 | May-06 | May-13 | May-20 | May-27 | Jun-03 | Jun-10 | Jun-17 | Jun-24 | Jul-01 | Jul-08 | 15-Jul | 22-Jul | 29-Jul |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| CPI | 0.92 | 0.91 | 0.93 | 0.93 | 0.93 | 0.93 | 0.93 | 0.93 | 0.93 | 0.92 | 0.91 | 0.90 | 0.90 | 0.90 | 0.90 |
| SPI | 0.91 | 0.90 | 0.92 | 0.91 | 0.90 | 0.90 | 0.90 | 0.90 | 0.90 | 0.91 | 0.91 | 0.90 | 0.90 | 0.92 | 0.93 |

# Spread 5 – Critical Issues

| Critical Issues | Mitigation | Need by Date (CP) | Test Section |
|---|---|---|---|
| Lack of defined procedure for re-accessing ROW after clean-up for anomaly digs | | | ALL |
| 17” of rain since 7-21-18. Wide spread flooding along the ROW footprint. Multiple bridge crossings washed away. Loss of previously restored ROW. | Waiting to evaluate the full impact of ~6 day of rain | | |

# Atlantic Sunrise Pipeline Project Spread 6 Progress Report

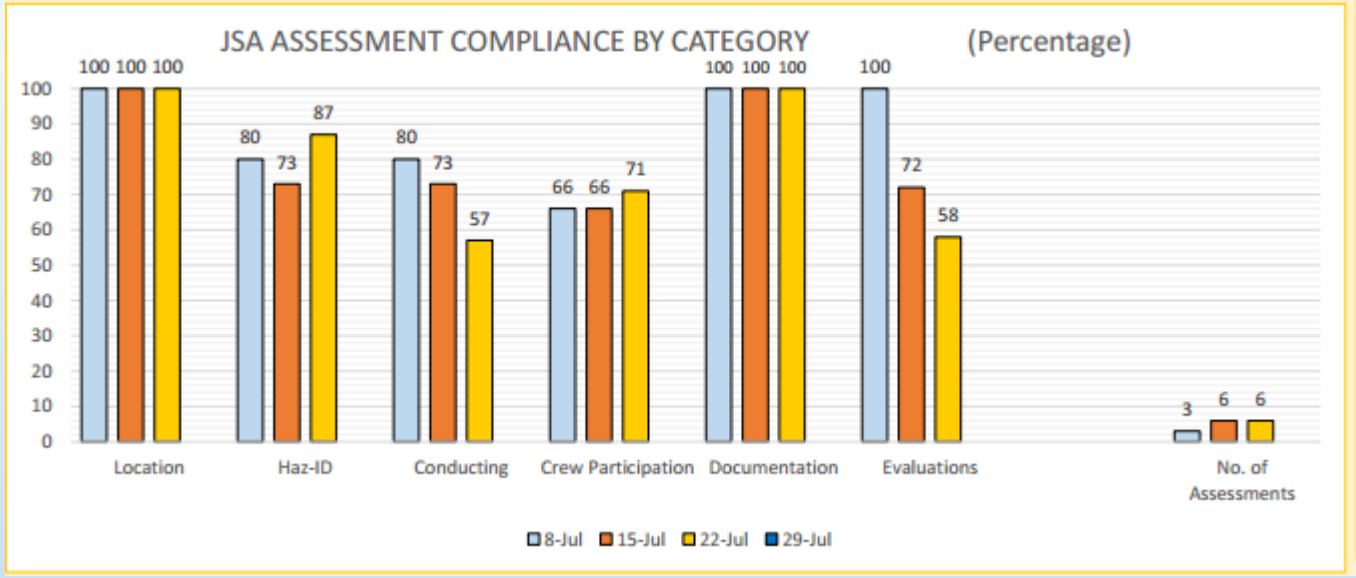
Week Ending 29-July-18

# SPREAD 6 - Safety

| Number of Incidents | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0 | 1 | 6 | 66 | 29 | 83 | 22 | 4 | 2 | 20 |

| Incident Rates | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0.00 | 0.15 | 0.90 | 9.92 | 4.36 | 12.47 | 3.31 | 0.60 | 0.30 | 3.01 |

| | Weekly Hours | Monthly Hours | Project Hours | Total Headcount |
|---|---|---|---|---|
| Welded | 8,119 | 116,414 | 1,187,711 | 510 |
| Subcontractors | 536 | 2,605 | 143,367 | 35 |
| Total Hours | 8,655 | 119,019 | 1,331,078 | 545 |




## PBS: TOP 5 SAFE BEHAVIORS

## PBS: BOTTOM 5 BEHAVIORS

Due to weather Spread 6 did not receive good catch-near miss cards or observations and didn't have any incidents.

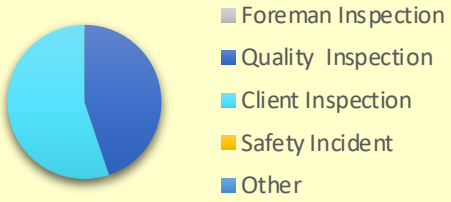
**PBS CATEGORIES**

Body Mechanics | Job Factors | Housekeeping
PPE | Tools & Equipment | Fall Protection

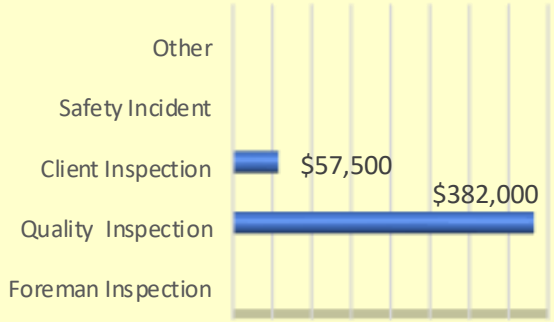
# SPREAD 6 - Quality Assurance

## Spread 6 - Quality Assurance

### Non Conformance Issues




### Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 8.11% |
| Field Joint Coating Rejection Rate | 0.15% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | - | 48 |
| Closed | - | 48 |
| **Remaining Open** | | - |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | - | 29 |
| Closed | - | 29 |
| **Remaining Open** | | - |

Notes: Rain Out.

# Spread 6 – Environmental

1. Environmental Compliance
   - Non compliance from current period: None
   - Notifications from current period: None
   - Non compliance from previous periods:
     - Clearing outside of LOD at Fort Swatara Yard;
     - ROW lacking temporary stabilization south of SR0322
     - Improper waterbody crossing (2593+91)
     - Improper construction methods while installing bridge equipment crossing – Forge Creek
     - Installing skids within a delineated waterway – 4015+00
     - Sediment was discharged into waters 0f the Commonwealth – UNT to Conewego Creek (2002+00)
     - Improper Waterbody Crossing Work Sequence - UNT to Pine Creek (WW-T20-9001) (4099+00)
     - Inadequate Interim Stabilization station 2152+00 and 2247+00 (S.Forge Road/Horseshoe Pike)
     - Improper Wetland Crossing Techniques 4005+99 to 4009+27
     - Sediment into Resource (2243+13)
     - Improper wetland Restoration (4161+77 to 4177+00)
     - Sediment into a wetland (4161+77 to 4177+00)
     - Stream Buffer Impacts and out of sequence work
     - Sediment off LOD 4150+30-4258+20 and 4221+50-4224+00
     - Sediment off LOD 3175+00 – 3728+00
     - Sediment off LOD 3785+00 – 3794+00
     - Soil Mixing 2276+00
     - Sedimentation to a Waterbody 2195+41
     - Failure to restore in a residential area within 10 days
     - Darkwoods Road and Stream Crossing

2. Environmental Concerns
   - Not having all landowners agreeing to allow dewatering off LOD
   - Decompaction
   - Recent severe rain events
3. Listing of variance requests outstanding
     - Retrieval of Sediment off LOD at Summit 3715+00-3728+00 (PA-SC-040.000, PA-SC-042.000, PA-SC-041.000)
     - FERC approval of rock disposal site in Annville (Fox property)
     - Restore Landowners Pond – PA-LE-183.300
     - Retrieval of Material outside of LOD - 4166+00 to 4169+00
     - Retrieval of mats - 3156+00 - 3159+00

# Spread 6 – March Chart



# Spread 6 – Weekly Impacts

| Activity | Variance to Forecast | 23-Jul Monday | 24-Jul Tuesday | 25-Jul Wednesday | 26-Jul Thursday | 27-Jul Friday | 28-Jul Saturday | 29-Jul Sunday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | | |
| Grading | - | | | | | | | | |
| Stringing | - | | | | | | | | |
| Bending | - | | | | | | | | |
| Firing Line | - | | | | | | | | |
| Coating | - | | | | | | | | |
| Ditch | - | | | | | | | | |
| Lower In | - | | | | | | | | |
| Backfill | - | | | | | | | | |
| Tie In | - | Rained Out | Rained Out | Rained Out | Shut Down | Shut Down | Shut Down | | |
| Road Crossing | - | Rained Out | Rained Out | Rained Out | Shut Down | Shut Down | Shut Down | | |
| Testing | - | Rained Out | Rained Out | Rained Out | Shut Down | Shut Down | Shut Down | | |
| Clean Up | - | Rained Out | Rained Out | Rained Out | Shut Down | Shut Down | Shut Down | | |
| Restoration | - | Rained Out | Rained Out | Rained Out | Shut Down | Shut Down | Shut Down | | |

# Spread 6 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 29-Jul | | | Cumulative | | | To Go |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast | |
| Clearing | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Grading | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Stringing | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Bending | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Firing Line | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Coating | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Ditch | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Lower In | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Backfill | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Tie In | ea | 1,067 | 90.5% | - | - | - | 966 | 966 | - | 101 |
| Road Crossing | lf | 4,073 | 99.3% | - | - | - | 4,043 | 4,043 | - | 30 |
| Testing | lf | 217,779 | 32.0% | - | - | - | 69,659 | 69,659 | - | 148,120 |
| Clean Up | lf | 217,779 | 16.0% | - | - | - | 34,913 | 34,913 | - | 182,866 |
| Restoration | lf | 217,779 | 13.6% | - | - | - | 29,704 | 29,704 | - | 188,075 |

| Tie-In Status | 15-Jul | 22-Jul | 29-Jul | 5-Aug | 12-Aug | 19-Aug | 26-Aug | 2-Sep | 9-Sep |
|---|---|---|---|---|---|---|---|---|---|
| Forecast | 61 | 61 | - | 51 | 50 | - | - | - | - |
| Actual | 59 | 70 | - | - | - | - | - | - | - |
| Total Remaining | 171 | 101 | 101 | 101 | 101 | 101 | 101 | 101 | 101 |
| # of Tie In Crews | 11 | 11 | 11 | 9 | 9 | 3 | 3 | 3 | - |

Progress forecast refreshed to match remaning work

| | Scope | Amount complete by End of August | |
|---|---|---|---|
| | | Linear Feet | Percent Complete |
| Clean up | 217,779 | 118,913 | 55% |
| Restoration | 217,779 | 113,704 | 52% |

# Spread 6 – Manhours and Performance (Craft Only)

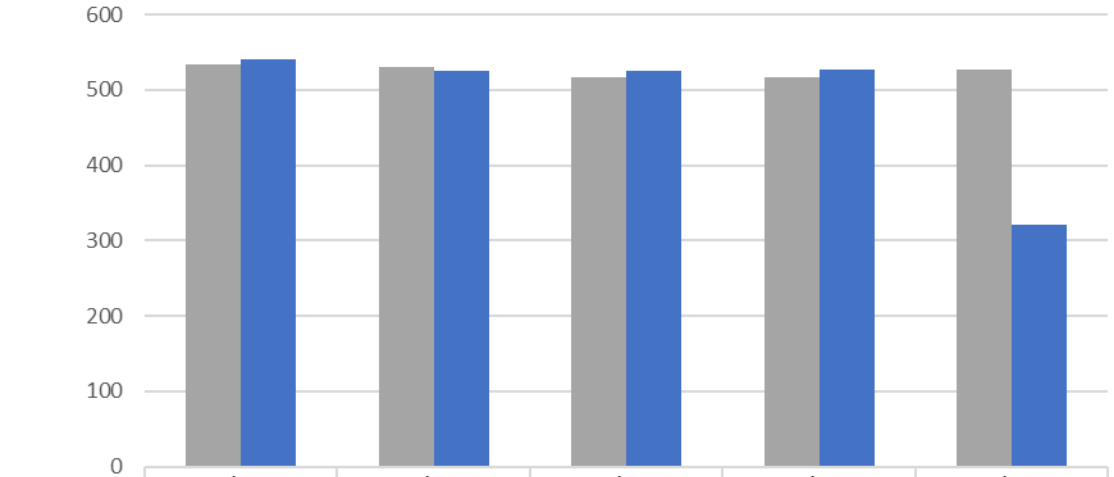
| Activity | Jan 21 Forecast | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 61,466 | 0 | 0 | 64,348 | 64,348 | 61,466 | 0.96 | 1.00 | 64,348 | 2,882 |
| Grading | 22,377 | 0 | 0 | 26,368 | 26,368 | 22,377 | 0.85 | 1.00 | 26,368 | 3,991 |
| Stringing | 29,578 | 0 | 0 | 26,751 | 26,503 | 29,578 | 1.12 | 1.00 | 26,751 | -2,827 |
| Bending | 14,824 | 0 | 0 | 13,487 | 13,301 | 14,824 | 1.11 | 1.00 | 13,487 | -1,337 |
| Firing Line | 58,798 | 0 | 0 | 62,189 | 62,189 | 58,798 | 0.95 | 1.00 | 62,189 | 3,391 |
| Coating | 29,699 | 0 | 0 | 34,011 | 33,639 | 29,699 | 0.88 | 1.00 | 34,011 | 4,312 |
| Ditch | 27,798 | 0 | 0 | 30,478 | 31,338 | 27,798 | 0.89 | 1.00 | 30,478 | 2,680 |
| Lower In | 34,007 | 0 | 0 | 40,161 | 45,241 | 34,007 | 0.75 | 1.00 | 40,161 | 6,154 |
| Backfill | 19,895 | 434 | 168 | 29,121 | 31,862 | 19,895 | 0.62 | 1.00 | 29,121 | 9,226 |
| Tie In | 217,106 | 5,850 | 3,518 | 362,322 | 346,856 | 196,555 | 0.57 | 0.54 | 385,722 | 168,616 |
| Road Crossing | 86,450 | 2,028 | 466 | 100,234 | 100,354 | 85,813 | 0.86 | 0.86 | 101,560 | 15,110 |
| Testing | 19,344 | 1,872 | 628 | 15,384 | 15,968 | 6,187 | 0.39 | 0.40 | 21,936 | 2,592 |
| Clean Up | 58,714 | 2,294 | 648 | 27,059 | 25,244 | 9,413 | 0.37 | 0.35 | 45,411 | -13,303 |
| **Total Progressable Hours** | **680,056** | **12,478** | **5,428** | **831,913** | **823,211** | **596,411** | **0.72** | **0.72** | **881,543** | **201,487** |
| Envrionmental | 153,578 | 3,472 | 1,768 | 143,248 | 142,909 | 0 | | | 162,902 | 9,324 |
| Non Progressable Hours | 321,618 | 4,674 | 1,859 | 312,795 | 311,319 | 0 | | | 332,475 | 10,857 |
| **Total Hours** | **1,155,252** | **20,624** | **9,055** | **1,287,956** | **1,277,439** | **596,411** | **0.72** | **0.72** | **1,376,920** | **221,668** |

Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

CPI & SPI calculated on Jan 21 Forecast

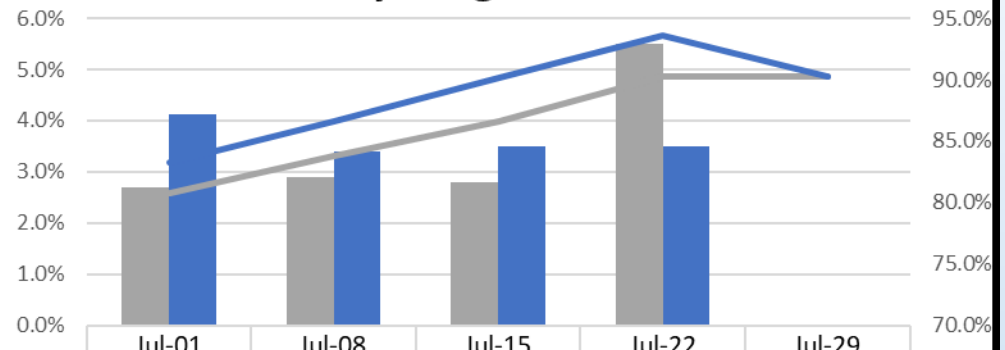
# Spread 6 Progress & Performance Curves

## Headcount



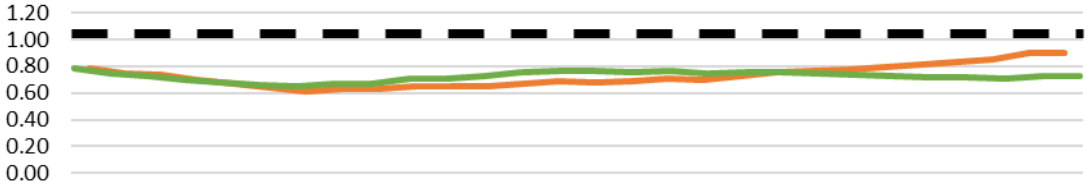

| | Jul-01 | Jul-08 | Jul-15 | Jul-22 | Jul-29 |
|---|---|---|---|---|---|
| Actual | 533 | 530 | 516 | 517 | 526 |
| Forecast | 540 | 525 | 525 | 527 | 321 |

## Baselay Progress



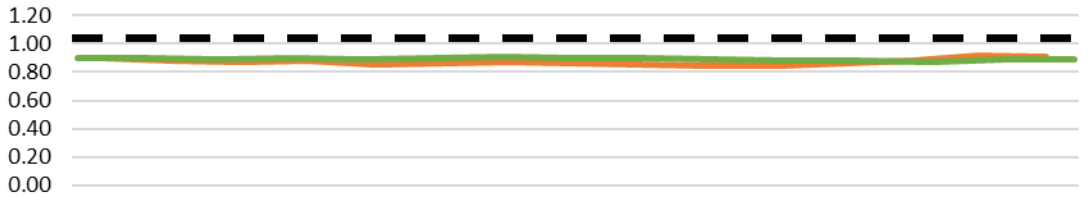

| | Jul-01 | Jul-08 | Jul-15 | Jul-22 | Jul-29 |
|---|---|---|---|---|---|
| Actual | 2.7% | 2.9% | 2.8% | 5.5% | 0.0% |
| Forecast | 4.1% | 3.4% | 3.5% | 3.5% | 0.0% |
| Actual Total | 80.8% | 83.8% | 86.6% | 90.3% | 90.3% |
| Forecast Total | 83.2% | 86.6% | 90.1% | 93.6% | 90.3% |

## SPI & CPI - Jan 21




| | 21-Jan | 28-Jan | 4-Feb | 11-Feb | 18-Feb | 25-Feb | 4-Mar | 11-Mar | 18-Mar | 25-Mar | 1-Apr | 8-Apr | 15-Apr | 22-Apr | 29-Apr | 6-May | 13-May | 20-May | 27-May | 3-Jun | 10-Jun | 17-Jun | 24-Jun | 1-Jul | 8-Jul | 15-Jul | 22-Jul | 29-Jul |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.7 | 0.7 | 0.7 | 0.7 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.8 | 0.8 | 0.8 | 0.9 | 0.9 |
| CPI | 0.7 | 0.7 | 0.7 | 0.7 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 |

## SPI & CPI - April 22




| | 22-Apr | 29-Apr | 6-May | 13-May | 20-May | 27-May | 3-Jun | 10-Jun | 17-Jun | 24-Jun | 1-Jul | 8-Jul | 15-Jul | 22-Jul | 29-Jul |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.90 | 0.88 | 0.87 | 0.88 | 0.85 | 0.86 | 0.87 | 0.86 | 0.85 | 0.85 | 0.85 | 0.86 | 0.88 | 0.92 | 0.91 |
| CPI | 0.90 | 0.89 | 0.89 | 0.90 | 0.89 | 0.90 | 0.91 | 0.90 | 0.89 | 0.89 | 0.88 | 0.88 | 0.87 | 0.89 | 0.89 |

# Spread 6 – Critical Issues

| Critical Issues | Mitigation | Need By Date (CP) | Test Section |
|---|---|---|---|
| Decompaction & Rock Picking | Difference from Guidance and interpretation in the field | Holding up restoration | |
| Critical Rain Event | Waiting to evaluate the full impact of ~6 day of rain | | |

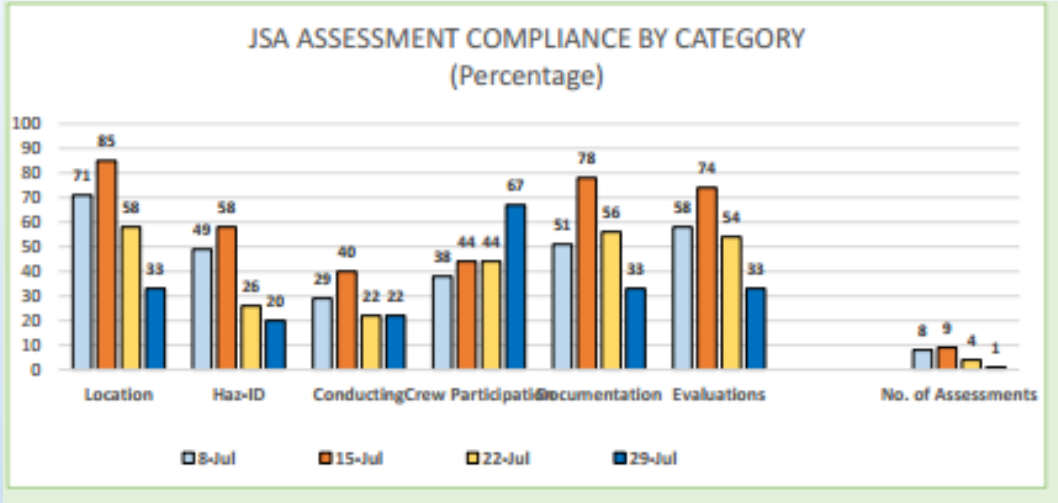
# Atlantic Sunrise Pipeline Project Spread 7 Progress Report

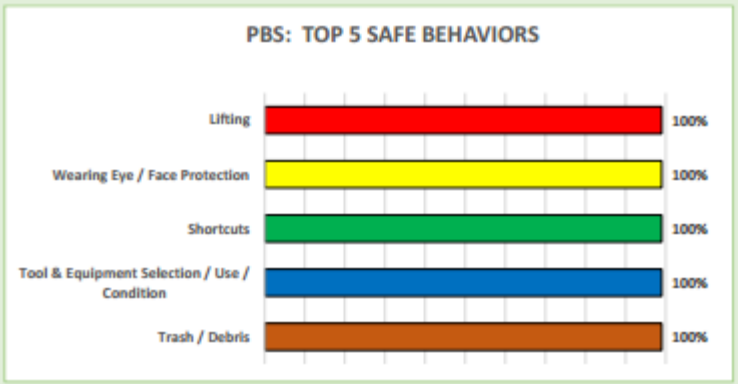
Week Ending 29-July-18

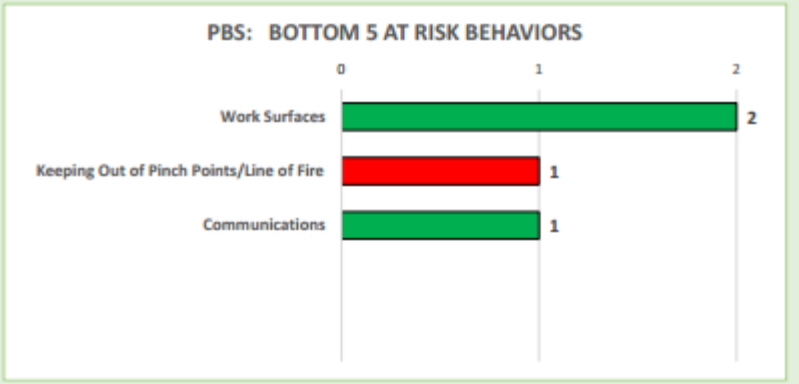
# SPREAD 7 Safety

| TOTAL PROJECT INCIDENTS | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
| Number of Incidents | 0 | 0 | 4 | 63 | 30 | 92 | 3 | 5 | 4 | 60 |
| Incident Rates | 0.00 | 0.00 | 0.50 | 7.89 | 3.76 | 11.52 | 0.38 | 0.63 | 0.50 | 7.52 |

| | Total Weekly Hours | Total Monthly Hours | Total Project Hours | Total Head Count |
|---|---|---|---|---|
| Welded | 13,397 | 106,000 | 1,362,187 | 350 |
| Subcontractors | 1,965 | 13,482 | 234,479 | 84 |
| Total | 15,362 | 119,482 | 1,596,666 | 434 |



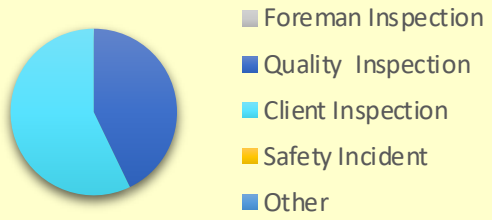



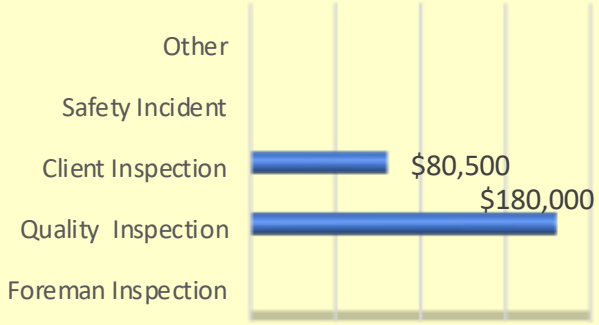



# Spread 7 - Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 2.43% |
| Field Joint Coating Rejection Rate | 0.00% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 1 | 167 |
| Closed | 1 | 167 |
| **Remaining Open** | | - |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | - | 14 |
| Closed | 1 | 14 |
| **Remaining Open** | | - |

**Notes: Rain out. Inspected ROW for storm damage.**

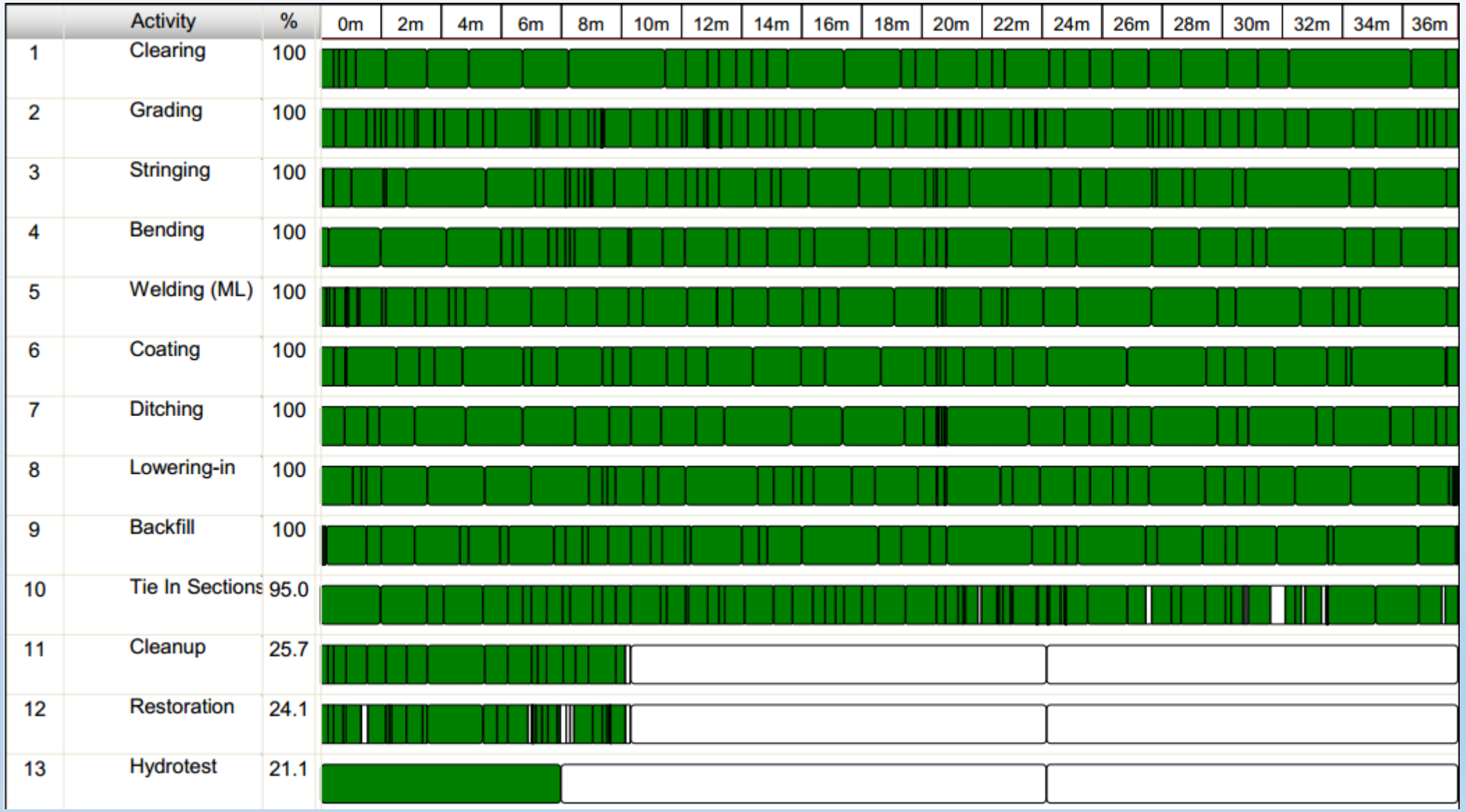
# Spread 7 – Environmental

Environmental Compliance

- Non compliance from current period – None
- Non compliance from previous periods:
  - Topsoil mixing
  - Avoiding air stations
  - 50’ buffer encroachment
  - Not installing air stations
  - 3 x Water bar installation
  - Failure to install ECD

2. Environmental Concerns
   - None
3. Listing of variance requests outstanding
   - N/A

# Spread 7 – March Chart



# Spread 7 – Weekly Impacts

| Activity | Variance to Forecast | 23-Jul Monday | 24-Jul Tuesday | 25-Jul Wednesday | 26-Jul Thursday | 27-Jul Friday | 28-Jul Saturday | 29-Jul Sunday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | | |
| Grading | - | | | | | | | | |
| Stringing | - | | | | | | | | |
| Bending | - | | | | | | | | |
| Firing Line | - | | | | | | | | |
| Coating | - | | | | | | | | |
| Ditch | - | | | | | | | | |
| Lower In | - | | | | | | | | |
| Backfill | - | | | | | | | | |
| Tie In | - | Rain Out | Rain Out | Rain Out | Rain Out | Rain Out | Rain Out | Rain Out | |
| Road Crossing | - | Rain Out | Rain Out | Rain Out | Rain Out | Rain Out | Rain Out | Rain Out | |
| Testing | - | | | Rain Out | Rain Out | Rain Out | Rain Out | Rain Out | |
| Clean Up | - | Rain Out | Rain Out | Rain Out | Rain Out | Rain Out | Rain Out | Rain Out | |
| Restoration | - | Rain Out | Rain Out | Rain Out | Rain Out | Rain Out | Rain Out | Rain Out | |

# Spread 7 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 29-Jul | | | Cumulative | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast | To Go |
| Clearing | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Grading | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Stringing | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Bending | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Firing Line | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Coating | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Ditch | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Lower In | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Backfill | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Tie In | ea | 1,200 | 95% | - | - | - | 1,140 | 1,140 | - | 60 |
| Road Crossing | lf | 3,444 | 100% | - | - | - | 3,444 | 3,444 | - | - |
| Testing | lf | 199,896 | 21% | - | - | - | 42,212 | 42,212 | - | 157,684 |
| Clean Up | lf | 199,896 | 26% | - | - | - | 51,300 | 51,300 | - | 148,596 |
| Restoration | lf | 199,896 | 24% | - | - | - | 48,079 | 48,079 | - | 151,817 |

Progress forecast refreshed to match remaning work

| Tie-In Status | 15-Jul | 22-Jul | 29-Jul | 5-Aug | 12-Aug | 19-Aug | 26-Aug | 2-Sep | 9-Sep |
|---|---|---|---|---|---|---|---|---|---|
| Forecast | 36 | 25 | - | 23 | 23 | 7 | - | - | - |
| Actual | 56 | 34 | - | - | - | - | - | - | - |
| Total Remaining | 87 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 |
| # of Tie In Crews | 8 | 8 | 5 | 4 | 4 | 2 | - | - | - |

| | Scope | Amount complete by End of August | |
|---|---|---|---|
| | | Linear Feet | Percent Complete |
| Clean up | 199,896 | 118,800 | 59% |
| Restoration | 199,896 | 115,579 | 58% |

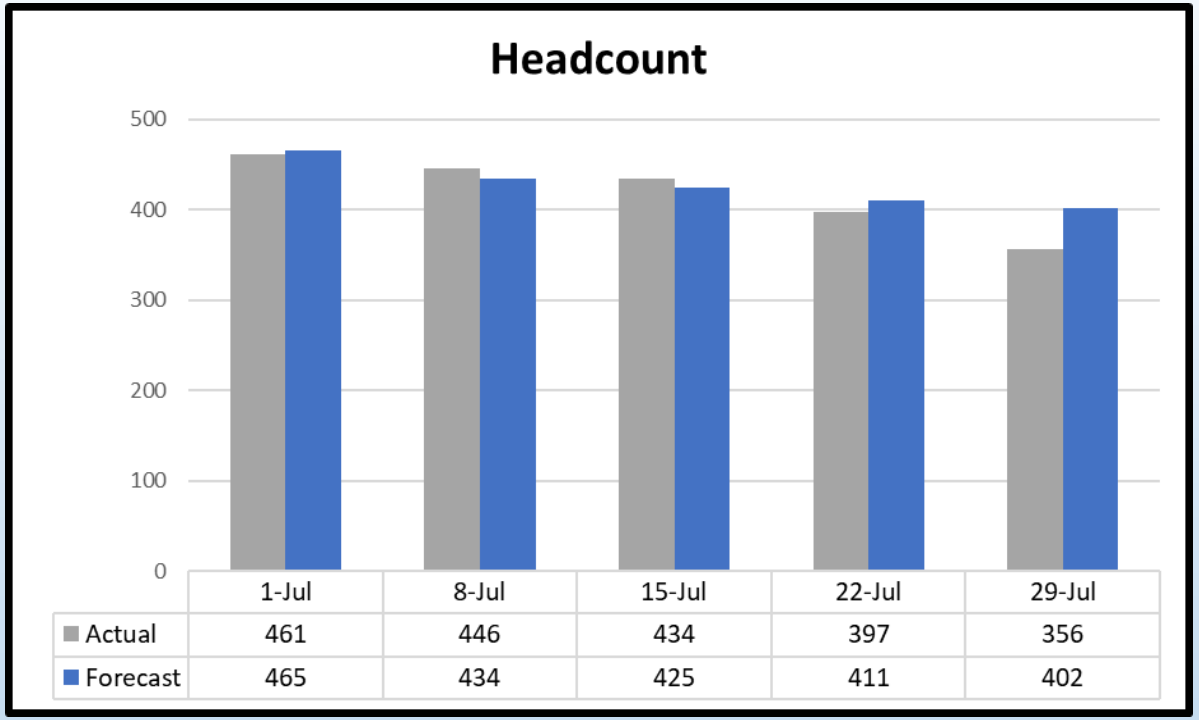
# Spread 7 – Manhours and Performance (Craft Only)

| Activity | Jan 21 Forecast | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 36,284 | 0 | 0 | 36,284 | 36,284 | 36,284 | 1.00 | 1.00 | 36,284 | 0 |
| Grading | 46,122 | 0 | 0 | 51,264 | 51,264 | 46,122 | 0.90 | 1.00 | 51,264 | 5,142 |
| Stringing | 34,364 | 0 | 0 | 36,091 | 36,091 | 34,364 | 0.95 | 1.00 | 36,091 | 1,727 |
| Bending | 10,297 | 0 | 0 | 12,822 | 12,822 | 10,297 | 0.80 | 1.00 | 12,822 | 2,525 |
| Firing Line | 66,964 | 0 | 0 | 73,568 | 73,568 | 66,964 | 0.91 | 1.00 | 73,568 | 6,604 |
| Coating | 22,002 | 0 | 0 | 23,052 | 23,052 | 22,002 | 0.95 | 1.00 | 23,052 | 1,050 |
| Ditch | 25,029 | 0 | 0 | 29,332 | 29,332 | 25,029 | 0.85 | 1.00 | 29,332 | 4,303 |
| Lower In | 35,328 | 0 | 0 | 44,232 | 44,232 | 35,328 | 0.80 | 1.00 | 44,232 | 8,904 |
| Backfill | 20,080 | 0 | 0 | 24,779 | 24,779 | 20,080 | 0.81 | 1.00 | 24,779 | 4,699 |
| Tie In | 227,443 | 14,800 | 6,152 | 391,926 | 393,250 | 216,071 | 0.55 | 0.55 | 398,942 | 171,499 |
| Road Crossing | 50,326 | 910 | 213 | 52,843 | 52,150 | 50,326 | 0.97 | 0.95 | 54,332 | 4,006 |
| Testing | 15,764 | 910 | 676 | 24,651 | 25222 | 3,329 | 0.13 | 0.14 | 26,340 | 10,576 |
| Clean Up | 66,495 | 1,820 | 2,036 | 34,030 | 38421 | 17,065 | 0.44 | 0.50 | 55,814 | -10,681 |
| **Total Progressable Hours** | **656,498** | **18,440** | **9,077** | **834,874** | **840,467** | **583,261** | **0.69** | **0.70** | **866,852** | **210,354** |
| Envrionmental | 130,487 | 2,340 | 2,640 | 172,205 | 173,166 | 0 | | | 187,012 | 56,525 |
| Non Progressable Hours | 310,901 | 5,525 | 3,891 | 340,104 | 334,227 | 0 | | | 358,436 | 47,535 |
| **Total Hours** | **1,097,886** | **26,305** | **15,608** | **1,347,183** | **1,347,860** | **583,261** | **0.69** | **0.70** | **1,412,300** | **314,414** |

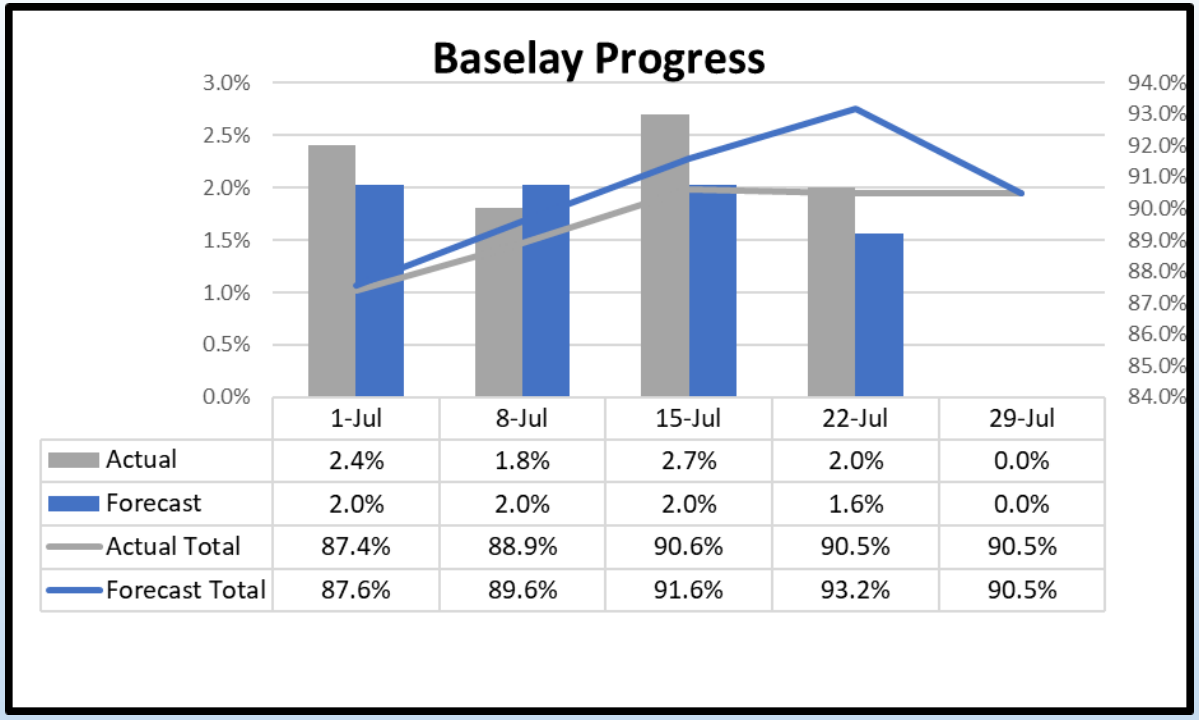
Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

CPI & SPI calculated on Jan 21 Forecast

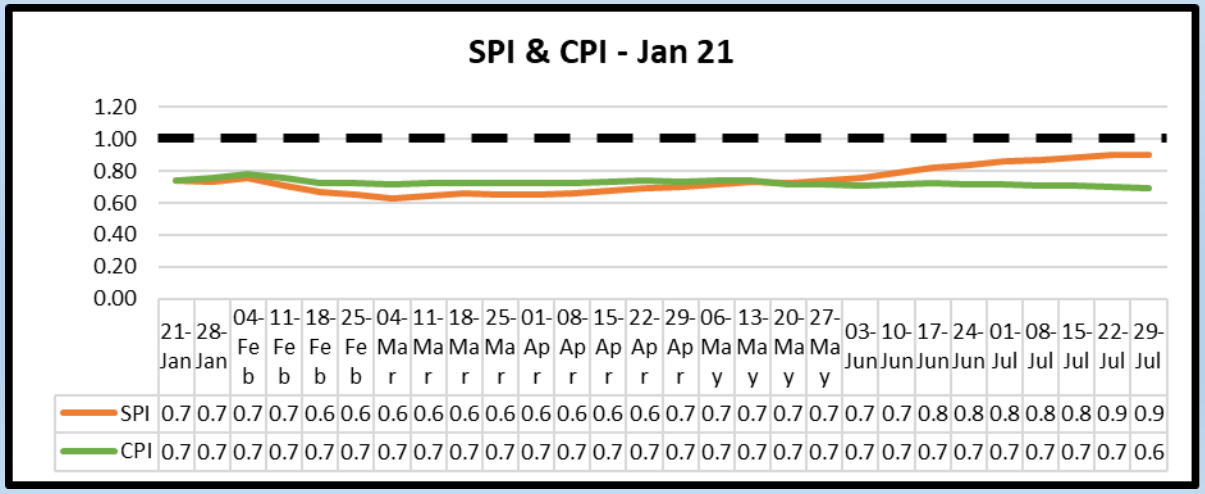
# Spread 7 – Progress and Performance Curves



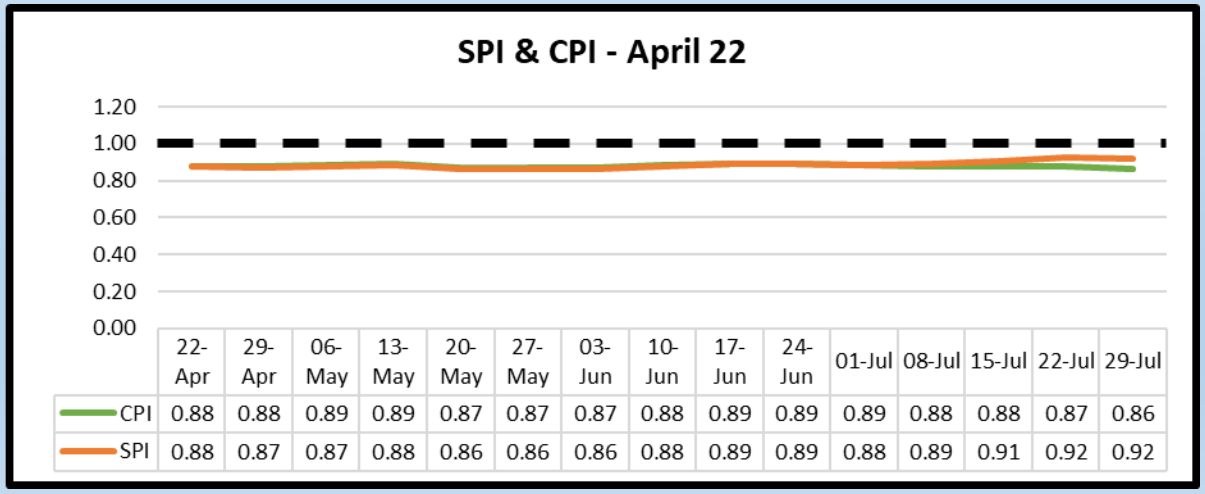

| | 1-Jul | 8-Jul | 15-Jul | 22-Jul | 29-Jul |
|---|---|---|---|---|---|
| Actual | 461 | 446 | 434 | 397 | 356 |
| Forecast | 465 | 434 | 425 | 411 | 402 |




| | 1-Jul | 8-Jul | 15-Jul | 22-Jul | 29-Jul |
|---|---|---|---|---|---|
| Actual | 2.4% | 1.8% | 2.7% | 2.0% | 0.0% |
| Forecast | 2.0% | 2.0% | 2.0% | 1.6% | 0.0% |
| Actual Total | 87.4% | 88.9% | 90.6% | 90.5% | 90.5% |
| Forecast Total | 87.6% | 89.6% | 91.6% | 93.2% | 90.5% |




| | 21-Jan | 28-Jan | 04-Feb | 11-Feb | 18-Feb | 25-Feb | 04-Mar | 11-Mar | 18-Mar | 25-Mar | 01-Apr | 08-Apr | 15-Apr | 22-Apr | 29-Apr | 06-May | 13-May | 20-May | 27-May | 03-Jun | 10-Jun | 17-Jun | 24-Jun | 01-Jul | 08-Jul | 15-Jul | 22-Jul | 29-Jul |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.7 | 0.7 | 0.7 | 0.7 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.9 | 0.9 |
| CPI | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.6 |




| | 22-Apr | 29-Apr | 06-May | 13-May | 20-May | 27-May | 03-Jun | 10-Jun | 17-Jun | 24-Jun | 01-Jul | 08-Jul | 15-Jul | 22-Jul | 29-Jul |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| CPI | 0.88 | 0.88 | 0.89 | 0.89 | 0.87 | 0.87 | 0.87 | 0.88 | 0.89 | 0.89 | 0.89 | 0.88 | 0.88 | 0.87 | 0.86 |
| SPI | 0.88 | 0.87 | 0.87 | 0.88 | 0.86 | 0.86 | 0.86 | 0.88 | 0.89 | 0.89 | 0.88 | 0.89 | 0.91 | 0.92 | 0.92 |

# Spread 7 – Critical Issues

| Critical Issues | Mitigation | Need by Date (CP) | Test Section |
|---|---|---|---|
| Welded is monitoring any changes to the land owner restoration list or new requirements requested in the field. | Williams has tasked it's land department to finalize the requirements for each landowner. | ASAP | n/a |
| Seeding mix changed late after restoration completed (individual tracts) | | | |
| Critical Rain Event | Waiting to evaluate the full impact of ~6 day of rain | | |

# EXHIBIT 15

## ASR Overall Weekly Progress 08-26

# Atlantic Sunrise Pipeline Project
# Spread 5 Progress Report

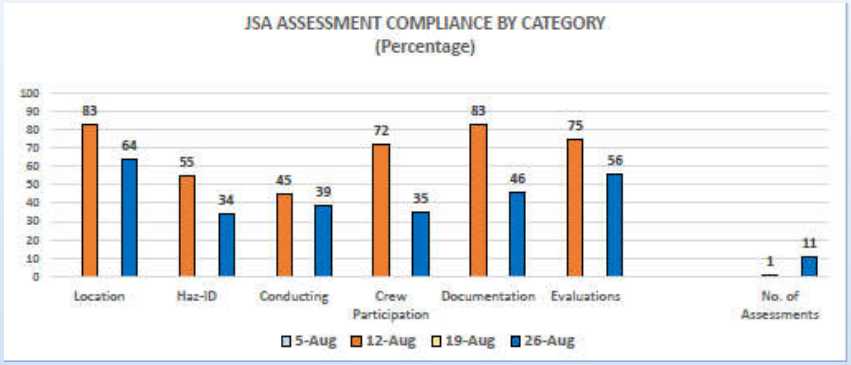
Week Ending 26-August-18

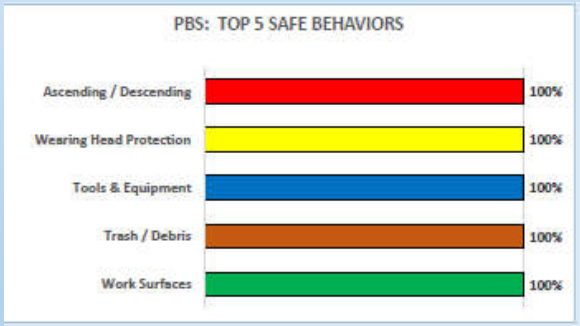
# SPREAD 5 - Safety

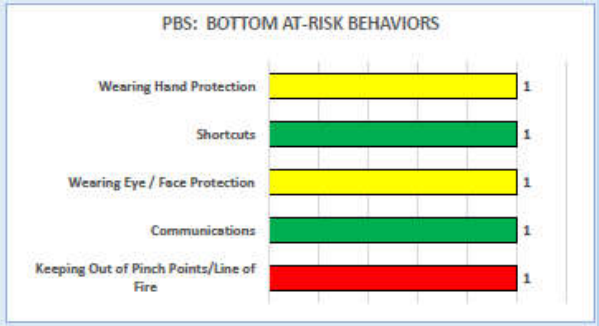
| Number of Incidents | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 | 3 | 68 | 27 | 81 | 31 | 7 | 2 | 35 |

| Incident Rates | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0.00 | 0.15 | 0.44 | 9.88 | 3.92 | 11.77 | 4.51 | 1.02 | 0.29 | 5.09 |

| | Weekly Hours | Monthly Hours | Project Hours | Total Headcount |
|---|---|---|---|---|
| **Welded** | 23,627 | 101,538 | 1,231,620 | 283 |
| **Subcontractors** | 2,289 | 7,365 | 144,378 | 44 |
| **Total** | 25,916 | 108,903 | 1,375,998 | 327 |



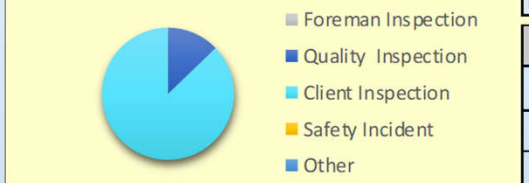



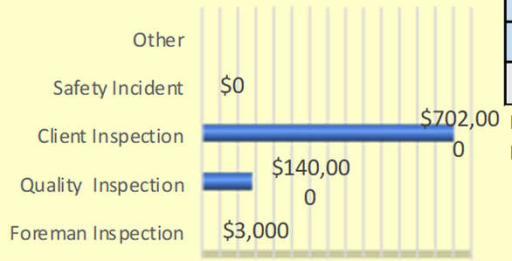






## SPREAD 5 - Quality Assurance

### Spread 5 - Quality Assurance




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 10.19% |
| Field Joint Coating Rejection Rate | 0.00% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | - | 72 |
| Closed | - | 72 |
| Remaining Open | | - |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | 1 | 39 |
| Closed | - | 38 |
| Remaining Open | | 1 |

**Notes: Zero Observations, One new NCR at Industrial Rd. – Installing pipe on rock/rocks in ditch.**

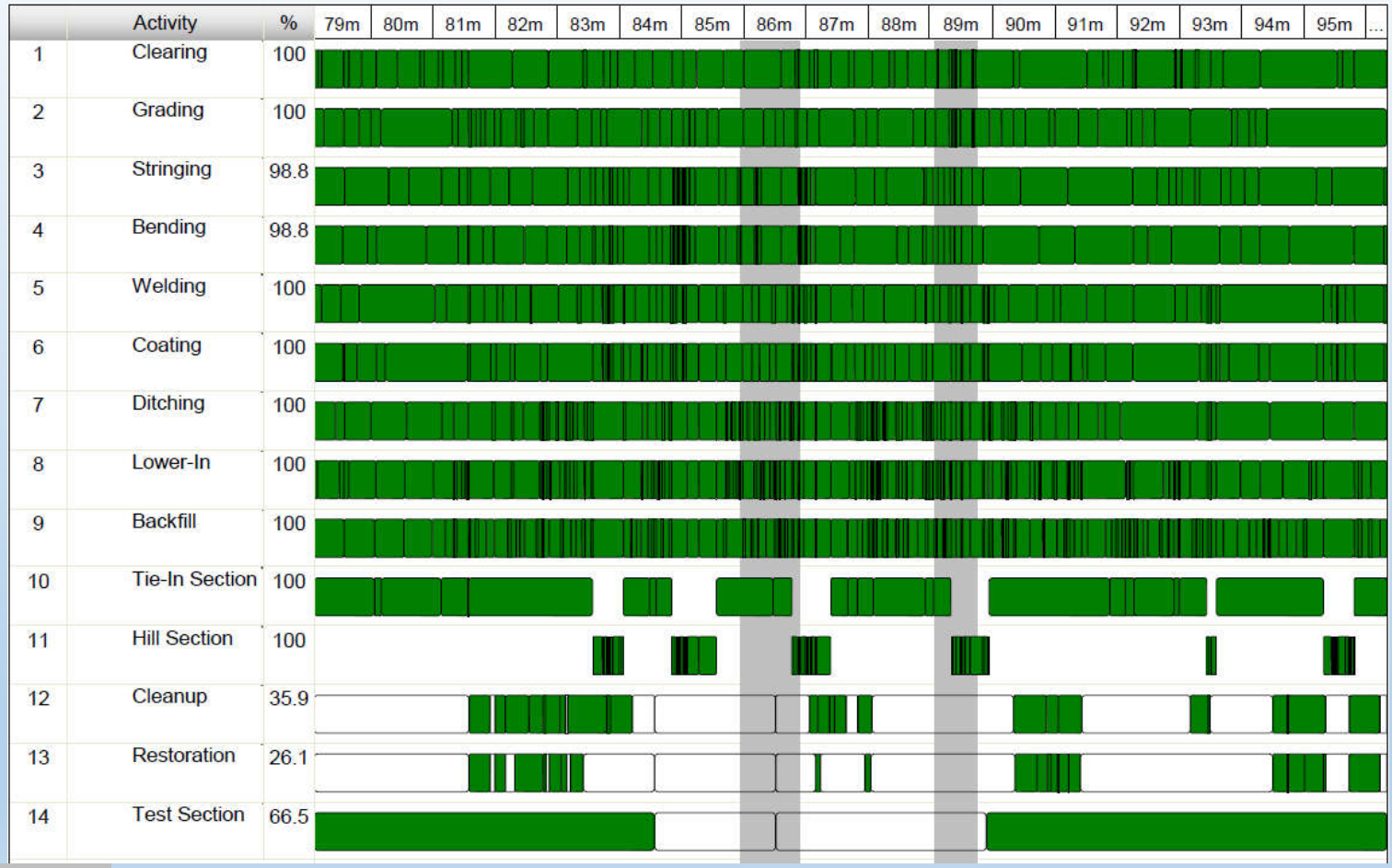
Repair rate w/o TIs: 6.8%

# Spread 5 – Environmental

1. Environmental Compliance
   - NCRs and NOVs from current period: Williams Issued :
   - FERC / Williams issued Non Compliance Reports (NCRs) and Notices of Violations (NOVs) from previous reporting periods:
     - Waterbody and Wetland crossing – Mahantango Creek (Williams Issued)
     - Missing Waterbars (Williams Issued)
     - FERC issued NCR issued for mixing subsoil and topsoil
     - FERC issued an NCR (MP 93.1) for disturbing 50' stream buffers
     - In-stream work outside the TOYR
     - Work within 50 foot buffer
     - Not following construction sequence at the AR, Road Specific Construction Sequence (RSCS) for Access Road AR-NO-082s for:
     - Columbia CCD issued NOVs for:
       1. Failure to implement effective E&S Best Management Practices (BMPs).
       2. Failure to comply with permit conditions.
       3. Sediment or other pollutant was discharged into waters of the Commonwealth.
     - Site conditions present a potential for pollution to waters of the Commonwealth.
     - Material off the right-of-way
     - Incomplete water bar installation
     - Improper waterbody crossing sequence @ HQ/EV UNT to Mugser Run WW-T31-11001
     - Improper waterbody crossing sequence @ HQ/EV UNT to Mugser Run WW-T31-11001 – 2/23/18
     - Follow up inspection for activities not being completed @ HQ/EV UNT to Mugser Run WW-T31-11001- 3/01/18
     - FERC issued: EV-2843 – Pine Swamp – Dewatering and Erosion and Sediment Control
     - Williams issued NCR – Incomplete Stream Restoration
     - Noncompliance EV-2843 issued 13-Mar-18 for dewatering and erosion and sediment controls between MP 94.25 and 94.5.
     - Williams issued noncompliance for parking off ROW.
     - Two FERC non-compliances were issued; 2 are under dispute by Williams' Environmental Department for slope breakers missing during construction hours.
     - NCR issued for subsoil pushed onto topsoil pile during saturated water bar removal
     - FERC Issued: Lack of/inadequate secondary containment.
     - Improper dewatering and inadequate secondary containment.

2. Environmental Concerns
   - NA
3. Listing of variance requests outstanding
   - None

## Spread 5 – March Chart




Bat restricted area

## Spread 5 – Weekly Impacts

| Activity | Variance to Forecast | 20-Aug Monday | 21-Aug Tuesday | 22-Aug Wednesday | 23-Aug Thursday | 24-Aug Friday | 25-Aug Saturday | 26-Aug Sunday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | | |
| Grading | - | | | | | | | | |
| Stringing | - | | | | | | | | |
| Bending | - | | | | | | | | |
| Firing Line | - | | | | | | | | |
| Coating | - | | | | | | | | |
| Ditch | 165 | | | | | | | | |
| Lower In | 2,780 | | | | | | | | |
| Backfill | 3,503 | | | | | | | | |
| Tie In | 16 | | | | | | | | |
| Hill | 85 | | | | | | | | |
| Road Crossing | - | | | | | | | | |
| Testing | (28,178) | | | | | | | | |
| Clean Up | (5,225) | | | Rained Out | wet conditions | | | | |
| Restoration | (3,575) | | | Rained Out | wet conditions | | | | |

# Spread 5 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 26-Aug | | | Cumulative | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast | To Go |
| Clearing | lf | 90,990 | 100.0% | - | - | - | 90,990 | 90,990 | - | - |
| Grading | lf | 90,990 | 100.0% | - | - | - | 90,990 | 90,990 | - | - |
| Stringing | lf | 90,990 | 100.0% | - | - | - | 90,990 | 90,990 | - | - |
| Bending | lf | 90,990 | 100.0% | - | - | - | 90,990 | 90,990 | - | - |
| Firing Line | lf | 74,690 | 100.0% | - | - | - | 74,690 | 74,690 | - | - |
| Coating | lf | 74,690 | 100.0% | - | - | - | 74,690 | 74,690 | - | - |
| Ditch | lf | 74,690 | 100.0% | - | 165 | 165 | 74,690 | 74,690 | - | - |
| Lower In | lf | 74,690 | 100.0% | - | 2,780 | 2,780 | 74,690 | 74,690 | - | - |
| Backfill | lf | 74,690 | 100.0% | - | 3,503 | 3,503 | 74,690 | 74,690 | - | - |
| Tie In | ea. | 650 | 100.0% | - | 16 | 16 | 633 | 650 | 17 | - |
| Hill | lf | 16,300 | 100.0% | - | 85 | 85 | 16,300 | 16,300 | - | - |
| Road Crossing | lf | 1,086 | 100.0% | - | - | - | 1,086 | 1,086 | - | - |
| Testing | lf | 90,990 | 66.5% | 28,178 | - | (28,178) | 90,990 | 60,465 | (30,525) | 30,525 |
| Clean Up | lf | 90,990 | 35.9% | 8,100 | 2,875 | (5,225) | 48,018 | 32,684 | (15,334) | 58,306 |
| Restoration | lf | 90,990 | 26.1% | 8,100 | 4,525 | (3,575) | 41,737 | 23,748 | (17,989) | 67,242 |

Progress forecast refreshed to match remaning work

| Tie-In Status | 12-Aug | 19-Aug | 26-Aug | 2-Sep | 9-Sep | 16-Sep |
|---|---|---|---|---|---|---|
| Forecast | 19 | 18 | 16 | - | - | - |
| Actual | 13 | 21 | 16 | - | - | - |
| Total Remaining | 37 | 16 | - | - | - | - |
| # of Tie In Crews | 9 | 6 | 6 | 6 | - | - |

| | Scope | Amount complete by End of August | |
|---|---|---|---|
| | | Linear Feet | Percent Complete |
| Clean up | 90,990 | 40,684 | 45% |
| Restoration | 90,990 | 31,848 | 35% |

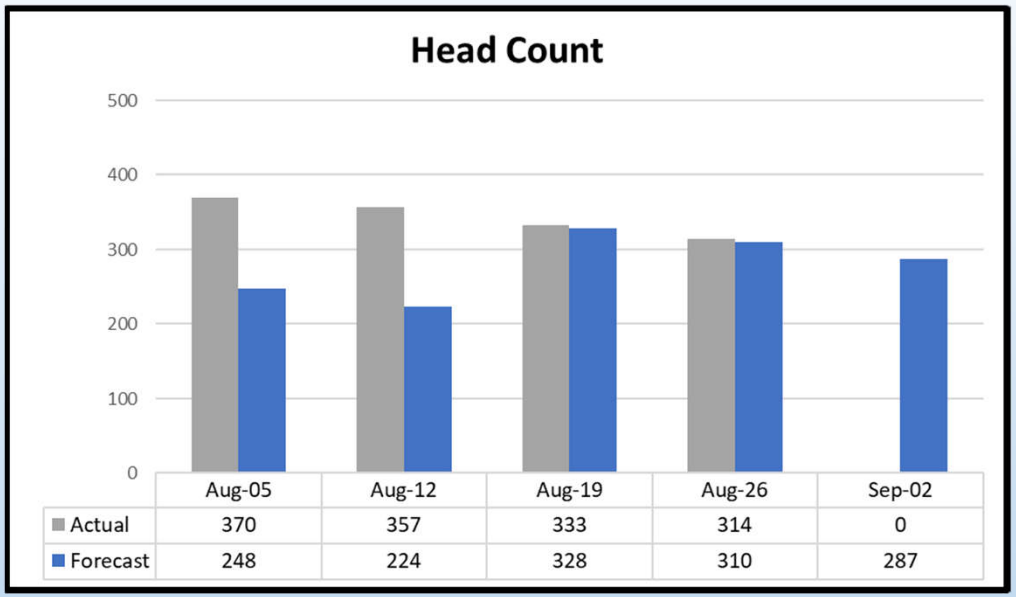
## Spread 5 – Manhours and Performance (Craft Only)

| Activity | Jan 21 Forecast | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 46,571 | 0 | 0 | 44,712 | 45,047 | 46,571 | 1.03 | 1.00 | 44,712 | -1,859 |
| Grading | 38,471 | 0 | 0 | 35,684 | 35,684 | 38,471 | 1.08 | 1.00 | 35,684 | -2,787 |
| Stringing | 35,447 | 360 | 384 | 30,372 | 31,213 | 35,447 | 1.14 | 1.00 | 29,652 | -5,795 |
| Bending | 16,143 | 240 | 251 | 16,740 | 16,930 | 16,143 | 0.95 | 1.00 | 16,260 | 117 |
| Firing Line | 68,408 | 660 | 566 | 91,489 | 91,882 | 68,408 | 0.74 | 1.00 | 90,169 | 21,761 |
| Coating | 21,559 | 180 | 116 | 25,791 | 26,862 | 21,559 | 0.80 | 1.00 | 25,431 | 3,872 |
| Ditch | 20,188 | 0 | 0 | 9,506 | 9,506 | 20,188 | 2.12 | 2.12 | 9,506 | -10,682 |
| Lower In | 23,760 | 0 | 0 | 28,994 | 28,994 | 23,760 | 0.82 | 0.82 | 28,994 | 5,234 |
| Backfill | 15,425 | 726 | 730 | 28,269 | 29,980 | 15,425 | 0.51 | 0.55 | 26,817 | 11,392 |
| Tie In | 110,344 | 6,624 | 7,971 | 202,002 | 210,342 | 110,344 | 0.52 | 0.55 | 187,530 | 77,186 |
| Hill | 78,520 | 0 | 0 | 94,855 | 96,111 | 78,520 | 0.82 | 0.83 | 94,855 | 16,335 |
| Road Crossing | 28,847 | 1,152 | 1,377 | 43,437 | 47,443 | 28,847 | 0.61 | 1.00 | 41,133 | 12,286 |
| Testing | 15,446 | 1,944 | 2,874 | 22236 | 25297 | 10,264 | 0.41 | 0.46 | 18,348 | 2,902 |
| Clean Up | 37,362 | 1,980 | 2,130 | 30677 | 25938 | 13,421 | 0.52 | 0.44 | 37,637 | 275 |
| **Total Progressable Hours** | **556,491** | **13,866** | **16,399** | **704,763** | **721,229** | **527,368** | **0.73** | **0.75** | **686,727** | **130,236** |
| Envrionmental | 113,642 | 3,828 | 4,323 | 154,046 | 159,257 | 0 | | | 157,115 | 43,473 |
| Non Progressable Hours | 227,994 | 2,634 | 3,085 | 248,428 | 249,713 | 0 | | | 254,293 | 26,299 |
| **Total Hours** | **898,127** | **20,328** | **23,807** | **1,107,237** | **1,130,199** | **527,368** | **0.73** | **0.75** | **1,098,135** | **200,008** |

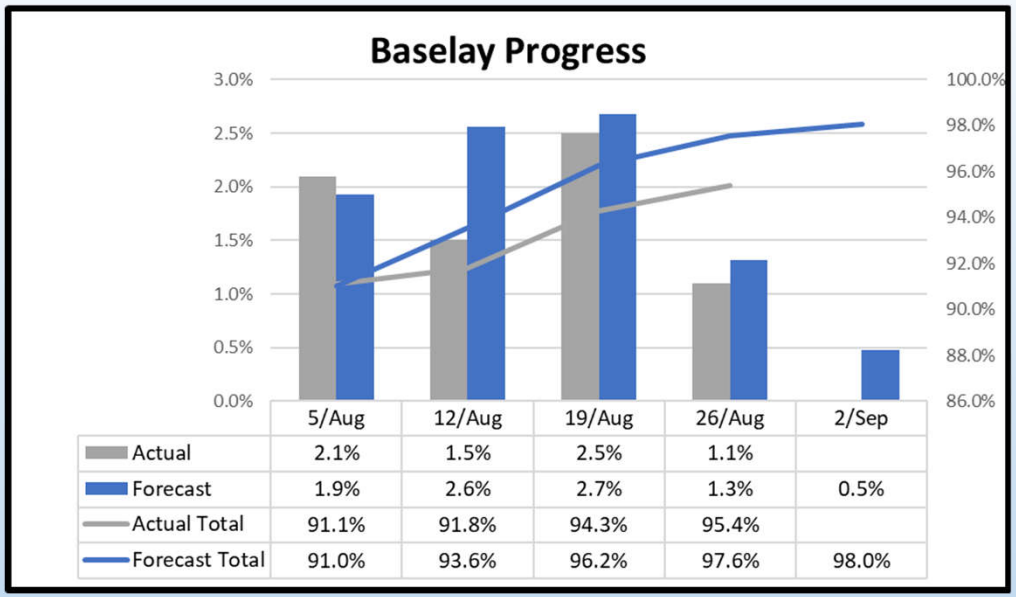
Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

CPI & SPI calculated on Jan 21 Forecast

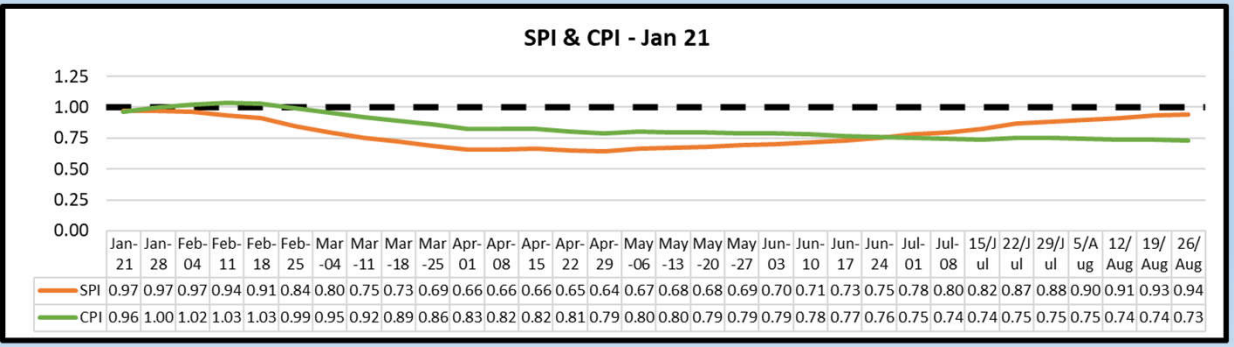
## Spread 5 – Progress and Performance Curves



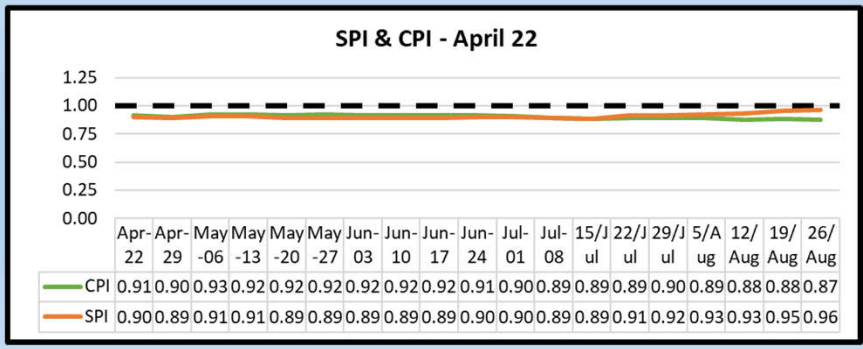

| | Aug-05 | Aug-12 | Aug-19 | Aug-26 | Sep-02 |
|---|---|---|---|---|---|
| Actual | 370 | 357 | 333 | 314 | 0 |
| Forecast | 248 | 224 | 328 | 310 | 287 |




| | 5/Aug | 12/Aug | 19/Aug | 26/Aug | 2/Sep |
|---|---|---|---|---|---|
| Actual | 2.1% | 1.5% | 2.5% | 1.1% | |
| Forecast | 1.9% | 2.6% | 2.7% | 1.3% | 0.5% |
| Actual Total | 91.1% | 91.8% | 94.3% | 95.4% | |
| Forecast Total | 91.0% | 93.6% | 96.2% | 97.6% | 98.0% |




| | Jan-21 | Jan-28 | Feb-04 | Feb-11 | Feb-18 | Feb-25 | Mar-04 | Mar-11 | Mar-18 | Mar-25 | Apr-01 | Apr-08 | Apr-15 | Apr-22 | Apr-29 | May-06 | May-13 | May-20 | May-27 | Jun-03 | Jun-10 | Jun-17 | Jun-24 | Jul-01 | Jul-08 | 15/Jul | 22/Jul | 29/Jul | 5/Aug | 12/Aug | 19/Aug | 26/Aug |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.97 | 0.97 | 0.97 | 0.94 | 0.91 | 0.84 | 0.80 | 0.75 | 0.73 | 0.69 | 0.66 | 0.66 | 0.66 | 0.65 | 0.64 | 0.67 | 0.68 | 0.68 | 0.69 | 0.70 | 0.71 | 0.73 | 0.75 | 0.78 | 0.80 | 0.82 | 0.87 | 0.88 | 0.90 | 0.91 | 0.93 | 0.94 |
| CPI | 0.96 | 1.00 | 1.02 | 1.03 | 1.03 | 0.99 | 0.95 | 0.92 | 0.89 | 0.86 | 0.83 | 0.82 | 0.82 | 0.81 | 0.79 | 0.80 | 0.80 | 0.79 | 0.79 | 0.79 | 0.78 | 0.77 | 0.76 | 0.75 | 0.74 | 0.74 | 0.75 | 0.75 | 0.75 | 0.74 | 0.74 | 0.73 |




| | Apr-22 | Apr-29 | May-06 | May-13 | May-20 | May-27 | Jun-03 | Jun-10 | Jun-17 | Jun-24 | Jul-01 | Jul-08 | 15/Jul | 22/Jul | 29/Jul | 5/Aug | 12/Aug | 19/Aug | 26/Aug |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| CPI | 0.91 | 0.90 | 0.93 | 0.92 | 0.92 | 0.92 | 0.92 | 0.92 | 0.92 | 0.91 | 0.90 | 0.89 | 0.89 | 0.89 | 0.90 | 0.89 | 0.88 | 0.88 | 0.87 |
| SPI | 0.90 | 0.89 | 0.91 | 0.91 | 0.89 | 0.89 | 0.89 | 0.89 | 0.89 | 0.90 | 0.90 | 0.89 | 0.89 | 0.91 | 0.92 | 0.93 | 0.93 | 0.95 | 0.96 |

## Spread 5 – Critical Issues

| Critical Issues | Mitigation | Need by Date (CP) | Test Section |
|---|---|---|---|
| Lack of defined procedure for re-accessing ROW after clean-up for anomaly digs | | | ALL |
| Over 20” of rain in the past 30 days. Wide spread flooding along the ROW footprint. | Cleaning up and seeding where/when possible | | |
| Multiple bridge crossings washed away. Ongoing efforts to recover destruction debris off the LOD. | | | |
| Re-work at Mahantango and Mahanoy creek. | | | |
| Loss of previously restored ROW. Severely hindered clean-up and restoration expectations. | | | |

# Atlantic Sunrise Pipeline Project
# Spread 6 Progress Report

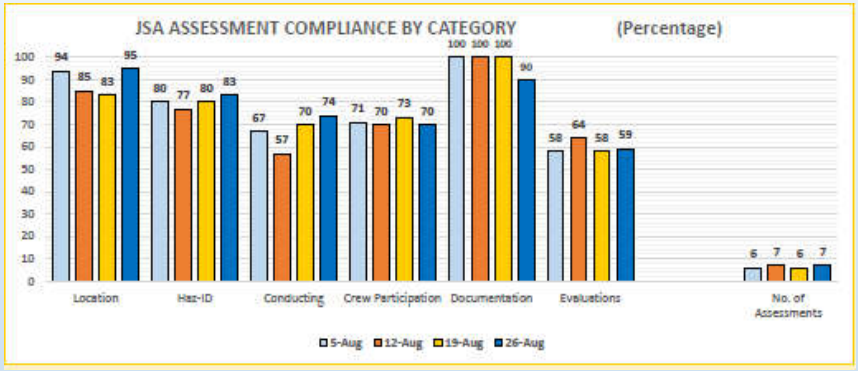
Week Ending 26-August-18

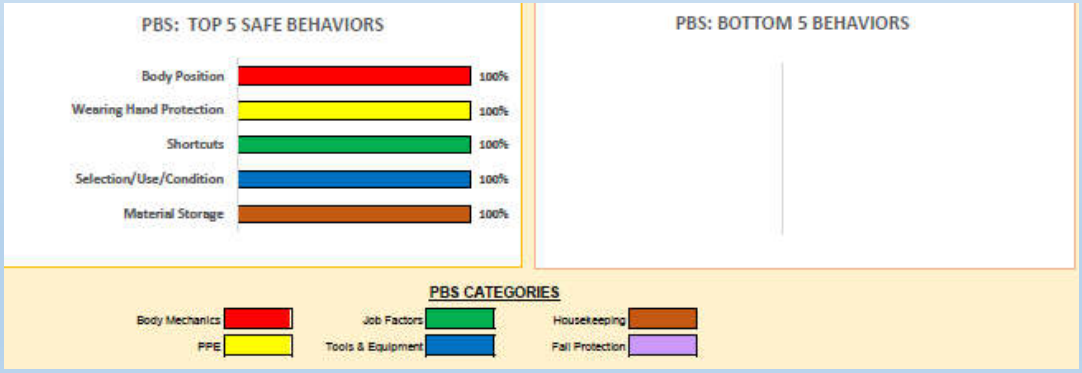
# SPREAD 6 - Safety

| Number of Incidents | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0 | 1 | 7 | 70 | 30 | 88 | 22 | 5 | 2 | 20 |

| Incident Rates | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0.00 | 0.13 | 0.89 | 8.89 | 3.81 | 11.18 | 2.80 | 0.64 | 0.25 | 2.54 |

| | Weekly Hours | Monthly Hours | Project Hours | Total Headcount |
|---|---|---|---|---|
| Welded | 24,152 | 118,449 | 1,425,386 | 300 |
| Subcontractors | 597 | 2,653 | 148,673 | 35 |
| Total Hours | 24,749 | 121,102 | 1,574,059 | 335 |



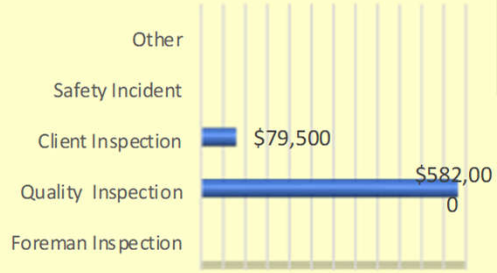
## SPREAD 6 - Quality Assurance

### Spread 6 - Quality Assurance

**Non Conformance Issues**




**Estimated Cost of Rework**




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 7.94% |
| Field Joint Coating Rejection Rate | 0.15% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 3 | 54 |
| Closed | 3 | 54 |
| Remaining Open | | - |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | 3 | 32 |
| Closed | - | 29 |
| Remaining Open | | 3 |

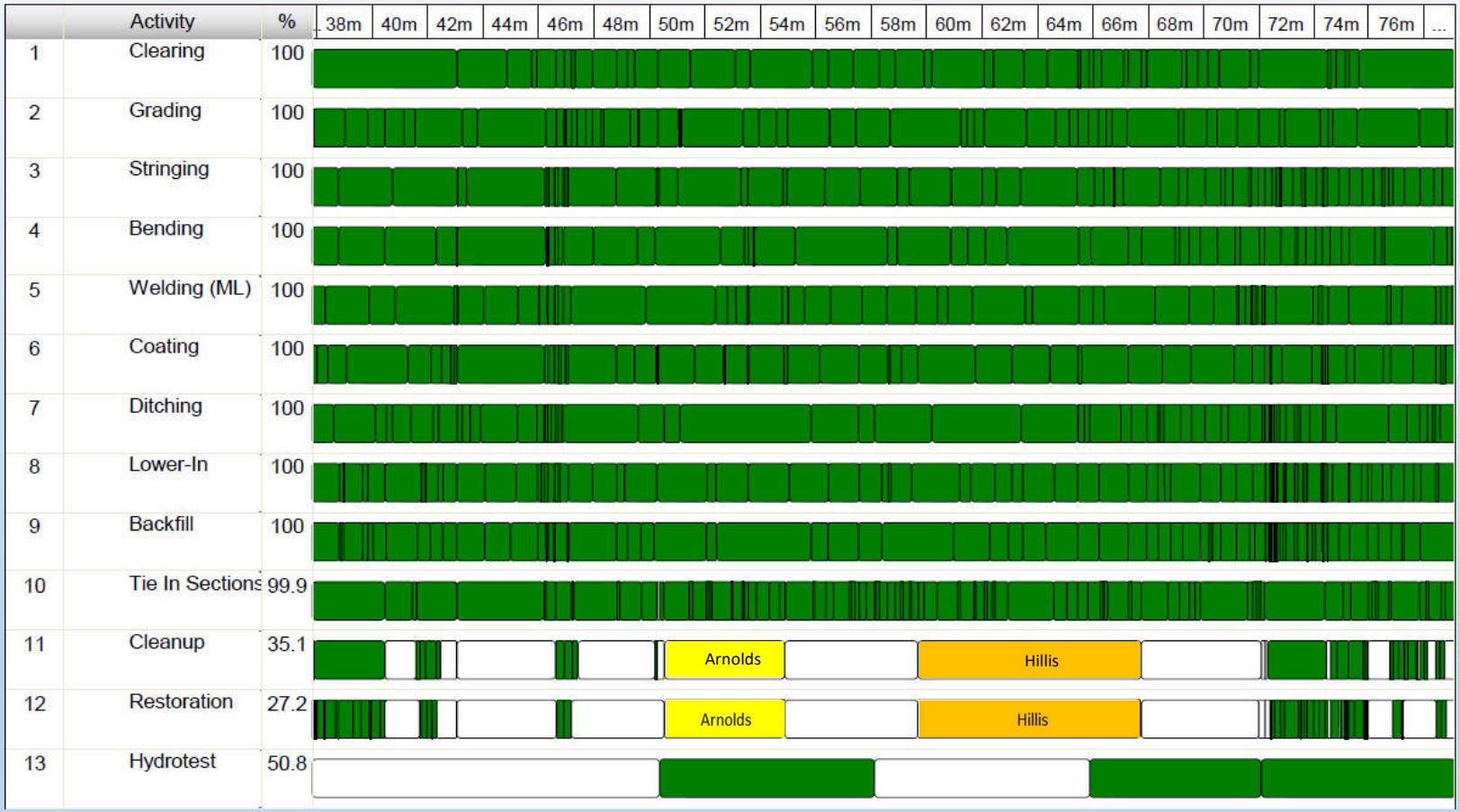
Notes: Valve installation; Hydrotest

# Spread 6 – Environmental

1. Environmental Compliance
   - Non compliance from current period:
     - Improper de-watering that resulted in sediment-laden water exiting the ROW and entering into a resource - Goldmine.
   - Notifications from current period: None
   - Non compliance from previous periods:
     - Clearing outside of LOD at Fort Swatara Yard;
     - ROW lacking temporary stabilization south of SR0322
     - Improper waterbody crossing (2593+91)
     - Improper construction methods while installing bridge equipment crossing – Forge Creek
     - Installing skids within a delineated waterway – 4015+00
     - NOV – Quittapahilla Creek(2493+34)
     - Sediment was discharged into waters 0f the Commonwealth – UNT to Conewego Creek (2002+00)
     - Improper Waterbody Crossing Work Sequence - UNT to Pine Creek (WW-T20-9001) (4099+00)
     - Inadequate Interim Stabilization station 2152+00 and 2247+00 (S.Forge Road/Horseshoe Pike)
     - Improper Wetland Crossing Techniques 4005+99 to 4009+27
     - Sediment into Resource (2243+13)
     - Improper wetland Restoration (4161+77 to 4177+00)
     - Sediment into a wetland (4161+77 to 4177+00)
     - Stream Buffer Impacts and out of sequence work
     - Sediment off LOD 4150+30-4258+20 and 4221+50-4224+00
     - Sediment off LOD 3175+00 – 3728+00
     - Sediment off LOD 3785+00 – 3794+00
     - Soil Mixing 2276+00
     - Sedimentation to a Waterbody 2195+41
     - Failure to restore in a residential area within 10 days
     - Darkwoods Road and Stream Crossing

2. Environmental Concerns
   - None
3. Listing of variance requests outstanding
     - Letourneau Clearing Contractor Yard Location – need paperwork to close
     - Retrieval of Sediment off LOD at Summit 3715+00-3728+00 (PA-SC-040.000, PA-SC-042.000, PA-SC-041.000) 41 denied
     - Restore Landowners Pond – PA-LE-183.300
     - Retrieval of mats - 3156+00 - 3159+00
     - Seed and Stabilize Sediment – 3089+00 to 3091+00
     - Stabilization after removal of Dewatering Structure - 3641+00, 3645+00, 3663+00
     - Retrieval of materials - 2659+00
     - Retrieval of mats - 2495+00
     - Retrieval of mats - 2995+00
     - Retrieval of mats - 3026+52
     - Retrieval of mats - 3160+00
     - Retrieval of mats - 3503+00
     - Retrieval of mats – 4004+30
     - Retrieval of Sediment - July Floods - 20180803 - partial approval
     - Retrieval of Sediment - July Floods - 20180806 - partial approval
     - Retrieval of Sediment - July Floods - 20180809 - partial approval
     - Retrieval of Material outside of LOD - 4166+00 to 4169+00

## Spread 6 – March Chart



# Spread 6 – Weekly Impacts

| Activity | Variance to Forecast | 20-Aug Monday | 21-Aug Tuesday | 22-Aug Wednesday | 23-Aug Thursday | 24-Aug Friday | 25-Aug Saturday | 26-Aug Sunday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | | |
| Grading | - | | | | | | | | |
| Stringing | - | | | | | | | | |
| Bending | - | | | | | | | | |
| Firing Line | - | | | | | | | | |
| Coating | - | | | | | | | | |
| Ditch | - | | | | | | | | |
| Lower In | - | | | | | | | | |
| Backfill | - | | | | | | | | |
| Tie In | (1) | | | | | | | | |
| Road Crossing | | | | | | | | | |
| Testing | (114) | | | | | | | | |
| Clean Up | (2,581) | wet conditions | | rained out | wet conditions | | | | Stormed Sunday & Tuesday Night |
| Restoration | (4,414) | wet conditions | | rained out | wet conditions | | | | |

# Spread 6 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 26-Aug | | | Cumulative | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast | To Go |
| Clearing | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Grading | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Stringing | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Bending | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Firing Line | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Coating | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Ditch | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Lower In | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Backfill | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Tie In | ea | 1,092 | 99.9% | 22 | 21 | (1) | 1,124 | 1,091 | (33) | 1 |
| Road Crossing | lf | 4,073 | 100.0% | - | - | - | 4,073 | 4,073 | - | - |
| Testing | lf | 217,779 | 50.8% | 41,016 | 40,902 | (114) | 217,779 | 110,561 | (107,218) | 107,218 |
| Clean Up | lf | 152,318 | 35.1% | 10,000 | 7,419 | (2,581) | 72,913 | 53,432 | (19,481) | 98,886 |
| Restoration | lf | 152,318 | 27.7% | 10,000 | 5,586 | (4,414) | 67,704 | 42,220 | (25,484) | 110,098 |

Progress forecast refreshed to match remaning work

| Tie-In Status | 12-Aug | 19-Aug | 26-Aug | 2-Sep | 9-Sep | 16-Sep |
|---|---|---|---|---|---|---|
| Forecast | 48 | 37 | 22 | 1 | - | - |
| Actual | 36 | 15 | 21 | - | - | - |
| Total Remaining | 37 | 22 | 1 | 1 | 1 | 1 |
| # of Tie In Crews | 9 | 4 | 4 | 4 | - | - |

| | Scope | Amount complete by End of August | |
|---|---|---|---|
| | | Linear Feet | Percent Complete |
| Clean up | 152,318 | 63,432 | 42% |
| Restoration | 152,318 | 52,220 | 34% |

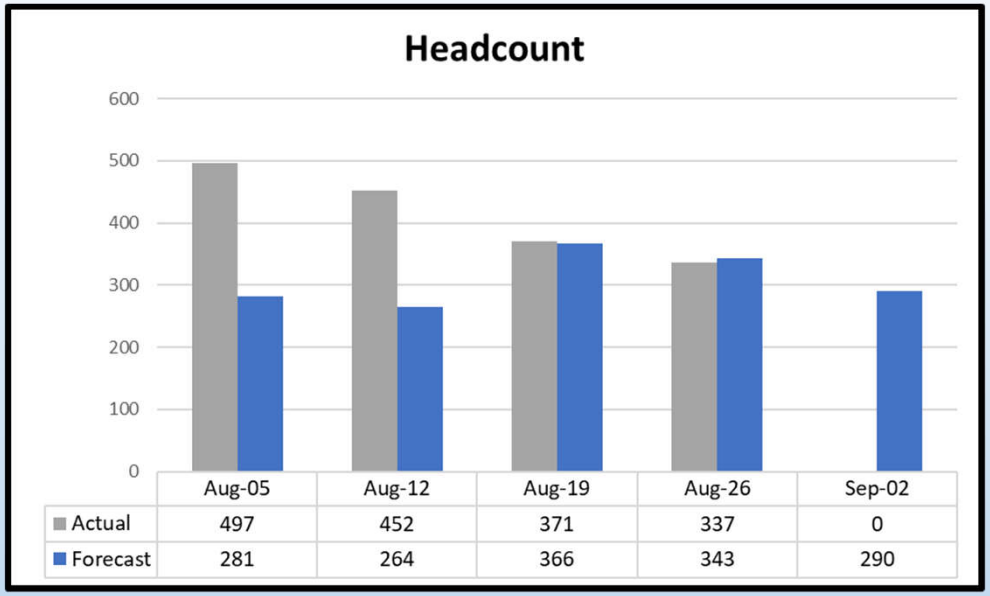
## Spread 6 – Manhours and Performance (Craft Only)

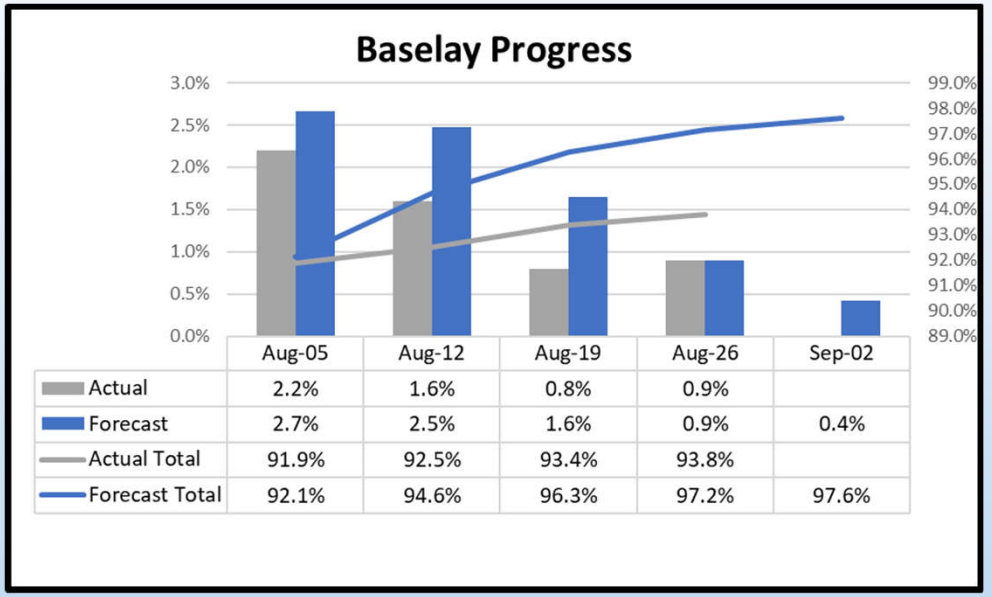
| Activity | Jan 21 Forecast | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 61,466 | 0 | 0 | 64,348 | 64,348 | 61,466 | 0.96 | 1.00 | 64,348 | 2,882 |
| Grading | 22,377 | 0 | 0 | 26,368 | 26,368 | 22,377 | 0.85 | 1.00 | 26,368 | 3,991 |
| Stringing | 29,578 | 0 | 0 | 26,751 | 26,503 | 29,578 | 1.12 | 1.00 | 26,751 | -2,827 |
| Bending | 14,824 | 0 | 20 | 13,487 | 13,321 | 14,824 | 1.11 | 1.00 | 13,487 | -1,337 |
| Firing Line | 58,798 | 0 | 0 | 62,189 | 62,189 | 58,798 | 0.95 | 1.00 | 62,189 | 3,391 |
| Coating | 29,699 | 0 | 0 | 34,011 | 33,639 | 29,699 | 0.88 | 1.00 | 34,011 | 4,312 |
| Ditch | 27,798 | 0 | 0 | 30,478 | 31,338 | 27,798 | 0.89 | 1.00 | 30,478 | 2,680 |
| Lower In | 34,007 | 0 | 0 | 40,161 | 45,241 | 34,007 | 0.75 | 1.00 | 40,161 | 6,154 |
| Backfill | 19,895 | 0 | 0 | 29,121 | 33,128 | 19,895 | 0.60 | 1.00 | 29,121 | 9,226 |
| Tie In | 217,106 | 7,800 | 7,729 | 391,416 | 394,995 | 216,907 | 0.55 | 0.55 | 385,722 | 168,616 |
| Road Crossing | 86,450 | 0 | 0 | 101,560 | 100,756 | 86,450 | 0.86 | 0.85 | 101,560 | 15,110 |
| Testing | 19,344 | 2,028 | 2,587 | 23,184 | 24,398 | 9,820 | 0.40 | 0.42 | 21,936 | 2,592 |
| Clean Up | 58,714 | 4,320 | 5,141 | 40,287 | 42,072 | 20,596 | 0.49 | 0.51 | 45,411 | -13,303 |
| **Total Progressable Hours** | **680,056** | **14,148** | **15,477** | **883,361** | **898,296** | **632,216** | **0.70** | **0.72** | **881,543** | **201,487** |
| Envrionmental | 153,578 | 3,420 | 3,966 | 157,032 | 158,583 | 0 | | | 162,902 | 9,324 |
| Non Progressable Hours | 321,618 | 4,818 | 4,751 | 328,887 | 331,288 | 0 | | | 332,475 | 10,857 |
| **Total Hours** | **1,155,252** | **22,386** | **24,194** | **1,369,280** | **1,388,167** | **632,216** | **0.70** | **0.72** | **1,376,920** | **221,668** |

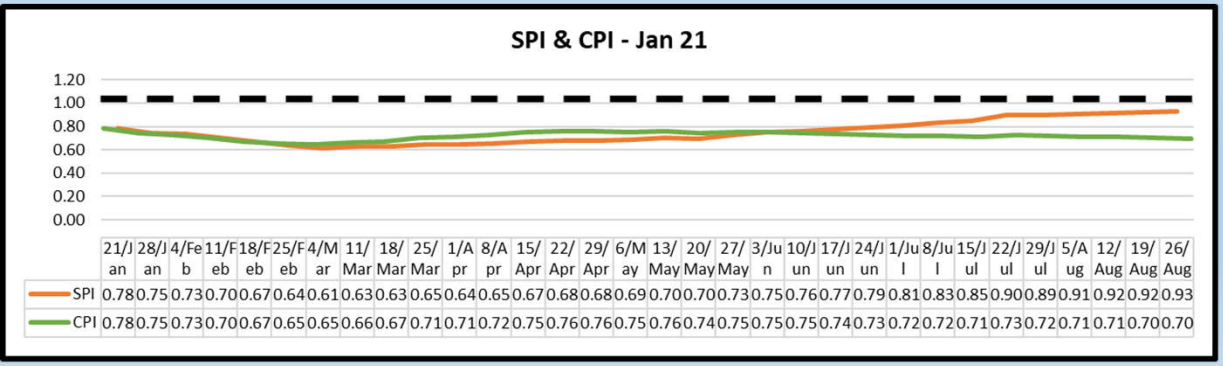
Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

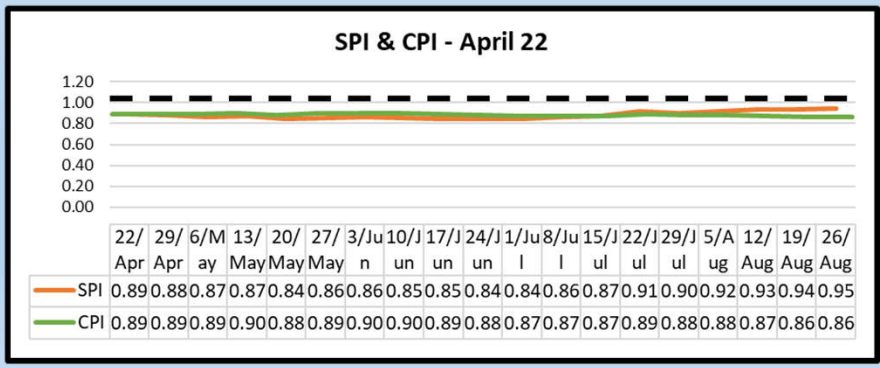
CPI & SPI calculated on Jan 21 Forecast

## Spread 6 – Progress & Performance Curves



## Spread 6 – Critical Issues

| Critical Issues | Mitigation | Need By Date (CP) | Test Section |
|---|---|---|---|
| Critical Rain Events | Cleaning up where possible, variance requests submitted for off LOD material, NO approvals received for mat retrieval off LOD | | |
| Outstanding Variances | Letourneau Clearing Contractor Yard Location – need paperwork to close<br>Retrieval of Sediment off LOD at Summit 3715+00-3728+00 (PA-SC-040.000, PA-SC-042.000, PA-SC-041.000) 41 denied<br>Restore Landowners Pond – PA-LE-183.300<br>Retrieval of mats - 3156+00 - 3159+00<br>Seed and Stabilize Sediment – 3089+00 to 3091+00<br>Stabilization after removal of Dewatering Structure - 3641+00, 3645+00, 3663+00<br>Retrieval of materials - 2659+00<br>Retrieval of mats - 2495+00<br>Retrieval of mats - 2995+00<br>Retrieval of mats - 3026+52<br>Retrieval of mats - 3160+00<br>Retrieval of mats - 3503+00<br>Retrieval of mats – 4004+30<br>Retrieval of Sediment - July Floods - 20180803 - partial approval<br>Retrieval of Sediment - July Floods - 20180806 - partial approval<br>Retrieval of Sediment - July Floods - 20180809 - partial approval<br>Retrieval of Material outside of LOD - 4166+00 to 4169+00 | | |
| Late Identification of Problem Areas | Being informed either while the work is being performed or immediately after, allowing corrective action to be taken immediately, not weeks after | | |

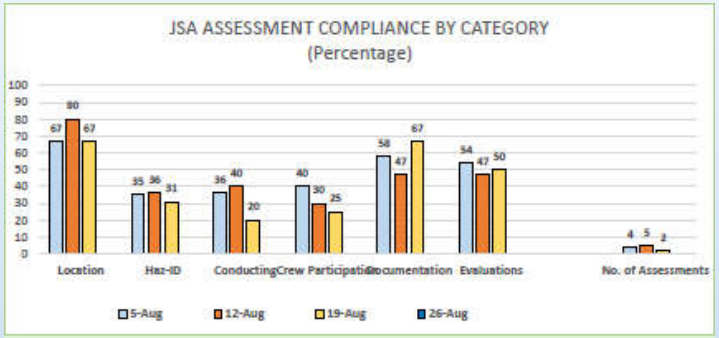
# Atlantic Sunrise Pipeline Project
# Spread 7 Progress Report

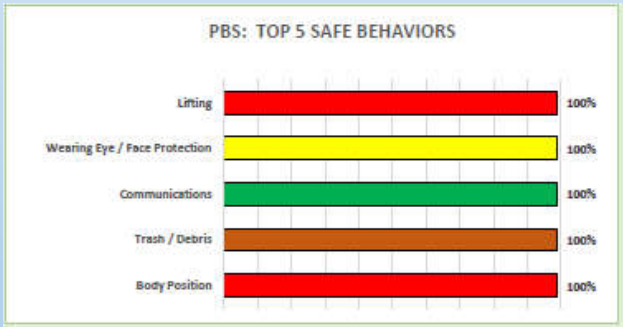
Week Ending 26-August-18

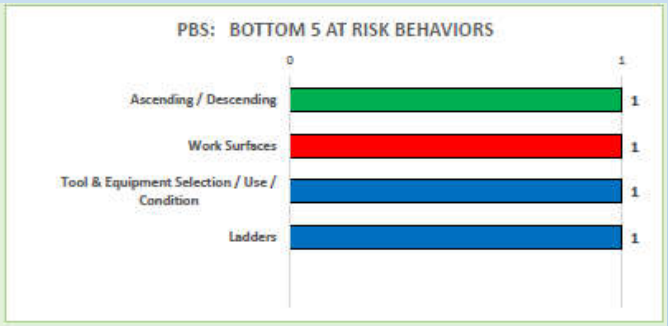
# SPREAD 7 - Safety

| TOTAL PROJECT INCIDENTS | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| Number of Incidents | 0 | 0 | 4 | 65 | 30 | 94 | 3 | 5 | 4 | 61 |
| Incident Rates | 0.00 | 0.00 | 0.47 | 7.61 | 3.51 | 11.01 | 0.35 | 0.59 | 0.47 | 7.14 |

| | Total Weekly Hours | Total Monthly Hours | Total Project Hours | Total Head Count |
|---|---|---|---|---|
| Welded | 22,405 | 97,998 | 1,460,941 | 306 |
| Subcontractors | 3,290 | 12,027 | 246,906 | 97 |
| Total | 25,695 | 110,025 | 1,707,847 | 403 |





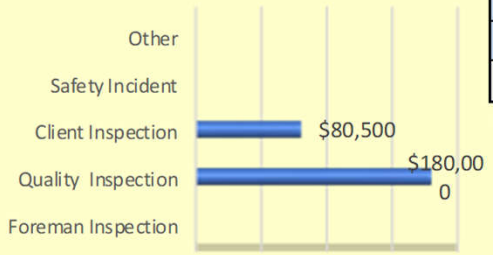

## SPREAD 7 - Quality Assurance

### Spread 7 - Quality Assurance

#### Non Conformance Issues




#### Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 2.51% |
| Field Joint Coating Rejection Rate | 0.00% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 3 | 182 |
| Closed | 3 | 182 |
| Remaining Open | | - |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | - | 14 |
| Closed | - | 14 |
| Remaining Open | | - |

**Notes: Cleaning runs; valve installation**

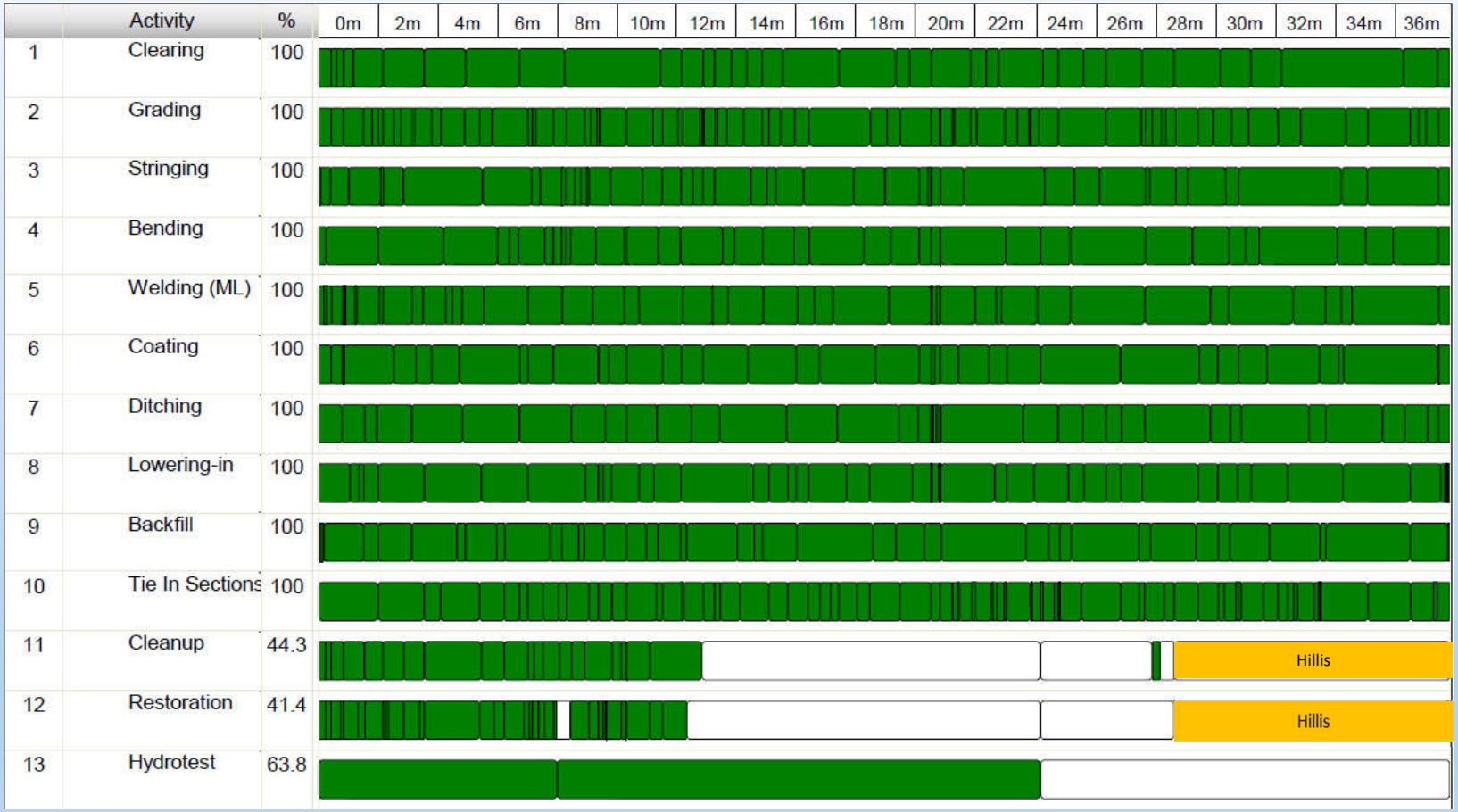
## Spread 7 – Environmental

Environmental Compliance

- Non compliance from current period – None
- Non compliance from previous periods:
  - Topsoil mixing
  - Avoiding air stations
  - 50’ buffer encroachment
  - Not installing air stations
  - 3 x Water bar installation
  - Failure to install ECD

2. Environmental Concerns
   - None
3. Listing of variance requests outstanding
   - N/A

## Spread 7 – March Chart



# Spread 7 – Weekly Impacts

| Activity | Variance to Forecast | 20-Aug Monday | 21-Aug Tuesday | 22-Aug Wednesday | 23-Aug Thursday | 24-Aug Friday | 25-Aug Saturday | 26-Aug Sunday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | | |
| Grading | - | | | | | | | | |
| Stringing | - | | | | | | | | |
| Bending | - | | | | | | | | |
| Firing Line | - | | | | | | | | |
| Coating | - | | | | | | | | |
| Ditch | - | | | | | | | | |
| Lower In | - | | | | | | | | |
| Backfill | - | | | | | | | | |
| Tie In | - | | | | | | | | |
| Road Crossing | - | | | | | | | | |
| Testing | - | | | | | | | | |
| Clean Up | (8,600) | Mud Out/ Too Wet | Wet site conditions | Wet site conditions | Wet site conditions | Too Wet for Topsoil Work | Too Wet for Topsoil Work | Too Wet for Topsoil Work | |
| Restoration | (8,140) | Mud Out/ Too Wet | Wet site conditions | Mud Out/ Too Wet | Wet site conditions | | | | Restoration doing re-work in wash away areas |

# Spread 7 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 26-Aug | | | Cumulative | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast | To Go |
| Clearing | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Grading | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Stringing | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Bending | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Firing Line | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Coating | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Ditch | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Lower In | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Backfill | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Tie In | ea | 1,202 | 100% | 5 | 5 | - | 1,201 | 1,202 | 1 | - |
| Road Crossing | lf | 3,444 | 100% | - | - | - | 3,444 | 3,444 | - | - |
| Testing | lf | 199,896 | 64% | - | - | - | 199,896 | 127,548 | (72,348) | 72,348 |
| Clean Up | lf | 151,198 | 44% | 10,000 | 1,400 | (8,600) | 79,300 | 66,916 | (12,384) | 84,282 |
| Restoration | lf | 151,198 | 41% | 10,000 | 1,860 | (8,140) | 76,079 | 62,624 | (13,455) | 88,574 |

Progress forecast refreshed to match remaning work

| Tie-In Status | 12-Aug | 19-Aug | 26-Aug | 2-Sep | 9-Sep | 16-Sep |
|---|---|---|---|---|---|---|
| Forecast | 21 | 12 | 5 | - | - | - |
| Actual | 25 | 7 | 5 | - | - | - |
| Total Remaining | 12 | 5 | - | - | - | - |
| # of Tie In Crews | 4 | 4 | 3 | - | - | - |

| | Scope | Amount complete by End of August | |
|---|---|---|---|
| | | Linear Feet | Percent Complete |
| Clean up | 151,198 | 80,416 | 53% |
| Restoration | 151,198 | 77,124 | 51% |

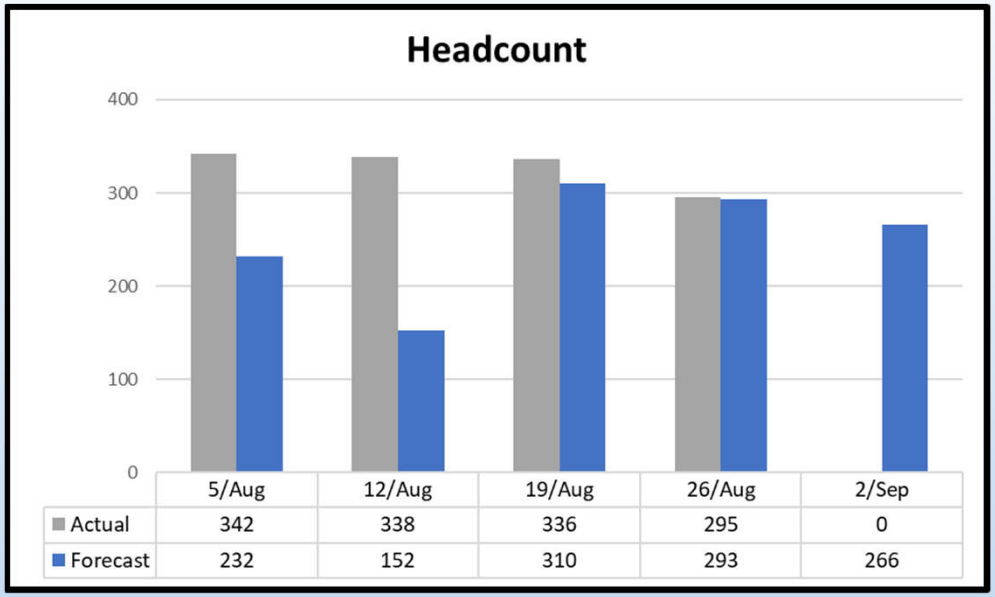
## Spread 7 – Manhours and Performance (Craft Only)

| Activity | Jan 21 Forecast | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 36,284 | 0 | 0 | 36,284 | 36,284 | 36,284 | 1.00 | 1.00 | 36,284 | 0 |
| Grading | 46,122 | 0 | 0 | 51,264 | 51,264 | 46,122 | 0.90 | 1.00 | 51,264 | 5,142 |
| Stringing | 34,364 | 0 | 0 | 36,091 | 36,091 | 34,364 | 0.95 | 1.00 | 36,091 | 1,727 |
| Bending | 10,297 | 0 | 0 | 12,822 | 12,822 | 10,297 | 0.80 | 1.00 | 12,822 | 2,525 |
| Firing Line | 66,964 | 0 | 0 | 73,568 | 73,568 | 66,964 | 0.91 | 1.00 | 73,568 | 6,604 |
| Coating | 22,002 | 0 | 0 | 23,052 | 23,052 | 22,002 | 0.95 | 1.00 | 23,052 | 1,050 |
| Ditch | 25,029 | 0 | 0 | 29,332 | 29,332 | 25,029 | 0.85 | 1.00 | 29,332 | 4,303 |
| Lower In | 35,328 | 0 | 0 | 44,232 | 44,232 | 35,328 | 0.80 | 1.00 | 44,232 | 8,904 |
| Backfill | 20,080 | 0 | 0 | 24,779 | 24,779 | 20,080 | 0.81 | 1.00 | 24,779 | 4,699 |
| Tie In | 227,443 | 7,770 | 9,042 | 414,570 | 435,440 | 227,443 | 0.52 | 0.55 | 398,942 | 171,499 |
| Road Crossing | 50,326 | 0 | 0 | 53,753 | 52,790 | 50,326 | 0.95 | 0.94 | 54,332 | 4,006 |
| Testing | 15,764 | 1,495 | 2,185 | 29,006 | 33309 | 10,059 | 0.30 | 0.35 | 26,340 | 10,576 |
| Clean Up | 66,495 | 2,730 | 3,148 | 44,235 | 49636 | 29,429 | 0.59 | 0.67 | 55,814 | -10,681 |
| **Total Progressable Hours** | **656,498** | **11,995** | **14,375** | **872,988** | **902,599** | **613,726** | **0.68** | **0.70** | **866,852** | **210,354** |
| Envrionmental | 130,487 | 2,340 | 2,792 | 180,395 | 183,396 | 0 | | | 187,012 | 56,525 |
| Non Progressable Hours | 310,901 | 4,680 | 4,919 | 355,509 | 354,350 | 0 | | | 358,436 | 47,535 |
| **Total Hours** | **1,097,886** | **19,015** | **22,086** | **1,408,892** | **1,440,345** | **613,726** | **0.68** | **0.70** | **1,412,300** | **314,414** |

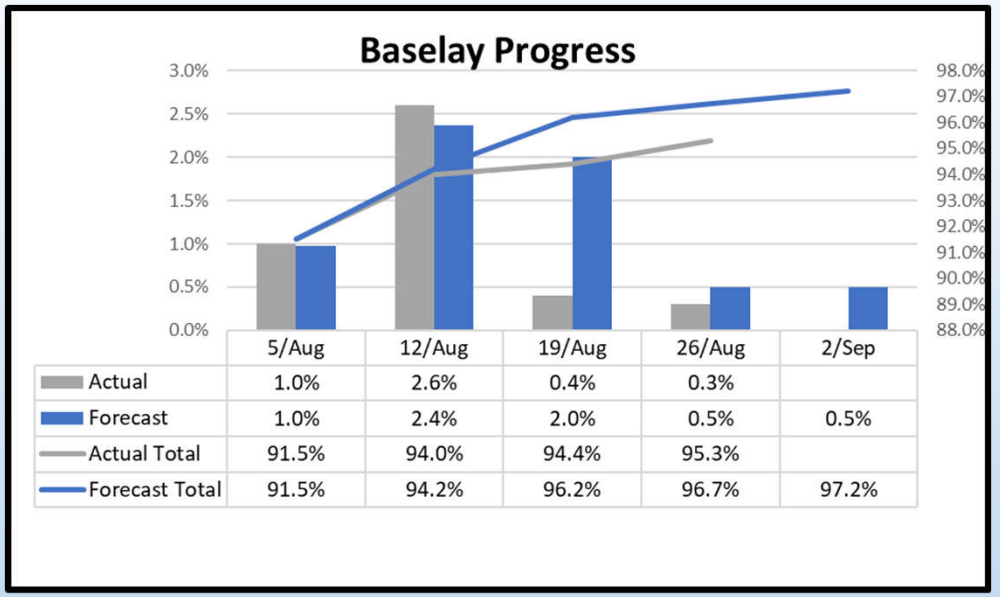
Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

CPI & SPI calculated on Jan 21 Forecast

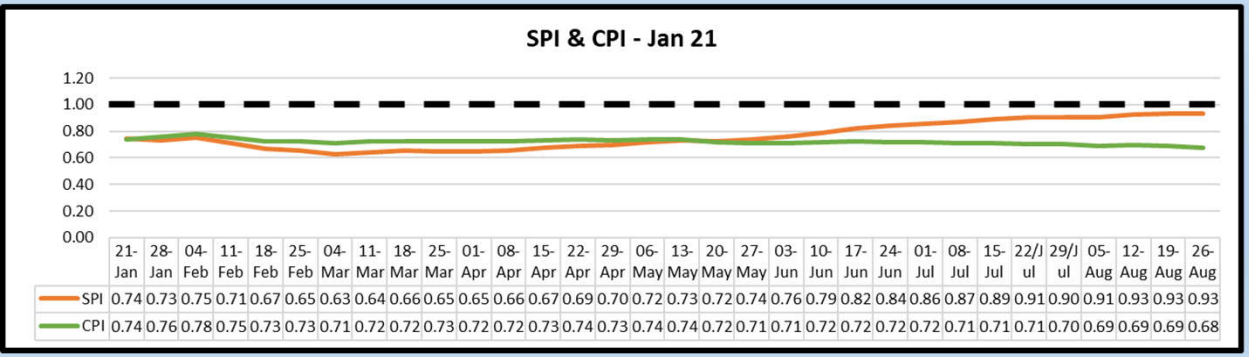
## Spread 7 – Progress and Performance Curves



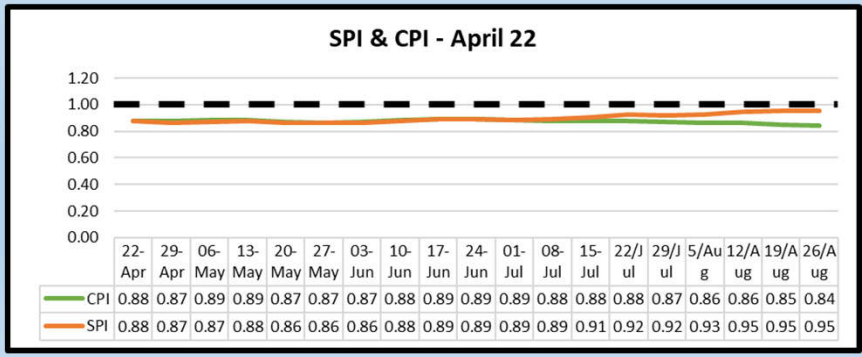

| | 5/Aug | 12/Aug | 19/Aug | 26/Aug | 2/Sep |
|---|---|---|---|---|---|
| Actual | 342 | 338 | 336 | 295 | 0 |
| Forecast | 232 | 152 | 310 | 293 | 266 |




| | 5/Aug | 12/Aug | 19/Aug | 26/Aug | 2/Sep |
|---|---|---|---|---|---|
| Actual | 1.0% | 2.6% | 0.4% | 0.3% | |
| Forecast | 1.0% | 2.4% | 2.0% | 0.5% | 0.5% |
| Actual Total | 91.5% | 94.0% | 94.4% | 95.3% | |
| Forecast Total | 91.5% | 94.2% | 96.2% | 96.7% | 97.2% |




| | 21-Jan | 28-Jan | 04-Feb | 11-Feb | 18-Feb | 25-Feb | 04-Mar | 11-Mar | 18-Mar | 25-Mar | 01-Apr | 08-Apr | 15-Apr | 22-Apr | 29-Apr | 06-May | 13-May | 20-May | 27-May | 03-Jun | 10-Jun | 17-Jun | 24-Jun | 01-Jul | 08-Jul | 15-Jul | 22/Jul | 29/Jul | 05-Aug | 12-Aug | 19-Aug | 26-Aug |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.74 | 0.73 | 0.75 | 0.71 | 0.67 | 0.65 | 0.63 | 0.64 | 0.66 | 0.65 | 0.65 | 0.66 | 0.67 | 0.69 | 0.70 | 0.72 | 0.73 | 0.72 | 0.74 | 0.76 | 0.79 | 0.82 | 0.84 | 0.86 | 0.87 | 0.89 | 0.91 | 0.90 | 0.91 | 0.93 | 0.93 | 0.93 |
| CPI | 0.74 | 0.76 | 0.78 | 0.75 | 0.73 | 0.73 | 0.71 | 0.72 | 0.72 | 0.73 | 0.72 | 0.72 | 0.73 | 0.74 | 0.73 | 0.74 | 0.74 | 0.72 | 0.71 | 0.71 | 0.72 | 0.72 | 0.72 | 0.72 | 0.71 | 0.71 | 0.71 | 0.70 | 0.69 | 0.69 | 0.69 | 0.68 |




| | 22-Apr | 29-Apr | 06-May | 13-May | 20-May | 27-May | 03-Jun | 10-Jun | 17-Jun | 24-Jun | 01-Jul | 08-Jul | 15-Jul | 22/Jul | 29/Jul | 5/Aug | 12/Aug | 19/Aug | 26/Aug |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| CPI | 0.88 | 0.87 | 0.89 | 0.89 | 0.87 | 0.87 | 0.87 | 0.88 | 0.89 | 0.89 | 0.89 | 0.88 | 0.88 | 0.88 | 0.87 | 0.86 | 0.86 | 0.85 | 0.84 |
| SPI | 0.88 | 0.87 | 0.87 | 0.88 | 0.86 | 0.86 | 0.86 | 0.88 | 0.89 | 0.89 | 0.89 | 0.89 | 0.91 | 0.92 | 0.92 | 0.93 | 0.95 | 0.95 | 0.95 |

## Spread 7 – Critical Issues

| Critical Issues | Mitigation | Need by Date (CP) | Test Section |
|---|---|---|---|
| Cleanup & Restoration rework due to the On/Off Rain Impacts | | | |

# EXHIBIT 16

## ASR Overall Weekly Progress 09-16

# Atlantic Sunrise Pipeline Project Spread 5 Progress Report

Week Ending 16-Sept-18

# SPREAD 5 - Safety

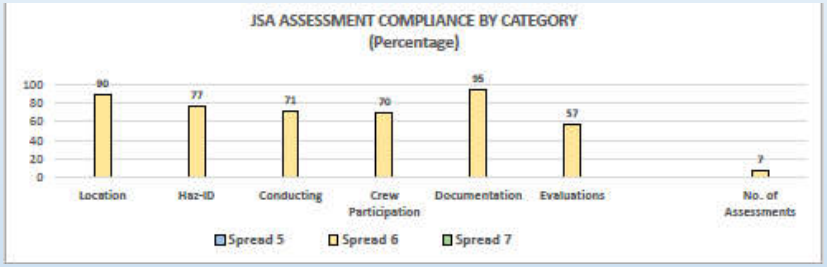
**Project Incident Matrix** *Includes 3 subcontractor Recordable incidents

**Number of Incidents**

| | I/I | LTI | Rec* | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| Spread 5 | 0 | 1 | 3 | 68 | 27 | 82 | 31 | 7 | 2 | 36 |
| Spread 6 | 0 | 1 | 7 | 72 | 30 | 88 | 22 | 5 | 2 | 20 |
| Spread 7 | 0 | 0 | 4 | 67 | 30 | 94 | 3 | 5 | 4 | 61 |
| **Totals** | **0** | **2** | **14** | **207** | **87** | **264** | **56** | **17** | **8** | **117** |

**Incident Rates**

| | I/I | LTI | Rec* | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| Spread 5 | 0.00 | 0.16 | 0.47 | 10.55 | 4.19 | 12.72 | 4.81 | 1.09 | 0.31 | 5.59 |
| Spread 6 | 0.00 | 0.12 | 0.87 | 8.91 | 3.71 | 10.88 | 2.72 | 0.62 | 0.25 | 2.47 |
| Spread 7 | 0.00 | 0.00 | 0.46 | 7.75 | 3.47 | 10.88 | 0.35 | 0.58 | 0.46 | 7.06 |
| Overall rate | 0.00 | 0.09 | 0.60 | 8.93 | 3.75 | 11.39 | 2.42 | 0.73 | 0.35 | 5.05 |










*Charts are for the entire month of August

# SPREAD 5 - Quality Assurance

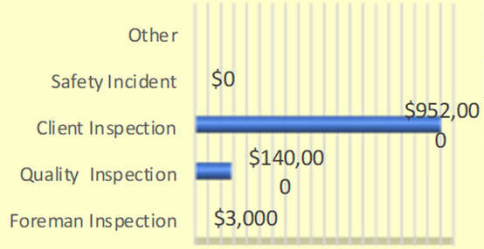
Repair rate w/o TIs: 6.8%

## Spread 5 - Quality Assurance

### Non Conformance Issues




### Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 10.20% |
| Field Joint Coating Rejection Rate | 0.00% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | - | 72 |
| Closed | - | 72 |
| Remaining Open | | - |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | 2 | 41 |
| Closed | 2 | 41 |
| Remaining Open | | - |

**Notes: All tie-in and valve welds are complete. All hydro tests and caliper runs completed. Two new NCRs: one has been closed; the other has been cancelled by Williams.**

# Spread 5 – Environmental

1. Environmental Compliance
   - NCRs and NOVs from current period: NA
   - FERC / Williams issued Non Compliance Reports (NCRs) and Notices of Violations (NOVs) from previous reporting periods:
     - Waterbody and Wetland crossing – Mahantango Creek (Williams Issued)
     - Missing Waterbars (Williams Issued)
     - FERC issued NCR issued for mixing subsoil and topsoil
     - FERC issued an NCR (MP 93.1) for disturbing 50' stream buffers
     - In-stream work outside the TOYR
     - Work within 50 foot buffer
     - Not following construction sequence at the AR, Road Specific Construction Sequence (RSCS) for Access Road AR-NO-082s for:
     - Columbia CCD issued NOVs for:
       1. Failure to implement effective E&S Best Management Practices (BMPs).
       2. Failure to comply with permit conditions.
       3. Sediment or other pollutant was discharged into waters of the Commonwealth.
     - Site conditions present a potential for pollution to waters of the Commonwealth.
     - Material off the right-of-way
     - Incomplete water bar installation
     - Improper waterbody crossing sequence @ HQ/EV UNT to Mugser Run WW-T31-11001
     - Improper waterbody crossing sequence @ HQ/EV UNT to Mugser Run WW-T31-11001 – 2/23/18
     - Follow up inspection for activities not being completed @ HQ/EV UNT to Mugser Run WW-T31-11001- 3/01/18
     - FERC issued: EV-2843 – Pine Swamp – Dewatering and Erosion and Sediment Control
     - Williams issued NCR – Incomplete Stream Restoration
     - Noncompliance EV-2843 issued 13-Mar-18 for dewatering and erosion and sediment controls between MP 94.25 and 94.5.
     - Williams issued noncompliance for parking off ROW.
     - Two FERC non-compliances were issued; 2 are under dispute by Williams' Environmental Department for slope breakers missing during construction hours.
     - NCR issued for subsoil pushed onto topsoil pile during saturated water bar removal
     - FERC Issued: Lack of/inadequate secondary containment.
     - Improper dewatering and inadequate secondary containment.
     - Williams Issued: Burying of construction debris

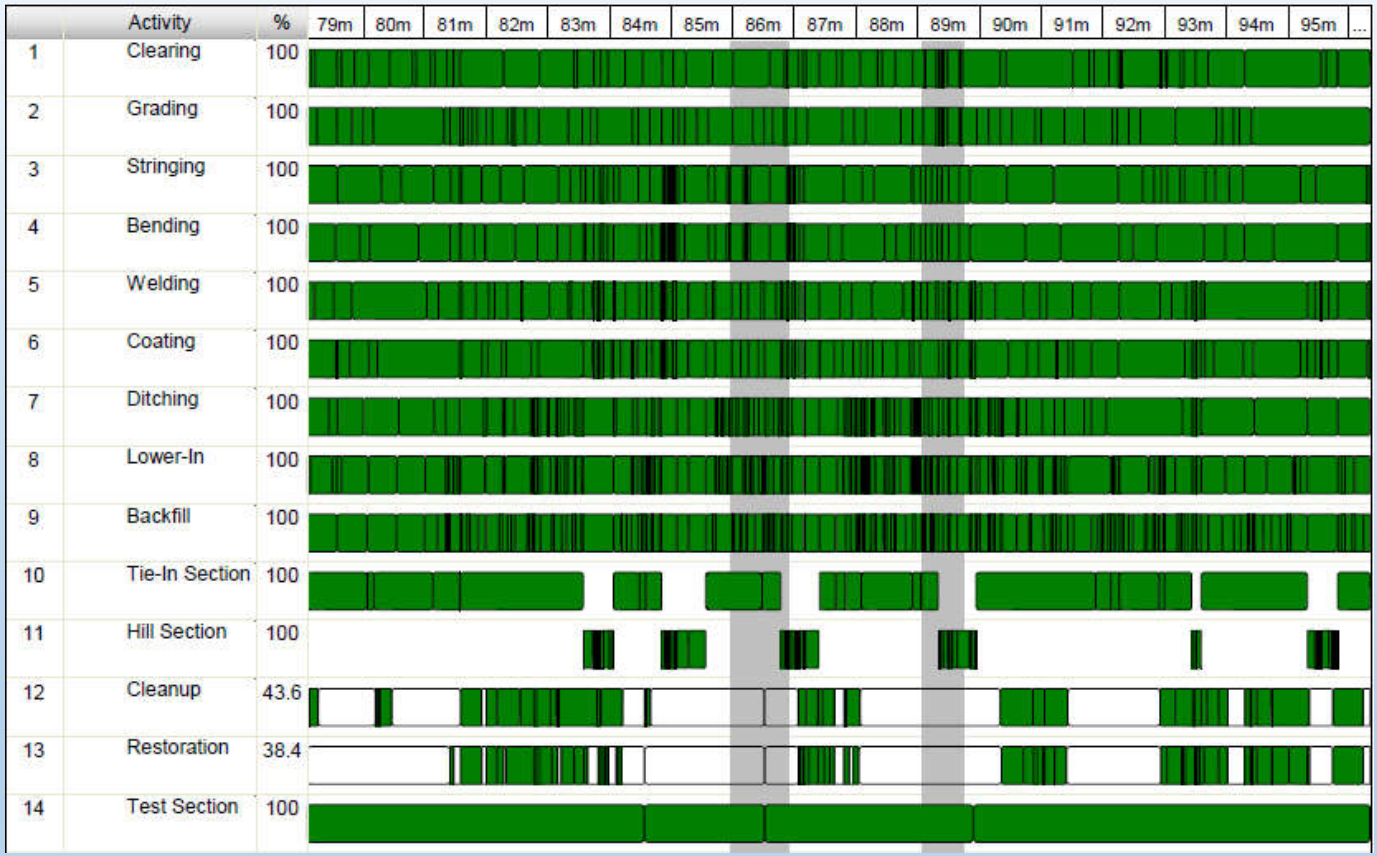
2. Environmental Concerns
   - NA
3. Listing of variance requests outstanding
   - Retrieve mats from ROW at the following coordinates

     40.878169, -76.4879979
     40.697509, -76.4949958
     40.8778617, -76.493077
     40.6960194, -76.4971218
     40.697509, -76.4949958
     40.6970186, -76.4950387
     40.6973066, -76.4948349
     40.6973066, -76.4948349
     40.6968272, -76.4949747
     40.8784547, -76.4896378
     40.6968015, -76.4950575
     40.6971023, -76.4945341
     40.8779144, -76.4934464
     40.8781246, -76.4874873
     40.6975069, -76.4943768
     40.87829139, -76.4895171
     40.6971973, -76.494319 v

   Retrieve construction materials from the ROW at the following coordinates

     40.6983074, -76.4938713
     40.6960595, -76.4966615
     40.6981958, -76.4940409
     40.6959096, -76.4977198
     40.878425, -76.48946789

## Spread 5 – March Chart




Bat restricted area

## Spread 5 – Weekly Impacts

| Activity | Variance to Forecast | 10-Sep Monday | 11-Sep Tuesday | 12-Sep Wednesday | 13-Sep Thursday | 14-Sep Friday | 15-Sep Saturday | 16-Sep Sunday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | | |
| Grading | - | | | | | | | | |
| Stringing | - | | | | | | | | |
| Bending | - | | | | | | | | |
| Firing Line | - | | | | | | | | |
| Coating | - | | | | | | | | |
| Ditch | - | | | | | | | | |
| Lower In | - | | | | | | | | |
| Backfill | - | | | | | | | | |
| Tie In | - | | | | | | | | |
| Hill | - | | | | | | | | |
| Road Crossing | - | | | | | | | | |
| Testing | 10,047 | | | | | | | | |
| Clean Up | 1,489 | Rainout | Rainout | Rainout | Rainout | | | | |
| Restoration | 1,605 | Rainout | Rainout | Rainout | Rainout | | | | |

# Spread 5 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 16-Sep | | | Cumulative | | | To Go |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast | |
| Clearing | lf | 90,990 | 100.0% | - | - | - | 90,990 | 90,990 | - | - |
| Grading | lf | 90,990 | 100.0% | - | - | - | 90,990 | 90,990 | - | - |
| Stringing | lf | 90,990 | 100.0% | - | - | - | 90,990 | 90,990 | - | - |
| Bending | lf | 90,990 | 100.0% | - | - | - | 90,990 | 90,990 | - | - |
| Firing Line | lf | 74,690 | 100.0% | - | - | - | 74,690 | 74,690 | - | - |
| Coating | lf | 74,690 | 100.0% | - | - | - | 74,690 | 74,690 | - | - |
| Ditch | lf | 74,690 | 100.0% | - | - | - | 74,690 | 74,690 | - | - |
| Lower In | lf | 74,690 | 100.0% | - | - | - | 74,690 | 74,690 | - | - |
| Backfill | lf | 74,690 | 100.0% | - | - | - | 74,690 | 74,690 | - | - |
| Tie In | ea. | 650 | 100.0% | - | - | - | 633 | 650 | 17 | - |
| Hill | lf | 16,300 | 100.0% | - | - | - | 16,300 | 16,300 | - | - |
| Road Crossing | lf | 1,086 | 100.0% | - | - | - | 1,086 | 1,086 | - | - |
| Testing | lf | 90,990 | 100.0% | - | 10,047 | 10,047 | 90,990 | 90,990 | - | - |
| Clean Up | lf | 90,990 | 43.6% | - | 1,489 | 1,489 | 64,118 | 39,648 | (24,470) | 51,342 |
| Restoration | lf | 90,990 | 38.4% | - | 1,605 | 1,605 | 57,937 | 34,956 | (22,981) | 56,034 |

Progress forecast refreshed to match remaning work

| Tie-In Status | 19-Aug | 26-Aug | 2-Sep | 9-Sep | 16-Sep |
|---|---|---|---|---|---|
| Forecast | 18 | 16 | - | - | - |
| Actual | 21 | 16 | - | - | - |
| Total Remaining | 16 | - | - | - | - |
| # of Tie In Crews | 6 | 6 | 6 | 2 | - |

| | Scope | Amount complete by End of August | |
|---|---|---|---|
| | | Linear Feet | Percent Complete |
| Clean up | 90,990 | 39,648 | 44% |
| Restoration | 90,990 | 34,956 | 38% |

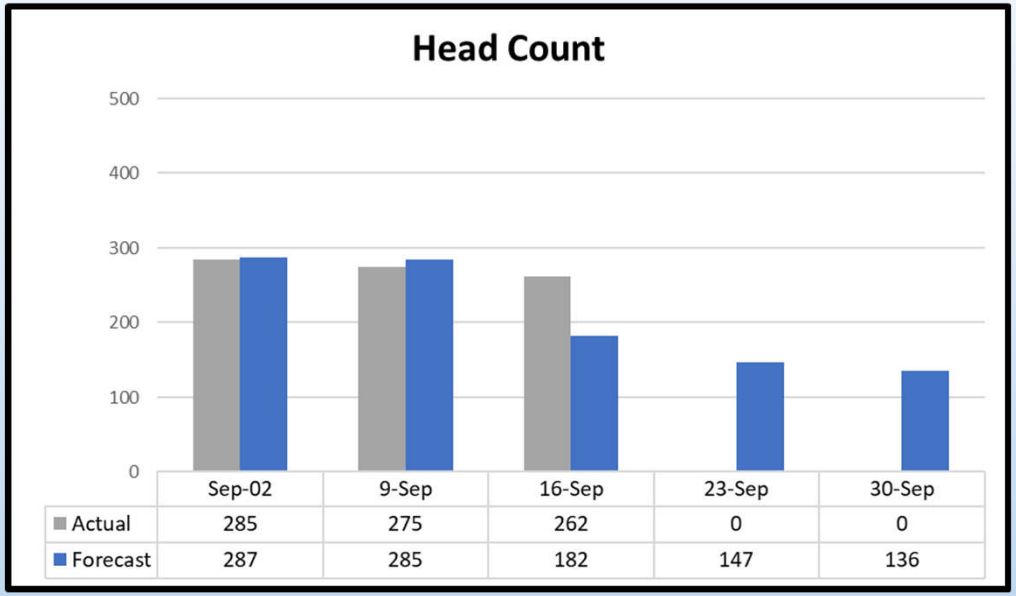
## Spread 5 – Manhours and Performance (Craft Only)

| Activity | Jan 21 Forecast | Hours This Period | | Hours to Date | | | CPI | SPI |
|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | |
| Clearing | 46,571 | 0 | 0 | 44,712 | 45,047 | 46,571 | 1.03 | 1.00 |
| Grading | 38,471 | 0 | 0 | 35,684 | 35,684 | 38,471 | 1.08 | 1.00 |
| Stringing | 35,447 | 0 | 388 | 31,883 | 32,291 | 35,447 | 1.10 | 1.00 |
| Bending | 16,143 | 0 | 253 | 17,427 | 17,711 | 16,143 | 0.91 | 1.00 |
| Firing Line | 68,408 | 264 | 844 | 95,476 | 95,600 | 68,408 | 0.72 | 1.00 |
| Coating | 21,559 | 0 | 0 | 26,776 | 26,776 | 21,559 | 0.81 | 1.00 |
| Ditch | 20,188 | 0 | 0 | 9,506 | 9,506 | 20,188 | 2.12 | 2.12 |
| Lower In | 23,760 | 0 | 0 | 28,994 | 28,994 | 23,760 | 0.82 | 0.82 |
| Backfill | 15,425 | 0 | 0 | 29,853 | 29,971 | 15,425 | 0.51 | 0.52 |
| Tie In | 110,344 | 0 | 2,498 | 217,126 | 218,655 | 110,344 | 0.50 | 0.51 |
| Hill | 78,520 | 0 | 0 | 95,969 | 95,969 | 78,520 | 0.82 | 0.82 |
| Road Crossing | 28,847 | 0 | 0 | 47,378 | 47,762 | 28,847 | 0.60 | 1.00 |
| Testing | 15,446 | 1,008 | 3,910 | 32920 | 37187 | 15,446 | 0.42 | 0.47 |
| Clean Up | 37,362 | 3,564 | 3,163 | 35570 | 35306 | 16,280 | 0.46 | 0.46 |
| **Total Progressable Hours** | **556,491** | **4,836** | **11,056** | **749,274** | **756,459** | **535,409** | **0.71** | **0.71** |
| Envrionmental | 113,642 | 3,762 | 3,597 | 169,736 | 169,645 | 0 | | |
| Non Progressable Hours | 227,994 | 2,586 | 2,280 | 256,093 | 255,483 | 0 | | |
| **Total Hours** | **898,127** | **11,184** | **16,933** | **1,175,103** | **1,181,587** | **535,409** | **0.71** | **0.71** |

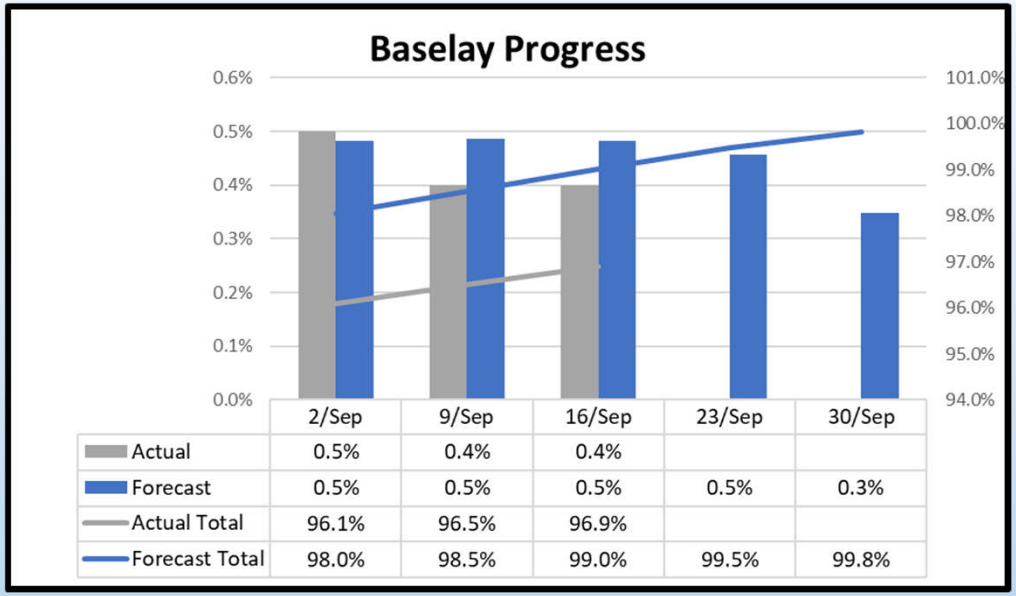
Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

CPI

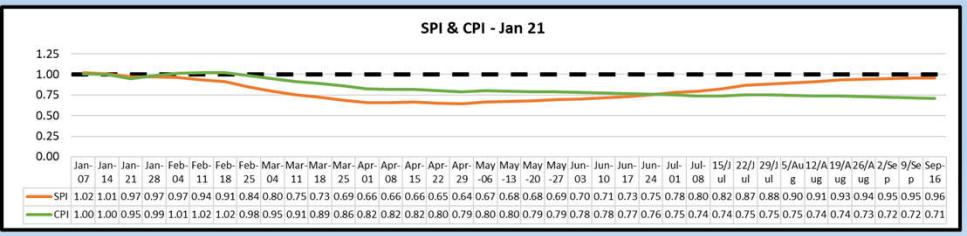
## Spread 5 – Progress and Performance Curves



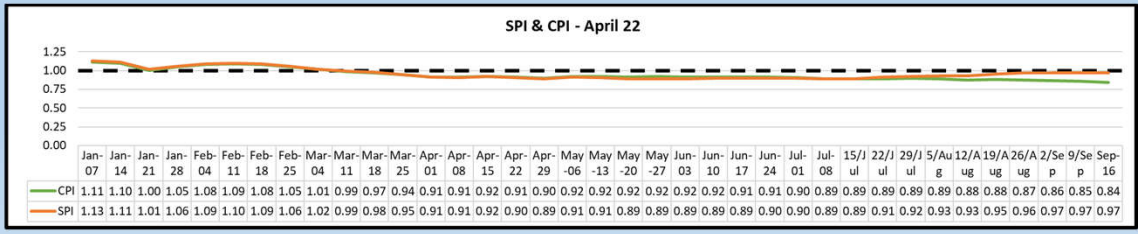

| | Sep-02 | 9-Sep | 16-Sep | 23-Sep | 30-Sep |
|---|---|---|---|---|---|
| Actual | 285 | 275 | 262 | 0 | 0 |
| Forecast | 287 | 285 | 182 | 147 | 136 |




| | 2/Sep | 9/Sep | 16/Sep | 23/Sep | 30/Sep |
|---|---|---|---|---|---|
| Actual | 0.5% | 0.4% | 0.4% | | |
| Forecast | 0.5% | 0.5% | 0.5% | 0.5% | 0.3% |
| Actual Total | 96.1% | 96.5% | 96.9% | | |
| Forecast Total | 98.0% | 98.5% | 99.0% | 99.5% | 99.8% |




| | Jan-07 | Jan-14 | Jan-21 | Jan-28 | Feb-04 | Feb-11 | Feb-18 | Feb-25 | Mar-04 | Mar-11 | Mar-18 | Mar-25 | Apr-01 | Apr-08 | Apr-15 | Apr-22 | Apr-29 | May-06 | May-13 | May-20 | May-27 | Jun-03 | Jun-10 | Jun-17 | Jun-24 | Jul-01 | Jul-08 | 15/Jul | 22/Jul | 29/Jul | 5/Aug | 12/Aug | 19/Aug | 26/Aug | 2/Sep | 9/Sep | Sep-16 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 1.02 | 1.01 | 0.97 | 0.97 | 0.97 | 0.94 | 0.91 | 0.84 | 0.80 | 0.75 | 0.73 | 0.69 | 0.66 | 0.66 | 0.66 | 0.65 | 0.64 | 0.67 | 0.68 | 0.68 | 0.69 | 0.70 | 0.71 | 0.73 | 0.75 | 0.78 | 0.80 | 0.82 | 0.87 | 0.88 | 0.90 | 0.91 | 0.93 | 0.94 | 0.95 | 0.95 | 0.96 |
| CPI | 1.00 | 1.00 | 0.95 | 0.99 | 1.01 | 1.02 | 1.02 | 0.98 | 0.95 | 0.91 | 0.89 | 0.86 | 0.82 | 0.82 | 0.82 | 0.80 | 0.79 | 0.80 | 0.80 | 0.79 | 0.79 | 0.78 | 0.78 | 0.77 | 0.76 | 0.75 | 0.74 | 0.74 | 0.75 | 0.75 | 0.75 | 0.74 | 0.74 | 0.73 | 0.72 | 0.72 | 0.71 |




| | Jan-07 | Jan-14 | Jan-21 | Jan-28 | Feb-04 | Feb-11 | Feb-18 | Feb-25 | Mar-04 | Mar-11 | Mar-18 | Mar-25 | Apr-01 | Apr-08 | Apr-15 | Apr-22 | Apr-29 | May-06 | May-13 | May-20 | May-27 | Jun-03 | Jun-10 | Jun-17 | Jun-24 | Jul-01 | Jul-08 | 15/Jul | 22/Jul | 29/Jul | 5/Aug | 12/Aug | 19/Aug | 26/Aug | 2/Sep | 9/Sep | Sep-16 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| CPI | 1.11 | 1.10 | 1.00 | 1.05 | 1.08 | 1.09 | 1.08 | 1.05 | 1.01 | 0.99 | 0.97 | 0.94 | 0.91 | 0.91 | 0.92 | 0.91 | 0.90 | 0.92 | 0.92 | 0.92 | 0.92 | 0.92 | 0.92 | 0.91 | 0.91 | 0.90 | 0.89 | 0.89 | 0.89 | 0.89 | 0.89 | 0.88 | 0.88 | 0.87 | 0.86 | 0.85 | 0.84 |
| SPI | 1.13 | 1.11 | 1.01 | 1.06 | 1.09 | 1.10 | 1.09 | 1.06 | 1.02 | 0.99 | 0.98 | 0.95 | 0.91 | 0.91 | 0.92 | 0.90 | 0.89 | 0.91 | 0.91 | 0.89 | 0.89 | 0.89 | 0.89 | 0.89 | 0.90 | 0.90 | 0.89 | 0.89 | 0.91 | 0.92 | 0.93 | 0.93 | 0.95 | 0.96 | 0.97 | 0.97 | 0.97 |

## Spread 5 – Critical Issues

| Critical Issues | Mitigation | Need by Date (CP) | Test Section |
|---|---|---|---|
| Over 20” of rain in the past 30 days. Wide spread flooding along the ROW footprint. | Cleaning up and seeding where/when possible | | |
| Multiple bridge crossings washed away. Ongoing efforts to recover destruction debris off the LOD. | | | |
| Loss of previously restored ROW. Severely hindered clean-up and restoration expectations. | | | |

# Atlantic Sunrise Pipeline Project
# Spread 6 Progress Report

Week Ending 16-Sept-18

# SPREAD 6 - Safety

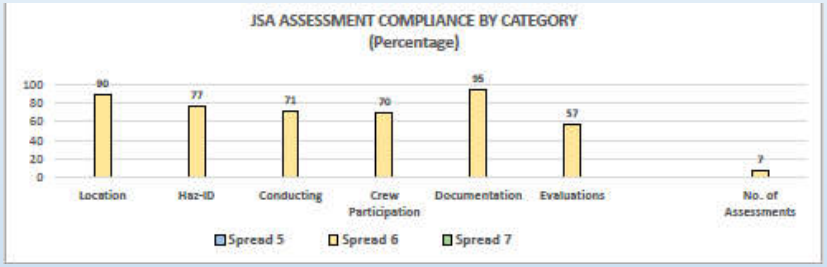
**Project Incident Matrix** *Includes 3 subcontractor Recordable incidents

**Number of Incidents**

| | I/I | LTI | Rec* | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| Spread 5 | 0 | 1 | 3 | 68 | 27 | 82 | 31 | 7 | 2 | 36 |
| Spread 6 | 0 | 1 | 7 | 72 | 30 | 88 | 22 | 5 | 2 | 20 |
| Spread 7 | 0 | 0 | 4 | 67 | 30 | 94 | 3 | 5 | 4 | 61 |
| **Totals** | **0** | **2** | **14** | **207** | **87** | **264** | **56** | **17** | **8** | **117** |

**Incident Rates**

| | I/I | LTI | Rec* | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| Spread 5 | 0.00 | 0.16 | 0.47 | 10.55 | 4.19 | 12.72 | 4.81 | 1.09 | 0.31 | 5.59 |
| Spread 6 | 0.00 | 0.12 | 0.87 | 8.91 | 3.71 | 10.88 | 2.72 | 0.62 | 0.25 | 2.47 |
| Spread 7 | 0.00 | 0.00 | 0.46 | 7.75 | 3.47 | 10.88 | 0.35 | 0.58 | 0.46 | 7.06 |
| Overall rate | 0.00 | 0.09 | 0.60 | 8.93 | 3.75 | 11.39 | 2.42 | 0.73 | 0.35 | 5.05 |







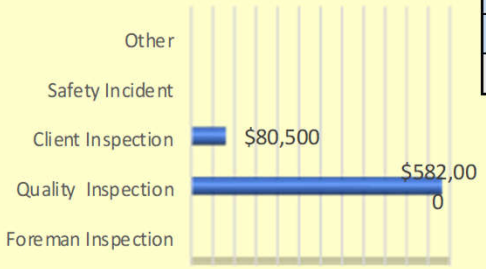



*Charts are for the entire month of August

## SPREAD 6 - Quality Assurance

### Spread 6 - Quality Assurance




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 9.91% |
| Field Joint Coating Rejection Rate | 0.15% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 3 | 59 |
| Closed | 3 | 59 |
| Remaining Open | | - |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | - | 33 |
| Closed | 1 | 33 |
| Remaining Open | | - |

Notes: Exposing anomalies after final caliper run

# Spread 6 – Environmental

1. Environmental Compliance
   - Non compliance from current period:
     - None
   - Notifications from current period: None
   - Non compliance from previous periods:
     - Clearing outside of LOD at Fort Swatara Yard;
     - ROW lacking temporary stabilization south of SR0322
     - Improper waterbody crossing (2593+91)
     - Improper construction methods while installing bridge equipment crossing – Forge Creek
     - Installing skids within a delineated waterway – 4015+00
     - NOV – Quittapahilla Creek(2493+34)
     - Sediment was discharged into waters 0f the Commonwealth – UNT to Conewego Creek (2002+00)
     - Improper Waterbody Crossing Work Sequence - UNT to Pine Creek (WW-T20-9001) (4099+00)
     - Inadequate Interim Stabilization station 2152+00 and 2247+00 (S.Forge Road/Horseshoe Pike)
     - Improper Wetland Crossing Techniques 4005+99 to 4009+27
     - Sediment into Resource (2243+13)
     - Improper wetland Restoration (4161+77 to 4177+00)
     - Sediment into a wetland (4161+77 to 4177+00)
     - Stream Buffer Impacts and out of sequence work
     - Sediment off LOD 4150+30-4258+20 and 4221+50-4224+00
     - Sediment off LOD 3175+00 – 3728+00
     - Sediment off LOD 3785+00 – 3794+00
     - Soil Mixing 2276+00
     - Sedimentation to a Waterbody 2195+41
     - Failure to restore in a residential area within 10 days
     - Darkwoods Road and Stream Crossing
     - Improper dewatering that resulted in sediment l-laden water exiting the ROW and entering into a resource – Goldmine

2. Environmental Concerns
   - None
3. Listing of variance requests outstanding
     - Restore Landowners Pond – PA-LE-183.300
     - Retrieval of mats - 3156+00 - 3159+00
     - Seed and Stabilize Sediment – 3089+00 to 3091+00
     - Stabilization after removal of Dewatering Structure - 3641+00, 3645+00, 3663+00
     - Retrieval of mats - 2495+00
     - Retrieval of mats - 2995+00
     - Restore Landowners Pond - PA-LE-183.300
     - Retrieval of Sediment - 3716+59 - 3731+00
     - Seed and Stabilize Sediment - 3088+50 to 3090+00
     - Stabilization after removal of Dewatering Structure - 3641+00, 3645+00, 3663+00
     - Road Use for Driveway Repair – 2819+00

## Spread 6 – March Chart



# Spread 6 – Weekly Impacts

| Activity | Variance to Forecast | 10-Sep Monday | 11-Sep Tuesday | 12-Sep Wednesday | 13-Sep Thursday | 14-Sep Friday | 15-Sep Saturday | 16-Sep Sunday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | | |
| Grading | - | | | | | | | | |
| Stringing | - | | | | | | | | |
| Bending | - | | | | | | | | |
| Firing Line | - | | | | | | | | |
| Coating | - | | | | | | | | |
| Ditch | - | | | | | | | | |
| Lower In | - | | | | | | | | |
| Backfill | - | | | | | | | | |
| Tie In | - | | | | | | | | |
| Road Crossing | | | | | | | | | |
| Testing | - | | | | | | | | |
| Clean Up | 6,903 | Rainout | Rainout | Rainout | Rainout | | | | |
| Restoration | 12,624 | Rainout | Rainout | Rainout | Rainout | | | | |

# Spread 6 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 16-Sep | | | Cumulative | | | To Go |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast | |
| Clearing | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Grading | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Stringing | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Bending | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Firing Line | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Coating | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Ditch | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Lower In | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Backfill | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Tie In | ea | 1,092 | 100.0% | - | - | - | 1,124 | 1,092 | (32) | - |
| Road Crossing | lf | 4,073 | 100.0% | - | - | - | 4,073 | 4,073 | - | - |
| Testing | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Clean Up | lf | 159,474 | 57.0% | - | 6,903 | 6,903 | 92,913 | 90,910 | (2,003) | 68,564 |
| Restoration | lf | 159,474 | 48.5% | - | 12,624 | 12,624 | 87,704 | 77,354 | (10,350) | 82,120 |

Progress forecast refreshed to match remaning work

| Tie-In Status | 19-Aug | 26-Aug | 2-Sep | 9-Sep | 16-Sep |
|---|---|---|---|---|---|
| Forecast | 37 | 22 | 1 | - | - |
| Actual | 15 | 21 | 1 | - | - |
| Total Remaining | 22 | 1 | - | - | - |
| # of Tie In Crews | 4 | 4 | 4 | 1 | - |

| | Scope | Amount complete by End of August | |
|---|---|---|---|
| | | Linear Feet | Percent Complete |
| Clean up | 152,318 | 90,910 | 60% |
| Restoration | 152,318 | 77,354 | 51% |

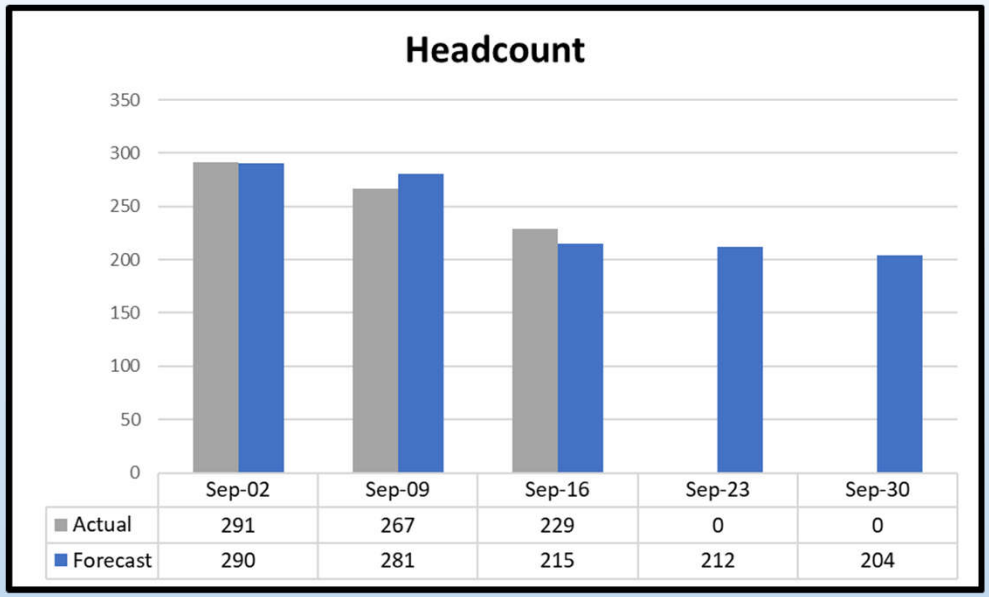
## Spread 6 – Manhours and Performance (Craft Only)

| Activity | Jan 21 Forecast | Hours This Period | | Hours to Date | | | CPI | SPI |
|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | |
| Clearing | 61,466 | 0 | 0 | 64,348 | 64,348 | 61,466 | 0.96 | 1.00 |
| Grading | 22,377 | 0 | 0 | 26,368 | 26,368 | 22,377 | 0.85 | 1.00 |
| Stringing | 29,578 | 0 | 0 | 26,503 | 26,503 | 29,578 | 1.12 | 1.00 |
| Bending | 14,824 | 0 | 0 | 13,347 | 13,347 | 14,824 | 1.11 | 1.00 |
| Firing Line | 58,798 | 0 | 0 | 62,189 | 62,189 | 58,798 | 0.95 | 1.00 |
| Coating | 29,699 | 0 | 0 | 33,639 | 33,639 | 29,699 | 0.88 | 1.00 |
| Ditch | 27,798 | 0 | 0 | 31,338 | 31,338 | 27,798 | 0.89 | 1.00 |
| Lower In | 34,007 | 0 | 0 | 44,938 | 44,938 | 34,007 | 0.76 | 1.00 |
| Backfill | 19,895 | 0 | 0 | 33,320 | 33,320 | 19,895 | 0.60 | 1.00 |
| Tie In | 217,106 | 0 | 1,638 | 404,176 | 405,814 | 217,106 | 0.53 | 0.54 |
| Road Crossing | 86,450 | 0 | 0 | 101,044 | 101,044 | 86,450 | 0.86 | 0.86 |
| Testing | 19,344 | 0 | 360 | 29,124 | 29,484 | 19,344 | 0.66 | 0.66 |
| Clean Up | 58,714 | 6,000 | 5,393 | 58,266 | 57,659 | 33,471 | 0.58 | 0.57 |
| **Total Progressable Hours** | **680,056** | **6,000** | **7,391** | **928,600** | **929,991** | **654,813** | **0.70** | **0.71** |
| Envrionmental | 153,578 | 2,400 | 3,021 | 166,620 | 167,241 | 0 | | |
| Non Progressable Hours | 321,618 | 4,068 | 4,744 | 344,503 | 345,179 | 0 | | |
| **Total Hours** | **1,155,252** | **12,468** | **15,156** | **1,439,723** | **1,442,411** | **654,813** | **0.70** | **0.71** |

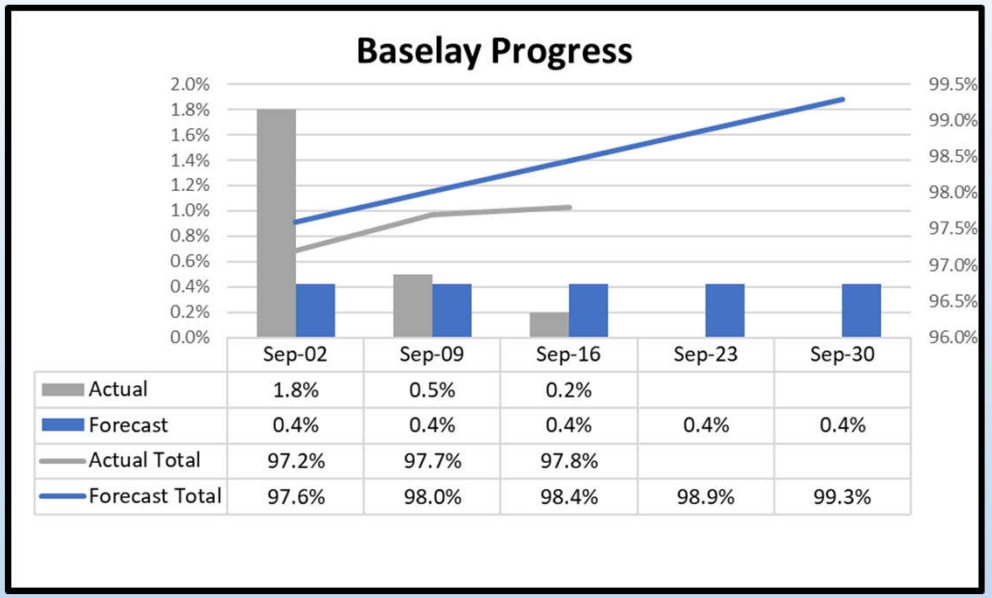
Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

CPI & SPI

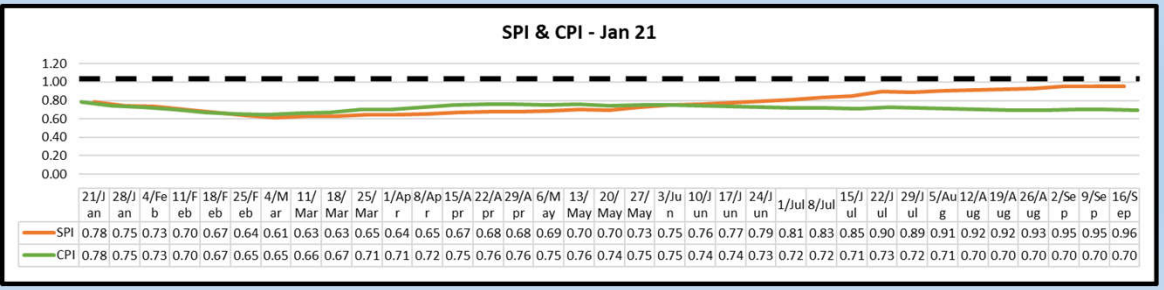
## Spread 6 – Progress & Performance Curves



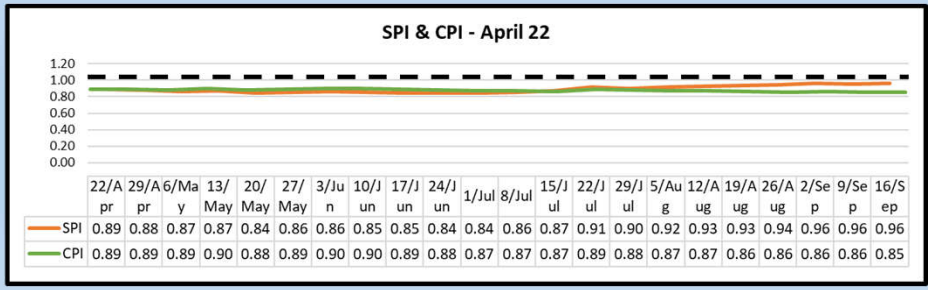

| | Sep-02 | Sep-09 | Sep-16 | Sep-23 | Sep-30 |
|---|---|---|---|---|---|
| Actual | 291 | 267 | 229 | 0 | 0 |
| Forecast | 290 | 281 | 215 | 212 | 204 |




| | Sep-02 | Sep-09 | Sep-16 | Sep-23 | Sep-30 |
|---|---|---|---|---|---|
| Actual | 1.8% | 0.5% | 0.2% | | |
| Forecast | 0.4% | 0.4% | 0.4% | 0.4% | 0.4% |
| Actual Total | 97.2% | 97.7% | 97.8% | | |
| Forecast Total | 97.6% | 98.0% | 98.4% | 98.9% | 99.3% |




| | 21/Jan | 28/Jan | 4/Feb | 11/Feb | 18/Feb | 25/Feb | 4/Mar | 11/Mar | 18/Mar | 25/Mar | 1/Apr | 8/Apr | 15/Apr | 22/Apr | 29/Apr | 6/May | 13/May | 20/May | 27/May | 3/Jun | 10/Jun | 17/Jun | 24/Jun | 1/Jul | 8/Jul | 15/Jul | 22/Jul | 29/Jul | 5/Aug | 12/Aug | 19/Aug | 26/Aug | 2/Sep | 9/Sep | 16/Sep |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.78 | 0.75 | 0.73 | 0.70 | 0.67 | 0.64 | 0.61 | 0.63 | 0.63 | 0.65 | 0.64 | 0.65 | 0.67 | 0.68 | 0.68 | 0.69 | 0.70 | 0.70 | 0.73 | 0.75 | 0.76 | 0.77 | 0.79 | 0.81 | 0.83 | 0.85 | 0.90 | 0.89 | 0.91 | 0.92 | 0.92 | 0.93 | 0.95 | 0.95 | 0.96 |
| CPI | 0.78 | 0.75 | 0.73 | 0.70 | 0.67 | 0.65 | 0.65 | 0.66 | 0.67 | 0.71 | 0.71 | 0.72 | 0.75 | 0.76 | 0.76 | 0.75 | 0.76 | 0.74 | 0.75 | 0.75 | 0.74 | 0.74 | 0.73 | 0.72 | 0.72 | 0.71 | 0.73 | 0.72 | 0.71 | 0.70 | 0.70 | 0.70 | 0.70 | 0.70 | 0.70 |




| | 22/Apr | 29/Apr | 6/May | 13/May | 20/May | 27/May | 3/Jun | 10/Jun | 17/Jun | 24/Jun | 1/Jul | 8/Jul | 15/Jul | 22/Jul | 29/Jul | 5/Aug | 12/Aug | 19/Aug | 26/Aug | 2/Sep | 9/Sep | 16/Sep |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.89 | 0.88 | 0.87 | 0.87 | 0.84 | 0.86 | 0.86 | 0.85 | 0.85 | 0.84 | 0.84 | 0.86 | 0.87 | 0.91 | 0.90 | 0.92 | 0.93 | 0.93 | 0.94 | 0.96 | 0.96 | 0.96 |
| CPI | 0.89 | 0.89 | 0.89 | 0.90 | 0.88 | 0.89 | 0.90 | 0.90 | 0.89 | 0.88 | 0.87 | 0.87 | 0.87 | 0.89 | 0.88 | 0.87 | 0.87 | 0.86 | 0.86 | 0.86 | 0.86 | 0.85 |

## Spread 6 – Critical Issues

| Critical Issues | Mitigation | Need By Date (CP) | Test Section |
|---|---|---|---|
| Critical Rain Events | Cleaning up where possible, variance requests submitted for off LOD materials, some but not all variance approvals received | | |

# Atlantic Sunrise Pipeline Project
# Spread 7 Progress Report

Week Ending 16-Sept-18






# SPREAD 7 - Safety

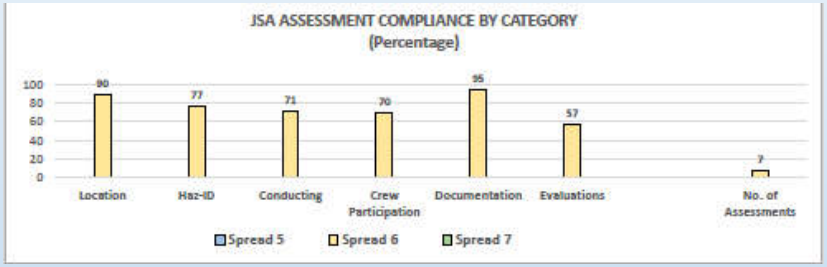
**Project Incident Matrix** *Includes 3 subcontractor Recordable incidents

**Number of Incidents**

| | I/I | LTI | Rec* | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| Spread 5 | 0 | 1 | 3 | 68 | 27 | 82 | 31 | 7 | 2 | 36 |
| Spread 6 | 0 | 1 | 7 | 72 | 30 | 88 | 22 | 5 | 2 | 20 |
| Spread 7 | 0 | 0 | 4 | 67 | 30 | 94 | 3 | 5 | 4 | 61 |
| **Totals** | **0** | **2** | **14** | **207** | **87** | **264** | **56** | **17** | **8** | **117** |

**Incident Rates**

| | I/I | LTI | Rec* | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| Spread 5 | 0.00 | 0.16 | 0.47 | 10.55 | 4.19 | 12.72 | 4.81 | 1.09 | 0.31 | 5.59 |
| Spread 6 | 0.00 | 0.12 | 0.87 | 8.91 | 3.71 | 10.88 | 2.72 | 0.62 | 0.25 | 2.47 |
| Spread 7 | 0.00 | 0.00 | 0.46 | 7.75 | 3.47 | 10.88 | 0.35 | 0.58 | 0.46 | 7.06 |
| Overall rate | 0.00 | 0.09 | 0.60 | 8.93 | 3.75 | 11.39 | 2.42 | 0.73 | 0.35 | 5.05 |










*Charts are for the entire month of August

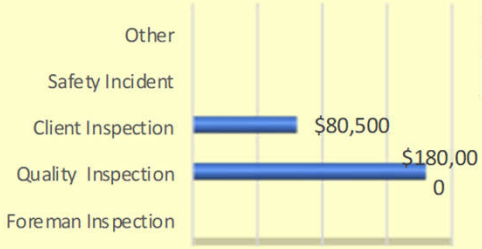
# SPREAD 7 - Quality Assurance

## Spread 7 - Quality Assurance

### Non Conformance Issues




### Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 2.61% |
| Field Joint Coating Rejection Rate | 0.00% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 3 | 188 |
| Closed | 3 | 188 |
| Remaining Open | | - |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | - | 14 |
| Closed | - | 14 |
| Remaining Open | | - |

**Notes: Exposing anomalies after final caliper run**

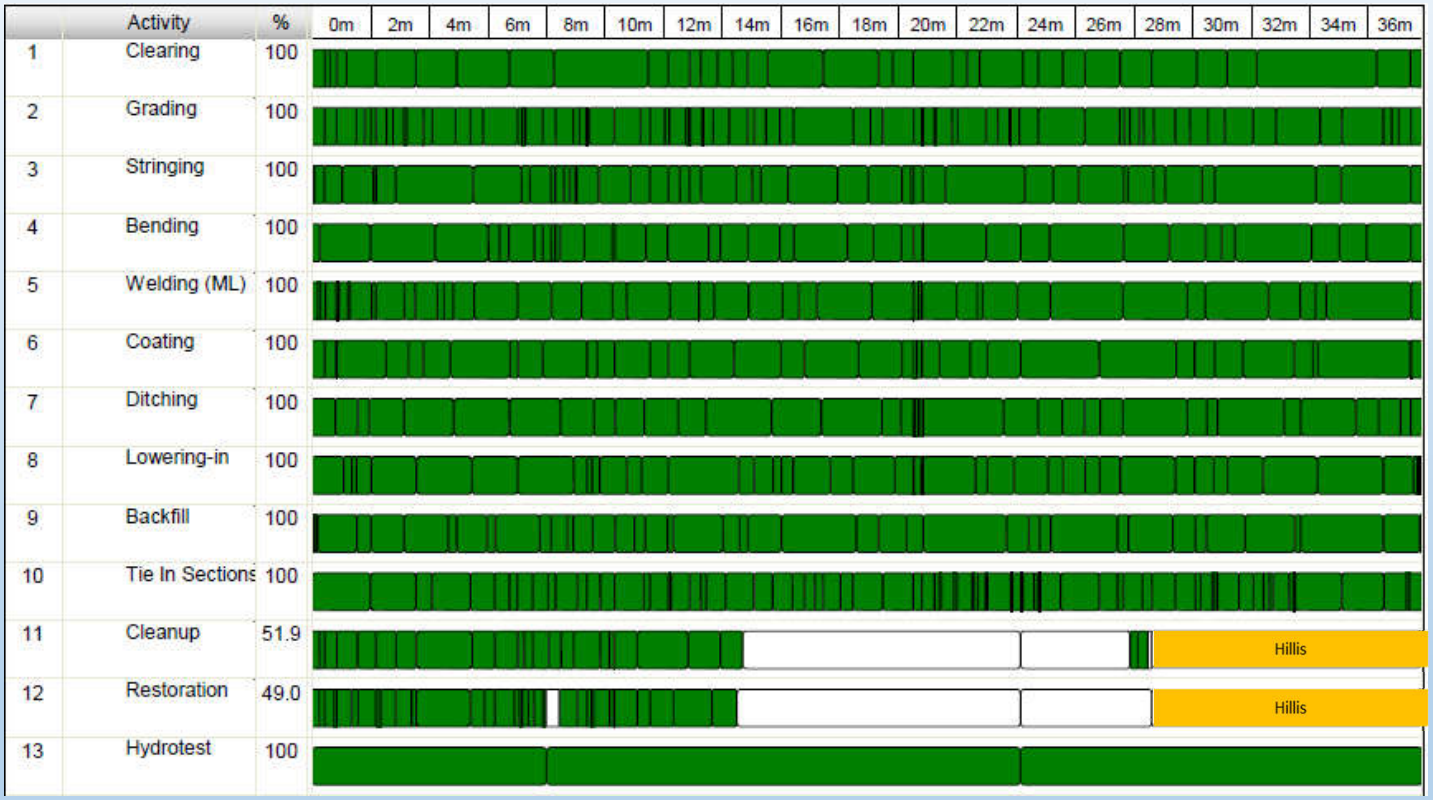
## Spread 7 – Environmental

Environmental Compliance

- Non compliance from current period – None
- Non compliance from previous periods:
  - Topsoil mixing
  - Avoiding air stations
  - 50’ buffer encroachment
  - Not installing air stations
  - 3 x Water bar installation
  - Failure to install ECD

2. Environmental Concerns
   - None
3. Listing of variance requests outstanding
   - N/A

## Spread 7 – March Chart



# Spread 7 – Weekly Impacts

| Activity | Variance to Forecast | 10-Sep | 11-Sep | 12-Sep | 13-Sep | 14-Sep | 15-Sep | 16-Sep | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|---|
| | | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday | Sunday | |
| Clearing | - | | | | | | | | |
| Grading | - | | | | | | | | |
| Stringing | - | | | | | | | | |
| Bending | - | | | | | | | | |
| Firing Line | - | | | | | | | | |
| Coating | - | | | | | | | | |
| Ditch | - | | | | | | | | |
| Lower In | - | | | | | | | | |
| Backfill | - | | | | | | | | |
| Tie In | - | | | | | | | | |
| Road Crossing | - | | | | | | | | |
| Testing | - | | | | | | | | |
| Clean Up | - | Rainout | Rainout | Rainout | Showers/Too wet to work | Too wet to work | Too wet to work | Too wet to work | |
| Restoration | - | Rainout | Rainout | Rainout | Showers/Too wet to work | Too wet to work | Too wet to work | Too wet to work | |

# Spread 7 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 16-Sep | | | Cumulative | | | To Go |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast | |
| Clearing | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Grading | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Stringing | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Bending | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Firing Line | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Coating | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Ditch | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Lower In | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Backfill | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Tie In | ea | 1,202 | 100% | - | - | - | 1,201 | 1,202 | 1 | - |
| Road Crossing | lf | 3,444 | 100% | - | - | - | 3,444 | 3,444 | - | - |
| Testing | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Clean Up | lf | 151,198 | 52% | - | - | - | 99,300 | 78,500 | (20,800) | 72,698 |
| Restoration | lf | 151,198 | 49% | - | - | - | 96,079 | 74,053 | (22,026) | 77,145 |

Progress forecast refreshed to match remaning work

| Tie-In Status | 19-Aug | 26-Aug | 2-Sep | 9-Sep | 16-Sep |
|---|---|---|---|---|---|
| Forecast | 12 | 5 | - | - | - |
| Actual | 7 | 5 | - | - | - |
| Total Remaining | 5 | - | - | - | - |
| # of Tie In Crews | 4 | 3 | 1 | 1 | - |

| | Scope | Amount complete by End of August | |
|---|---|---|---|
| | | Linear Feet | Percent Complete |
| Clean up | 151,198 | 78,500 | 52% |
| Restoration | 151,198 | 74,053 | 49% |

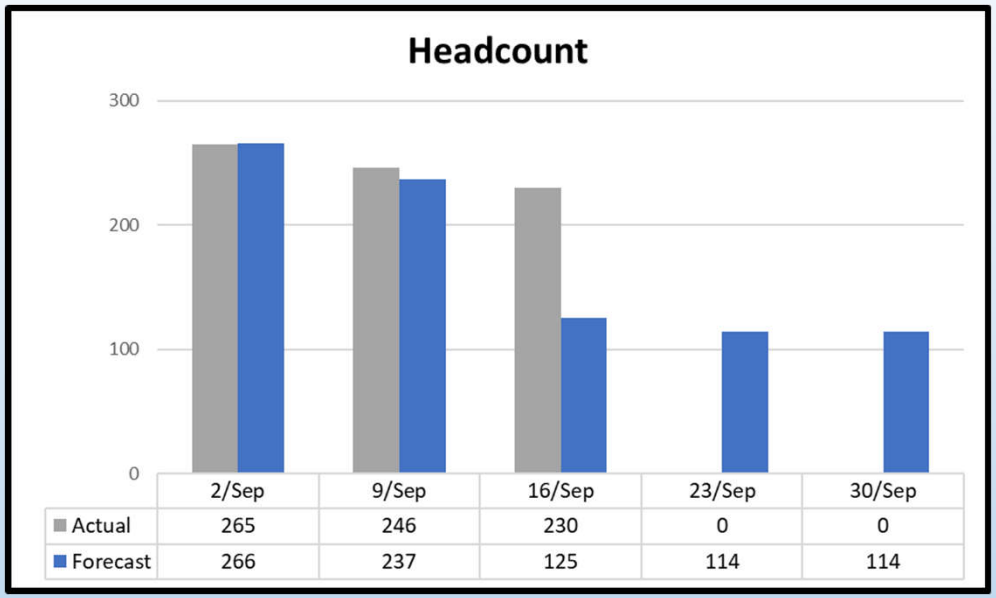
## Spread 7 – Manhours and Performance (Craft Only)

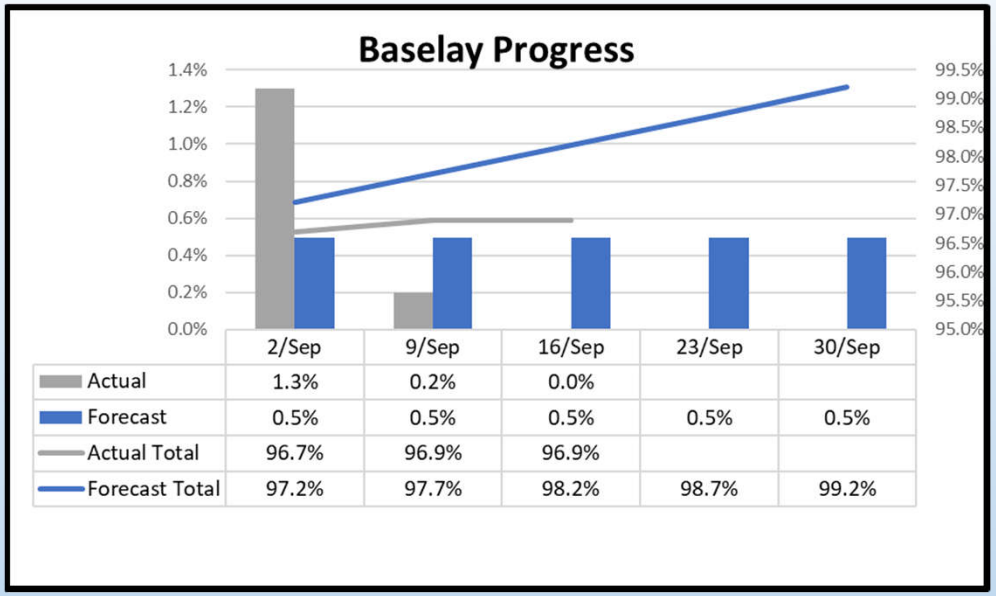
| Activity | Jan 21 Forecast | Hours This Period | | Hours to Date | | | CPI | SPI |
|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | |
| Clearing | 36,284 | 0 | 0 | 36,284 | 36,284 | 36,284 | 1.00 | 1.00 |
| Grading | 46,122 | 0 | 0 | 51,264 | 51,264 | 46,122 | 0.90 | 1.00 |
| Stringing | 34,364 | 0 | 0 | 36,091 | 36,091 | 34,364 | 0.95 | 1.00 |
| Bending | 10,297 | 0 | 0 | 12,822 | 12,822 | 10,297 | 0.80 | 1.00 |
| Firing Line | 66,964 | 0 | 0 | 73,524 | 73,524 | 66,964 | 0.91 | 1.00 |
| Coating | 22,002 | 0 | 0 | 23,052 | 23,052 | 22,002 | 0.95 | 1.00 |
| Ditch | 25,029 | 0 | 0 | 29,332 | 29,332 | 25,029 | 0.85 | 1.00 |
| Lower In | 35,328 | 0 | 0 | 44,232 | 44,232 | 35,328 | 0.80 | 1.00 |
| Backfill | 20,080 | 0 | 0 | 24,779 | 24,779 | 20,080 | 0.81 | 1.00 |
| Tie In | 227,443 | 0 | 5,554 | 446,672 | 452,226 | 227,443 | 0.50 | 0.51 |
| Road Crossing | 50,326 | 0 | 0 | 54,939 | 54,939 | 50,326 | 0.92 | 0.92 |
| Testing | 15,764 | 0 | 406 | 37,441 | 37847 | 15,764 | 0.42 | 0.42 |
| Clean Up | 66,495 | 2,925 | 2,582 | 56,509 | 56166 | 34,523 | 0.61 | 0.61 |
| **Total Progressable Hours** | **656,498** | **2,925** | **8,542** | **926,941** | **932,558** | **624,526** | **0.67** | **0.67** |
| Envrionmental | 130,487 | 1,755 | 2,601 | 189,862 | 190,708 | 0 | | |
| Non Progressable Hours | 310,901 | 2,470 | 3,604 | 357,168 | 358,172 | 0 | | |
| **Total Hours** | **1,097,886** | **7,150** | **14,747** | **1,473,971** | **1,481,438** | **624,526** | **0.67** | **0.67** |

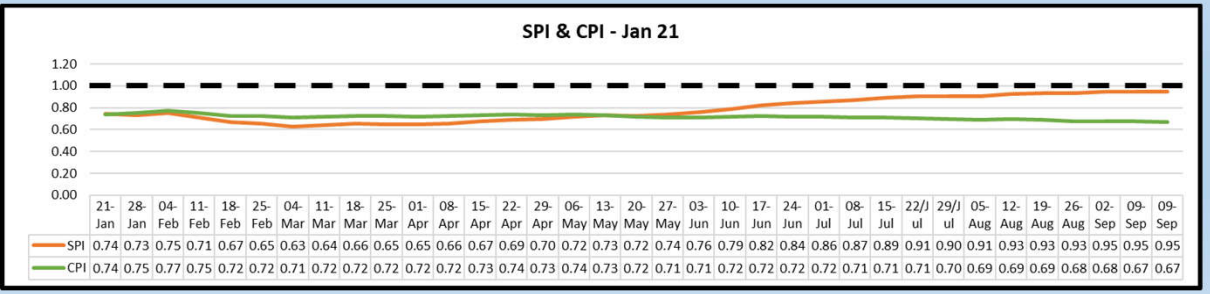
Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

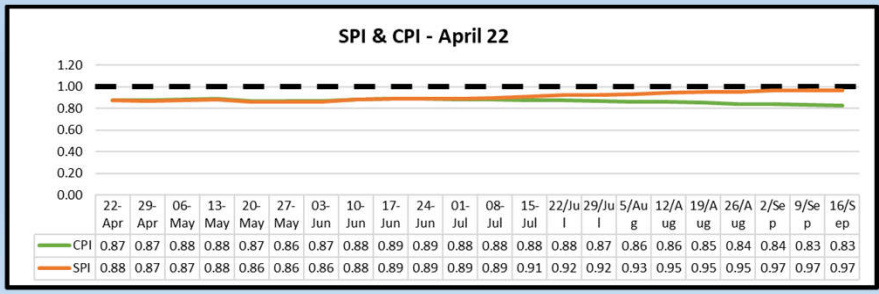
CPI & SP

## Spread 7 – Progress and Performance Curves



## Spread 7 – Critical Issues

| Critical Issues | Mitigation | Need by Date (CP) | Test Section |
|---|---|---|---|
| Cleanup & Restoration rework due to the On/Off Rain Impacts | | | |

# EXHIBIT 17

## ASR Overall Weekly Progress 05-06

# Atlantic Sunrise Pipeline Project Spread 5 Progress Report

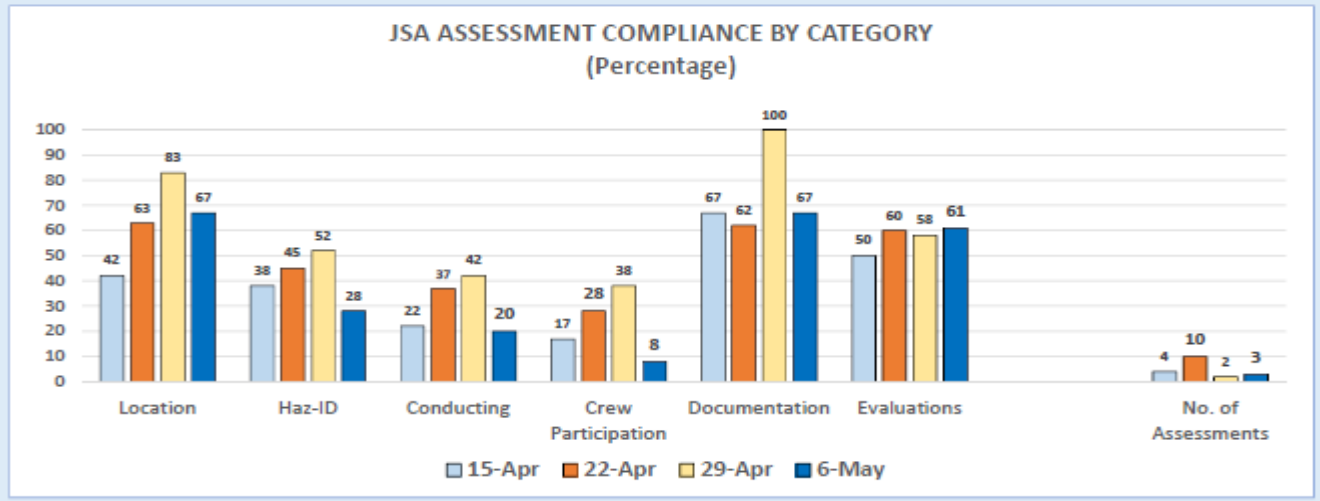
Week Ending 06-May-18

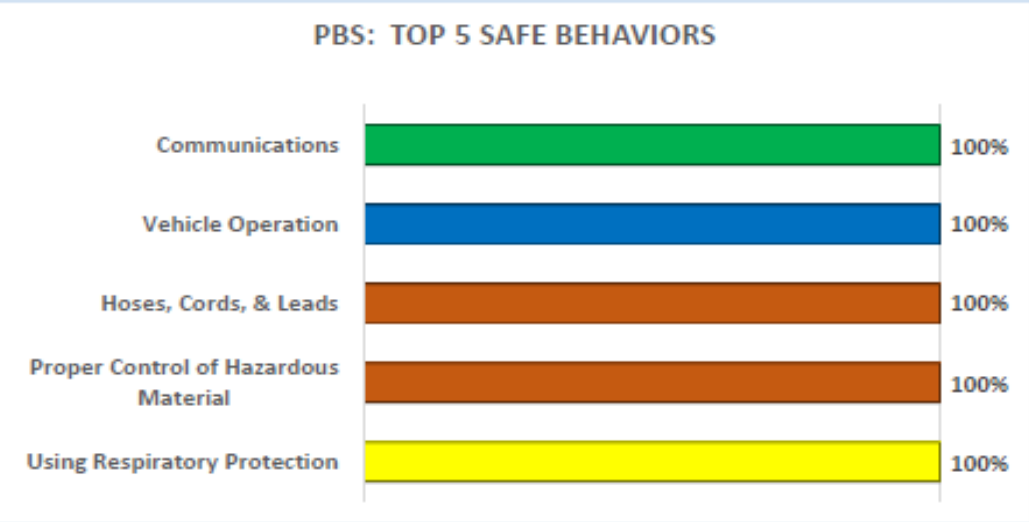
# SPREAD 5 - Safety

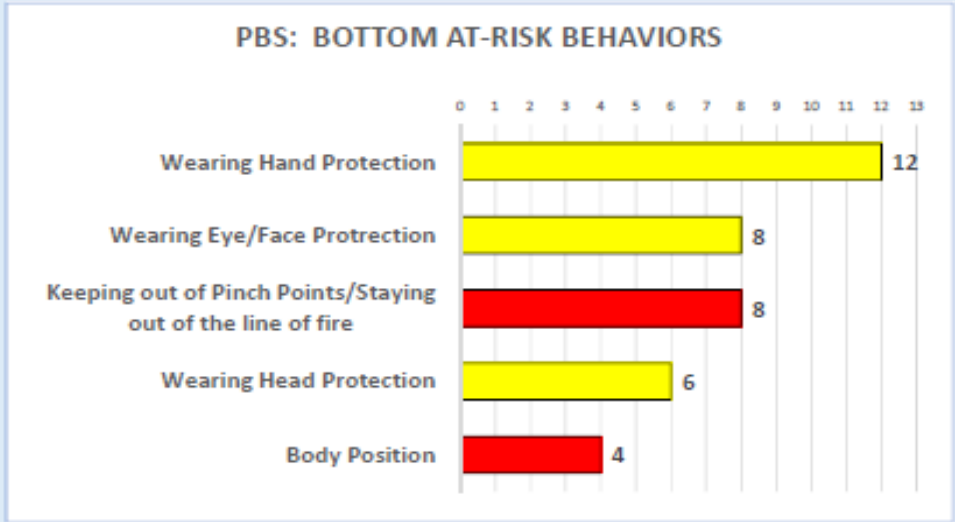
| Number of Incidents | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 | 2 | 38 | 20 | 49 | 16 | 4 | 2 | 18 |

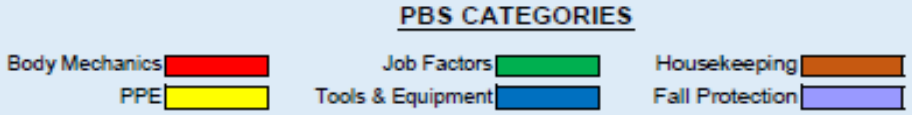
| Incident Rates | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0.00 | 0.26 | 0.51 | 9.74 | 5.13 | 12.56 | 4.10 | 1.03 | 0.51 | 4.61 |

| | Weekly Hours | Monthly Hours | Project Hours | Total Headcount |
|---|---|---|---|---|
| Welded | 31,070 | 31,070 | 670,187 | 420 |
| Subcontractors | 1,438 | 1,438 | 110,192 | 60 |
| Total | 32,508 | 32,508 | 780,379 | 480 |



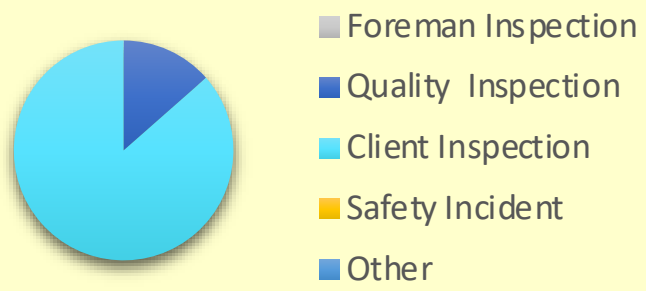



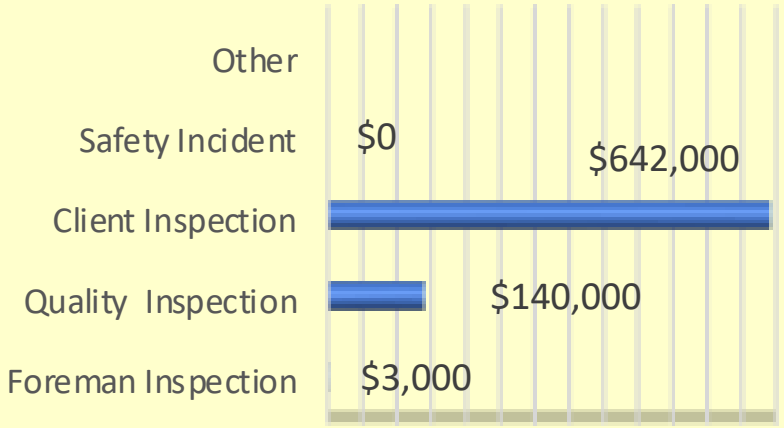



# SPREAD 5 Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 11.82% |
| Field Joint Coating Rejection Rate | 0.00% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 2 | 71 |
| Closed | - | 47 |
| **Remaining Open** | | 24 |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | 1 | 37 |
| Closed | 7 | 34 |
| **Remaining Open** | | 3 |

**Notes:**

**Spread 5 conducting OQ Audits, utilizing Foreman's time-sheets. Supervision continuing work to remove formerly repaired welds with TI indications from weld rejection rate.**

# Spread 5 – Environmental

1. Environmental Compliance
   - NCRs and NOVs from current period – N/A
   - FERC / Williams issued Non Compliance Reports (NCRs) and Notices of Violations (NOVs) from previous reporting periods:
     - FERC issued NCR issued for mixing subsoil and topsoil
     - FERC issued an NCR (MP 93.1) for disturbing 50' stream buffers
     - In-stream work outside the TOYR
     - Work within 50 foot buffer
     - Not following construction sequence at the AR, Road Specific Construction Sequence (RSCS) for Access Road AR-NO-082s for:
     - Columbia CCD issued NOVs for:
       1. Failure to implement effective E&S Best Management Practices (BMPs).
       2. Failure to comply with permit conditions.
       3. Sediment or other pollutant was discharged into waters of the Commonwealth.
     - Site conditions present a potential for pollution to waters of the Commonwealth.
     - Material off the right-of-way
     - Incomplete water bar installation
     - Improper waterbody crossing sequence @ HQ/EV UNT to Mugser Run WW-T31-11001
     - Improper waterbody crossing sequence @ HQ/EV UNT to Mugser Run WW-T31-11001 – 2/23/18
     - Follow up inspection for activities not being completed @ HQ/EV UNT to Mugser Run WW-T31-11001- 3/01/18
     - FERC issued: EV-2843 – Pine Swamp – Dewatering and Erosion and Sediment Control

2. Environmental Concerns
   - Riparian area replanting plans – who is responsible for planting trees and shrubs?
3. Listing of variance requests outstanding
   - Change WW-T18-10002 - Quaker Run crossing method from open cut to bore
   - Helfenstein Rd. crossing method
   - Zion Church Rd. crossing method
   - Leave fill in Bat Hibernaculum area
   - Availability to work 24 hrs. during 6 week Bat Hibernaculum construction window

# Spread 5 – March Chart




Bat restricted area

# Spread 5 – Weekly Impacts

| Activity | Variance to Forecast | 30-Apr | 1-May | 2-May | 3-May | 4-May | 5-May | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|
| | | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday | |
| Clearing | (983) | | | | | | | Clearing complete.6 week BZ to go |
| Grading | 3,417 | | | | | | | Grade complete. 6 week BZ to go |
| Stringing | 3,088 | | | | | | | |
| Bending | 2,725 | | | | | | | |
| Firing Line | 491 | | | | | | | |
| Coating | (1,630) | | | | | | | Assisting Tie In crews, congested area near FL/PG |
| Ditch | 1,523 | | | | | | | |
| Lower In | 1,429 | | | | | | | |
| Backfill | 1,259 | | | | | | | |
| Tie In | 10 | | | | | | | |
| Hill | 275 | | | | | | | |
| Road Crossing | 118 | | | | | | | |
| Testing | - | | | | | | | |
| Clean Up | - | | | | | | | |

# Spread 5 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 06-May | | | Cumulative | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast |
| Clearing | lf | 90,990 | 99.9% | 1,183 | 200 | (983) | 88,623 | 90,857 | 2,234 |
| Grading | lf | 90,990 | 99.9% | 1,183 | 4,600 | 3,417 | 88,623 | 90,857 | 2,234 |
| Stringing | lf | 90,990 | 87.5% | 2,121 | 5,209 | 3,088 | 76,223 | 79,590 | 3,367 |
| Bending | lf | 90,990 | 86.9% | 2,284 | 5,009 | 2,725 | 75,735 | 79,090 | 3,355 |
| Firing Line | lf | 74,190 | 91.7% | 1,421 | 1,912 | 491 | 68,509 | 68,058 | (451) |
| Coating | lf | 74,190 | 87.6% | 1,630 | - | (1,630) | 67,668 | 64,987 | (2,681) |
| Ditch | lf | 74,190 | 73.6% | 2,800 | 4,323 | 1,523 | 52,406 | 54,580 | 2,174 |
| Lower In | lf | 74,190 | 70.0% | 3,000 | 4,429 | 1,429 | 49,478 | 51,904 | 2,426 |
| Backfill | lf | 74,190 | 61.8% | 3,200 | 4,459 | 1,259 | 46,427 | 45,828 | (599) |
| Tie In | ea. | 501 | 48.5% | 26 | 36 | 10 | 233 | 243 | 10 |
| Hill | lf | 16,800 | 14.7% | 200 | 475 | 275 | 2,200 | 2,475 | 275 |
| Road Crossing | lf | 1,086 | 79.6% | 42 | 160 | 118 | 792 | 864 | 72 |
| Testing | lf | 90,990 | 0.0% | - | - | - | - | - | - |
| Clean Up | lf | 90,990 | 0.0% | - | - | - | - | - | - |

Forecast = April 22 Forecast Update

| Tie-In Status | 22-Apr | 29-Apr | 6-May | 13-May | 20-May | 27-May | 3-Jun | 10-Jun | 17-Jun |
|---|---|---|---|---|---|---|---|---|---|
| Forecast | 12 | 20 | 26 | 26 | 26 | 26 | 26 | 28 | 28 |
| Actual | 22 | 20 | 36 | - | - | - | - | - | - |
| Total Remaining | 314 | 294 | 258 | 258 | 258 | 258 | 258 | 258 | 258 |
| # of Tie In Crews | - | 6 | 7 | 6 | 6 | 6 | 5 | 8 | 8 |

# Spread 5 – Manhours and Performance (Craft Only)

| Activity | Jan 21 Forecast | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 46,571 | 724 | 724 | 44,257 | 44,981 | 46,503 | 1.03 | 1.05 | 46,571 | 0 |
| Grading | 38,471 | 924 | 963 | 35,034 | 34,997 | 38,415 | 1.10 | 1.10 | 36,882 | -1,589 |
| Stringing | 35,447 | 660 | 641 | 23,973 | 24,130 | 31,006 | 1.28 | 1.29 | 29,121 | -6,326 |
| Bending | 16,143 | 396 | 368 | 11,467 | 11,468 | 14,032 | 1.22 | 1.22 | 15,823 | -320 |
| Firing Line | 68,408 | 3,168 | 3,455 | 68,833 | 68,628 | 62,754 | 0.91 | 0.91 | 81,505 | 13,097 |
| Coating | 21,559 | 792 | 868 | 18,059 | 18,055 | 18,885 | 1.05 | 1.05 | 21,227 | -332 |
| Ditch | 20,188 | 0 | 0 | 9,506 | 9,506 | 14,852 | 1.56 | 1.56 | 9,506 | -10,682 |
| Lower In | 23,760 | 1,716 | 1,558 | 20,910 | 20,858 | 16,623 | 0.80 | 0.79 | 27,774 | 4,014 |
| Backfill | 15,425 | 1,008 | 918 | 16,757 | 16,481 | 9,528 | 0.58 | 0.57 | 22,517 | 7,092 |
| Tie In | 110,344 | 9,126 | 7,351 | 103,391 | 101,349 | 53,520 | 0.53 | 0.52 | 222,653 | 112,309 |
| Hill | 78,520 | 2,340 | 2,510 | 22,507 | 22,024 | 11,568 | 0.53 | 0.51 | 56,827 | -21,693 |
| Road Crossing | 28,847 | 1,368 | 1,200 | 28,616 | 28,401 | 22,950 | 0.81 | 0.80 | 38,192 | 9,345 |
| Testing | 15,446 | 183 | 214 | 1868 | 1955 | 0 | 0.00 | 0.00 | 14,864 | -582 |
| Clean Up | 37,362 | 0 | 0 | 3182 | 3182 | 0 | 0.00 | 0.00 | 34,226 | -3,136 |
| **Total Progressable Hours** | **556,491** | **22,405** | **20,770** | **408,360** | **406,015** | **340,635** | **0.84** | **0.83** | **657,688** | **101,197** |
| Envrionmental | 113,642 | 4,224 | 4,418 | 87,191 | 87,511 | 0 | | | 148,571 | 34,929 |
| Non Progressable Hours | 227,994 | 5,136 | 5,692 | 182,794 | 183,965 | 0 | | | 246,394 | 18,400 |
| **Total Hours** | **898,127** | **31,765** | **30,880** | **678,345** | **677,491** | **340,635** | **0.84** | **0.83** | **1,052,653** | **154,526** |

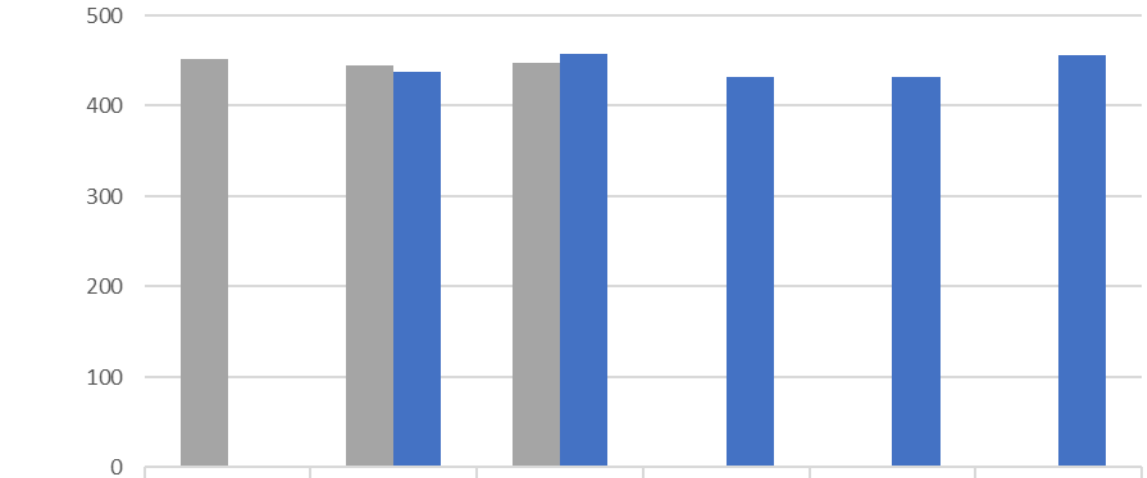
Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

CPI & SPI calculated on Jan 21 Forecast

Forecast = April 22 Forecast Update

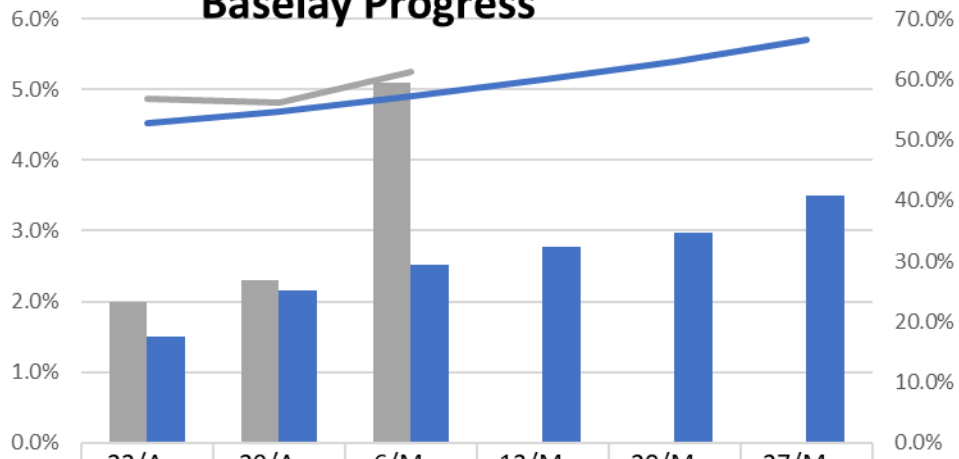
# Spread 5 – Progress and Performance Curves

## Head Count



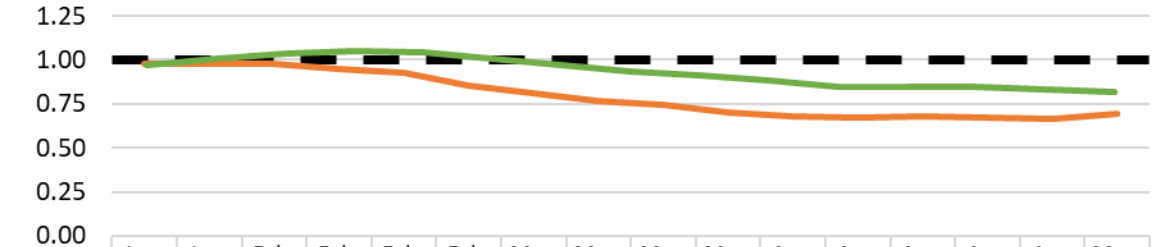

| | Apr-22 | Apr-29 | May-06 | May-13 | May-20 | May-27 |
|---|---|---|---|---|---|---|
| Actual | 452 | 445 | 448 | 0 | 0 | 0 |
| Forecast | | 437 | 457 | 432 | 432 | 456 |

## Baselay Progress



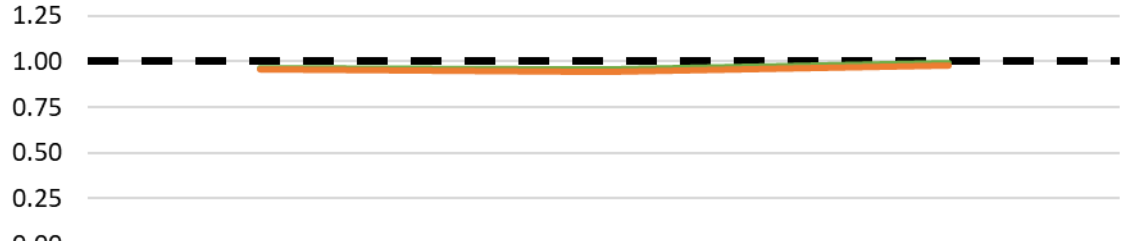

| | 22/Apr | 29/Apr | 6/May | 13/May | 20/May | 27/May |
|---|---|---|---|---|---|---|
| Actual | 2.0% | 2.3% | 5.1% | | | |
| April 22 Forecast | 1.5% | 2.2% | 2.5% | 2.8% | 3.0% | 3.5% |
| Actual Total | 56.8% | 56.2% | 61.3% | | | |
| April 22 Total | 52.8% | 54.8% | 57.3% | 60.1% | 63.0% | 66.5% |

## SPI & CPI - Jan 21




| | Jan-21 | Jan-28 | Feb-04 | Feb-11 | Feb-18 | Feb-25 | Mar-04 | Mar-11 | Mar-18 | Mar-25 | Apr-01 | Apr-08 | Apr-15 | Apr-22 | Apr-29 | May-06 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.98 | 0.98 | 0.98 | 0.95 | 0.93 | 0.86 | 0.81 | 0.77 | 0.74 | 0.70 | 0.68 | 0.67 | 0.68 | 0.67 | 0.67 | 0.70 |
| CPI | 0.97 | 1.01 | 1.04 | 1.05 | 1.04 | 1.01 | 0.97 | 0.94 | 0.91 | 0.88 | 0.85 | 0.85 | 0.85 | 0.83 | 0.82 | 0.84 |

## SPI & CPI - April 22




| | Apr-22 | Apr-29 | May-06 |
|---|---|---|---|
| CPI | 0.97 | 0.96 | 0.99 |
| SPI | 0.96 | 0.95 | 0.98 |

# Spread 5 - Equipment Look ahead

| Spread 5 | On site | Forecast to go 2 month lookahead | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 6-May | 13-May | 20-May | 27-May | 3-Jun | 10-Jun | 17-Jun | 24-Jun | 1-Jul |
| 594 SB | 26 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 |
| 587 SB | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| 583 SB | 5 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| 572 SB | 5 | 5 | 5 | 5 | 0 | 0 | 0 | 0 | 0 |
| 349 E | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 |
| 336 E | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 |
| D8 | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 22 |
| D6 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 |
| | | | | | | | | | |
| 5 - 594 SB broke down<br>1 - 336 E broke down<br>1 - 374 E off rent 5/10<br>7 - Excavators <336 w/ Enviro | | | | | 2 - D6 Tack Rigs off rent 5/30<br>5 - Rock Hammers off rent 5/7<br>1 - Morooka off rent 5/10<br>2 - Deckhands off rent 5/7 | | | | |

# Spread 5 - Change Management

| TREND STATUS | ASR PROJECT | | | Spread 5 | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | TO DATE | | | TO DATE | | | THIS WEEK | | |
| ORIGINAL BUDGET | | $ 454,471,254 | 2,167,574 | 27% | $ 123,150,956 | 699,374 | | | |
| | Distint Count | TOTAL | Hours | Count | Cost | Hours | Count | Cost | Hours |
| a) Recorded | 52 | $ 6,869,778 | 936 | 27 | $ 1,935,460 | - | | | |
| b) Internal review | 3 | $ 3,404,196 | 6,372 | 2 | $ 3,211,936 | 5,412 | | | |
| c) Client Review | 18 | $ 1,824,590 | 4,941 | 3 | $ 400,023 | 1,311 | | | |
| d) Approved - Forecast only | 34 | $ 23,378,129 | 131,910 | 7 | $ 3,231,631 | 6,574 | | | |
| e) Revise and Resubmit | 3 | $ 3,980,500 | 36,000 | 1 | $ 3,980,500 | 36,000 | | | |
| f) Proceed to EWR | 12 | $ 24,478,769 | 9,103 | 4 | $ 7,608,253 | - | | | |
| g) EWR Submitted | 16 | $ 15,744,750 | 33,448 | 5 | $ 1,109,801 | 6,146 | | | |
| h) EWR Approved | 8 | $ 7,257,032 | 20,950 | 4 | $ 1,599,981 | 4,004 | | | |
| **Total Trends** | | $ 86,937,745 | ` | 53 | $ 23,077,585 | 59,447 | | | |
| z) Cancelled | 51 | | | 20 | $ - | - | | | |
| **CURRENT BUDGET** | | $ 461,728,286 | 2,188,524 | | $ 124,750,937 | 703,378 | | | |
| | | | | | | | | | |
| **CURRENT FORECAST 2/25** | | $ 695,956,417 | 3,220,854 | 27% | $ 189,804,873 | 930,484 | | | |
| **VARIANCE to BUDGET** | | $ (234,228,131) | | 28% | $ (65,053,936) | | | | |
| This Week's Activity 5/6/18 | 4 Recorded | | | | | | | | |

# Spread 5 –Cost Summary ($M's)

| Item | Activity | Original Budget A | Approved Changes B | Current Budget C = A+B | Committed to Date D | Incurred to Date E | Forecast To Go H = I-E | Current Forecast | Previous Forecast J | Change in Forecast K | Variance from Budget L = I-C |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Direct Labor | $ 52.8 | $ 0.3 | $ 53.1 | $ 44.6 | $ 44.6 | $ 25.8 | $ 70.4 | $ 70.4 | $ - | $ 17.3 |
| 2 | Indirect Labor (Craft/Mgmt/Supervision) | $ 11.4 | $ 0.1 | $ 11.4 | $ 11.9 | $ 11.9 | $ 5.8 | $ 17.7 | $ 17.7 | $ - | $ 6.2 |
| | **Sub Total Labor Cost** | **$ 64.2** | **$ 0.4** | **$ 64.6** | **$ 56.5** | **$ 56.5** | **$ 31.6** | **$ 88.1** | **$ 88.1** | **$ -** | **$ 23.5** |
| 3 | Equipment Fee | $ 32.1 | $ 0.2 | $ 32.3 | $ 26.9 | $ 26.9 | $ 15.8 | $ 42.7 | $ 42.7 | $ - | $ 10.4 |
| 4 | Specialty Equipment | $ 0.3 | $ 0.0 | $ 0.4 | $ 3.3 | $ 1.8 | $ 1.3 | $ 3.2 | $ 3.2 | $ - | $ 2.8 |
| 5 | Materials | $ 4.8 | $ 0.2 | $ 5.0 | $ 7.7 | $ 6.6 | $ 5.3 | $ 11.9 | $ 11.9 | $ - | $ 6.9 |
| 6 | Mats | $ 0.6 | $ - | $ 0.6 | $ 2.8 | $ 1.9 | $ 0.5 | $ 2.5 | $ 2.5 | $ - | $ 1.9 |
| 7 | Outside Services & Subcontract Cost | $ 10.9 | $ 0.4 | $ 11.3 | $ 24.7 | $ 20.5 | $ 9.9 | $ 30.4 | $ 30.4 | $ - | $ 19.1 |
| 8 | Equipment - NTP Delayed | $ 1.1 | $ - | $ 1.1 | $ 1.6 | $ 1.6 | $ - | $ 1.6 | $ 1.6 | $ - | $ 0.5 |
| 8.1 | Bonds | $ - | $ 0.4 | $ 0.4 | $ 0.4 | $ 0.4 | $ - | $ 0.4 | $ 0.4 | $ - | $ - |
| | **Sub Total Project Cost** | **$ 49.9** | **$ 1.2** | **$ 51.1** | **$ 67.4** | **$ 59.8** | **$ 32.8** | **$ 92.6** | **$ 92.6** | **$ -** | **$ 41.5** |
| 10 | Fixed Fee & Profit | $ 9.1 | $ - | $ 9.1 | $ 5.4 | $ 5.4 | $ 3.7 | $ 9.1 | $ 9.1 | $ - | $ - |
| | **Total Project Cost** | **$ 123.2** | **$ 1.6** | **$ 124.8** | **$ 129.3** | **$ 121.7** | **$ 68.1** | **$ 189.8** | **$ 189.8** | **$ -** | **$ 65.1** |

# Spread 5 – Critical Issues

| Critical Issues | Mitigation | Need by Date | Test Section |
|---|---|---|---|
| Crossing method variance at Quaker Run (open cut to bore) | Will allow us to bore Industrial Blvd and Quaker as one. Very limited space between the two to complete separately. | 05-18-2018 | 3 |
| Crossing method variance for Helfenstein Rd. | Road Bore Foreman will start tie-in's as soon as Helfenstein and Zion Church are completed. | 05-25-2018 | 1 |
| Crossing method variance for Zion Church. Awaiting township meeting May 8th to allow open cut. | Road Bore Foreman will start tie-in's as soon as Helfenstein and Zion Church are completed. | 05-25-2018 | 1 |
| RFI for water source at north end to allow for earlier MLV installation. | Expedites Hydrotest schedule. | 5-12-2018 | 3 |
| Variance to leave fill in Bat Hibernaculum (6 week construction window) | Must have due to strip mines in close proximity and stabilization. | 5-12-2018 | 3 |
| Riparian area – need specific information as to what type of tree/shrub is planted in Monocultural Block | Need to place order for trees/shrubs ASAP | 5-12-2018 | 1,2 & 3 |

# Atlantic Sunrise Pipeline Project Spread 6 Progress Report

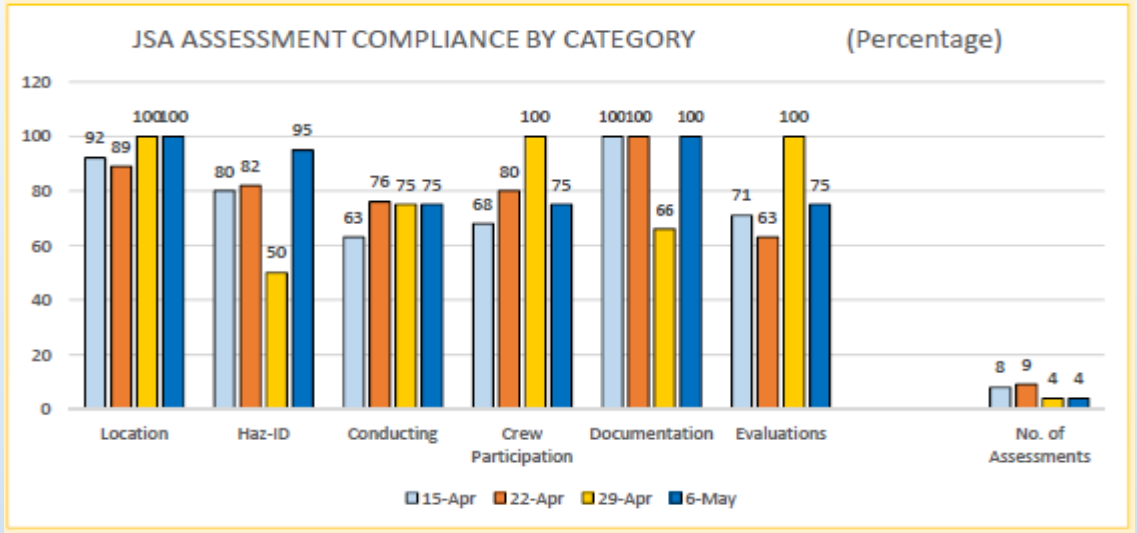
Week ending 06-May-18

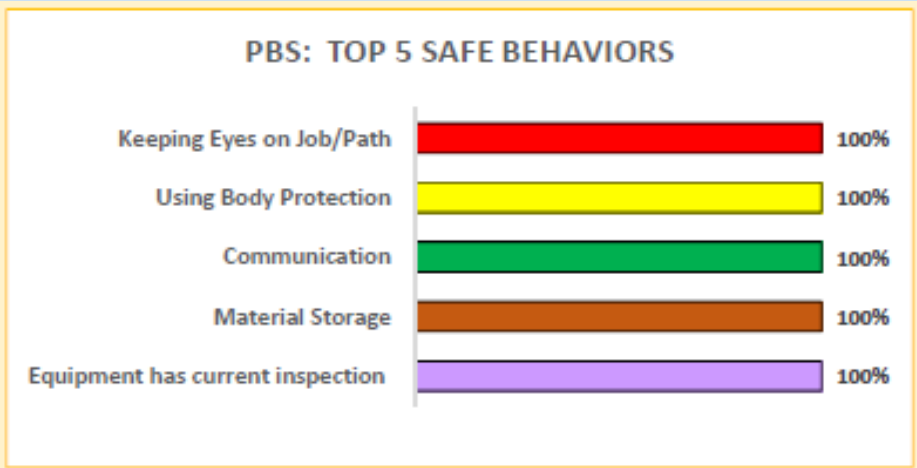
# SPREAD 6 - Safety

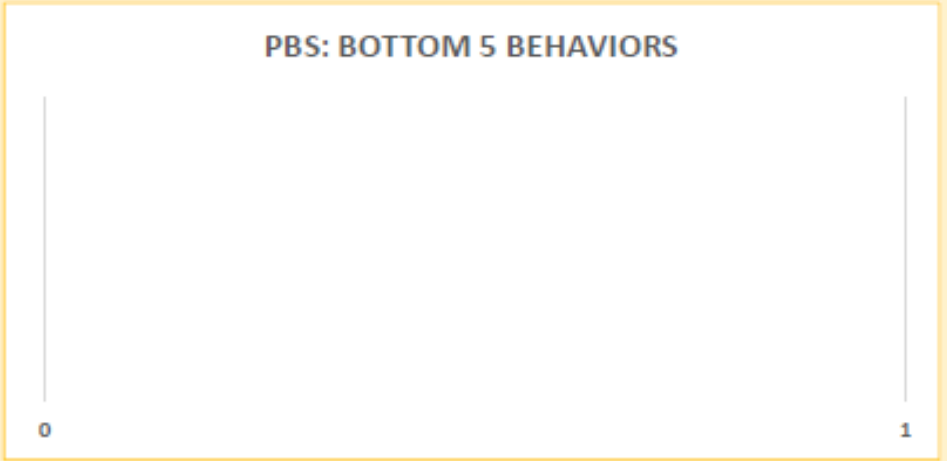
| Number of Incidents | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0 | 1 | 6 | 42 | 27 | 55 | 23 | 3 | 2 | 9 |

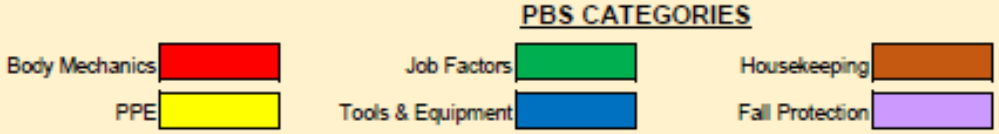
| Incident Rates | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0.00 | 0.21 | 1.26 | 8.83 | 5.68 | 11.56 | 4.84 | 0.63 | 0.42 | 1.89 |

| | Weekly Hours | Monthly Hours | Project Hours | Total Headcount |
|---|---|---|---|---|
| Welded | 41,694 | 41,694 | 816,935 | 628 |
| Subcontractors | 1,177 | 1,177 | 134,261 | 45 |
| Total Hours | 42,871 | 42,871 | 951,196 | 673 |



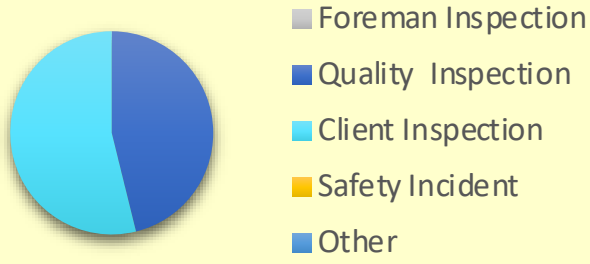



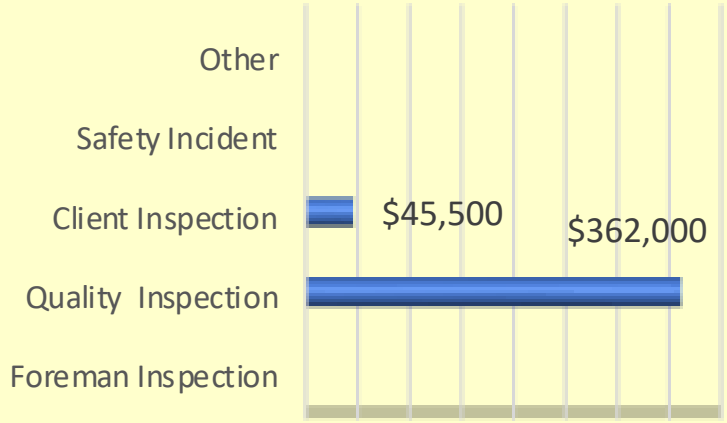



# SPREAD 6 - Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 8.32% |
| Field Joint Coating Rejection Rate | 0.15% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 3 | 44 |
| Closed | 2 | 32 |
| **Remaining Open** | | 12 |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | 1 | 26 |
| Closed | - | 17 |
| **Remaining Open** | | 9 |

Notes: Internal review of equipment Calibration Certs;

assisting production with assuring all hydrotesting equipment & personnel has proper documentation (OQ's)/

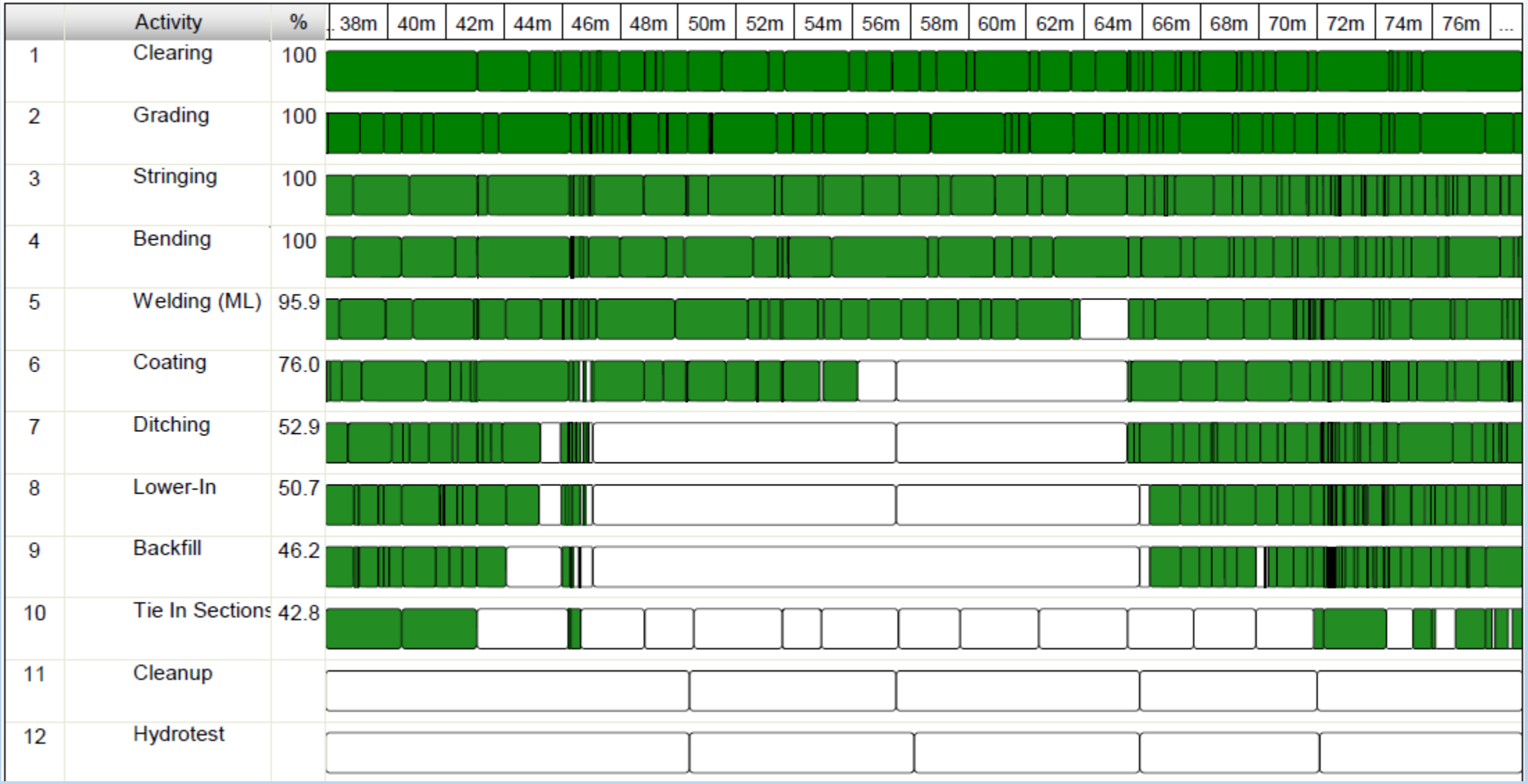
calibration certs when received and properly submitted

to Williams.

# Spread 6 – Environmental

1. Environmental Compliance
   - Non compliance from current period: None
   - Notifications from current period: None
   - Non compliance from previous periods:
     - Clearing outside of LOD at Fort Swatara Yard;
     - ROW lacking temporary stabilization south of SR0322
     - Improper waterbody crossing (2593+91)
     - Improper construction methods while installing bridge equipment crossing – Forge Creek
     - Installing skids within a delineated waterway – 4015+00
     - Sediment was discharged into waters 0f the Commonwealth – UNT to Conewego Creek (2002+00)
     - Improper Waterbody Crossing Work Sequence - UNT to Pine Creek (WW-T20-9001) (4099+00)
     - Inadequate Interim Stabilization station 2152+00 and 2247+00 (S.Forge Road/Horseshoe Pike)
     - Improper Wetland Crossing Techniques 4005+99 to 4009+27
     - Sediment into Resource (2243+13)
     - Improper wetland Restoration (4161+77 to 4177+00)
     - Sediment into a wetland (4161+77 to 4177+00)
     - Stream Buffer Impacts and out of sequence work
     - Sediment off LOD 4150+30-4258+20 and 4221+50-4224+00
     - Sediment off LOD 3175+00 – 3728+00
     - Sediment off LOD 3785+00 – 3794+00
2. Environmental Concerns
   - Not having all landowners agreeing to allow dewatering off LOD
   - Weather impacts
   - Riparian Area Replanting plans
3. Listing of variance requests outstanding
     - Timeline extension for crossing WW-T20-1001, adj to Goldmine Rd., from 24 hrs to 10 days due to road bore stream impact.
     - Goldmine Road crossing method change to bore
     - Cavalry and Jonestown roadbores
     - Retrieval of Sediment off LOD at Summit 3715+00-3728+00 (PA-SC-040.000, PA-SC-042.000, PA-SC-041.000)
     - Retrieval of Sediment off LOD at Valley 4150+30-4158+20 (PA-SC-090.000)
     - Addition of timber mats within stream boundary WW-T10-7004, UNT Swatara Creek, for in stream support
     - Retrieval of Sediment off LOD – Moonshine 3090+00 to 3150+00
     - Retrieval of Sediment off LOD – 3728+07(Access 64) – 3802+50 (Molleystown)
     - Swatara Creek – Request to operate 24 hr/day during the bore.
     - State Route 81 – Request to operate 24 hr/day during the bore.

# Spread 6 – March Chart



# Spread 6 – Weekly Impacts

| Activity | Variance to Forecast | 30-Apr Monday | 1-May Tuesday | 2-May Wednesday | 3-May Thursday | 4-May Friday | 5-May Saturday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | |
| Grading | - | | | | | | | |
| Stringing | 5,300 | | | | | | | |
| Bending | 1,300 | | | | | | | |
| Firing Line | 400 | | | | | | | |
| Coating | (2,608) | | | | | | | Repairing seams |
| Ditch | (10,611) | | | | | | | Rock hammering slowing the progress |
| Lower In | (7,100) | | | Sandbagging | Rockshield | Sandbagging | Lower In | |
| Backfill | (8,888) | Move Around | Assisted Lower In | | | | | |
| Tie In | (12) | | | | | | | Installed 7 stream crossings |
| Road Crossing | 251 | | | | | | | |
| Testing | - | | | | | | | |
| Clean Up | (12,000) | | | | | | | |

# Spread 6 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 06-May | | | Cumulative | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast |
| Clearing | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - |
| Grading | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - |
| Stringing | lf | 217,779 | 100.0% | 5,600 | 10,900 | 5,300 | 217,779 | 217,779 | - |
| Bending | lf | 217,779 | 100.0% | 12,400 | 13,700 | 1,300 | 217,779 | 217,779 | - |
| Firing Line | lf | 217,779 | 95.9% | 15,000 | 15,400 | 400 | 206,879 | 208,879 | 2,000 |
| Coating | lf | 217,779 | 76.0% | 16,308 | 13,700 | (2,608) | 168,856 | 165,548 | (3,308) |
| Ditch | lf | 217,779 | 52.9% | 17,611 | 7,000 | (10,611) | 129,576 | 115,302 | (14,274) |
| Lower In | lf | 217,779 | 50.7% | 18,439 | 11,339 | (7,100) | 125,587 | 110,373 | (15,214) |
| Backfill | lf | 217,779 | 46.2% | 14,458 | 5,570 | (8,888) | 116,572 | 100,716 | (15,856) |
| Tie In | ea | 999 | 42.8% | 47 | 35 | (12) | 442 | 428 | (14) |
| Road Crossing | lf | 3,273 | 95.4% | 49 | 300 | 251 | 2,923 | 3,124 | 201 |
| Testing | lf | 217,779 | 0.0% | - | - | - | - | - | - |
| Clean Up | lf | 217,779 | 0.0% | 12,000 | - | (12,000) | 18,000 | - | (18,000) |

Forecast = April 22 Forecast Update

| Tie-In Status | 22-Apr | 29-Apr | 6-May | 13-May | 20-May | 27-May | 3-Jun | 10-Jun | 17-Jun |
|---|---|---|---|---|---|---|---|---|---|
| Forecast | 40 | 30 | 47 | 60 | 60 | 60 | 60 | 72 | 82 |
| Actual | 35 | 28 | 35 | - | - | - | - | - | - |
| Total Remaining | 634 | 606 | 571 | 571 | 571 | 571 | 571 | 571 | 571 |
| # of Tie In Crews | 7 | 7 | 8 | 9 | 9 | 9 | 9 | 10 | 10 |

# Spread 6 – Manhours and Performance (Craft Only)

| Activity | Jan 21 Forecast | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 61,466 | 0 | 0 | 64,348 | 64,348 | 61,466 | 0.96 | 0.96 | 64,348 | 2,882 |
| Grading | 22,377 | 0 | 0 | 26,487 | 26,368 | 22,377 | 0.85 | 0.84 | 26,487 | 4,110 |
| Stringing | 29,578 | 1,426 | 1,136 | 26,963 | 26,503 | 29,578 | 1.12 | 1.10 | 28,947 | -631 |
| Bending | 14,824 | 682 | 454 | 13,052 | 12,594 | 14,824 | 1.18 | 1.14 | 14,540 | -284 |
| Firing Line | 58,798 | 3,596 | 3,611 | 60,180 | 60,131 | 56,395 | 0.94 | 0.94 | 64,768 | 5,970 |
| Coating | 29,699 | 1,426 | 1,426 | 26,408 | 26,358 | 22,576 | 0.86 | 0.85 | 34,654 | 4,955 |
| Ditch | 27,798 | 1,178 | 1,391 | 22,471 | 22,667 | 14,718 | 0.65 | 0.65 | 28,361 | 563 |
| Lower In | 34,007 | 1,674 | 2,350 | 25,716 | 26,656 | 17,235 | 0.65 | 0.67 | 34,086 | 79 |
| Backfill | 19,895 | 992 | 1,272 | 16,635 | 17,019 | 9,201 | 0.54 | 0.55 | 23,579 | 3,684 |
| Tie In | 217,106 | 16,770 | 12,830 | 172,309 | 163,444 | 93,014 | 0.57 | 0.54 | 339,229 | 122,123 |
| Road Crossing | 86,450 | 2,574 | 2,416 | 75,597 | 74,790 | 82,514 | 1.10 | 1.09 | 91,431 | 4,981 |
| Testing | 19,344 | 0 | 0 | 0 | 0 | 0 | 0.00 | 0.00 | 15,730 | -3,614 |
| Clean Up | 58,714 | 3,100 | 1,179 | 3,100 | 1,179 | 0 | 0.00 | 0.00 | 58,900 | 186 |
| **Total Progressable Hours** | **680,056** | **33,418** | **28,065** | **533,266** | **522,057** | **423,899** | **0.81** | **0.79** | **825,060** | **145,004** |
| Envrionmental | 153,578 | 4,154 | 4,078 | 99,285 | 98,849 | 0 | | | 174,057 | 20,479 |
| Non Progressable Hours | 321,618 | 9,528 | 8,613 | 252,090 | 250,290 | 0 | | | 331,768 | 10,150 |
| **Total Hours** | **1,155,252** | **47,100** | **40,756** | **884,641** | **871,196** | **423,899** | **0.81** | **0.79** | **1,330,885** | **175,633** |

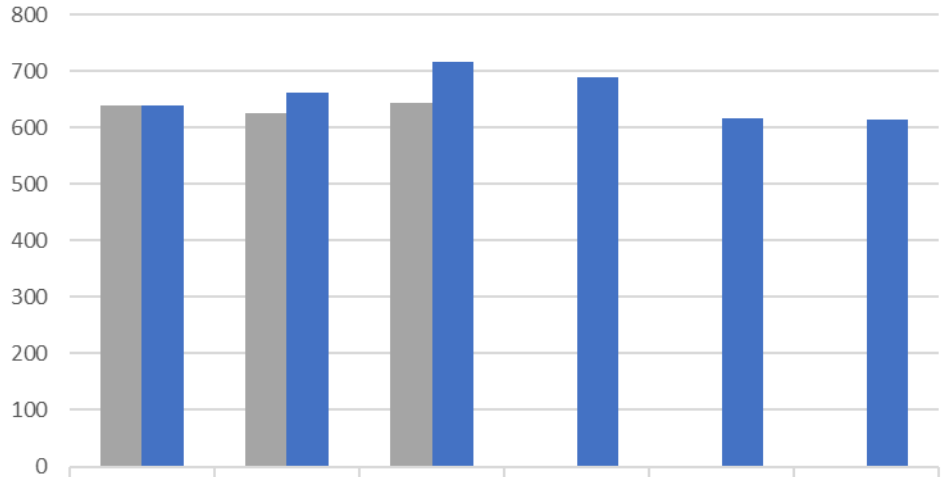
Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

CPI & SPI calculated on Jan 21 Forecast

Forecast = April 22 Forecast Update

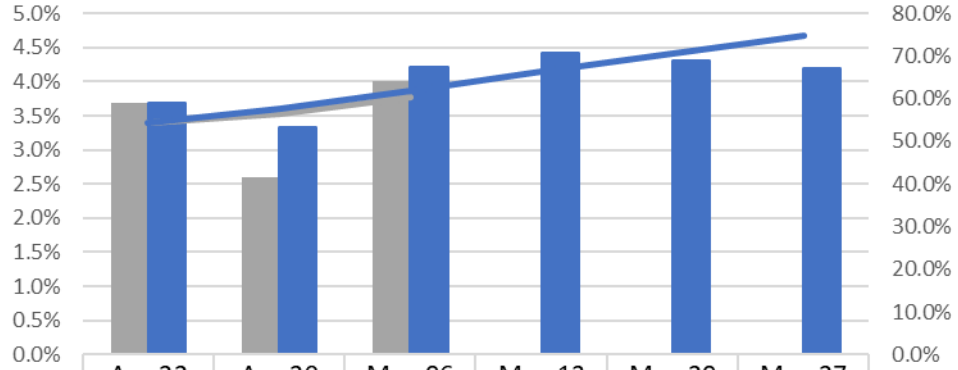
# Spread 6 Progress & Performance Curves

## Headcount



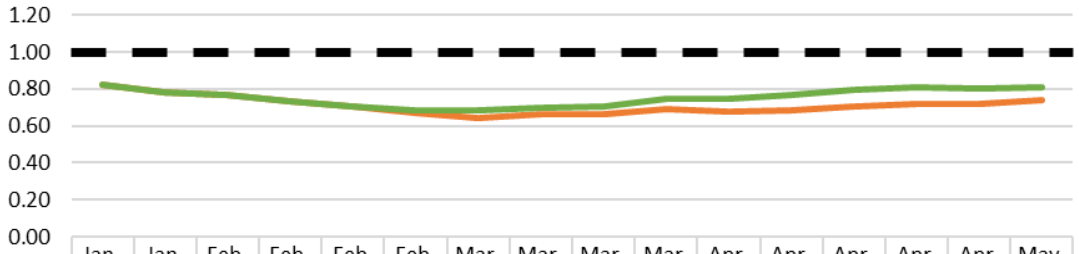

| | Apr-22 | Apr-29 | May-06 | May-13 | May-20 | May-27 |
|---|---|---|---|---|---|---|
| Actual | 640 | 626 | 643 | 0 | 0 | 0 |
| April 22 Forecast | 640 | 661 | 715 | 688 | 616 | 614 |

## Baselay Progress




| | Apr-22 | Apr-29 | May-06 | May-13 | May-20 | May-27 |
|---|---|---|---|---|---|---|
| Actual | 3.7% | 2.6% | 4.0% | | | |
| April 22 Forecast | 3.7% | 3.3% | 4.2% | 4.4% | 4.3% | 4.2% |
| Actual Total | 54.3% | 56.5% | 60.4% | | | |
| April 22 Total | 54.3% | 57.6% | 61.8% | 66.3% | 70.6% | 74.8% |

## SPI & CPI - Jan 21




| | Jan-21 | Jan-28 | Feb-04 | Feb-11 | Feb-18 | Feb-25 | Mar-04 | Mar-11 | Mar-18 | Mar-25 | Apr-01 | Apr-08 | Apr-15 | Apr-22 | Apr-29 | May-06 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.83 | 0.79 | 0.77 | 0.73 | 0.70 | 0.67 | 0.65 | 0.66 | 0.66 | 0.69 | 0.68 | 0.69 | 0.71 | 0.72 | 0.72 | 0.74 |
| CPI | 0.83 | 0.78 | 0.77 | 0.73 | 0.71 | 0.68 | 0.68 | 0.70 | 0.71 | 0.75 | 0.75 | 0.77 | 0.79 | 0.81 | 0.80 | 0.81 |

## SPI & CPI - April 22




| | Apr-22 | Apr-29 | May-06 |
|---|---|---|---|
| SPI | 0.94 | 0.93 | 0.93 |
| CPI | 0.94 | 0.94 | 0.96 |

# Spread 6 - Equipment Look ahead

| Spread 6 | On site | Forecast to go 2 month lookahead | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 6-May | 13-May | 20-May | 27-May | 3-Jun | 10-Jun | 17-Jun | 24-Jun | 1-Jul |
| Dozer - CAT D6 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 |
| Dozer - CAT D7 | 10 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| Dozer - CAT D8 | 13 | 11 | 11 | 7 | 7 | 7 | 7 | 7 | 7 |
| Excavator - CAT 315 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| Excavator - Cat 330 Longstick | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Excavator - Cat 336 | 32 | 32 | 32 | 32 | 30 | 30 | 30 | 30 | 30 |
| Excavator - CAT 349 | 32 | 32 | 32 | 32 | 32 | 32 | 32 | 32 | 32 |
| John Deere Farm Tractor | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Sideboom - CAT 572 | 8 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Sideboom - CAT 583/PL83 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 |
| Sideboom CAT PL87 | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 22 |
| Sideboom - CAT 594H | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 |
| Skid Steer | 9 | 9 | 9 | 9 | 9 | 9 | 7 | 7 | 7 |

# Spread 6 - Change Management

| TREND STATUS | ASR PROJECT | | | Spread 6 | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | TO DATE | | | TO DATE | | | THIS WEEK | | |
| ORIGINAL BUDGET | | $ 454,471,254 | 2,167,574 | 36% | $ 163,861,454 | 752,374 | | | |
| | Distint Count | TOTAL | Hours | Count | Cost | Hours | Count | Cost | Hours |
| a) Recorded | 52 | $ 6,869,778 | 936 | 27 | $ 3,871,382 | 936 | | | |
| b) Internal review | 3 | $ 3,404,196 | 6,372 | - | $ - | - | | | |
| c) Client Review | 18 | $ 1,824,590 | 4,941 | 3 | $ 342,095 | - | | | |
| d) Approved - Forecast only | 34 | $ 23,378,129 | 131,910 | 12 | $ 8,599,089 | 58,994 | | | |
| e) Revise and Resubmit | 3 | $ 3,980,500 | 36,000 | - | $ - | - | | | |
| f) Proceed to EWR | 12 | $ 24,478,769 | 9,103 | 6 | $ 11,444,807 | - | | | |
| g) EWR Submitted | 16 | $ 15,744,750 | 33,448 | 7 | $ 6,694,340 | 10,872 | | | |
| h) EWR Approved | 8 | $ 7,257,032 | 20,950 | 5 | $ 2,323,485 | 4,334 | | | |
| **Total Trends** | | $ 86,937,745 | ` | 60 | $ 33,275,197 | | | | |
| z) Cancelled | 51 | | | 24 | $ - | | | | |
| **CURRENT BUDGET** | | $ 461,728,286 | 2,188,524 | | $ 166,184,939 | 756,708 | | | |
| | | | | | | | | | |
| **CURRENT FORECAST 2/25** | | $ 695,956,417 | 3,220,854 | 35% | $ 242,470,590 | 1,161,887 | | | |
| **VARIANCE to BUDGET** | | $ (234,228,131) | | 33% | $ (76,285,651) | | | | |
| This Week's Activity 5/6/18 | 4 Recorded | | | | | | | | |

# Spread 6 – Cost Summary - $M's

| Item | Activity | Original Budget A | Approved Changes B | Current Budget C = A+B | Committed to Date D | Incurred to Date E | Pending Trends G | Forecast To Go H = I-E | Current Forecast I | Previous Forecast J | Change in Forecast K | Variance from Budget L = I-C |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Direct Labor | $ 56.4 | $ 0.3 | $ 56.7 | $ 55.4 | $ 55.4 | $ 3.8 | $ 29.5 | $ 84.9 | $ 84.9 | $ - | $ 28.2 |
| 2 | Indirect Labor (Craft/Mgmt/Supervision) | $ 15.9 | $ 0.1 | $ 15.9 | $ 10.8 | $ 10.8 | $ - | $ 6.8 | $ 17.6 | $ 17.6 | $ - | $ 1.7 |
| | **Sub Total Labor Cost** | **$ 72.2** | **$ 0.4** | **$ 72.6** | **$ 66.2** | **$ 66.2** | **$ 3.8** | **$ 36.3** | **$ 102.5** | **$ 102.5** | **$ -** | **$ 29.9** |
| 3 | Equipment Fee | $ 36.1 | $ 0.2 | $ 36.3 | $ 32.1 | $ 32.1 | $ 1.8 | $ 18.2 | $ 50.3 | $ 50.3 | $ - | $ 13.9 |
| 4 | Specialty Equipment | $ 0.8 | $ 0.0 | $ 0.8 | $ 3.9 | $ 3.1 | $ 2.5 | $ 2.1 | $ 5.2 | $ 5.2 | $ - | $ 4.4 |
| 5 | Materials | $ 11.3 | $ 0.2 | $ 11.6 | $ 12.6 | $ 9.6 | $ - | $ 2.6 | $ 12.3 | $ 12.3 | $ - | $ 0.7 |
| 6 | Mats | $ 2.4 | $ - | $ 2.4 | $ 6.0 | $ 4.6 | $ 2.3 | $ 3.3 | $ 8.0 | $ 8.0 | $ - | $ 5.6 |
| 7 | Outside Services & Subcontract Cost | $ 16.6 | $ 0.7 | $ 17.3 | $ 10.9 | $ 25.8 | $ 20.5 | $ 13.7 | $ 39.5 | $ 39.5 | $ - | $ 22.2 |
| 8 | Equipment - NTP Delayed | $ 2.7 | $ - | $ 2.7 | $ 2.3 | $ 2.3 | $ - | $ - | $ 2.3 | $ 2.3 | $ - | $ (0.4) |
| 8.1 | Bonds | $ - | $ 0.8 | $ 0.8 | $ 0.8 | $ 0.8 | $ - | $ - | $ 0.8 | $ 0.8 | $ - | $ - |
| | **Sub Total Project Cost** | **$ 69.9** | **$ 1.9** | **$ 71.8** | **$ 68.6** | **$ 78.4** | **$ 27.1** | **$ 39.9** | **$ 118.3** | **$ 118.3** | **$ -** | **$ 46.5** |
| 10 | Fixed Fee & Profit | $ 21.7 | $ - | $ 21.7 | $ 12.9 | $ 12.9 | $ - | $ 8.8 | $ 21.7 | $ 21.7 | $ - | $ (0.0) |
| | **Total Project Cost** | **$ 163.9** | **$ 2.3** | **$ 166.1** | **$ 147.6** | **$ 157.4** | **$ 30.9** | **$ 85.0** | **$ 242.5** | **$ 242.5** | **$ -** | **$ 76.3** |

# Spread 6 – Critical Issues

| Critical Issues | Mitigation | Need By Date | Test Section |
|---|---|---|---|
| Coating cracking at seams after heavy wall pipe is bent | Making coating repairs, documenting amount time to repair, preparing trend. (Inspection aware of the issue). | N/A | N/A |
| Approval to proceed with I-81 roadbore | I-81 roadbore shutdown until approval received from PADEP | May 21 | Test Section F2 and F3 (#4 & #5) |
| Variance in for Goldmine Road crossing method to change from open cut to bore | PennDOT has said there will be no road closure allowed so method must change to bore, PADEP must approve variance. | June 13 if 24 hr not approved May 15 | Test Section F3 (#5) |
| Variances for roadbores at Cavalry 2 and Jonestown, Williams did not include in 102 permit | Submitted variances, road bores on hold until approved | June 11 | Test Section F2 and F3 (#4 & #5) |
| 24 hour operations approval – Swatara Creek | Variance submitted, will need a night shift for dewatering anyway | May 14 | Test Section F1, F2 & F3 |
| 24 hour operations approval – I-81 roadbore | Variance submitted, concern about schedule duration, driving out | May 21 | Test Section F2 and F3 (#4 & #5) |

# Atlantic Sunrise Pipeline Project Spread 7 Progress Report

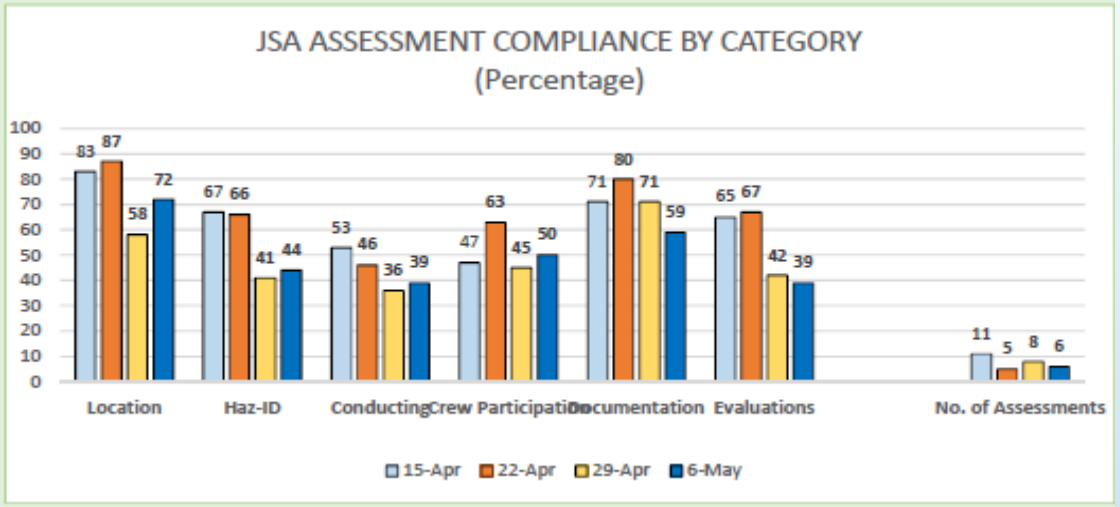
Week Ending 06-May-18

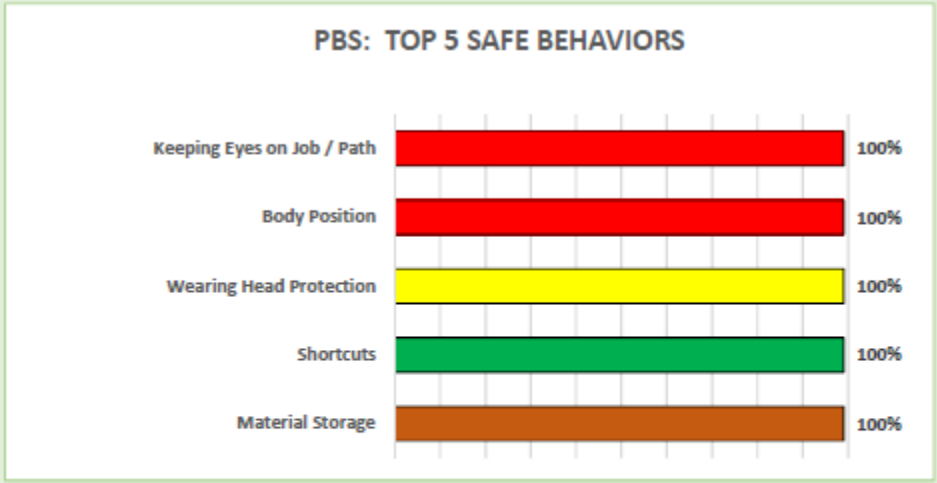
# SPREAD 7 Safety

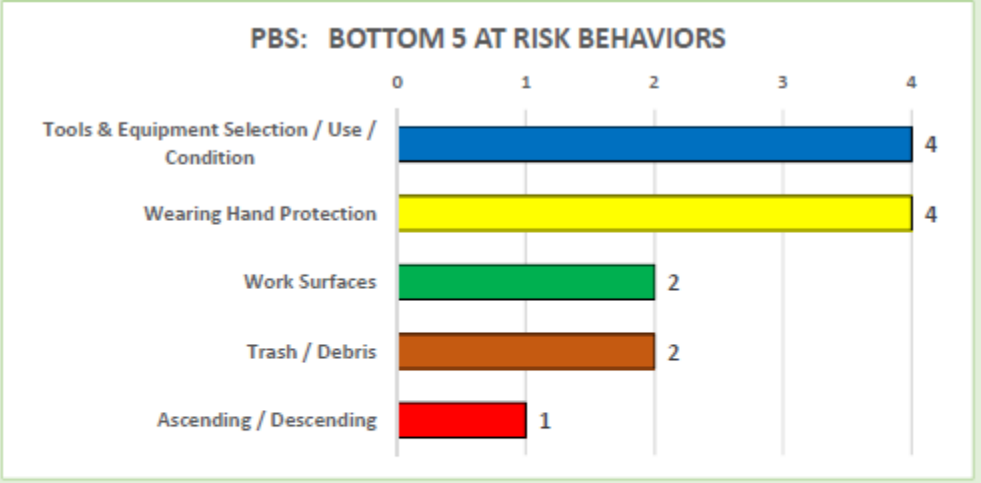
## TOTAL PROJECT INCIDENTS

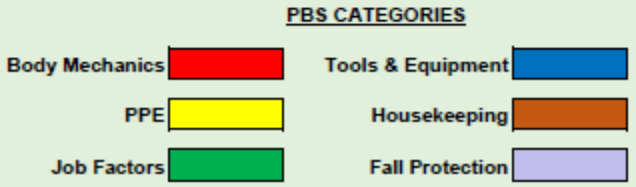
| | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| Number of Incidents | 0 | 0 | 2 | 46 | 25 | 74 | 3 | 4 | 4 | 49 |
| Incident Rates | 0.00 | 0.00 | 0.35 | 8.09 | 4.39 | 13.01 | 0.53 | 0.70 | 0.70 | 8.61 |

| | Total Weekly Hours | Total Monthly Hours | Total Project Hours | Total Head Count |
|---|---|---|---|---|
| Welded | 42,473 | 42,473 | 955,299 | 606 |
| Subcontractors | 3,995 | 3,995 | 182,555 | 126 |
| Total | 46,467 | 46,467 | 1,137,854 | 732 |



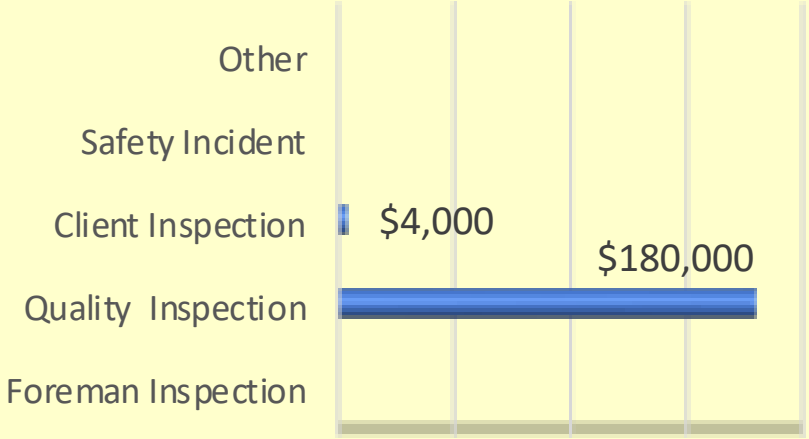



# SPREAD 7 - Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 2.63% |
| Field Joint Coating Rejection Rate | 0.00% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 6 | 118 |
| Closed | 6 | 118 |
| **Remaining Open** | | - |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | 2 | 8 |
| Closed | - | 6 |
| **Remaining Open** | | 2 |

**Notes: Assisting management in preparation of hydrotest equipment calibrations and OQ verifications.**

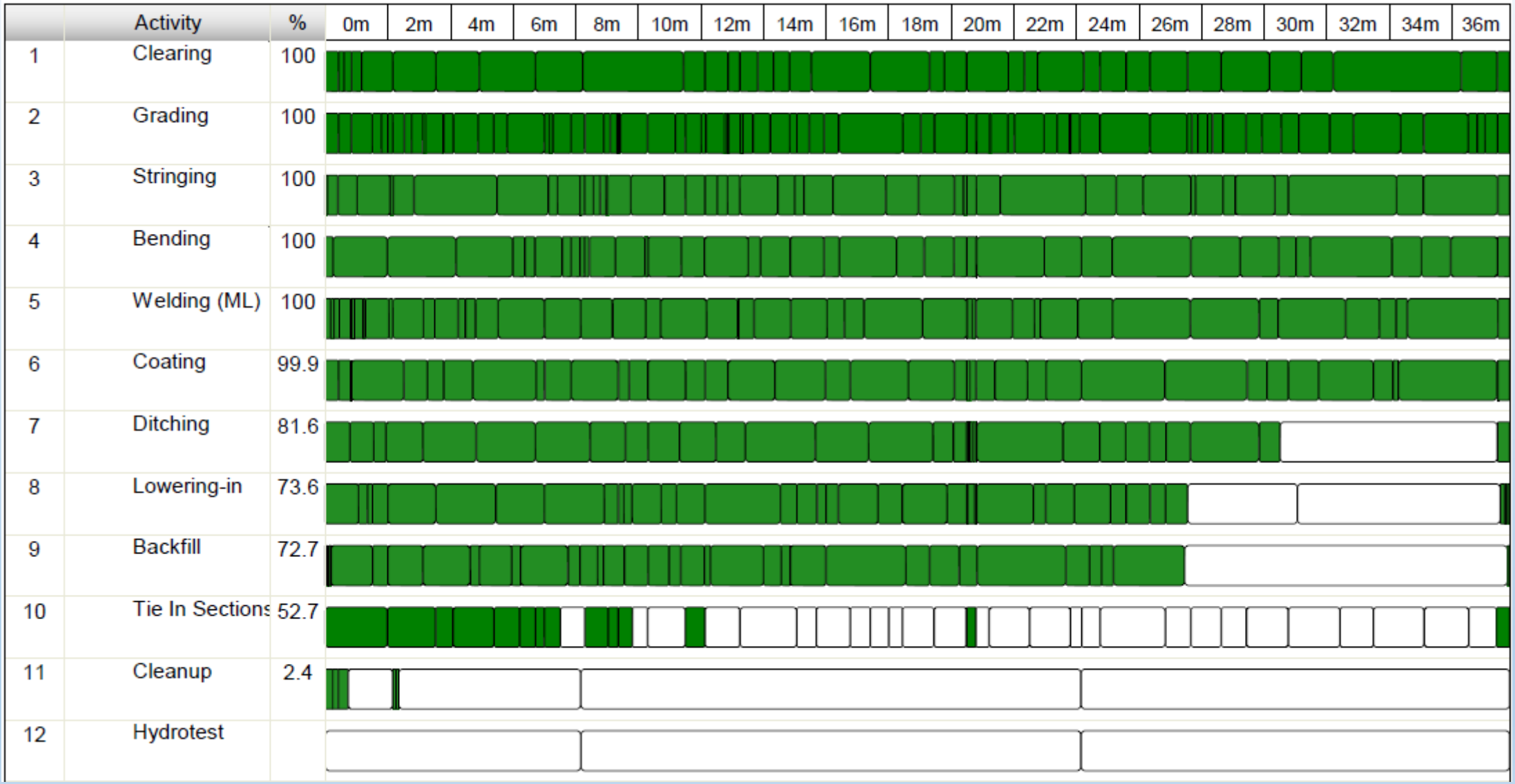
# Spread 7 – Environmental

1. Environmental Compliance
   - Non compliance from current period – None
   - Non compliance from previous periods:
     - Topsoil mixing
     - Avoiding air stations
     - 50’ buffer encroachment
     - Not installing air stations
     - 3 x Water bar installation

2. Environmental Concerns
   - Riparian area replanting plans
   - Seed mixtures

3. Listing of variance requests outstanding
   - 1-76 Bore extension

# Spread 7 – March Chart



# Spread 7 – Weekly Impacts

| Activity | Variance to Forecast | 30-Apr | 1-May | 2-May | 3-May | 4-May | 5-May | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|
| | | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday | |
| Clearing | - | | | | | | | |
| Grading | - | | | | | | | |
| Stringing | - | | | | | | | |
| Bending | 600 | | | | | | | |
| Firing Line | 5,300 | 2 Hours - Road Restriction | 2 Hours - Road Restriction | | | | | |
| Coating | 3,100 | | | | | | | |
| Ditch | 2,100 | | | | | | | |
| Lower In | (2,479) | | | | | | | |
| Backfill | (779) | | | | | | | |
| Tie In | 10 | | | | | | | |
| Road Crossing | (70) | | | | | 3 Hours - xray | | |
| Testing | - | | | | | | | |
| Clean Up | (11,400) | | | | | | | |

# Spread 7 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 06-May | | | Cumulative | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast |
| Clearing | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - |
| Grading | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - |
| Stringing | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - |
| Bending | lf | 199,896 | 100% | 7,320 | 7,920 | 600 | 199,896 | 199,896 | - |
| Firing Line | lf | 199,896 | 100% | 10,000 | 15,300 | 5,300 | 194,696 | 199,896 | 5,200 |
| Coating | lf | 199,896 | 100% | 13,500 | 16,600 | 3,100 | 197,096 | 199,696 | 2,600 |
| Ditch | lf | 199,896 | 82% | 13,000 | 15,100 | 2,100 | 163,975 | 163,175 | (800) |
| Lower In | lf | 199,896 | 74% | 12,779 | 10,300 | (2,479) | 152,900 | 147,121 | (5,779) |
| Backfill | lf | 199,896 | 73% | 12,779 | 12,000 | (779) | 150,954 | 145,396 | (5,558) |
| Tie In | ea | 926 | 53% | 45 | 55 | 10 | 478 | 488 | 10 |
| Road Crossing | lf | 3,444 | 77% | 110 | 40 | (70) | 2,765 | 2,635 | (130) |
| Testing | lf | 199,896 | 0% | - | - | - | 42,212 | - | (42,212) |
| Clean Up | lf | 199,896 | 2% | 11,400 | - | (11,400) | 13,001 | 4,820 | (8,181) |

Forecast = April 22 Forecast Update

| Tie-In Status | 22-Apr | 29-Apr | 6-May | 13-May | 20-May | 27-May | 3-Jun | 10-Jun | 17-Jun |
|---|---|---|---|---|---|---|---|---|---|
| Forecast | 42 | 40 | 45 | 45 | 60 | 60 | 65 | 65 | 65 |
| Actual | 48 | 40 | 55 | - | - | - | - | - | - |
| Total Remaining | 533 | 493 | 438 | 438 | 438 | 438 | 438 | 438 | 438 |
| # of Tie In Crews | - | 8 | 8 | 10 | 10 | 10 | 11 | 12 | 12 |

# Spread 7 – Manhours and Performance (Craft Only)

| Activity | Jan 21 Forecast | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 36,284 | 0 | 0 | 36,284 | 36,284 | 36,284 | 1.00 | 1.00 | 36,284 | 0 |
| Grading | 46,122 | 0 | 0 | 51,264 | 51,264 | 46,122 | 0.90 | 0.90 | 51,264 | 5,142 |
| Stringing | 34,364 | 520 | 491 | 35,945 | 35,841 | 34,364 | 0.96 | 0.96 | 37,505 | 3,141 |
| Bending | 10,297 | 780 | 239 | 13,691 | 12,822 | 10,297 | 0.80 | 0.75 | 13,691 | 3,394 |
| Firing Line | 66,964 | 3,120 | 2,932 | 73,477 | 72,632 | 66,964 | 0.92 | 0.91 | 73,477 | 6,513 |
| Coating | 22,002 | 1,235 | 1,180 | 22,626 | 22,317 | 21,980 | 0.98 | 0.97 | 24,901 | 2,899 |
| Ditch | 25,029 | 1,300 | 1,295 | 25,666 | 25,322 | 20,431 | 0.81 | 0.80 | 29,566 | 4,537 |
| Lower In | 35,328 | 1,950 | 1,982 | 34,740 | 34,426 | 26,001 | 0.76 | 0.75 | 42,540 | 7,212 |
| Backfill | 20,080 | 1,170 | 1,393 | 18,645 | 18,696 | 14,605 | 0.78 | 0.78 | 23,325 | 3,245 |
| Tie In | 227,443 | 14,800 | 14,166 | 178,840 | 174,518 | 119,862 | 0.69 | 0.67 | 337,730 | 110,287 |
| Road Crossing | 50,326 | 1,495 | 1,450 | 44,935 | 44,181 | 38,504 | 0.87 | 0.86 | 55,400 | 5,074 |
| Testing | 15,764 | 845 | 1,116 | 11,022 | 11694 | 0 | 0.00 | 0.00 | 19,472 | 3,708 |
| Clean Up | 66,495 | 2,535 | 1,811 | 14,411 | 14477 | 1,603 | 0.00 | 0.00 | 49,901 | -16,594 |
| **Total Progressable Hours** | **656,498** | **29,750** | **28,055** | **561,546** | **554,474** | **437,018** | **0.79** | **0.78** | **795,056** | **138,558** |
| Envrionmental | 130,487 | 4,680 | 4,701 | 122,394 | 122,465 | 0 | | | 163,344 | 32,857 |
| Non Progressable Hours | 310,901 | 8,710 | 8,579 | 274,801 | 273,883 | 0 | | | 339,086 | 28,185 |
| **Total Hours** | **1,097,886** | **43,140** | **41,335** | **958,741** | **950,822** | **437,018** | **0.79** | **0.78** | **1,297,486** | **199,600** |

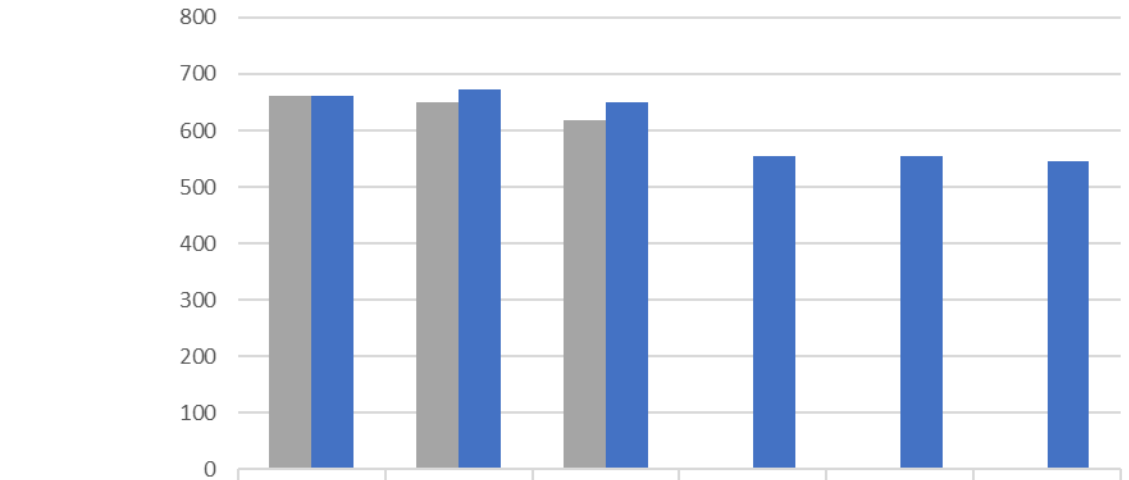
Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

CPI & SPI calculated on Jan 21 Forecast

Forecast = April 22 Forecast Update

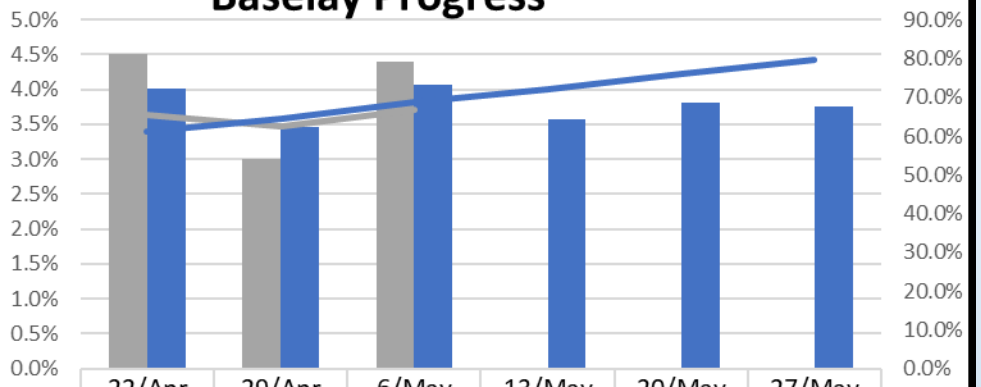
# Spread 7 – Progress and Performance Curves

## Headcount



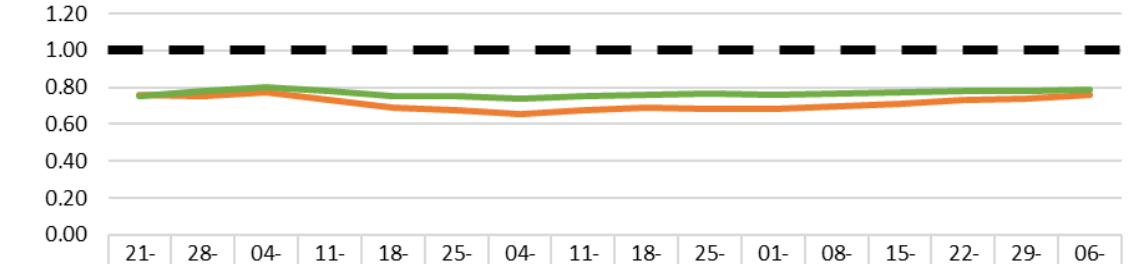

| | Apr-22 | Apr-29 | May-06 | May-13 | May-20 | May-27 |
|---|---|---|---|---|---|---|
| Actual | 662 | 650 | 619 | 0 | 0 | 0 |
| Arpil 22 Forecast | 662 | 672 | 649 | 554 | 554 | 545 |

## Baselay Progress




| | 22/Apr | 29/Apr | 6/May | 13/May | 20/May | 27/May |
|---|---|---|---|---|---|---|
| Actual | 4.5% | 3.0% | 4.4% | | | |
| April 22 Forecast | 4.0% | 3.5% | 4.1% | 3.6% | 3.8% | 3.8% |
| Actual Total | 65.3% | 62.4% | 66.8% | | | |
| April 22 Total | 61.1% | 64.5% | 68.6% | 72.2% | 76.0% | 79.8% |

## SPI & CPI - Jan 21




| | 21-Jan | 28-Jan | 04-Feb | 11-Feb | 18-Feb | 25-Feb | 04-Mar | 11-Mar | 18-Mar | 25-Mar | 01-Apr | 08-Apr | 15-Apr | 22-Apr | 29-Apr | 06-May |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.76 | 0.75 | 0.78 | 0.73 | 0.69 | 0.68 | 0.65 | 0.67 | 0.69 | 0.68 | 0.68 | 0.69 | 0.71 | 0.73 | 0.74 | 0.76 |
| CPI | 0.75 | 0.78 | 0.80 | 0.78 | 0.75 | 0.75 | 0.74 | 0.75 | 0.76 | 0.76 | 0.76 | 0.76 | 0.77 | 0.78 | 0.78 | 0.79 |

## SPI & CPI - Apr 22




| | 22-Apr | 29-Apr | 06-May |
|---|---|---|---|
| CPI | 0.94 | 0.94 | 0.96 |
| SPI | 0.94 | 0.93 | 0.94 |

# Spread 7 - Equipment Look ahead

| Spread 7 | On site | Forecast to go 2 month lookahead | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 6-May | 13-May | 20-May | 27-May | 3-Jun | 10-Jun | 17-Jun | 24-Jun | 1-Jul |
| Dozers | 45 | 43 | 43 | 41 | 39 | 39 | 39 | 39 | 26 |
| Sidebooms | 68 | 62 | 62 | 62 | 62 | 62 | 62 | 62 | 20 |
| Excavators | 65 | 65 | 65 | 65 | 63 | 63 | 63 | 63 | 27 |

# Spread 7 – Change Management

| TREND STATUS | ASR PROJECT | | | Spread 7 | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | TO DATE | | | TO DATE | | | THIS WEEK | | |
| ORIGINAL BUDGET | | $ 454,471,254 | 2,167,574 | 37% | 167,458,844 | 715,826 | | | |
| | Distint Count | TOTAL | Hours | Count | Cost | Hours | Count | Cost | Hours |
| a) Recorded | 52 | $ 6,869,778 | 936 | 17 | $ 1,062,937 | - | 4 | $ - | - |
| b) Internal review | 3 | $ 3,404,196 | 6,372 | 1 | $ 192,260 | 960 | | | |
| c) Client Review | 18 | $ 1,824,590 | 4,941 | 16 | $ 1,082,472 | 3,630 | | | |
| d) Approved - Forecast only | 34 | $ 23,378,129 | 131,910 | 21 | $ 11,547,409 | 66,342 | | | |
| e) Revise and Resubmit | 3 | $ 3,980,500 | 36,000 | 2 | $ - | - | | | |
| f) Proceed to EWR | 12 | $ 24,478,769 | 9,103 | 10 | $ 5,425,709 | 9,103 | | | |
| g) EWR Submitted | 16 | $ 15,744,750 | 33,448 | 10 | $ 7,940,609 | 16,430 | | | |
| h) EWR Approved | 8 | $ 7,257,032 | 20,950 | 8 | $ 3,333,567 | 12,612 | | | |
| **Total Trends** | | $ 86,937,745 | ` | 85 | $ 30,584,963 | | | | |
| z) Cancelled | 51 | | | 23 | $ - | - | | | |
| **CURRENT BUDGET** | | $ 461,728,286 | 2,188,524 | | $ 170,792,411 | 728,438 | | | |
| | | | | | | | | | |
| **CURRENT FORECAST 2/25** | | $ 695,956,417 | 3,220,854 | 38% | $ 263,680,954 | 1,128,483 | | | |
| **VARIANCE to BUDGET** | | $ (234,228,131) | | 40% | $ (92,864,326) | | | | |
| This Week's Activity 5/6/18 | 4 Recorded | | | 4 Recorded (Amtrak Spacers, Open Cut Trench Design Modification, Re-hydrotest section G1, Dewater Rate) | | | | | |

# Spread 7 – Cost Summary ($M's)

| Item | Activity | Original Budget A | Approved Changes B | Current Budget C = A+B | Committed to Date D | Incurred to Date E | Pending Trends G | Forecast To Go H = I-E | Current Forecast | Previous Forecast J | Change in Forecast K | Variance from Budget L = I-C |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Direct Labor | $ 54.0 | $ 1.0 | $ 55.1 | $ 62.5 | $ 62.5 | $ 3.2 | $ 20.0 | $ 82.4 | $ 82.4 | $ - | $ 27.3 |
| 2 | Indirect Labor (Craft/Mgmt/Supervision) | $ 14.6 | $ 0.2 | $ 14.7 | $ 12.5 | $ 12.5 | $ - | $ 5.8 | $ 18.4 | $ 18.4 | $ - | $ 3.6 |
| | **Sub Total Labor Cost** | **$ 68.6** | **$ 1.2** | **$ 69.8** | **$ 75.0** | **$ 75.0** | **$ 3.2** | **$ 25.8** | **$ 100.8** | **$ 100.8** | **$ -** | **$ 31.0** |
| 3 | Equipment Fee | $ 34.3 | $ 0.6 | $ 34.9 | $ 36.9 | $ 36.9 | $ 0.9 | $ 12.9 | $ 49.8 | $ 49.8 | $ - | $ 14.9 |
| 4 | Specialty Equipment | $ 0.7 | $ 0.0 | $ 0.8 | $ 4.7 | $ 3.6 | $ - | $ 1.0 | $ 4.7 | $ 4.7 | $ - | $ 3.9 |
| 5 | Materials | $ 9.1 | $ 0.2 | $ 9.2 | $ 13.1 | $ 10.2 | $ 6.5 | $ 6.0 | $ 16.3 | $ 16.3 | $ - | $ 7.1 |
| 6 | Mats | $ 1.2 | $ - | $ 1.2 | $ 5.2 | $ 4.9 | $ 2.1 | $ 0.7 | $ 5.7 | $ 5.7 | $ - | $ 4.5 |
| 7 | Outside Services & Subcontract Cost | $ 31.4 | $ 0.7 | $ 32.0 | $ 57.5 | $ 50.3 | $ 4.3 | $ 13.6 | $ 63.9 | $ 63.9 | $ - | $ 31.9 |
| 8 | Equipment - NTP Delayed | $ 2.4 | $ - | $ 2.4 | $ 2.2 | $ 2.2 | $ - | $ - | $ 2.2 | $ 2.2 | $ - | $ (0.2) |
| 8.1 | Bonds | $ - | $ 0.8 | $ 0.8 | $ 0.8 | $ 0.8 | $ 0.8 | $ - | $ 0.8 | $ 0.8 | $ - | $ - |
| | **Sub Total Project Cost** | **$ 79.1** | **$ 2.2** | **$ 81.3** | **$ 120.2** | **$ 108.9** | **$ 14.5** | **$ 34.3** | **$ 143.2** | **$ 143.2** | **$ -** | **$ 61.9** |
| 10 | Fixed Fee & Profit | $ 19.7 | $ - | $ 19.7 | $ 11.7 | $ 11.7 | $ - | $ 8.0 | $ 19.7 | $ 19.7 | $ - | $ - |
| | **Total Project Cost** | **$ 167.5** | **$ 3.3** | **$ 170.8** | **$ 206.9** | **$ 195.6** | **$ 17.7** | **$ 68.1** | **$ 263.7** | **$ 263.7** | **$ -** | **$ 92.9** |

# Spread 7 – Critical Issues

| Critical Issues | Mitigation | Need by Date | Test Section |
|---|---|---|---|
| Protestors interference at the HDD site. | Welded has requested additional security measures be taken by Williams at the HDD site. Our HDD subcontractor plans to leave the site for the day when protestors arrive. Welded and Southeast would prefer a full time police presence.<br><br>** Welded is awaiting approval to place the constables on site. ** | 5-7-29 | 2 |
| Welded has mobilized a restoration contractor and is awaiting final direction for seed mixtures. The CD will not allow Williams to be released of their obligations because a landowner doesn't want anything on their property. | Williams has tasked it's land department to finalize the requirements for each landowner. Agricultural/farm lands currently call for no fertilizer/lime/seed/mulch.<br><br>These issues have continued to be raised since January. Trend is being developed. | ASAP – contractor on standby | n/a |
| The Amtrak Railroad bore permit is not ready and could take 30-60 days for approval after submittal. Approval of the first submittal is not guaranteed and any revisions are subject to the same review period. | Welded is assisting Williams in providing construction plans for the Amtrak engineering reviewing.<br><br>Welded has submitted all of the documents 4/10/18. | 5-19-18 | 3 |
| I-76 Bore Variance<br>Welded has plans to turn our bore crew into a tie in crew to maintain schedule. | As co-permittees Welded needs to have representation on the weekly conference calls with the agencies to help explain and expedite these variances.<br><br>Welded plans to subcontract the bore to allow Welded crew to tie-in. | 5-19-18 | 3 |
| Pequea Creek Blasting | Welded is awaiting approval to be able to blast at the Pequea Creek if necessary. The creek is on hold until this is received. | 5-3-18 | 2 |

# EXHIBIT 18

## ASR Overall Weekly Progress 04-08

# Atlantic Sunrise Pipeline Project Spread 5 Progress Report

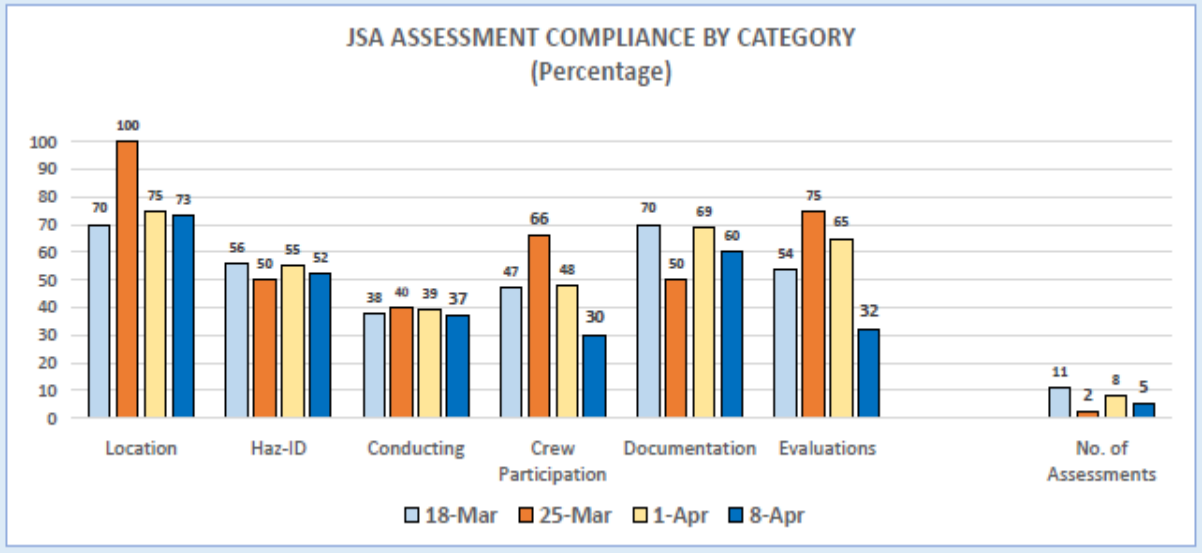
Week Ending 08-Apr-18

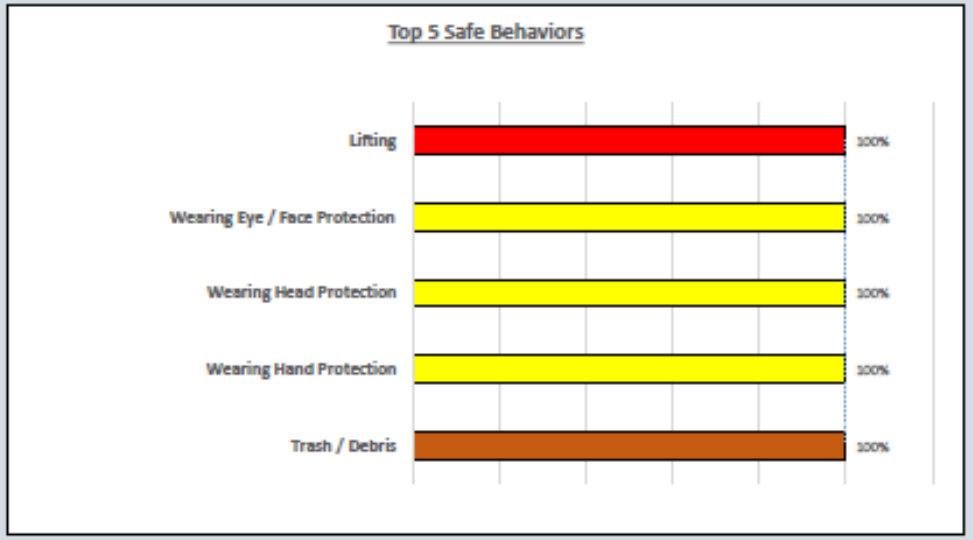
# SPREAD 5 - Safety

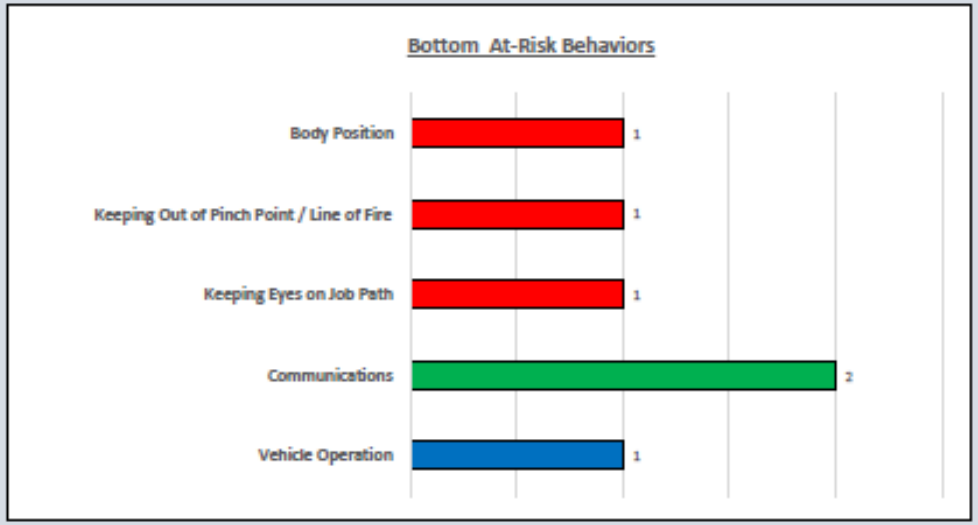
| Number of Incidents | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 | 2 | 30 | 17 | 42 | 10 | 4 | 0 | 17 |

| Incident Rates | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0.00 | 0.31 | 0.61 | 9.21 | 5.22 | 12.89 | 3.07 | 1.23 | 0.00 | 5.22 |

| | Weekly Hours | Monthly Hours | Project Hours | Total Headcount |
|---|---|---|---|---|
| Welded | 25,759 | 25,759 | 547,757 | 410 |
| Subcontractors | 1,215 | 1,215 | 103,684 | 28 |
| Total | 26,974 | 26,974 | 651,441 | 438 |

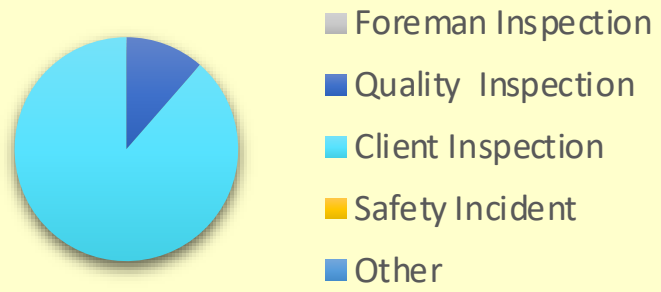


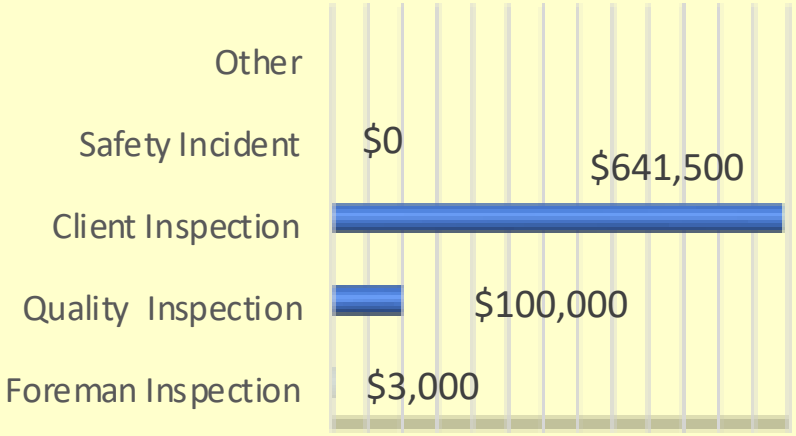



# SPREAD 5 Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 19.39% |
| Field Joint Coating Rejection Rate | 0.00% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 1 | 63 |
| Closed | 1 | 43 |
| **Remaining Open** | | 20 |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | - | 35 |
| Closed | 1 | 17 |
| **Remaining Open** | | 18 |

**Notes:**

# Spread 5 – Environmental

1. Environmental Compliance
   - NCRs and NOVs from current period – N/A
   - FERC / Williams issued Non Compliance Reports (NCRs) and Notices of Violations (NOVs) from previous reporting periods:
     - FERC issued NCR issued for mixing subsoil and topsoil
     - FERC issued an NCR (MP 93.1) for disturbing 50' stream buffers
     - In-stream work outside the TOYR
     - Work within 50 foot buffer
     - Not following construction sequence at the AR, Road Specific Construction Sequence (RSCS) for Access Road AR-NO-082s for:
     - Columbia CCD issued NOVs for:
       1. Failure to implement effective E&S Best Management Practices (BMPs).
       2. Failure to comply with permit conditions.
       3. Sediment or other pollutant was discharged into waters of the Commonwealth.
     - Site conditions present a potential for pollution to waters of the Commonwealth.
     - Material off the right-of-way
     - Incomplete water bar installation
     - Improper waterbody crossing sequence @ HQ/EV UNT to Mugser Run WW-T31-11001
     - Improper waterbody crossing sequence @ HQ/EV UNT to Mugser Run WW-T31-11001 – 2/23/18
     - Follow up inspection for activities not being completed @ HQ/EV UNT to Mugser Run WW-T31-11001- 3/01/18
     - FERC issued: EV-2843 – Pine Swamp – Dewatering and Erosion and Sediment Control

2. Environmental Concerns
   - Riparian area replanting plans – who is responsible for planting trees and shrubs?
   - Poor ROW Conditions
3. Listing of variance requests outstanding
   - Change WW-T01-10001 - Mahandy Creek crossing method from open cut to bore
   - Change WW-T18-10002 - Quaker Run crossing method from open cut to bore
   - Happy Valley 1, 2 & 3 Construction Timeline Crossing Extension from 48 hrs. to 2 weeks
   - Happy Valley 1, 2 & 3 - Work within the buffer zones due to limited work space
   - Availability to work 24 hrs. during 6 week Bat Hibernaculum construction window
   - Access 82.1 road improvements (going through the Bat Hibernaculum area)
   - Open ditch past 30 day window

# Spread 5 - March Chart




Bat restricted area

# Spread 5 – Weekly Impacts

| Activity | Variance to Forecast | 2-Apr Monday | 3-Apr Tuesday | 4-Apr Wednesday | 5-Apr Thursday | 6-Apr Friday | 7-Apr Saturday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|
| Clearing | (850) | Rainout | Rainout | 1/2 Day Rain | | | | |
| Grading | 1,100 | Rainout | Rainout | 1/2 Day Rain | | | | |
| Stringing | (1,115) | Rainout | Rainout | 1/2 Day Rain | | | | |
| Bending | (1,115) | Rainout | Rainout | 1/2 Day Rain | | | | |
| Firing Line | 606 | Rainout | Rainout | 1/2 Day Rain | | | | Still waiting on TI resolution |
| Coating | (2,808) | Rainout | Rainout | 1/2 Day Rain | | | | |
| Ditch | (2,036) | Rainout | Rainout | 1/2 Day Rain | | | | |
| Lower In | 167 | Rainout | Rainout | 1/2 Day Rain | | | | |
| Backfill | (2,389) | Rainout | Rainout | 1/2 Day Rain | | | | |
| Tie In | 2 | Rainout | Rainout | 1/2 Day Rain | | | | |
| Hill | (941) | Rainout | Rainout | 1/2 Day Rain | | | | |
| Road Crossing | 10 | Rainout | Rainout | 1/2 Day Rain | | | | |
| Testing | - | Rainout | Rainout | 1/2 Day Rain | | | | |
| Clean Up | (2,250) | Rainout | Rainout | 1/2 Day Rain | | | | |
| Clean Water Div. | 1 | | | | | | | |

# Spread 5 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 08-Apr | | | Cumulative | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast |
| Clearing | lf | 90,990 | 92.6% | 1,950 | 1,100 | (850) | 85,140 | 84,290 | (850) |
| Grading | lf | 90,990 | 92.6% | - | 1,100 | 1,100 | 83,190 | 84,290 | 1,100 |
| Stringing | lf | 90,990 | 78.3% | 1,115 | - | (1,115) | 74,180 | 71,281 | (2,899) |
| Bending | lf | 90,990 | 76.6% | 1,115 | - | (1,115) | 75,980 | 69,701 | (6,279) |
| Firing Line | lf | 74,190 | 81.0% | 2,196 | 2,802 | 606 | 63,209 | 60,126 | (3,083) |
| Coating | lf | 74,190 | 71.4% | 2,808 | - | (2,808) | 60,148 | 52,992 | (7,156) |
| Ditch | lf | 74,190 | 56.6% | 2,625 | 589 | (2,036) | 44,833 | 41,972 | (2,861) |
| Lower In | lf | 74,190 | 53.0% | 2,900 | 3,067 | 167 | 39,803 | 39,328 | (475) |
| Backfill | lf | 74,190 | 44.7% | 3,100 | 711 | (2,389) | 38,058 | 33,183 | (4,875) |
| Tie In | ea. | 311 | 44.7% | 12 | 14 | 2 | 145 | 139 | (6) |
| Hill | lf | 16,800 | 11.9% | 941 | - | (941) | 2,304 | 2,000 | (304) |
| Road Crossing | lf | 1,086 | 64.8% | 50 | 60 | 10 | 944 | 704 | (240) |
| Testing | lf | 90,990 | 0.0% | - | - | - | - | - | - |
| Clean Up | lf | 90,990 | 0.0% | 2,250 | - | (2,250) | 10,250 | - | (10,250) |
| Clean Water Div. | ea. | 40 | 52.5% | - | 1 | 1 | - | 21 | 21 |

Forecast = Feb 25 Forecast Update

| Tie-In Status | 1-Apr | 8-Apr | 15-Apr | 22-Apr | 29-Apr | 6-May | 13-May | 20-May | 27-May |
|---|---|---|---|---|---|---|---|---|---|
| Forecast | 16 | 12 | 12 | 12 | 12 | 12 | 12 | 15 | 15 |
| Actual | 13 | 14 | - | - | - | - | - | - | - |
| Total Remaining | 186 | 172 | 172 | 172 | 172 | 172 | 172 | 172 | 172 |
| # of Tie In Crews | 6 | 5 | 5 | 5 | 5 | 5 | 5 | 6 | 6 |

# Spread 5 – Manhours and Performance (Craft Only)

| Activity | Budget Hours | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 27,500 | 0 | 0 | 44,257 | 44,257 | 43,142 | 0.97 | 0.97 | 46,571 | 19,071 |
| Grading | 23,320 | 0 | 961 | 28,214 | 31,506 | 29,753 | 0.94 | 1.05 | 32,118 | 8,798 |
| Stringing | 23,004 | 610 | 646 | 21,301 | 21,426 | 22,899 | 1.07 | 1.08 | 29,231 | 6,227 |
| Bending | 18,096 | 366 | 439 | 9,708 | 9,926 | 11,362 | 1.14 | 1.17 | 14,832 | -3,264 |
| Firing Line | 28,188 | 1,320 | 3,076 | 56,799 | 58,188 | 51,381 | 0.88 | 0.90 | 63,399 | 35,211 |
| Coating | 22,185 | 1,188 | 685 | 17,405 | 15,001 | 14,978 | 1.00 | 0.86 | 20,969 | -1,216 |
| Ditch | 22,185 | 660 | 0 | 12,146 | 9,506 | 9,485 | 1.00 | 0.78 | 16,766 | -5,419 |
| Lower In | 26,945 | 1,650 | 0 | 20,508 | 16,020 | 16,994 | 1.06 | 0.83 | 32,058 | 5,113 |
| Backfill | 13,515 | 990 | 851 | 13,533 | 13,225 | 9,152 | 0.69 | 0.68 | 20,463 | 6,948 |
| Tie In | 85,544 | 4,092 | 9,656 | 53,815 | 65,984 | 45,860 | 0.70 | 0.85 | 102,607 | 17,063 |
| Hill | 130,799 | 2,640 | 138 | 22,913 | 18,607 | 9,162 | 0.49 | 0.40 | 76,961 | -53,838 |
| Road Crossing | 51,200 | 1,122 | 1,176 | 22,320 | 23,331 | 19,560 | 0.84 | 0.88 | 30,174 | -21,026 |
| Testing | 4,872 | 915 | 140 | 2495 | 1160 | 0 | 0.00 | 0.00 | 21,275 | 16,403 |
| Clean Up | 43,024 | 2,112 | 0 | 10043 | 3182 | 0 | 0.00 | 0.00 | 45,947 | 2,923 |
| **Total Progressable Hours** | **520,377** | **17,665** | **17,768** | **335,457** | **331,319** | **283,728** | **0.86** | **0.85** | **553,371** | **32,994** |
| Envrionmental | 75,700 | 3,416 | 4,189 | 66,743 | 70,252 | 0 | | | 131,647 | 55,947 |
| Non Progressable Hours | 232,846 | 5,200 | 5,779 | 162,171 | 159,345 | 0 | | | 214,289 | -18,557 |
| **Total Hours** | **828,923** | **26,281** | **27,736** | **564,371** | **560,916** | **283,728** | **0.86** | **0.85** | **899,307** | **70,384** |

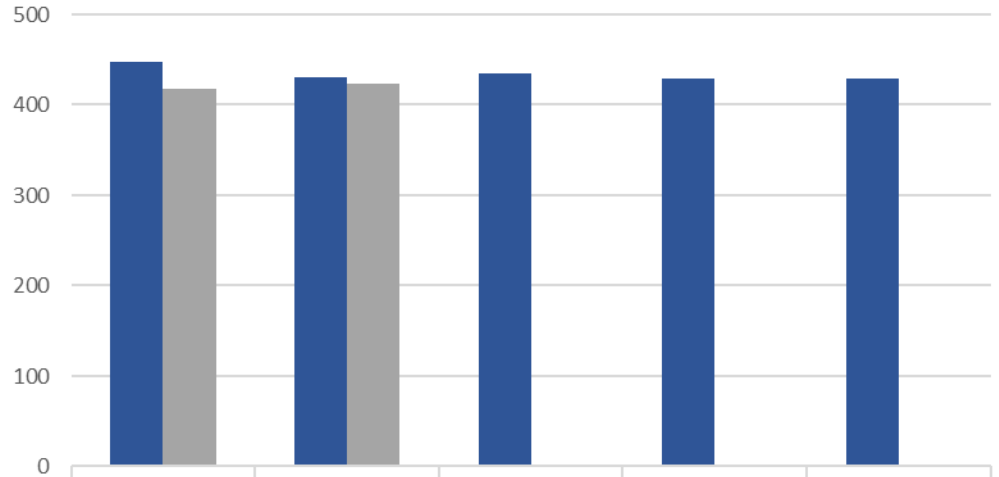
Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

CPI & SPI calculated on Feb 25 Forecast

Forecast = Feb 25 Forecast Update

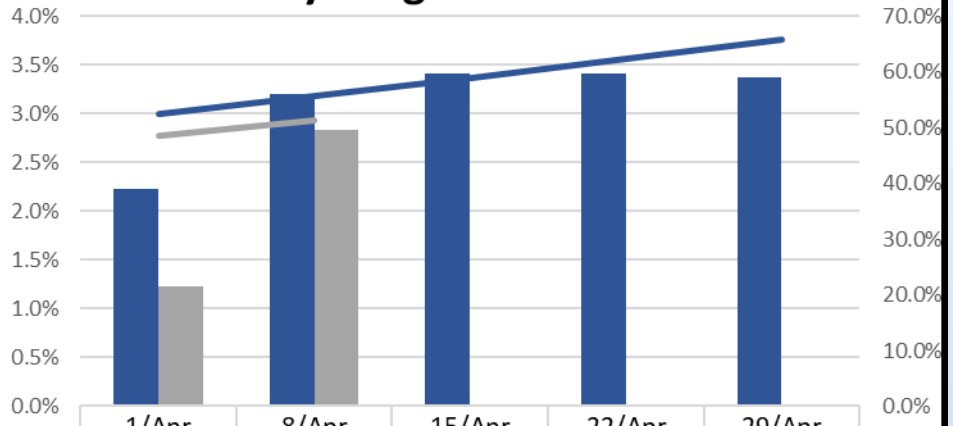
# Spread 5 – Progress and Performance Curves

## Head Count



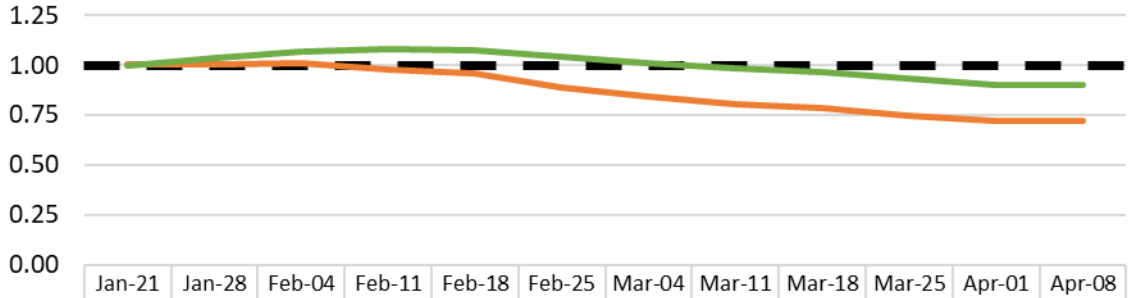

| | Apr-01 | Apr-08 | Apr-15 | Apr-22 | Apr-29 |
|---|---|---|---|---|---|
| Feb 25 Forecast | 448 | 430 | 435 | 429 | 429 |
| Actual | 418 | 423 | 0 | 0 | 0 |

## Baselay Progress



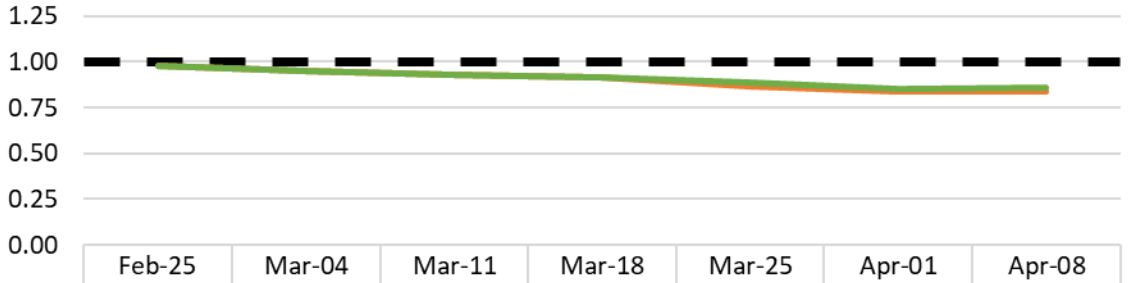

| | 1/Apr | 8/Apr | 15/Apr | 22/Apr | 29/Apr |
|---|---|---|---|---|---|
| Feb 25 Forecast | 2.2% | 3.2% | 3.4% | 3.4% | 3.4% |
| Actual | 1.2% | 2.8% | | | |
| Feb 25 Forecast Total | 52.4% | 55.6% | 59.0% | 62.5% | 65.8% |
| Actual Total | 48.5% | 51.3% | | | |

## SPI & CPI - Jan 21




| | Jan-21 | Jan-28 | Feb-04 | Feb-11 | Feb-18 | Feb-25 | Mar-04 | Mar-11 | Mar-18 | Mar-25 | Apr-01 | Apr-08 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 1.01 | 1.00 | 1.01 | 0.98 | 0.96 | 0.89 | 0.84 | 0.81 | 0.78 | 0.74 | 0.72 | 0.72 |
| CPI | 1.00 | 1.03 | 1.07 | 1.08 | 1.08 | 1.04 | 1.01 | 0.98 | 0.96 | 0.93 | 0.90 | 0.90 |

## SPI & CPI - Feb 25




| | Feb-25 | Mar-04 | Mar-11 | Mar-18 | Mar-25 | Apr-01 | Apr-08 |
|---|---|---|---|---|---|---|---|
| SPI | 0.98 | 0.95 | 0.93 | 0.92 | 0.87 | 0.84 | 0.84 |
| CPI | 0.98 | 0.95 | 0.93 | 0.91 | 0.89 | 0.86 | 0.86 |

# Spread 5 - Change Management

| TREND STATUS | ALL SPREADS | | | Spread 5 | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | TO DATE | | | TO DATE | | | THIS WEEK | | |
| ORIGINAL BUDGET | | $ 454,471,254 | 2,167,574 | 27% | $ 123,150,956 | 699,374 | | | |
| | Distint Count | TOTAL | Hours | Count | Cost | Hours | Count | Cost | Hours |
| a) Recorded | 40 | $ 6,851,295 | 936 | 22 | $ 1,944,561 | - | | | |
| b) Internal review | 3 | $ 3,404,196 | 6,372 | 2 | $ 3,211,936 | 5,412 | | | |
| c) Client Review | 26 | $ 6,218,251 | 45,231 | 4 | $ 418,919 | 1,311 | 2 | $ 240,736 | |
| d) Approved - Forecast only | 28 | $ 18,984,468 | 91,620 | 6 | $ 3,212,735 | 6,574 | | | |
| e) Revise and Resubmit | 1 | $ 3,980,500 | 36,000 | 1 | $ 3,980,500 | 36,000 | | | |
| f) Proceed to EWR | 12 | $ 24,478,769 | 9,103 | 4 | $ 7,608,253 | - | | | |
| g) EWR Submitted | 17 | $ 15,830,750 | 33,448 | 5 | $ 1,109,801 | 6,146 | 2 | $ 325,973 | |
| h) EWR Approved | 7 | $ 7,171,032 | 20,950 | 4 | $ 1,599,981 | 4,004 | | | |
| Total Trends | | $ 86,919,261 | 243,660 | 48 | $ 23,086,686 | 59,447 | | | |
| z) Cancelled | 49 | | | 20 | $ - | - | | | |
| CURRENT BUDGET | | $ 461,642,286 | 2,188,524 | | $ 124,750,937 | 703,378 | | | |
| CURRENT FORECAST 2/25 | | $ 635,096,334 | 3,337,523 | 26% | $ 165,100,432 | 899,307 | | | |
| VARIANCE to BUDGET | | $ (173,454,048) | | 23% | $ (40,349,495) | | | | |
| This Week's Activity 4/8/18 | 3 Trends Recorded<br>7 Trends in Client Review<br>1 Approved - Forecast Only<br>3 EWRs Submitted | | | 2 Trends in Client Review (DOT Drug Testing / OQ)<br>2 EWRs Submitted ( Letourneau - Widen ROW / Fence Install) | | | | | |

# Spread 5 – Cost Summary ($M's)

| Item | Activity | Original Budget A | Approved Changes B | Current Budget C = A+B | Committed to Date D | Incurred to Date E | Pending Trends G | Forecast To Go H = I-E | Current Forecast | Previous Forecast J | Change in Forecast K | Variance from Budget L = I-C |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Direct Labor | $ 52.8 | $ 0.3 | $ 53.1 | $ 36.4 | $ 36.4 | $ 4.3 | $ 23.4 | $ 59.8 | $ 59.8 | $ - | $ 6.6 |
| 2 | Indirect Labor (Craft/Mgmt/Supervision) | $ 11.4 | $ 0.1 | $ 11.4 | $ 10.6 | $ 10.6 | $ - | $ 5.9 | $ 16.6 | $ 16.6 | $ - | $ 5.1 |
| | **Sub Total Labor Cost** | **$ 64.2** | **$ 0.4** | **$ 64.6** | **$ 47.0** | **$ 47.0** | **$ 4.3** | **$ 29.3** | **$ 76.3** | **$ 76.3** | **$ -** | **$ 11.8** |
| 3 | Equipment Fee | $ 32.1 | $ 0.2 | $ 32.3 | $ 22.1 | $ 22.1 | $ 2.1 | $ 14.7 | $ 36.8 | $ 36.8 | $ - | $ 4.5 |
| 4 | Specialty Equipment | $ 0.3 | $ 0.0 | $ 0.4 | $ 1.8 | $ 1.3 | $ 1.4 | $ 0.7 | $ 1.9 | $ 1.9 | $ - | $ 1.6 |
| 5 | Materials | $ 4.8 | $ 0.2 | $ 5.0 | $ 6.5 | $ 5.6 | $ 0.3 | $ 4.2 | $ 9.8 | $ 9.8 | $ - | $ 4.8 |
| 6 | Mats | $ 0.6 | $ - | $ 0.6 | $ 2.8 | $ 1.9 | $ 0.5 | $ 0.5 | $ 2.5 | $ 2.5 | $ - | $ 1.9 |
| 7 | Outside Services & Subcontract Cost | $ 10.9 | $ 0.4 | $ 11.3 | $ 24.0 | $ 19.1 | $ 8.9 | $ 7.6 | $ 26.7 | $ 26.7 | $ - | $ 15.4 |
| 8 | Equipment - NTP Delayed | $ 1.1 | $ - | $ 1.1 | $ 1.6 | $ 1.6 | $ - | $ - | $ 1.6 | $ 1.6 | $ - | $ 0.5 |
| 8.1 | Bonds | $ - | $ 0.4 | $ 0.4 | $ 0.4 | $ 0.4 | $ - | $ - | $ 0.4 | $ 0.4 | $ - | $ - |
| | **Sub Total Project Cost** | **$ 49.9** | **$ 1.2** | **$ 51.1** | **$ 59.3** | **$ 52.0** | **$ 13.2** | **$ 27.7** | **$ 79.7** | **$ 79.7** | **$ -** | **$ 28.6** |
| 10 | Fixed Fee & Profit | $ 9.1 | $ - | $ 9.1 | $ 4.6 | $ 4.6 | $ - | $ 4.4 | $ 9.1 | $ 9.1 | $ - | $ - |
| | **Total Project Cost** | **$ 123.2** | **$ 1.6** | **$ 124.8** | **$ 110.9** | **$ 103.7** | **$ 17.4** | **$ 61.4** | **$ 165.1** | **$ 165.1** | **$ -** | **$ 40.3** |

# Spread 5 – Critical Issues

| | Critical Issues | Mitigation |
|---|---|---|
| 1 | Welding : Transverse Indications resulting in cut outs | Welded continues to follow Williams guidance to combat this ongoing issue. Issue remains unresolved. |
| 2 | Environmental : Due to the Transverse Indications with welding, environmental is concerned with the 30 day rule of open ditches and the delay in sequence as stated in our BMPs. | |
| 3 | Outstanding variances for road crossings at Helfenstein, Zion Church, Industrial Bvld | |
| 4 | RFI for water source at north end to allow for earlier MLV installation. | |
| 5 | 48 hour variances at Happy Valley crossings | |
| 6 | List of outstanding bat area questions | |

# Atlantic Sunrise Pipeline Project Spread 6 Progress Report

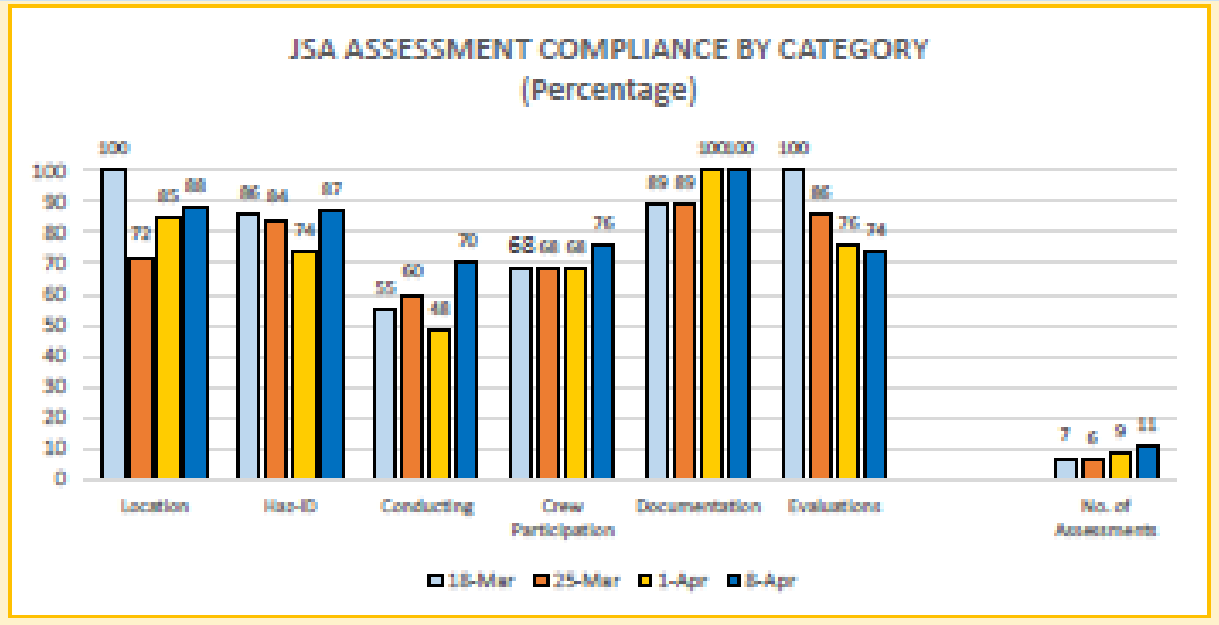
Week ending 08-Apr-18

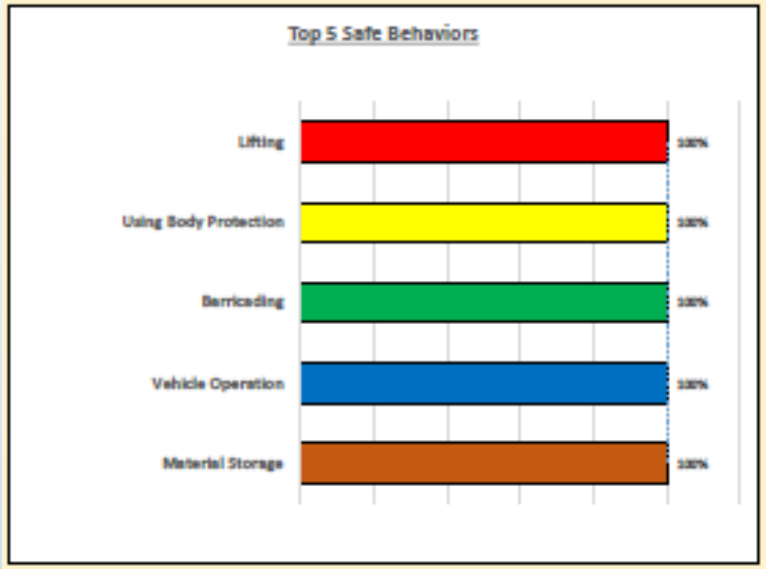
# SPREAD 6 - Safety

| Number of Incidents | LTI | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0 | 0 | 6 | 28 | 19 | 42 | 21 | 3 | 2 | 4 |

| Incident Rates | LTI | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0.0 | 0.0 | 1.3 | 7.1 | 4.8 | 10.6 | 5.3 | 0.8 | 0.5 | 1.0 |

| | Weekly Hours | Monthly Hours | Project Hours | Total Headcount |
|---|---|---|---|---|
| Welded | 36,149 | 36,149 | 665,462 | 616 |
| Subcontractors | 1,675 | 1,675 | 127,719 | 52 |
| Total Hours | 37,824 | 37,824 | 793,181 | 668 |



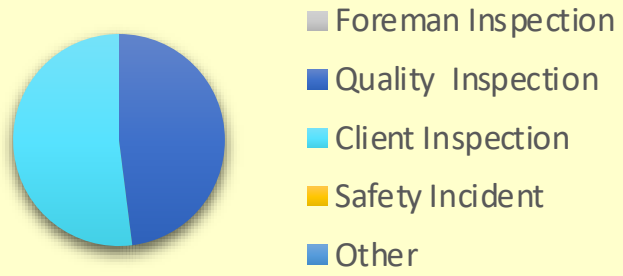




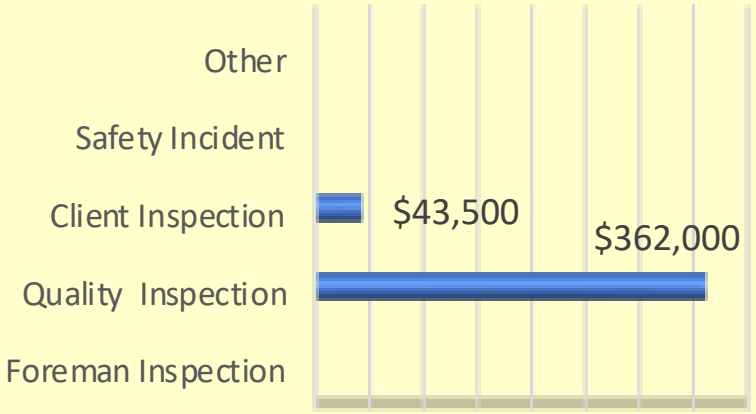


# SPREAD 6 - Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 8.95% |
| Field Joint Coating Rejection Rate | 1.70% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 2 | 30 |
| Closed | 1 | 22 |
| **Remaining Open** | | 8 |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | 5 | 25 |
| Closed | 1 | 13 |
| **Remaining Open** | | 12 |

**Notes: Working with Williams to resolve NCRs. Their NCRs do not have adequate descriptions. New QA Manager is mobilizing this week.**

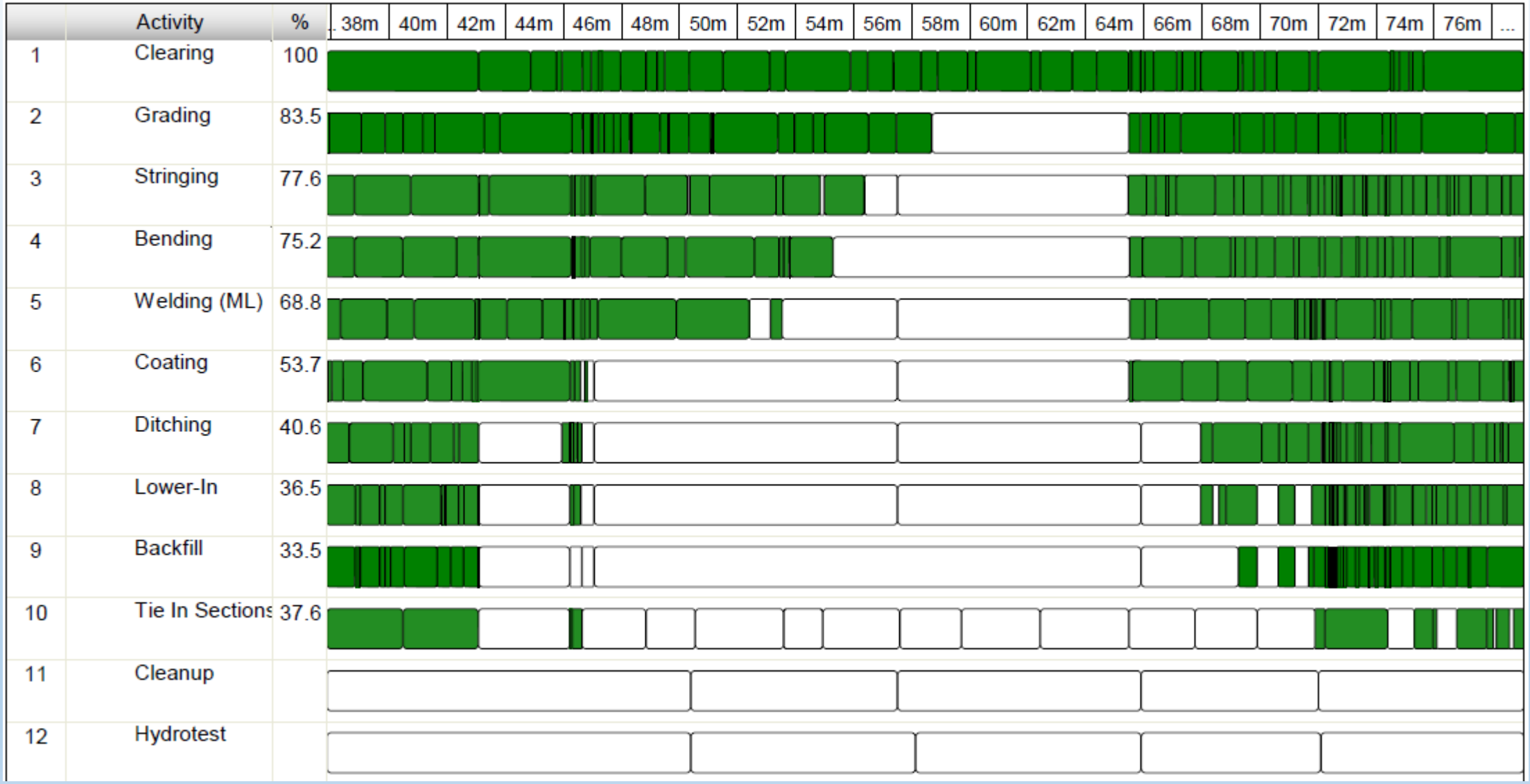
# Spread 6 – Environmental

1. Environmental Compliance
   - Non compliance from current period: None
   - Notifications from current period: None
   - Non compliance from previous periods:
     - Clearing outside of LOD at Fort Swatara Yard;
     - ROW lacking temporary stabilization south of SR0322
     - Improper waterbody crossing (2593+91)
     - Improper construction methods while installing bridge equipment crossing – Forge Creek
     - Installing skids within a delineated waterway – 4015+00
     - Sediment was discharged into waters 0f the Commonwealth – UNT to Conewego Creek (2002+00)
     - Improper Waterbody Crossing Work Sequence - UNT to Pine Creek (WW-T20-9001) (4099+00)
     - Inadequate Interim Stabilization station 2152+00 and 2247+00 (S.Forge Road/Horseshoe Pike)
     - Improper Wetland Crossing Techniques 4005+99 to 4009+27

2. Environmental Concerns
   - Not having all landowners agreeing to allow dewatering off LOD
   - Weather impacts
   - Riparian Area Replanting plans

3. Listing of variance requests outstanding
   - Timeline extension for crossing WW-T20-1001, adj to Goldmine Rd., from 24 hrs to 10 days due to road bore stream impact.
   - Bore option for scheduled open cut Swatara Creek
   - Mahantango Creek (WW-T11-9001) 7 day extension request beyond the 48 hour maximum time requirement to blanket the 100' stream bank buffer.
   - Lorberry Creek (WW-T31-8001) & UNT Lorberry Creek (WW-T31-8001A) 7 day extension request beyond the 48 hour maximum time requirement to blanket the 100' stream bank buffer.

# Spread 6 – March Chart



# Spread 6 – Weekly Impacts

| Activity | Variance to Forecast | 2-Apr Monday | 3-Apr Tuesday | 4-Apr Wednesday | 5-Apr Thursday | 6-Apr Friday | 7-Apr Saturday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | Rain Outs 4/2-4/3 & ROW conditions bad on 4/4 |
| Grading | 2,500 | Snowout | Rainout | ROW Conditions | | | | |
| Stringing | 129 | Snowout | Rainout | ROW Conditions | | | | |
| Bending | (2,960) | Snowout | Rainout | Move Around | | | | Had to Move Around 4/4. |
| Firing Line | 3,145 | Snowout | Rainout | | | | | |
| Coating | 3,302 | Snowout | Rainout | | | | | |
| Ditch | 5,044 | Snowout | Rainout | | | | | |
| Lower In | 707 | Snowout | Rainout | Sandbagging | | Sandbagging | | Sand bag ditch & making tie in welds. |
| Backfill | (698) | Snowout | Rainout | | | Assist Lower In | | Assisting Lower In crew sandbag ditch. |
| Tie In | 1 | Snowout | Rainout | | | | | |
| Road Crossing | (140) | Snowout | Rainout | | | | | |
| Testing | (12,787) | Snowout | Rainout | | | | | Not started |
| Clean Up | (9,074) | Snowout | Rainout | | | | | Not started |
| Clean Water Div. | 12 | | | | | | | |

# Spread 6 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 08-Apr | | | Cumulative | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast |
| Clearing | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - |
| Grading | lf | 217,779 | 83.5% | 4,000 | 6,500 | 2,500 | 217,779 | 181,942 | (35,837) |
| Stringing | lf | 217,779 | 77.6% | 14,671 | 14,800 | 129 | 169,762 | 168,979 | (783) |
| Bending | lf | 217,779 | 75.2% | 13,760 | 10,800 | (2,960) | 158,736 | 163,679 | 4,943 |
| Firing Line | lf | 217,779 | 68.8% | 13,155 | 16,300 | 3,145 | 152,004 | 149,779 | (2,225) |
| Coating | lf | 217,779 | 53.7% | 13,398 | 16,700 | 3,302 | 137,639 | 116,938 | (20,701) |
| Ditch | lf | 217,779 | 40.6% | 13,820 | 18,864 | 5,044 | 134,849 | 88,345 | (46,504) |
| Lower In | lf | 217,779 | 36.5% | 11,604 | 12,311 | 707 | 119,855 | 79,505 | (40,350) |
| Backfill | lf | 217,779 | 33.5% | 11,204 | 10,506 | (698) | 115,408 | 73,059 | (42,349) |
| Tie In | ea | 772 | 37.6% | 35 | 36 | 1 | 359 | 290 | (69) |
| Road Crossing | lf | 3,273 | 70.0% | 140 | - | (140) | 2,122 | 2,291 | 169 |
| Testing | lf | 217,779 | 0.0% | 12,787 | - | (12,787) | 12,787 | - | (12,787) |
| Clean Up | lf | 217,779 | 0.0% | 9,074 | - | (9,074) | 9,074 | - | (9,074) |
| Clean Water Div | ea | 250 | 79.6% | - | 12 | 12 | - | 199 | 199 |

Forecast = Feb 25 Forecast Update

| Tie-In Status | 1-Apr | 8-Apr | 15-Apr | 22-Apr | 29-Apr | 6-May | 13-May | 20-May | 27-May |
|---|---|---|---|---|---|---|---|---|---|
| Forecast | 35 | 35 | 40 | 40 | 40 | 40 | 40 | 40 | 40 |
| Actual | 25 | 36 | - | - | - | - | - | - | - |
| Total Remaining | 518 | 482 | 482 | 482 | 482 | 482 | 482 | 482 | 482 |
| # of Tie In Crews | 6 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |

# Spread 6 – Manhours and Performance (Craft Only)

| Activity | Budget Hours | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 38,500 | 0 | 0 | 64,348 | 64,348 | 64,348 | 1.00 | 1.00 | 64,348 | 25,848 |
| Grading | 18,693 | 1,100 | 1,149 | 22,686 | 22,645 | 18,953 | 0.84 | 0.84 | 22,686 | 3,993 |
| Stringing | 24,849 | 1,612 | 1,198 | 23,002 | 21,571 | 24,535 | 1.14 | 1.07 | 31,620 | 6,771 |
| Bending | 15,345 | 682 | 578 | 10,682 | 10,609 | 11,523 | 1.09 | 1.08 | 15,332 | -13 |
| Firing Line | 33,264 | 2,915 | 3,578 | 45,115 | 46,103 | 42,328 | 0.92 | 0.94 | 61,545 | 28,281 |
| Coating | 16,643 | 1,265 | 1,385 | 20,906 | 21,040 | 15,820 | 0.75 | 0.76 | 29,462 | 12,819 |
| Ditch | 22,968 | 992 | 1,096 | 17,664 | 17,750 | 9,580 | 0.54 | 0.54 | 23,616 | 648 |
| Lower In | 22,365 | 1,488 | 1,766 | 17,183 | 18,616 | 11,705 | 0.63 | 0.68 | 32,063 | 9,698 |
| Backfill | 7,455 | 930 | 1,064 | 12,079 | 12,505 | 7,172 | 0.57 | 0.59 | 21,379 | 13,924 |
| Tie In | 201,488 | 11,160 | 7,971 | 147,359 | 123,042 | 108,366 | 0.88 | 0.74 | 288,479 | 86,991 |
| Road Crossing | 42,120 | 4,032 | 1,879 | 72,196 | 65,800 | 72,710 | 1.11 | 1.01 | 103,876 | 61,756 |
| Testing | 6,760 | 0 | 0 | 0 | 0 | 0 | 0.00 | 0.00 | 22,880 | 16,120 |
| Clean Up | 64,613 | 2,790 | 0 | 3,472 | 0 | 0 | 0.00 | 0.00 | 67,642 | 3,029 |
| **Total Progressable Hours** | **515,063** | **28,966** | **21,664** | **456,692** | **424,029** | **387,041** | **0.91** | **0.85** | **784,928** | **269,865** |
| Envrionmental | 137,285 | 4,402 | 3,675 | 87,362 | 83,650 | 0 | | | 188,608 | 51,323 |
| Non Progressable Hours | 231,968 | 8,448 | 9,319 | 210,591 | 215,238 | 0 | | | 308,835 | 76,867 |
| **Total Hours** | **884,316** | **41,816** | **34,658** | **754,645** | **722,917** | **387,041** | **0.91** | **0.85** | **1,282,371** | **398,055** |

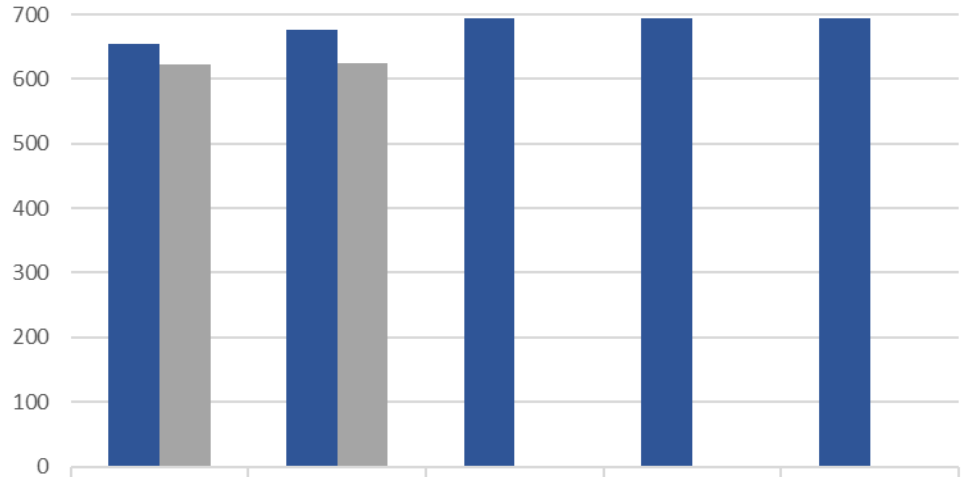
Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

CPI & SPI calculated on Feb 25 Forecast

Forecast = Feb 25 Forecast Update

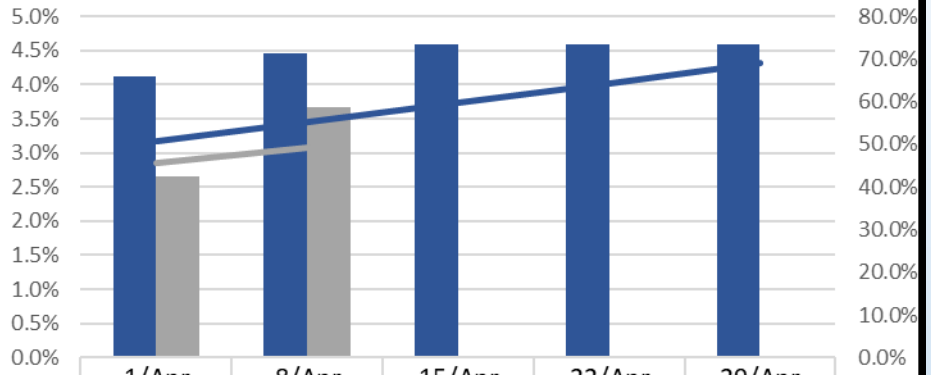
# Spread 6 Progress & Performance Curves

## Headcount



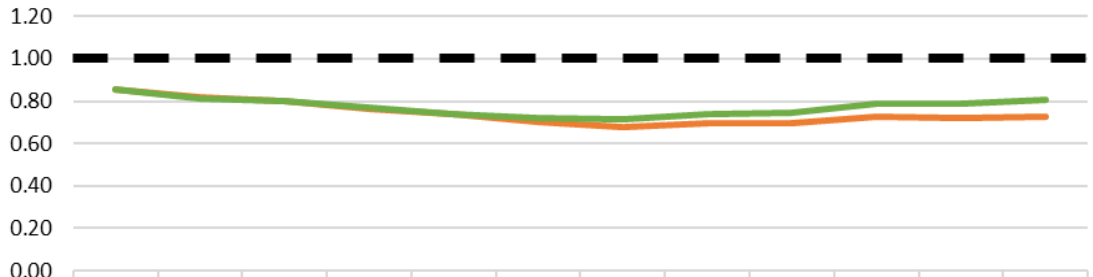

| | Apr-01 | Apr-08 | Apr-15 | Apr-22 | Apr-29 |
|---|---|---|---|---|---|
| Feb 25 Forecast | 654 | 677 | 694 | 694 | 694 |
| Actual | 622 | 625 | 0 | 0 | 0 |

## Baselay Progress



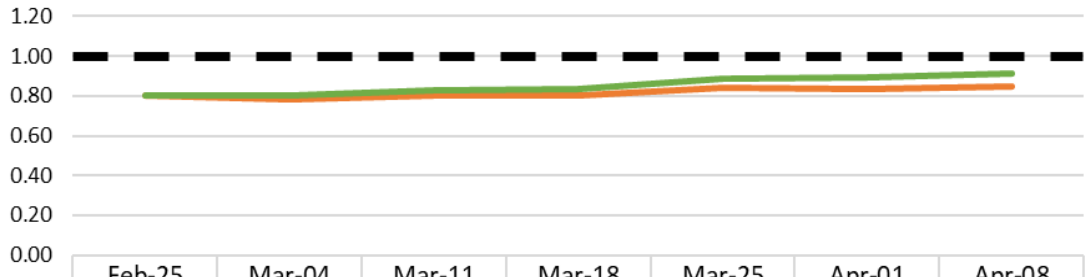

| | 1/Apr | 8/Apr | 15/Apr | 22/Apr | 29/Apr |
|---|---|---|---|---|---|
| Feb 25 Forecast | 4.1% | 4.5% | 4.6% | 4.6% | 4.6% |
| Actual | 2.7% | 3.7% | | | |
| Feb 25 Forecast Total | 50.7% | 55.2% | 59.8% | 64.3% | 68.9% |
| Actual Total | 45.6% | 49.2% | | | |

## SPI & CPI - Jan 21




| | Jan-21 | Jan-28 | Feb-04 | Feb-11 | Feb-18 | Feb-25 | Mar-04 | Mar-11 | Mar-18 | Mar-25 | Apr-01 | Apr-08 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.86 | 0.82 | 0.80 | 0.77 | 0.74 | 0.70 | 0.68 | 0.70 | 0.70 | 0.72 | 0.72 | 0.73 |
| CPI | 0.86 | 0.81 | 0.80 | 0.77 | 0.74 | 0.72 | 0.72 | 0.74 | 0.74 | 0.79 | 0.79 | 0.81 |

## SPI & CPI - Feb 25




| | Feb-25 | Mar-04 | Mar-11 | Mar-18 | Mar-25 | Apr-01 | Apr-08 |
|---|---|---|---|---|---|---|---|
| SPI | 0.80 | 0.78 | 0.80 | 0.81 | 0.84 | 0.84 | 0.85 |
| CPI | 0.80 | 0.80 | 0.83 | 0.84 | 0.89 | 0.89 | 0.91 |

# Spread 6 - Change Management

| TREND STATUS | ALL SPREADS | | | Spread 6 | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | TO DATE | | | TO DATE | | | THIS WEEK | | |
| **ORIGINAL BUDGET** | | **$ 454,471,254** | **2,167,574** | **36%** | **$ 163,861,454** | **752,374** | | | |
| | **Distint Count** | **TOTAL** | **Hours** | **Count** | **Cost** | **Hours** | **Count** | **Cost** | **Hours** |
| a) Recorded | 40 | $ 6,851,295 | 936 | 22 | $ 3,853,152 | 936 | 2 | $ - | |
| b) Internal review | 3 | $ 3,404,196 | 6,372 | - | $ - | - | | | |
| c) Client Review | 26 | $ 6,218,251 | 45,231 | 8 | $ 4,655,704 | 39,750 | 3 | $ 342,095 | |
| d) Approved - Forecast only | 28 | $ 18,984,468 | 91,620 | 8 | $ 4,285,479 | 19,244 | 1 | $ 43,897 | |
| e) Revise and Resubmit | 1 | $ 3,980,500 | 36,000 | - | $ - | - | | | |
| f) Proceed to EWR | 12 | $ 24,478,769 | 9,103 | 6 | $ 11,444,807 | - | | | |
| g) EWR Submitted | 17 | $ 15,830,750 | 33,448 | 7 | $ 6,694,340 | 10,872 | | | |
| h) EWR Approved | 7 | $ 7,171,032 | 20,950 | 5 | $ 2,323,485 | 4,334 | | | |
| **Total Trends** | | $ 86,919,261 | 243,660 | 56 | $ 33,256,967 | | | | |
| z) Cancelled | 49 | | | 23 | $ - | | | | |
| **CURRENT BUDGET** | | $ 461,642,286 | 2,188,524 | | $ 166,184,939 | 756,708 | | | |
| **CURRENT FORECAST 2/25** | | $ 635,096,334 | 3,337,523 | 36% | $ 229,143,225 | 1,281,145 | | | |
| **VARIANCE to BUDGET** | | $ (173,454,048) | | 36% | $ (62,958,286) | | | | |
| This Week's Activity 4/8/18 | 3 Trends Recorded<br>7 Trends in Client Review<br>1 Approved - Forecast Only<br>3 EWRs Submitted | | | 2 Trends Recorded (Gwinn Restoration / Additional Equipment)<br>3 Trends in Client Review (DOT Drug Testing / OQ / Appellation - Fitting Repairs)<br>1 Approved - Forecast Only (MAXX - Holiday Shutdown) | | | | | |

# Spread 6 – Cost Summary ($M's)

| Item | Activity | Original Budget A | Approved Changes B | Current Budget C = A+B | Committed to Date D | Incurred to Date E | Pending Trends G | Forecast To Go H = I-E | Current Forecast I | Previous Forecast J | Change in Forecast K | Variance from Budget L = I-C |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Direct Labor | $ 56.4 | $ 0.3 | $ 56.7 | $ 45.3 | $ 45.3 | $ 3.8 | $ 36.7 | $ 82.0 | $ 82.0 | $ - | $ 25.3 |
| 2 | Indirect Labor (Craft/Mgmt/Supervision) | $ 15.9 | $ 0.1 | $ 15.9 | $ 9.2 | $ 9.2 | $ - | $ 8.3 | $ 17.5 | $ 17.5 | $ - | $ 1.6 |
| | **Sub Total Labor Cost** | **$ 72.2** | **$ 0.4** | **$ 72.6** | **$ 54.5** | **$ 54.5** | **$ 3.8** | **$ 45.0** | **$ 99.5** | **$ 99.5** | **$ -** | **$ 26.9** |
| 3 | Equipment Fee | $ 36.1 | $ 0.2 | $ 36.3 | $ 26.3 | $ 26.3 | $ 1.8 | $ 22.5 | $ 48.8 | $ 48.8 | $ - | $ 12.4 |
| 4 | Specialty Equipment | $ 0.8 | $ 0.0 | $ 0.8 | $ 2.7 | $ 1.8 | $ 2.5 | $ 1.5 | $ 3.3 | $ 3.3 | $ - | $ 2.5 |
| 5 | Materials | $ 11.3 | $ 0.2 | $ 11.6 | $ 10.7 | $ 8.7 | $ - | $ 3.8 | $ 12.6 | $ 12.6 | $ - | $ 1.0 |
| 6 | Mats | $ 2.4 | $ - | $ 2.4 | $ 5.4 | $ 4.3 | $ 2.3 | $ 0.3 | $ 4.6 | $ 4.6 | $ - | $ 2.3 |
| 7 | Outside Services & Subcontract Cost | $ 16.6 | $ 0.7 | $ 17.3 | $ 31.7 | $ 25.0 | $ 20.5 | $ 10.6 | $ 35.6 | $ 35.6 | $ - | $ 18.3 |
| 8 | Equipment - NTP Delayed | $ 2.7 | $ - | $ 2.7 | $ 2.3 | $ 2.3 | $ - | $ - | $ 2.3 | $ 2.3 | $ - | $ (0.4) |
| 8.1 | Bonds | $ - | $ 0.8 | $ 0.8 | $ 0.8 | $ 0.8 | $ - | $ - | $ 0.8 | $ 0.8 | $ - | $ - |
| | **Sub Total Project Cost** | **$ 69.9** | **$ 1.9** | **$ 71.8** | **$ 79.9** | **$ 69.2** | **$ 27.1** | **$ 38.7** | **$ 107.9** | **$ 107.9** | **$ -** | **$ 36.1** |
| 10 | Fixed Fee & Profit | $ 21.7 | $ - | $ 21.7 | $ 11.5 | $ 11.5 | $ - | $ 10.2 | $ 21.7 | $ 21.7 | $ - | $ - |
| | **Total Project Cost** | **$ 163.9** | **$ 2.3** | **$ 166.1** | **$ 145.9** | **$ 135.3** | **$ 30.9** | **$ 93.9** | **$ 229.1** | **$ 229.1** | **$ -** | **$ 63.0** |

# Spread 6 – Critical Issues

| Critical Issues | | Mitigation |
|---|---|---|
| 1 | Weather conditions – rain, mud – affecting ability to coat welds and make coating repairs | Cold weather coating not approved for pipe with ARO coating (FBE only) |
| 2 | Coating cracking at seams after heavy wall pipe is bent | Making coating repairs, documenting amount time to repair, preparing trend. (Inspection aware of the issue). |
| 3 | Transverse cracks with stick rod welding – material/welding procedure issue | Waiting on response from Williams SME. Welded gas preheated pipe, kept heat on pipe in between passes, and applied post weld heat. Response due Wednesday, 28 MAR 2018. Waiting for JANX to get criteria for inspection. RMS equipment mobilized, some onsite. Welders practicing with RMS. Waiting on Williams to approve procedure before we can test the welders. |
| 4 | Repair welds made in excess of 10.5” | Awaiting Williams disposition to cut out or not. Response due Wednesday, 28 MAR 2018. **No resolution to date.** |
| 5 | Approval to proceed with I-81 roadbore | I-81 roadbore shutdown until approval received from PADEP |
| 6 | Variance in for Goldmine Road crossing method to change from open cut to bore | PennDOT has said there will be no road closure allowed so method must change to bore, PADEP must approve variance. |
| 7 | 48 hour variances at Lorberry and Mahatango crossings | |
| 8 | Approval on hydrotest equipment at Deep Creek needed | |

# Atlantic Sunrise Pipeline Project Spread 7 Progress Report

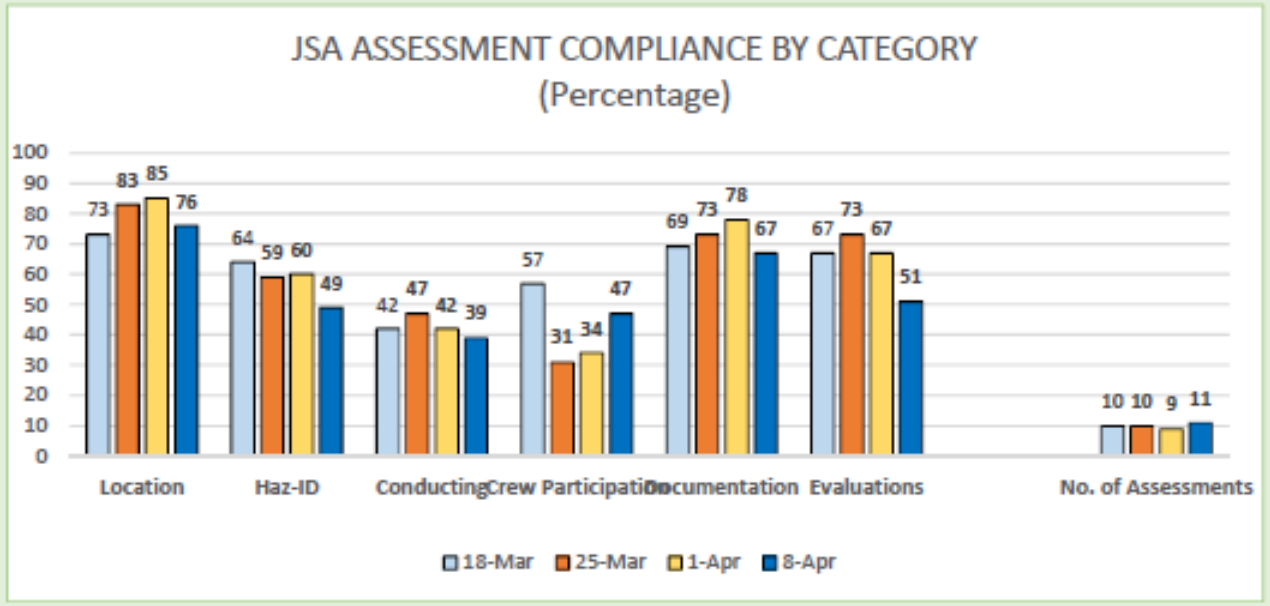
Week Ending 08-Apr-18

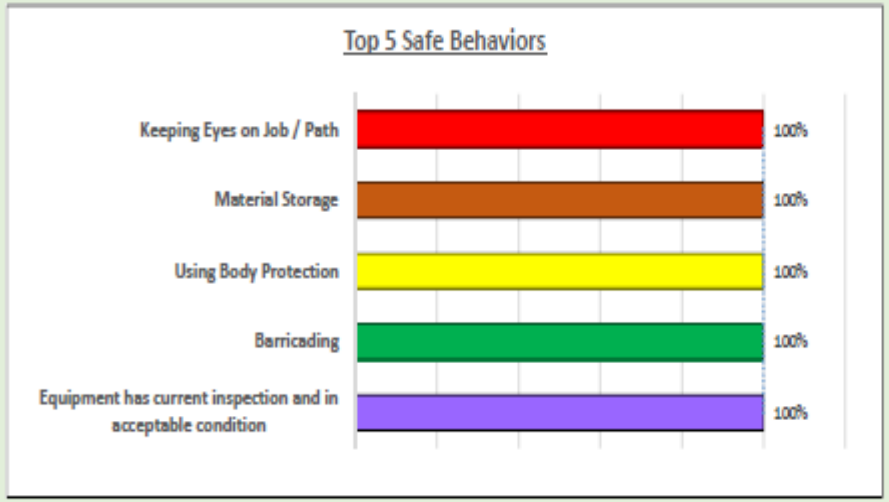
# SPREAD 7 Safety

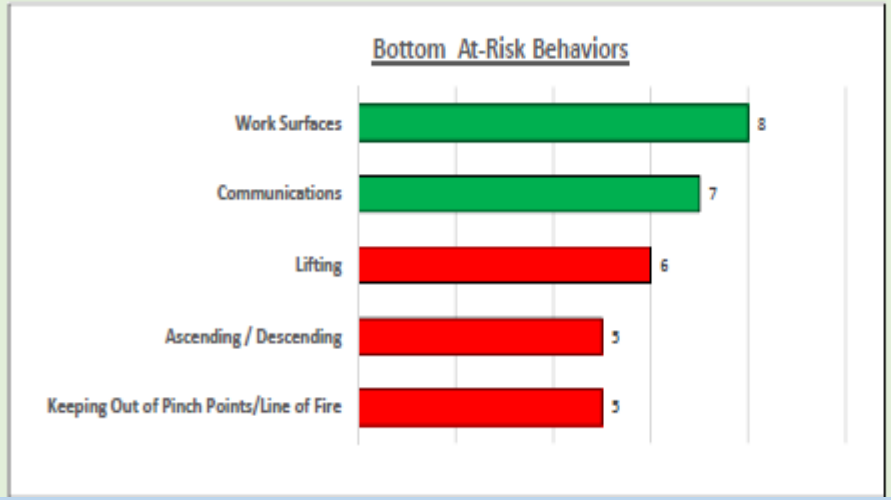
## TOTAL PROJECT INCIDENTS

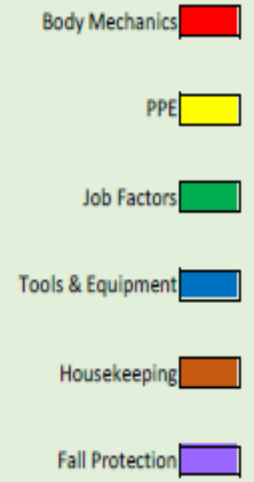
| | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| Number of Incidents | 0 | 0 | 1 | 43 | 21 | 69 | 3 | 4 | 2 | 40 |
| Incident Rates | 0.00 | 0.00 | 0.21 | 9.07 | 4.43 | 14.55 | 0.63 | 0.84 | 0.42 | 8.43 |

| | Total Weekly Hours | Total Monthly Hours | Total Project Hours | Total Head Count |
|---|---|---|---|---|
| Welded | 42,231 | 42,231 | 784,146 | 671 |
| Subcontractors | 5,205 | 5,205 | 164,298 | 144 |
| Total | 47,436 | 47,436 | 948,445 | 815 |



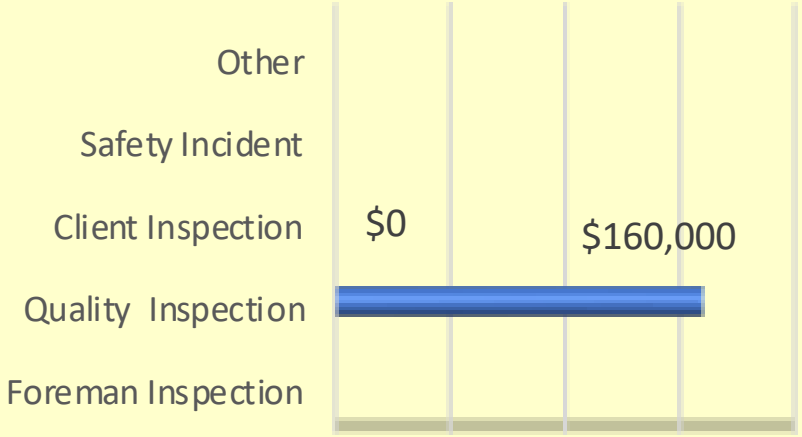



# SPREAD 7 - Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 3.00% |
| Field Joint Coating Rejection Rate | 0.00% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 5 | 96 |
| Closed | 5 | 95 |
| **Remaining Open** | | 1 |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | - | 6 |
| Closed | - | 6 |
| **Remaining Open** | | - |

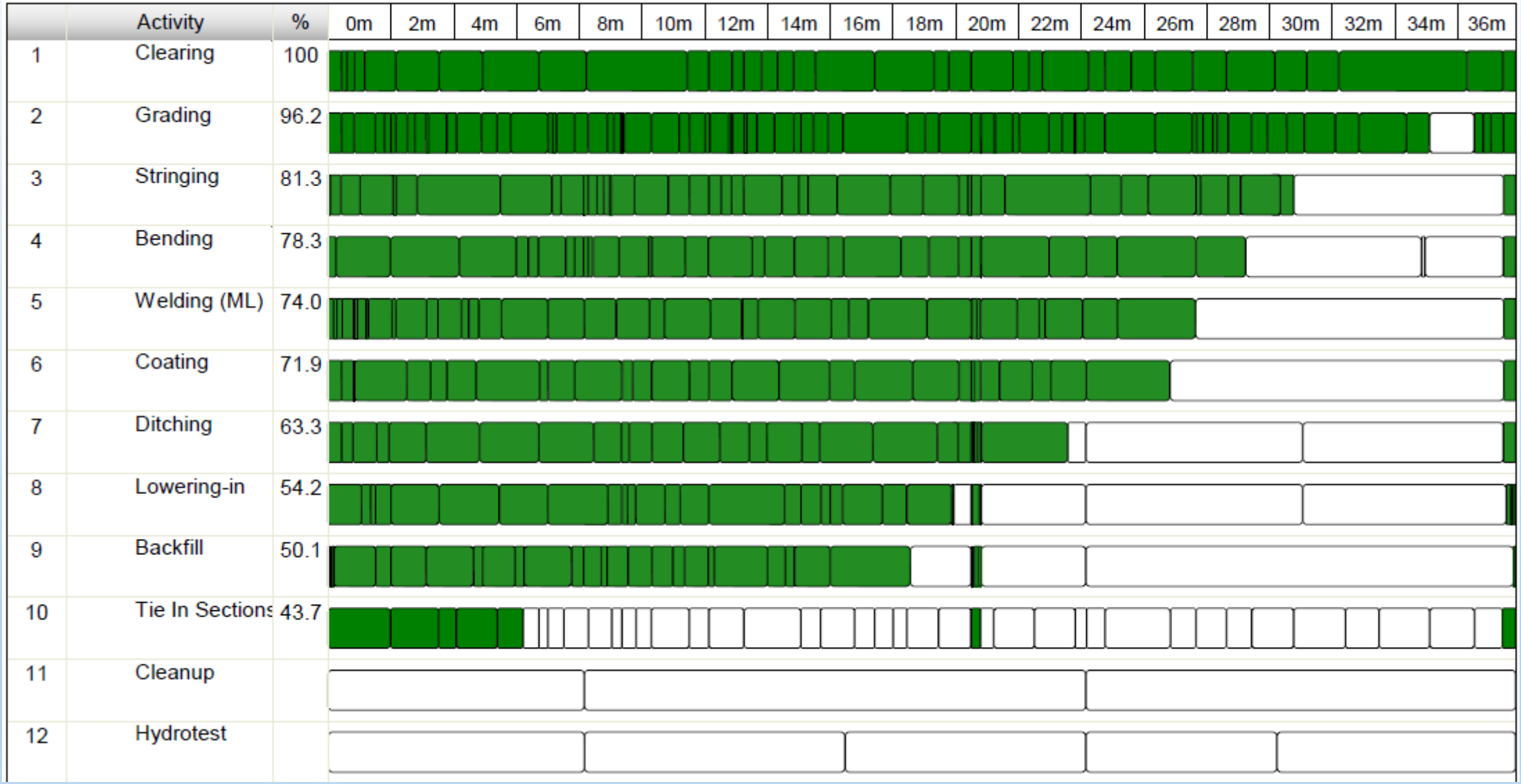
**Notes: Pre-test on HDD is complete. Mainline coating is keeping up with Mainline Welding.**

# Spread 7 – Environmental

1. Environmental Compliance
   - Non compliance from current period – None
   - Non compliance from previous periods:
     - Topsoil mixing
     - Avoiding air stations
     - 50’ buffer encroachment
     - Not installing air stations
     - 3 x Water bar installation
2. Environmental Concerns
   - Riparian area replanting plans
   - Seed mixtures

3. Listing of variance requests outstanding
   - Chiques Creek Extra Work Space
   - 1-76 Bore extension

# Spread 7 – March Chart



# Spread 7 – Weekly Impacts

| Activity | Variance to Fcst | 2-Apr Monday | 3-Apr Tuesday | 4-Apr Wednesday | 5-Apr Thursday | 6-Apr Friday | 7-Apr Saturday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | |
| Grading | 3,877 | Rainout | Rainout | On/off Rain | | | | |
| Stringing | (2,135) | Rainout | Rainout | On/off Rain | | | | |
| Bending | (7,366) | Rainout | Rainout | On/off Rain | | | | Worked Sunday |
| Firing Line | (2,500) | Rainout | Rainout | On/off Rain | | | | Worked Sunday |
| Coating | (1,500) | Rainout | Rainout | On/off Rain | | | | Worked Sunday |
| Ditch | 1,170 | Rainout | Half Day, Rainout | 5 hours - Reroute | Affected by Reroute | 2 hours - road restrictions | | Worked Sunday |
| Lower In | (3,900) | Rainout | Rainout | On/off Rain | | | | Worked Sunday |
| Backfill | (2,100) | Rainout | Half Day, Rainout | On/off Rain | | | | Worked Sunday |
| Tie In | (14) | Rainout | Half Day, Rainout | On/off Rain | | | | 4 Crews Worked Sunday |
| Road Crossing | (114) | Rainout | Half Day, Rainout | On/off Rain | 6 hours - waiting xray | | | |
| Testing | - | Rainout | Half Day, Rainout | On/off Rain | | | | |
| Clean Up | (10,099) | Rainout | Half Day, Rainout | On/off Rain | | | | |
| Clean Water Div. | - | | | | | | | |

# Spread 7 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 08-Apr | | | Cumulative | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast |
| Clearing | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - |
| Grading | lf | 199,896 | 96% | - | 3,877 | 3,877 | 199,896 | 192,373 | (7,523) |
| Stringing | lf | 199,896 | 81% | 15,666 | 13,531 | (2,135) | 177,528 | 162,487 | (15,041) |
| Bending | lf | 199,896 | 78% | 15,666 | 8,300 | (7,366) | 175,906 | 156,476 | (19,430) |
| Firing Line | lf | 199,896 | 74% | 15,600 | 13,100 | (2,500) | 156,013 | 147,996 | (8,017) |
| Coating | lf | 199,896 | 72% | 15,600 | 14,100 | (1,500) | 153,319 | 143,696 | (9,623) |
| Ditch | lf | 199,896 | 63% | 15,600 | 16,770 | 1,170 | 137,469 | 126,575 | (10,894) |
| Lower In | lf | 199,896 | 54% | 15,600 | 11,700 | (3,900) | 133,685 | 108,321 | (25,364) |
| Backfill | lf | 199,896 | 50% | 15,600 | 13,500 | (2,100) | 130,460 | 100,096 | (30,364) |
| Tie In | ea | 726 | 44% | 42 | 28 | (14) | 371 | 317 | (54) |
| Road Crossing | lf | 3,378 | 70% | 129 | 15 | (114) | 2,787 | 2,350 | (437) |
| Testing | lf | 199,896 | 0% | - | - | - | 42,240 | - | (42,240) |
| Clean Up | lf | 199,896 | 0% | 10,099 | - | (10,099) | 18,099 | - | (18,099) |
| Clean Water Div | ea | 87 | 66% | - | - | - | - | 57 | 57 |

| Tie-In Status | 1-Apr | 8-Apr | 15-Apr | 22-Apr | 29-Apr | 6-May | 13-May | 20-May | 27-May |
|---|---|---|---|---|---|---|---|---|---|
| Forecast | 42 | 42 | 42 | 42 | 42 | 42 | 50 | 50 | 42 |
| Actual | 27 | 28 | - | - | - | - | - | - | - |
| Total Remaining | 437 | 409 | 409 | 409 | 409 | 409 | 409 | 409 | 409 |
| # of Tie In Crews | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |

# Spread 7 – Manhours and Performance (Craft Only)

| Activity | Budget Hours | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 30,000 | 0 | 0 | 36,284 | 36,284 | 36,284 | 1.00 | 1.00 | 36,284 | 6,284 |
| Grading | 19,680 | 0 | 1,100 | 51,208 | 49,096 | 49,281 | 1.00 | 0.96 | 51,208 | 31,528 |
| Stringing | 23,966 | 1,820 | 1,509 | 33,570 | 31,760 | 30,246 | 0.95 | 0.90 | 37,210 | 13,244 |
| Bending | 14,105 | 520 | 524 | 11,052 | 11,101 | 9,465 | 0.85 | 0.86 | 12,092 | -2,013 |
| Firing Line | 32,966 | 3,120 | 2,778 | 61,922 | 61,557 | 52,775 | 0.86 | 0.85 | 71,282 | 38,316 |
| Coating | 17,520 | 1,235 | 1,219 | 19,362 | 17,935 | 16,582 | 0.92 | 0.86 | 23,067 | 5,547 |
| Ditch | 22,565 | 1,300 | 1,273 | 21,598 | 20,564 | 17,792 | 0.87 | 0.82 | 28,098 | 5,533 |
| Lower In | 19,705 | 1,950 | 1,868 | 27,538 | 27,139 | 20,206 | 0.74 | 0.73 | 37,288 | 17,583 |
| Backfill | 6,638 | 1,235 | 118 | 14,884 | 12,842 | 10,545 | 0.82 | 0.71 | 21,059 | 14,421 |
| Tie In | 182,180 | 12,950 | 13,035 | 136,033 | 122,709 | 103,825 | 0.85 | 0.76 | 237,783 | 55,603 |
| Road Crossing | 38,160 | 2,080 | 2,026 | 39,639 | 38,938 | 37,705 | 0.97 | 0.95 | 54,199 | 16,039 |
| Testing | 3,328 | 650 | 681 | 7,304 | 7616 | 0 | 0.00 | 0.00 | 14,454 | 11,126 |
| Clean Up | 60,887 | 2,795 | 1,024 | 10,164 | 6604 | 0 | 0.00 | 0.00 | 60,474 | -413 |
| **Total Progressable Hours** | **471,700** | **29,655** | **27,155** | **470,558** | **444,145** | **384,706** | **0.87** | **0.82** | **684,498** | **212,798** |
| Envrionmental | 131,168 | 5,850 | 5,187 | 108,376 | 103,437 | 0 | | | 151,926 | 20,758 |
| Non Progressable Hours | 245,351 | 9,230 | 9,917 | 240,892 | 237,928 | 0 | | | 320,647 | 75,296 |
| **Total Hours** | **848,219** | **44,735** | **42,259** | **819,826** | **785,510** | **384,706** | **0.87** | **0.82** | **1,157,071** | **308,852** |

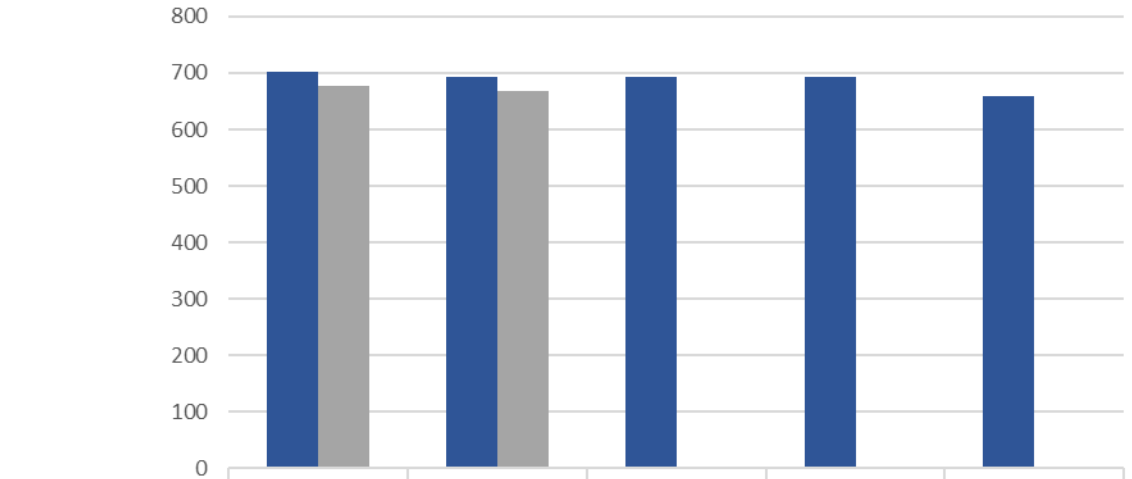
Non progressable includes direct and indirect craft; no Staff/Mgmt Supevision

CPI & SPI calculated on Feb 25 Forecast

Forecast = Feb 25 Forecast Update

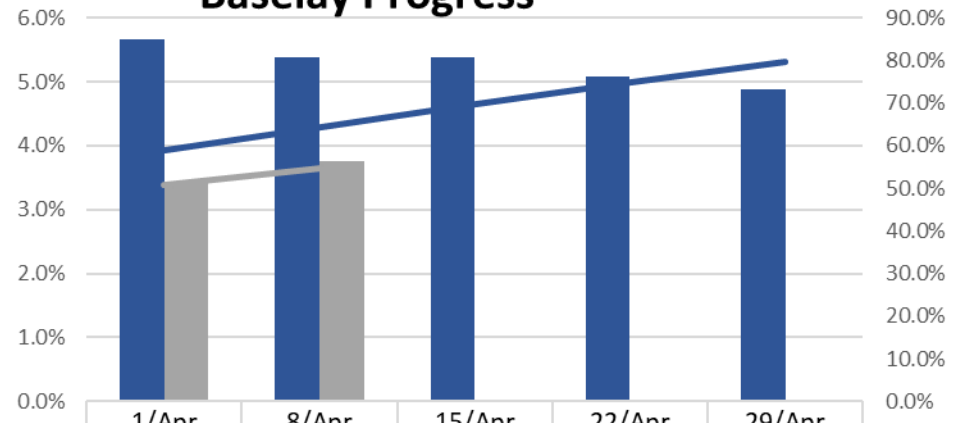
# Spread 7 – Progress and Performance Curves

## Headcount



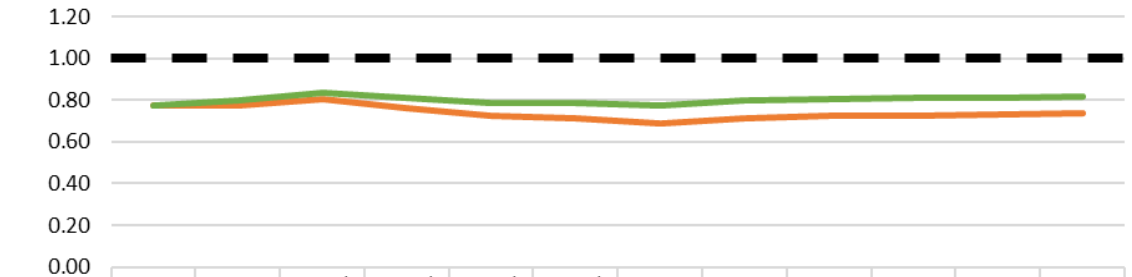

| | Apr-01 | Apr-08 | Apr-15 | Apr-22 | Apr-29 |
|---|---|---|---|---|---|
| Feb 25 Forecast | 702 | 694 | 694 | 694 | 658 |
| Actual | 676 | 669 | 0 | 0 | 0 |

## Baselay Progress



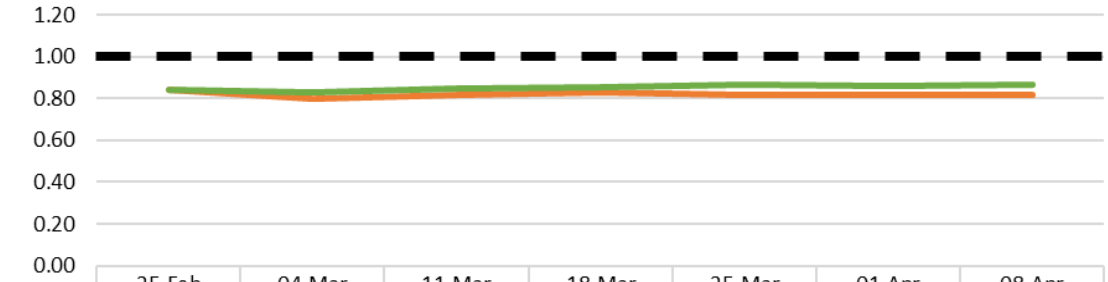

| | 1/Apr | 8/Apr | 15/Apr | 22/Apr | 29/Apr |
|---|---|---|---|---|---|
| Feb 25 Forecast | 5.7% | 5.4% | 5.4% | 5.1% | 4.9% |
| Actual | 3.4% | 3.8% | | | |
| Feb Forecast Total | 59.0% | 64.4% | 69.7% | 74.8% | 79.7% |
| Actual Total | 50.9% | 54.6% | | | |

## SPI & CPI - Jan 21




| | 21-Jan | 28-Jan | 04-Feb | 11-Feb | 18-Feb | 25-Feb | 04-Mar | 11-Mar | 18-Mar | 25-Mar | 01-Apr | 08-Apr |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.77 | 0.77 | 0.81 | 0.76 | 0.72 | 0.71 | 0.69 | 0.71 | 0.73 | 0.73 | 0.73 | 0.74 |
| CPI | 0.77 | 0.80 | 0.83 | 0.81 | 0.79 | 0.79 | 0.78 | 0.80 | 0.80 | 0.81 | 0.81 | 0.81 |

## SPI & CPI - Feb 25




| | 25-Feb | 04-Mar | 11-Mar | 18-Mar | 25-Mar | 01-Apr | 08-Apr |
|---|---|---|---|---|---|---|---|
| SPI | 0.84 | 0.80 | 0.82 | 0.83 | 0.82 | 0.81 | 0.82 |
| CPI | 0.84 | 0.83 | 0.85 | 0.86 | 0.86 | 0.86 | 0.87 |

# Spread 7 – Change Management

| TREND STATUS | ALL SPREADS | | | Spread 7 | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | TO DATE | | | TO DATE | | | THIS WEEK | | |
| **ORIGINAL BUDGET** | | **$ 454,471,254** | **2,167,574** | **37%** | **167,458,844** | **715,826** | | | |
| | **Distint Count** | **TOTAL** | **Hours** | **Count** | **Cost** | **Hours** | **Count** | **Cost** | **Hours** |
| a) Recorded | 40 | $ 6,851,295 | 936 | 11 | $ 1,053,582 | - | 1 | $ - | |
| b) Internal review | 3 | $ 3,404,196 | 6,372 | 1 | $ 192,260 | 960 | | | |
| c) Client Review | 26 | $ 6,218,251 | 45,231 | 19 | $ 1,143,627 | 4,170 | 6 | $ 319,366 | |
| d) Approved - Forecast only | 28 | $ 18,984,468 | 91,620 | 21 | $ 11,486,254 | 65,802 | | | |
| e) Revise and Resubmit | 1 | $ 3,980,500 | 36,000 | - | $ - | - | | | |
| f) Proceed to EWR | 12 | $ 24,478,769 | 9,103 | 10 | $ 5,425,709 | 9,103 | | | |
| g) EWR Submitted | 17 | $ 15,830,750 | 33,448 | 11 | $ 8,026,609 | 16,430 | 1 | $ 86,000 | |
| h) EWR Approved | 7 | $ 7,171,032 | 20,950 | 6 | $ 3,247,567 | 12,612 | | | |
| **Total Trends** | | $ 86,919,261 | 243,660 | 79 | $ 30,575,607 | | | | |
| z) Cancelled | 49 | | | 22 | $ - | - | | | |
| **CURRENT BUDGET** | | $ 461,642,286 | 2,188,524 | | $ 170,706,411 | 728,438 | | | |
| **CURRENT FORECAST 2/25** | | $ 635,096,334 | 3,337,523 | 38% | $ 240,852,677 | 1,157,071 | | | |
| **VARIANCE to BUDGET** | | $ (173,454,048) | | 40% | $ (70,146,266) | | | | |
| This Week's Activity 4/8/18 | 3 Trends Recorded<br>7 Trends in Client Review<br>1 Approved - Forecast Only<br>3 EWRs Submitted | | | 1 Trend Recorded (MOC 526)<br>6 Trends in Client Review (DOT Drug Testing / OQ / Protesting / Electric Fence / Agr Crossing / Amtrak Survey)<br>1 EWR Submitted (SEDD - Water Haul and purchase) | | | | | |

# Spread 7 – Cost Summary ($M's)

| Item | Activity | Original Budget A | Approved Changes B | Current Budget C = A+B | Committed to Date D | Incurred to Date E | Pending Trends G | Forecast To Go H = I-E | Current Forecast | Previous Forecast J | Change in Forecast K | Variance from Budget L = I-C |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Direct Labor | $ 54.0 | $ 1.0 | $ 55.1 | $ 51.2 | $ 51.2 | $ 3.2 | $ 22.7 | $ 73.9 | $ 73.9 | $ - | $ 18.8 |
| 2 | Indirect Labor (Craft/Mgmt/Supervision) | $ 14.6 | $ 0.2 | $ 14.7 | $ 10.7 | $ 10.7 | $ - | $ 8.2 | $ 18.9 | $ 18.9 | $ - | $ 4.2 |
| | **Sub Total Labor Cost** | **$ 68.6** | **$ 1.2** | **$ 69.8** | **$ 62.0** | **$ 62.0** | **$ 3.2** | **$ 30.8** | **$ 92.8** | **$ 92.8** | **$ -** | **$ 23.0** |
| 3 | Equipment Fee | $ 34.3 | $ 0.6 | $ 34.9 | $ 30.3 | $ 30.3 | $ 0.9 | $ 15.4 | $ 45.8 | $ 45.8 | $ - | $ 10.9 |
| 4 | Specialty Equipment | $ 0.7 | $ 0.0 | $ 0.8 | $ 3.0 | $ 1.6 | $ - | $ 0.4 | $ 2.0 | $ 2.0 | $ - | $ 1.2 |
| 5 | Materials | $ 9.1 | $ 0.2 | $ 9.2 | $ 10.7 | $ 8.7 | $ 6.6 | $ 4.7 | $ 13.5 | $ 13.5 | $ - | $ 4.3 |
| 6 | Mats | $ 1.2 | $ - | $ 1.2 | $ 5.7 | $ 4.9 | $ 2.1 | $ 0.8 | $ 5.7 | $ 5.7 | $ - | $ 4.5 |
| 7 | Outside Services & Subcontract Cost | $ 31.4 | $ 0.6 | $ 32.0 | $ 55.8 | $ 44.8 | $ 4.3 | $ 13.7 | $ 58.5 | $ 58.5 | $ - | $ 26.5 |
| 8 | Equipment - NTP Delayed | $ 2.4 | $ - | $ 2.4 | $ 2.2 | $ 2.2 | $ - | $ - | $ 2.2 | $ 2.2 | $ - | $ (0.2) |
| 8.1 | Bonds | $ - | $ 0.8 | $ 0.8 | $ 0.8 | $ 0.8 | $ 0.8 | $ - | $ 0.8 | $ 0.8 | $ - | $ - |
| | **Sub Total Project Cost** | **$ 79.1** | **$ 2.1** | **$ 81.2** | **$ 108.5** | **$ 93.3** | **$ 14.7** | **$ 35.0** | **$ 128.4** | **$ 128.4** | **$ -** | **$ 47.2** |
| 10 | Fixed Fee & Profit | $ 19.7 | $ - | $ 19.7 | $ 10.1 | $ 10.1 | $ - | $ 9.6 | $ 19.7 | $ 19.7 | $ - | $ - |
| | **Total Project Cost** | **$ 167.5** | **$ 3.2** | **$ 170.7** | **$ 180.5** | **$ 165.4** | **$ 17.8** | **$ 75.5** | **$ 240.9** | **$ 240.9** | **$ -** | **$ 70.2** |

# Spread 7 – Critical Issues

| | Critical Issues | Mitigation |
|---|---|---|
| 1 | Protestors interference at the HDD site. | Welded has requested additional security measures be taken by Williams at the HDD site. Our HDD subcontractor plans to leave the site for the day when protestors arrive. Welded and Southeast would prefer a full time police presence. |
| 2 | Welded has mobilized a restoration contractor and is awaiting final direction for seed mixtures. The CD will not allow Williams to be released of their obligations because a landowner doesn't want anything on their property. | Williams has tasked it's land department to finalize the requirements for each landowner. Agricultural/farm lands currently call for no fertilizer/lime/seed/mulch.<br><br>These issues have continued to be raised since January. Trend is being developed. |
| 3 | The Amtrak Railroad bore permit is not ready and could take 30-60 days for approval after submittal. Approval of the first submittal is not guaranteed and any revisions are subject to | Welded is assisting Williams in providing construction plans for the Amtrak engineering reviewing.<br>Welded has submitted all of the documents 4/10/18. |
| 4 | Welded has plans to turn our bore crew into a tie in crew to maintain schedule.<br><br>Welded has plans to turn our bore crew into a tie in crew to maintain schedule. | As co-permittees Welded needs to have representation on the weekly conference calls with the agencies to help explain and expedite these variances.<br>Welded plans to subcontract the bore to allow Welded crew to tie-in. |
| 5 | Approval on variance to bore Ironville Pike | |

# EXHIBIT 19

## ASR Overall Weekly Progress 05-27

# Atlantic Sunrise Pipeline Project Spread 5 Progress Report

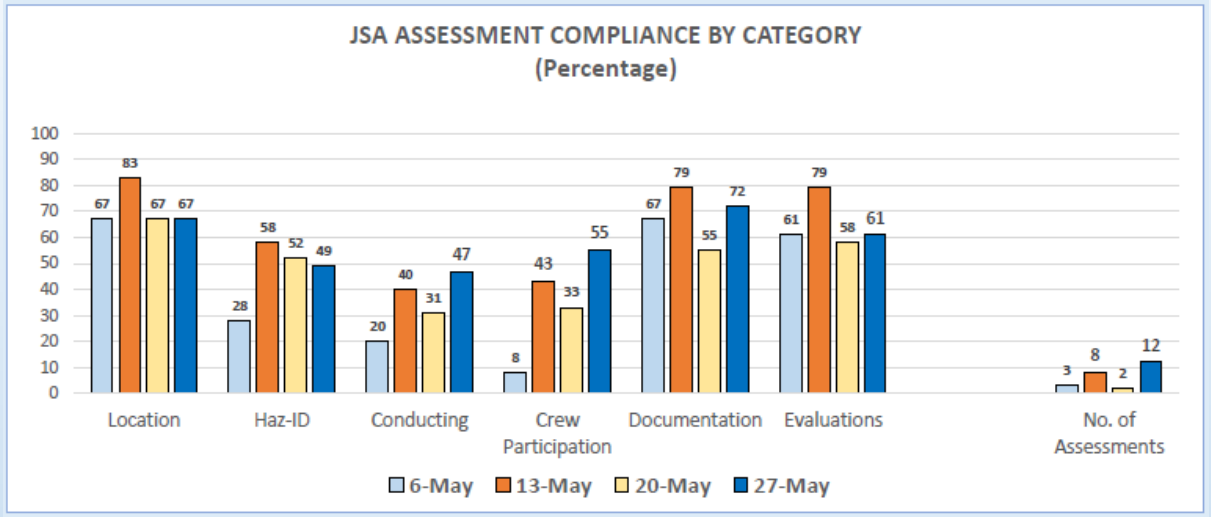
Week Ending 27-May-18

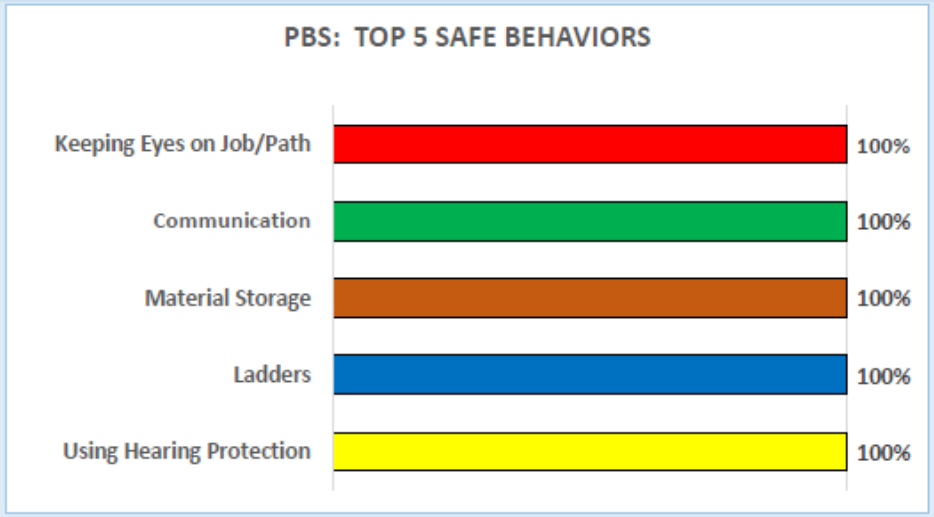
# SPREAD 5 Safety

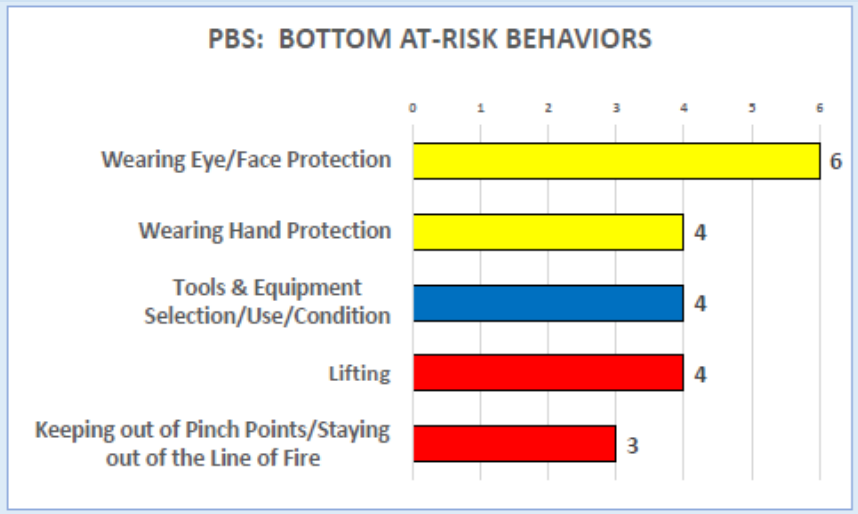
| Number of Incidents | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 | 2 | 46 | 21 | 57 | 23 | 4 | 2 | 25 |

| Incident Rates | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0.00 | 0.23 | 0.46 | 10.66 | 4.87 | 13.21 | 5.33 | 0.93 | 0.46 | 5.79 |

| | Weekly Hours | Monthly Hours | Project Hours | Total Headcount |
|---|---|---|---|---|
| **Welded** | 29,628 | 110,440 | 749,557 | 438 |
| **Subcontractors** | 1,170 | 4,946 | 113,700 | 45 |
| **Total** | 30,798 | 115,386 | 863,257 | 483 |



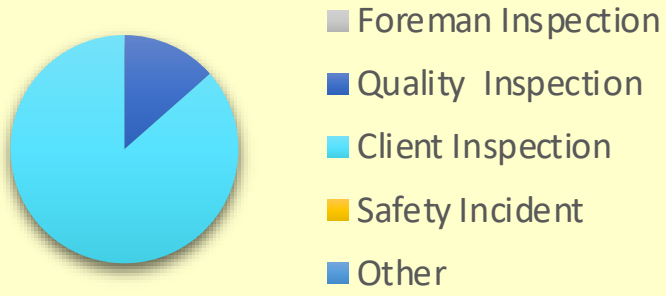



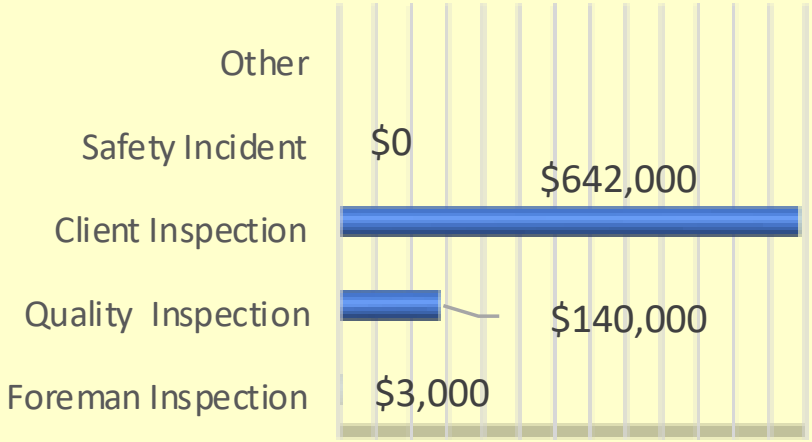



# SPREAD 5 - Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 11.48% |
| Field Joint Coating Rejection Rate | 0.00% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | - | 71 |
| Closed | - | 47 |
| **Remaining Open** | | 24 |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | - | 37 |
| Closed | - | 36 |
| **Remaining Open** | | 1 |

**Notes: On-going field work monitoring and communication with Williams QA representative.**

# Spread 5 – Environmental

1. Environmental Compliance
   - NCRs and NOVs from current period: NCR issued for subsoil pushed onto topsoil pile during saturated water bar removal
   - FERC / Williams issued Non Compliance Reports (NCRs) and Notices of Violations (NOVs) from previous reporting periods:
     - FERC issued NCR issued for mixing subsoil and topsoil
     - FERC issued an NCR (MP 93.1) for disturbing 50' stream buffers
     - In-stream work outside the TOYR
     - Work within 50 foot buffer
     - Not following construction sequence at the AR, Road Specific Construction Sequence (RSCS) for Access Road AR-NO-082s for:
     - Columbia CCD issued NOVs for:
       1. Failure to implement effective E&S Best Management Practices (BMPs).
       2. Failure to comply with permit conditions.
       3. Sediment or other pollutant was discharged into waters of the Commonwealth.
     - Site conditions present a potential for pollution to waters of the Commonwealth.
     - Material off the right-of-way
     - Incomplete water bar installation
     - Improper waterbody crossing sequence @ HQ/EV UNT to Mugser Run WW-T31-11001
     - Improper waterbody crossing sequence @ HQ/EV UNT to Mugser Run WW-T31-11001 – 2/23/18
     - Follow up inspection for activities not being completed @ HQ/EV UNT to Mugser Run WW-T31-11001- 3/01/18
     - FERC issued: EV-2843 – Pine Swamp – Dewatering and Erosion and Sediment Control
     - Williams issued NCR – Incomplete Stream Restoration
     - Noncompliance EV-2843 issued 13-Mar-18 for dewatering and erosion and sediment controls between MP 94.25 and 94.5.
     - Williams issued noncompliance for parking off ROW.
     - Two FERC non-compliances were issued; 2 are under dispute by Williams' Environmental Department for slope breakers missing during construction hours.

Environmental Concerns
- Change WW-T18-10002 - Quaker Run crossing method from open cut to bore.
- Should ECDs be installed in wooded areas?

3. Listing of variance requests outstanding
   - Happy Valley 1 & 3 dewatering
   - Repair private owner's washed-out driveway
   - Riparian monocultural block configuration and types of shrubs.

# Spread 5 – March Chart




Bat restricted area

# Spread 5 – Weekly Impacts

| Activity | Variance to Forecast | 21-May Monday | 22-May Tuesday | 23-May Wednesday | 24-May Thursday | 25-May Friday | 26-May Saturday | 27-May Sunday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | | Clearing complete.6 week BZ to go |
| Grading | - | | | | | | | | Grade complete. 6 week BZ to go |
| Stringing | 1,459 | | Rain out. | | | | | | |
| Bending | 697 | | Rain out. | | | | | | |
| Firing Line | (1,421) | | Rain out. | | | | | | Made 15 welds in hill sections. |
| Coating | (1,630) | | Rain out. | | | | | | Coating welds in hill sections. |
| Ditch | (82) | | Rain out. | | | | | | |
| Lower In | 45 | | Rain out. | | | | | | |
| Backfill | 1,291 | | Rain out. | | | | | | |
| Tie In | 7 | | Rain out. | | | | | | |
| Hill | 1 | | Rain out. | | | | | | |
| Road Crossing | (42) | | Rain out. | | | | | | |
| Testing | - | | | | | | | | |
| Clean Up | (5,352) | | Rain out. | | | | | | |

# Spread 5 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 27-May | | | Cumulative | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast | To Go |
| Clearing | lf | 90,990 | 99.9% | - | - | - | 90,990 | 90,857 | (133) | 133 |
| Grading | lf | 90,990 | 99.9% | - | - | - | 90,990 | 90,857 | (133) | 133 |
| Stringing | lf | 90,990 | 95.6% | 2,125 | 3,584 | 1,459 | 82,590 | 86,974 | 4,384 | 4,016 |
| Bending | lf | 90,990 | 94.3% | 2,287 | 2,984 | 697 | 82,590 | 85,774 | 3,184 | 5,216 |
| Firing Line | lf | 74,190 | 91.8% | 1,421 | - | (1,421) | 72,772 | 68,090 | (4,682) | 6,100 |
| Coating | lf | 74,190 | 89.3% | 1,630 | - | (1,630) | 72,558 | 66,281 | (6,277) | 7,909 |
| Ditch | lf | 74,190 | 82.2% | 2,800 | 2,718 | (82) | 60,806 | 61,009 | 203 | 13,181 |
| Lower In | lf | 74,190 | 79.2% | 3,000 | 3,045 | 45 | 58,478 | 58,730 | 252 | 15,460 |
| Backfill | lf | 74,190 | 75.5% | 3,200 | 4,491 | 1,291 | 56,027 | 56,004 | (23) | 18,186 |
| Tie In | ea. | 541 | 58.4% | 26 | 33 | 7 | 311 | 316 | 5 | 225 |
| Hill | lf | 16,800 | 27.7% | 1,000 | 1,001 | 1 | 4,450 | 4,658 | 208 | 12,142 |
| Road Crossing | lf | 1,086 | 83.3% | 42 | - | (42) | 918 | 905 | (13) | 181 |
| Testing | lf | 90,990 | 0.0% | - | - | - | - | - | - | 90,990 |
| Clean Up | lf | 90,990 | 0.0% | 5,352 | - | (5,352) | 5,352 | - | (5,352) | 90,990 |

Forecast = April 22 Forecast Update

| Tie-In Status | 13-May | 20-May | 27-May | 3-Jun | 10-Jun | 17-Jun | 24-Jun | 1-Jul | 8-Jul |
|---|---|---|---|---|---|---|---|---|---|
| Forecast | 26 | 26 | 26 | 26 | 28 | 28 | 28 | 26 | 26 |
| Actual | 26 | 14 | 33 | - | - | - | - | - | - |
| Total Remaining | 272 | 258 | 225 | 225 | 225 | 225 | 225 | 225 | 225 |
| # of Tie In Crews | 6 | 6 | 6 | 5 | 8 | 8 | 8 | 8 | 8 |

# Spread 5 – Manhours and Performance (Craft Only)

| Activity | Jan 21 Forecast | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 46,571 | 0 | 0 | 45,908 | 45,047 | 46,503 | 1.03 | 1.01 | 46,571 | 0 |
| Grading | 38,471 | 0 | 0 | 36,882 | 35,684 | 38,415 | 1.08 | 1.04 | 36,882 | -1,589 |
| Stringing | 35,447 | 660 | 607 | 25,953 | 25,956 | 33,882 | 1.31 | 1.31 | 29,121 | -6,326 |
| Bending | 16,143 | 396 | 411 | 12,655 | 12,495 | 15,218 | 1.22 | 1.20 | 15,823 | -320 |
| Firing Line | 68,408 | 3,168 | 2,853 | 78,337 | 75,345 | 62,783 | 0.83 | 0.80 | 81,505 | 13,097 |
| Coating | 21,559 | 792 | 963 | 20,435 | 20,289 | 19,261 | 0.95 | 0.94 | 21,227 | -332 |
| Ditch | 20,188 | 0 | 0 | 9,506 | 9,506 | 16,601 | 1.75 | 1.75 | 9,506 | -10,682 |
| Lower In | 23,760 | 1,716 | 1,709 | 26,058 | 25,357 | 18,809 | 0.74 | 0.72 | 27,774 | 4,014 |
| Backfill | 15,425 | 1,008 | 1,006 | 19,781 | 19,010 | 11,644 | 0.61 | 0.59 | 22,517 | 7,092 |
| Tie In | 110,344 | 4,836 | 6,100 | 117,899 | 118,204 | 64,452 | 0.55 | 0.55 | 222,653 | 112,309 |
| Hill | 78,520 | 4,680 | 3,772 | 36,547 | 31,431 | 21,771 | 0.69 | 0.60 | 56,827 | -21,693 |
| Road Crossing | 28,847 | 1,368 | 1,172 | 32,720 | 31,542 | 24,039 | 0.76 | 0.73 | 38,192 | 9,345 |
| Testing | 15,446 | 915 | 571 | 3149 | 3246 | 0 | 0.00 | 0.00 | 14,864 | -582 |
| Clean Up | 37,362 | 1,716 | 1,017 | 4898 | 5131 | 0 | 0.00 | 0.00 | 34,226 | -3,136 |
| **Total Progressable Hours** | **556,491** | **21,255** | **20,181** | **470,728** | **458,243** | **373,378** | **0.81** | **0.79** | **657,688** | **101,197** |
| Envrionmental | 113,642 | 4,224 | 4,406 | 99,863 | 100,002 | 0 | | | 148,571 | 34,929 |
| Non Progressable Hours | 227,994 | 5,136 | 5,184 | 198,202 | 199,013 | 0 | | | 246,394 | 18,400 |
| **Total Hours** | **898,127** | **30,615** | **29,771** | **768,793** | **757,258** | **373,378** | **0.81** | **0.79** | **1,052,653** | **154,526** |

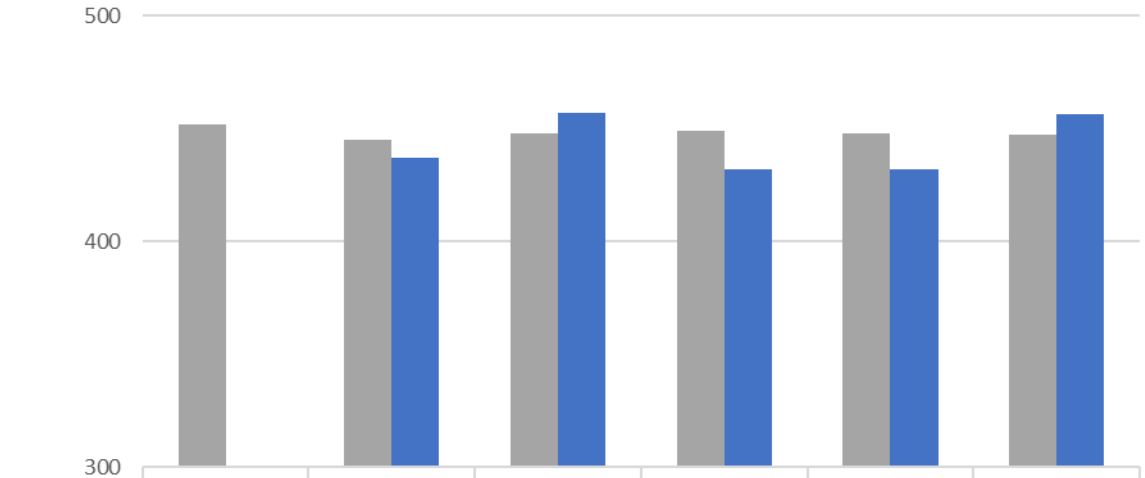
Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

CPI & SPI calculated on Jan 21 Forecast

Forecast = April 22 Forecast Update

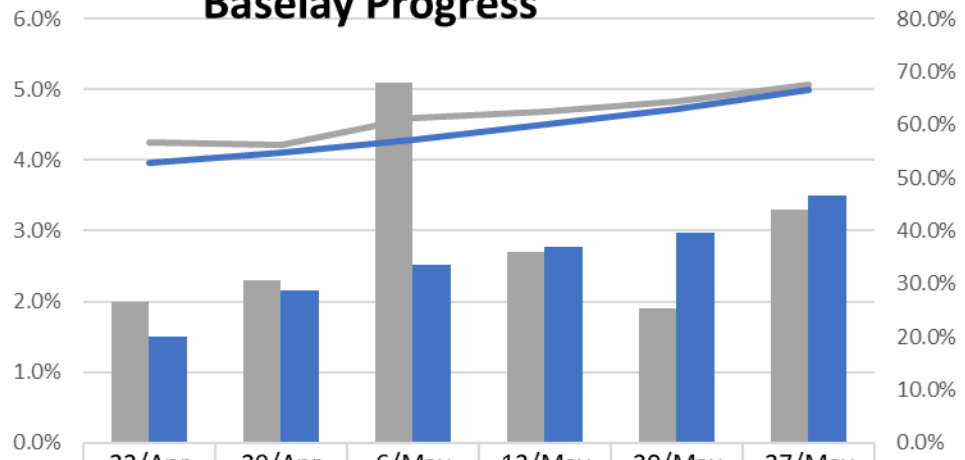
# Spread 5 – Progress and Performance Curves

## Head Count



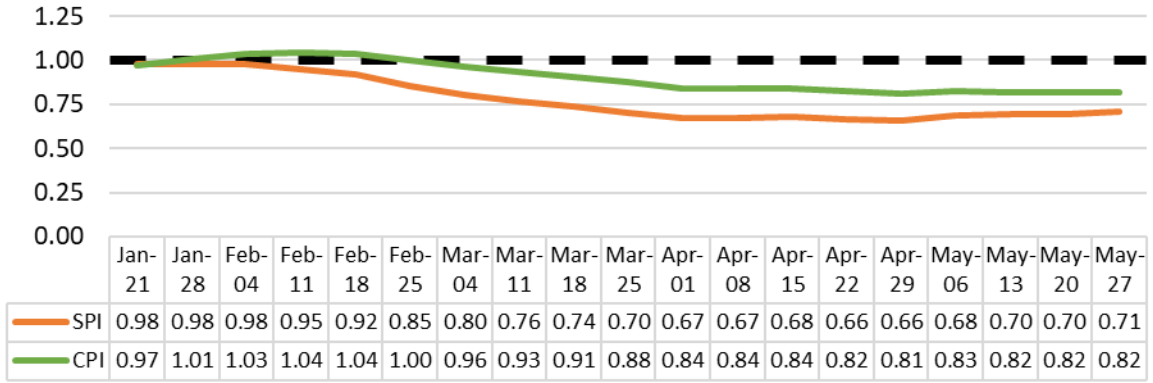

| | Apr-22 | Apr-29 | May-06 | May-13 | May-20 | May-27 |
|---|---|---|---|---|---|---|
| Actual | 452 | 445 | 448 | 449 | 448 | 447 |
| Forecast | | 437 | 457 | 432 | 432 | 456 |

## Baselay Progress



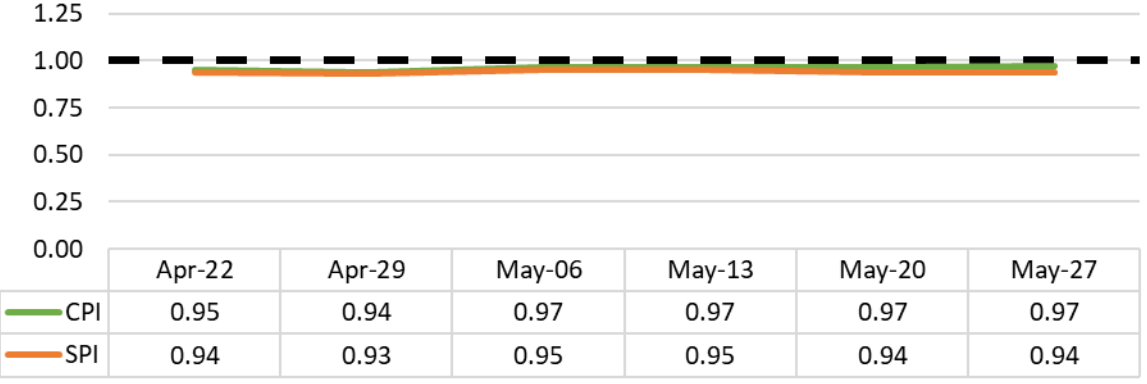

| | 22/Apr | 29/Apr | 6/May | 13/May | 20/May | 27/May |
|---|---|---|---|---|---|---|
| Actual | 2.0% | 2.3% | 5.1% | 2.7% | 1.9% | 3.3% |
| April 22 Forecast | 1.5% | 2.2% | 2.5% | 2.8% | 3.0% | 3.5% |
| Actual Total | 56.8% | 56.2% | 61.3% | 62.6% | 64.5% | 67.6% |
| April 22 Total | 52.8% | 54.8% | 57.3% | 60.1% | 63.0% | 66.5% |

## SPI & CPI - Jan 21




| | Jan-21 | Jan-28 | Feb-04 | Feb-11 | Feb-18 | Feb-25 | Mar-04 | Mar-11 | Mar-18 | Mar-25 | Apr-01 | Apr-08 | Apr-15 | Apr-22 | Apr-29 | May-06 | May-13 | May-20 | May-27 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.98 | 0.98 | 0.98 | 0.95 | 0.92 | 0.85 | 0.80 | 0.76 | 0.74 | 0.70 | 0.67 | 0.67 | 0.68 | 0.66 | 0.66 | 0.68 | 0.70 | 0.70 | 0.71 |
| CPI | 0.97 | 1.01 | 1.03 | 1.04 | 1.04 | 1.00 | 0.96 | 0.93 | 0.91 | 0.88 | 0.84 | 0.84 | 0.84 | 0.82 | 0.81 | 0.83 | 0.82 | 0.82 | 0.82 |

## SPI & CPI - April 22




| | Apr-22 | Apr-29 | May-06 | May-13 | May-20 | May-27 |
|---|---|---|---|---|---|---|
| CPI | 0.95 | 0.94 | 0.97 | 0.97 | 0.97 | 0.97 |
| SPI | 0.94 | 0.93 | 0.95 | 0.95 | 0.94 | 0.94 |

# Spread 5 - Change Management

| TREND STATUS | ASR PROJECT | | | Spread 5 | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | TO DATE | | | TO DATE | | | THIS WEEK | | |
| ORIGINAL BUDGET | | $ 454,471,254 | 2,167,574 | 27% | $ 123,150,956 | 699,374 | | | |
| | Distint Count | TOTAL | Hours | Count | Cost | Hours | Count | Cost | Hours |
| a) Recorded | 33 | $ 6,070,843 | 1,096 | 18 | $ 1,455,489 | 160 | 1 | $ 229,060 | 160 |
| b) Internal review | 4 | $ 3,432,696 | 6,372 | 2 | $ 3,211,936 | 5,412 | | | |
| c) Client Review | 42 | $ 4,152,082 | 13,411 | 9 | $ 589,373 | 3,004 | 5 | $ 198,451 | 1,693 |
| d) Approved - Forecast only | 34 | $ 23,378,129 | 131,910 | 7 | $ 3,231,631 | 6,574 | | | |
| e) Revise and Resubmit | 2 | $ 3,980,500 | 36,000 | 1 | $ 3,980,500 | 36,000 | | | |
| f) Proceed to EWR | 12 | $ 24,478,769 | 9,103 | 4 | $ 7,608,253 | - | | | |
| g) EWR Submitted | 16 | $ 15,744,750 | 33,448 | 5 | $ 1,109,801 | 6,146 | | | |
| h) EWR Approved | 9 | $ 7,257,032 | 20,950 | 4 | $ 1,599,981 | 4,004 | | | |
| **Total Trends** | | $ 88,494,801 | ` | 50 | $ 22,786,964 | 61,300 | | | |
| z) Cancelled | 58 | | | 24 | $ - | - | | | |
| **CURRENT BUDGET** | | $ 461,728,286 | 2,188,524 | | $ 124,750,937 | 703,378 | | | |
| | | | | | | | | | |
| **CURRENT FORECAST 4/22** | | $ 695,956,417 | 3,220,854 | 27% | $ 189,804,873 | 930,484 | | | |
| **VARIANCE to BUDGET** | | $ (234,228,131) | | 28% | $ (65,053,936) | | | | |
| This Week's Activity 5/27/18 | 1 Recorded<br>13 Client Review | | | 1 Recorded - Select Energy Lake Tank<br>5 Client Review - (Bad Fittings, Burn Coating Off, Welding Crew Standby, Hauling Fittings, Williams Borrowing Equipment) | | | | | |

# Spread 5 – Cost Summary ($M's)

| Item | Activity | Original Budget A | Approved Changes B | Current Budget C = A+B | Committed to Date D | Incurred to Date E | Forecast To Go H = I-E | Current Forecast | Previous Forecast J | Change in Forecast K | Variance from Budget L = I-C |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Direct Labor | $ 52.8 | $ 0.3 | $ 53.1 | $ 50.1 | $ 50.1 | $ 20.3 | $ 70.4 | $ 70.4 | $ - | $ 17.3 |
| 2 | Indirect Labor (Craft/Mgmt/Supervision) | $ 11.4 | $ 0.1 | $ 11.4 | $ 12.8 | $ 12.8 | $ 4.9 | $ 17.7 | $ 17.7 | $ - | $ 6.2 |
| | **Sub Total Labor Cost** | **$ 64.2** | **$ 0.4** | **$ 64.6** | **$ 63.0** | **$ 63.0** | **$ 25.1** | **$ 88.1** | **$ 88.1** | **$ -** | **$ 23.5** |
| 3 | Equipment Fee | $ 32.1 | $ 0.2 | $ 32.3 | $ 30.1 | $ 30.1 | $ 12.6 | $ 42.7 | $ 42.7 | $ - | $ 10.4 |
| 4 | Specialty Equipment | $ 0.3 | $ 0.0 | $ 0.4 | $ 3.3 | $ 2.1 | $ 1.0 | $ 3.2 | $ 3.2 | $ - | $ 2.8 |
| 5 | Materials | $ 4.8 | $ 0.2 | $ 5.0 | $ 8.5 | $ 7.4 | $ 4.5 | $ 11.9 | $ 11.9 | $ - | $ 6.9 |
| 6 | Mats | $ 0.6 | $ - | $ 0.6 | $ 2.8 | $ 2.2 | $ 0.3 | $ 2.5 | $ 2.5 | $ - | $ 1.9 |
| 7 | Outside Services & Subcontract Cost | $ 10.9 | $ 0.4 | $ 11.3 | $ 24.3 | $ 21.1 | $ 9.2 | $ 30.4 | $ 30.4 | $ - | $ 19.1 |
| 8 | Equipment - NTP Delayed | $ 1.1 | $ - | $ 1.1 | $ 1.6 | $ 1.6 | $ - | $ 1.6 | $ 1.6 | $ - | $ 0.5 |
| 8.1 | Bonds | $ - | $ 0.4 | $ 0.4 | $ 0.4 | $ 0.4 | $ - | $ 0.4 | $ 0.4 | $ - | $ - |
| | **Sub Total Project Cost** | **$ 49.9** | **$ 1.2** | **$ 51.1** | **$ 71.1** | **$ 65.0** | **$ 27.6** | **$ 92.6** | **$ 92.6** | **$ -** | **$ 41.5** |
| 10 | Fixed Fee & Profit | $ 9.1 | $ - | $ 9.1 | $ 5.9 | $ 5.9 | $ 3.1 | $ 9.1 | $ 9.1 | $ - | $ - |
| | **Total Project Cost** | **$ 123.2** | **$ 1.6** | **$ 124.8** | **$ 140.0** | **$ 133.9** | **$ 55.9** | **$ 189.8** | **$ 189.8** | **$ -** | **$ 65.1** |

# Spread 5 – Critical Issues

| Critical Issues | Mitigation | Need by Date | Test Section |
|---|---|---|---|
| Crossing method variance at Quaker Run (open cut to bore) | Will allow us to bore Industrial Blvd and Quaker as one. Very limited space between the two to complete separately. | 06-11-2018 | 3 |
| RFI for water source at north end to allow for earlier MLV installation. | Expedites Hydrotest schedule. | 6-20-2018 | 3 |
| Riparian area – need specific information as to what type of tree/shrub is planted in Monocultural Block | Need to place order for trees/shrubs ASAP | ASAP | 1,2 & 3 |
| Withdrawal permit for Mahony Creek. | Testing was completed and water is good but it is unclear if we can withdraw from that creek/stream. | | 1 |
| LGS restoration. | Need status on when the contract will be signed to allow for mobilization efforts to begin. | ASAP | 1,2 & 3 |

# Atlantic Sunrise Pipeline Project Spread 6 Progress Report

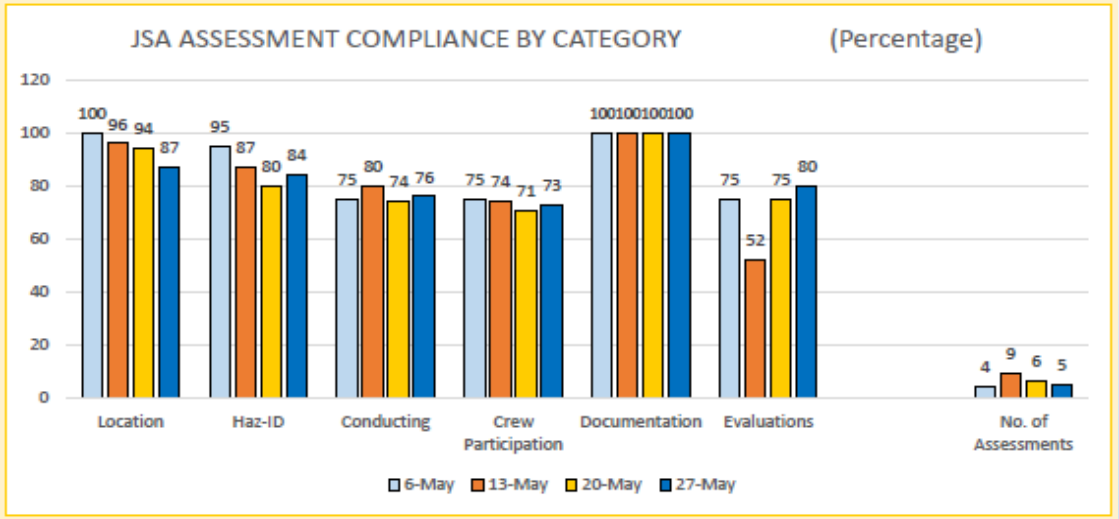
Week ending 27-May-18

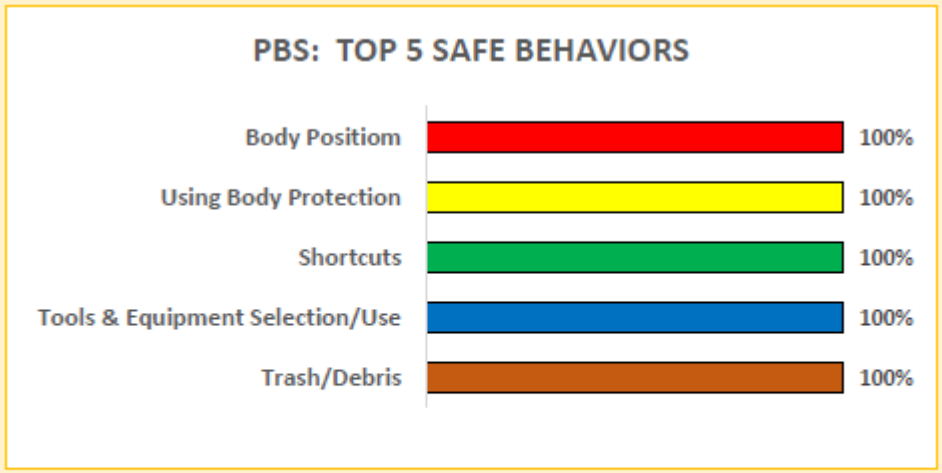
# SPREAD 6 - Safety

| Number of Incidents | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0 | 1 | 6 | 44 | 27 | 64 | 23 | 3 | 2 | 12 |

| Incident Rates | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0.00 | 0.19 | 1.13 | 8.28 | 5.08 | 12.05 | 4.33 | 0.56 | 0.38 | 2.26 |

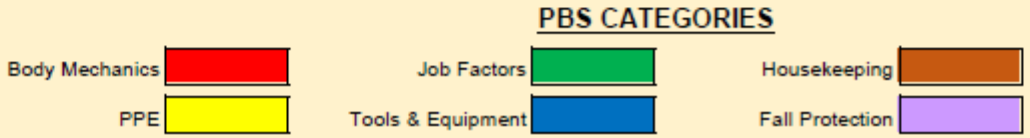
| | Weekly Hours | Monthly Hours | Project Hours | Total Headcount |
|---|---|---|---|---|
| Welded | 38,862 | 149,758 | 924,999 | 628 |
| Subcontractors | 825 | 4,102 | 137,186 | 35 |
| Total Hours | 39,687 | 153,860 | 1,062,185 | 663 |



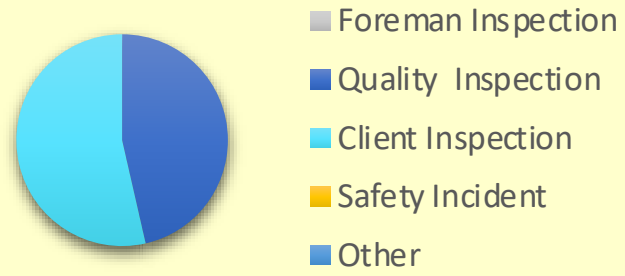




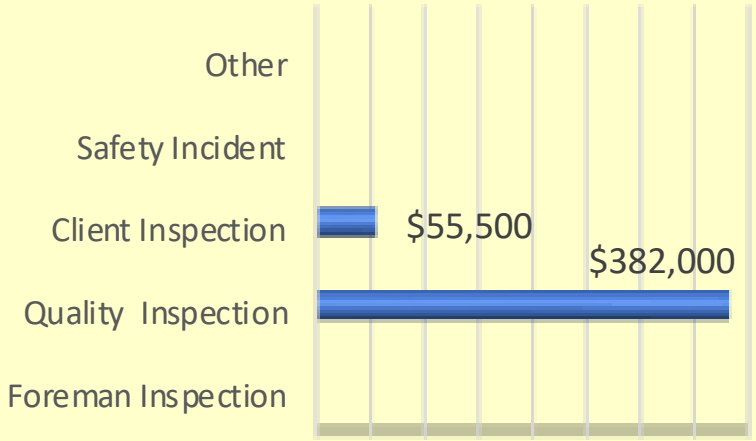


# SPREAD 6 - Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 8.20% |
| Field Joint Coating Rejection Rate | 0.15% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 1 | 46 |
| Closed | 1 | 33 |
| **Remaining Open** | | 13 |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | - | 28 |
| Closed | 1 | 20 |
| **Remaining Open** | | 8 |

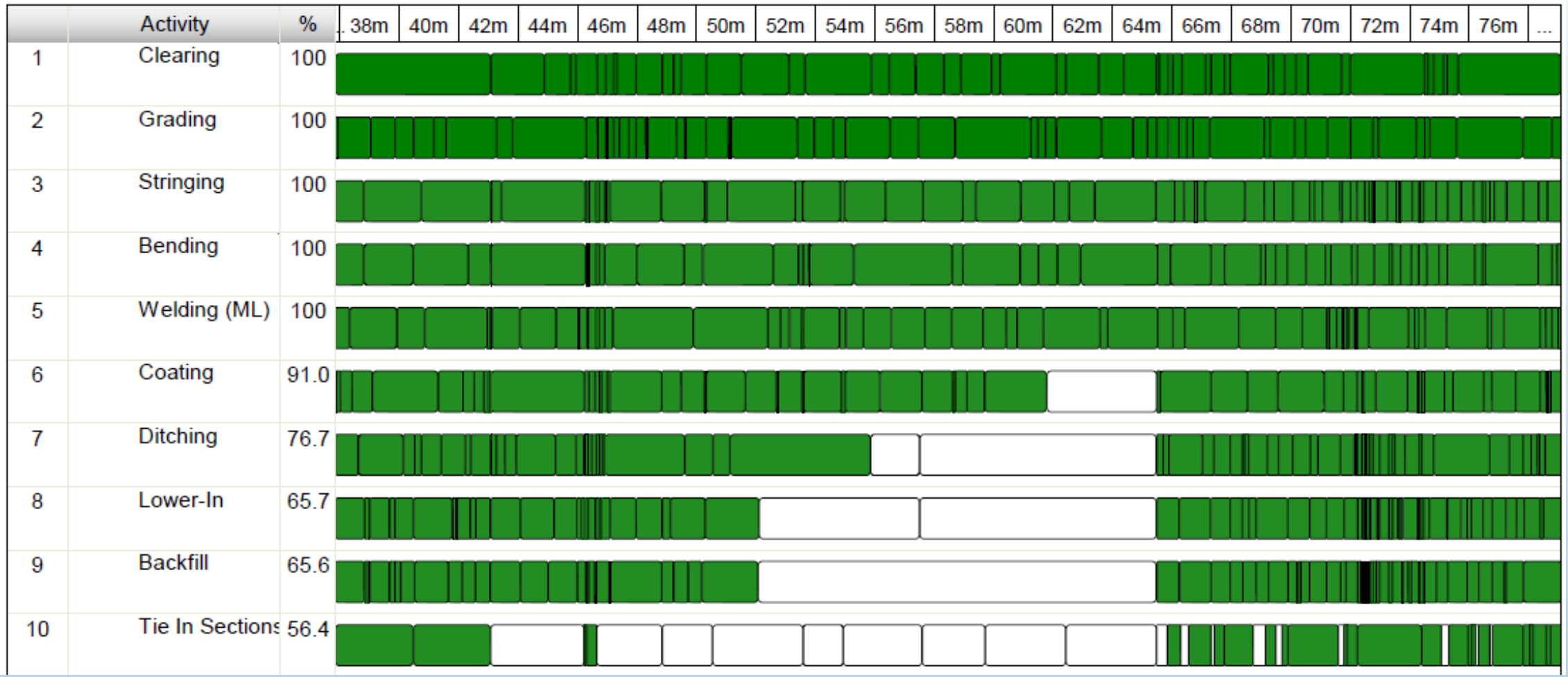
Notes: Continue to monitor Calibration Cert's log,

review equipment certs as received, support foreman in field as needed

# Spread 6 – Environmental

1. Environmental Compliance
   - Non compliance from current period: None
   - Notifications from current period: None
   - Non compliance from previous periods:
     - Clearing outside of LOD at Fort Swatara Yard;
     - ROW lacking temporary stabilization south of SR0322
     - Improper waterbody crossing (2593+91)
     - Improper construction methods while installing bridge equipment crossing – Forge Creek
     - Installing skids within a delineated waterway – 4015+00
     - Sediment was discharged into waters 0f the Commonwealth – UNT to Conewego Creek (2002+00)
     - Improper Waterbody Crossing Work Sequence - UNT to Pine Creek (WW-T20-9001) (4099+00)
     - Inadequate Interim Stabilization station 2152+00 and 2247+00 (S.Forge Road/Horseshoe Pike)
     - Improper Wetland Crossing Techniques 4005+99 to 4009+27
     - Sediment into Resource (2243+13)
     - Improper wetland Restoration (4161+77 to 4177+00)
     - Sediment into a wetland (4161+77 to 4177+00)
     - Stream Buffer Impacts and out of sequence work
     - Sediment off LOD 4150+30-4258+20 and 4221+50-4224+00
     - Sediment off LOD 3175+00 – 3728+00
     - Sediment off LOD 3785+00 – 3794+00
2. Environmental Concerns
   - Not having all landowners agreeing to allow dewatering off LOD
   - Weather impacts
   - Riparian Area Replanting plans
3. Listing of variance requests outstanding
   - Timeline extension for crossing WW-T20-1001, adj to Goldmine Rd., from 24 hrs to 10 days due to road bore stream impact.
   - Goldmine Road crossing method change to bore
   - Cavalry and Jonestown roadbores
   - Retrieval of Sediment off LOD at Summit 3715+00-3728+00 (PA-SC-040.000, PA-SC-042.000, PA-SC-041.000)
   - Addition of timber mats within stream boundary WW-T10-7004, UNT Swatara Creek, for in stream support
   - Retrieval of Sediment off LOD – Moonshine 3090+00 to 3150+00
   - Retrieval of Sediment off LOD – 3728+07(Access 64) – 3802+50 (Molleystown)
   - Swatara Creek – Request to operate 24 hr/day during the bore.
   - State Route 81 – Request to operate 24 hr/day during the bore.

# Spread 6 – March Chart



# Spread 6 – Weekly Impacts

| Activity | Variance to Forecast | 21-May Monday | 22-May Tuesday | 23-May Wednesday | 24-May Thursday | 25-May Friday | 26-May Saturday | 27-May Sunday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | | |
| Grading | - | | | | | | | | |
| Stringing | - | | | | | | | | |
| Bending | - | | | | | | | | |
| Firing Line | - | | | | | | | | |
| Coating | (2,157) | | Rain - slowed progress | | | | | | Repairing seams |
| Ditch | 7,389 | | Rain - slowed progress | | | | | | |
| Lower In | (8,861) | | Rain - slowed progress | | Tie in | Tie in | | | On-going progress |
| Backfill | (2,058) | | Rain - slowed progress | Assisted Lower in | | Pumped water | | | |
| Tie In | (3) | | Rain - slowed progress | | | | | | |
| Road Crossing | 285 | | Rain - slowed progress | | | | | | |
| Testing | (19,798) | | Rain - slowed progress | | | | | | |
| Clean Up | (12,000) | | Rain - slowed progress | | | | | | |

# Spread 6 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 27-May | | | Cumulative | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast | To Go |
| Clearing | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Grading | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Stringing | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Bending | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Firing Line | lf | 217,779 | 100.0% | - | - | - | 217,779 | 217,779 | - | - |
| Coating | lf | 217,779 | 91.0% | 16,307 | 14,150 | (2,157) | 217,779 | 198,179 | (19,600) | 19,600 |
| Ditch | lf | 217,779 | 76.7% | 17,611 | 25,000 | 7,389 | 182,409 | 166,972 | (15,437) | 50,807 |
| Lower In | lf | 217,779 | 65.7% | 18,439 | 9,578 | (8,861) | 180,904 | 143,089 | (37,815) | 74,690 |
| Backfill | lf | 217,779 | 65.6% | 14,458 | 12,400 | (2,058) | 159,947 | 142,930 | (17,017) | 74,849 |
| Tie In | ea | 999 | 56.4% | 60 | 57 | (3) | 622 | 563 | (59) | 436 |
| Road Crossing | lf | 4,073 | 77.6% | 50 | 335 | 285 | 3,123 | 3,159 | 36 | 914 |
| Testing | lf | 217,779 | 0.0% | 19,798 | - | (19,798) | 39,596 | - | (39,596) | 217,779 |
| Clean Up | lf | 217,779 | 0.0% | 12,000 | - | (12,000) | 54,000 | - | (54,000) | 217,779 |

Forecast = April 22 Forecast Update

| Tie-In Status | 13-May | 20-May | 27-May | 3-Jun | 10-Jun | 17-Jun | 24-Jun | 1-Jul | 8-Jul |
|---|---|---|---|---|---|---|---|---|---|
| Forecast | 60 | 60 | 60 | 60 | 72 | 82 | 82 | 81 | - |
| Actual | 57 | 21 | 57 | - | - | - | - | - | - |
| Total Remaining | 514 | 493 | 436 | 436 | 436 | 436 | 436 | 436 | 436 |
| # of Tie In Crews | 9 | 9 | 9 | 9 | 10 | 10 | 10 | 10 | 3 |

# Spread 6 – Manhours and Performance (Craft Only)

| Activity | Jan 21 Forecast | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 61,466 | 0 | 0 | 64,348 | 64,348 | 61,466 | 0.96 | 1.00 | 64,348 | 2,882 |
| Grading | 22,377 | 0 | 0 | 26,487 | 26,368 | 22,377 | 0.85 | 1.00 | 26,487 | 4,110 |
| Stringing | 29,578 | 248 | 0 | 27,707 | 26,503 | 29,578 | 1.12 | 1.00 | 28,947 | -631 |
| Bending | 14,824 | 186 | 0 | 13,610 | 13,301 | 14,824 | 1.11 | 1.00 | 14,540 | -284 |
| Firing Line | 58,798 | 496 | 0 | 64,768 | 62,189 | 58,798 | 0.95 | 1.00 | 64,768 | 5,970 |
| Coating | 29,699 | 1,426 | 1,685 | 30,686 | 30,427 | 27,026 | 0.89 | 0.88 | 34,654 | 4,955 |
| Ditch | 27,798 | 1,178 | 1,346 | 26,005 | 26,252 | 21,313 | 0.81 | 0.82 | 28,361 | 563 |
| Lower In | 34,007 | 1,674 | 2,209 | 30,738 | 32,761 | 22,344 | 0.68 | 0.73 | 34,086 | 79 |
| Backfill | 19,895 | 992 | 1,491 | 19,611 | 20,980 | 13,057 | 0.62 | 0.67 | 23,579 | 3,684 |
| Tie In | 217,106 | 16,770 | 15,601 | 222,619 | 205,456 | 122,353 | 0.60 | 0.55 | 339,229 | 122,123 |
| Road Crossing | 86,450 | 2,574 | 2,823 | 83,319 | 81,845 | 67,050 | 0.82 | 0.80 | 91,431 | 4,981 |
| Testing | 19,344 | 1,430 | 690 | 2,860 | 2,029 | 0 | 0.00 | 0.00 | 15,730 | -3,614 |
| Clean Up | 58,714 | 3,100 | 2,270 | 12,400 | 6,487 | 0 | 0.00 | 0.00 | 58,900 | 186 |
| **Total Progressable Hours** | **680,056** | **30,074** | **28,115** | **625,158** | **598,946** | **460,186** | **0.77** | **0.74** | **825,060** | **145,004** |
| Envrionmental | 153,578 | 4,154 | 3,702 | 111,747 | 110,017 | 0 | | | 174,057 | 20,479 |
| Non Progressable Hours | 321,618 | 6,428 | 5,823 | 274,598 | 268,161 | 0 | | | 331,768 | 10,150 |
| **Total Hours** | **1,155,252** | **40,656** | **37,640** | **1,011,503** | **977,124** | **460,186** | **0.77** | **0.74** | **1,330,885** | **175,633** |

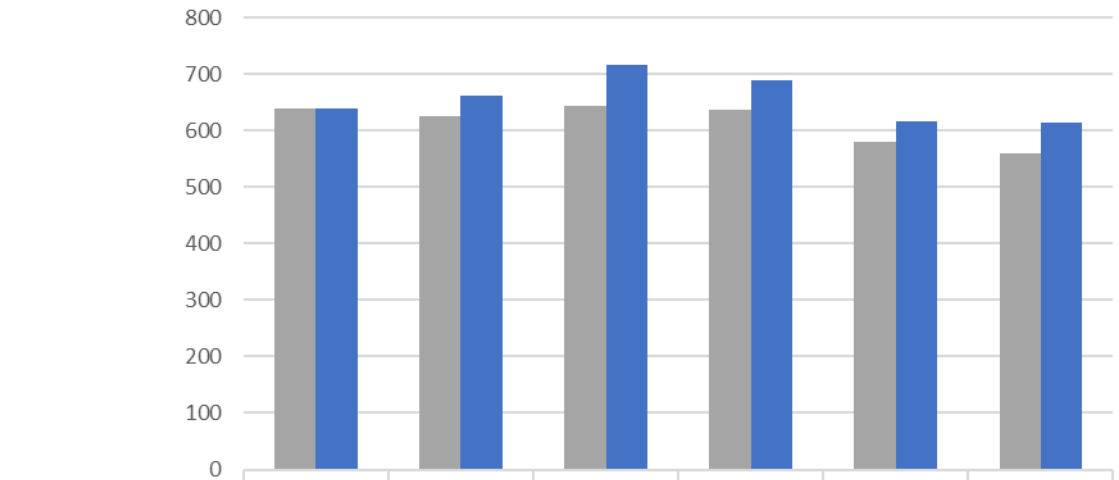
Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

CPI & SPI calculated on Jan 21 Forecast

Forecast = April 22 Forecast Update

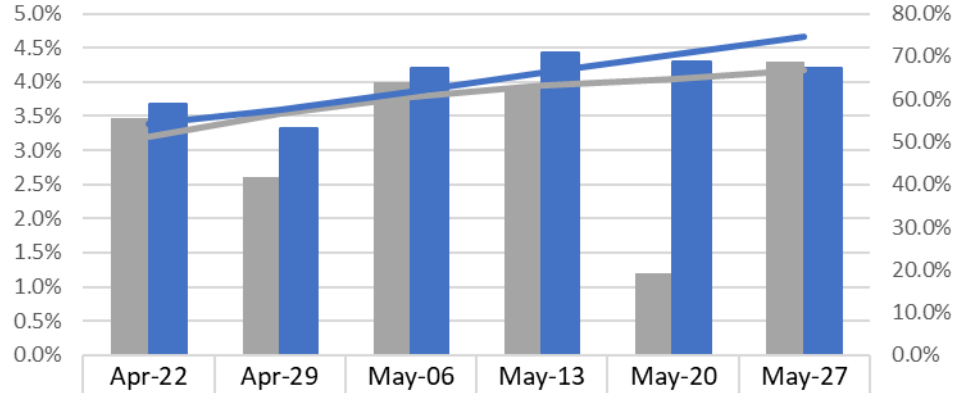
# Spread 6 Progress & Performance Curves

## Headcount



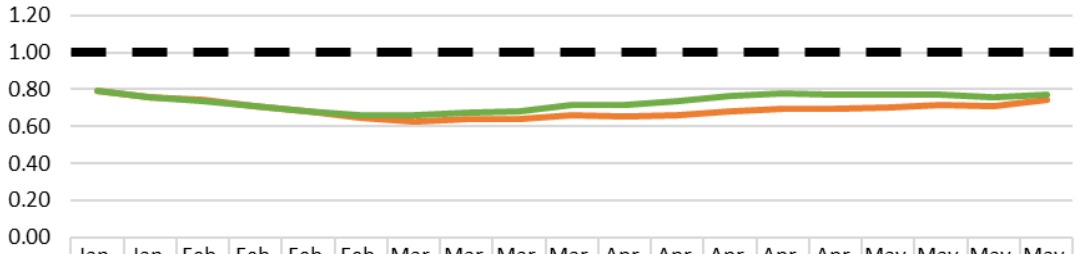

| | Apr-22 | Apr-29 | May-06 | May-13 | May-20 | May-27 |
|---|---|---|---|---|---|---|
| Actual | 640 | 626 | 643 | 636 | 579 | 560 |
| April 22 Forecast | 640 | 661 | 715 | 688 | 616 | 614 |

## Baselay Progress



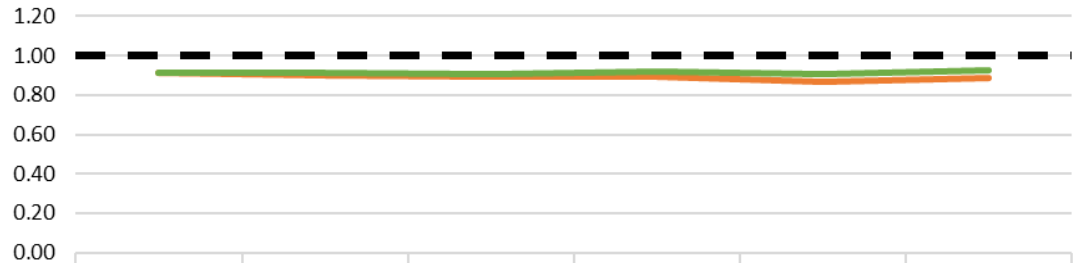

| | Apr-22 | Apr-29 | May-06 | May-13 | May-20 | May-27 |
|---|---|---|---|---|---|---|
| Actual | 3.5% | 2.6% | 4.0% | 3.9% | 1.2% | 4.3% |
| April 22 Forecast | 3.7% | 3.3% | 4.2% | 4.4% | 4.3% | 4.2% |
| Actual Total | 51.1% | 56.5% | 60.4% | 63.3% | 64.6% | 66.9% |
| April 22 Total | 54.3% | 57.6% | 61.8% | 66.3% | 70.6% | 74.8% |

## SPI & CPI - Jan 21




| | Jan-21 | Jan-28 | Feb-04 | Feb-11 | Feb-18 | Feb-25 | Mar-04 | Mar-11 | Mar-18 | Mar-25 | Apr-01 | Apr-08 | Apr-15 | Apr-22 | Apr-29 | May-06 | May-13 | May-20 | May-27 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.79 | 0.76 | 0.74 | 0.71 | 0.68 | 0.65 | 0.62 | 0.64 | 0.64 | 0.66 | 0.65 | 0.66 | 0.68 | 0.69 | 0.69 | 0.70 | 0.72 | 0.71 | 0.75 |
| CPI | 0.79 | 0.76 | 0.74 | 0.71 | 0.68 | 0.66 | 0.66 | 0.67 | 0.68 | 0.72 | 0.72 | 0.74 | 0.76 | 0.78 | 0.77 | 0.77 | 0.77 | 0.76 | 0.77 |

## SPI & CPI - April 22




| | Apr-22 | Apr-29 | May-06 | May-13 | May-20 | May-27 |
|---|---|---|---|---|---|---|
| SPI | 0.91 | 0.90 | 0.89 | 0.90 | 0.87 | 0.89 |
| CPI | 0.91 | 0.91 | 0.91 | 0.92 | 0.90 | 0.92 |

# Spread 6 - Change Management

| TREND STATUS | ASR PROJECT | | | Spread 6 | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | TO DATE | | | TO DATE | | | THIS WEEK | | |
| ORIGINAL BUDGET | | $ 454,471,254 | 2,167,574 | 36% | $ 163,861,454 | 752,374 | | | |
| | Distint Count | TOTAL | Hours | Count | Cost | Hours | Count | Cost | Hours |
| a) Recorded | 33 | $ 6,070,843 | 1,096 | 17 | $ 3,545,522 | 936 | 4 | | |
| b) Internal review | 4 | $ 3,432,696 | 6,372 | 1 | $ 28,500 | - | 1 | $ 28,500 | |
| c) Client Review | 42 | $ 4,152,082 | 13,411 | 13 | $ 2,377,655 | 5,954 | 5 | $ 1,719,170 | 5,954 |
| d) Approved - Forecast only | 34 | $ 23,378,129 | 131,910 | 12 | $ 8,599,089 | 58,994 | | | |
| e) Revise and Resubmit | 2 | $ 3,980,500 | 36,000 | - | $ - | - | | | |
| f) Proceed to EWR | 12 | $ 24,478,769 | 9,103 | 6 | $ 11,444,807 | - | | | |
| g) EWR Submitted | 16 | $ 15,744,750 | 33,448 | 7 | $ 6,694,340 | 10,872 | | | |
| h) EWR Approved | 9 | $ 7,257,032 | 20,950 | 5 | $ 2,323,485 | 4,334 | | | |
| **Total Trends** | | $ 88,494,801 | ` | 61 | $ 35,013,397 | | | | |
| z) Cancelled | 58 | | | 29 | $ - | | | | |
| **CURRENT BUDGET** | | $ 461,728,286 | 2,188,524 | | $ 166,184,939 | 756,708 | | | |
| | | | | | | | | | |
| **CURRENT FORECAST 4/22** | | $ 695,956,417 | 3,220,854 | 35% | $ 242,470,590 | 1,161,887 | | | |
| **VARIANCE to BUDGET** | | $ (234,228,131) | | 33% | $ (76,285,651) | | | | |
| This Week's Activity 5/27/18 | 1 Recorded<br>13 Client Review | | | 4 Recorded - (State Route 22 Signage, State Route 22 Move Around, Sinkhole 209, CP Ground Bed Installations)<br>1 Internal Review<br>5 Client Review - (Oakgrove Dump Yard, Coating Repair, Added MLV 7A, Lank Tank Water Hauling, MAXX Standby) | | | | | |

# Spread 6 – Cost Summary - $M's

| Item | Activity | Original Budget A | Approved Changes B | Current Budget C = A+B | Committed to Date D | Incurred to Date E | Pending Trends G | Forecast To Go H = I-E | Current Forecast I | Previous Forecast J | Change in Forecast K | Variance from Budget L = I-C |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Direct Labor | $ 56.4 | $ 0.3 | $ 56.7 | $ 62.2 | $ 62.2 | $ 3.8 | $ 22.7 | $ 84.9 | $ 84.9 | $ - | $ 28.2 |
| 2 | Indirect Labor (Craft/Mgmt/Supervision) | $ 15.9 | $ 0.1 | $ 15.9 | $ 12.3 | $ 12.3 | $ - | $ 5.3 | $ 17.6 | $ 17.6 | $ - | $ 1.7 |
| | **Sub Total Labor Cost** | **$ 72.2** | **$ 0.4** | **$ 72.6** | **$ 74.4** | **$ 74.4** | **$ 3.8** | **$ 28.0** | **$ 102.5** | **$ 102.5** | **$ -** | **$ 29.9** |
| 3 | Equipment Fee | $ 36.1 | $ 0.2 | $ 36.3 | $ 36.2 | $ 36.2 | $ 1.8 | $ 14.0 | $ 50.3 | $ 50.3 | $ - | $ 13.9 |
| 4 | Specialty Equipment | $ 0.8 | $ 0.0 | $ 0.8 | $ 4.9 | $ 3.5 | $ 2.5 | $ 1.8 | $ 5.2 | $ 5.2 | $ - | $ 4.4 |
| 5 | Materials | $ 11.3 | $ 0.2 | $ 11.6 | $ 13.1 | $ 10.8 | $ - | $ 1.4 | $ 12.3 | $ 12.3 | $ - | $ 0.7 |
| 6 | Mats | $ 2.4 | $ - | $ 2.4 | $ 5.2 | $ 5.2 | $ 2.3 | $ 2.8 | $ 8.0 | $ 8.0 | $ - | $ 5.6 |
| 7 | Outside Services & Subcontract Cost | $ 16.6 | $ 0.7 | $ 17.3 | $ 34.2 | $ 27.2 | $ 20.5 | $ 12.2 | $ 39.5 | $ 39.5 | $ - | $ 22.2 |
| 8 | Equipment - NTP Delayed | $ 2.7 | $ - | $ 2.7 | $ 2.3 | $ 2.3 | $ - | $ - | $ 2.3 | $ 2.3 | $ - | $ (0.4) |
| 8.1 | Bonds | $ - | $ 0.8 | $ 0.8 | $ 0.8 | $ 0.8 | $ - | $ - | $ 0.8 | $ 0.8 | $ - | $ - |
| | **Sub Total Project Cost** | **$ 69.9** | **$ 1.9** | **$ 71.8** | **$ 96.8** | **$ 86.1** | **$ 27.1** | **$ 32.2** | **$ 118.3** | **$ 118.3** | **$ -** | **$ 46.5** |
| 10 | Fixed Fee & Profit | $ 21.7 | $ - | $ 21.7 | $ 14.2 | $ 14.2 | $ - | $ 7.5 | $ 21.7 | $ 21.7 | $ - | $ (0.0) |
| | **Total Project Cost** | **$ 163.9** | **$ 2.3** | **$ 166.1** | **$ 185.5** | **$ 174.7** | **$ 30.9** | **$ 67.7** | **$ 242.5** | **$ 242.5** | **$ -** | **$ 76.3** |

# Spread 6 – Critical Issues

| Critical Issues | Mitigation | Need By Date | Test Section |
|---|---|---|---|
| Variance in for Goldmine Road crossing method to change from open cut to bore | PennDOT has said there will be no road closure allowed so method must change to bore, PADEP must approve variance. | June 1 | Test Section F3 (#5) |
| Variances for roadbores at Cavalry 2 and Jonestown, Williams did not include in 102 permit | Submitted variances, road bores on hold until approved | June 1 | Test Section F2 and F3 (#4 & #5) |
| 24 hour operations approval – Swatara Creek | Variance submitted, will need a night shift for dewatering anyway | May 26 | Test Section F1, F2 & F3 |
| 24 hour operations approval – I-81 roadbore | Variance submitted, concern about schedule duration, driving out | May 31 | Test Section F2 and F3 (#4 & #5) |

# Atlantic Sunrise Pipeline Project Spread 7 Progress Report

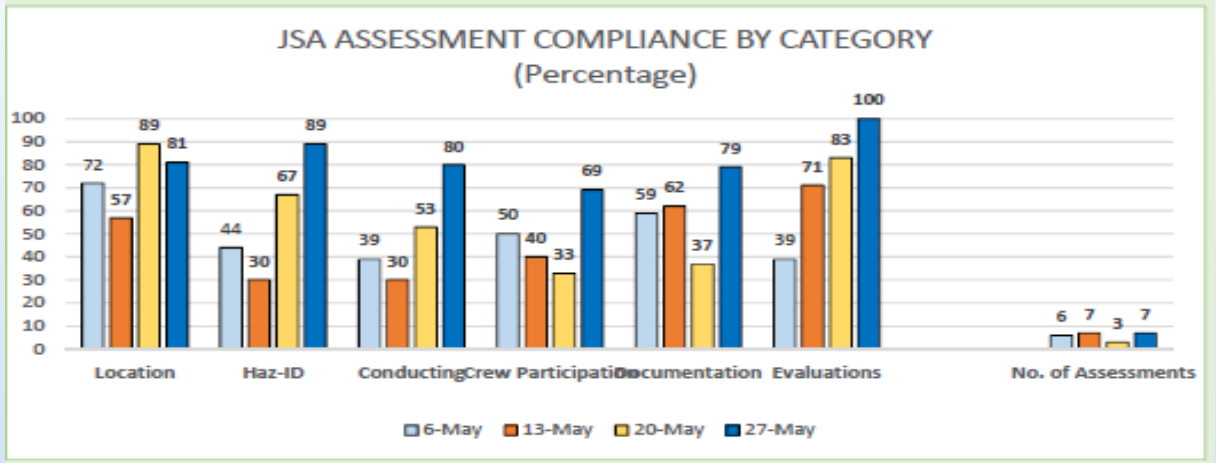
Week Ending 27-May-18

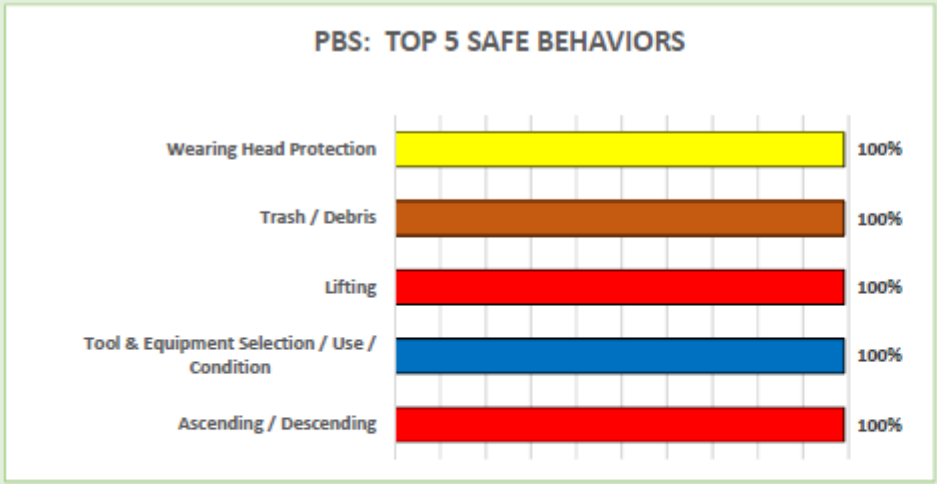
# SPREAD 7 Safety

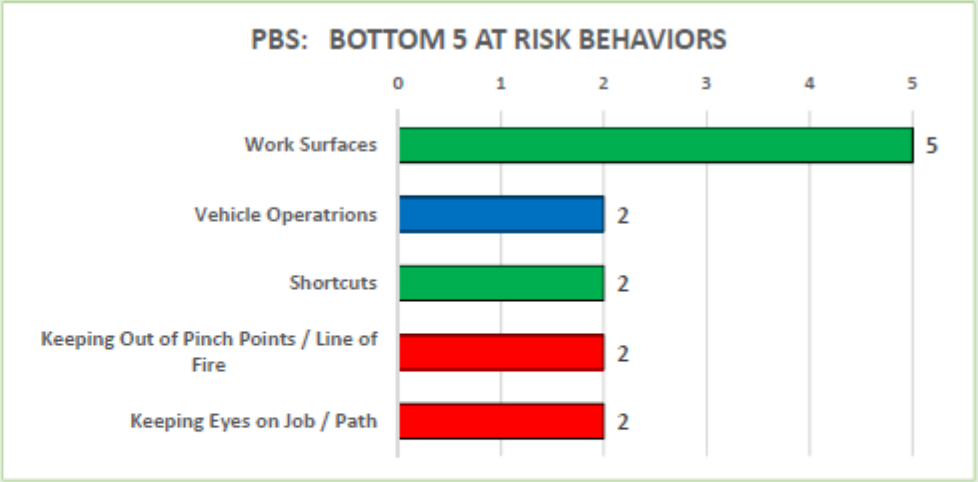
## TOTAL PROJECT INCIDENTS

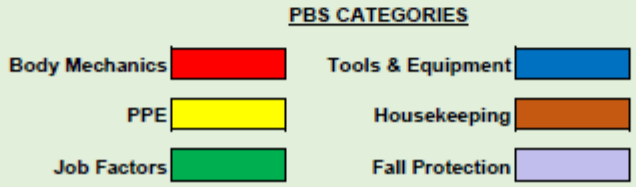
| | I/I | LTI | Rec | F/A | N/M | PD | Env | Non Occ | Sec | RO |
|---|---|---|---|---|---|---|---|---|---|---|
| Number of Incidents | 0 | 0 | 2 | 53 | 25 | 81 | 3 | 4 | 4 | 52 |
| Incident Rates | 0.00 | 0.00 | 0.32 | 8.36 | 3.94 | 12.78 | 0.47 | 0.63 | 0.63 | 8.20 |

| | Total Weekly Hours | Total Monthly Hours | Total Project Hours | Total Head Count |
|---|---|---|---|---|
| Welded | 37,450 | 158,770 | 1,071,596 | 561 |
| Subcontractors | 3,066 | 17,606 | 196,166 | 120 |
| Total | 40,516 | 176,376 | 1,267,763 | 681 |



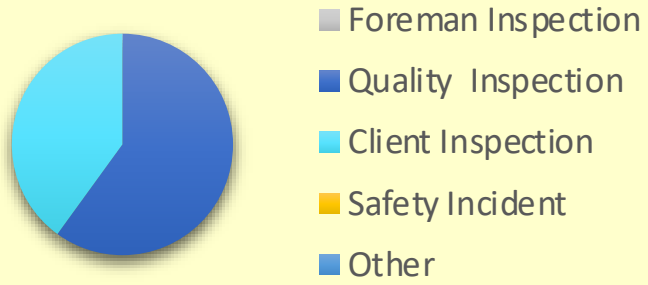



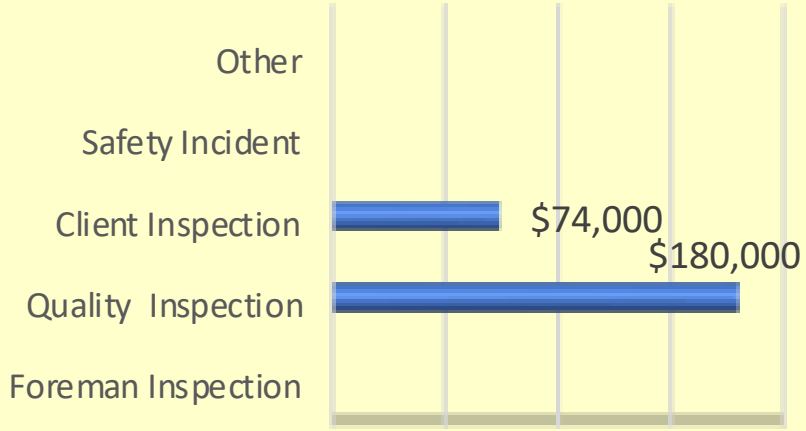



# SPREAD 7 - Quality Assurance

## Non Conformance Issues




## Estimated Cost of Rework




| | |
|---|---|
| Welding - NDE Weld Rejection Rate | 2.53% |
| Field Joint Coating Rejection Rate | 0.00% |

| Observations | This Week | To Date |
|---|---|---|
| Opened | 6 | 132 |
| Closed | 6 | 132 |
| **Remaining Open** | | - |

| NCRs | This Week | To Date |
|---|---|---|
| Opened | - | 10 |
| Closed | 2 | 8 |
| **Remaining Open** | | 2 |

**Notes: Assisting foremen with maintaining FVRs for all employees as they are shifted among crews.**

# Spread 7 – Environmental

1. Environmental Compliance
   - Non compliance from current period – None
   - Non compliance from previous periods:
     - Topsoil mixing
     - Avoiding air stations
     - 50’ buffer encroachment
     - Not installing air stations
     - 3 x Water bar installation

2. Environmental Concerns
   - Riparian area replanting plans
   - Seed mixtures

3. Listing of variance requests outstanding
   - 1-76 Bore extension
   - Pequea Creek (flumes? / 24/7 pump running / Extended Crossing Duration)
   - Chiques Creek (24/7 pump running / Extended Crossing Duration)

# Spread 7 – March Chart



# Spread 7 – Weekly Impacts

| Activity | Variance to Forecast | 21-May Monday | 22-May Tuesday | 23-May Wednesday | 24-May Thursday | 25-May Friday | 26-May Saturday | 27-May Sunday | Comments/Recovery Actions: |
|---|---|---|---|---|---|---|---|---|---|
| Clearing | - | | | | | | | | |
| Grading | - | | | | | | | | |
| Stringing | - | | | | | | | | |
| Bending | - | | | | | | | | |
| Firing Line | - | | | | | | | | |
| Coating | - | | | | | | | | |
| Ditch | 4,079 | | 2 Hours - Rain | | | | | | |
| Lower In | (3,979) | | | | | | | | |
| Backfill | (3,779) | | | | | | | | |
| Tie In | (1) | | 4 Hours - Rain | | | 1 Hour - xray | 4 Hours - xray | | |
| Road Crossing | (110) | | | | | | | | |
| Testing | - | | | | | | | | |
| Clean Up | (10,849) | Rain Out | | | | | | | |

# Spread 7 – Progress

| Activity | UOM | Planned Scope | Percent Complete | W/E 27-May | | | Cumulative | | | To Go |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Forecast | Actual | Variance to Forecast | Forecast | Actual | Variance to Forecast | |
| Clearing | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Grading | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Stringing | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Bending | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Firing Line | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Coating | lf | 199,896 | 100% | - | - | - | 199,896 | 199,896 | - | - |
| Ditch | lf | 199,896 | 97% | 9,921 | 14,000 | 4,079 | 199,896 | 194,075 | (5,821) | 5,821 |
| Lower In | lf | 199,896 | 86% | 12,779 | 8,800 | (3,979) | 191,237 | 172,821 | (18,416) | 27,075 |
| Backfill | lf | 199,896 | 84% | 12,779 | 9,000 | (3,779) | 189,291 | 168,396 | (20,895) | 31,500 |
| Tie In | ea | 926 | 70% | 60 | 59 | (1) | 643 | 648 | 5 | 278 |
| Road Crossing | lf | 3,444 | 77% | 110 | - | (110) | 3,095 | 2,635 | (460) | 809 |
| Testing | lf | 199,896 | 21% | - | - | - | 42,212 | 42,212 | - | 157,684 |
| Clean Up | lf | 199,896 | 3% | 11,400 | 551 | (10,849) | 47,201 | 5,371 | (41,830) | 194,525 |

Forecast = April 22 Forecast Update

| Tie-In Status | 13-May | 20-May | 27-May | 3-Jun | 10-Jun | 17-Jun | 24-Jun | 1-Jul | 8-Jul |
|---|---|---|---|---|---|---|---|---|---|
| Forecast | 45 | 60 | 60 | 65 | 65 | 65 | 65 | 23 | - |
| Actual | 61 | 40 | 59 | - | - | - | - | - | - |
| Total Remaining | 377 | 337 | 278 | 278 | 278 | 278 | 278 | 278 | 278 |
| # of Tie In Crews | 10 | 10 | 10 | 11 | 12 | 12 | 12 | 11 | 3 |

# Spread 7 – Manhours and Performance (Craft Only)

| Activity | Jan 21 Forecast | Hours This Period | | Hours to Date | | | CPI | SPI | Estimate at Completion | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Forecast | Actual | Forecast | Actual | Earned | | | Forecast | Variance |
| Clearing | 36,284 | 0 | 0 | 36,284 | 36,284 | 36,284 | 1.00 | 1.00 | 36,284 | 0 |
| Grading | 46,122 | 0 | 0 | 51,264 | 51,264 | 46,122 | 0.90 | 1.00 | 51,264 | 5,142 |
| Stringing | 34,364 | 520 | 0 | 37,505 | 36,081 | 34,364 | 0.95 | 1.00 | 37,505 | 3,141 |
| Bending | 10,297 | 0 | 0 | 13,691 | 12,822 | 10,297 | 0.80 | 1.00 | 13,691 | 3,394 |
| Firing Line | 66,964 | 0 | 0 | 73,477 | 73,490 | 66,964 | 0.91 | 1.00 | 73,477 | 6,513 |
| Coating | 22,002 | 325 | 0 | 23,601 | 23,032 | 22,002 | 0.96 | 1.00 | 24,901 | 2,899 |
| Ditch | 25,029 | 1,300 | 1,220 | 29,566 | 28,740 | 24,300 | 0.85 | 0.82 | 29,566 | 4,537 |
| Lower In | 35,328 | 1,950 | 1,886 | 40,590 | 39,868 | 30,543 | 0.77 | 0.75 | 42,540 | 7,212 |
| Backfill | 20,080 | 1,170 | 1,269 | 22,155 | 22,259 | 16,916 | 0.76 | 0.76 | 23,325 | 3,245 |
| Tie In | 227,443 | 16,620 | 19,083 | 228,700 | 232,717 | 159,161 | 0.68 | 0.70 | 337,730 | 110,287 |
| Road Crossing | 50,326 | 1,495 | 1,004 | 49,420 | 47,095 | 38,504 | 0.82 | 0.78 | 55,400 | 5,074 |
| Testing | 15,764 | 845 | 1,330 | 13,557 | 16075 | 3,329 | 0.21 | 0.25 | 19,472 | 3,708 |
| Clean Up | 66,495 | 2,535 | 1,779 | 22,016 | 19252 | 1,787 | 0.00 | 0.00 | 49,901 | -16,594 |
| **Total Progressable Hours** | **656,498** | **26,760** | **27,571** | **641,826** | **638,979** | **490,573** | **0.77** | **0.76** | **795,056** | **138,558** |
| Envrionmental | 130,487 | 4,095 | 4,532 | 135,849 | 137,104 | 0 | | | 163,344 | 32,857 |
| Non Progressable Hours | 310,901 | 5,135 | 5,131 | 290,206 | 289,890 | 0 | | | 339,086 | 28,185 |
| **Total Hours** | **1,097,886** | **35,990** | **37,234** | **1,067,881** | **1,065,973** | **490,573** | **0.77** | **0.76** | **1,297,486** | **199,600** |

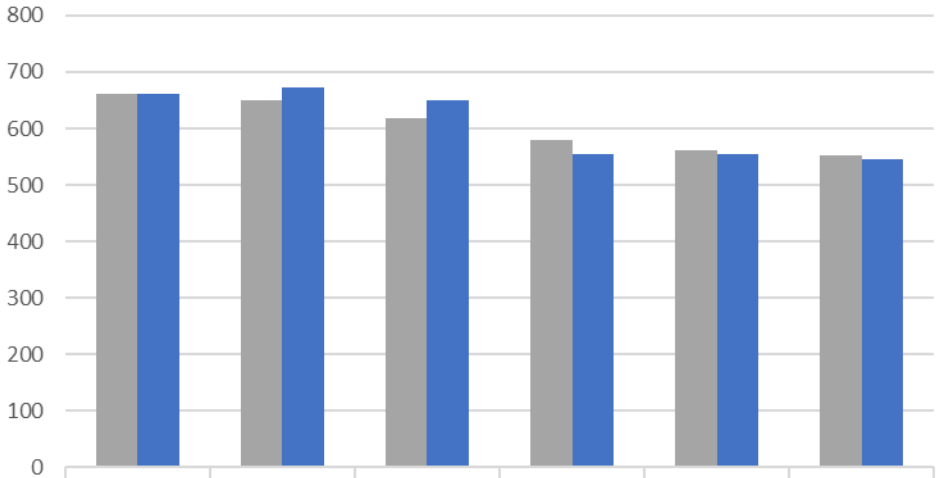
Non progressable includes direct and indirect craft; no Staff/Mgmt Supervision

CPI & SPI calculated on Jan 21 Forecast

Forecast = April 22 Forecast Update

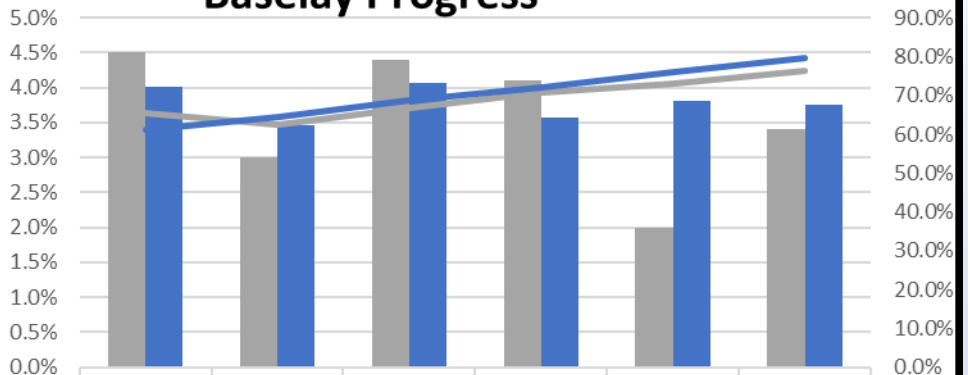
# Spread 7 – Progress and Performance Curves

## Headcount



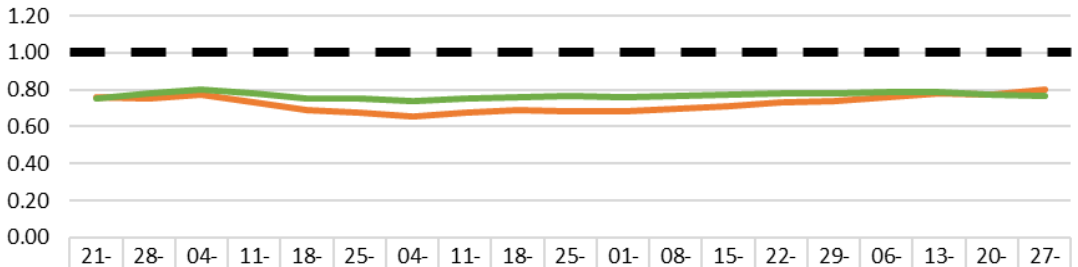

| | Apr-22 | Apr-29 | May-06 | May-13 | May-20 | May-27 |
|---|---|---|---|---|---|---|
| Actual | 662 | 650 | 619 | 579 | 561 | 552 |
| Arpil 22 Forecast | 662 | 672 | 649 | 554 | 554 | 545 |

## Baselay Progress



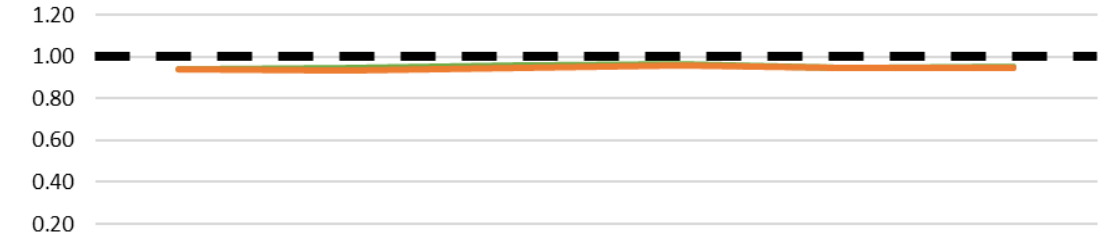

| | 22/Apr | 29/Apr | 6/May | 13/May | 20/May | 27/May |
|---|---|---|---|---|---|---|
| Actual | 4.5% | 3.0% | 4.4% | 4.1% | 2.0% | 3.4% |
| April 22 Forecast | 4.0% | 3.5% | 4.1% | 3.6% | 3.8% | 3.8% |
| Actual Total | 65.3% | 62.4% | 66.8% | 70.9% | 72.9% | 76.3% |
| April 22 Total | 61.1% | 64.5% | 68.6% | 72.2% | 76.0% | 79.8% |

## SPI & CPI - Jan 21




| | 21-Jan | 28-Jan | 04-Feb | 11-Feb | 18-Feb | 25-Feb | 04-Mar | 11-Mar | 18-Mar | 25-Mar | 01-Apr | 08-Apr | 15-Apr | 22-Apr | 29-Apr | 06-May | 13-May | 20-May | 27-May |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SPI | 0.76 | 0.75 | 0.78 | 0.73 | 0.69 | 0.68 | 0.65 | 0.67 | 0.69 | 0.68 | 0.68 | 0.69 | 0.71 | 0.73 | 0.74 | 0.76 | 0.78 | 0.78 | 0.80 |
| CPI | 0.75 | 0.78 | 0.80 | 0.78 | 0.75 | 0.75 | 0.74 | 0.75 | 0.76 | 0.76 | 0.76 | 0.76 | 0.77 | 0.78 | 0.78 | 0.79 | 0.79 | 0.77 | 0.77 |

## SPI & CPI - April 22




| | 22-Apr | 29-Apr | 06-May | 13-May | 20-May | 27-May |
|---|---|---|---|---|---|---|
| CPI | 0.94 | 0.94 | 0.96 | 0.96 | 0.95 | 0.95 |
| SPI | 0.94 | 0.93 | 0.95 | 0.96 | 0.94 | 0.94 |

# Spread 7 – Change Management

| TREND STATUS | ASR PROJECT | | | Spread 7 | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | TO DATE | | | TO DATE | | | THIS WEEK | | |
| **ORIGINAL BUDGET** | | **$ 454,471,254** | **2,167,574** | **37%** | **167,458,844** | **715,826** | | | |
| | **Distint Count** | **TOTAL** | **Hours** | **Count** | **Cost** | **Hours** | **Count** | **Cost** | **Hours** |
| a) Recorded | 33 | $ 6,070,843 | 1,096 | 11 | $ 1,069,832 | - | 2 | | |
| b) Internal review | 4 | $ 3,432,696 | 6,372 | 1 | $ 192,260 | 960 | | | |
| c) Client Review | 42 | $ 4,152,082 | 13,411 | 26 | $ 1,185,054 | 4,453 | 3 | $ 93,227 | 823 |
| d) Approved - Forecast only | 34 | $ 23,378,129 | 131,910 | 21 | $ 11,547,409 | 66,342 | | | |
| e) Revise and Resubmit | 2 | $ 3,980,500 | 36,000 | 1 | $ - | - | | | |
| f) Proceed to EWR | 12 | $ 24,478,769 | 9,103 | 10 | $ 5,425,709 | 9,103 | | | |
| g) EWR Submitted | 16 | $ 15,744,750 | 33,448 | 10 | $ 7,940,609 | 16,430 | | | |
| h) EWR Approved | 9 | $ 7,257,032 | 20,950 | 8 | $ 3,333,567 | 12,612 | | | |
| **Total Trends** | | $ 88,494,801 | ` | 88 | $ 30,694,440 | | | | |
| z) Cancelled | 58 | | | 25 | $ - | - | | | |
| **CURRENT BUDGET** | | $ 461,728,286 | 2,188,524 | | $ 170,792,411 | 728,438 | | | |
| | | | | | | | | | |
| **CURRENT FORECAST 4/22** | | $ 695,956,417 | 3,220,854 | 38% | $ 263,680,954 | 1,128,483 | | | |
| **VARIANCE to BUDGET** | | $ (234,228,131) | | 40% | $ (92,864,326) | | | | |
| This Week's Activity 5/27/18 | 1 Recorded<br>13 Client Review | | | 2 Recorded - (Allen Edwards - 5 additional concrete coated joints, CP Ground Bed Installations)<br>3 Client Review - (Re-hydrotest G1, Ironville Pike Variance, Re-route near 855+00) | | | | | |

# Spread 7 – Cost Summary ($M's)

| Item | Activity | Original Budget A | Approved Changes B | Current Budget C = A+B | Committed to Date D | Incurred to Date E | Pending Trends G | Forecast To Go H = I-E | Current Forecast | Previous Forecast J | Change in Forecast K | Variance from Budget L = I-C |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Direct Labor | $ 54.0 | $ 1.0 | $ 55.1 | $ 70.1 | $ 70.1 | $ 2.2 | $ 12.3 | $ 82.4 | $ 82.4 | $ - | $ 27.3 |
| 2 | Indirect Labor (Craft/Mgmt/Supervision) | $ 14.6 | $ 0.2 | $ 14.7 | $ 14.0 | $ 14.0 | $ - | $ 4.4 | $ 18.4 | $ 18.4 | $ - | $ 3.6 |
| | **Sub Total Labor Cost** | **$ 68.6** | **$ 1.2** | **$ 69.8** | **$ 84.1** | **$ 84.1** | **$ 2.2** | **$ 16.7** | **$ 100.8** | **$ 100.8** | **$ -** | **$ 31.0** |
| 3 | Equipment Fee | $ 34.3 | $ 0.6 | $ 34.9 | $ 41.4 | $ 41.4 | $ 0.4 | $ 8.4 | $ 49.8 | $ 49.8 | $ - | $ 14.9 |
| 4 | Specialty Equipment | $ 0.7 | $ 0.0 | $ 0.8 | $ 4.0 | $ 4.0 | $ - | $ 0.7 | $ 4.7 | $ 4.7 | $ - | $ 3.9 |
| 5 | Materials | $ 9.1 | $ 0.2 | $ 9.2 | $ 13.5 | $ 11.1 | $ 6.4 | $ 5.2 | $ 16.3 | $ 16.3 | $ - | $ 7.0 |
| 6 | Mats | $ 1.2 | $ - | $ 1.2 | $ 5.2 | $ 5.0 | $ 2.1 | $ 0.7 | $ 5.7 | $ 5.7 | $ - | $ 4.5 |
| 7 | Outside Services & Subcontract Cost | $ 31.4 | $ 0.7 | $ 32.0 | $ 59.6 | $ 53.1 | $ 3.5 | $ 10.8 | $ 63.9 | $ 63.9 | $ - | $ 31.9 |
| 8 | Equipment - NTP Delayed | $ 2.4 | $ - | $ 2.4 | $ 2.2 | $ 2.2 | $ - | $ - | $ 2.2 | $ 2.2 | $ - | $ (0.2) |
| 8.1 | Bonds | $ - | $ 0.8 | $ 0.8 | $ 0.8 | $ 0.8 | $ - | $ - | $ 0.8 | $ 0.8 | $ - | $ - |
| | **Sub Total Project Cost** | **$ 79.1** | **$ 2.2** | **$ 81.3** | **$ 126.6** | **$ 117.5** | **$ 12.4** | **$ 25.7** | **$ 143.2** | **$ 143.2** | **$ -** | **$ 61.9** |
| 10 | Fixed Fee & Profit | $ 19.7 | $ - | $ 19.7 | $ 12.9 | $ 12.9 | $ - | $ 6.8 | $ 19.7 | $ 19.7 | $ - | $ - |
| | **Total Project Cost** | **$ 167.5** | **$ 3.4** | **$ 170.8** | **$ 223.5** | **$ 214.5** | **$ 14.6** | **$ 49.2** | **$ 263.7** | **$ 263.7** | **$ -** | **$ 92.9** |

# Spread 7 – Critical Issues

| Critical Issues | Mitigation | Need by Date | Test Section |
|---|---|---|---|
| Welded has mobilized a restoration contractor and is awaiting final direction for seed mixtures. The CD will not allow Williams to be released of their obligations because a landowner doesn't want anything on their property. | Williams has tasked it's land department to finalize the requirements for each landowner. Agricultural/farm lands currently call for no fertilizer/lime/seed/mulch.<br><br>These issues have continued to be raised since January. Trend is being developed. | ASAP – contractor on standby | n/a |
| The Amtrak Railroad bore permit is not ready and could take 30-60 days for approval after submittal. Approval of the first submittal is not guaranteed and any revisions are subject to the same review period. | Welded is assisting Williams in providing construction plans for the Amtrak engineering reviewing.<br><br>Welded has submitted all of the documents 4/10/18.<br><br>Williams to reapply 5/31/18 | 06-04-18 | 3 |
| I-76 Bore Variance<br>Welded has plans to turn our bore crew into a tie in crew to maintain schedule. | As co-permittees Welded needs to have representation on the weekly conference calls with the agencies to help explain and expedite these variances.<br><br>Welded plans to subcontract the bore to allow Welded crew to tie-in.<br><br>Boring from the north side is in process | 05-29-18 | 3 |
| Pequea Creek Variances | Welded is awaiting approval to be able to blast at the Pequea Creek if necessary.<br>• (flumes? / 24/7 pump running / Extended Crossing Duration) | 05-31-18 | 2 |
| Chiques Creek Variances | 24/7 pump running / Extended Crossing Duration) | 06-01-18 | 3 |
| Ironville Pike Bore Variance | Variance to switch from open cut to bore | 06-08-18 | 2 |