

**South Dakota Operator Selection Process
for Inspections**

Thursday, April 4, 2013, 2 pm MDT

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Inspection Priorities

- All operators will be inspected every year as a general but not absolute rule.
- Inspection days allotted will be risk based.
- Minimum of 133 inspection days

Risk Model

- Inspection days assigned based on the following risk assessment model:
 - Risk factors chosen include:
 - Ratio of precode pipe to total pipe
 - Ratio of corrosion leaks to 1000 miles main
 - Ratio of # services to mile main or ration of miles of HCA to total miles
 - Ratio of excavation leaks to 1000 miles main
 - Ratio unprotected + cast iron to total
 - Ratio excavation leaks to 1000 services

Risk Model Continued

- Likelihood of failure is assigned a value between 1 and 5 with 5 the highest likelihood
- Consequence of failure is assigned a value between 1 and 5 with 5 the highest consequence
- Risk is calculated by multiplying likelihood times consequence
- Average risk is calculated by dividing the sum of the risk scores for all operators by the number of operators
- The inspection days are calculated by dividing an operator's risk score by the sum of the risk score of all operators and multiplying by the number of inspection days.



Adjustments to Inspection Days

- Special events including construction, personnel changes, operating procedure changes, up-rates, etc.)
- For large operators, rotation of locations inspected
- Compliance with federal certification requirements
- Complaints received

Other Considerations

- Target cycle of once per 2 years for standard inspections
- OQ, PA, IMP, DIMP, Drug & Alcohol – once per 2-4 years.
- Construction – New transmission, Distribution - time available
- Operator assistance visits – as needed, quarterly webinars

Questions?

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