

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

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November 8, 2010

Patricia Van Gerpen Executive Director, PUC 500 E. Capitol Ave Pierre, SD 57501

Re:

PS10-002

Dear Ms. Van Gerpen;

Pipeline safety staff opened this docket last June in response to PHMSA's nationwide damage prevention assessment. South Dakota, according to the assessment, has not fully implemented three areas of important damage prevention best practices. Staff contracted with an outside damage prevention expert to identify efforts made by other states with a fully implemented damage prevention best practices program. This approach is a slight modification from the original scope of work.

The damage prevention expert completed his research. The consultant, in the attached report, included samples and recommendations. Staff welcomes comments from interveners regarding the recommendations. Staff believes, however, the implications of potential change reach beyond the interveners. As such, Staff intends to identify and survey stakeholders in a separate 2011 process.

Although process changes have occurred, the ultimate project goal has not. Staff intends, with input from stakeholders, to either: (i) recommend specific statute, rule or policy changes to improve South Dakota damage prevention programs or (ii) provide specific support for the position that current statutes, rules and policy sufficiently accomplish damage prevention needs in South Dakota.

Sincerely,

Kara Semmler

cc. Service list

Attached: Damage Prevention Report