



Steve Kolbeck, Chair  
Gary Hanson, Vice Chair  
Chris Nelson, Commissioner

## SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

500 East Capitol Avenue  
Pierre, South Dakota 57501-5070  
[www.puc.sd.gov](http://www.puc.sd.gov)

Capitol Office  
(605) 773-3201  
1-866-757-6031 fax

Warehouse  
(605) 773-5280  
(605) 773-3225 fax

Consumer Hotline  
1-800-332-1782

June 15, 2011

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

Re: PS10-002 Survey Documents

Dear Ms. Van Gerpen,

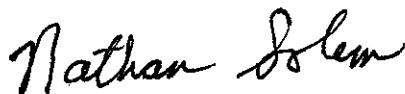
The Pipeline and Hazardous Materials Safety Administration (PHMSA) performs an annual audit of state damage prevention programs. Although South Dakota has not fully implemented all PHMSA's preferred programs, our state damage prevention program receives favorable reviews. Last year's review did, however, indicate several areas where South Dakota's program deviates from national best practices. It may be in South Dakota damage prevention stakeholders' best interest to maintain the current programs as they are. South Dakota may be uniquely situated due to our population and geography. Alternatively, improvement may be possible and prudent. The South Dakota Pipeline Safety Staff (Staff) opened this docket in June of 2010 to either: (i) verify that our state is doing what it should regarding damage prevention or to (ii) understand what changes can be made to improve our damage prevention programs and become better in line with PHMSA goals and national standards.

Grants issued by PHMSA were available to state commissions for the investigation and implementation of improved damage prevention programs. Due to the availability of said funds, Staff addressed this issue in two parts. First, grant funds were used to compare and contrast the programs in states that chose to fully implement the national best practice standards. The comparison left Staff with samples to consider. It is Staff's goal now to determine which of the national best practices and sample state programs, if any, could be implemented in South Dakota if improvement is necessary.

Staff recognizes damage prevention in our state is a joint effort among all stakeholders. Although several important stakeholder groups intervened in this docket, Staff believes we may miss the voice and opinion of others. As a result, part two of this process involves communication with all utility groups, locator groups and excavator groups. Staff, in conjunction with an outside contractor, plans to survey these stakeholder groups for their input on damage prevention program improvements. The surveys will be conducted via e-mail with telephonic follow-up. Separate surveys for each stakeholder group are attached.

We value the opinion of the interveners and appreciate their thoughts regarding the attached surveys before we begin the survey process. Interveners should file their thoughts and ideas with the PUC on or before July 1, 2011. Thank you to the interveners for your assistance. We look forward to your comments.

Sincerely,



Nathan Solem  
SD Pipeline Safety Program Manager



Kara Semmler  
PUC Staff Attorney

cc.

Sara Dannen, NorthWestern Energy, sara.dannen@northwestern.com\  
Suzan M. Stewart, MidAmerican Energy Company, smstewart@midamerican.com  
Tamie Aberlie, Montana-Dakota Utilities, tamie.aberle@mdu.com  
Scott Besmer, Montana-Dakota Utilities, scott.besmer@mdu.com  
Brett Koenecke, Brett@MAGT.COM  
Larry Janes, SD One Call, exedir@sdonecall.com  
Bleau LaFave, SD One Call, bleau.lafave@northwestern.com  
Kurt Pfeifle, SD One Call, kurt.pfeifle@mdrws.com  
Todd Chambers, SD One Call, tchambers@watertownmu.com  
Terry Larson, SD One Call, tl@heavyconstructors.com  
Paul Bachand, pbachand@pirlaw.com