

2010 South Dakota Pipeline Safety Inspection

Summary of Deficiencies

Operator: South Dakota Natural Gas Company (SDNG)

Inspection Types: Jurisdictional Gathering/Transmission Line Compliance with 49 CFR Part 192

Inspection Dates: August 4-5, 2009

Notices of Probable Violation

Code Section	Code Description	Deficiency Noted	Proposed Correction Due Date	Penalty Proposed	Maximum Allowable Penalty	Compliance Order Proposed
Part 191 & 192	Pipeline Safety Regulations for Transportation of Natural Gas	<p>The discharge line from the Cady Creek dehydrator to the WBI purchase point may not be a gathering line. Rather, that particular line may be a transmission line. Referring to the American Petroleum Institute's Recommended Practice 80 which is incorporated into the pipeline safety code, it appears from Section 2.2 (a) (1) (B) the appropriate endpoint of the Cady Creek gathering line is the outlet of dehydrator which is the furthestmost downstream gas treatment facility. This would define the 2.5 mile line from the compressor/dehydrator station to the purchase point as a gas transmission line jurisdictional to the pipeline safety regulations in 49 CFR Parts 191 and 192.</p> <p>SDNG was first notified of this issue on August 13, 2009.</p> <p>SDNG agreed to install a dehydrator at the WBI intersection converting this line to a non-jurisdictional gathering line by 2-21-10. On Feb 2, 2010 SDNG request an extension and was granted until June 30, 2010 to complete the installation.</p> <p>On June 25, 2010 SDNG notified the SDPUC that the installation was not complete and would not be complete for another 45 days due to easement negotiation issues.</p> <p>SDNG must complete this installation by August 31, 2010 or risk penalties up to the maximum of \$10,000 per day allowable under SD statute.</p>	8-31-2010	None at this time	\$10,000 per day	

Warnings

Code Section	Code Description	Deficiency Noted	Warning	Proposed Correction Due Date
		None		

Notices of Concern

Code Section	Code Description	Comment
		None