

**2013 South Dakota Pipeline Safety Inspection  
Summary of Deficiencies**

**Operator: Humboldt Municipal Gas Utilities**

**Inspection Types: O&M Plan Inspection, Records Inspection, OQ Field Inspection, and Field Inspection (pipeline markers & cathodic protection)**

**Inspection Dates: May 9 and May 21, 2013**

**Notices of Probable Violation**

| Code Section | Code Description  | Deficiency Noted  | Proposed Correction Due Date | Penalty Proposed                            | Maximum Allowable Penalty | Compliance Order Proposed  |
|--------------|---|---|------------------------------|---|---------------------------|--|
| 192.625(f)   | Did the operator use calibrated odorometers?  | Odorometer has not been sent in since 8/29/11. Meter needs to be sent in ASAP. This is a repeat offense.  | 8/24/13                      | \$2,615<br><br>Calculated by NDS on 7-16-13 | \$100,000                 | Humboldt must hire additional help in the area of gas technician and DOT coordinator.<br><br>Added by NDS on 7-16-13 |
| §192.707(a)  | Are buried mains and transmission lines marked as required in the following areas:<br>(1) at each crossing of a public road and railroad<br>(2) wherever necessary to identify the location of the line to reduce possibility of damage or interference | The following issues were identified regarding pipeline markers:<br>1. Marker at CP test station #7 needs a new warning sign.<br>2. Markers need to be installed at 259 <sup>th</sup> St, where new road was put in.<br>3. Marker at CP test station #21 needs to have the phone number replaced.<br>4. Marker west of CP test station #21 needs to have phone number replaced.<br>5. Marker south of the intersection of 258 <sup>th</sup> St and 462 <sup>nd</sup> Ave needs to have phone number replaced. | 8/24/13                      | \$1,951<br><br>Calculated by NDS on 7-16-13 | \$100,000                 | Humboldt must hire additional help in the area of gas technician and DOT coordinator.<br><br>Added by NDS on 7-16-13 |

|              |  |  |         |         |           |   |
|--------------|--|--|---------|---------|-----------|---|
|              |  | 6. Marker north of 25889 462 <sup>nd</sup> St needs to have phone number replace.  |         |         |           |   |
| OQ 192.801   | <p>(a) This subpart prescribes the minimum requirements for operator qualification of individuals performing covered tasks on a pipeline facility.</p> <p>(b) For the purpose of this subpart, a covered task is an activity, identified by the operator, that:</p> <p>(1) Is performed on a pipeline facility;</p> <p>(2) Is an operations or maintenance task;</p> <p>(3) Is performed as a requirement of this part; and</p> <p>(4) Affects the operation or integrity of the pipeline.</p> | <p>PEF192-1414.04 Pipe Shutdown/Startup/Pressure Change: Operating Identified Valve(s) was not completed until 5/23/13.</p> <p>This task should have been identified as a covered task and qualifications completed prior to 1/1/13 when Northwestern Energy discontinued their contract for emergency response.</p> | 8/24/13 | \$3,239 | \$100,000 | <p>Humboldt must hire additional help in the area of gas technician and DOT coordinator.</p> <p>Added by NDS on 7-16-13</p> |
| §192.225(b). | Has each welding procedure been recorded in detail, including the results of the qualifying tests?   | NWE procedures are in the book but they are not authorized to use the NWE standards. They do not have the results of the qualifying test.  | 8/24/13 | \$3,551 | \$100,000 | <p>Humboldt must hire additional help in the area of gas technician and DOT coordinator.</p> <p>Added by NDS on 7-16-13</p> |
| §192.283     | Does operator have copies of the destructive tests used to qualify the joining procedures? (yes or no)   | Operator has continued to use NWE procedures but does not have the destructive testing documentation for the qualification. Revised joining procedures must be obtained and utilized.  | 8/24/13 | \$3,863 | \$100,000 | Humboldt must hire additional help in the area of gas technician and DOT coordinator.                                       |

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|  |  |  |  |  |  | Added by<br>NDS on 7-16-<br>13 |
|--|--|--|--|--|--|--------------------------------|

**Warnings**

| Code Section            | Code Description   | Deficiency Noted  | Warning  | Proposed Correction Due Date |
|-------------------------|--|---|--|------------------------------|
| §192.459                | When the operator has knowledge that any pipeline is exposed, is the exposed pipe examined for:<br>(a) Evidence of corrosion?<br>(b) Coating deterioration?                    | Bell Hole reports have not been done in the past. No history for any exposed piping.  | Humboldt Municipal Gas may be in violation of the code section listed in the first column. The city is advised to correct this or be subject to an enforcement action. | 8/24/13                      |
| §191.22(a) & §191.22(b) | Has an operator ID been obtained or verified? (OPID)   | Missed required date but has been completed. Operator needs to provide documentation.   | Humboldt Municipal Gas may be in violation of the code section listed in the first column. The city is advised to correct this or be subject to an enforcement action. | 8/24/13                      |
| §192.615(b)(2)          | (a) Training appropriate employees as to the requirements of the emergency plan.   | Emergency response training has not been documented.  | Humboldt Municipal Gas may be in violation of the code section listed in the first column. The city is advised to correct this or be subject to an enforcement action. | 8/24/13                      |
| §192.615(b)(3)          | Review activities following actual or simulated emergencies to determine if they are effective. Does facility have the review and its outcome documented within their records? | No simulations have been document.  | Humboldt Municipal Gas may be in violation of the code section listed in the first column. The city is advised to correct this or be subject to an enforcement action. | 8/24/13                      |
| §192.225(b).            | Has each welding procedure been recorded in detail, including the results of the qualifying tests?   | Welding procedures are not available.   | Humboldt Municipal Gas may be in violation of the code section listed in the first column. The city is advised to correct this or be subject to an enforcement action. | 8/24/13                      |
| 192.283                 | Does operator have copies of the destructive tests used to qualify the joining procedures? (yes or no)   | Operator has continued to use NWE procedures but does not have the destructive testing documentation for the qualification. Revised joining procedures must be obtained and utilized. | Humboldt Municipal Gas may be in violation of the code section listed in the first column. The city is advised to correct this or be subject to an enforcement action. | 8/24/13                      |
| OQ Field                | Verify the qualified individuals performed the   | Missing line marker at road crossings   | Humboldt Municipal Gas may be  | 8/24/13                      |

**Warnings**

| <b>Code Section</b>  | <b>Code Description</b>  | <b>Deficiency Noted</b>  | <b>Warning</b>   | <b>Proposed Correction Due Date</b> |
|--|--|--|--|-------------------------------------|
| Inspection<br><i>9.01 Covered Task Performance</i>                                       | observed covered tasks in accordance with the operator’s procedures or operator approved contractor procedures       | was not identified.  | in violation of the code section listed in the first column. The city is advised to correct this or be subject to an enforcement action.                               |                                     |
| OQ Field Inspection<br><i>9.02 Qualification Status</i>                                  | Verify the individuals performing the observed covered tasks are currently qualified to perform the covered tasks.   | Qualification of operating identified valves should have been completed prior to 1/1/13. | Humboldt Municipal Gas may be in violation of the code section listed in the first column. The city is advised to correct this or be subject to an enforcement action. | 8/24/13                             |
| OQ Field Inspection<br><i>9.03 Abnormal Operating Condition Recognition and Reaction</i> | Verify the individuals performing covered tasks are cognizant of the AOCs that are applicable to the tasks observed. | Missing line marker at road crossings was not identified.                                | Humboldt Municipal Gas may be in violation of the code section listed in the first column. The city is advised to correct this or be subject to an enforcement action. | 8/24/13                             |

**Notices of Concern**

| <b>Code Section</b> | <b>Code Description</b>   | <b>Comment</b>  |
|---------------------|---|---|
| §192.459            | When the operator has knowledge that any pipeline is exposed, is the exposed pipe examined for: (a) Evidence of corrosion? (b) Coating deterioration? | There are no records indicating inspection of exposed piping.   |
| §192.475(a)         | Is gas tested to determine corrosive properties?  | Need to maintain information from Northern Natural regarding properties of the gas. Information can be accessed by going to NorthernNaturalGas.com and selecting “Gas Quality” under “Informational Posting”. |
| §192.625(b)         | Odorization Method –  | Operator should get information on odorizer. Currently operator has no information if problems should occur.  |
| §192.723(b)(2)      | Does the operator conduct leakage surveys (to include   | Maps need to be reviewed to ensure that all areas are included in the survey.   |

**Notices of Concern**

| <b>Code Section</b> | <b>Code Description</b>  | <b>Comment</b>   |
|---------------------|--|--|
|                     | manholes/cracks in pavement/other pertinent locations) of the distribution system outside of the principal business areas at intervals not exceeding 63 months, but at least once every 5 calendar year? | Suggest reviewing all leak surveys to ensure that entire system is covered and planned for future years. |