

**2013 South Dakota Pipeline Safety Inspection
 Summary of Deficiencies
 Operator: Garretson Natural Gas Utilities
 Inspection Types: DIMP Inspection
 Inspection Dates: May 1, 2013**

Exhibit G1
Page 1 of 2

Notices of Probable Violation

Code Section	Code Description	Deficiency Noted	Proposed Correction Due Date	Penalty Proposed	Maximum Allowable Penalty	Compliance Order Proposed
DIMP Records and Field Inspection Protocol Question 19 .1007 (d)	Was the implementation of the measures to reduce risks done in accordance with the procedures in the DIMP plan?	Annual review was not completed in 2012 as required by operator's DIMP plan. During the inspection process it was stated that it was decided to not do the review until the 2012 annual report information was available in 2013. It appears that it was a willful and intentional decision to not do the 2012 annual review as described in the 2012 edition of the DIMP plan.	8/1/13	\$242	\$100,000	None
DIMP Records and Field Inspection Protocol Question 23 .1007 (e)	Is the operator monitoring each performance measure from an established baseline?					
DIMP Records and Field Inspection Protocol Question 25 .1007 (f)	Has the operator performed a periodic evaluation of its DIMP plan on the frequency specified in the plan?					
Records and Field Inspection Protocol Question 30 .1007 (f)	Were all of the operator's periodic evaluation and program improvement procedures followed?					

Warnings

Code Section	Code Description	Deficiency Noted	Warning	Proposed Correction Due Date
DIMP Records and Field Inspection Protocol Question 6 .1007 (a)	Verify that data collection forms used in conjunction with the operator's DIMP are being fully and accurately completed. Note: This question can be answered by office review of records and/or comparison of field conditions to information in records.	Gas Service Records not complete for 2011 and 2012 (missing print line information).	Garretson 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.	8/1/13

Warnings

Code Section	Code Description	Deficiency Noted	Warning	Proposed Correction Due Date
DIMP Records and Field Inspection Protocol Question 7 .1007 (a)	Verify that Subject Matter Experts (SMEs) have the necessary knowledge and/or experience for the areas of expertise for which they provided input into the DIMP.	No qualification criteria requirements in DIMP plan for SME's. Have bios but no criteria.	Garretson 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.	8/1/13

Notices of Concern

Code Section	Code Description	Comment
DIMP Records and Field Inspection Protocol Question 5 .1007(a)(5)	Has the operator captured required data on any new pipeline installations? Examples of data required to assess current and potential threats include, but is not limited to, the following: (for pipe, fittings, valves, EFVs, risers, regulators, shut-offs, etc.) <ul style="list-style-type: none"> • Location • Material type and size • Wall thickness or SDR • Manufacturer • Lot or production number 	Need to update service record cards and main cards to show all of the above required information.
DIMP Records and Field Inspection Protocol Question 13 .1007(c)	Does the operator's current subdivision (grouping of materials, geographic areas, etc.) adequately meet the need to properly assess the current and potential threats to the integrity of their system?	Suggest dividing the system. System is not divided between plastic and steel. The steel line has plastic services off of farm taps that would be included in the plastic system.
DIMP Records and Field Inspection Protocol Question 17 .1007(d)	Does the documentation reviewed demonstrate the operator is implementing the measures to reduce risks identified in its DIMP plan?	Need to document the additional OQ training aspects regarding checking relief valves.