

May 4, 2009

Ms. Patricia Van Gerpen
Executive Director
South Dakota Public Utilities
Commission
State Capitol Building
500 East Capitol
Pierre, SD 57501

Re: Docket No. RM09-001
Pipeline Safety Rulemaking

Dear Ms. Van Gerpen:

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group Inc., herewith submits the following comments in response to the Commission's Order Approving Comment Period issued on April 1, 2009 in the above referenced Rulemaking Docket.

1. ***20:10:XX:XX Pipeline operator incident reporting requirements.***

Montana-Dakota suggests that the first sentence of this section be revised to strike the requirement; "but no later than two hours". This is proposed to provide consistency with the current Federal Department of Transportation code that only requires reporting at the earliest practical time.

2. ***20:10:XX:XX. Inspector's incident investigation.***

Montana-Dakota suggests the following change be made to this section regarding Inspector's incident investigation. "An incident investigation shall be conducted by an inspector and may include, but is not limited to, pipeline operator personnel interviews, the (on-site) inspection of failed equipment or pipe, ~~the issuance of a subpoena for failed equipment or pipe relating to the incident for independent preservation, order independent laboratory tests of failed equipment or pipe,~~ the issuance of a subpoena....."

Operators are required to investigate the cause of an incident in accordance with Federal Code 192.617-Failure investigation. The requirement in this section, as

proposed, may thwart operators' ability to investigate as required by the Federal Code if the failed equipment or pipe must be turned over to the state.

3. 20:10:XX:XX. Notice requirements for transmission line construction.

Montana-Dakota proposes striking the word "replacement" as used throughout this section. There may be situation(s) that would require replacement of a section of pipeline in a timeframe less than 60 days. For example, detection of a Grade 1 leak would require immediate replacement. Also, the information required in Paragraph (1) Item h. *Pressure test procedures and methods of pressure test prior to operations*; may not be designed until construction of the pipeline has commenced. Operators should be provided the flexibility to update its initial submission without jeopardizing the projects construction schedule. This is also true for the proposed type of cathodic protection required in Paragraph (1) Item i. *Proposed type of cathodic protection*. The type of cathodic protection may change due to conditions encountered during the construction phase.

Regarding paragraph (2) in this section- which states: In the event of an emergency, give telephonic notice of emergency construction, relocation or replacement to the commission's pipeline safety program. The terms "emergency" and emergency construction" should be defined to clarify intent in this section.

Montana-Dakota appreciates the opportunity to provide suggestions and looks forward to working with the Commission and all parties in the upcoming rulemaking process.

Sincerely,



Donald R. Ball
Vice President – Regulatory Affairs

Cc: Dave Gerdes