



May 27, 2009

MidAmerican Energy Company
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Ms. Patricia Van Gerpen
Executive Director
South Dakota Public Utilities Commission
500 E. Capitol
Pierre, SD 57501

RE: RM09-001 – Adoption of Rules Regarding Pipeline Safety

Dear Ms. Van Gerpen:

MidAmerican Energy Company (“MidAmerican”) has reviewed the comments of the Staff of the South Dakota Public Utilities Commission (“PUC”) filed on May 7, 2009 in response to the informal comments filed by pipeline operators on the pipeline safety inspection program rules proposed in this docket.

MidAmerican requests the opportunity to follow up, particularly on one critical item that was not fully addressed in the proposed rules, the matter of notification requirements for pipeline construction. MidAmerican noted in its comments a discrepancy between the proposed rules and a Staff power point presentation. The proposed rules limited advance construction notification to transmission pipelines. The power point presentation added distribution main construction exceeding one mile to this pre-construction notification.

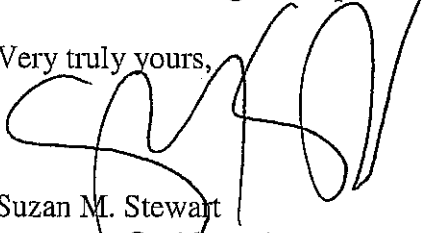
In its May 7, 2009 comments, Staff sets forth a proposal to broaden this notification requirement consistent with the power point. Staff now proposes to include new and relocated distribution lines greater than a mile in length in the advance construction notification. The reason for this change is simply cited as “feedback from the PHMSA.” While MidAmerican appreciates that Staff has proposed to limit the notification requirement for distribution facilities, 60-day advance notification of distribution line construction could slow projects down and is an unnecessary requirement for pipeline operators such as MidAmerican that regularly construct main as part of the expansion of gas facilities in metropolitan areas such as Sioux Falls. MidAmerican strongly recommends that distribution lines be eliminated entirely from any notification requirement. There is no significant safety or right-of-way issues associated with distribution pipeline that warrant an advance notice to the PUC or the application of the emergency construction reporting requirement. Distribution main is generally small diameter, operating at 70 psig or less, constructed in the public right of way and scheduled on a short conception-to-completion schedule. If Staff would like to be aware of distribution construction activity, there are more effective ways of acquiring this notice than through a new formal notification process.

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MidAmerican also requests the opportunity to follow up on one other matter addressed by Staff.

Post-inspection meetings. MidAmerican and other operators requested addition of a formal post-inspection and post-incident meeting. The Staff properly proposes in its comments a post-incident meeting, but rejected MidAmerican's proposal to formalize post-inspection meetings. Instead, Staff describes in its comments the process that is presently used in routine inspections, showing the opportunities for the operator to provide input into the inspection report. MidAmerican acknowledges that currently there are informal communications between the operator and inspector that provide this understanding, but this could change with a complicated case or with a difference in approach of future inspectors. Formalized meetings, even if waiveable, would permit clear understanding of the positions of the parties at the end of such an event.

Very truly yours,



Suzan M. Stewart
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CC: SDPUC Staff – Kara Semmler
Montana-Dakota Utilities – Donald R. Ball
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