

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA**

<b>IN THE MATTER OF THE FILING OF THE )</b>	<b>ORDER GRANTING STAFF'S</b>
<b>INVESTIGATION OF THE NATURAL GAS )</b>	<b>REQUEST TO REOPEN</b>
<b>INCIDENT OF MARCH 8, 2007, ON )</b>	<b>DOCKET AND ACCEPT</b>
<b>NORTHWESTERN ENERGY'S SYSTEM IN )</b>	<b>STAFF'S AMENDED SAFETY</b>
<b>MITCHELL, SOUTH DAKOTA )</b>	<b>REPORT</b>
<b>)</b>	<b>PS07-002</b>

On July 13, 2007, Commission Staff requested that a formal docket be opened into the ongoing investigation of the March 8, 2007, natural gas explosion at 1612 Bridle Drive, Mitchell, South Dakota. By opening this docket, the Commission can set forth a formal process for review of the investigation report.

On July 19, 2007, the Commission electronically transmitted notice of the filing and the intervention deadline of August 27, 2007, to interested individuals and entities. On July 23, 2007, the Commission received a Petition to Intervene from Arden Lemke d/b/a Lemke Digging & Geothermo Drilling (Lemke). On July 24, 2007, the Commission received a Petition to Intervene from Dennis Burnham (Burnham). On July 25, 2007, the Commission received Petitions to Intervene from Robert and Jeanne Lorenz (Lorenz), Ann and Arend Kuyper (Kuyper) and Darla and Carl Johnson (Johnson). On July 27, 2007, the Commission received a Petition to Intervene from Bailey's Plumbing (Bailey's). At its regularly scheduled meeting of August 7, 2007, the Commission granted intervention to Lemke, Burnham, Lorenz, Kuyper, Johnson and Bailey's. On August 7, 2007, the Commission received a Petition to Intervene from American Family Insurance (American Family).

At its regularly scheduled meeting of August 28, 2007, the Commission considered the Petition to Intervene of American Family. The Commission found that the Petition to Intervene demonstrated good cause to grant intervention. The Commission further discussed how to proceed regarding expert testing and the hiring of an expert witness. The Commission unanimously voted that after Commission Staff has hired an expert, Commission Staff should convene a conference, among all experts for the parties, either in person or telephonic, in an effort to lay the groundwork and set a date for physical inspection and after that physical inspection, either in person or via teleconference, Commission Staff should convene a meeting among the experts to attempt to reach agreement on a testing protocol. Then, if no party objects to the testing protocol, testing should proceed. If any party raises any objection, the testing protocol will need to come before the Commission at a future meeting to make determinations and grant authority to perform any destructive testing. The Commission also unanimously voted to authorize Commission Staff to hire an expert witness.

On May 23, 2008, the Commission received SDPUC's Pipeline Safety Staff Report. On May 28, 2008, the Commission received the Final Report by John F. Kiefner, Ph.D., PE. On June 16, 2008, the Commission received a Response to Staff's May 23, 2008 Report from NorthWestern Energy. On June 30, 2008, the Commission received a Motion to Close Docket from Commission Staff. At its regularly scheduled meeting of August 12, 2008, the Commission unanimously voted to grant the Motion to Close Docket. On October 10, 2008, the Commission received Staff's Request to Reopen Docket and Accept Staff's Amended Safety Report.

The Commission has jurisdiction in this matter pursuant to SDCL Chapters 1-26 and 49-34B.

At its regularly scheduled meeting of October 21, 2008, the Commission considered Staff's Request to Reopen Docket and Accept Staff's Amended Safety Report. The Commission unanimously voted to grant Staff's Request to Reopen Docket and Accept Staff's Amended Safety Report. It is therefore

ORDERED, that Staff's Request to Reopen Docket and Accept Staff's Amended Safety Report is hereby granted.

Dated at Pierre, South Dakota, this 24<sup>th</sup> day of October, 2008.

<b>CERTIFICATE OF SERVICE</b>
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically.
By: <u>Ailsine Kolbo</u>
Date: <u>10/24/08</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Gary Hanson  
GARY HANSON, Chairman

Steve Kolbeck  
STEVE KOLBECK, Commissioner

Dustin M. Johnson  
DUSTIN M. JOHNSON, Commissioner