

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

<b>IN THE MATTER OF THE FILING OF THE )</b>	<b>ORDER APPROVING</b>
<b>INVESTIGATION OF THE NATURAL GAS )</b>	<b>PIPELINE SAFETY STAFF</b>
<b>INCIDENT OF FEBRUARY 20, 2008, ON )</b>	<b>REPORT</b>
<b>MONTANA-DAKOTA UTILITIES CO.'S SYSTEM )</b>	<b>RECOMMENDATIONS TWO</b>
<b>IN PIERRE, SOUTH DAKOTA )</b>	<b>AND THREE</b>
<b>)</b>	<b>PS08-001</b>

On April 3, 2008, Commission Staff requested a formal docket be opened regarding an ongoing investigation into the February 20, 2008, natural gas incident in Pierre, South Dakota. A report, including Staff recommendation regarding whether all pipeline safety rules were properly observed, will be filed for Commission approval at the conclusion of Staff's investigation.

On April 10, 2008, the Commission electronically transmitted notice of the filing and the intervention deadline of April 25, 2008, to interested individuals and entities. On April 21, 2008, the Commission received a Petition to Intervene from South Dakota Intrastate Pipeline Company (SDIPC). On April 23, 2008, the Commission received a Petition to Intervene from Montana-Dakota Utilities Co. (MDU). At its regularly scheduled meeting of September 23, 2008, the Commission granted intervention to SDIPC and MDU.

The Commission has jurisdiction in this matter pursuant to SDCL Chapters 1-26 and 49-34B and ARSD 20:10:01:15.05.

On May 22, 2008, the Commission received the Pipeline Safety Staff Report. On June 26, 2008, the Commission received an Opinion Regarding Probable Cause of Failure to Piping System from Pressure Sciences Incorporated. On July 1, 2008, the Commission received MDU's Response to Staff's Pipeline Safety Report. On July 30, 2008, the Commission received SDIP's Response to Staff's Pipeline Safety Report. On September 23, 2008, the Commission received an Addendum to Staff's Initial Report.

At its regularly scheduled meeting of September 23, 2008, the Commission considered the Pipeline Safety Staff Report. The Commission voted unanimously to approve Pipeline Safety Staff Report Recommendations two and three, and requested more information on Recommendations one and four, including alarms and costs. It is therefore

ORDERED, that Pipeline Safety Staff Report Recommendations two and three are hereby approved.

Dated at Pierre, South Dakota, this 3<sup>rd</sup> day of October, 2008.

**CERTIFICATE OF SERVICE**

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: *Delaine Kolbo*

Date: *10/3/08*

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

*Gary Hanson*  
GARY HANSON, Chairman

*Steve Kolbeck*  
STEVE KOLBECK, Commissioner

*Dustin M. Johnson*  
DUSTIN M. JOHNSON, Commissioner