BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE FILING BY NORTHWESTERN CORPORATION D/B/A NORTHWESTERN ENERGY FOR APPROVAL OF A WAIVER OF 49 C.F.R. SECTION 192.625(a)	)))))	**ORDER GRANTING WAIVER** **PS09-003**

On July 7, 2009, the Public Utilities Commission (Commission) received a filing from NorthWestern Corporation d/b/a NorthWestern Energy (NWE) requesting approval of a waiver of 49 C.F.R. Section 192.625(a). NWE requested a permanent waiver from specific aspects of the odorization of natural gas as required in the cited federal code.

At its regularly scheduled meeting on September 8, 2009, the Commission considered this matter. Commission Staff recommended approval of the waiver, subject to Staff's recommendations.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL 49-34B. The Commission further finds that the filing is just and reasonable and shall be approved, subject to the following conditions:

1. Patrolling must be conducted on a quarterly basis with the maximum interval between patrols: once every 4 ½ months, but at least four times each calendar year.
2. Leak surveys must be conducted on a quarterly basis using leak detector equipment with the maximum interval between leak surveys: once every 4 ½ months, but at least four times each calendar year.
3. The property owners who retain ownership of the easement and also the owners and/or tenants of the nearest residence must be notified on an annual basis of the following information:
    a. The pipeline's purpose and reliability,
    b. Awareness of hazards and prevention measures undertaken,
    c. Damage prevention awareness,
    d. Leak recognition and response,
    e. Pipeline location information, and
    f. The characteristics of natural gas.

    The suggested delivery method for notification of the property owners and tenants may be conducted as outlined within NWE's public awareness plan.
4. Line markers that meet the requirements of 49 C.F.R. Part 192.707(d) must be installed at the origin of the unodorized pipeline on Northern Border Pipeline's property and at the end point on NWE's property.
5. Records of each patrol and leakage survey must be maintained for a period of at least five years.
6. The patrolling and leakage survey requirements for the 450 feet of unodorized pipeline must be included within NWE's Operations and Maintenance (O&M) manual.
7. The notification of property owners of the easement and also owners and/or tenants of the nearest residence requirements must be included within NWE's Public Awareness plan.

As the Commission's final decision in this matter, it is therefore

ORDERED, that the request seeking approval of a waiver of C.F.R. Section 192.625(a) is hereby granted, subject to PHMSA's review and consent and subject to the following conditions:

1. Patrolling must be conducted on a quarterly basis with the maximum interval between patrols: once every 4 ½ months, but at least four times each calendar year.
2. Leak surveys must be conducted on a quarterly basis using leak detector equipment with the maximum interval between leak surveys: once every 4 ½ months, but at least four times each calendar year.
3. The property owners who retain ownership of the easement and also the owners and/or tenants of the nearest residence must be notified on an annual basis of the following information:
    a. The pipeline's purpose and reliability,
    b. Awareness of hazards and prevention measures undertaken,
    c. Damage prevention awareness,
    d. Leak recognition and response,
    e. Pipeline location information, and
    f. The characteristics of natural gas.

    The suggested delivery method for notification of the property owners and tenants may be conducted as outlined within NWE's public awareness plan.
4. Line markers that meet the requirements of 49 C.F.R. Part 192.707(d) must be installed at the origin of the unodorized pipeline on Northern Border Pipeline's property and at the end point on NWE's property.
5. Records of each patrol and leakage survey must be maintained for a period of at least five years.
6. The patrolling and leakage survey requirements for the 450 feet of unodorized pipeline must be included within NWE's Operations and Maintenance (O&M) manual.
7. The notification of property owners of the easement and also owners and/or tenants of the nearest residence requirements must be included within NWE's Public Awareness plan.

Dated at Pierre, South Dakota, this 15th day of September, 2009.

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: 9/16/09

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

DUSTIN M. JOHNSON, Chairman

STEVE KOLBECK, Commissioner

GARY HANSON, Commissioner