



Gary Hanson, Chairperson  
Chris Nelson, Vice Chairperson  
Kristie Fiegen, Commissioner

*South Dakota*

**PUBLIC UTILITIES COMMISSION**

500 East Capitol Avenue  
Pierre, South Dakota 57501-5070  
[www.puc.sd.gov](http://www.puc.sd.gov)

Capitol Office  
(605) 773-3201  
1-866-757-6031 fax

Grain Warehouse  
(605) 773-5280  
(605) 773-3225 fax

Consumer Hotline  
1-800-332-1782

March 4, 2013

The Honorable Ritchy Griep  
Mayor, City of Humboldt  
404 S. Madison  
Humboldt, SD 57035

RE: 2012 Inspections Closure Letter

Dear Mayor Griep:

I have reviewed the documentation that Kristie Ellis has submitted to close the outstanding issues from the 2012 inspections conducted in July and August 2012. Her submittals show compliance as noted on the attached updated Summary of Deficiencies form. These inspections are now considered closed.

No response to this letter is required.

Please do not hesitate to contact me with any questions or concerns.

Sincerely,

*Nathan D. Solem*

Nathan D. Solem  
Pipeline Safety Program Manager

CC: Kristie Ellis, Finance Officer, City of Humboldt, [finance@humboldtsd.com](mailto:finance@humboldtsd.com)  
Mary Zanter, SDPUC, [mary.zanter@state.sd.us](mailto:mary.zanter@state.sd.us)

Attachments

**2012 South Dakota Pipeline Safety Inspection**

**Summary of Deficiencies**

**Operator: Humboldt Municipal Utilities**

**Inspection Types: Drug and Alcohol Plan, Standard Records and Field Inspection**

**Inspection Dates: 07/17-07/18/2012, 08/07-08/08/2012**

**Notices of Probable Violation**

Code Section	Code Description	Deficiency Noted	Proposed Correction Due Date	Penalty Proposed	Maximum Allowable Penalty	Compliance Order Proposed
		None.				

**Warnings**

Code Section	Code Description	Deficiency Noted	Warning	Proposed Correction Due Date
§199.1	This part requires operators of pipeline facilities subject to part 192, 193, or 195 of this chapter to test covered employees for the presence of prohibited drugs and alcohol.	<b>Covered Employee List needs to be updated.</b>  Information submitted on 12/28/12 closes this issue per MZ on 1/22/13.	Humboldt Municipal Gas may be in violation of the code section listed in the first column. The city is advised to correct this or be subject to an enforcement action.	11/30/2012
§40.11	(b) You are responsible for all actions of your officials, representatives, and agents (including service agents) in carrying out the requirements of the DOT agency regulations.	<b>Missing USC information. Need to identify the BAT in the plan.</b>  Information submitted on 12/28/12 and 1/15/13 closes this issue per MZ on 1/22/13.	Humboldt Municipal Gas may be in violation of the code section listed in the first column. The city is advised to correct this or be subject to an enforcement action.	11/30/2012
§40.25(a)	(a) Yes, as an employer, you must, after obtaining an employee's written consent, request the information about the employee listed in paragraph (b) of this section. This requirement applies only to employees seeking to begin performing safety-sensitive duties for you for the first time (i.e., a new hire, an employee transfers into a safety-sensitive position). If the employee refuses to provide this written consent, you must not permit the employee to perform safety-sensitive functions.	<b>No documentation to support pre-employment testing or good faith effort to obtain testing information from previous DOT-regulated employers. However, there have been random tests documented for all employees in the pool. For future employees, this needs to be conducted.</b> Information submitted on 12/28/12 and 1/15/13 closes this issue per MZ on 1/22/13. <b>Operator must conduct this testing for future employees.</b>	Humboldt Municipal Gas may be in violation of the code section listed in the first column. The city is advised to correct this or be subject to an enforcement action.	11/30/2012
§199.105(a)	(a) Pre-Employment Testing. No operator may hire or contract for the use of any person as an employee unless that person passes a drug test or is covered by an anti-drug program that conforms to the requirements of this part.	<b>No documentation to support pre-employment testing or good faith effort to obtain testing information from previous DOT-regulated employers. For future employees, this needs to be conducted.</b> Information submitted on 12/28/12 and 1/15/13 closes this issue	Humboldt Municipal Gas may be in violation of the code section listed in the first column. The city is advised to correct this or be	11/30/2012

**Warnings**

Code Section	Code Description	Deficiency Noted	Warning	Proposed Correction Due Date
		per MZ on 1/22/13. <b>Operator must conduct this testing for future employees.</b>	subject to an enforcement action.	
§199.105(b), 225(a)	<p>(b) Post-accident testing. As soon as possible but no later than 32 hours after an accident, an operator shall drug test each employee whose performance either contributed to the accident or cannot be completely discounted as a contributing factor to the accident. An operator may decide not to test under this paragraph but such a decision must be based on the best information available immediately after the accident that the employee's performance could not have contributed to the accident or that, because of the time between that performance and the accident, it is not likely that a drug test would reveal whether the performance was affected by drug use.</p> <p>(a) Post-accident.</p> <p>(1) As soon as practicable following an accident, each operator shall test each surviving covered employee for alcohol if that employee's performance of a covered function either contributed to the accident or cannot be completely discounted as a contributing factor to the accident. The decision not to administer a test under this section shall be based on the operator's determination, using the best available information at the time of the determination, that the covered employee's performance could not have contributed to the accident.</p> <p>(2)</p> <p>(i) If a test required by this section is not administered within two hours following the accident, the operator shall prepare and maintain on file a record stating the reasons the test was not promptly administered. If a test required by paragraph (a) is not administered within eight hours following the accident, the operator shall cease attempts to administer an alcohol test and shall state in the record the reasons for not administering the test.</p> <p>(ii) Removed and reserved</p> <p>(3) A covered employee who is subject to post-accident testing who fails to remain readily available for such testing, including notifying the operator or operator representative of his/her location if he/she leaves the scene of the accident prior to</p>	<p><b>Section needs to be updated to include the current definition of an incident.</b></p> <p>Information submitted on 12/28/12 and 1/15/13 closes this issue per MZ on 1/22/13.</p>	<p>Humboldt Municipal Gas may be in violation of the code section listed in the first column. The city is advised to correct this or be subject to an enforcement action.</p>	<p>11/30/2012</p>

**Warnings**

Code Section	Code Description	Deficiency Noted	Warning	Proposed Correction Due Date
	<p>submission to such test, may be deemed by the operator to have refused to submit to testing. Nothing in this section shall be construed to require the delay of necessary medical attention for injured people following an accident or to prohibit a covered employee from leaving the scene of an accident for the period necessary to obtain assistance in responding to the accident or to obtain necessary emergency medical care.</p>			
<p>§199.105(c)(5)</p>	<p>(5) The selection of employees for random drug testing shall be made by a scientifically valid method, such as a random number table or a computer-based random number generator that is matched with employees' Social Security numbers, payroll identification numbers, or other comparable identifying numbers. Under the selection process used, each covered employee shall have an equal chance of being tested each time selections are made.</p>	<p><b>Need to get a record from Sanford that describes their randomization process.</b></p> <p>Information submitted on 12/28/12 and 1/2/13 closes this issue per MZ on 1/22/13.</p>	<p>Humboldt Municipal Gas may be in violation of the code section listed in the first column. The city is advised to correct this or be subject to an enforcement action.</p>	<p>11/30/2012</p>
<p>§40.111(a)</p>	<p>(a) As a laboratory, you must transmit an aggregate statistical summary, by employer, of the data listed in Appendix B to this part to the employer on a semi-annual basis.</p>	<p><b>Need to get a copy of the report stating that they don't need to produce the statistical summary for Humboldt.</b></p> <p>Information submitted on 12/28/12 and 1/2/13 closes this issue per MZ on 1/22/13.</p>	<p>Humboldt Municipal Gas may be in violation of the code section listed in the first column. The city is advised to correct this or be subject to an enforcement action.</p>	<p>11/30/2012</p>
<p>§40.123(b)</p>	<p>As an MRO, you have the following basic responsibilities: (b) Providing a quality assurance review of the drug testing process for the specimens under your purview.</p>	<p><b>Need to get a record from Sanford about the QA reviews.</b></p> <p>Information submitted on 12/28/12 and 1/2/13 closes this issue per MZ on 1/22/13.</p>	<p>Humboldt Municipal Gas may be in violation of the code section listed in the first column. The city is advised to correct this or be subject to an enforcement action.</p>	<p>11/30/2012</p>
<p>§199.111(b)(c)</p>	<p>(b) If the medical review officer (MRO) determines there is no legitimate medical explanation for a confirmed positive test result other than the unauthorized use of a prohibited drug, and if timely additional testing is requested by the employee according to DOT Procedures, the split specimen must be tested. (c) If the employee specifies testing by a second laboratory, the original laboratory must follow approved chain-of-custody procedures in transferring a portion of the sample.</p>	<p><b>Needs to be added to MRO section of the plan</b></p> <p>Information submitted on 12/28/12 and 1/2/13 closes this issue per MZ on 1/22/13.</p>	<p>Humboldt Municipal Gas may be in violation of the code section listed in the first column. The city is advised to correct this or be subject to an enforcement action.</p>	<p>11/30/2012</p>
<p>§40.167(b)(c)</p>	<p>(b) You must transmit to the DER on the same day the MRO verifies the result or the next business day all verified positive test results, results requiring an immediate collection under direct observation, adulterated or substituted specimen results,</p>	<p><b>This needs to be recorded somehow.</b></p> <p>Retracted due to insufficient issue description by MZ on 1/25/13.</p>	<p>Humboldt Municipal Gas may be in violation of the code section listed in the first column. The city is</p>	<p>11/30/2012</p>

**Warnings**

Code Section	Code Description	Deficiency Noted	Warning	Proposed Correction Due Date
	<p>and other refusals to test.</p> <p>(1) Direct telephone contact with the DER is the preferred method of immediate reporting. Follow up your phone call with appropriate documentation (see §40.163).</p> <p>(2) You are responsible for identifying yourself to the DER, and the DER must have a means to confirm your identification.</p> <p>(3) The MRO's report that you transmit to the employer must contain all of the information required by §40.163 .</p> <p>(c) You must transmit the MRO's report(s) of verified tests to the DER so that the DER receives them within two days of verification by the MRO.</p> <p>(1) You must fax, courier, mail, or electronically transmit a legible image or copy of either the signed or stamped and dated Copy 2 or the written report (see 40.163(b) and (c)).</p> <p>(2) Negative results reported electronically (i.e., computer data file) do not require an image of Copy 2 or the written report.</p>		<p>advised to correct this or be subject to an enforcement action.</p>	
<p>§199.209(b)</p>	<p>(b) Operators may, but are not required to, conduct pre-employment alcohol testing under this subpart. Each operator that conducts pre-employment alcohol testing must—</p> <p>(1) Conduct a pre-employment alcohol test before the first performance of covered functions by every covered employee (whether a new employee or someone who has transferred to a position involving the performance of covered functions);</p> <p>(2) Treat all covered employees the same for the purpose of pre-employment alcohol testing (i.e., you must not test some covered employees and not others);</p> <p>(3) Conduct the pre-employment tests after making a contingent offer of employment or transfer, subject to the employee passing the pre-employment alcohol test;</p> <p>(4) Conduct all pre-employment alcohol tests using the alcohol testing procedures in DOT Procedures; and</p> <p>(5) Not allow any covered employee to begin performing covered functions unless the result of the employee's test indicates an alcohol concentration of less than 0.04.</p>	<p><b>No pre-employment alcohol testing is recorded for any employees. However, random alcohol testing records are available for all employees except for Daryl Sieverding. As such, reset testing needs to occur for Daryl.</b></p> <p>Testing for Daryl was completed on 12/28/12 per information received on 1/25/13. Issue closed per MZ on 1/25/13.</p>	<p>Humboldt Municipal Gas may be in violation of the code section listed in the first column. The city is advised to correct this or be subject to an enforcement action.</p>	<p>11/30/2012</p>
<p>§192.357(a)</p>	<p>(a) Each meter and each regulator must be installed so as to minimize anticipated stresses upon the connecting piping and the meter.</p>	<p><b>The following services are have not been installed to minimize piping stress:</b></p>	<p>Humboldt Municipal Gas may be in violation of the code section listed in the</p>	<p>1-31-13</p>

**Warnings**

Code Section	Code Description	Deficiency Noted	Warning	Proposed Correction Due Date
		<p><b>201 4th 108 Grant 201 2nd Ave</b></p> <p><i>As such, Humboldt needs to conduct a statistically valid survey of their customer meter sets in order to determine if this is a larger issue. Please see below and the cover letter for further explanation.</i></p> <p>Survey resulted in an additional three service found with piping stress. Stress has occurred after installation. <b>Notifications will be sent to the customers to resolve these issues. Follow-up must be completed by HMGU to insure stress issues have been resolved.</b></p> <p>1003 W 2<sup>nd</sup> Ave 312 S Jefferson 407 S Carlson</p> <p>Issues closed per MZ on 2/28/13</p>	<p>first column. The city is advised to correct this or be subject to an enforcement action.</p>	
<p>§192.355</p>	<p>(b) Service regulator vents and relief vents. Service regulator vents and relief vents must terminate outdoors, and the outdoor terminal must:</p> <p>(2) Be located at a place where gas from the vent can escape freely into the atmosphere and away from any opening into the building; and,</p>	<p>One of the areas inspected was customer service installations. We are concerned whether there are any hazardous installations. Although none were found in the sample of 18 conducted by the SDPUC this is not a statistically valid sample. At this point in time, we request under the authority of 49-348-7 and 192.355 b that Humboldt Municipal Gas conduct a statistically valid random sample of customer services looking for "unsafe/hazardous" installations. The services shall be evaluated according to a newly developed "minimum" safety standard for regulator vent clearance. This new "minimum" must meet the requirements of 192.355 b and reflect Crook's philosophy on what constitutes a safe installation. It is not the intent to require Humboldt to alter their customer service installation standard to this new minimum. We are merely concerned with fixing all "unsafe/hazardous" installations. All "potentially unsafe/potentially hazardous" installations found during Humboldt sampling are to be fixed and cost records maintained.</p> <p>As examples of what we feel might constitute a "potentially unsafe" customer and meter installation, see the picture in the cover letter.</p> <p>This same sampling can be used to evaluate whether there are</p>	<p>Humboldt Municipal Gas may be in violation of the code section listed in the first column. The city is advised to correct this or be subject to an enforcement action.</p>	<p>1-31-13</p>

**Warnings**

Code Section	Code Description	Deficiency Noted	Warning	Proposed Correction Due Date
		<p>additional meter sets where excessive stress exits per above issue under 192.357 a.</p> <p>By January 31, 2012, Humboldt must submit a report summarizing:</p> <ul style="list-style-type: none"> <li>• The extent of potentially unsafe installations (vents) found</li> <li>• Folding of a remediation plan for fixing the entire population of potentially unsafe post code installations (vents) into the DIMP plan               <ul style="list-style-type: none"> <li>• The estimated cost of the vent remediation plan.</li> <li>• The extent of stressed meter set installations</li> <li>• The cost to repair all stressed meter sets</li> <li>• Folding of fixing stressed meter sets into the DIMP plan.</li> </ul> </li> </ul> <p>The sampling must be randomized using a method such as that at <a href="http://www.random.org">www.random.org</a>. The sample size must be statistically significant such as can be determined at the following website.</p> <p><a href="http://www.surveysystem.com/sscalc.htm#one">http://www.surveysystem.com/sscalc.htm#one</a></p> <p>157 meters surveyed.</p> <p>Issues found at the following addresses.            201 E 4<sup>th</sup> Ave            112 S Washington St            221 S Main St            404 S Jefferson St            408 S Annway St            311 S Carlson St            704 W 4<sup>th</sup> Ave            1000 W 4<sup>th</sup> Ave</p> <p>Price estimate received from Q3 to repair venting issues.</p> <p>Issues closed per MZ on 2/28/13.</p>		

**Notices of Concern**

Camp Section	Camp Description	Comment
None.		



# Distribution Integrity Management Program

## Records and Field Inspection Form

DRAFT

Version 03-09-2013

This inspection form is for the evaluation of an operator's implementation of their gas distribution integrity management program (DIMP) through a review of their records and actions performed on pipeline facilities. This inspection form is applicable to operators, other than Master Meter and Small LPG operators, that have developed and implemented a DIMP under §192.1005. Questions with code references beside them are enforceable. "S/Y" stands for "satisfactory" or "yes"; "U/N" stands for "unsatisfactory" or "no"; "N/A" stands for "not applicable"; and "N/C" stands for "not checked". If an item is marked U/N, N/A, or N/C, an explanation must be included in the comments section.

This inspection form includes two types of activities – records review and field observation activities:

- The Records Review questions are to be performed on records used by an Operator for implementing their DIMP. Not all parts of this form may be applicable to a specific Records Review Inspection, and only those applicable portions of this form need to be completed.
- The Field Observation questions are to be used on field activities being performed by an Operator in support of their DIMP. Field Observation inspection activities may also include observation of data, environmental conditions, and assumptions being used by an Operator in support of their DIMP. Not all parts of this form may be applicable to a specific Field Observation Inspection, and only those applicable portions of this form need to be completed.
  - A review of applicable Operations and Maintenance (O&M) and DIMP processes and procedures applicable to the field activity being inspected should be considered by the inspector to ensure the operator is implementing their O&M Manuals and DIMP in a consistent manner.

### Operator Contact and System Information

#### Operator Information:

Name of Operator (legal entity):	Humboldt Municipal Gas Utilities
PHMSA Operator ID:	30964
Type of Operator:	<input type="checkbox"/> Investor Owned <input checked="" type="checkbox"/> Municipal <input type="checkbox"/> Private <input type="checkbox"/> LPG <input type="checkbox"/> Other (Identify - e.g., cooperative)
State(s) included in this inspection:	South Dakota
Headquarters Address:	100 South Main St
Company Contact:	Ritchy Griep
Phone Number:	c/o 605-363-3789
Email:	c/o finance@humboldtsd.com
Date(s) of Inspection:	4/30/13
Date of Report:	4/30/13
Date of Current DIMP Plan/Revision:	Revised 4/29/13 (8/2/11, 10/11/11 previous versions) (Version 2.1.7 of Shrimp)

#### Persons Interviewed:

Persons Interviewed (list primary contact first)	Title	Phone Number	Email
Kristie Ellis	Finance Officer	605-363-3789	finance@humboldtsd.com
Terry Hanson	Gas Training Specialist	605-770-1768	gts@santel.net

#### State/Federal Representatives:

Inspector Name and Agency	Phone Number	Email
Nathan Solem	605-773-4210	Nathan.solem@state.sd.us
Mary Zanter	605-295-3375	Mary.zanter@state.sd.us

**System Description Narrative:** Municipal gas distribution system 6 miles of steel and 6 miles of plastic main and 265 services. System was built in 1996.

Question Number	Rule 5	Description	S/Y	U/N	N/A	N/C
1	* - if not satisfactory, insert appropriate code section	Have all issues raised in previous DIMP inspections been satisfactorily addressed? Provide comments below, if applicable.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments		All inspections are closed.				
2	.1007 (a)(3)	Is the operator collecting the missing or incomplete system information and data needed to fill knowledge gaps to assess current and potential threats? Suggesting swapping order of questions 2 and 3 for better flow during the inspection.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments		No knowledge gaps. Have system to collect information – bell hole reports.				
3	.1007 (a)(3)	Is the operator collecting the missing or incomplete system information and data using the procedures prescribed in its DIMP plan? Suggesting swapping order of questions 2 and 3 for better flow during the inspection.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments		Using forms for any time pipe is exposed to get information off pipe. DIMP Plan attachment B page 1. Need to add bell hole reports and leak reports to statement. Change made to procedures during inspection.				
4	.1007 (a)(3)	During the course of normal operations, maintenance, and inspection activities, has the operator identified other new or missing information (that affects threats and risks) or data that is not included in the DIMP plan?  Has the plan been updated to identify the new or missing information?  Should this question be answered yes/no or S/U?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments		No new issues have been identified to date.				

Question Number	Rule 5	Description	S/Y	U/N	N/A	N/C
5	.1007(a)(5)	Has the operator captured required data on any new pipeline installations? Examples of data required to assess current and potential threats include, but is not limited to, the following: ( for pipe, fittings, valves, EFVs, risers, regulators, shut-offs, etc.) <ul style="list-style-type: none"> <li>• Location</li> <li>• Material type and size</li> <li>• Wall thickness or SDR</li> <li>• Manufacturer</li> <li>• Lot or production number</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments		NOC: Need to update service record cards and main cards to show all of the above required information.				
6	.1007 (a)	Verify that data collection forms used in conjunction with the operator's DIMP are being fully and accurately completed. Note: This question can be answered by office review of records and/or comparison of field conditions to information in records.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments		Since DIMP implementation, no installations have been made. No pipe has been exposed. No hit lines. No leaks. Looked at CP records, leak surveys, patrolling.				
7	.1007 (a)	Verify that Subject Matter Experts (SMEs) have the necessary knowledge and/or experience for the areas of expertise for which they provided input into the DIMP.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments		No qualification requirements in DIMP plan for SME's. Daryl Seiverding was not OQ qualified for system patrolling prior to 3/1/13. Daryl Seiverding did patrolling inspection in latter half of 2012 without being OQ qualified. Documentation was scattered and difficult to find. Marty Iozzo NACE certification and letter on sufficient CP test stations not in files. Kristie will provide and to send to Nathan.				

Question Number	Rule 5	Description	SN	UN	N/A	N/C
8	.1007(b)	Has the operator identified any new information (see Questions 2, 3, 4, and 5) relevant to system knowledge that may affect its threat identification? Should this question be answered yes/no or S/U?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments						
9	.1007 (b)	No new information has been identified. Have any changes occurred that require re-evaluation of threats and risks? Examples include, but are not limited to, the following: <ul style="list-style-type: none"> <li>Acquisition of new systems</li> <li>Completion of pipe replacement program</li> <li>New threats (e.g., first time natural forces damage, etc.)</li> <li>Increase in existing threats (e.g., washouts, land subsidence, etc.)</li> <li>Increase in consequences (e.g., new wall-to-wall pavement, etc.)</li> <li>Organization changes</li> <li>Applicable code revisions</li> <li>Other (describe below)</li> </ul> Should this question be answered yes/no or S/U?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments						
10	.1007 (b)	Maintenance contractor change. No changes have occurred that affect re-evaluation of threats or risks. Has the operator identified information or data from external sources (e.g. trade associations, government agencies, other operators, manufacturers, etc.) that may require re-evaluation of threats and risks? The SHRIMP program incorporates "national threats" such as mechanical fittings. Emails from Pipeline Safety Program, talking to other companies, pipeline seminars, NACE membership, SDPA incident review information. Nothing has been identified as a threat to the Humboldt system.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments						

Question Number	Rule 5	Description	SN	UN	N/A	N/C
11	.1007 (c)	Since the last plan review by the regulatory agency, has the operator updated its threat identification and risk assessment based on newly identified information or data (see Questions 8, 9, and 10) relevant to system knowledge? Updated, but no new information relevant to system threats and risks.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments						
12	.1007 (c)	If the operator has modified its threat identification and risk assessment, were the revisions made in accordance with the procedure in the operator's DIMP plan?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments						
13	.1007 (c)	SHRIMP automatically updates threats when the model is ran with new 7100 data. SHRIMP procedures were followed. Does the operator's current subdivision (grouping of materials, geographic areas, etc.) adequately meet the need to properly assess the current and potential threats to the integrity of their system? (Operator did not choose to subdivide but inspector feels they need to split between plastic and steel. There is no spot on this form to note this. Does this question need to be revised or question added?)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments						
NOC: Suggest dividing the system. System is not divided between plastic and steel. The steel line has plastic services off of farm taps that would be included in the plastic system.						
14	.1007 (c)	Has the operator added or modified system subdivisions within its risk assessment since the last plan review by the regulatory agency? Should this question be answered yes/no or S/U? No, they have not.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments						
15	.1007 (c)	If the operator has added or modified system subdivisions, was it done in accordance with the procedures described in the operator's DIMP plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Inspector Comments						

Question Number	Rule's	Description	S/Y	U/N	N/A	N/C
16	.1007 (c)	If the operator has added or modified system subdivisions, did the new system subdivision result in improvements to the risk assessment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Inspector Comments						

Question Number	Rule's	Description	S/Y	U/N	N/A	N/C
17	.1007 (d)	Does the documentation reviewed demonstrate the operator is implementing the measures to reduce risks identified in its DIMP plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments		Mooney boots, 289 relief valves, compression couplings for PE pipe. On 2/2/12 Mooney boot was flipped on district regulator station run 2. Patrolling increased to once per month to identify blowing reliefs. Information included in OQ training includes identification of relief valve failure and how to respond. NOC: Need to document the additional OQ training aspects regarding checking relief valves.				
18	.1007 (d)	Has the completion of any measures to reduce risk resulted in the elimination of the associated identified threat? (e.g., pipe replacement program completed, etc.)  If yes, has the plan been modified/updated and re-evaluated in response?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Inspector Comments		All measures are on-going with no termination dates.				
19	.1007 (d)	Was the implementation of the measures to reduce risks done in accordance with the procedures in the DIMP plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments		Attachment B – DIMP Baseline Reports and Results. Review sheet shows review of the plan on 4/29/13. Review was not completed in 2012.				
20	.1007 (d)	Can the operator provide documentation to demonstrate an effective leak management program is being implemented as described in its DIMP plan?  Answer "N/A" if operator repairs all leaks when found.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Inspector Comments		No leaks have occurred in 2011-2012.				

Question Number	Rule 5	Description	S/Y	U/N	N/A	N/C
21	.1007 (e)	Is the operator collecting data for the required performance measures in §192.1007(e)?  i) Number of hazardous leaks either eliminated or repaired, categorized by cause? ii) Number of excavation damages? iii) Number of excavation tickets? iv) Total number of leaks either eliminated or repaired, categorized by cause? v) Number of hazardous leaks either eliminated or repaired, categorized by material? vi) Any additional measures the operator determines are needed to evaluate the effectiveness of the DIMP in controlling each identified threat?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments		Attachment B – Baseline Report results and implementation measures states that leaks will be plotted on DIMP area Map. No leaks in 2011-2012 to plot.				
22	.1007 (e)	Is the operator accurately collecting the data used to measure performance in accordance with the procedures in its DIMP plan?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments		Attachment B – Baseline Report results and implementation measures states that leaks will be plotted on DIMP area Map. No leaks in 2011-2012 to plot.				
23	.1007 (e)	Is the operator monitoring each performance measure from an established baseline?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments		No information to monitor or compare to baseline—no hits, no leaks				
24	.1007 (e)	Is each performance measure added since the initial plan was adopted tied to a specific measure or group of measures to reduce risks?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Inspector Comments		No performance measures have been added.				

Question Number	Rule 5	Description	S/Y	U/N	N/A	N/C
25	.1007 (f)	Has the operator performed a periodic evaluation of its DIMP plan on the frequency specified in the plan?  If a periodic evaluation has not been required since plan implementation or the last inspection, mark questions 25-30 as "N/A".	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments		No evaluation was completed in 2012.				
26	.1007 (f)	Did the periodic evaluation include the following: <ul style="list-style-type: none"> <li>Verification of general information (e.g., contact information; form names; action schedules, etc.)?</li> <li>New information acquired since the previous evaluation?</li> <li>Review of threats and risks?</li> <li>Was the risk model re-run?</li> <li>Review of performance measures?</li> <li>Reviews of measures to reduce risks?</li> <li>Effectiveness of measures to reduce risks?</li> <li>Modification of measures to reduce risks?</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments		Review completed 4/29/13.				
27	.1007 (e)	Have any established performance measures indicated an increase in risk beyond an acceptable level as established in the DIMP plan? If yes, have new risk reduction actions been implemented along with their associated performance measures?  Should this question be answered yes/no or S/U?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments		No increase in risk.				

Question Number	Rule 5	Description	S/Y	U/N	N/A	N/C
28	.1007 (f)	Did the periodic evaluation indicate that <u>implemented measures to reduce risks</u> are effectively reducing risks? If not, were the risk reduction measures modified, deleted or added? (describe in Inspector comments)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments		No leaks to date – no change to evaluate.				
29	.1007 (f)	Did the periodic evaluation indicate that the selected <u>performance measures</u> are measuring the effectiveness of actions taken to reduce risks? Examples of performance measures that are NOT appropriate to measure risk reduction actions include: <ul style="list-style-type: none"> <li>Reduction in leak rate from leak surveys to measure effectiveness of regulator station equipment modifications,</li> <li>Using the number of excavation tickets as a performance measure for effectiveness of the damage prevention program without including the number of damages.</li> </ul> If not, were performance measures modified, deleted or added? (describe in Inspector comments)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments						
30	.1007 (f)	Were all of the operator's periodic evaluation and program improvement procedures followed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments		Attachment B – DIMP Periodic review. Review not completed in 2012.				

Question Number	Rule 5	Description	S/Y	U/N	N/A	N/C
31	.1007 (a)	Verify that operator personnel in the field understand their responsibilities under DIMP? (Below are possible questions for field personnel) <ul style="list-style-type: none"> <li>Explain what DIMP training you have received.</li> <li>What instructions have you received to address the discovery of pipe or components not documented in the company records?</li> <li>What instructions have you received if you uncover a new risk to the pipeline like an area with previously unknown corrosion damage?</li> <li>What instructions have you received if you uncover a new risk to the pipeline in an area under your responsibility?</li> <li>What instructions have you received if you find integrity issues? (ex: corrosion, dented pipe, poor fusion joints, missing coating, excavation damage, mechanical fitting failures)</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments		Daryl Sieverding-- DIMP plan review training conducted by PUC. Daryl reports back to Kristie. Fills out bell hole report.				
32	.1007(g)	Did the operator report the data needed to complete Parts C and D of the PHMSA Distribution Annual Report (Form 7100.1-1) in its submission to PHMSA and the state regulatory authority having jurisdiction, if required, for each year since the last inspection?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments						

Question Number	Rule §	Description	S/Y	U/N	N/A	N/C
33	.1009	Has the operator maintained records documenting mechanical fitting failures resulting in hazardous leaks?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Inspector Comments						
34	.1009	Did the operator report all mechanical fitting failures that resulted in a hazardous leak for the previous calendar year to PHMSA and State authorities, as appropriate, by March 15 <sup>th</sup> of the next calendar year?  Did the reports contain the information required by Department of Transportation Form PHMSA F-7100.1-2?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Inspector Comments						
35	.1009	Verify that the operator is collecting the appropriate information to submit in Form PHMSA F-7100.1-2. Methods to verify include, but are not limited to the following: <ul style="list-style-type: none"> <li>Field observation of the excavation of a failed mechanical fitting</li> <li>Examination of failed fittings or photographs that have been retained by the operator</li> <li>Interview with field personnel responsible for providing information</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Inspector Comments						

Question Number	Rule §	Description	S/Y	U/N	N/A	N/C
36	.1011	Is the operator retaining the records demonstrating compliance with Subpart P, as specified in its DIMP plan, for 10 years (or since 8/2/2011)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments						
37	.1011	Did the operator retain for 10 years (or since 08/02/2011) copies of superseded DIMP plans or replaced plan components?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments						
38	.1011	Did the operator follow its DIMP procedures applicable to records retention? List those procedures not followed below.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments						
39	.1013 (c)	Has the operator received approval from PHMSA or the appropriate State Regulatory Authority for alternate (less strict than code) periodic inspection intervals?  (If no, mark questions 39-42 "N/A")	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Inspector Comments						
40	.1013 (c)	Has the operator conducted the periodic inspections at the specified alternate intervals?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Inspector Comments						
41	.1013 (c)	Has the operator complied with all conditions that were required as part of the alternate inspection interval approval?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Inspector Comments						

Question Number	Rule 5	Description	S/Y	U/N	N/A	N/C
42	.1013 (c)	Do performance measure records indicate a reduction in the level of safety since the alternate inspection frequency was implemented?  If the level of safety has been reduced, is the operator taking corrective action?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Inspector Comments						
43	* - if not satisfactory, insert appropriate code section	Have all issues raised in this DIMP inspection been satisfactorily addressed? Provide comments below, if applicable.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inspector Comments						

**Additional Inspector Comments:** I find it very confusing with a number of questions as to whether to mark NA or S or Y or N.

If appropriate, comment on the general system characteristics observed during field inspection(s) as a description of conditions observed can provide insights into the effectiveness of the operator's DIMP implementation and the operator's commitment to the safe operation and integrity of their system.



2013 South Dakota Pipeline Safety Inspection  
 Summary of Deficiencies  
 Operator: Homolot Municipal Gas  
 Inspection Type: DIMP Inspection  
 Inspection Dates: April 30, 2013

Notices of Probable Violation

Deficiency	Description	Code	Amount	Penalty	Resolution
DIMP Records and Field Inspection Protocol Question 13	Was the implementation of the measures to reduce risks done in accordance with the procedures in the DIMP plan?	301/13	\$242	\$100,000	None
DIMP Records and Field Inspection Protocol Question 25	Has the operator performed a periodic evaluation of its DIMP plan on the frequency specified in the plan?				
DIMP Records and Field Inspection Protocol Question 29	Were all of the operator's periodic evaluation and procedures followed?				
<b>Violations</b>					
DIMP Records and Field Inspection Protocol Question 7	Verify that Subject Matter Experts (SMEs) have the areas of expertise for which they provided input into the DIMP.				
DIMP Records and Field Inspection Protocol Question 7	Verify that Subject Matter Experts (SMEs) have the areas of expertise for which they provided input into the DIMP.				
DIMP Records and Field Inspection Protocol Question 7	Verify that Subject Matter Experts (SMEs) have the areas of expertise for which they provided input into the DIMP.				

Notices of Concern

Deficiency	Description	Code	Amount	Penalty	Resolution
DIMP Records and Field Inspection Protocol Question 5	Has the operator captured required data on any new pipeline installation/ Examples of data required to assess current and potential future risks, but is not limited to, the following: (a) Pipe, fittings, valves, flanges, hangers, supports, etc.; (b) Location; (c) Material type and size; (d) Wall thickness or SDR; (e) Manufacturer; (f) Lot or production number				
DIMP Records and Field Inspection Protocol Question 13	Does the operator's current subdivision (grouping of materials, geographic areas, etc.) adequately meet the need to properly assess the current and potential threats to the integrity of their system?				
DIMP Records and Field Inspection Protocol Question 17	Does the documentation reviewed demonstrate the operator is implementing the measures to reduce risks identified in its DIMP plan?				

DIMP Records and Field Inspection Protocol Question 17	Does the documentation reviewed demonstrate the operator is implementing the measures to reduce risks identified in its DIMP plan?				
DIMP Records and Field Inspection Protocol Question 17	Does the documentation reviewed demonstrate the operator is implementing the measures to reduce risks identified in its DIMP plan?				
DIMP Records and Field Inspection Protocol Question 17	Does the documentation reviewed demonstrate the operator is implementing the measures to reduce risks identified in its DIMP plan?				