

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

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| IN THE MATTER OF THE FILING BY) | ORDER OPENING |
| COMMISSION PIPELINE SAFETY STAFF) | INVESTIGATION |
| REGARDING DAMAGE PREVENTION) | |
| PROGRAMS) | PS10-002 |
|) | |

On June 3, 2010, the Pipeline Safety Staff requested the Commission open a docket and hire experts to determine if damage prevention efforts in South Dakota can be improved. According to a recent PHMSA survey of damage prevention, South Dakota was deficient in the following three damage prevention areas: 1) Employee training; 2) Public education; and 3) Data analysis. Pipeline safety has jurisdiction over gas pipeline operators in South Dakota and is evaluated by PHMSA regarding its damage prevention efforts. South Dakota's program can be improved through complete analysis of deficient areas listed above and determination regarding whether these elements are applicable and appropriate for implementation in South Dakota.

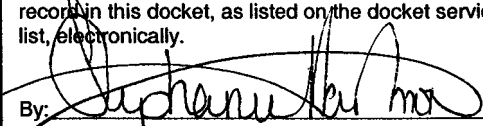
The Commission has jurisdiction over this matter pursuant to SDCL 49-34B-24.

At its regularly scheduled meeting on June 15, 2010, the Commission considered this matter. The Commission found that it is necessary to investigate the damage prevention areas of: 1) employee training; 2) public education; and 3) data analysis with regards to pipeline safety. The Commission authorized the Executive Director to enter into contracts with an expert in the field of damage prevention to aid in the investigation. The Commission also requested that a report and recommendations on the findings be completed for Commission review. It is therefore

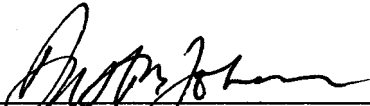
ORDERED, that it is necessary to investigate damage prevention efforts in South Dakota regarding: 1) employee training; 2) public education; and 3) data analysis. It is further

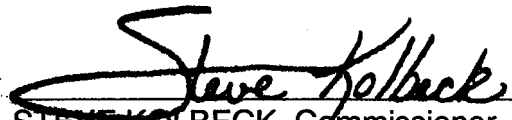
ORDERED, that a report and recommendations on the findings be completed for Commission review.

Dated at Pierre, South Dakota, this 24th day of June, 2010.

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| 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: <u></u> |
| Date: <u>06/24/10</u> |
| (OFFICIAL SEAL) |

BY ORDER OF THE COMMISSION:


DUSTIN M. JOHNSON, Chairman


STEVE KOLBECK, Commissioner


GARY HANSON, Commissioner