



July 16, 2010

Darrell Nitschke, Executive Director
North Dakota Public Service Commission
State Capitol Building, Dept. 408
600 East Boulevard
Bismarck, ND 58505-0480

RECEIVED

JUL 22 2010

PUBLIC SERVICE COMMISSION

SUBJECT: Xcel Energy Response to the April 1, 2010 Warning Letter (Case No. GS-08-765)

Dear Mr. Nitschke:

On April 1, 2010 Northern States Power Co., a Minnesota Corporation ("Xcel Energy" or the "Company") received a Warning Letter from Patrick Fahn of the North Dakota Public Service Commission ("Commission") Staff. In the Warning Letter, staff is advising Xcel Energy to amend the Gas Related Event Investigation subsection (18.13.2) of its Pipeline Compliance and Standards Manual ("Manual") to provide for an analysis of ALL gas related emergency events.

Response:

Xcel Energy has completed the development of the Gas Related Emergency Review Form (formally referred to as the Incident Review Form) that will be used to document the review of gas related emergencies. The form is attached to this letter. Gas related emergencies are defined as:

- Reportable Incidents to PHMSA
- Reportable Events to State Pipeline Safety Agencies or Commissions
- Safety Related Conditions
- Abnormal Operating Conditions

192.617 requires that an investigation that will determine cause and prevent recurrence shall be performed. As stated in GPTC Guidelines, not all failures or leaks require a detailed analysis; the PHMSA Incident Form may be adequate. However, our Manual has existing procedures for investigating the above mentioned emergencies.

Our Manual already addresses how Xcel Energy investigates all pipeline damages in order to determine cause and improve our damage prevention program. Also included are procedures for investigating faulty materials. The Faulty Material 8D Process and Form were presented to Commission Staff and provided with the response submitted on May 7, 2010. There are existing procedures for preserving the integrity of the specimens that will need to be further examined and destructively tested.

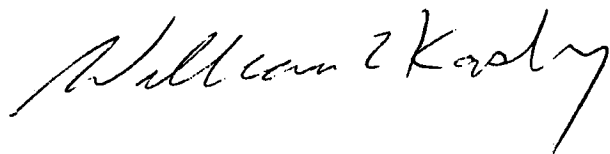
The Gas Operations Manager in Fargo has been trained and has used the Incident Review Form for a 3rd Party Damage that occurred in Minnesota.

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The Manual is scheduled to be updated in the fourth quarter of 2010. Xcel Energy has been using this form since March 2010, and the form will be referenced and the definition of gas related emergencies will be included in the next revision of the Manual.

If you need further information or clarification regarding this matter, please contact Lisa Kallberg at 651-229-2282 or myself.

Sincerely,

A handwritten signature in black ink, appearing to read "William Kaphing, Jr.", written in a cursive style.

William Kaphing, Jr.
Vice President Control Center
Northern States Power Company - Minnesota



RESPONSIBLE BY NATURE™

Gas Related Emergency Review

Location of Emergency:

Date of Incident:

Review Date:

Present:

Xcel was made aware of incident:

- Dispatcher who received call:
- From whom:
- Time:

Dispatch Response:

- Call to MNOPS made:
- Call to DOT made:

Troubleman Response:

- Time dispatched:
- Employee(s) dispatched:
- Troubleman/Utilization employee arrivals:
- Initial tasks assigned:

Utilization Response

- Time dispatched:
- Employee(s) dispatched:
- Utilization employee arrival:
- Initial tasks assigned:
- An additional construction crew consisting of

Construction Response:

- Time dispatched:
- Employee(s) dispatched:
- Construction employee arrival:
- Initial tasks assigned:
- An additional construction crew consisting of

Other employees notified or directed to scene:

- Gas Construction Manager:
- Gas Construction Supervisor:
- Gas Trouble and Dispatch Manager:
- Claims was notified @:
- Media Relations was notified @
- Engineering:
- Other employees (office):
- On call Supervisor:
- Contracting:
 - Contractor(s):

Description of Incident:

Area affected was determined by:

Checking surrounding buildings for the presence of gas.

- Employees involved:
 - Building(s) with gas reading:
Readings:
Location of readings:
- Steps taking to resolve/safeguard:
 -
- Actions taken to safe guard potential hazard to nearby buildings:
 -
- Checking sewers for presence of gas
 - Employees involved:
 - Readings:
 - Location of readings:
 - Steps taking to resolve/safeguard:
- Leak Survey of area:
 - Employees involved:
 - Date and time of survey:
 - Locations surveyed:
 - Include copy of map
 - Type of equipment and unit number:
 - Readings:
 - Location of readings:

- Odorant Survey of area:
 - Employees involved:
 - Date and Time:
 - Type of equipment and unit number:
 - Location:
 - Results:

Actions taken to stop the flow of escaping gas:

- Analyze maps to determine if the use of valves could be practically performed to stop the escaping gas.
 - Employees analyzing usage of valves:
 - Emergency Valves that could be used:
 - Customers affected:
 - Decision:
- Escaping gas was stopped by:
- Employees involved with squeezing-off main
 - Gas was stopped at:
 - Number of customers affected by stopping-off main:
 - The additional construction crew consisting of:

Actions taken after gas was squeezed-off

- Checked sewers for presence of gas:
- Employee involved:
 - Readings:
 - Location of readings

Actions taken to put customers back in-service:

- Number of customers affected:
- Relights completed:

Were the Emergency Procedures effectively followed?

Was the Emergency Plan followed?

Are there any procedures that should be reviewed by Pipeline Compliance and Standards?

Was this a transmission abnormal operation?

Was post-incident drug and alcohol testing performed, if applicable (employee may have contributed to incident)?