



Public Service Commission

State of North Dakota

COMMISSIONERS

Tony Clark
Brian P. Kalk
Kevin Cramer

Executive Secretary
Darrell Nitschke

600 East Boulevard, Dept. 408
Bismarck, North Dakota 58505-0480
Web: www.psc.nd.gov
E-mail: ndpsc@nd.gov
Phone: 701-328-2400
ND Toll Free: 1-877-245-6685
Fax: 701-328-2410
TDD: 800-366-6888 or 711

August 15, 2011

Danny Hood, Staff Engineer
Montana-Dakota Utilities Company
400 North 4th Street
Bismarck, ND 58501

Mr. Hood:

On September 14, 2010 Montana-Dakota Utilities Co. (MDU), a Division of MDU Resources Group, Inc. filed an application requesting a permanent waiver of the federal pipeline safety regulations 49 C.F.R. § 192.285(a) relating to qualification requirements for a person making plastic pipe joints.

The Commission's April 6, 2011 Order in Case No. GS-10-585 granted MDU's request for permanent waiver of 49 CFR Part 192.285(c) subject to Pipeline and Hazardous Materials Safety Administration (PHMSA) concurrence.

This letter is to notify MDU that, on May 17, 2011, PHMSA sent its letter concurring with the Commission's Order granting the request of MDU for permanent waiver of 49 CFR Part 192.285(c). The permanent waiver is approved should be implemented as proposed in MDU's request and following the PHMSA recommendations in its May 17, 2011 letter. A copy of the letter is attached.

If you have any questions or comments, please contact me at 701-328-4077.

Sincerely,

Patrick Fahn, Director
Compliance and Competitive Markets

C:

Tamie Aberle, MDU
Daniel S. Kuntz, MDU



U.S. Department
of Transportation

**Pipeline and Hazardous
Materials Safety
Administration**

MAY 17 2011

1200 New Jersey Avenue, SE
Washington, D.C. 20590

Mr. Patrick Fahn, Director
Compliance and Competitive Markets
Public Service Commission
State of North Dakota
600 East Boulevard Avenue, Dept 408
Bismarck, North Dakota 58505-0480

RECEIVED

MAY 18 2011

PUBLIC SERVICE COMMISSION

Dear Mr. Fahn:

On April 18, 2011, the Pipeline and Hazardous Materials Safety Administration (PHMSA) received a notice dated April 7, 2011, from the State of North Dakota Public Service Commission (Commission), informing PHMSA that it granted a waiver to the Montana-Dakota Utilities (MDU) for the modification of 49 CFR 192.285(c). The Commission's waiver would allow MDU to qualify persons on plastic pipe joints once each calendar year not to exceed 15 months, rather than every 12 months as stipulated in §192.285(c).

The Commission's waiver would be conditioned on certain actions to be taken by MDU. The waiver conditions are intended to ensure that an equivalent level of pipeline safety is maintained, and will include the following:

A person must be re-qualified under an applicable procedure, at least once each calendar year at intervals not exceeding 15 months, if that person:

- Does not make any joints under that procedure in the preceding calendar year; or
- Has 1 joint that is found to be unacceptable by testing under 49 CFR 192.513.

PHMSA recommends that MDU be required to establish and maintain a written alternative qualification procedure for the annual qualification of plastic pipe joining to qualify persons according to §192.285(c), including the alternative requalification time frame when operating in accordance with the waiver.

PHMSA requests that the Commission include the following condition to maintain consistency with similar MDU waivers approved and granted to the Montana Public Service Commission on January 14, 2011, and the State of Wyoming Public Service Commission on April 11, 2011.

1. The waiver is contingent upon circumstances that may require alternate safety measures as noted during routine inspections by Commission pipeline safety staff members.

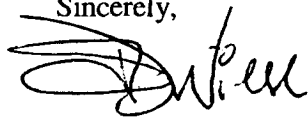
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Mr. Patrick Fahn, Director
State of North Dakota Public Service Commission

MAY 17 2011

With the waiver conditions imposed by the Commission and inclusion of the above additional conditions, PHMSA has no objections to the waiver.

My staff would be pleased to discuss this decision or any other pipeline safety matter with you. John Gale, Director, Standards and Rulemaking Division, 202-366-4959, may be contacted on regulatory matters and Jeffery Gilliam, Director, Engineering and Research Division, 202-366-0568, may be contacted on technical matters specific to this decision.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Wiese", with a stylized flourish above the name.

Jeffrey D. Wiese
Associate Administrator for Pipeline Safety