



Public Service Commission

State of North Dakota

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November 18, 2016

Mr. Craig Forsander
Vice President
ONEOK
896 25th Street S.E.
Sidney, MT 59270

Dear Mr. Forsander:

On November 1, 2016, Public Service Commission staff conducted an audit of the gas pipeline safety records for the Fort Buford System in North Dakota operated by ONEOK Rockies Midstream L.L.C.. As a result of that inspection, probable violation(s) were identified.

Respond, in writing, within 14 days of the date you receive this Notice of Proposed Violation, in the manner specified in the Notice.

If you have any further questions or require additional information, please contact me.

Sincerely,

Aaron Morman, Manager
ND Gas Pipeline Safety Program
701-220-5779

Enclosure

1 **GS-16-749** Filed: 11/18/2016 Pages: 6
Letter to ONEOK enclosing Notice of Probable Violation(s)

Public Service Commission

Aaron Morman

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Public Service Commission
ONEOK Rockies Midstream, L.L.C.
Pipeline Safety Enforcement

Case No. GS-16-749

NOTICE OF PROBABLE VIOLATION(S)
November 18, 2016

Under North Dakota Century Code section 49-02-01.2, Public Service Commission staff (PSC Staff) conducted an audit of the [Name] (Respondent) gas pipeline safety records. Probable violation(s) of the Public Service Commission's (Commission's) gas pipeline safety regulations were identified.

DATE OF AUDIT:
November 1, 2016

TYPE OF AUDIT:
Standard Records

LOCATION OF AUDIT:
896 25th Street S.E.
Sidney, MT 59270

PSC STAFF:
Craig Reamann, Inspector

OPERATOR'S AUDIT CONTACT PERSON:
Karen Perez
(918) 595-1703

PROBABLE VIOLATION

PROBABLE VIOLATION:

Respondent could not provide the determination of capacity of the pressure relief devices listed in the EVIDENCE section of this document.

LAWS OR RULES IN EFFECT AT TIME OF PROBABLE VIOLATION:

49 CFR 192.743 Pressure limiting and regulating stations: Capacity of relief devices.

(a) Pressure relief devices at pressure limiting stations and pressure regulating stations must have sufficient capacity to protect the facilities to which they are connected. Except as provided in 192.739(b), the capacity must be consistent with the pressure limits of 192.201(a). This capacity must be determined at intervals not exceeding 15 months, but at least once each calendar year, by testing the devices in place or by review and calculations.

EVIDENCE:

During the November 1, 2016 audit, Respondent provided no records to show compliance of the following devices:

1. PSV-6280
2. PSV-6320
3. PSV-6321
4. PSV-6148
5. PSV-8156
6. PSV-6146
7. PSV-8060
8. PSV-8166
9. PSV-8155
10. PSV-8154
11. PSV-8153
12. PSV-8161
13. PSV-8162-1
14. PSV-8160
15. PSV-8163
16. PSV-8164-1
17. PSV-6511
18. PSV-6150
19. PSV-8158 (serial #85/08959)
20. PSV-8157
21. PSV-6147
22. PSV-8158 (serial #85/08958)
23. No Tag Number (serial #1039887)
24. No Tag Number (serial #1039896)

PROPOSED COMPLIANCE ORDER

The respondent shall provide records to show sufficient capacity of each of the devices listed in the EVIDENCE section of this document. If the respondent is unable to provide the capacity calculation within fourteen days of receipt of this Notice,

information verifying the safety of each of the systems protected by the above listed devices, shall be provided as an interim solution until calculations are completed. Failure to comply will result in further action.

PROPOSED CIVIL PENALTY

Proposed Civil Penalty: \$24,000.00

Under 49-07-05.1, any person who violates a rule or order of the commission pursuant to section 49-02-01.2 is subject to a civil penalty to be imposed by the commission of not to exceed two hundred thousand dollars for each violation for each day that the violation continues, except that the maximum penalty may not exceed two million dollars for any related series of violations.

RESPONSE OPTIONS

Within fourteen days of receipt of a notice of probable violation, the respondent must answer to:

Aaron Morman, Program Manager
ND Gas Pipeline Safety Program
600 E. Boulevard, Dept. 408
Bismarck, ND 58505-0480

The respondent must answer in the following manner:

- (a) When the notice contains a proposed civil penalty--
 - (1) If the respondent is not contesting an allegation of probable violation, pay the proposed civil penalty by certified check or money order made payable to "North Dakota Public Service Commission," and advise the Manager of the payment. The payment authorizes the Commission to make a finding of violation and to issue a final order.
 - (2) If the respondent is not contesting an allegation of probable violation but wishes to submit a written explanation, information, or other materials the respondent believes may warrant mitigation or elimination of the proposed civil penalty, the respondent may submit such materials. This authorizes the Commission to make a finding of violation and to issue a final order.
 - (3) If the respondent is contesting one or more allegations of probable violation but is not requesting a hearing, the respondent may submit a written response in answer to the allegations; or
 - (4) The respondent may request an informal hearing with the Program Manager.
- (b) When the notice contains a proposed compliance order--
 - (1) If the respondent is not contesting an allegation of probable violation, agree to the proposed compliance order. This authorizes the Commission to make a finding of violation and to issue a final order.
 - (2) Request the execution of a consent order under.
 - (3) If the respondent is contesting one or more of the allegations of probable violation or compliance terms, but is not requesting an informal hearing with the Program Manager, the respondent may object to the proposed compliance order and submit written explanations, information, or other materials in answer to the allegations in the notice of probable violation; or
 - (4) The respondent may request an informal hearing with the Program Manager.
- (c) Before or after responding in accordance with paragraph (a) or, when applicable paragraph (b) the respondent may request a copy of the violation report from the Program Manager. The Program Manager will provide the violation report to the respondent within five business days of receiving a request.
- (d) Failure to respond in accordance with paragraph (a) or, when applicable paragraph (b) constitutes a waiver of the right to contest the allegations in the notice of probable violation and authorizes the Commission, without further notice to the respondent, to find the facts as alleged in the notice of probable violation and to issue a final order.

(e) All materials submitted by operators in response to enforcement actions may be placed on publicly accessible Web sites. A respondent seeking confidential treatment for any portion of its responsive materials must submit an application under North Dakota Administrative Code chapter 69-02-09.

COMMISSION ACTION

The Commission may issue an order without hearing if the operator contests a probable violation, contests a proposed compliance order, or contests a proposed civil penalty but does not request a hearing.

The Commission may issue an order after hearing.

A Commission order may:

- (a) Require the operator to complete compliance actions;
- (b) Impose a civil penalty; and
- (c) Suspend operation of the pipeline system.