



Public Service Commission

State of North Dakota

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July, 20 2017

Kathrine Hellfritz, Sr. Director of Gas Governance
1123 W. 3rd Ave.
Denver, CO 80223

Re: Case No. GS-17-292

Dear Ms Hellfritz:

On May 10-11, 2017 Public Service Commission staff conducted an inspection of Northern States Power Co of Minnesota gas pipeline construction activities. As a result of that inspection, probable violation(s) were identified.

Respond, in the manner specified in the Response Options section of the NOPV, within 30 days of the date you receive this Notice of Proposed Violation.

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

Sincerely,

Craig Reamann, Manager
ND Gas Pipeline Safety Program
701-934-3830

Enclosure

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Public Service Commission
Northern States Power Co of Minnesota
Pipeline Safety Enforcement**

Case No. GS-17-292

NOTICE OF PROBABLE VIOLATION(S)

July 20, 2017

Under North Dakota Century Code section 49-02-01.2, Public Service Commission staff (Staff) conducted an inspection of Northern States Power Co of Minnesota (NSP) gas pipeline construction activities. Probable violation(s) of the Public Service Commission's (Commission) gas pipeline safety regulations were identified.

DATE OF INSPECTION:

May 10-11, 2017

TYPE OF INSPECTION:

Construction

LOCATION OF INSPECTION:

Broadway North
Fargo, ND

PSC STAFF:

Aaron Morman, Inspector

OPERATOR'S AUDIT INSPECTION CONTACT PERSON:

Scott Ladwig
701-212-9356
Lisa Kallberg
651-229-2282 office

PROBABLE VIOLATION NO. 1

INSPECTION FINDINGS:

During the May 10-11, 2017 inspection, Staff observed an individual, Larry Clemen, from contractor company Q3, performing the covered task of backfilling. Staff requested documentation from NSP to show current qualifications for this task. Documentation provided by NSP indicated that this individual's qualifications had expired and he was no longer qualified to perform this covered task.

PIPELINE SAFETY REGULATION IN EFFECT AT TIME OF PROBABLE VIOLATION:

49CFR 192.805(b) Qualification program: Ensure through evaluation that individuals performing covered tasks are qualified.

EVIDENCE:

- Xcel North 2016 Employee Qualifications 05-15-17 (002).pdf
- Xcel North Employee Qualifications.pdf (Clemen, Larry - Operator)

PROPOSED CIVIL PENALTY

Proposed Civil Penalty: \$1,000,00

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

Craig Reamann, 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.