



Public Service Commission
State of North Dakota

COMMISSIONERS

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December 19, 2019

Mr. Luke Litteken, Sr VP Gas
Xcel Energy Services Inc.
1800 Larimer St
Denver, CO 80202

Re: Case No. GS-19-385

Dear Mr. Litteken:

On January 5 and January 7, 2019, Staff conducted an Incident Investigation at 5220 Building C, 12th St South, Fargo, ND. As a result of that inspection, two probable violations 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,

Caleb Simburger, Program Manager
ND Gas Pipeline Safety Program
701-328-4056

Enclosure

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Public Service Commission
Northern States Power Company
Pipeline Safety Enforcement**

Case No. GS-19-385

NOTICE OF PROBABLE VIOLATION(S)
December 19, 2019

Under North Dakota Century Code section 49-02-01.2, Public Service Commission staff (Staff) conducted an Incident Investigation. Two probable violations of the Public Service Commission's (Commission) gas pipeline safety regulations were identified.

DATE OF AUDIT:

January 5 and 7, 2019

TYPE OF AUDIT:

Incident Investigation

LOCATION OF AUDIT:

Riverview Place- 5220 Building C & 5210 Building B
12th St South
Fargo, ND

PSC STAFF:

Aaron Morman, Inspector

OPERATOR'S AUDIT CONTACT PERSON:

Lisa Kallberg
651-229-2282

PROBABLE VIOLATION NO. 1

AUDIT FINDINGS:

Service regulator and relief vents were not located where gas from the vents could escape freely away from any opening into the building.

PIPELINE SAFETY REGULATION IN EFFECT AT TIME OF PROBABLE VIOLATION:

49 CFR Part 192.355: Customer meters and regulators: Protection from damage.

(b) Service regulator vents and relief vents. Service regulator vents and relief vents must terminate outdoors, and the outdoor terminal must —

(2) Be located at a place where gas from the vent can escape freely into the atmosphere and away from any opening into the building.

EVIDENCE:

- Exhibit #1 – Photograph at 5220 12th St South, Fargo - Building C, showing regulator vent piping not vented freely to the atmosphere and away from openings into the building.
- Exhibit #2 – Photograph at 5220 12th St South, Fargo - Building C, showing a close-up view of gas meter regulator and vent piping.

PROPOSED CIVIL PENALTY

Proposed Civil Penalty: \$10,000.00

Any person who violates a rule or order of the commission pursuant to section 49-02-01.2 is subject to a civil penalty under 49-07-05.1, 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.

COMPLIANCE ACTION:

By January 20, 2020, provide to the Commission:

- Documentation showing the installation of gas regulator and vent piping and relief vent piping that allows gas to escape freely to the atmosphere and away from any opening into the building located at: Riverview Place - 5220 Building C 12th St South, Fargo, ND.
- Documentation (current O&M Plan or other) of the procedure for continuing surveillance of facilities to discover unauthorized changes in customer service installations.

PROBABLE VIOLATION NO. 2

AUDIT FINDINGS:

Customer service piping and fittings were not protected from atmospheric corrosion at Riverview Place, 5220 Building C & 5210 Building B 12th St South Fargo, ND.

PIPELINE SAFETY REGULATION IN EFFECT AT TIME OF PROBABLE VIOLATION:

CFR Part 192.479: Atmospheric Corrosion: General.

(a) Each operator must clean and coat each pipeline or portion of pipeline that is exposed to the atmosphere, except pipelines under paragraph (c) of this section.

(b) Coating material must be suitable for the prevention of atmospheric corrosion.

(c) Except portions of pipelines in off-shore splash zones or soil-to-air interfaces, the operator need not protect from atmospheric corrosion any pipeline for which the operator demonstrates by test, investigation, or experience appropriate to the environment of the pipeline that corrosion will – (1) Only be a light surface oxide; or (2) Not affect the safe operation of the pipeline before the next scheduled inspection.

EVIDENCE:

- Exhibit #1 – Photograph at 5220 12th St S, Fargo - Building C, showing substantial atmospheric corrosion on customer service piping and fittings.
- Exhibit #3 – Photograph at 5220 12th St S, Fargo - Building C, showing substantial atmospheric corrosion on gas inlet and regulator vent piping.
- Exhibit #4 – Photograph at 5210 12th St S, Fargo - Building B, showing substantial atmospheric corrosion on gas inlet and regulator vent piping.

PROPOSED CIVIL PENALTY

Proposed Civil Penalty: \$2,000.00

Any person who violates a rule or order of the commission pursuant to section 49-02-01.2 is subject to a civil penalty under 49-07-05.1, 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.

COMPLIANCE ACTION:

By January 20, 2020, provide to the Commission:

- The Respondent's procedure for inspecting and classifying atmospheric corrosion severity.
- A revised leak report form that contains a comment section for the inspector to describe the condition and/or classify the atmospheric corrosion.

RESPONSE OPTIONS:

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

Caleb Simburger, 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.

Exhibit 1:



Exhibit 2:

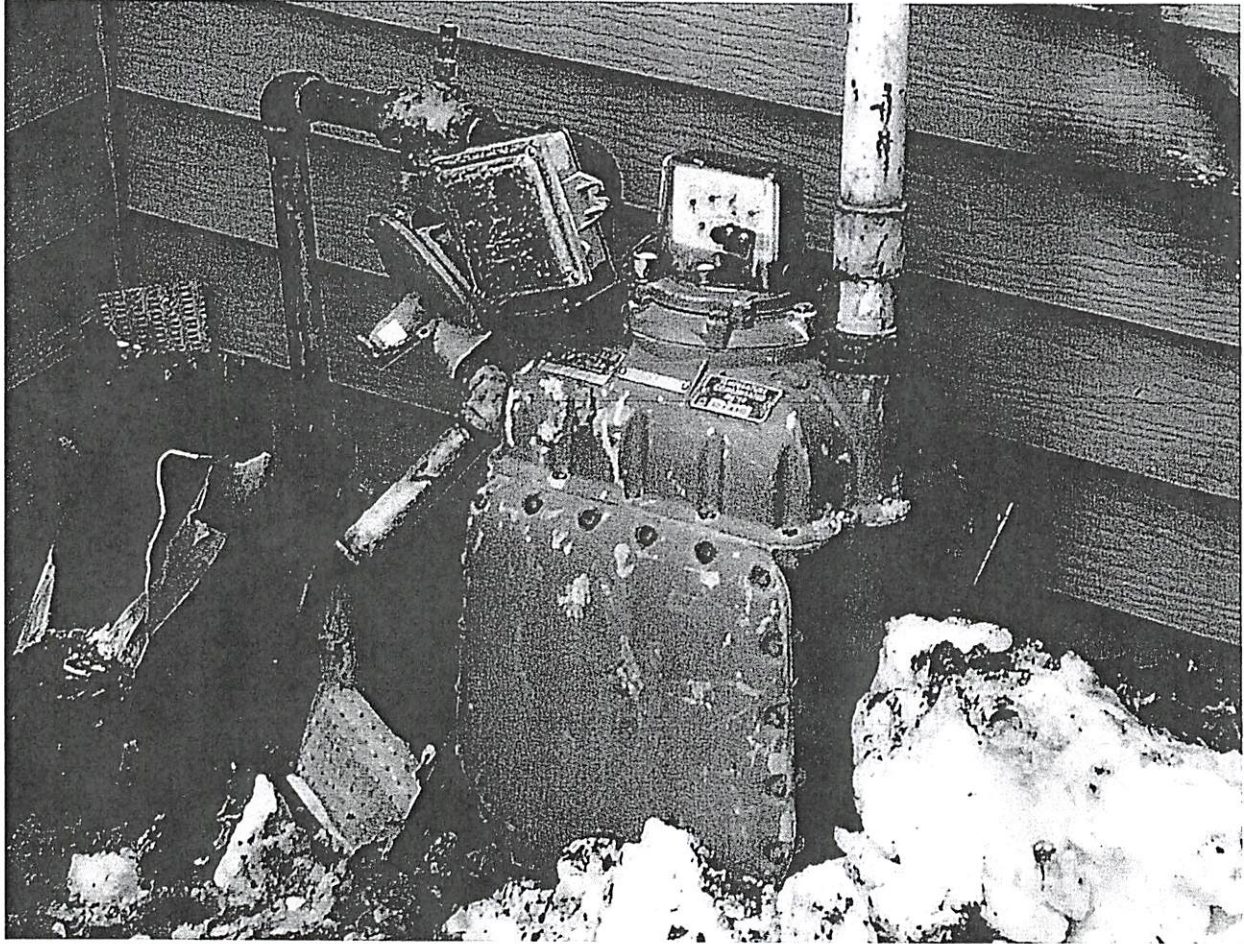


Exhibit 3:

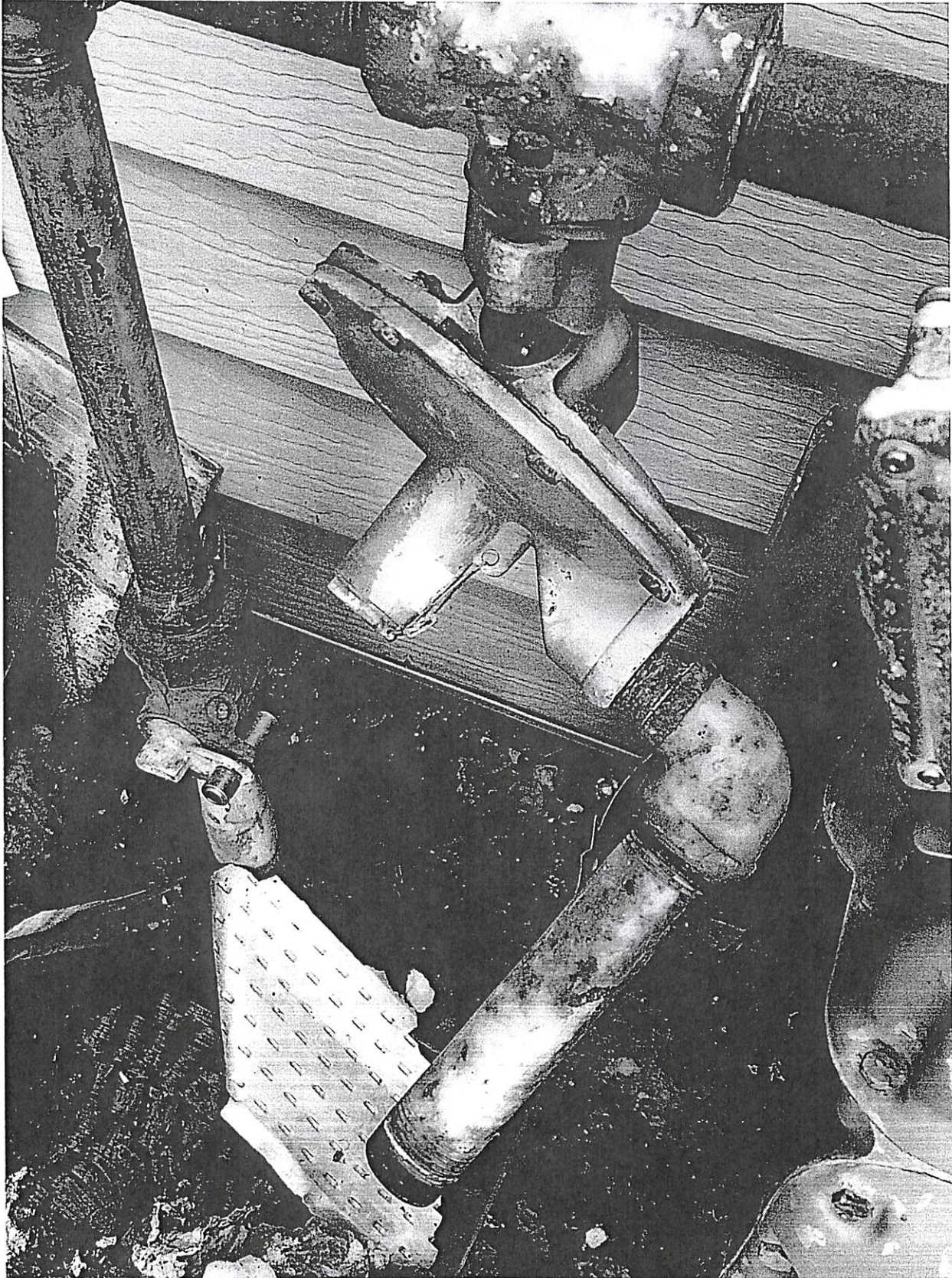


Exhibit 4:

