



U.S. Department
of Transportation

**Research and
Special Programs
Administration**

400 Seventh Street, S.W.
Washington, D.C. 20590

FEB - 3 2004

Mr. Royce Ramsay
Vice President, Operations
Northern Natural Gas Company
1111 South 103rd Street
Omaha, NE 68124

Re: CPF No. 3-2000-1002

Dear Mr. Ramsay:

Enclosed is the Final Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It makes findings of violation and finds that you have completed the corrective actions proposed in the Notice. This case is now closed. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. § 190.5.

Sincerely,

James Reynolds
Pipeline Compliance Registry
Office of Pipeline Safety

Enclosure

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

DEPARTMENT OF TRANSPORTATION
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, DC 20590

In the Matter of)
)
Northern Natural Gas Company,)
)
Respondent.)
_____)

CPF No. 3-2000-1002

FINAL ORDER

Between July and November of 1999, pursuant to 49 U.S.C. § 60117, representatives of the Office of Pipeline Safety (OPS), Minnesota Office of Pipeline Safety, Iowa Utility Board, and the Michigan Public Service Commission conducted an on-site pipeline safety inspection of Respondent's facilities and records in Kansas, Nebraska, Minnesota, Iowa, and Michigan. As a result of the inspection, the Director, Central Region, OPS, issued to Respondent, by letter dated July 28, 2000, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had committed violations of 49 C.F.R. Part 192 and proposed that Respondent take certain measures to correct the alleged violations.

By letter dated August 15, 2000, Respondent requested an extension of time to respond to the Notice. By letter dated August 22, 2000, OPS granted the request. Respondent submitted its response by letter dated October 13, 2000 (Response). Respondent did not contest the allegations of violation but provided information concerning the corrective actions it has taken. Respondent did not request a hearing, and therefore has waived its right to one.

FINDINGS OF VIOLATION

In its Response, Respondent did not contest the alleged violations in the Notice. Accordingly, I find that Respondent violated the following sections of 49 C.F.R. Part 192, as more fully described in the Notice:

49 C.F.R. § 192.455(a) (Item 2) – failing to cathodically protect certain piping at several locations within town border stations and compressor stations in Minnesota and Nebraska;

49 C.F.R. § 192.467(e) (Item 3) – failing to take precautions to prevent arcing at several locations within town border stations in Minnesota and Kansas where insulating devices were installed;

49 C.F.R. § 192.625(b) (Item 5) – failing to odorize gas in certain lateral transmission lines in Minnesota and Nebraska which were not exempt from odorization requirements;

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Items 2, 3, and 5. Respondent has demonstrated corrective action addressing the items in the proposed compliance order. With respect to Item 2, Respondent has made the relevant isolated segments electrically contiguous. With respect to Item 3, Respondent has taken precautions at the relevant locations to prevent arcing. With respect to Item 5, with a letter dated January 2, 2001, Respondent submitted the results of a comprehensive odorization study along with a schedule for installation of the required odorization equipment. As of June 30, 2002, Respondent installed the necessary odorization equipment with the exception of three locations in marsh areas where an impracticability waiver was obtained. Because Respondent's actions satisfied the proposed compliance terms, no need exists to issue a compliance order.

WARNING ITEMS

The Notice did not propose a civil penalty or corrective action for Items 1, 4, 6, and 7, but warned Respondent that it should take appropriate corrective action to correct the items. Respondent presented information its response showing that it has addressed the cited items. Respondent is again warned that if OPS finds a violation for any of these items in a subsequent inspection, enforcement action will be taken. The warnings were for:

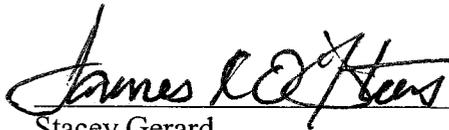
49 C.F.R. § 192.199(e) (Item 1) – failing to locate a pressure relief discharge stack where gas could be vented into the atmosphere at the Mennonite Town Border Station;

49 C.F.R. § 192.603(b) (Item 4) – failing to maintain records adequately documenting examinations of exposed portions of underground pipelines in the areas of Beatrice and Palmyra, Nebraska;

49 C.F.R. § 192.707 – (Item 6) failing to place and maintain line markers at certain locations along main/transmission line sections in Minnesota, Nebraska, and Kansas;

49 C.F.R. § 192.743 – (Item 7) failing to verify that the capacity of certain pressure relief devices was adequate for numerous town border stations in western Minnesota within the required time intervals.

Under 49 C.F.R. § 190.215, Respondent has a right to submit a Petition for Reconsideration of this Final Order. The petition must be received within 20 days of Respondent's receipt of this Final Order and must contain a brief statement of the issue(s). The terms of this Final Order, including any required corrective action, remain in full effect unless the Associate Administrator, upon request, grants a stay. The terms and conditions of this Final Order are effective on receipt.



Stacey Gerard

 Associate Administrator
for Pipeline Safety

FEB - 3 2004

Date Issued