

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

January 25, 1995

Mr. Charles P. Lowry
Vice President, Operations
Northern Natural Gas Company
1111 South 103rd Street
Omaha, NE 68124-1000

CPF No. 35104M

Dear Mr. Lowry:

On July 27, 1994, a representative of the Iowa Utilities Board, acting as an agent for the Central Region, Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code, conducted an onsite pipeline safety inspection of Northern Natural's facilities and records at the South Sioux City office.

As a result of the inspection, it appears that you have committed a probable violation, as noted below of pipeline safety regulations, Title 49, Code of Federal Regulations, Part 191 and Part 192. The item inspected and the probable violation is:

1. § 192.453 General.

Each operator is required to establish procedures to implement the requirements of Subpart I.

§ 192.467(a), of Subpart I, requires that each buried or submerged pipeline must be electrically isolated from other underground metallic structures, unless the pipeline and the other structures are electrically interconnected and cathodically protected as a single unit.

§ 192.467(c) of the regulation requires that except for unprotected copper inserted in ferrous pipe, each pipeline must be electrically isolated from metallic casings that are a part of the underground system. However, if isolation is not achieved because it is impractical, other measures must be taken to minimize corrosion of the pipeline inside the casing.

OPS enforcement guidelines require that casings which cannot be practically isolated must be leak surveyed, with gas detection instruments, at the same frequency as the patrols required by § 192.705(b).

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That rule requires patrols at highway and railroad crossings four times a year at intervals not exceeding 4 1/2 months for Class 3 locations.

Northern Natural's O&M procedure manual directs that shorted casings on cathodically protected pipelines are to be leak surveyed with leak detection equipment twice every year. This policy does not meet the requirements for compliance with this regulation.

When it is found that an operator's procedures are inadequate, 49 C.F.R. § 190.237 provides that the operator, after notice and opportunity for hearing may be required to amend its plans and procedures. This letter serves to provide you with the notice of the inadequate procedures and the response options as prescribed under § 190.237. The operator is allowed thirty (30) days after receipt of such notice to submit written comments or request a hearing. After considering the material presented, the Office of Pipeline Safety is required to notify the operator of the required amendment or withdraw the notice proposing the amendment. If you do not desire to contest the notice, please provide the revised procedures within forty-five (45) days of receipt of this notice.

Sincerely,

Ivan A. Huntoon
Director, Central Region
Office of Pipeline Safety