



U.S. Department
of Transportation

Pipeline and Hazardous
Materials Safety
Administration

1200 New Jersey Avenue, SE
Washington, D.C. 20590

APR 15 2010

Mr. Royce Ramsay
Vice President of Operations
Northern Natural Gas Company
P.O. Box 3330
Omaha, Nebraska 68103-0330

Docket No. PHMSA-2006-26614

Dear Mr. Ramsay:

On July 27, 2006, Northern Natural Gas Company (Northern) wrote to the Pipeline and Hazardous Materials Safety Administration (PHMSA) requesting a special permit to waive compliance from PHMSA's pipeline safety regulation in 49 CFR § 192.625(b)(1) for one segment of the Northern natural gas transmission pipeline system located in Benton and Stearns Counties, Minnesota. The pipeline safety regulations in 49 CFR § 192.625(b)(1) require natural gas pipeline operators to odorize natural gas in pipelines when at least 50 percent of the length of the line downstream from that location is located in a Class 3 or Class 4 location as defined in § 192.5 – Class locations.

PHMSA is granting this special permit (enclosed), which allows Northern to operate the 3 1/2-inch St. Joseph, Minnesota Pipeline (MNB 64101) located in Benton and Stearns Counties, Minnesota, without odorization of the natural gas in the pipeline. This special permit provides relief from the Federal pipeline safety regulations and requires Northern to comply with certain conditions and limitations designed to maintain pipeline safety.

PHMSA grants this special permit (enclosed) based on the findings set forth in the "Special Permit Analysis and Findings" document. This document can be read in its entirety in Docket No. PHMSA-2006-26614 in the Federal Docket Management System (FDMS) located on the internet at www.Regulations.gov.

My staff would be pleased to discuss this special permit or any other regulatory matter with you. John Gale, Director of Regulations (202-366-0434), may be contacted on regulatory matters and Alan Mayberry, Deputy Associate Administrator for Pipeline Safety (202-366-5124), may be contacted on technical matters specific to this special permit.

Sincerely,

Jeffrey D. Wiese
Associate Administrator for Pipeline Safety

Enclosure (Special Permit)

U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION (PHMSA)
SPECIAL PERMIT

Docket Number: PHMSA-2006-26614
Pipeline Operator: Northern Natural Gas Company
Date Requested: July 27, 2006
Code Section(s): 49 CFR § 192.625(b)(1)

Grant of Special Permit:

By this order, subject to the terms and conditions set forth below the Pipeline and Hazardous Materials Safety Administration (PHMSA) grants this special permit to Northern Natural Gas Company (Northern) waiving compliance from 49 CFR § 192.625(b)(1) for odorization of natural gas transmission pipeline segment in Benton and Stearns Counties, Minnesota as described below. The Federal pipeline safety regulations in 49 CFR § 192.625(b)(1) require natural gas pipeline operators to odorize natural gas in pipelines when at least 50 percent of the length of the line downstream from that location is located in a Class 3 or Class 4 location as defined in § 192.5 – Class locations.

Special Permit Segment:

Benton and Stearns Counties, Minnesota

PHMSA waives compliance from 49 CFR § 192.625(b)(1) to odorize one segment of Northern's natural gas transmission pipeline, where the pipeline would require odorization of the natural gas flowing through it due to a name change for asset accounting purposes that would make over 50 percent of the pipeline mileage to be in a Class 3 location. This special permit allows Northern to continue to operate the *special permit segment* without odorization of the natural gas.

This special permit applies to the *special permit segment* defined as follows using the Northern references:

- *Special permit segment* – approximately 8.00 miles of 3 1/2-inch St. Joseph Pipeline (MNB 64101) located in Benton and Stearns Counties, Minnesota.

The *special permit segment* is the 8.00 mile, 3 1/2-inch St. Joseph Pipeline (MNB 64101) located in Benton and Stearns Counties, Minnesota. The 3 1/2-inch St. Joseph Pipeline (MNB

64101) begins at a side valve on the Sartell pipeline at the Sartell #1 Town Border Station (TBS) in Section 10, Township 36, Range 31, in Benton County, Minnesota. The pipeline terminates at the St. Joseph #1 TBS inlet valve in Section 15, Township 124, Range 29, in Stearns County, Minnesota.

PHMSA grants this special permit based on the findings set forth in the “*Special Permit Analysis and Findings*” document, which can be read in its entirety in Docket No. PHMSA- 2006-26614 in the Federal Docket Management System (FDMS) located on the internet at www.Regulations.gov.

Conditions:

PHMSA grants this special permit subject to the following conditions:

- 1) Northern must continue to operate the *special permit segments* at or below its existing MAOP as follows:
 - 3 1/2-inch St. Joseph Pipeline (MNB 64101) Branch Line IAB 64601, Maximum Allowable Operating Pressure (MAOP) 1050 psig.
- 2) Northern must perform ground patrolling (monthly, not to exceed 45 days) and leakage surveys (monthly, not to exceed 45 days) referenced in § § 192.705 and 192.706. Northern must verify the existence of pipeline line markers that clearly give line of sight markings in the *special permit segments* and in accordance with § 192.707 during the monthly ground patrol surveys. Northern must replace damaged or removed line markers during the survey. Leakage surveys must include all storm drains, valve boxes, and edges of road and walkway pavements.
- 3) Northern must perform a close interval survey (CIS) and an overland interference survey for any alternating current (AC), direct current (DC) or third party cathodic protection systems along the entire length of the *special permit segment* not later than three (3) months after the grant of this special permit and remediate any areas of inadequate cathodic protection. If factors beyond Northern’s control prevent the completion of the CIS and remediation within three (3) months of receipt of this special permit, a CIS, interference survey and remediation must be completed as soon as practicable and a letter justifying the delay and providing the

Engineering and Emergency Support and within six (6) months of the grant date of this special permit. Northern must also send a copy to a State pipeline safety authority when the pipeline is located in a State where PHMSA has an interstate agent agreement, or an intrastate pipeline is regulated by that State.

Limitations:

PHMSA grants this special permit subject to the following limitations:

- 1) PHMSA has the sole authority to make all determinations on whether Northern has complied with the specified conditions of this special permit.
- 2) Failure to complete and submit the certifications required by Condition 9 within the time frames specified therein will result in automatic revocation of this special permit.
- 3) Should Northern fail to comply with any of the specified conditions of this special permit, PHMSA may revoke this special permit and require Northern to comply with the regulatory requirements in 49 CFR § 192.625(b)(1).
- 4) PHMSA may revoke, suspend or modify a special permit based on any finding listed in 49 CFR § 190.341(h)(1) and Northern to comply with the regulatory requirements in 49 CFR § 192.625(b)(1).
- 5) Should PHMSA revoke, suspend or modify a special permit based on any finding listed in 49 CFR § 190.341(h)(1), PHMSA will notify Northern in writing of the proposed action and provide Northern an opportunity to show cause why the action should not be taken unless PHMSA determines that taking such action is immediately necessary to avoid the risk of significant harm to persons, property or the environment (see 49 CFR § 190.341(h)(2)).
- 6) The terms and conditions of any corrective action order, compliance order or other order applicable to a pipeline facility covered by this special permit will take precedence over the terms of this special permit in accordance with 49 CFR § 190.341(h)(4).
- 7) PHMSA grants this special permit for a period of five (5) years from the issuance date. If Northern elects to seek renewal of this special permit, Northern must submit to the PHMSA Associate Administrator with copies to the Director, PHMSA Central Region, Director, PHMSA Regulations, and Director, PHMSA Engineering and Emergency Support at least 180 days prior to expiration a request to extend this special permit. Northern must also send a copy to a State pipeline safety authority when the pipeline is located in a State where PHMSA has an interstate agent agreement, or an intrastate pipeline is regulated by that State. PHMSA will consider requests for special permit extensions for up to an additional 5-year

period. All requests for a special permit time extension must include a summary report of compliance and findings in implementing Conditions 1 through 9 above for the existing special permit time frame demonstrating that an effective safety margin continues to be maintained. PHMSA may seek additional information from Northern prior to granting any request for special permit renewal.

AUTHORITY: 49 U.S.C. 60118 (c)(1) and 49 CFR § 1.53.

Issued in Washington, DC on APR 15 2010.



Jeffrey D. Wiese,

Associate Administrator for Pipeline Safety