

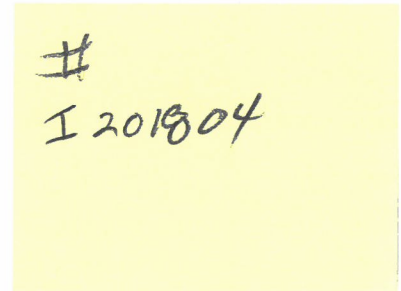


LETTER OF CONCERN

November 16, 2018

CERTIFIED MAIL

Pat Darras
Intermountain Gas Company
400 N 4th St.
Bismarck, ND 58501



Dear Mr. Darras:

On August 22-23, 2018, representatives of the Idaho Public Utilities Commission, Pipeline Safety, pursuant to Chapter 601 of Title 49, United States Code, conducted an onsite specialized inspection of your Nampa inspection unit.

As a result of the inspection, it appears there are areas of concern that do not fully meet the intent of the pipeline safety regulations Title 49, Code of Federal Regulations, Part 192 for calendar year 2018.

The items listed below are of concern:

1. § 192.197(c) (2) Control of the pressure of gas delivered from high-pressure distribution systems - reads: ... *A service regulator and a monitoring regulator set to limit, to a maximum safe value, the pressure of the gas delivered to the customer.*
2. § 192.739 (a) (4) Pressure limiting and regulating stations: Inspection and testing – reads: *Properly installed and protected from dirt, liquids, or other conditions that might prevent proper operation.* Which is also covered in IGC Procedure 4306 Sec 4.1.1.
3. IGC Procedure 3112.5 Sec 5.5 – reads: *A strainer or filter may be installed upstream of the regulator(s) in areas where slag or debris is a concern.*

During the inspection it was noted that eight stations had either the primary or secondary regulators fail to properly lock-up when tested. The primary cause of these failures was metal shavings, weld slag or sulfur.

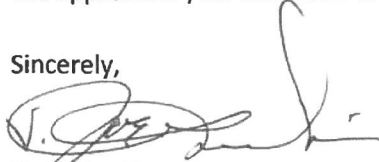
The above mentioned items were brought to the attention of your representatives during the onsite inspections. We would request that you review these matters and respond in writing within 30 days regarding the above issue including any planned corrective actions.

If you have any questions concerning this notice, please contact me at (208) 334-0331. Also all written responses should be addressed to me at: P.O. Box 83720-0074, Boise, Idaho 83720-0074 or you may fax your response to (208) 334-3762.

Because of the good faith that you have exhibited up to this time, we expect that you will take action to bring your program into compliance with pipeline safety regulations.

We appreciate your attention to this matter and your effort to promote pipeline safety.

Sincerely,

A handwritten signature in black ink, appearing to read 'V. Joe Leckie', with a large, sweeping flourish extending upwards and to the right.

V. Joe Leckie

Executive Director

Idaho Public Utility Commission