

NUCA OF PENNSYLVANIA TESTIMONY

No Exemption for Class 1 Gathering Lines

On March 20, 2014, NUCA Pennsylvania implored the Legislature not to pass an exemption for Class 1 Gathering/Production Lines under the Pennsylvania Underground Utility Line Protection Act. The exemption language was amended into HB1607 of 2014, against our **expert** advice. By "**expert**," we mean firsthand knowledge of the serious dangers of excavating in any construction zone.

On Wednesday, July 16, 2015, two contractors began their workday as usual; morning safety talk, discussion of the day's work plan, then onto the excavator to clear a right-of-way. A PA One Call was made prior to excavation starting, but the current law did not require Class 1 gathering/production lines to be marked.

Once a contractor is notified the work area is "all clear" he may proceed with excavation. This day, however, proved to be fatal as the equipment operator inadvertently struck an unmarked natural-gas pipeline. This explosion resulted in one employee being severely burned while trying to save the life of the charred equipment operator, who later died as a result of his injuries from the gas line explosion! **This incident was preventable!**

Today, the Legislature has another chance to right this wrong and save someone's life in the future! Please heed our **expert** advice. After all, we are on the job site and are the ones exposed to the potential risk daily. Please give us better odds that another person and their family will not have to suffer the loss of their loved one!

We understand that the PA Independent Oil & Gas Association (PIOGA), Pennsylvania Grade Crude Coalition (PGCC), and the PA Independent Petroleum Producers, Inc. (PIPP) are

NUCA OF PENNSYLVANIA TESTIMONY

seeking an exemption from marking gathering and production lines under the Underground Utility Line Protection Act.

NUCA of Pennsylvania is **strongly opposed** to allowing this exemption to the PA One Call legislation, for not marking oil and gas gathering and production lines. Over the years, NUCA PA has supported the PA One Call System and has worked with the legislature and industry to have a system to mark out utilities prior to excavation to ensure safety of the public as well as the workers performing the excavation, protection of the environment, and maintaining services to the tax-paying public.

According to former DEP Secretary Krancer, PIOGA, PGCC, and PIPP operate on the order of 384,000 wells with another 30,000 abandoned and orphaned wells to which no one admits. Former Secretary Krancer further concludes that in addition to these 400,000 wells there is an average of between 500 and 2000 feet of gathering and production lines in the same area that 10,000 Shale Gas wells have been drilled. The argument in favor of the exemption is that no excavator, property owner, or independent well operator, whether owned or leased, can readily determine where the lines are located. Additionally, why have universal protection of an excavator in rural situations wherein notifications are limited? These arguments that PLOG, PGCC, and PIPP put forth to allow for an exemption are without merit and at best show a lack of good stewardship for the citizens of the state of Pennsylvania and for the personal safety of excavators performing work in this state.

My name is Mark Reisinger and I am a Board Director for NUCA of Pennsylvania. I have lived in Pennsylvania for my entire life, and spent my childhood near Titusville, PA, in the shadow of Drake Well where oil was first discovered. I graduated from Penn State University with a degree in Mechanical Engineering, and now live in Bensalem, PA, where I am Vice

NUCA OF PENNSYLVANIA TESTIMONY

President of PKF-Mark III Inc., a heavy construction company. I have first-hand experience about this issue. Having lived in Northwestern Pennsylvania and being an avid outdoors man, I worked for Pennzoil Corporation in the Rouseville, PA, refinery and have performed survey work for an independent oil company called Eagleline Corporation of Pleasantville, PA. I have spent many days in the field and woods of Venango, Crawford, Forest, and Warren counties, and I am very familiar with the area's many oil wells, gas wells, and deep gas wells in addition to the utilities that serve these wells and the oil and gas gathering lines.

First, let's talk about the facts. Former Secretary Krancer contends that there is an average of between 500 and 2000 feet of gathering and production lines per well. This is an inaccurate and misleading statement. In my work for Eagleline Corporation, I prepared maps for thousands of acres of leases showing the companies' well locations, oil gathering lines, gas collection lines, electric power generation plants, electric lines, and crude oil storage tanks. Once wells are drilled on a lease the oil and gas companies hire roust-a-bout crews to install the gathering and electric lines--often using the slopes and contours of the land to route those lines. There are literally miles of gathering lines across the landscape, some active and some not. In addition to the miles of oil and gas gathering lines, there are miles of brine gathering lines and electrical lines also installed by roust-a-bout crews hired by the oil and gas companies. I have seen these lines laid on top of the ground, buried within the ground, run under secondary roads, and run under dirt roads open to the traveling public. There are lines from old abandoned leases and current operating leases. On some older leases, the gas is gathered through pipelines and sent to a compressor station and then pressurized back into the ground to push the oil to the well heads. Furthermore, deep gas wells are drilled with pipelines that run miles to a main gas gathering pipeline.

NUCA OF PENNSYLVANIA TESTIMONY

Existing leases can be mapped if they have not already been mapped. New leases can be mapped as the gathering lines are installed. I know this can be done because I have performed this work. One can bet that if there is a disruption to the gas or oil gathering lines for whatever reason, the oil and gas companies can locate their lines to solve the problems. Yes, I have seen this scenario played out when oil lines sometimes freeze in the winter because there is water in the line. The owners of these leases should be required to maintain these maps of their facilities and be a part of the PA One-call System, requiring mark-outs when called upon. As leases are often transferred from one owner or company to the next or to a subsidiary company, the individual owner or company that holds the lease or mineral rights should be required to maintain the records or maps showing the location of these gathering lines.

Secondly, let's address former Secretary Krancer's question of an excavator's universal protection in these rural situations. As an owner of excavators that work every day, I cannot believe this would be a question. First, it is irrelevant whether excavation is being performed in Erie, Pittsburgh, Philadelphia, the middle of a farmer's field, or on rural township roads - the safety of the public and the person operating the excavator and the crews working with the excavator are top priority. It is the responsibility of the owners of these leases and gathering lines to mark out their lines through the PA One-Call System to ensure the safety of land owners, excavators, contractors, PennDot employees, and township workers throughout the Commonwealth of Pennsylvania. Hitting a low-pressure oil gathering line because its location is not marked could cost the oil companies revenue; however, it could injure the public; the operator of the excavator; cause damage to his equipment; or harm to the environment. **Hitting an unmarked gas line at any pressure or an electric line has been known to be fatal to the**

NUCA OF PENNSYLVANIA TESTIMONY

operator of the excavator or crew, not to mention the public and can irrevocably impact the environment.

This is truly a safety issue: One person's life is not worth the risk provided by an exemption in today's ever changing subsurface world.

We do not live in a society anymore where private companies cannot be responsible for their assets both on public and private land (including state and township roads) for the life of those assets. It is time that PIOGA, PGCC, and PIPP-affiliated companies become good stewards of Pennsylvania and are held to the same One-Call standards of all utilities in providing a safe work environment for all excavating companies, road crews, and those involved in the timbering industry. Indeed, the *employees* of PIOGA, PGCC and PIPP-affiliated companies, all rely on the One Call System and the accuracy of the marks to protect their own life-safety, whether their employers want to acknowledge that or not. **Whether new or old leases, these gas lines can be located and mapped and should be part of the PA One-Call System.**

NUCA of Pennsylvania strongly opposes an exemption for marking gathering and production lines in HB 284 and therefore, respectfully requests a NO vote on any exemption to marking such lines. It is our expert opinion that exemptions for dangerous utility lines of any size is irresponsible public safety policy.

Thank you for listening to our safety concerns and considering our expert testimony.

NUCA OF PENNSYLVANIA TESTIMONY

Supporting Public Utility Commission Enforcement

To our knowledge, the concept of transferring enforcement to the Public Utility Commission (PUC) was initiated by NUCA PA nearly 15 years ago after several contractors were charged with violations in closed proceedings and without reasonably priced due process. In essence, contractors were forced to accept the Department of Labor and Industry's decision unless they decided to proceed on appeal to the Commonwealth Court. This appeal process is very costly and an appeal was a business decision each contractor had to make based on his wallet. NUCA PA later researched other enforcement options and found the PUC had an existing process through which a contractor could have "his/her day in court" to defend themselves and provide evidence of 100% compliance with the PA One Call law.

Over time we came to realize that the Department of Labor and Industry's enforcement of the One Call Act is not fairly balanced (see Contractor Flow Chart attached) between contractors and other stakeholders. In fact, an audit by the Auditor General found many other issues unknown to us (see attached Audit). Fairness in enforcement is important for the safety of consumers, workers and the facility owners to ensure compliance with this law. We hope that this change in enforcement will bring about better compliance in protecting underground utility lines and the safety of the public and our employees.

In our recent search in support of PUC enforcement, **we found a recent Colorado One Call Study that found that 42% of study respondents preferred an Advisory Board within the PUC for enforcement.**

It is our opinion that the PUC has more knowledge and understanding of excavation and gas and electric utility issues. Their staff has years of experience in our subsurface realm of the

NUCA OF PENNSYLVANIA TESTIMONY

world. They are not overburdened with multiple laws that require a different skill set than subsurface utility infrastructure. Knowledgeable and experienced industry enforcement personnel are critical to providing fair enforcement rulings.

In our experience, the Department of Labor and Industry's instructional seminars at PA One Call Safety Days can be very lopsided speaking only to the contractor duties and failures. There usually is no mention of project owner, designer or facility owner duties or failures until NUCA PA or a contractor member asks pointed questions directly to their responsibilities and non-compliance issues, such as, failure to use Subsurface Utility Engineering (SUE), failure to make a designer one call 10 days before bid date and placing the ticket number on plans, failure to properly mark lines in according with standard industry markings and failure to properly locate and mark facility owner lines.

We feel strongly that safety of the public and excavation employees should be first and foremost. Every life counts, especially when it can be prevented with good laws and good enforcement. It is our expert testimony that the PUC is clearly the better choice for enforcement of the One Call Act.

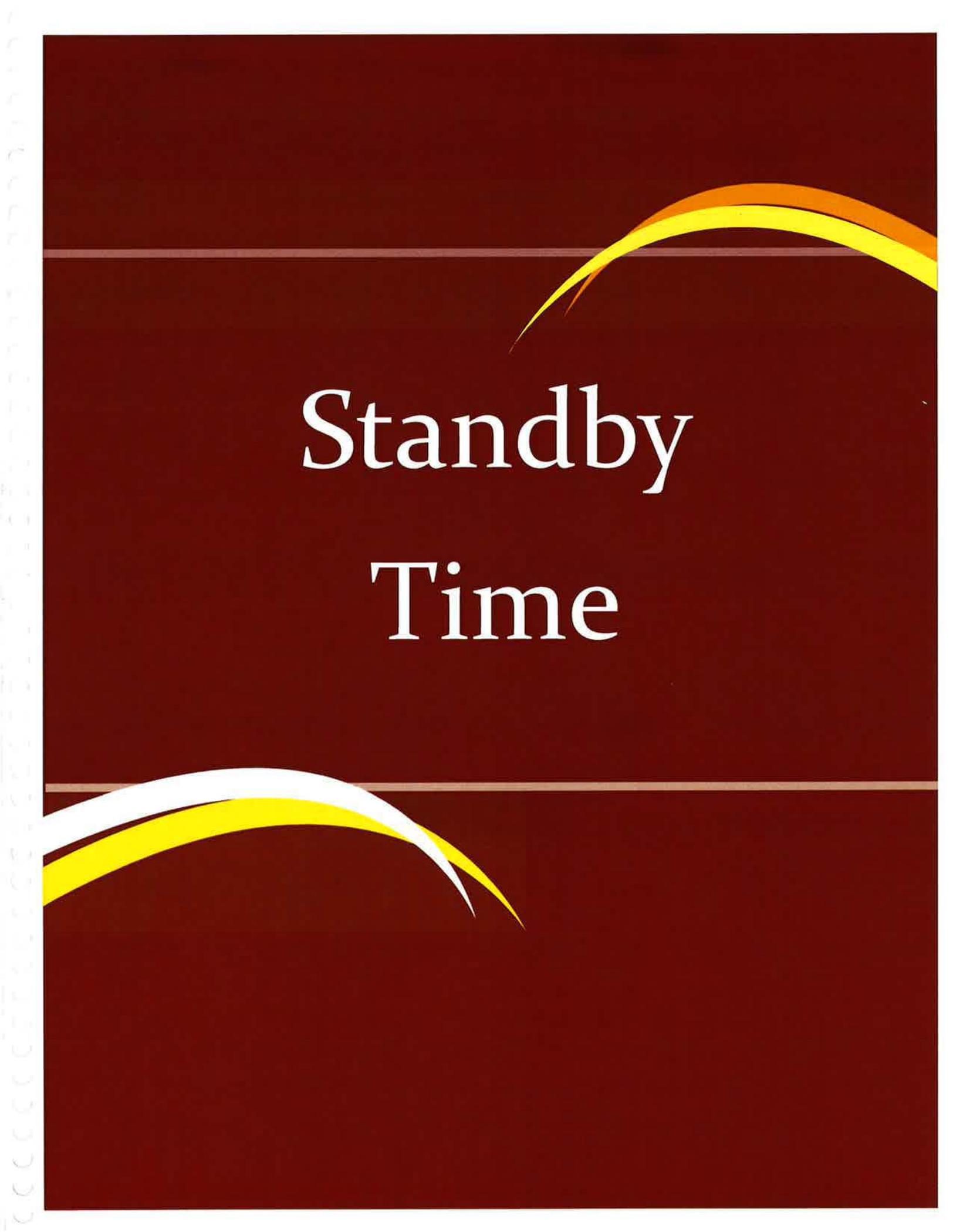


National Utility Contractors Association of Pennsylvania

4400 Deer Path Rd, Ste. 106
Harrisburg, PA 17110

717.234.8055 ph
717.234.7955 fax

www.nucapa.org



Standby Time