**2011 State Damage Prevention Program Grants Progress Report**

**Funding Opportunity Number: DTPH56-11-SN-0001**

**CFDA Number: 20.720**

**Award Number:** DTPH56-11-G-PHPS10

**Project Title:** The Public Utilities Commission of Nevada State Damage Prevention

**Date Submitted: October 31, 2011**

**Submitted by: Clark Stoner**

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 **2011** **State Damage Prevention Grant**

 **Effective dates April 8 thru April 7, 2012**

 **Progress report – April 8 thru September 30, 2011**

The Grant request was based on Elements 2, 3, 4, 6, 7, 8, and 9. A certain amount of work was projected to be completed for each of the Elements during 2011. This Progress Report, due October 31, 2011, compares the Accomplishments (actual costs by each Element) to the Projections by each Element. The projected hours were based on a 12 month period ending December 31, 2010. The actual hours came from the new PUCN Pipeline Safety Staff Database, April 8, through September 30, 2011.

**Element 2 – Comprehensive Stakeholder Support**

This has been accomplished through the participation of the operators, excavators, USAN and the PUCN during the monthly NRCGA meetings.

**Estimate** –4 inspectors attend a monthly NRCGA meeting. A total of 40 hours was projected for this Element. 40 X $40 = $ 1,600 + 25% Fringes or $ 400 = **$2,000./2=$1000.**

**Actual** –Hours spent attendingmonthlyNRCGA meetings equal 72 X $50.0 per hour = **$3,600.**

**Element 3 – Operator Internal Performance measurement**

The PUCN has developed audit procedures for locator training for the other than LDC operators.

**Estimate** – A total of 40 hours was projected for this Element.40 X $40 = $1,600 + 25% Fringes or $ 400 = **$2,000./2=$1,000.**

**Actual** – Hours spent doing line location audits equal 2 X $50. Per hour = **$ 100.**

**Element 4 – Effective Employee Training**

Excavator training has been developed and implemented through the NRCGA by the PUCN Staff and LDC operators.

**Estimate** - Training requirements would be 60 hours for 12 months. 60 X $40 = $ 2,400 + Fringes at 25% or $ 600 = **$3,000./2=$1,500.**

**Actual** – This was mainly contractor training on the One-Call Law**.** Hours spent training equal 16 hours X $50.0 per hour = **$800.**

**Element 6 – Dispute Resolution**

A procedure has been developed for the enforcement of NRS 455, Nevada’s One-Call Statute. Verbal warnings are given in the field. If the warnings are not heeded a formal warning letter will be sent. This is the beginning of the dispute resolution process.

**Estimate** – 70 for the year is estimated to be spent on this process. 70 X $40 = $2,800 plus Fringes at 25% = **$3,500./2=$1,750.**

**Actual** – This was separate from Enforcement actions. Hours spent in Dispute Resolution equal 50 hours X $50.0 per hour = **$2,500.**

**Element 7 – Enforcement**

Nevada’s One-Call Statute, NRS 455 was revised during the 2007 legislative session to include enforcement by the PUCN Staff. Since that time the PUCN Staff, with the help of PUCN Staff Counsel, has developed procedures for enforcing NRS 455, the One-Call Statute.

**Estimate** – 1,600 hours will be spent on Enforcement. 1,600 X $40 = $64,000 with fringes at 25% = $16,000 for a total of **$80,000./2=$40,000.**

**Actual** –Seven Warning Letters were sent. Enforcement hours spent equal 830 hours X $50.0 per hour = **$41,500.**

**Element 8 – Use of technology to improve the locating process**

The NRCGA is continually looking at new locating technology.

**Estimate -**  40 hours was estimated, 40 X $40 = $ 1,600 and 25% Fringes = **$2,000./2=$1,000.**

**Actual** – Technology review hours spent equal 0 hours X $50.0 per hour = **$0.**

**Element 9 – Data analysis to continually improve program effectiveness.**

The primary measure of program effectiveness would be the number of dig-ins by year. Nevada has been tracking this data since 2002. In 2004 Nevada experienced its highest number of dig-ins at 1,522. The number for 2010 was 273.

**Estimate** - 40 hours was estimated, 40 X $40 = $1,600 and 25% Fringes = **$2,000./2=$1,000.**

**Actual** – This is mainly review and compilation of reported damages. Damage Prevention Program Review hours spent equal 21 hours X $50.0 per hour = **$1,050.**

**Total for all Elements based on the Grant Awarded = $94,500/2 = $47,250**

**Total actual for this period = $49,550.**

**Payroll 39,640.**

**Fringes 9,910.**

**Quantifiable Metrics/Measures of Effectiveness (Item 2 under Article IX, Section 9.01 Project Report: “Where the output of the project can be quantified, a computation of the cost per unit of output.”)**

**Element 2** – Foster support and partnership with stakeholders. **This is done through the NRCGA at monthly meetings.**

**Element 3** – Reviewing the adequacy of internal performance measures**. Auditing Procedures for locating have been developed. Audits of Operators locating procedures are on-going.**

**Element 4** – Support a Damage Prevention Education Program for Industry Stakeholders. **One-Call training has been developed by the NRCGA and is provided upon request or required due to the violation complaint procedure.**

**Element 6** – Resolving disputes to define State authority’s role. **Net-working with excavators has been developed where contractors contact PUCN Pipeline Safety Inspectors and they respond if disputes may be pending.**

**Element 7** – Laws and regulations of the damage prevention Process. **Procedures for Enforcement have been developed. Oral Warnings first, if violations continue PUCN Staff Counsel issues a Warning Letter or Citation if required.**

**Element 8** - Foster and promote the use of Improving Technologies. **Technology is discussed and reviewed through the NRCGA.**

**Element 9** – Review the Effectiveness of Damage Prevention Programs.

**The purpose of Nevada’s One-Call Program is Damage Prevention. Nevada Pipeline Safety Program (“PSP”) started focusing on damage prevention for the Local Distribution Companies (“LDC’s”) in 2004, beginning with audits of the procedures implemented pursuant to 49 CFR 192.614. The focus of these audits was office procedures, how the One-Call Center notifications were transmitted to the line locators and the LDC’s specific locating procedures. In 2004 the LDC’s were required to start maintaining a Dig-In database, by Cause. The data base was designed by the PSP Staff. During 2004 the number of gas dig-ins was 1522.**

**During 2006, damage prevention for all operators became the focus when the PSP started full time participation in the Nevada Regional Common Ground Alliance (“NRCGA”). Since then, the PSP has been the driving force of the NRCGA but in 2010 the NRCGA reached its own maturity as the PSP moved more to a consulting role.**

**During the 2007 legislative session, Nevada revised the One-Call Statute, NRS 455. One of the revisions was to include enforcement by the PSP. This allowed the PSP to police all operators and excavators. As stated, the primary purpose of Nevada’s One-Call Program is to reduce damages in the state, especially gas damages.**

**Subsequent to the 2007 legislative session, enforcement was adopted by the PSP and the initial enforcement procedures were established by PUCN Staff Counsel during 2008. During 2008, six enforcement actions took place. Four warning letters were sent to contractors and two formal enforcement proceedings were processed where fines were levied. One-Call training was provided as required. From January 1, 2008 thru December 31, 2008 dig-ins of gas facilities were reduced from 783 to 550.**

**During 2009 twenty-two enforcement actions took place. Of these, eleven warning letters were sent. These were primarily sent to excavators but one action involved the Nevada Department of Transportation (“NDOT”). Over 500 NDOT employees were trained. Eleven formal enforcement proceedings were processed wherein fines were levied against excavators and One-Call training was performed. From January 1, 2009 thru December 31, 2009 dig-ins, of gas facilities, were reduced from 550 to approximately 346.**

**During 2010, Nevada again focused on One-Call enforcement. Nevada’s One-Call Statute requires the Work Area to be marked in white paint. The pipeline inspectors constantly patrol job sites, if it becomes obvious that a One-Call ticket has not been called in because there is no white paint or facility marks, the pipeline inspectors will stop and investigate.**

**During 2010, additional enforcement procedures were developed by PUCN Staff Counsel that further refined the process. Fourteen enforcement actions took place. Of these, eleven warning letters were sent. Again these were primarily sent to excavators. One-Call training was provided as required. Three formal enforcement proceedings were processed wherein fines were or will be levied against excavators and One-Call training was performed. From January 1, 2010 to December 31, 2010 dig-ins, of gas facilities, were reduced from 346 to 273. The Effectiveness of Nevada’s One-Call Program from the year 2000 thru 2011 is set forth below.**

**So far for 2011 seven Warning Letters have been sent and training was provided to the Contractors. Dig-Ins are projected to be 265.**

 **Year Gas Damages Year Gas Damages**

**2000 1,472 2006 1,208**

**2001 1,389 2007 783**

**2002 1,495 2008 550**

**2003 1,498 2009 346**

**2004 1,522 2010 273**

**2005 1,225 2011 265(Projected)**

**Issues, Problems or Challenges (Item 3 under Article IX, Section 9.01 Project Report: “The reasons for slippage if established objectives were not met. “)**

**No issues.**

**Mid-term Financial Status Report**

**Forms 425 and 270 will be submitted to the GA and GOTR electronically.**

**Plans for Next Period (Remainder of Grant)**

**Continue with Enforcement as in first term.**

**Requests of the AOTR and/or PHMSA**

**No issues.**