Winning by an Inch

Jason Dorsey Webinar

PSMS Webinar
War emergency pipeline from Longview, Texas to Norris City, Illinois.
Moving 200 foot section of pipe welded to main line by firing line method
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At the end of World War II, people rejoiced, credited the bravery of the Allied armed forces, lauded the courage and cunning of their leaders, and proclaimed, “The war was won by an inch!”

If you’ve never heard that celebratory phrase or don’t have a clue what it means, you’re not alone. Many things from the era are mere historical footnotes now.

What it refers to is the Big Inch and Big Little Inch pipelines, a pair of roughly parallel pipelines built in the early 1940s that dissected mid-America and fueled the Allied war effort.

Oil was, of course, equally important to the Allied and Axis powers. Without it, there would be no gasoline for trucks, tanks, or airplanes, no lubricants for guns and machinery, and no synthetic rubber for tires or asphalt for runways. Both sides tried to maintain their own production lifelines while cutting off the others’ supplies. But here, the Allies had a clear advantage: more than half of the world’s oil was pumped from fields in the U.S. All told, it would take the Allies 7 billion barrels of oil to win the war in Europe, and 6 billion of that came from the United States.
By contrast, Nazi Germany produced a negligible amount of oil on its own. Its growing war machine depended on overtaking Russian fields, which it failed to do. Even German Field Marshall Karl Gerd Von Rundstedt couldn’t deny the role oil played in the Allies’ eventual victory, saying Germany’s deficiency in oil and gas contributed to its defeat.

A Safer, Interior Route

Before diesel, kerosene, or gasoline could make it overseas, though, it first had to travel from the oil fields of Texas to east coast refineries. With few pipelines in operation at the time, even oil destined for domestic use took a water route around the Gulf of Mexico and up the eastern seaboard. Although most Americans probably didn’t worry that the oil-filled tankers along the U.S. coastline could be enemy targets – after all, the war was being fought thousands of miles away – the possibility had occurred to Secretary of the Interior Harold Ickes. In July 1940, he suggested to President Roosevelt that it might make sense to build a cross-country pipeline from Texas to the east coast. It might not be economically sound, Ickes told the president, but in the case of an emergency, it could be absolutely necessary.

His message seemed prophetic when, in February 1942, German U-boats knocked out 13 tanker ships anchored offshore the United States. Building what would become known as the Inch pipelines took on a new sense of urgency.

The U.S. War Production Board greenlighted the two Inch pipelines projects June 10, 1942, just four months after the American tankers were hit. A private company, War Emergency Pipelines, Inc., built the lines, but the federal government owned them.

An example of government-industry partnership at its most productive, the Inch pipelines – all 1,340 miles – were completed in less than two years. During that period, oil from Texas was loaded onto trains and river barges, but the volume they could carry was only half of what the tankers had. The loss of the tankers was so significant, in fact, that historians would later say it constituted a greater strategic setback for the Allied war effort than the defeat at Pearl Harbor.

(continued on pg. 06)
Above left to right: Welding a section of the Big Inch pipe by the “stove pipe” method in 1942; Route of the Big Inch and Little Inch pipelines; Prior to the pipelines, German U-boats wreaked havoc on oil tankers; The Big Inch pipeline being laid through Pennsylvania; The Big Inch was completed just 350 days after construction began. After World War II the pipeline became war surplus – and was sold in 1947 to Texas Eastern Transmission Corporation, which incorporated specifically to bid on it.

Source: American Oil & Gas Historical Society
Longest, Largest, Heaviest Pipelines

Construction of the Big Inch began August 3, 1942, and the last weld on the line was completed almost exactly a year later. In the meantime, workers began building the Little Big Inch in January 1943; it was finished 14 months later. The Big Inch ran from Longview, Texas, across the Mississippi River to Phoenixville, Pennsylvania, then on to Philadelphia and New York. Laying the pipeline required digging a trench 3 feet wide and 4 feet deep along its entire route. The Little Big Inch ran from Houston to Linden, New Jersey.

Despite their diminutive names, the Inch pipelines weren't small at all. Instead, they were named according to a custom that used the term big inch to describe any pipeline larger than a foot in diameter. These two out-measured that standard by orders of magnitude. The smaller of the pair was 20 inches around, the larger, 24. In fact, at the time, they were the world's longest, largest, and heaviest pipelines.

In the end, it took 15 crews of 328 men each to complete the two lines, at a total cost of $95 million. The lines delivered more than 500,000 barrels of oil per day, all of it safe from enemy submarines.

Still Operating Today

After the war, the pipelines were converted to deliver natural gas and Texas Eastern Transmission Corporation purchased them as war surplus. They’re now owned and operated by Spectra Energy, which owns Texas Eastern.

Today, the pipelines are used strictly for civilian purposes. But their importance to preserving global freedom and the American way of life can’t be understated. Nor should it be forgotten.

Historian Keith Miller is one of those who remember. A professor at Arizona State University, Dr. Miller wrote, “Without the prodigious delivery of oil from the U.S., “this global war [WWII], quite frankly, could never have been won.”

It’s fair to say the U.S. gave the world an inch, which helped it go miles toward victory.
Event News

DCA Webinar with Jason Dorsey: Leading the New Normal
On Wednesday, June 24, Jason Dorsey of the Center for Generational Kinetics (CGK) hosted a webinar for DCA members focused on how best to exercise leadership for different generations as everyone adjusts to the “new normal” of living in the pandemic. CGK does behavioral research on why generations act the way they do as customers, employees, and trendsetters. Dorsey has presented at previous DCA gatherings and worked with the organization to create a playbook for recruiting younger workers into the pipeline industry.

Dorsey started off by defining CGK’s approach that “generations are not boxes” – they are clues to behavior and how to connect. Generations can be defined not only by birth year, but by geography when it comes to shared experiences. For convenience, however, he offered some general definitions of the major generations:

- **Baby Boomers** – 1946-1964
- **Generation X** – 1965-1976
- **Millennials** – 1977-1995
- **Generation Z** – 1996-2015 (too young to remember 9/11)

The COVID-19 crisis affects each of these generations differently. For Gen Z, this is a generation-defining moment—their future is on hold and everything seems uncertain, but younger members in particular have a unique opportunity to gain new strengths and skills. At the other end of the spectrum, Boomers are facing the prospect of tapping retirement funds early for support and having to work longer to make up for it. Gen X is being pulled in three different directions between kids, parents, and jobs as they try to take care of everybody at once. Millennials are finding their careers bookended by two traumatic events, the Great Recession and the pandemic, which have left them lagging behind the older generations at the same stage in their lives.

**Leaders Struggle to Adjust**

In a national study on workplace changes, CGK found that prior to COVID-19, leaders already had to engage four or five generations of team members. That hasn’t changed, but now it’s in a remote work environment with even more stress, and company leaders are struggling to adjust.

Some of the changes were profoundly impactful. Total work hours decreased for 36% of workers, and 35% found they were less busy than before whether their hours changed or not. On the other hand, 26% of workers said they were actually busier than before the crisis. More than 20% of workers said that their job focus had completely changed since the pandemic began.

Gen Z experienced the worst changes, with the most jobs and hours lost, more changed focus, and less pay. Gen Z was the most likely to think they would be worse off after the end of the crisis; Dorsey noted later that they are the last hired and first fired, have the least savings of...
any generation, and are overwhelmingly on the front lines with the greatest exposure to the dangers of COVID-19. Gen X was the least affected, and most likely to report that their job focus remained the same. Millennials found themselves working from home the most, and Boomers took the most unpaid time off, with nearly 19% reporting at least some unpaid hours.

A New Workplace Dynamic
In a recent CGK survey, 47% of Americans reported that they worked completely remotely over the last 30 days, and 49% had used Zoom for the first time ever. Almost half saw remote work as a positive influence on their work, and a third would prefer to continue working remotely full time after the pandemic passes. Not everyone works well at home, however – 53% said they still wanted to go back to the office. Gen X reported having the most tools necessary to work from home, while Gen Z felt more connected to their coworkers than other generations despite their greater challenges. Across the board, 45% of survey respondents reported significant concern about their health and safety when working outside the home.

The scale of these changes is creating a new workplace dynamic as working remotely impacts every generation. Technology is bringing generations together, but also creating new challenges. Businesses are accelerating the processes of change because they have no choice, but Dorsey believes that the emerging trends will improve employment over the long haul.

Using their research, CGK tried to determine what each generation expects from their leaders at work. The most important qualities in a manager overall were honesty and clear communication, but each generation showed distinct priorities. Gen Z preferred leaders who kept them well informed and showed empathy, whereas Millennials favored leaders who were well prepared and able to solve problems quickly. Gen X and Boomers asked for honesty and candor above all else. Gen Z and Boomers both displayed a greater degree of skepticism of their superiors, while Gen X and Millennials expressed
more trust and loyalty. Less than half of Americans trusted companies to act with integrity, however, reflecting an overall pessimism that managers will have to address.

Connecting Different Generations
From there, Dorsey went on to prescribe six actions that business leaders can take to connect to different generations under their command and build a tighter-knit workforce:

1. Whatever your company’s moral North Star is, share it and repeat it often, especially with managers.
2. Offer communication in various forms aligned with each generation – visual, video, text, etc. – and make it shareable.
3. Increase the frequency of information to increase trust in Gen Z and younger workers.
4. When you have to let employees go, do it with dignity, respect, and empathy. This determines the attitude of those who remain on your team.
5. Be clear and consistent on non-negotiables.
6. Implement daily habits as the glue of company culture.

Leading in uncertain times will always be a challenge, but knowing the needs and expectations of individual members of your team is vital to building a cohesive and trusting unit. As DCA members face ongoing workforce challenges, our partnership with Jason Dorsey and CGK continues to provide valuable insight we can all use to plan for a brighter and more successful future.
On Wednesday, July 29, Steve Allen, Executive Director of Pipeline Safety for ENERGYworldnet, hosted a webinar for DCA members to discuss Pipeline Safety Management Systems (PSMS) and Quality Management Systems (QMS). He started with a question: Have you ever been driving along and seen a gas meter or a regulator on the side of the road not adequately protected from traffic? If so, did you contact anyone about it? Something as simple as missing traffic cones is a perfect example of poor safety management.

As with too many safety initiatives, the history of PSMS starts with a disaster. In 2010, a pipeline owned by Enbridge, Inc. ruptured near Marshall, Michigan, spilling more than a million gallons of diluted bitumen from Canada’s tar sands into the Kalamazoo River. An investigation by the National Transportation Safety Board (NTSB) found that the accident resulted from a complete breakdown of safety checks and procedures within the company. As a result of the investigation, the NTSB recommended to the American Petroleum Institute (API) that it develop a safety management system standard specific to the pipeline industry. The recommended practice that API developed was titled API RP 1173 Pipeline Safety Management Systems.

So, what exactly is PSMS? Allen defines it as a holistic, systematic framework to help reveal and manage risk, and a set of management tools to promote learning and improvement. It is a cyclical process that is never “complete.” API outlines 10 key elements that are critical to the pipeline safety management process:

1. Leadership and management commitment
2. Stakeholder engagement
3. Risk management
4. Operational controls
5. Incident investigation, evaluation, and lessons learned
6. Safety assurance  
7. Management review and continuous improvement  
8. Emergency preparedness and response  
9. Competence, awareness, and training  
10. Documentation and record-keeping

While a PSMS is focused on managing risk, Allen says that a QMS is focused on consistently fulfilling requirements. In response to the high growth in pipeline construction since 2007, the Pipeline and Hazardous Materials Safety Administration (PHMSA) identified construction quality as a source of ongoing concern in the wake of incidents like the Enbridge spill and prompted API to develop a recommended practice. API RP 1177 Recommended Practice for Steel Pipeline Construction Quality Management Systems was released in November 2017. Allen also recommended the 2016 American Gas Association (AGA) white paper Contractor Construction Quality Management Guide and the Pipeline Construction SMS created by DCA and AGA as guidance for contractors to develop their own SMS and QMS.

Allen made clear that the dynamic between operators and contractors is a primary factor in ensuring safety.

API RP 1173, Section 8.4 puts the onus on operators who employ contractors to define communications, procedures, and other expectations. PHMSA expects operators to:
- Know the risks
- Be aggressive
- Focus on continual improvement
- Demand excellence

The reality for operators, however, is that 50-75% of their workforce is contractors, meaning many of their core competencies are outsourced. Contractors are by default the eyes and ears of the operators and the first line of defense against risk. Even if the responsibility for SMS falls on the operator’s head, it would be wise for contractors to voluntarily implement their own SMS before it crosses the threshold from recommendation to the law.

Allen went on to detail one operator’s approach to implementing PSMS, including adopting a series of “shall” statements, performing contractor-gap analyses and
cost-impact analyses, and mapping “shall” statements to individual safety plans. He also highlighted the difference between safety climate and safety culture; safety climate refers to the promotion of personal occupational safety, while safety culture is focused more on group safety performance and avoiding major hazards in the first place. Allen asserted that PSMS cannot exist without a positive safety culture, and he offered several methods for assessing the safety culture at your company, including:

- Reviewing existing policies and procedures for their emphasis on safety.
- Conducting employee perception surveys.
- Observing how employees perform in the field.
- Analyzing the results for alignment with best practices.

After a brief discussion of positive and negative indicators, Allen displayed an example of a safety portal digital dashboard showing safety culture assessment statistics, scoring, etc. as an example of how to track improvements.

Above all, Allen wanted his audience to “walk away with action,” encouraging contractors to:

- Familiarize yourself with your current safety systems.
- Gather your “shall” statements.
- Identify gaps.
- Develop plans to bridge those gaps.
- Seek continual improvement.
- Communicate with operators and seek their input.

The webinar concluded with a short Q&A session. One listener asked if contractors working for multiple operators might need to have multiple PSMS for each one. Allen answered that yes, the situation would be similar to operator qualifications (OQ), but that the DCA SMS template was designed to help make the process easier. He noted that more big operators were paying closer attention to their contractors and heading in the direction of requiring some sort of SMS. Finally, in response to another question, Allen pointed out that PHMSA would prefer to keep PSMS as a recommended practice rather than making it a requirement. He thought that new regulations were probably not likely within the next five years, but that could change, so it is in contractors’ best interest to be prepared. ▲
Tuesday October 6 sessions will begin at 1:15 ending by 4:30 pm. The day will include the DCA Town Hall, and DCA panel discussing *Adapting to COVID -19 Effects on Employees and Companies*.

Wednesday will kick off at 12:45 pm with a DCA favorite, Jason Dorsey. Jason will be speaking about strategic challenges facing the industry based on his latest research.

Both days will include various DCA committee meetings.

The Virtual Fall Meeting will wrap-up on Wednesday by 5:30 pm.

**Registration is open.** For more information or to register, please visit: [www.dcaweb.org](http://www.dcaweb.org). There is no cost to attend. Please take this opportunity to join us and invite other members of your team to participate who may not have attended a DCA event before. DCA events are great whether in person or online! ▲
This year’s Annual Workforce Development Summit will take place virtually November 17-19. While the event will look dramatically different, the cornerstones of this heralded program will remain the same: educational forums, case studies, best practices, social events, and unparalleled networking. Because this year’s event can be enjoyed with ease, from anywhere WiFi is available, we have expanded our offerings to welcome more professionals who touch the workforce development spectrum. This year’s Summit promises more learning, more focus on timely topics, and more networking than ever before, with no travel complications or associated fees. And, we look forward to welcoming members of the Distribution Contractors Association to the event!

KEYNOTE SESSIONS
Our keynote sessions will feature subject matter experts from international consulting firms, research teams, industries unaffiliated with energy, as well as industry experts who will address some of the most important workforce development topics on the minds of energy professionals.

- The Future of Work: From Board and C-Suite Expectations to Strategy Execution
- What Works: How Other Business Sectors are Addressing Their Workforce Development Needs
- Diversity, Equity, and Inclusion: Roadmap for Change
- Reducing Attrition by Building Workplaces that Respond to Generational Needs
- Recommendations for Virtual Everything: Research Recommendations from Accenture for CEWD

CONCURRENT SESSIONS
While workforce development is a universal topic among CEWD insiders, the hats industry professionals wear in this space are varied. Accordingly, the Summit’s concurrent sessions will offer a variety of program tracks to appeal to the full spectrum of individuals whose roles are important in building a skilled, diverse talent pipeline – workforce planners, DE&I leaders, HR specialists, training strategists, union leaders, talent acquisition managers, recruiters, operational managers, educators, policy stewards, community relations teams, C-suite leaders, business partners, and others.

Diversity, Equity and Inclusion Track
- After the Statements: What Actions Have Been Taken Following Issuance of Statements Against Systemic Racism?
- Lessons Learned: Dominion Diversity Conference
- Lessons Learned: What Our Industry Did to Become More Diverse
- Lessons Learned: What We Learned from Recruiting at Minority Serving Institutions
- Program Spotlight: AABE Virtual Energy Academy

Managing Workforce Development and Workforce Planning Track
- Making Workforce Planning an Industry and Corporate Priority
- Case Study: Why Workforce Development is No Longer Only HR’s Responsibility
- Follow the Money: Understanding Workforce Development Policy
- Think Tank: Succession Planning in the Age of COVID-19
Training and Skill Development for Our Future Workforce Track
- Preparing for the Jobs of the Future
- Preparing Today for Skill Shifts of Tomorrow
- Voice of Experience: How We Predict Skills Necessary for Jobs of the Future
- Technical Training in a Virtual World

Workforce Development Outside the HR Suite Track
- How and Why to Connect with Your Local Workforce Development Board
- Recruiting Resource Round Up
- Ford Next Generation Learning: Powerful Partnerships Made Easy
- Who is Hearing Our Story and What are We Telling Them?

Staying One Step Ahead of the Changing Workplace Culture
- All Work and No Play...
- What in the World has Happened to our Culture?
- Lessons in Leadership

THE COMPLETE CONFERENCE EXPERIENCE
While educational programming will occupy most of the Summit’s schedule, there’s plenty of time built in for lunch and learns, discussion forums for peer-to-peer information exchange, networking, and even social fun. The Summit offers a complete conference experience!

NEW THIS YEAR: Impact Awards
CEWD is proud to debut its new Impact Awards that will honor excellence by individuals, companies, and consortia affiliated with CEWD for their leadership of workforce development initiatives that will have a lasting impact on the development of a skilled, diverse talent pipeline for the energy sector. Nominations are due by October 1. Visit cewd.org for more information.

NEW TO VIRTUAL CONFERENCES?
There have been a lot of new things to get used to in 2020, including virtual conferences. The Summit will be offered through a sophisticated, yet easy-to-use, virtual platform. With graphics and structures resembling a hotel conference center, you will almost feel like you are elbow to elbow with industry peers, but you can participate in the program from wherever you call “office” these days.

REDUCED REGISTRATION FEES
Thanks to the virtual platform, it will be easier than ever before to participate in the Annual Workforce Development Summit. Not only will participation be easier, it will also be less expensive. Registration for the Summit is being offered at approximately half of 2019 costs for CEWD members. Visit cewd.org to register.

SUMMIT SPONSORSHIP
Do you bleed CEWD blue and green? Do you want to share your enthusiasm for the organization and distinguish yourself among colleagues? Consider Summit Sponsorship.

For more information, session descriptions, program schedule, and registration visit cewd.org.
Save the Date for the 2021 DCA Convention
March 2-7 2021
Fairmont Scottsdale Princess
Scottsdale, Arizona
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Industry News

AEM Highlights Policy Priorities During National Conventions
The Association of Equipment Manufacturers (AEM) released a new video that highlights the contributions of the 2.8 million men and women of the equipment manufacturing industry to the U.S. economy and the pro-manufacturing policies that candidates must support to keep the industry strong. The video, titled “It Starts Here,” is being shared with leaders and delegates from both political parties over the coming weeks as the Democratic National Convention and Republican National Convention kick off the sprint to November.

The new video comes as recent polling shows a growing number of voters (eighty-one percent) across the country say a candidate’s position on manufacturing will influence their choice for president this election, an increase of five percentage points since January.

“Whether you are a Democrat or a Republican, candidates should understand that voters are increasingly worried about the state and direction of U.S. manufacturing,” said Kip Eideberg, AEM senior vice president of government and industry relations.

“The 2.8 million men and women of the equipment manufacturing industry are not called to sit on the sidelines. They will stand clearly for the issues that matter to our industry and our country. Candidates up and down the ballot must offer more than cheap talk and empty campaign promises if they hope to be successful this November,” said Eideberg.

AEM has spent the year engaging candidates and lawmakers at the state and federal level about the issues that matter to the industry, including free and fair trade, infrastructure investment, and support for rural America. In addition to direct engagement with both political parties during their conventions, AEM is working with state parties across the country to educate party leaders and activists about the industry’s role in supporting communities and creating family-sustaining jobs.

AEM is also actively engaging the 2.8 million men and women of the equipment manufacturing industry through a national get out the vote campaign, Equipped to Vote, which launched early August, is designed to engage, educate, and mobilize voters to help elect pro-manufacturing candidates.

“We have a duty to engage the 2.8 million men and women of our industry in the political process. This first-of-its-kind campaign will show them the policies that matter and the values that are critical to the future of our industry so that they can hold candidates of all political stripes accountable,” added Eideberg.
In a traditional election year, the likelihood of passing legislation other than naming post offices would be slim to none. However, somehow the pipeline safety debate continues and lawmakers are advancing legislation, even at the 11th hour. On Aug. 6, the Senate Committee on Commerce, Science, and Transportation passed the Protecting our Infrastructure of Pipelines and Enhancing Safety Act (PIPES Act) of 2020, which would reauthorize the Pipeline and Hazardous Materials Safety Administration (PHMSA) through 2023.

According to the committee, PHMSA is responsible for regulating and overseeing approximately 2.2 million miles of gas distribution pipelines, 301,000 miles of interstate gas transmission pipelines, and some 216,000 miles of hazardous liquid pipelines, as well as more than 152 liquefied natural gas plants. PHMSA’s current authorization expired on Sept. 30 of last year but has received level funding (about $165 million in FY 2019) since then. The PIPES Act would authorize $1.47 million for natural gas and hazardous liquids in FY 2020, increasing each year through FY 2023, when PHMSA would be authorized to receive $1.59 million.

Important to DCA, the bill would extend $1.06 million in gas and hazardous liquid funding to grants for states to improve 811/one-call systems in each year covered by the bill. DCA weighs in on this subject every year by participating in state one-call programs, encouraging more funding for state programs that include locator training, and other ways to improve facility locating, such as through educational locating “rodeos” and other venues.

Other funding in the Senate pipeline safety bill includes funding for:

- The Oil Spill Liability Trust Fund for hazardous liquids, including grants to states
- Emergency response management and training grants
- Underground natural gas storage facilities
- PHMSA would have to reserve $1.5 million annually for competitive grants to local communities, tribes, and other groups for technical assistance related to pipeline safety. The bill also includes a $1.5 million per-year authorization for grants supporting state damage prevention programs, and a $3 million annual transfer to the Oil Spill Liability Trust Fund for efforts to detect, prevent, and mitigate oil spills.
Continued Focus on Gas Distribution

Following a series of natural gas explosions in Merrimack Valley, Massachusetts, in 2018 traced to over pressurization, the operator agreed in February 2020 to pay a $53 million fine and to sell itself to the state. Several Democrats from New England, and frankly from around the country, have since pushed for a wide range of legislative “fixes” intended to crack down on the distribution pipeline industry.

Under the PIPES Act, operators would have to make their distribution integrity management plans (DIMP), emergency response plans, and procedural manuals available to PHMSA and provide updates for agency review within 60 days of any significant changes. PHMSA or an appropriate state authority would have to review the materials at least every five years. PHMSA would also be required to ensure that states that operate their own safety and inspection programs for distribution lines have the capability to review operators’ plans and manuals and enough employees to inspect pipelines.

The PIPES Act would mandate PHMSA to issue regulations within one year of enactment, requiring gas pipeline operators to install and use advanced technology to detect and repair leaks on all their pipelines in areas with more than a minimal residential population. These regulations would have to require operators to be able to identify leaks that are hazardous to human safety and/or to the environment.

The rules would have to include minimum performance standards reflecting the capabilities of commercially available technologies appropriate for various types and locations of pipelines. The rules would also have to require continuous monitoring or periodic surveys but could not impose design or installation requirements on existing facilities.

Pipeline Safety Management Systems

The PIPES Act would require PHMSA to report to Congress on the number of natural gas pipeline operators that have implemented pipeline safety management systems (SMS) that meet American Petroleum Institute Recommended Practice 1173 (API 1173).

Specific to DCA’s legislative agenda, the bill would require PHMSA to report regularly to Congress to describe:

- The number of operators of natural gas distribution systems who have implemented a pipeline safety management system in accordance with API 1173
- The progress made by operators of natural gas distribution systems who have implemented, or are in the process of implementing, a pipeline SMS program
- The feasibility of an operator of a natural gas distribution system implementing a pipeline SMS program described in paragraph based on the size of the operator as measured by both:
  - the number of customers the operator has and
  - the amount of natural gas the operator transports

As reported several times in DCA Insights and other publications, SMS has become a very big issue at PHMSA and throughout the states over the past few years, and that remains true today. At the beginning of the pipeline safety debate, DCA expressed full support for the cyclical approach for pipeline SMS, which calls for “buy-in” from senior management and a commitment to strive for continuous improvement. However, we believe mandating SMS is a shortsighted approach to transitioning to safety management. Therefore, the non-prescriptive Senate language regarding SMS reflects a big win for DCA.

Ensuring Effective Mapping

In further response to the Merrimack Valley incident, the legislation would also require PHMSA to:

- Require operators to maintain records, including maps and drawings, and ensure their availability to appropriate personnel and state and federal authorities
- Issue rules requiring at least one qualified employee is monitoring systems for over pressurization at district regulator stations or alternative sites with control infrastructure in place
- Require operators to assess and, if appropriate, upgrade each district regulator station to ensure proper monitoring and minimize risk of over pressurization

In addition, PHMSA would be required to issue regulations within two years of enactment to ensure that integrity management plans for distribution systems include evaluations of the risks posed by cast iron pipes and mains, as well as risks related to operating distribution systems at unsafe pressures.

Provisions for Whistleblowers

The bill would allow whistleblowers pursuing retaliation complaints with the Department of Labor related to pipeline safety to bring suit in federal court if a final decision hasn’t been issued within 210 days of the original complaint, so long as the complainant’s bad faith isn’t the reason for the delay.

Importantly, this provision would prohibit waiving that right through any contract or condition of employment, including mandatory arbitration agreements.

The measure would allow the subjects of PHMSA enforcement and regulatory proceedings to request formal, public hearings before an administrative law judge, and PHMSA would have the burden of proof in enforcement matters.

Bipartisan Support

The legislation had broad support from committee leaders, reflected in a statement following its unanimous passage by the full Senate in early August.

“Improving the safe and reliable transportation of energy is essential to keeping our businesses and homes running,” said Sen. Roger Wicker (R-Miss.), chairman of the Senate Committee on Commerce, Science, and Transportation. “The PIPES Act would provide the necessary resources to ensure the safety of our pipeline system.

(continued on pg. 24)
It would also allow PHMSA to conduct pilot programs to evaluate and carry out innovative pipeline safety programs and technologies.”

Sens. Deb Fischer (R-Neb.), and Tammy Duckworth (D-Ill.), chair and ranking member of the Subcommittee on Transportation and Safety, agree.

“I am pleased that our bipartisan legislation reauthorizing PHMSA to advance pipeline safety passed the Senate,” said Sen. Fischer. “It will ensure that PHMSA has the necessary resources and Congressional direction it needs to do its job.”

“Pipelines carry much of the energy that powers our nation and helping ensure the safe transportation of that energy is critical for homeowners and businesses across Illinois and our nation,” said Sen. Duckworth. “I am thankful for Senator Fischer’s partnership throughout this process and am glad to see the Senate pass this important bipartisan legislation that reauthorizes PHMSA’s pipeline safety programs and invests in emerging technologies that will make the operation of pipelines even safer and more efficient.”

Other Legislation in Play
The House Transportation and Infrastructure Committee approved its own pipeline safety reauthorization bill, the Safe, Accountable, Fair, and Environmentally Responsible Pipelines Act (HR 5120) by a mostly party-line vote of 32-26 on Nov. 20, 2019.

The House Energy and Commerce Committee approved a separate measure (HR 3432) that incorporated the text of HR 5120 the same day.

House leaders haven’t announced plans to take up S. 2299. Republicans on the Energy and Commerce Committee called on Democrats on Aug. 10 to bring the Senate bill to the floor. While the passage of a pipeline safety bill as we get to the end of a very intense presidential election season is anything but certain, DCA remains in the debate and will continue to fight to make sure the contractor’s voice is heard and that contractors are not overburdened with unnecessary or unfair legislation and the regulations that stem from it.

Industry Looks to Improve Image of Natural Gas and Pipeline Industry
DCA has been in a lead position pushing for sound government policy related to natural gas and other American energy resources for decades. However, many believe that the pipeline industry – meaning developers, operators, contractors, manufacturers, distributors, and other service providers, and their associations – must do a better job of working together to rebut false claims made by opponents to natural gas and oil pipelines.

Only few years ago, the main problem facing pipeline construction was securing the necessary permits needed to get projects off the ground. DCA has been fighting to streamline the pipeline permitting process for the past 10 years. Today permitting procedures have improved, but we seem to have a whole new set of problems.

While the process of permitting a pipeline project is being streamlined, the relentless protesting and endless litigation is now the main culprit in killing energy infrastructure projects. In other words, the problem now lies in the courts, often as a result of grievances related to federal laws such as the Clean Water Act, the Clean Air Act, and the Endangered Species Act, where the opposition has little to do with the true intent of those statutes.

Just look at recent history:
• February 2020: Constitution Pipeline project cancelled over a longstanding battle over Clean Water Act Section 401 permit authority
• July 2020: Construction of the Keystone XL blocked again by U.S. Supreme Court
• July 2020: Atlantic Coast Pipeline cancelled by project owners, citing concerns about unknown costs, permitting issues, protesters, and litigation
• July 2020: Dakota Access Pipeline shut down pending new environmental reviews following intense protests and litigation.

The problem here is, when sometimes hundreds of permits are necessary to secure a project, pipeline opponents only must score one “win” in court to disrupt and even terminate an entire pipeline project. The concept of having to use natural gas or other traditional energy sources presents a false choice. In fact, use of abundant, clean-burning natural gas enables the use of renewable fuels.

According to the Energy Equipment and Infrastructure Alliance (EEIA), which represents the supply chain delivering products and services in a range of energy sectors, America cannot achieve its clean energy ambitions without substantial growth of natural gas production and gas-fired electric generation, an equally large expansion of the natural gas pipeline network, and a major scale-up of carbon capture and the pipelines to carry it.

While it’s true that most opposition is to interstate transmission pipelines, geographic bottlenecks that block natural gas in states like New York and into New England can disrupt the distribution sector. On top of that, a significant number of DCA members engage in the interstate pipeline market, so we have skin in the game.

The bottom line is that if we’re looking for a significant increase in the number of natural gas vehicles on the roads and a substantial increase in the use of renewable energy, we’ll need natural gas to get there. ▲
Calendar

DCA & Industry Events

2020

SEPTEMBER 16
AGA 2020 Virtual Mutual Aid Webinar Series #2
www.aga.org

SEPTEMBER 30
AGA 2020 Virtual Mutual Aid Webinar Series #3
www.aga.org

OCTOBER 6-7
DCA Virtual Fall Meeting
www.dcaweb.org

NOVEMBER 10-12
The Pipeline Leadership Conference - Virtual
www.plconference.com

NOVEMBER 17-19
CEWD Annual Workforce Development Summit - Virtual
www.cewd.org

2021

JANUARY 26-28
Underground Construction Technology International Conference & Exhibition (UCT)
Music City Center
Nashville, Tennessee
www.uctonline.com

FEBRUARY 2-6
Pipe Line Contractors Association (PLCA) Annual Convention
Grand Hyatt Baha Mar
Nassau, New Providence Bahamas
plca@plca.org

2021 (cont.)

MARCH 2-7
DCA 60th Annual Convention
Fairmont Scottsdale Princess
Scottsdale, Arizona
www.dcaweb.org

MARCH 29-31
DCA Safety Congress
Hyatt Regency Austin
Austin, Texas
www.dcaweb.org

APRIL 5-7
DCA & AGA Utility Workshop
The Ritz-Carlton - Chicago
Chicago, Illinois
www.dcaweb.org

MAY 16-20
Pipe Line Contractors Association of Canada (PLCAC) 67th Annual Convention
Fairmont Empress
Victoria, British Columbia Canada
www.pipeline.ca

JULY 21-24
DCA Mid Year Meeting
Fairmont Chateau Whistler
Whistler, British Columbia, Canada
www.dcaweb.org

SEPTEMBER 13-17
International Pipe Line & Offshore Contractors Association (IPLOCA) 2021 Convention
Prague, Czech Republic
www.iploca.com

ATTENTION ALL DCA MEMBERS!
So you do not miss out on future meeting and event notices, please have your company’s IT representative whitelist all emails from dcaweb.org. If you have any questions, please contact Teri Korson at tkorson@dcaweb.org.
DCA Remembers James “Jim” Bost

It is with great sadness that we note the death of DCA member James “Jim” Bost, chairman of Midwesco Industries, Tulsa, Oklahoma.

Jim passed away July 30, 2020, at home. He was 78.

The Bost family became active in the DCA when it was founded in 1961. Jim’s father, Armon Bost, served as the first associate member director from 1962 to 1964. Jim served in the same role in 1981 representing Midwestern Manufacturing in Tulsa, Oklahoma.

Jim was born January 23, 1942 to Armon and Jeanine Bost in Abilene, Texas. Jim went to SMU for his freshman year of college and pledged Sigma Alpha Epsilon fraternity, then transferred to OSU and graduated with a Bachelor of Science degree in Business Administration in 1965. He earned a Juris Doctor degree from the University of Tulsa College of Law in 1968. He practiced law for nine months before reporting for active duty in the U.S. Army in Vietnam. Jim served in the military intelligence corps, earned the rank of captain, and was awarded the Bronze Star Medal for meritorious service as well as the Air Medal. He completed his military service in the Judge Advocate General (JAG) Corps.

Based on his outstanding work in the Army, Jim was recruited by the criminal division of the Department of Justice to accept a job as an attorney investigating the Cosa Nostra in Newark, New Jersey. He thought the job sounded more dangerous than Vietnam and decided that his best opportunity was in the family pipeline equipment business in Tulsa.

In 1971 Jim joined Midwesco Industries, a holding company with five subsidiaries. Over the ensuing years, Jim restructured the company and empowered employees to respond to changing market conditions. The core subsidiaries, Midwestern Manufacturing Company and Midwestern Pipeline Products, have grown, matured, and reacted to the evolution of the pipeline industry. Jim had tremendous respect for the talents of and contributions made by the employees of Midwestern Manufacturing and Midwestern Pipeline Products. He cared about each employee as an individual and appreciated the vital contribution each of them made to the success of the company.

Jim contributed to the Tulsa community as a volunteer his entire adult life. He was chairman of the board of the Tulsa Boys Home and chaired fundraisers for the home several times. Jim served as chairman of the de Tocqueville Society for the United Way, contributed to the establishment and operation of the WestSide Harvest Community Church and grocery store, co-chaired the Salvation Army’s benefit dinner, was president of the Tulsa Tennis Club, and was on the board of Southern Hills Country Club. He was on the board of Holland Hall School and was a chairman of the Performing Arts Center Project.

Jim is survived by his wife, Cherry; son Jay and daughter-in-law, Nora Rodli; daughter Sara Bost Fisher; sisters Cherie Reyes, Beverly Golden, and Merrilee Bost; grandchildren Sadie and Ellis Fisher and Kailu Rodli-Bost; sisters-in-law Donna Bost and Peggy Caudle; and eight nieces and nephews. He is predeceased by his parents, Armon and Jeanine Bost; his brother Bob; his in-laws (who thought of him as a son) Ben and Betty Caudle; his brothers-in-law Tom Golden and Richard Caudle; and his niece, Julie Golden.

Contributions may be made in Jim’s memory to:
Doosan Bobcat and Green Machine Partner to Produce Electric Compact Excavators

Doosan Bobcat North America and Green Machine Equipment, Inc. announced a strategic partnership to produce electric/hydraulic Bobcat compact excavators. Green Machine will custom retrofit Bobcat excavators with their proprietary battery technology to replace the standard diesel power source and will sell the machines in select markets beginning this year.

These electric/hydraulic machines will provide power and performance equivalent to diesel-powered models, along with considerably lower daily operating costs, zero emissions, reduced noise, and minimal maintenance.

“This strategic partnership marks another key milestone in our drive to bring the latest technologies to our customers and accelerate electrification in our industry,” said Joel Honeyman, vice president of Global Innovation at Doosan Bobcat.

Launched in 2010, New York-based Green Machine is a wholly owned subsidiary of alternative energy company Viridi Parente, Inc.

“By teaming up with Doosan Bobcat, we can further advance our technology and the benefits of electrification through the power and performance for which Bobcat machines are known,” said Jon M. Williams, CEO.

TC Energy Selects Michels Canada to Build Keystone XL Pipeline in Canada

Michels Canada has been awarded the contract from TC Energy to construct approximately 260 kilometers (162 miles) of the Keystone XL Pipeline Project in Alberta, Canada.

Michels Canada will be directly responsible for hiring a projected 1,000 workers each year over the two-year construction period, with special emphasis placed on hiring locally and giving priority to qualified local and indigenous businesses.

Construction is scheduled to begin this summer near Oyen, AB and finish near Hardisty, AB in the spring of 2022.

“Michels Canada is pleased to be selected to build the Keystone XL Pipeline Project. We look forward to initiating construction this summer and take pride in our reputation for delivering quality work safely and with care for the environment,” said Dean Cowling, President, Michels Canada.

“Michels Canada has extensive experience constructing pipelines and major infrastructure projects in North America and were chosen based on their alignment with TC Energy’s core principles along with their construction expertise, financial strength and contract competitiveness,” said Rob Silner, Keystone XL Vice President, Canada Execution & Project Enablement.

Overall, construction of Keystone XL will contribute approximately $2.4 billion to Canada’s GDP and will generate more than $7 million in property taxes in the first year in service.

(continued on pg. 28)
PLM Introduces a Special Pipelayer from Their Fleet

Since 2005, PipeLine Machinery International (PLM) has served the needs of the mainline pipeline construction industry. In that time, we have overcome many trials by working closely with customers to understand what the problem is and to create a solution for a sustainable future. Together, we now face an unprecedented challenge. The landscape of our world has changed since the beginning of this year and with that has come uncertainties in our personal lives and business alike. The scene of our work, social, and personal interaction with others has shifted so dramatically that in one way or another, all of us are affected.

With a sense of community support and comradery in mind, PLM president, Tony Fernandez, commissioned this Cat® PL87 pipelayer to be painted as a special addition to the fleet and as a reminder that we are all in this together.

(continued on pg. 30)
Welcome New Contractor & Associate Members

**CONTRACTOR MEMBERS**

Hydro Excavators II LLC  
8850 Crawfordsville Rd.  
Indianapolis, IN  46234  
Phone: (866) HydroX-2  
Website: www.hydroexcavators2.com

Doug Anderson, President,  
doug.anderson@hydroexcavators2.com

Billy Campbell, Division President – Power Team Services,  
bcampbell@powerteamservices.com

Wright Traffic Control (WTC)  
1180 Medina Rd., Ste. B  
Medina, OH  44256  
Phone: (724) 333-6372  
Website: www.wrighttrafficcontrol.com

Luke Wright, President, lukew@wrighttrafficcontrol.com

**ASSOCIATE MEMBERS**

National Equipment Dealers  
215 Woodside Dr.  
Lexington, NC  27292  
Phone: (336) 425-5235  
Website: www.nedealers.com

Dan Letterle, Chief Sales Officer & Executive Vice President,  
dletterle@nedealers.com

Jesse Beasley, Vice President East Coast Operations, jbeasley@nedealers.com

Kevin Phillips, Sales Representative,  
kphillips@fourseason-equip.com

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IF YOU LOCATE, CORE, PIERCE OR VAC, YOU’RE GONNA DIG US.

Learn more at your local Vermeer dealer or visit vermeer.com.
Vacuworx Welcomes Senior Director of Sales

Vacuworx announced that Charlie Cunningham has joined the North America sales and leadership teams as senior director of sales.

Cunningham has more than two decades of experience in sales, marketing, and business development activities, including 15 years with Astec Industries, Inc. As vice president of sales with Astec Underground and GEFCO, he led the development of initiatives to identify potential markets, new products, and sales and marketing domestically and internationally.

His responsibilities at Vacuworx include providing management and strategies for the North America sales team. Cunningham will also be driving new distribution partnerships to support material handling in the oil and gas pipeline, utility infrastructure, highway and transportation, and concrete renovation markets.

United Rentals Trench Safety Introduces New Podcast: “Behind the Standards with United Rentals”

United Rentals Trench Safety is proud to introduce their brand new Podcast: “Behind the Standards with United Rentals”. These podcasts will include topic discussions with UR SME’s around trench, excavation, confined space and general jobsite safety topics. You can listen to these on your favorite listening app, or you can check them out at the following landing page: www.trenchsafetyevents.com/podcast.
Hi-Vac® Corporation
www.hi-vac.com

For over 40 years Hi-Vac has provided products and systems that tackle some of the toughest infrastructure, maintenance and clean-up challenges in the world. From the largest metropolitan city to the most critical power plant, Hi-Vac products work behind the scenes maintaining the infrastructure, improving air quality, non-destructively excavating, recycling, cleaning and maintaining the environment.

Aaron Enterprises
www.aaronenterprises.com

Aaron Enterprises is a underground trenchless utility contractor that specializes in installing pipe for utilities using auger boring, horizontal directional drilling, tunneling, pipe ramming, micro-tunneling, and vertical shafts. The majority of their work is for natural gas transmission pipelines, water, electric, sewer, and storm water.

Hobart Brothers
www.hobartbrothers.com

Hobart Brothers manufactures filler metals, including tubular wires (flux-cored and metal-cored), solid wires and stick electrodes under the brand name Hobart®.

In addition to developing innovative filler metals, they are committed to collaborating with end users and sharing their industry expertise in ways that help improve their welding processes.