<table>
<thead>
<tr>
<th>Page</th>
<th>Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>04</td>
<td>2019 DCA &amp; AGA Utility Contractor Workshop</td>
</tr>
<tr>
<td>11</td>
<td>DCA Workforce Summit</td>
</tr>
<tr>
<td>12</td>
<td>DCA Washington, D.C. Fly-in</td>
</tr>
<tr>
<td>14</td>
<td>Fall Meeting</td>
</tr>
<tr>
<td>16</td>
<td>Industry News</td>
</tr>
<tr>
<td>22</td>
<td>Insights</td>
</tr>
<tr>
<td>25</td>
<td>Calendar</td>
</tr>
<tr>
<td>26</td>
<td>Member News</td>
</tr>
</tbody>
</table>
DCA and the American Gas Association (AGA) held their sixth Annual DCA & AGA Workshop in Chicago, April 22-24. The joint workshop reflects the strong relationship between DCA and AGA and is intended to increase communication and cooperation between local distribution companies (LDCs) and the contractors who build gas distribution infrastructure for them.

This year’s workshop addressed a range of high-profile issues at a time when policymakers are beginning to focus on pipeline safety and the distribution sector is receiving significant attention.

Response to Merrimack Valley Incident Provides Case Study on Industry Collaboration
In September 2018, a series of explosions and fires occurred after a gas distribution system released high-pressure natural gas into a low-pressure system in the Merrimack Valley, Massachusetts. This incident presented several challenges for the gas distribution industry just months before Congress began the next reauthorization of the nation’s pipeline safety program. The industry response provides an exemplary example of how pipeline operators and contractors work together in an
emergency situation.

The Merrimack Valley incident began as a replacement project of some 1,100 miles of pipe out of an approximately 5,000-mile system. The LDC was replacing a cast iron main with a plastic distribution main. The iron pipe being replaced had regulator-sensing lines used to detect pressure in the distribution system. When the cast iron main was disconnected, the section containing the regulator-sensing lines began losing pressure. As pressure dropped, regulator valves opened up, increasing pressure in the distribution system. This resulted in one fatality and destruction of several homes.

A panel consisting representatives of Miller Pipeline and InfraSource, two construction companies that were front and center in the response to this incident, discussed the response to the incident. They said preparation by the LDC was as effective as it could be; through close cooperation the utility and participating contractors were able to mobilize and onboard approximately 200 new crews in about 10 days. Onboarding included ensuring workers were qualified to perform the work and, according to the panel, LDC representatives could not have been better prepared to put new crews to work. Interaction with unions also came into play; through cooperation and communication, seemingly countless hours of work were performed without incident and downtime was cut in half. The response team housed crews and accelerated resource planning, permitting, and change approval processes to enable 50 miles of pipe to be replaced in 50 days.

Replacement work was completed in a matter of weeks with no recordable OSHA incidents, underscoring exemplary cooperation between an LDC and contractor crews.

While unfortunate, this incident clearly provided an excellent example of how to respond and underscores a success story in terms of mutual aid.

Pipeline Safety Management Systems Stay at Front of Pipeline Industry
Pipeline Safety Management Systems (SMS) have been a main focus in the halls of the U.S. Department of

(continued on pg. 06)
Transportation’s (DOT) Pipeline and Hazardous Materials Safety Administration (PHMSA) for the past several years. Industry is responding to calls to embrace SMS in pipeline operations and construction. A panel comprising a DCA contractor, the AGA point person on SMS, and representatives of ENERGY worldnet provided a thorough discussion of SMS, including the process of implementation.

SMS is often misunderstood, and this panel discussion provided AGA’s insight on how LDCs are moving toward the cyclical SMS approach, and what can be expected from federal and state regulators in terms of voluntary transition to SMS versus policy mandating SMS in the pipeline industry.

While PHMSA has reiterated that it has no immediate plans to regulate SMS, it’s clear that there is encouragement to adopt SMS and many in the industry are preparing for possible SMS mandates. Therefore, associations representing pipeline contractors have embraced the American Petroleum Institute’s (API) Recommended Practice 1173, which was designed to bring the benefits of SMS to pipeline operations. Nine AGA working committees are currently looking at SMS and effective approaches to implementing a culture of safety in LDC operations.

Some contractors recognize that they have to catch up with operators in terms of SMS implementation, and that maintaining elaborate safety programs is not equivalent to having SMS in place. However, the concept of buy-in from senior management is already in place with most contracting companies. Data is needed, and conducting a gap analysis will facilitate a transition to SMS. However, many of the SMS concepts are already being embraced by gas distribution contractors. Gap analyses comparing existing safety operations to maintaining an SMS, as well as further understanding of the plan-do-check-act process, will help the contracting community move toward implementation of SMS.

A representative of ENERGY worldnet who previously served as chair of the National Association of Pipeline Safety Representatives (NAPSR), provided valuable insight about what may be expected from state pipeline inspectors. Although NAPSR currently does not have a position on SMS, opinions about it vary state-to-state and some inspectors are pushing SMS concepts in enforcement actions.

The Merrimack Valley incident will likely drive SMS implementation in the gas distribution industry. In fact, Senators Ed Markey and Elizabeth Warren, both Massachusetts Democrats, have introduced legislation that would mandate SMS concepts in the next pipeline safety reauthorization process. In addition, the DOT’s Office of Inspector General is now moving toward ensuring that PHMSA includes a safety culture in their own operations, further highlighting pressure on PHMSA to focus on SMS.

DCA is in the process of developing a template for contractors to reference when implementing SMS programs or improving existing SMS. Two other leading associations in the pipeline construction industry are reviewing the template and collecting feedback. The goal is to gain approval by other contractor groups and present the template to government and industry organizations to demonstrate that the pipeline construction industry embraces SMS concepts.

Broadband Deployment Reiterates Need for Effective Damage Prevention

As policymakers in Washington talk about the need for an infrastructure package, the issue of broadband deployment, especially in rural areas, is continually brought up early in the discussion. Broadband providers across the country are increasingly initiating projects and federal programs are providing resources to deploy fiber broadband infrastructure across the country.

As with any construction project to implement underground infrastructure, the need for shared responsibility in preventing underground damage is critical. The DCA & AGA Workshop featured a panel consisting of a broad-
band contractor, telecom carriers, and underground facility locators to discuss the challenges that accompany robust fiber deployment schedules and describe how stakeholders can better work together to protect underground facilities.

As the broadband contractor noted, all players in this discussion have a job to do—any many need to do it better. The panelists agreed that, for the most part, association members are high performers, and that the goal should be to go after “the cowboys” who cut corners and put people and underground facilities at risk.

The panel also noted that the damage prevention process is fundamental to constructing all underground infrastructure, including broadband, natural gas, water and sewer, and other underground systems.

Several contractor organizations are pushing the importance of what they refer to as the Three Pillars of damage prevention, including:

- Mandatory participation in one-call (notification and membership)
- Accurate and timely locating and marking of facilities
- Potholing by contractors

Panelists also encouraged participation in state and local damage prevention counsels, such as the Common Ground Alliance (CGA) Regional Partners’ program.

The panelist representing broadband carriers underscored the importance of underground facility owners including compensation for potholing. The panel noted that local ordinances that restrict breaking pavement also compromise damage prevention. These are fundamental points that need to be addressed in the bidding process and in discussions about local damage prevention laws and ordinances.

An audience member pointed out that the broadband market has the most work on the horizon, and it was agreed that fiber optic systems are superior to virtually any other technology in providing high speed internet service. Continued attention to shared responsibility in damage prevention is key to ensuring important fiber deployment across the country while protecting natural gas and other infrastructure along the way.

Panelists also agreed that workforce capacity issues continue to challenge the industry – contractor locators as well as excavators continue to struggle with meeting demand, and with the high rate of fiber optic system build-outs not likely slow down anytime soon, the situation could become even more difficult.

Presentation of “Ever-Emerging” Technological Advancements
Robust discussion of modern technologies in the gas distribution industry has been a regular issue addressed at DCA & AGA Workshops, and this year was no different. Modern “technologies and industry practices in the gas distribution are ever-emerging,” according to a representative from the Gas Technology Institute (GTI) who presented new information related to keyhole technologies for pavement coring and vacuum excavation used

(continued on pg. 08)
by both LDCs and their contractors. These technologies support a range of utility construction projects, especially in urban settings. According to GTI, operators and contractors are jointly deploying technology to automate data collection during construction. GTI is also working on issues related to plastic pipe systems, such as fusion processes and efforts to locate plastic pipe.

Geospatial Underground Mapping Technology is providing higher accuracy in the location of underground assets. A representative from Condux International discussed modern technologies and methods used to enhance damage prevention efforts and cooperation among utility operators and contractors. This technology can be effective not only in the gas distribution market but also on water/sewer and broadband/telecommunications projects. The primary objective for this mapping tool is to obtain the general shape of a buried facility (identification of straight sections, curves, etc.); an optional software module will be offered to obtain additional data.

Panelists also addressed other technologies to enhance excavation damage prevention, such as encroachment detection and Geographic Information System (GIS) mapping technology to provide key data in real time. An LDC representative focused on technological advancements in asset data capturing that may facilitate compliance with recent PHMSA rulemaking on plastic pipe tracking and traceability.

Use of all the technologies discussed by this panel will need timely training and coordination, and the necessary equipment must be provided directly to trainees. Federal and some state regulations are increasingly moving for electronic compliance, underscoring the need for continued technological advancement.

HDD Outreach and Education
A large panel including field engineers working for gas operators and contractors, equipment manufacturers, and a federal agency representative provided an update on growing efforts to educate and promote the use of horizontal directional drilling (HDD). This panel covered a range of issues, including robust discussion of existing knowledge and perceptions about HDD; how engineers, contractors, and operators can better communicate during all stages of an HDD process; and best ways to prevent and mitigate IRs.

DCA now has two committees working jointly on HDD education and advocacy efforts. DCA’s Government Relations Committee has already visited with several federal agencies, including the Environmental Protection Agency (EPA), the Federal Energy Regulatory Commission (FERC), and industry organizations—some of which might be considered unfriendly audiences when it comes to HDD.

A prime example is the BlueGreen Alliance, a group of leading environmental organizations and large unions
working cooperatively on efforts that promote both job creation and sound environmental policy. While these were only brief and preliminary discussions, DCA made some progress to educate the group about the benefits of HDD and to overcome misconceptions about trenchless installations.

DCA is also developing an HDD flyer that provides general information on trenchless technology installations. The flyer includes descriptions of trenchless equipment, boring fluids and related additives, and the many advantages that come with HDD.

In addition, DCA is working with NiSource on HDD education at the state level and facilitating development of the operator’s HDD Guidelines. The HDD Guidelines states that “NiSource believes that Horizontal Directional Drilling (“HDD”) is a safe and environmentally friendly means of installing utilities, if it is done correctly. NiSource proposes that Pennsylvania HDD policy should recognize HDD limitations and promote best practices to mitigate the potential environmental impact of those limitations. Pennsylvania should require the use of best practices for HDD operations for HDDs beneath wetlands, streams, or waterbodies. Pennsylvania should also consider some minimal environmental impact acceptable for well planned and executed HDDs that may result in Inadvertent Returns (“IRs”) because of unanticipated conditions.”

The HDD Guidelines are a collection of best practices that cover all aspects of an HDD project, including:

- Pre-construction planning activities
- Mitigation plans that address inadvertent returns (IRs)
- Construction execution activities

Discussions with the Pennsylvania Department of Environmental Protection have been productive so far, according to the LDC representatives, and they see the merit of bringing the contractor into the process. However, significant education and advocacy remains to be done: there is a lot of confusion on the part of important regulatory agencies, local governments, environmental groups, and the general public.

Gas Distribution Market Overview
Continuum Capital provided workshop attendees with a comprehensive and informative overview of the gas distribution market and other economic analyses. The presentation included a general economic synopsis, political and regulatory perspectives, the transformation of several utility markets, and perceptions of market performance.

Continuum Capital believes that although the American economy has rallied in the past few years and there is great optimism in the construction industry, the “political environment is poisoned.” The likelihood of any legislation relevant to construction is reduced as the presidential election year of 2020 nears.

(continued on pg. 10)
The primary issue the entire construction industry must continue to address is workforce capacity challenges. While an estimated “80 to 90 percent” of construction is currently done by contractors, the struggle to recruit and retain construction workers continues to present the industry’s biggest challenge.

OQ Integrity Coalition Initiates Pilot Program
The Operator Qualification Integrity Coalition (Coalition) is comprised of contractors, gas associations, OQ service providers, and industry experts who are developing a new process to drive consistency and standardization of OQ elements. The Coalition has completed a guidance document for participants in the OQ Integrity Process (OQIP) and is in the process of launching a pilot program with operators, contractors, OQ providers, and state regulatory representatives in three states to test the effectiveness of the new guidelines.

The panel ran through main elements of the OQIP, including:

- **People:** trainers, proctors, evaluators, and auditors (each with criteria and credentialing requirements)
- **Process:** development of core competencies (based on the ASME B31Q Standard), training curriculum, testing methodology (and security), management of change controls
- **Program Validation:** internal self-audit and review of program effectiveness, recordkeeping, and documentation

The pilot program will test whether the OQIP approach can raise the bar while increasing consistency and providing a set of standardized processes. If successful, the OQIP will provide a standardized, credible, and valid process of increasing integrity in OQ and will increase OQ compliance and transferability, as well as:

- Improved pipeline safety
- Enhanced regulatory confidence
- Continuous improvement and program effectiveness
- Increased accountability and transparency
- Risk reduction of incorrect operations
- Workforce development and utilization

The Coalition noted that the OQIP addresses many issues previously brought up during discussion of effective SMS programs.

Perspectives on Mutual Aid
The issue of mutual aid is a hot topic right now, and the audience was reminded of the success story discussed previously in the panel on the Merrimack Valley incident. Two contractors and an LDC representative provided their experiences with mutual aid efforts, including planning and reaction to incidents involving both natural gas and electric infrastructure. Discussion also addressed logistical challenges, key elements to effective execution, and collaboration between utilities and contractors involved in
mutual aid.

A contractor based in New York discussed two other high-profile examples of successful mutual aid in the wake of both Hurricane Sandy and the terror attacks in New York City on September 11, 2001. Because incidents that require a mutual response vary significantly, many times “there’s not really any way to prepare,” according to a contractor serving on the panel. The LDC panelist indicated that utilities have broad preparations that can be made in cases that require mutual aid, but agreed that there are certainly unexpected situations where flexibility and the need to be nimble come into play.

A contractor suggested that command posts must be set up where clear direction and two-way communication are provided. Appropriate onboarding processes are critical, where all safety issues are covered and, in the case of natural gas, operator qualifications are confirmed. The panel agreed that listening to the contractor throughout the response will make for more effective mutual aid.

As in most panel discussions in today’s gas distribution world, challenges related to workforce capacity also impact mutual aid efforts. Additionally, ensuring all documentation and recordkeeping is maintained, issues related to span or control, and clear communication methods will result in effective mutual aid efforts. ▲
On June 20-21, a group of DCA members took to Capitol Hill to talk with lawmakers and staff in the House and Senate regarding pending pipeline safety legislation. The group of some 15 pipeline construction advocates was split into three teams who visited over 20 key offices to provide DCA’s perspective on pipeline safety.

As previously reported, this year’s pipeline safety bill has a strong focus on the gas distribution sector in the wake of last year’s incident in the Merrimack Valley, Massachusetts. DCA relayed a wide range of messages, some general, some specific to bills now in play, and some in ahead of legislation expected from committees with jurisdiction over pipeline safety. The day DCA was on the Hill there were two existing bills — one introduced by Mass. Democratic Sens. Ed Markey and Elizabeth Warren, and one introduced by leaders of the House Energy and Commerce Committee.

The following is a list of topics discussed and the main points relayed by DCA.

**Role of the Contractor**
As always, DCA educated policymakers on the critical role played by contractors in pipeline construction. The bottom line is that this work is almost universally contract-ed out. The days of robust “in house” construction crews are long past, and when policymakers want to know
about construction, they need to talk to those doing the work.

**Merrimack Valley**

DCA recognized that the Merrimack incident is the basis for many of the provisions under consideration in this year’s pipeline safety debate. We made the point up front that we were not there to point fingers or even get into the details of that incident. At the same time, it was also made clear that contractors follow the work package provided to them by their operator customers, and that any and all information and expectations contractors need to know must be provided in the work package.

DCA also encouraged lawmakers to recognize the remarkable response to the Merrimack Valley incident, where well over 100 miles of pipe was replaced in a matter of weeks without any violation of pipeline safety or OSHA regulations. This could not have been possible without the close cooperation among the operator and some 200 contractor crews involved in the rebuilding of distribution systems in Merrimack Valley.

**Pipe Replacement Programs**

Although many in Congress and activist groups are calling for expedited replacement of antiquated cast iron pipe, DCA informed lawmakers and staff that distribution pipe replacement is already happening at a rapid pace, and contractors are doing everything possible to meet construction demand. However, DCA warned that if federal or state policymakers try to require quicker replacement work, contractors will not compromise the safety of their workers or the public by splitting up crews in order to expedite projects.

**Professional Engineers and Work Packages**

Almost immediately after the Merrimack Valley incident, the governor of Massachusetts ordered that professional engineers (PE) to approve and sign off on work packages for distribution projects in that state. DCA weighed in on this issue making two important points.

First, being a PE doesn’t necessarily equate to having the knowledge and/or experience needed to sign off on work packages provided to contractors by their operator customers. Secondly, the entire construction industry faces workforce capacity challenges, and there are not enough PEs out there to review, approve and sign off on work packages involved in the gas distribution market.

These two factors are already impacting gas distribution replacement work in Massachusetts since the Merrimack Valley incident. While no commitments were made, DCA was pleased to hear an openness to reconsidering specific requirements regarding a PE and considering whether a ‘subject matter expert’ (i.e. industry member with decades of experience) would be a more effective way to address the issue.

Importantly, the exceptional response to that incident was brought up repeatedly, where the rebuilding of distribution systems in multiple towns was conducted without injury and without violating pipeline safety or OSHA regulations.

**Mandated SMS**

DCA informed Congress of its collaboration with other pipeline construction associations to develop a template on safety management system (SMS) for contractors to use while implementing SMS or improving existing SMS programs. Because the pipeline industry is clearly committed to the concepts of SMS, DCA opposes language that would mandate SMS in the pipeline safety regulations.

DCA questioned if/how the federal government can enforce a requirement to instill a “culture of safety” and suggested that the transition to SMS remain voluntary. Ensuring a safety culture in a pipeline company must be the responsibility of the operator, just as contractors must be responsible for maintaining SMS in construction operations.

**Criminal penalties**

In what was the “controversial” issue of the day, DCA supported legislative language that would hold those who engage in criminal activities during protests more accountable. While DCA supports the right for peaceful activism, including peaceful protests, criminal activity cannot be tolerated and should be addressed legislatively.

DCA supported language in PHMSA’s proposal that would adjust existing penalty measures for damaging or destroying a pipeline facility by specifying that vandalism, tampering or disrupting the operation of a pipeline facility would be punishable by criminal fines and imprisonment. Importantly, PHMSA’s proposal also specifies that pipeline facilities under construction are included within the scope of these criminal penalties.

DCA again left a big footprint on Capitol Hill at this fly-in, which would not have been possible without the help of our friends and allies at Vermeer and LiUNA, who led two of the three teams around Capitol Hill.

As always, we thank the dedicated DCA members who made the trip. ▲
Industry News

Contractors Face Uncertainty In U.S. Trade War With China
March 2018 saw the U.S. impose global duties on steel (25%) and aluminum (10%), with President Donald Trump’s administration claiming the action would keep China and other countries from “dumping” these materials into the U.S. at below-market prices. China filed a complaint with the World Trade Organization arguing that the tariffs violated international trade law, but the president said he had the right to protect the country’s economy and declared the tariffs necessary for the security of the U.S.

Soon after, the European Union and other countries responded with tariffs on U.S. imports as well.

The Trump administration then offered “targeted relief” to South Korea, Argentina and Brazil in August of last year, and recently lifted the steel and aluminum tariffs on Mexico and Canada. In the meantime, U.S. steel producers have reported boosts in business.

But in July of last year, the president, reportedly intent on achieving a more favorable balance of trade with China and forcing the country to crack down on intellectual property theft, imposed additional tariffs on an estimated $50 billion of Chinese goods.

When the administration determined that tariffs encompassing $50 billion worth of goods wasn’t enough to persuade China to adjust its policies, the White House expanded the list of goods subject to tariffs – 10% to 25% currently – to $250 billion worth of products.

Now, the president is threatening yet another round of duties – this one worth $300 billion – which, according to attorney Mark Ludwikowski, head of Washington, D.C., law firm Clark Hill PLC’s international trade practice, in Washington, D.C., represents pretty much everything that China ships to the U.S.

If President Trump moves forward with the additional tariffs, as he said he might do before the summer is out, then contractors can expect more Chinese goods – e.g., chain saws, tower cranes, boilers, oil and gas pipeline tubes, work boots and tarpaulins – to cost extra.

There’s no doubt that tariffs increase prices, but in terms of how significant the impact has been on the U.S. construction industry, it seems the effect cannot be quantified just yet.

**Trying to measure the effects so far**

“The tariff impacts are a negative for the U.S. economy, and they are affecting construction, but I can’t yet document the extent,” said Ken Simonson, chief economist for the Associated General Contractors of America.

After the steel and aluminum tariffs went into effect last year, he said, producer prices went up sharply and have since leveled out. But eventually the pipeline of material that was already on the market when tariffs were implemented will dry up and contractors will need to purchase new materials subject to the new rates, and the impact of that is still unknown.

**Working around the tariffs**

If contractors and developers run into a problem with supply and truly can’t find the product they need in any place other than China, there is a chance that they could get an exclusion from the tariff, Ludwikowski said.

The way it works, he said, is that if a buyer can prove that the designated product is not available in the U.S. – and won’t be in the near future – and that the machinery to produce that material or piece of equipment is not and won’t be available either, then the chances of winning an exclusion increase.

The exclusion process, however, got some bad press in the early days of the steel and aluminum tariffs when it proved difficult for some companies to secure one.

But for now it’s a game of wait and see that will hopefully favor U.S. contractors.

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A new study commissioned by the INGAA Foundation finds that natural gas will remain a significant contributor to the energy portfolio and to economic growth in the United States over the next two decades, playing a key role in meeting low-carbon goals.

The report, “The Role of Natural Gas in the Transition to a Lower-Carbon Economy,” presents a comprehensive analysis of the future role of natural gas and natural gas infrastructure in a greener economy over a 20-year period from 2020 to 2040. The study analyzes and compares two scenarios: a Balanced Future scenario, representing a balance of policy initiatives and market economics, and a Rapid Renewables Transition scenario, representing a transition heavily driven by policy and intended to accelerate the penetration of renewables in power generation.

“This research provides policymakers, key stakeholders, and the industry context about the diversity of natural gas’ role in our nation’s economy and how natural gas—and gas pipeline infrastructure—will play an essential role in facilitating the transition to a lower-carbon energy economy,” said INGAA Foundation President Don Santa.

The report’s findings, supported by detailed modeling and industry subject matter expertise, are based on the two future scenarios that consider different levels of renewable escalation and how these levels will affect natural gas demand, representing possible paths toward an energy portfolio that is increasingly reliant on renewable energy.

In both scenarios, natural gas will play a key role in the transition to a greener economy, and natural gas infrastructure will continue to be needed.

“As demonstrated by this report, America’s natural gas will serve both domestic and global needs for many years to come,” Santa said. “The members of the INGAA Foundation look forward to contributing to the safe, efficient, and environmentally responsible transmission of natural gas to customers as we transition to a lower-carbon economy.”

According to the report, the intermittent nature of solar and wind power generation will intensify the need for the flexible, nimble, fast ramp-up generation that is possible with natural gas to maintain the reliability of the electric grid in the United States. Natural gas power generation will require additional, flexible transmission services to balance the growth in renewable generation and support electric grid reliability. New pipeline capacity will support this transition. ▲
Organizers have announced the 4th annual Risk Management in Underground Construction course will be held March 10-11, 2020 at the Hyatt Regency Houston Intercontinental Airport Hotel in Houston, Texas.

The highly-rated Risk Management in Underground Construction course provides a unique and engaging forum for stakeholders involved in large-scale underground projects, including contractors, owners, consultants, insurance companies, vendors, and law firms. As tunneling projects get larger and more complicated, the issue of risk becomes more important.

International industry experts with real-world experience will cover contracting practices, geotechnical baseline reports, funding, insurance, risk registers, and best practices. CLE and CEUs will be issued for attendees who request this certification. Registration and a full agenda are coming soon.

For more information on the conference or to become a sponsor, please contact Brittany Cline at bcline@benjaminmedia.com


Dates, Location Set for 4th Risk Management in Underground Construction Course
Energy and Commerce Committee Introduces First “Infrastructure Package”

For decades, the issue of America’s dilapidated infrastructure has been a subject that most lawmakers agree must be addressed. However, the issue of “how to pay for it” has been evasive to say the least. After the last election, an emboldened Democratic Majority in the House have presented a range of infrastructure/energy proposals, ranging from the “Green New Deal,” which has been laughed out of many Hill offices, to more reasonable legislation that is at least spurring productive discussion.

The “Leading Infrastructure For Tomorrow’s America Act” (LIFT America Act) is a good example. The legislation (HR 2479) would modernize the electric grid and energy supply infrastructure, expand broadband access, rehabilitate drinking water infrastructure, redevelop brownfields, and bolster health care infrastructure. House Democrats serving on the Energy and Commerce (E&C) Committee introduced the legislation in late mid-May, claiming that the bill would help combat climate change by dedicating tens of billions of dollars to renewable energy and energy efficiency by funding the “nationwide deployment” of cleaner fuels that can be used to heat homes and businesses.

“We cannot wait any longer to act on climate or to modernize our nation’s aging infrastructure,” said E&C Committee Chairman Frank Pallone, D-N.J. “The LIFT America Act makes significant investments in rebuilding our country and takes an important step in combating the climate crisis by moving us towards a clean energy future and reducing our carbon emissions.”

While the LIFT Act addresses a wide range of infrastructure sectors, many provisions are of direct interest to DCA, including:

- $1.5 billion in assistance for low-income communities to support methane pipeline replacement.
- $4 billion for improvements to the Strategic Petroleum Reserve to make it environmentally sound.
- $2.25 billion over five years to create new grant programs for distributed energy systems and solar installations in low-income and underserved communities.
- $625 million to reauthorize the State Energy Program to support the development of an electric vehicle charging network to facilitate greater use of electricity to fuel the transportation sector.
- $925 million over five years to provide grants to state and local governments to support projects that encourage the use of electric vehicles.
• $300 million over five years to support development of alternative fuel infrastructure and expanded use of alternative fuel vehicles, such as electric vehicles.
• $2.5 billion over five years to combat certain types of water contamination.
• $18.69 billion for essential drinking water programs including the Safe Drinking Water State Revolving Loan Fund and other federal water programs.

Stakeholders Weigh in at E&C Hearing
On May 23rd, the E&C Committee discussed the LIFT Act and heard from several witnesses, including the U.S. Chamber of Commerce (Chamber) and the BlueGreen Alliance, two organizations that DCA has worked with in the past on multiple issues.

While supporting the funding of several programs and initiatives included in the LIFT Act, the Chamber’s testimony focused on streamlining the permitting process for energy and water infrastructure projects. “Ignoring permitting reforms would prolong an inadequate, inefficient, often counterproductive system of bureaucratic review that provides decreasingly less certainty to project sponsors and investors and ultimately defeat the purpose of the legislation,” the Chamber’s witness said. “Any infrastructure proposal that fails to reform the permitting system, therefore, risks losing Chamber support.”

The Chamber recognized the need for environmental reviews, but said “it should not take longer to approve a project than to build it.” Speaking specifically to the natural gas and oil industry, which is expected to invest up to $1.34 trillion dollars through 2035 to critical energy to Americans to global markets, the Chamber said that “not all of that investment will be realized without a sober evaluation of our current permitting process.”

The BlueGreen Alliance (BGA) represents a coalition of the nation’s largest labor unions and environmental organizations. According to BGA, “American’s don’t have to choose between a good job and a clean environment—we can and must have both.”

BGA’s witness began her testimony saying that any infrastructure package must have robust public investment to tackle a broad array of our infrastructure needs, “from repairing our failing roads and bridges, water systems, and natural gas distribution pipelines, to modernizing our schools, buildings and electric grid, and transforming our transportation systems.” BGA specifically praised the legislation’s provisions to “create or expand programs and increase funding for drinking water infrastructure, electric grid resiliency and modernization, building energy efficiency—including schools—reducing methane emissions from natural gas distribution pipelines, expanding broadband access, and brownfield redevelopment.”

BGA made a point to underscore the need to ensure that those working on infrastructure projects are “well-trained, make a decent living, and work in a safe environment,” meaning that Davis-Bacon prevailing wage provisions must be enforced. BGA also supports project labor agreements, “Buy American” standards and collective bargaining agreements.

Touching workforce capacity challenges, an issue at the top of DCA’s agenda, BGA said that more attention is needed to training and apprenticeship programs “to expand the number of skilled workers in new and existing industries and in the public sector. It means enhancing and enforcing hiring and procurement policies that spur local job creation and benefit low-income communities, people of color, and women.”

BGA summed up the group’s approach to infrastructure improvements saying “a range of other investments—from expanding natural infrastructure, to making our public buildings more energy efficient, to repairing and replacing aging gas distribution pipes—could all significantly reduce climate pollution, as well as air and water pollution.”

Despite the productive dialogue at this hearing, discussion of infrastructure came to an abrupt halt when President Trump cancelled a high-profile and widely anticipated meeting with House and Senate leaders following vocal allegations of a White House “cover up” related to refusals by White House players to adhere to congressional subpoenas and requests for information.

DCA appreciates the E&C Committee’s leadership in moving the first significant infrastructure package of the 116th Congress, but we know many challenges lie ahead in getting reasonable legislation across the finish line. In our advocacy efforts, DCA continues to portray natural gas as a vital energy source, one that actually enables increased use of renewable energy. That is a message that, while absolutely true, is a hard sell to many far-left leaning Democrats.

Contractor SMS Template Getting Attention from Variety of Stakeholders
DCA continues to solicit feedback on a template developed for consideration by contractors interested in implementing a pipeline safety management system (SMS) or improving their existing SMS. This effort began in 2016 when DCA was approached by the American Petroleum Institute (API) to consider endorsing API Recommended Practice 1173 on SMS. This led to a broader discussion of SMS efforts on the part of both pipeline operators and contractors working in all sectors of a pipeline system.

DCA established an SMS task force that drafted the contractor template and provided it to other contractor organizations for their feedback and suggested revisions. The template is now under review by a third contractor association, and has been provided to a range of pipeline associations, including API, the American Gas Association (AGA), Interstate Natural Gas Association of American, and American Public Gas Association.

All feedback received to date has been positive and
we appreciate the comments provided by pipeline operators and their associations.

**AGA Resolution Recommends Implementation of SMS**
The AGA Board of Directors recently approved a resolution recommending all AGA members to implement SMS within three years. According to AGA this “holistic approach to improving pipeline safety includes the identification, prevention and remediation of safety hazards.” Last year, AGA developed a white paper on “Guidelines for Understanding Pipeline Safety Management Systems” specific to natural gas companies, and held workshops to drive discussion of SMS and share tools for planning and evaluation.

As previously reported, PHMSA and the National Transportation Safety Board (NTSB) expect pipeline operators to adopt PSMS, and while PHMSA has indicated they have no desire to require SMS, government entities and public watchdog groups are encouraging the industry to adopt SMS in the absence of regulation.

DCA commends AGA on their commitment to SMS, and DCA will continue to lead the SMS effort in the pipeline construction industry to demonstrate a commitment to pipeline safety and SMS at a time when government entities are strongly encouraging SMS in the pipeline industry.

**INGAA Report Highlights Importance of Natural Gas to a Lower-Carbon Economy**
Natural gas will remain a significant contributor to the energy portfolio and to economic growth in the U.S. over the next two decades, according to a new report commissioned by the INGAA Foundation. Natural gas is playing a key role in meeting low-carbon goals, and should play a role leading to a greener economy over a 20-year period from 2020 to 2040.

The report, “The Role of Natural Gas in the Transition to a Lower-Carbon Economy,” presents two future scenarios that consider different levels of escalation of renewable fuels and how these levels will affect natural gas demand. Both scenarios indicate that natural gas will play a key role in the transition to a greener economy, and that natural gas infrastructure will continue to be needed.

“This research provides policymakers, key stakeholders and the industry context about the diversity of natural gas’ role in our nation’s economy and how natural gas – and gas pipeline infrastructure – will play an essential role in facilitating the transition to a lower-carbon energy economy,” said INGAA Foundation President Don Santa.

According to the report, the intermittent nature of renewable few sources such as solar and wind power will intensify the need for flexible, nimble generation of natural gas to maintain the reliability of the electric grid in America. Natural gas generation will require additional, flexible transmission services to balance the growth in renewables and support electric grid reliability, and new pipeline capacity will support this transition.

“As demonstrated by this report, America’s natural gas will serve both domestic and global needs for many years to come,” said Santa. “The members of the INGAA Foundation look forward to contributing to the safe, efficient and environmentally responsible transmission of natural gas to customers as we transition to a lower-carbon economy.”

DCA appreciates the work of the INGAA Foundation and fully agrees with their contention that natural gas is critical to both support the viability of renewables and electric power generation.

**PHMSA Updates**

**Drug Testing Regulations Related to Opioids**
In April, PHMSA issued a final rule making technical corrections to drug testing regulations to ensure consistency with previous amendments requiring that DOT-regulated drug testing programs test for opioids, such as oxycodone, oxymorphone, hydrocodone, and hydromorphone. The final rule amends the definition of a Prohibited Drug to directly reference DOT regulations governing drug testing procedures. PHMSA also is updating the Management Information System (MIS) form to be consistent with this change.

**Advisory Bulletin Risks of Damages Caused by Earth Movement**
In May, PHMSA issued an advisory bulletin to pipeline operators cautioning that Earth movement caused by landslides and subsidence in variable, steep and rugged terrain can cause damage to pipelines and present threats to pipeline integrity. The advisory bulletin serves as a reminder of existing requirements that pipeline facilities be designed to consider geological forces and that operators actively monitor and address risks associated with geological hazards.

The advisory bulletin encourages operators take steps needed to mitigate risks of damage caused by Earth movement, including identifying areas prone to Earth movement. Use of geotechnical engineers when designing, constructing, and operating a pipeline system is also recommended, as well as developing site-specific design, construction and monitoring procedures that address identified hazards, and developing mitigation measures to remediate identified locations.

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Eben M. Wyman
Principal
eben@wymanassociates.net
DCA & Industry Events

2019

**JULY 17-20**
DCA Mid Year Meeting
Nemacolin Woodlands Resort
Farmington, Pennsylvania
www.dcaweb.org

**SEPTEMBER 18-20**
DCA Workforce Summit
Four Seasons Resort & Club Dallas at Las Colinas
Irving, Texas
www.dcaweb.org

**SEPTEMBER 30-OCTOBER 4**
International Pipe Line & Offshore Contractors Association (IPLOCA)
2019 Convention
Shangri-La Hotel
Bangkok, Thailand
www.iploca.com

**OCTOBER 1-3**
International Construction & Utility Equipment Exposition (ICUEE)
Kentucky Exposition Center
Louisville, Kentucky
www.icuee.com

**OCTOBER 12-15**
Australian Pipelines & Gas Convention (APGA)
Adelaide Convention Centre
North Terrace
Adelaide, South Australia
www.apga.org.au

**OCTOBER 28-30**
2019 No-Dig North Show
Telus Convention Centre
Calgary, Alberta, Canada
www.nodignorth.ca

**OCTOBER 28-30**
DCA 2019 Fall Meeting
Westin Times Square
New York City, New York
www.dcaweb.org

**NOVEMBER 6-7**
Pipeline Leadership Conference
Hyatt Regency Houston Int’l Airport
Houston, Texas
www.plconference.com

2020

**JANUARY 28 - 30**
Underground Construction Technology International Conference & Exhibition (UCT)
Fort Worth Convention Center
Fort Worth, Texas
www.uctonline.com

**FEBRUARY 24 - 29**
DCA Annual Convention
Boca Raton Resort & Club
Boca Raton, Florida
www.dcaweb.org
ISCO Industries Acquires HDPE Plant in Montana

ISCO Industries Inc., a Louisville, Kentucky-based high-density polyethylene (HDPE) pipe supplier and fabricator, has purchased Plasson USA’s HDPE fabrication plant in Missoula, Montana. The strategic acquisition allows ISCO to further expand in a previously difficult to reach area of North America.

“Our excellent customer service is the backbone of our company. It’s predicated on our ability to serve the needs of our customers on a local basis,” explained ISCO COO Lee Mizell. “We pursued this purchase in Montana to improve our ability to respond to our customers’ needs in the northwestern United States and western Canada.”

Along with the valuable location, the acquisition brings on board employees with decades of experience in the HDPE industry. That knowledge is an invaluable resource for ISCO customers.

“Plasson has been a valuable supplier of ours for many years,” said Jimmy Kirchdorfer, CEO and chairman of ISCO. “We’re looking forward to continuing our relationship with them. The expertise of the team they have in place in Missoula is an exciting addition to our team.”

The Missoula plant will be the ninth HDPE fabrication plant in ISCO’s network, joining plants in Kingman, Arizona; Salt Lake City, Utah; Louisville, Kentucky; Houston, Texas; Martinsburg, West Virginia; Baton Rouge, Louisiana; Wellford, South Carolina; and Mulberry, Florida.

Vermeer MV Solutions Welcomes New West Coast Regional Sales Manager

Vermeer MV Solutions, Greenville, South Carolina, is building upon its already strong customer service in the drilling industry with the addition of Jason Dewitt as the new west coast regional sales manager based out of Exeter, California. In his new role, Dewitt will manage sales activities within his region and provide quality support to the dealers in those territories by determining dealer sales and marketing needs.

Over the years, Dewitt has held various equipment sales roles with increasing responsibilities, including previous positions with Vermeer Pacific and Vermeer Rocky Mountain. Before going into sales, Dewitt served in the U.S. Air Force and as a police officer in Billings, Montana, and Visalia, California.

“Jason’s previous roles in equipment sales and his career as a police officer have molded him into an efficient leader with a team-oriented mindset,” said Vermeer MV Solutions Director of Sales Brian Showley. “We have no doubt that he will be able to hit the ground running with his passions for building strong relationships and providing quality customer service.”
Ellingson Acquires Directed Technologies Drilling

Minnesota-based Ellingson, a nationwide specialty trenchless construction contractor focused on providing end-to-end solutions in water and underground infrastructure management, announced the acquisition of Directed Technologies Drilling (DTD), a pioneer in the use of HDD methods to mitigate soil and groundwater contamination and develop clean water supplies. DTD is headquartered in Bellefonte, Pennsylvania.

During its 50-year history, Ellingson has built its business around the better utilization and management of water and underground infrastructure.

“Our growth goals are aggressive, and our focus is on being the industry leader in innovative trenchless construction solutions that provide added value to our customers. We continue to look for ways to provide more sustainable, safe, and technology-driven services that lower risk and maximize return on investment,” said Jeremy Ellingson, Ellingson Chief Operating Officer. “The addition of DTD aligns with our vision, expands our overall offering, and provides complementary capabilities to our existing water management, infrastructure management, and engineering divisions.”

According to DTD Chairman Jim Doesburg, the synergies extend beyond construction-related criteria.

“We have been looking for the right strategic partner to fuel the next chapter of growth and opportunity for our company and employees. Ellingson is the perfect fit.” DTD President Dan Ombalski agreed.

“Both of our companies are passionate about HDD technology, driven by commitment to our customers, and laser-focused on providing safe, innovative solutions to water supply and environmental remediation. And, the family-owned, team-driven culture at Ellingson aligns with the way we’ve done things in our operation as well.”

Michels Expands Foundations Operations in Minnesota, Upper Midwest

Michels recently opened an office in Brooklyn Park, Minnesota, to expand its deep foundation and earth retention services in the greater Minneapolis and upper Midwest markets.

Ryan Johnson, a 20-year industry veteran, is leading the regional team. Johnson’s diverse experience uniquely qualifies him to tackle tough projects that require innovative solutions. His areas of concentration include deep foundations, flood control, water and wastewater, power generation, and oil and gas projects. In addition to his project-based skills and local knowledge, Johnson actively participates in industry associations and is a LEED Accredited Professional.

The Brooklyn Park facility is Michels’ third in Minnesota, joining Rogers and Lakeville as bases for Michels’ industry-leading utility and transportation construction services. Michels is ranked 38th on ENR’s list of the top 400 contractors in the United States.

“Opening a third office in the Twin Cities area enables the Michels foundations group to strengthen our service capabilities in the region,” said Dan Gellings, Senior Vice President. “We are eager to bring our extensive experience and a dedicated team to the dynamic, growing market.”

(continued on pg. 28)
Vermeer Mid Atlantic Earns Pinnacle Award

Vermeer Mid Atlantic (VMA) celebrated being awarded the 2018 Vermeer Pinnacle designation in recognition of its efforts to provide a superior experience for customers. The Pinnacle Award is given annually by Vermeer to select dealer partners who are top performers in sales, marketing, aftermarket support and equipment safety and functionality training for its employees and customers.

“Vermeer Pinnacle dealers provide an exemplary customer experience,” said Tony Briggs, vice president of sales and distribution at Vermeer Corporation. “This award highlights dealers across the globe who consistently lead in a variety of key business performance metrics.”

The achievement, which makes Vermeer Mid Atlantic a multiple-time Pinnacle recipient, comes at a momentous time as the company celebrates 50 years in business.

“It’s a tremendous accomplishment to be considered a Vermeer Pinnacle designee, and I am truly proud of the effort and commitment from our entire team,” said Mark Boyle, President of VMA. “To celebrate receiving the award in our 50th year in business is incredibly special.”

Vermeer Mid Atlantic founder, John Vos, started his career at Vermeer in the cleanup crew at the Iowa headquarters, and then he diligently worked to become a demo representative. After years of dedication, John was given the opportunity to open his own dealer location in Maryland in 1969, which has developed into what is now Vermeer Mid Atlantic.
VMA now represents 12 locations spanning Maryland, Virginia, North Carolina South Carolina, West Virginia, Pennsylvania and Ohio.

Ring-O-Matic Announces New Sales, Rental and Service Dealer Empire Southwest, LLC

Ring-O-Matic is pleased to announce Empire Southwest, LLC as the new sales, rental and service dealer for the full line of Ring-O-Matic Vacuum Excavation Equipment, Pit cleaners and Truck Mounted Vacuum Systems in Empire’s current territory (including Arizona, Imperial County, California and a portion of Riverside County, California).

“Empire consistently performs as one of the top Caterpillar dealers in the country by providing a superior level of service and support and is the perfect organization to represent our product line.” Said Tony Bokhoven, Sales, Marketing & Dealer Development Manager for Ring-O-Matic.

With 14 locations across Arizona and California, excavation contractors, horizontal directional drilling contractors, municipalities and water and sewer contractors will have a source to fill their wide range of needs.

“Year after year, we continue to grow our customer base in the Southwest region, and now we have a partner in place to provide a premium customer experience for our line of products as well as provide alternative digging solutions to the vast Empire customer base.” Says Brian Metcalf, CEO of Ring-O-Matic.

Ring-O-Matic Announces Dealership and Distribution Agreement Between Wagner Rents and Ring-O-Matic

Ring-O-Matic is pleased to announce a dealership and distribution agreement between Wagner Rents and Ring-O-Matic of Pella, Iowa.

Wagner Rents, a division of Wagner CAT, with 18 locations across Colorado, New Mexico and West Texas, offers a full range of Caterpillar equipment along with the addition of the full line of Ring-O-Matic vacuum excavation equipment. “We are excited about a partnership with such a well-represented group of industry experts. Our machines are widely used in the construction, oil and gas, utility, excavation, municipal and horizontal directional drilling markets, and will be the perfect product to compliment the line of products available from Wagner Rents.” Said Tony Bokhoven, Sales, Marketing & Dealer Development Manager for Ring-O-Matic.

Ray Nibbe, General Manager of Rental and Used at Wagner Rents said, “The Ring-O-Matic product augments our current fleet offering and will help us better serve our customers growing and changing needs”. Wagner Rents will be responsible for the rental, sales, and service of the Ring-O-Matic line, with a primary focus on trailer mounted units.

“We are excited to have a company the caliber of Wagner Rents represents our product line. With their experience and representation in the construction market, we believe our existing customers and new customers, will grow and be successful when working with our partners at Wagner Rents.” said Ring-O-Matic CEO Brian Metcalf.

(continued on pg. 30)
Jon Preston Publishes New Book on Excavation Safety
OSHA outreach instructor Jon Preston has published a new book for the excavation industry called *Trench and Excavation Safety by the Book*. The book takes a simplified look at excavation safety by going through the Federal OSHA Excavation Standard, reviewing the Federal Register, and introducing a few of OSHA’s Letters of Interpretation. The text is geared toward:

- Safety trainers (such as Competent Person and OSHA 10- and 30-hour trainers)
- Excavation company owners, managers, and superintendents
- Safety professionals
- Engineers
- General contractors
- Inspectors
- OSHA compliance personnel
- Fire and technical rescue

Preston has over 25 years of experience in the excavation safety industry. He has developed and delivered an array of training programs including Excavation Safety Competent Person and Train the Trainer for Excavation Safety courses. Preston teaches the OSHA 3015 course-mand OSHA 10- and 30-hour classes. He has also served as a guest speaker for safety conferences and has written several safety-related articles for industry and trade journals. Preston holds a master’s degree in Training and Organizational Development from the University of Houston.

For more visit www.trenchandexcavationsafety.com.

Marian Marie Darden, Mother of DCA Executive Vice President Rob Darden, Passes Away
Marian Marie Darden, mother of DCA Executive Vice President Robert G. Darden, passed away peacefully on May 28, 2019, at the age of 97.

She was born on February 2, 1922 in Park Ridge, Illinois, the daughter of Jean and Charles Mann. Marian graduated from Maine Township High School and attended the University of Michigan where she met Arthur D. Darden, whom she married on November 8, 1943.

In addition to Rob, Marian is survived by sons Arthur D. Darden, Jr. and M. Taylor Darden, along with four grandchildren, one great-granddaughter, and four nieces and nephews. Marian was preceded in death by her husband, Arthur D. Darden, Sr., sister Betty Mann Glasser, and brother Charles O. Mann, Jr. (Chuck), who preceded her in death by one day.

Marian had a true love of the Lord and her church, and her life was a living example of her deep faith. She enjoyed being with friends and getting together to play bridge and socialize. Marian had a passion for reading and keeping up to date on current events and encouraged others to do the same.

In lieu of flowers, the family requests donations be made in Marian Darden’s name to: St. Philips Episcopal Church, 3643 Aurora Drive, New Orleans, LA 70131.

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Carson Corporation
www.carsoncorporation.net

Carson Corporation is located in Lafayette, NJ. Their offices, maintenance shop, equipment yard and material storage building are all conveniently together on a 25 acre facility. Having ample space affords them the ability to test the latest equipment, provide employees with hands-on training and investigate new technologies in a controlled environment.

YAK ACCESS
www.yakaccess.com

YAK ACCESS is a complete access company providing matting solutions, installation and removal of temporary roads, construction of permanent access roads, civil services for various construction industries throughout North America. Through the experience of their combined teams YAK MAT, New South, and BluRoc, they bring expertise to the access sector that is unmatched in the industry.