

**2012 State Damage Prevention Program Grants Final Report**  
**Funding Opportunity Number: DTPH56-12-G-PHPS06**

**Grant Agreement Number:** DTPH56-11-SN-000003

**Project Title:** Minnesota Office of Pipeline Safety (MNOPS) – State Damage Prevention

**Date Submitted:** September 1, 2013

**Funding Period:** September 1, 2012 – August 31, 2013

**Submitted by:** Jerry Rosendahl

**Specific Objective(s) of the Agreement**

Under this grant award, MNOPS devoted the equivalent of one full time employee for the enforcement, outreach, mediation, communications and evaluation of its damage prevention program. Duties included:

- Enforcement action follow-up and collections
- In-office and on-site excavation related investigations
- Statistical analysis, complaint and incident trending
- Court proceedings and conciliations
- Compliance monitoring of one-call center operations, frequent offenders, and types of offenses
- Rules and law review
- Outreach/Education
  - Safety presentations to excavators
  - Safety & training presentations for operators & locators
  - Annual pipeline conference with Damage Prevention track
  - Safety messages for the general population
- Involvement (including co-chairing) the Minnesota Regional Common Ground Alliance
- Active attendance and participation in area Utility Coordinating Committees
- Participation in locator roundtable and summit meetings
- Specialized Damage Prevention Inspections for Pipeline Operators
- Assurance of Damage Prevention case transparency

**Workscope**

Under the terms of this agreement, the Grantee will address the following elements listed in 49 USC §60134 through the actions it has specified in its Application.

- *Element (1): Participation by operators, excavators, and other stakeholders in the development and implementation of methods for establishing and maintaining effective communications between stakeholders from receipt of an excavation notification until successful completion of the excavation, as appropriate.*
- *Element (2): A process for fostering and ensuring the support and partnership of stakeholders, including excavators, operators, locators, designers, and local government in all phases of the program.*
- *Element (3): A process for reviewing the adequacy of a pipeline operator's internal performance measures regarding persons performing locating services and quality assurance programs.*
- *Element (4): Participation by operators, excavators, and other stakeholders in the development and implementation of effective employee training programs to ensure that operators, the one call center, the enforcing agency, and the excavators have partnered*

to design and implement training for the employees of operators, excavators, and locators.

- *Element (5): A process for fostering and ensuring active participation by all stakeholders in public education for damage prevention activities.*
- *Element (6) A process for resolving disputes that defines the State authority's role as a partner and facilitator to resolve issues.*
- *Element (7): Enforcement of State damage prevention law and regulations for all aspects of the damage prevention process, including public education and the use of civil penalties for violations assessable by the appropriate State authority.*
- *Element (8): A process for fostering and promoting the use, by all appropriate stakeholders, of improving technologies that may enhance communications, underground pipeline locating capability, and gathering analyzing information about the accuracy and effectiveness of locating programs.*
- *Element (9): A process for review and analysis of the effectiveness of each program element, including a means for implementing improvements identified by such program reviews.*

**Accomplishments for this period (Item 1 under Section 9.02 Final Report: "A comparison of actual accomplishments to the objectives established for the period.")**

Objective	Accomplishments (approximate numbers based on grant period as of report date)
Enforcement actions follow-up and collections – specific to SDP Grant	MNOPS investigates excavation related damages and incidents and responds to one-call complaints. From September 1, 2012 to August 31, 2013 MNOPS investigated 35 excavations related damages or complaints where enforcement action was taken and funding was specific to the SDP grant. For the purpose of this report, enforcement includes where there was a civil penalty.
In-office/Field investigations and research	MNOPS investigated 127 excavation related damages, excavation related complaint and one-call complaints that were specifically funded to the SDP Grant. Additionally, MNOPS investigated 206 cases relating to damage prevention issues that was funded using the State Damage Prevention Grant.
Statistical analysis and complaint and incident trending	The database used by MNOPS termed (OPS) continues to be used to track damage prevention related activities and enforcement actions. Additionally, since 1996 MNOPS has established a voluntary damage reporting program which has allowed for tracking or damage prevention trends and analysis. It is now mandatory for Intrastate natural gas operators to report damages throughout the year and annually.

<p>Court proceedings and conciliations</p>	<p>When enforcement actions are taken against an operator or excavator, a pre-established collections process is followed that allows each party due process. Court cases and conciliations are tracked through the OPS system and overseen by the damage prevention lead.</p>
<p>Compliance monitoring of one-call center operations, Frequent offenders, and types of offenses</p>	<p>The Pipeline Safety Director sits on the one-call center board.  The Damage Prevention program lead sits on the one-call center operations committee.  Participation in these groups allows MNOPS to continually monitor the one call center activities. In order to track and appropriately address frequent violators of the excavation laws, MNOPS  1) Through its OPS system, MNOPS collects and reviews all pipeline related gas releases due to excavation related activities in part to identify frequent offenders and types of offenses, and 2)  Works with both excavators and operators to address any issues. An operator or excavators history is considered when determining enforcement.</p>
<p>Rules and law review</p>	<p>MNOPS hosts meetings to review the current excavation laws in Minnesota. In 2012, MNOPS hosted 1 meeting on August 8, 2012. In 2013, MNOPS hosted 2 meetings. The meetings are open to the public and information for the meetings, both before and after the meetings are always posted on the MNOPS website. MNOPS provides a call in option for those that cannot attend in person and callers can follow the presentation online during the meeting.</p>
<p>Outreach</p> <ul style="list-style-type: none"> <li>▪ Safety presentations to excavators</li> <li>▪ Safety &amp; training presentations for Operators &amp; locators</li> <li>▪ Annual conference with Damage Prevention track</li> <li>▪ Safety messages for the general population</li> </ul>	<p>MNOPS gives safety presentations to excavators, facility operators and locators. From September 1, 2012 to August 31, 2013 MNOPS presented 88 times with 6727 documented attendees. The meetings primarily consisted of a presentation reviewing the excavation laws in Minnesota and reviewing case studies. The presentation included many case studies and received widespread support.</p> <p>MNOPS provided a cross bore presentation at the 2013 national CGA and the 2013 Iowa DP Summit.</p> <p>MNOPS Damage Prevention at MNOPS Spring Educational Conference.</p>
<p>Involvement in regional Common Ground Alliance</p>	<p>MNOPS Participated in several Regional CGA</p>

	meetings in 2012 and 2013. The meetings have been primarily targeting a unified approach to the upcoming damage prevention safety meetings. The MNOPS damage prevention lead is a co-chair on the Regional CGA “best practice” sub-committee.
Active Participation in area Utility Coordinating Committees	MNOPS participates in several UCC groups in Minnesota. The Regional CGA continues to work to unify these groups.
Participation in the one-call center Operations and Communications Committees	MNOPS Participated in all Gopher State One Call Operations and Communications Committee meetings.
Specialized Damage Prevention Inspections for Pipeline Operators	MNOPS performs comprehensive specialized damage prevention inspections on intra-state pipeline operators each year on a risk basis. To date in 2013 – 3 Damage Prevention inspections have been conducted. These inspections are tracked by the OPS database. Risk is based on several factors including damages/1000 locates and damages/mile of pipeline.
Assurance of Damage Prevention case transparency	MNOPS publishes key damage prevention trends that are specific to Minnesota including damages/1000 locates and a breakdown of damages by cause in MN. This is broken out by utility type as well as combined into overall results. Minnesota also publishes all close cases that have had enforcements actions (either a warning letter or civil penalty). Additionally, MNOPS has hosted a series of meetings, open to the public, to discuss the current excavations laws in Minnesota. Presentations and meetings results are published on the MNOPS website.

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

The Minnesota Office of Pipeline Safety (MNOPS) has been actively scheduling Damage Prevention meetings around the State. MNOPS continues to attend and participate in Regional and National CGA meetings. MNOPS continues to participate and attend regular Utility Coordinating Committees throughout the State. With respect to the State Damage Prevention grant, Thus far in the performance period – MNOPS cited 127 one call law code violations, issued \$29,450.00 in penalties, and collected \$20,000.00.

Cost breakdown of State Damage Prevention Grant (September 1, 2012 – August 31, 2013):

Salary and fringe:       \$83,290.81  
Travel:                     \$2987.21

Indirect costs: \$8721.98  
Total: \$95,000.00  
Total Awarded: \$95,000.00

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# FEDERAL FINANCIAL REPORT

(Follow form instructions)

1. Federal Agency and Organizational Element to Which Report is Submitted U.S. DOT/ PHMSA/Office of Pipeline Safety	2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment) DTPH58-12-G-PHFS08	Page 1	of 1 pages
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3. Recipient Organization (Name and complete address including Zip code)  
 Department of Public Safety, Minnesota Office of Pipeline Safety, 444 Cedar Street, Suite 147, St. Paul, MN 55101-5147

4a. DUNS Number 804886729	4b. EIN 41-8007162	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment) Funding Opportunity Number: DTPH58-11-SN-0001	6. Report Type <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input checked="" type="checkbox"/> Final	7. Basis of Accounting <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual
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8. Project/Grant Period From: (Month, Day, Year) 09/01/2012	To: (Month, Day, Year) 08/31/2013	9. Reporting Period End Date (Month, Day, Year) 09/31/2013
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10. Transactions Cumulative

(Use lines a-c for single or multiple grant reporting)

**Federal Cash (To report multiple grants, also use FFR Attachment):**

a. Cash Receipts	
b. Cash Disbursements	
c. Cash on Hand (line a minus b)	

(Use lines d-o for single grant reporting)

**Federal Expenditures and Unobligated Balance:**

d. Total Federal funds authorized	95,000.00
e. Federal share of expenditures	95,000.00
f. Federal share of unliquidated obligations	
g. Total Federal share (sum of lines e and f)	
h. Unobligated balance of Federal funds (line d minus g)	

**Recipient Share:**

i. Total recipient share required	0
j. Recipient share of expenditures	0
k. Remaining recipient share to be provided (line i minus j)	0

**Program Income:**

l. Total Federal program income earned	0
m. Program income expended in accordance with the deduction alternative	0
n. Program income expended in accordance with the addition alternative	0
o. Unexpended program income (line l minus line m or line n)	0

11. Indirect Expense	a. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share
		10.5%	09/01/2012	09/31/2013	86278.02	8721.98	95000.00
g. Totals:						8721.98	95000.00

12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:

13. Certification: By signing this report, I certify that it is true, complete, and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent information may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001)

a. Typed or Printed Name and Title of Authorized Certifying Official  Jerry Rosendahl	c. Telephone (Area code, number and extension) 651-201-7201
b. Signature of Authorized Certifying Official 	d. Email address jerry.rosendahl@state.mn.us
e. Date Report Submitted (Month, Day, Year) 9/17/2013	
1A. Agency use only:	

Standard Form 425  
 OMB Approval Number: 0348-0051  
 Expiration Date: 10/31/2011

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