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Mark Sievers, Chairman
Thomas E. Wright, Commissioner
Shari Feist Albrecht, Commissioner

Sam Brownback, Governor

October 17, 2013

Ms. Annmarie Robertson
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
Office of Pipeline Safety, PHP-20
246 E. Laverock Road
Indianapolis, IN 46220

RE: State Damage Prevention Grant Final Report: Grant Agreement #DTPH56-12-G-PHPS11

Dear Ms. Robertson:

Enclosed, please find the Final Report for the above captioned Grant Agreement. This report is being filed as per the requirements of Section 9.01 of the Agreement.

Sincerely,

A handwritten signature in purple ink that reads "Leo M. Haynos". The signature is fluid and cursive.

Leo Haynos
Chief of Pipeline Safety & Gas Operations
(785) 271-3278

Cc: Jeff McClanahan, Director of Utilities
Ken Mendoza, Accountant
Neysa Thomas, Accountant V
Jackie Montfoort Paige, Director of Administration and Finance
Kim Christiansen, Executive Director

**2012 State Damage Prevention Program Grants Final Report
CFDA Number: 20.720**

Award Number: DTPH56-12-G-PHPS11

Project Title: 2012 State Damage Prevention Program

Date Submitted: October 17, 2013

Submitted by: Primary Contact: Mr. Leo Haynos, l.haynos@kcc.ks.gov, (785) 271-3278

Grant Period: September 1, 2012 through August 31, 2013

Specific Objective(s) of the Agreement

The proposed grant will assist Kansas in meeting the goals outlined in Element 7 with a secondary impact on Elements 4 and 5 of the PIPES act. The proposed grant will continue our successful enforcement program in Kansas. In addition to recommending additional civil penalties, our enforcement strategy is coupled with a strong educational component that will foster communications among all parties. We propose to evaluate the effectiveness of an aggressive enforcement program by using the mandatory damage reporting requirements in effect in Kansas.

Workscope

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

- *Element (7):* Enforcement of State damage prevention laws 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.

Accomplishments for the grant period (Item 1 under Agreement Article IX, Section 9.02 Final Report: “A comparison of actual accomplishments to the objectives established for the period.”)

Enforcement Activities under Element 7:

This grant was used to fully fund the Wichita area damage investigator and partially fund the Kansas City area damage investigator. As a result, the funds from this grant have made an impact in the two largest population centers in Kansas.

As shown in the chart below, there were 333 damage investigations supported by this grant. The investigations led to 232 notices of probable noncompliance being issued to the party considered at fault by KCC Staff. Further enforcement was accomplished by Staff issuing 15 penalties for a total of \$8,250 to excavators digging without locates. A strong enforcement presence has been established in both of these metro areas by the continued activities of both investigators. Our Kansas City investigator makes random site visits and locate ticket audits a priority between damages, as evidenced in the chart below. This has been an excellent tool for enforcement with the large number of utility operators in that area and the constant struggle to get all facilities marked in time. The chart shows a pretty even split of Probable Noncompliances written to excavators and utility operators. This is a testament to the fairness of our investigations and also

supports our finding that excavators digging without locate tickets is becoming less prevalent in these metro areas. More discussion about this point is included in the “Metrics” section below.

Enforcement Activity Summary (during grant period)

	Wichita Metro	Kansas City Metro	TOTAL
Damage Investigations – all utilities	144	189	333
Natural Gas Damages (for available data: September 2012-June 2013)	180	247	427
Probable Noncompliances - Excavators	39	75	114
Probable Noncompliances - Utility Operators	44	74	118
Probable Noncompliances - TOTAL	83	149	232
Penalty Orders Issued	2	13	15
Site Visits/Locate Ticket Audits	209	679	888

Education of Stakeholders to Improve Performance on Elements 1, 2, and 4:

The metro area damage prevention investigators funded by this grant have an indirect impact on Elements 1, 2, and 4 through both the enforcement activities of Element 7 and education and interaction with stakeholders. As seen in the chart below, Kansas damage investigators interface frequently with excavators, utilities and other stakeholders. Our Wichita investigator places a high priority on attending excavator safety meetings to provide quality damage prevention education to the people digging in the dirt. KCC Staff has also been attending and participating in City sponsored underground utility coordination committee (ULCC) meetings. We plan to continue participating in these meetings and encouraging all excavators as well as utilities to participate. Communication between all stakeholders for large city projects is critical and can be very effective in preventing damage during the project.

Investigator Education Activity (during grant period)

	Wichita Metro	Kansas City Metro	TOTAL
Excavator & Utility Meetings	204	48	252
One Call/CGA/Utility Locating Committee Meetings, Presentations	12	18	30

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

Prior to beginning the damage prevention program in Wichita funded by this grant, there was very little activity for damage prevention enforcement in that area. Over the course of the last 5 years, our on-site contact with the utility operators and excavators has made a positive impact in damage prevention overall. Below is a chart providing two statistics that can provide a good measure of the effectiveness of a damage prevention program; damages per 1000 locates, and the % of damages where no notification was made to the One Call center. These statistics are

difficult to calculate for the grant period, so calendar year statistics are shown. For the 12 States referred to by PHMSA as the Central Region, damage statistics from the 2012 PHMSA Distribution Annual Reports rank Kansas as having the third lowest damage rate with 2.56 damages per 1000 locates. The damages per 1000 locates for both metro areas look great when compared both to the numbers from other Central region states and to Kansas as a whole. This demonstrates the positive impact on damage prevention these two positions have in their metro areas.

In CGA's 2012 DIRT Report, the data showed that for 27% of all damages, no notification was made prior to excavation, down from 31% in 2011. The damages investigated in both Wichita and Kansas City show a trend very different than the national average with 11% and 9% in 2012, respectively, of all damage investigations where no notification was made. This statistic goes a long way in showing the effectiveness of our damage prevention programs, especially since this improvement occurred during a period of near-record ticket volumes in early 2013. Issuing civil penalties to excavators who do not make the One Call notification is at least partially responsible for this trend. However, the strong emphasis on education of excavators and encouraging communication between stakeholders, as seen by the data from the previous section, helps to promote use of the One Call system and increased awareness of damage prevention while excavating. We believe that our programs would not be as effective if our sole focus was on civil penalties as an enforcement tool.

Damage Prevention Performance Metrics

	Wichita Metro 2011	Wichita Metro 2012	Kansas City Metro 2011	Kansas City Metro 2012
Locates Requested -Gas Utilities	95,500	97,646	128,312	126,262
Natural Gas Damages	255	208	286	301
Damages/1000 locates	2.67	2.13	2.34	2.38
% of KCC Investigations with "No Notification made to One Call center" as contributing cause	19.3%	11.0%	9.2%	8.6%

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

None at this time.

Final Financial Status Report

The final financial report has been sent as a separate attachment to the AA.

Requests of the GOTR and/or PHMSA

No actions requested at this time.