

2019 State Damage Prevention Program Grants Progress Report
CFDA Number: 20.720

Award Number: 693JK31940016PSDP

Project Title: State Damage Prevention (SDP) Program Grants - 2019

Date Submitted: 6/3/2020

Submitted by: Juan Urena & Joseph Costa

Specific Objective(s) of the Agreement

Under this grant agreement, the Recipient will:

Fund enforcement, education, training, communication, support, analysis, partnership, and mediation activities associated with its damage prevention program. (Elements 1-9)

Work Scope

Under the terms of this grant agreement, the New Jersey Board of Public utilities (NJBPu) will address the following applicable elements listed in the approved application, pursuant to 49 U.S.C. §60134 (a), (b):

Element 1 (Effective Communications): 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. *(Not Applicable)*

Element 2 (Comprehensive Stakeholder Support): 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. *(Applicable)*

Element 3 (Operator Internal Performance Measurement): A process for reviewing the adequacy of a pipeline operator's internal performance measures regarding persons performing locating services and quality assurance programs. *(Not Applicable)*

Element 4 (Effective Employee Training): 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. *(Applicable)*

Element 5 (Public Education): A process for fostering and ensuring active participation by all stakeholders in public education for damage prevention activities. *(Not Applicable)*

Element 6 (Dispute Resolution): A process for resolving disputes that defines the State authority's role as a partner and facilitator to resolve issues. *(Applicable)*

Element 7 (Enforcement): 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. *(Applicable)*

Element 8 (Technology): 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 and analyzing information about the accuracy and effectiveness

of locating programs. *(Not Applicable)*

Element 9 (Damage Prevention Program Review): A process for review and analysis of the effectiveness of each program element, including a means for implementing improvements identified by such program reviews. *(Not Applicable)*

Accomplishments for this period (See Reporting Requirements Sections of your Agreement)

This Mid-Term Progress Report covers all activities through 3/27/2020.

Project Overview

The 2019 SDP Grant funds are being used to offset salary and fringe benefit expenses for a staff member of the NJBPU who is performing damage prevention investigations, inspections, compliance enforcement and related underground damage prevention program activities.

Project Activities

Damage prevention activities conducted during the Mid-Term reporting period included:

- investigating complaints related to the New Jersey Underground Facility Protection Act (UFPA or “Act”);
- inspecting excavation activities for compliance with the Act;
- issuing probable non-compliance enforcement actions;
- assisting with case preparation for proposed enforcement penalties for probable non-compliance with the Act; and
- tracking probable non-compliance through the NJBPU damage prevention program database.

Project Progression

During the Mid-Term reporting period, the NJBPU experienced limited success in achieving the SDP Grant project objectives.

Due to staffing shortages in both damage prevention personnel and pipeline safety personnel, the NJBPU was unable to dedicated the project assigned staff member on a full time basis to SDP Grant project related activities. This resulted in a reduction in the overall volume of project related activities (these issues and challenges are more fully explained below in the appropriate section of this report).

Additionally, all damage prevention related activities were significantly curtailed at the end of the Mid-Term reporting period due to New Jersey’s stay-at-home and state of emergency Executive Orders and work from home requirement in response to the COVID-19 global pandemic.

Quantifiable Metrics/Measures of Effectiveness (“Where the output of the project can be quantified, a computation of the cost per unit of output.”)

For the Mid-Term reporting period (October 2019-March 2020) the NJBPU opened 456 reported damages for investigation out of 949 total damages entered into the damage prevention database. A breakdown of the investigations and cases reviewed are as follows:

- 949 total damages reported.
- 456 cases opened, representing 48% of all damages reported.
- A total of 77 cases were pursued for enforcement and settled with monetary penalties.
- Total fines collected from settlements were \$227,000.

Of the 949 total excavation damages reported, the natural gas specific incidents included:

- 766 damages entered into the damage prevention database.
- 371 cases handled.
- 54 cases closed.
- Total gas related fines collected were \$162,000.

Issues, Problems or Challenges (“The reasons for slippage if established objectives were not met. “)

The NJBPU continues to face a number of staffing challenges that have directly impacted the agency’s ability to fully achieve the investigation, inspection, enforcement and overall damage prevention objectives of the 2019 SDP Grant project. Specifically, as discussed above, the NJBPU has experienced a damage prevention program and pipeline safety program staffing shortage and was also unable to hire a temporary contractor for the project as originally planned. As a result of the reduced workforce, the volume of damage prevention work, number of incidents investigated and enforcement actions taken related to the 2019 SDP Grant project were reduced when compared to prior years.

The reduction in personnel hours/work dedicated to the 2019 SDP Grant project was further compounded by the COVID-19 pandemic and stay-at-home Executive Orders issued by New Jersey Governor Murphy in mid-March. Since the end of the project Mid-Term reporting period, NJBPU staff, including the staff member assigned to the SDP Grant project, has been working from home with limited resources and limited access to the damage prevention database.

Mid-term Financial Status Report

The Mid-Term financial report has been sent as a separate attachment. See Form SF-425, Federal Financial Report, submitted with this Mid-Term report.

An advance in the amount of \$25,626 is being requested for the Project Mid-Term work performed. A breakdown of the costs for the period ending March 27, 2020 are as follows.

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|---|-------------------------|
| <i>Personnel</i> | <i>17,534.34</i> |
| <i>Fringe Benefits.....</i> | <i>8,092.10</i> |
| <i>Travel.....</i> | <i>0.00</i> |
| <i>Equipment.....</i> | <i>0.00</i> |
| <i>Supplies.....</i> | <i>0.00</i> |
| <i>Contractual.....</i> | <i>0.00</i> |
| <i>Other.....</i> | <i>0.00</i> |
| <i>Indirect.....</i> | <i>0.00</i> |
| <i>Total Mid-Term Project Costs.....</i> | <i>25,626.44</i> |

Plans for Next Period (Remainder of Grant)

For the reasons explained above, it is anticipated that during the remainder of the project period, the NJBPU will continue to experience slippage in its ability to conduct activities to fully meet its 2019 SDP Grant project overall damage prevention objectives.

For the foreseeable future, the NJBPU will continue to experience a reduction in its workforce and as a result some limitations in the ability to conduct the types of damage prevention activities needed to fully achieve the project outcomes.

While it is unlikely the NJBPU will be able to conduct the amount of SDP Grant related damage prevention work needed to expend the full \$100,000 project funds, we will continue to strive to meet the project objectives (particularly Element 7) towards the ultimate goal of strengthening the State's damage prevention program.

Requests of the AOR and/or PHMSA