
Damage Prevention

. . . a proactive approach

2011 Damage Prevention & Excavation Safety Summit
Boone County Fairgrounds, Columbia, MO
November 10, 2011



Damage Prevention ... a proactive approach



- ✓ Background Information
- ✓ Laclede's Damage Prevention Program
- ✓ Lessons Learned and Benefits Experienced

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✓ Background Information

- Largest gas LDC in MO serving primarily the St. Louis, MO metro area.
 - Also provide gas service in rural areas via MO Nat Div.
- Originally incorporated in 1857 as The Laclede Gas Light Company.
 - Over the past 150+ years:
 - Installed over 16,000 miles of underground facilities.
(approx. 200 miles added and/or replaced each year)
 - Serve over 632,000 Customers (94% are residential)
- Laclede facilities damaged approximately 3 times each workday.
 - Dig-in issues:
 - Safety
 - Service/Reliability
 - Repair Costs

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✓ History of the Damage Prevention Department

- Decision made in 2000 to develop a small independent department within Operations to address third-party dig-in issues.
 - Department consists of:
 - 1 department supervisor—hired from outside the company;
 - 3 damage coordinators— transferred existing employees.
 - (1 from Claims with investigation/collection experience)
 - (1 from C&M Leak with leak repair history/experience)
 - (1 from C&M Construction with main/service installation experience)
 - Department works closely with, but not under control/direction of:
 - Construction & Maintenance;
 - Engineering; or,
 - Claims.

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- ✓ **Why did Laclede choose the current approach?**
 - To more proactively manage risk of damages from contractor excavations.
 - Change attitudes toward damage prevention and safety.
 - Enhance worker/public safety.
 - Provide for more uniform/consistent data gathering.
 - Eliminate inaccurate, incomplete and unreliable information.
 - Reduce investigation time and speed-up recovery of costs.
 - Enhance collection on damages.
 - Improve communication between excavators and the company.

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✓ What does Damage Prevention do? ... Investigate

- Perform on-site investigations of 3rd party damages to Laclede facilities.
 - Gather factual and relevant damage data.
 - Document investigations using photos and field notes.
 - Interview witnesses/participants to the damage.
 - Resolve as many damages as we can, as soon as possible.
- Database and monitor damage information.
 - Accurately and promptly enter data into the damage database.
 - Perform follow-up fieldwork on billed damages:
 - answer questions;
 - resolve bills; and,
 - track status of payments.
 - Appear as witness in litigated cases for Claims as needed.
- Identify root causes of damages.
 - Alert appropriate Laclede departments to problems discovered and offer suggestions to correct them.
 - Work with third-party excavators to minimize damages.

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✓ What does Damage Prevention do? ... Communicate

- Network with others that have an interest in underground facility safety.
 - Common Ground Alliance (CGA).
 - MO Common Ground Alliance (MOCGA).
 - MO One Call Operations Committee.
 - MO Association of Natural Gas Operators (MANGO).
- Apply practical/applicable CGA Best Practices in program activities.
- Raise public awareness of underground facility damage.
 - Deliver damage prevention/safety awareness message:
 - Frequency of damage to underground facilities.
 - One Call notification process.
 - Natural gas safety facts and tips.
 - Participate at excavator safety meetings.
 - Periodically meet with excavators/facility owners to discuss specific issues.

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✓ What have we learned?

— Excavators:

- Like knowing ASAP if they will or will not be billed for a damage.
- Want to get damages resolved promptly.
- Realize that fewer damages for us means less downtime for them.
- Like having a readily accessible point-of-contact within the company.
- Appreciate our willingness to readily accept liability for damages outside the excavator's control.

— Laclede:

- In the past, some damages were wrongfully attributed to excavators.
- Past damage info collected was incomplete, inconsistent and inadequate.
- Little or no effort was made to talk to or work with excavators.
- Little or no follow-up was done on damage collections in the past.

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✓ What have we learned? (continued)

— Regulatory/governmental:

- The MO One Call System is making improvements, but it still is not as effective as it needs to be.
- “Call Before You Dig” message still not as effective as it needs to be because not all excavators are calling for locates.
- Enforcement lacking due to low awareness level of government to the scope of the problem.

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- ✓ **What are some of the benefits experienced to date?**
 - Overall
 - Damage prevention and Laclede are positively linked in the minds of Missouri's excavation community.
 - Leadership roles on many groups and committees.
 - Instrumental in MO adopting CGA marking standard statewide.
 - MO Attorney General is more involved due to increased awareness.
 - Locate ticket volume has increased due to:
 - On-site damage discussions with excavators.
 - QuickNote letters.
 - Damage Prevention/Safety Awareness meetings.
 - Improved spirit of cooperation with excavators.
 - 54% reduction in dig-in damages.
 - 61% improvement in damage rate (dig-ins/1,000 locates).
 - Excavators voluntarily initiate contact with Laclede if something does not look right or they need assistance before digging.
 - Repair time reduced.

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✓ Benefits (cont.)

- Internal company changes
 - QuickNotes
(fewer 'no-call' dig-ins)

LACLEDE GAS COMPANY
720 OLIVE STREET
ST. LOUIS, MISSOURI 63101

[Quick Note Date]

TO: [Contractor Name]
[Contract Address] [Contractor Street]
[City] [State] [Zip]
[Phone]

RE: [Date of Damage]
[House#] [Damage Street], [Town], MO

On the date and at the address referenced above, Laclede Gas Company (Laclede) responded to a dig-in damage of its underground facilities. Laclede was able to safely bring a potentially dangerous situation under control but not without incurring certain costs and expenses to repair those facilities. Based on our investigation, you have been identified as the responsible party for this damage.

Missouri's Underground Facility Safety and Damage Prevention statute (Chapter 319 RSMo) requires anyone excavating around underground facilities to call **1-800-DIG-RITE** or **811** (the national one call number) for a location of those facilities and, once marked, to dig in a careful and prudent manner. Among other things, Laclede's investigation revealed that you failed to give notice of your intention to excavate as required by §319.025 RSMo.

As the responsible party for this damage, you will be receiving an invoice for the repair within the next few days. Failure to pay this bill in full or submit in writing your intent to dispute the charges within 30 days of the invoice's issue date will force us to pursue litigation/collection efforts related to this damage.

Laclede is a member of the Missouri One Call System and an active participant in Missouri's excavation community. We believe that damage prevention is a shared responsibility. By working cooperatively together, your need to excavate and our need to protect our facilities can be accomplished in a safe and mutually acceptable manner. If you have any questions concerning this damage or if we can assist you in preventing future damage to underground facilities, please do not hesitate to contact [dc name], [dc title] at [(dc phone)], or via email at [dc email].

Thank you in advance for your attention and cooperation in this matter.

Sincerely,

David P. Abernathy
Vice President & Associate General Counsel,
Industrial Relations and Claims Management

Copies: Missouri Attorney General's Office
Missouri One Call System, Inc

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✓ Benefits (cont.) — % 'no-call' damages to total dig-in damages



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✓ **Benefits (cont.) — improved damage data collection form F- 647**

Laclede Gas
REPORT OF DAMAGE TO LACLEDE GAS COMPANY PROPERTY F-647 Rev. 5/2010 (pg 1 of 2)

REPORT NO.	INVOICE NO.	Work Order No.	Leak Control No.	Charge: <input type="checkbox"/> Yes <input type="checkbox"/> No	Non Dig-In: <input type="checkbox"/> Yes <input type="checkbox"/> No	Bill USIC: <input type="checkbox"/> Yes <input type="checkbox"/> No
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Address of Damage: _____ Town: _____ Grid: _____ District: _____
 Date of Damage: _____ Time: _____ Excavator Digup No. _____ Time Made Gas Safe: _____
 Damaging Party: _____ Damaged by: Homeowner Municipality Contractor Unknown
 Address: _____ Phone No. _____
 Name of Damaging Party Personnel Contacted at Scene: _____
 SAID on Scene? Yes No if Yes, Number of Buildings Checked/Ret: _____ SAID Labor on Back? Yes No
 Damage to: Main Service Meter Set Only Material: _____ Size (Inches): _____ System: LP MP IP SF TF CF PR
 Laclede Facility Joint-Trenched with AT&T? Yes No Laclede Facility Joint-Trenched with Another Utility? Yes No
 Property of Another Utility Damaged During this Incident? Yes No Name of Utility: _____
 Laclede Repairs Permanent? Yes No C&M Emergency Locate No. (Prior to Making Repairs): _____
 Excess Flow Valve (EFV) Found Installed? Yes No EFV Tripped? Yes No
 Did Excavator Notify MO One Call Systems (MOCS) for a Locate? Yes No Was the Locate Request Marked? Yes No
 MOCS LOCATE REQUEST TICKET CONFIRMATION NO. _____ REQUESTED DATE TIME _____ PERFORMED DATE TIME _____ LOCATOR _____ METHOD OF LOCATE _____
 Were Markings Within 24 Inches of Damaged Facilities? Yes No Depth in Inches When Damaged: _____
 Photos Taken? Yes No Camera No. _____ Damaging Party Hand Dig Around Locates? Yes No
TYPE OF WORK BEING PERFORMED WHEN FACILITY WAS DAMAGED (check appropriate box)
 Pavement Replacement Road Work Electric/Power Telephone Fence Grading/Site Development
 Curb/Gutter Water Street Light Fiber Optic Home Yard Work Building Demolition
 Driveway/Sidewalk Sewer Pole Placement Cable TV Irrigation Building Construction
 R.O.W. Maintenance Storm/Culvert Signs Vehicle Landscape/Retaining Wall Other (describe below)
DAMAGE MEDIA (check appropriate box)
 Digging Equip Cutting Equip Vertical Boring Settlement Erosion
 Grading Equip Hand Equip Horizontal Boring Cave In Moving Vehicle
 Ploving Equip Vacuum Equip Stake/Form Pin Backfill Other (describe below)
ROOT CAUSE DESCRIPTION (check appropriate box)
 No Locate Request USIC Failed to Mark Laclede Failed to Mark Improper Installation
 Insufficient Locate Time USIC Mislocated Laclede Mislocated Depth Issues
 No "no response" Call Incomplete USIC Locate Incomplete Laclede Locate Civic Improvement
 Inadequate Excavation Practices Inadequate Shoring Unknown Settlement Compromise Settlement
 No Pot-Hole/Hand Dig Excavation Outside Locate Area Incomplete/Inaccurate Records Miscommunication
 Stake Marks/Expired Locate Marks Altered by Construction Missing/Broken Trace Wire Unavailable
 Wrong Locate Info Provided Other (describe below) Unlocatable Facility Homeowner
 Remarks _____

Supervisor on Scene? <input type="checkbox"/> Yes <input type="checkbox"/> No	Supervisor Initials: _____	Name of Damage Coordinator (DC) on Scene: _____	Date/Time DC on Scene: _____
Prepared By: _____	Approved By: _____	Date Approved: _____	

ATTACH COPY OF SKETCH FROM F-736

Laclede Gas
C&M LABOR F-647 Rev. 5/2010 (pg 2 of 2)

Employee I.D.#	Time Received	Time Arrived	Time Completed	Hours		Cost/Hour	Total	
				Regular	Overtime			
						\$	\$	
TOTAL C&M LABOR CHARGES							\$	\$

SAID LABOR

Employee I.D.#	Time Received	Time Arrived	Time Completed	Hours		Cost/Hour	Total	
				Regular	Overtime			
						\$	\$	
TOTAL SAID LABOR CHARGES							\$	\$

C&M / SAID VEHICLE & MECHANICAL EQUIPMENT

Vehicle No.	Hours	Rate/Hour	Total
		\$	\$
TOTAL VEHICLE & MECHANICAL EQUIPMENT CHARGES			\$

MATERIALS

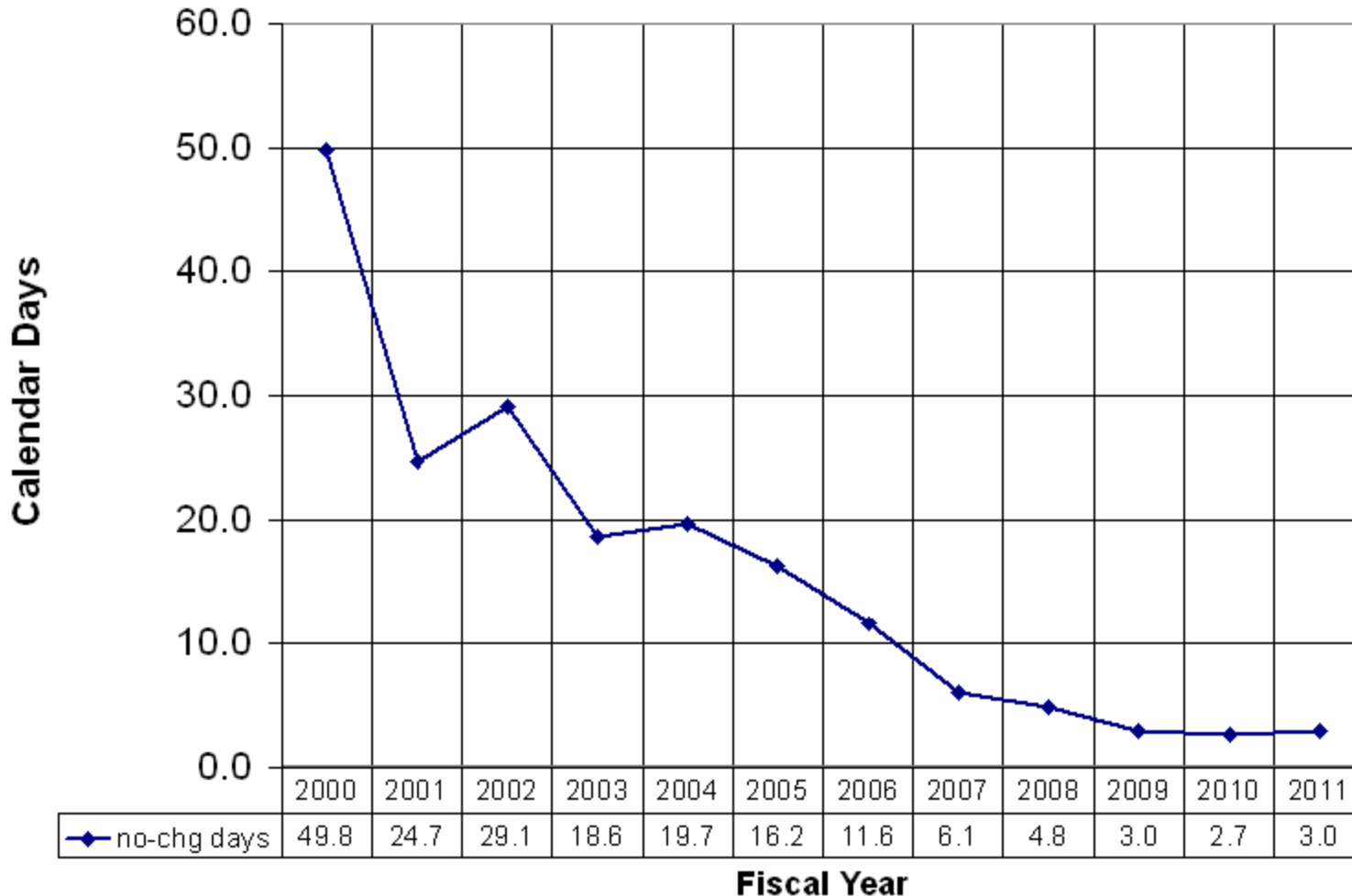
Material Description	Stock No.	Quantity	Cost/Unit	Total
			\$	\$
TOTAL MATERIAL CHARGES				\$

TOTAL CHARGES FROM ABOVE				\$
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- ✓ Benefits (cont.) — average # of days to complete typical damage investigation



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- ✓ Benefits (cont.) — data tracking and collections improved

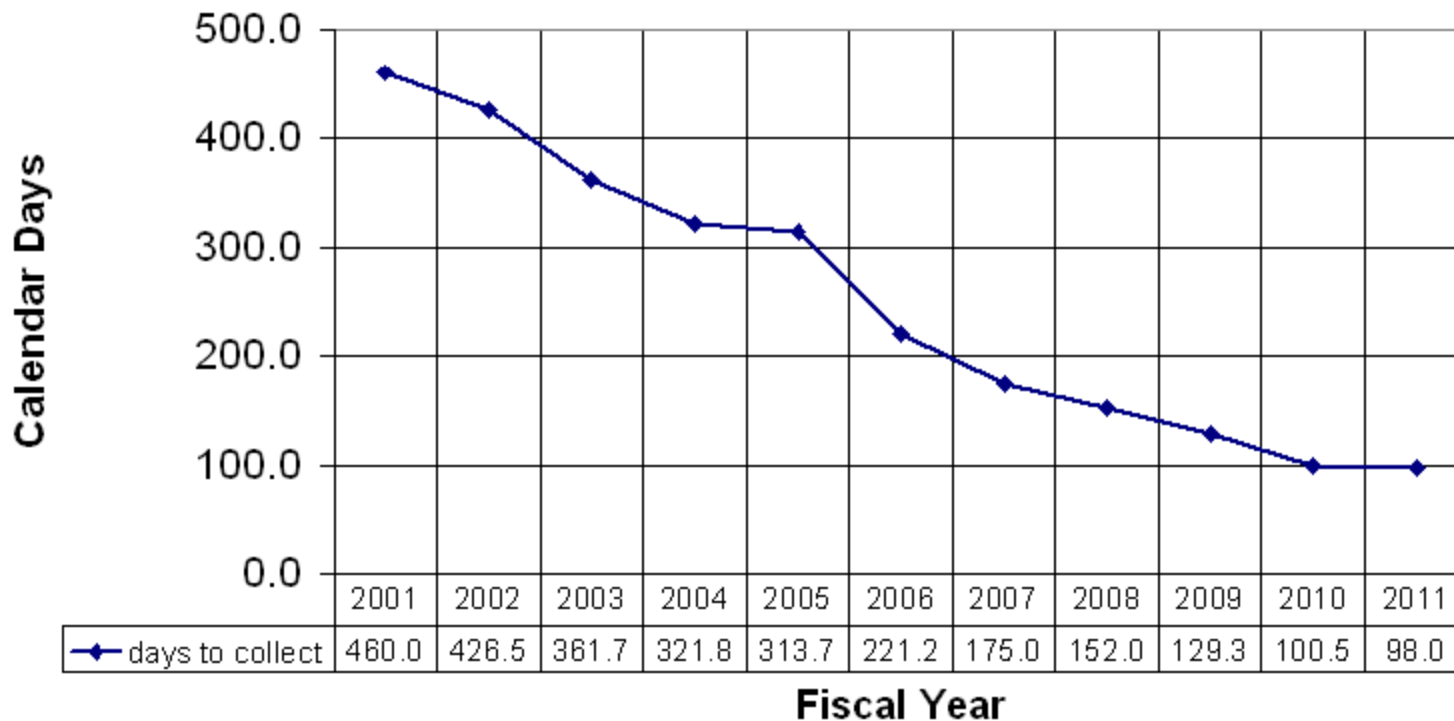
Laclede Gas Facility Damage System
Claims Main Menu

Enter / Edit	Tickets / Invoices	Reports / Searches
Enter Claims Information	New Tickets from C.M.	Accounts Receivable
Edit Ticket	View/Print Damage Ticket	Claims Monthly Summary
Edit Range of Tickets	View/Print Invoice	Average Billing Days
Edit Contractor	Outstanding Invoice List	Damage Payments
Power Search Edit	Detailed Pending List	Dig-In Damage
Enter Post Damage Notes	Pending Invoice Tracker	Non Dig In Damage
		View/Print Post Damage Notes
Quit Application		

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- ✓ Benefits (cont.) — average # of days to collect on a billable damage



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✓ Benefits (cont.)

- Track damage statistics via “Monthly Excavator Report”.
- Hold regularly scheduled Liaison meetings between Claims, C&M and Damage Prevention.
 - Routine internal dialog taking place to reduce dig-in damages.
 - Reduced friction between departments.
 - Heightened awareness of areas needing improvement.
- Lowering damages annually, now part of corporate goal setting.

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✓ Summary

- Laclede's approach has been to:
 - Communicate and cooperate with excavators
 - Be fair, consistent and even-handed.
 - Network with others interested in underground damage prevention.
 - Get involved and actively participate.
 - Work with state and local regulatory bodies to protect underground facilities and promote safety.
 - Look for ways to make things work voluntarily.
 - Pursue/support needed legislative and/or enforcement changes.
 - Always seek improvements and clarity.
 - Change internal procedures and operations to become a better facility owner and excavator.
 - Make operational corrections/improvements to learn from damages.

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✓ Questions

✓ Contact Information

— Bo Matisziw

Superintendent, Damage Prevention

- Laclede Gas Company
- 3950 Forest Park Avenue
- St. Louis, MO 63108
- (314) 658-5552 Office
- (314) 575-5353 Cell
- bmatisziw@lacledegas.com

CALL OR CLICK 3 DAYS BEFORE YOU DIG!

1-800-DIG-RITE OR 811
www.mo1call.com

