

STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

DW 04-048

In the Matter of:
City of Nashua
Petition For Valuation Pursuant to RSA 38:9

Direct Testimony

of

Randall S. Knepper
Director – Safety Division

April 13, 2006

1 **Q. Please state your full name?**

2 A. Randall S. Knepper

3 **Q. By whom are you employed and what is your business address?**

4 A. I am employed by the New Hampshire Public Utilities Commission as Director of the Safety
5 Division.

6 **Q. Please summarize your education and professional work experience.**

7 A. I received a Bachelor of Science in Mechanical Engineering from University of Rochester
8 and a Master of Science in Civil Engineering from the University of Massachusetts. I am a
9 licensed Professional Engineer in State of New Hampshire No. 9272. I have been the
10 Director of Safety for the New Hampshire Public Utilities Commission since December
11 2004. Prior to that I was an environmental consultant and Business Development Manager at
12 The Smart Associates, Environmental Consultants, Inc. of Concord. Prior experience
13 includes a number of Business and Operations roles at KeySpan Energy Delivery and
14 EnergyNorth Inc. including Key Account Executive, Commercial & Industrial Sales
15 Manager, Sales Engineer, Senior Engineer, Staff Engineer and CAD Supervisor. For many
16 of those years, I designed distribution systems, recommended capital improvement projects,
17 recommended system expansions, wrote Operations and Maintenance Procedures, oversaw
18 construction projects and maintained Code Compliance. I also worked at Westinghouse
19 Electric designing high voltage transmission bus as a project engineer. My professional work
20 experience spans 21 years.

1 **Q. What is the purpose of your testimony in this proceeding?**

2 A. The purpose of this testimony is to point out that a transfer of ownership to the City of
3 Nashua of the facilities currently owned by PWW may lead to a reduction in safety in those
4 areas currently served by Pennichuck Water Works, Inc. (PWW).

5 **Q. Does the Safety Division have any interest in the outcome of the City of Nashua's bid to**
6 **assume ownership of Pennichuck Water Works Nashua water system?**

7 A. No. The Division takes no position as to the City of Nashua's efforts to take over the PWW
8 system. Our sole interest is ensuring that the current levels of safety are either maintained or
9 improved.

10 **Q. What is the Safety Division's interest in this docket?**

11 A. It is the Safety Division's responsibility to ensure that safe practices, in particular those
12 practices which involve prevention of damage to the utility's underground facilities, are
13 observed by the water system regardless of its ownership. The Safety Division is interested
14 in having no degradation of existing levels of public safety.

15 **Q. How do you recommend that those safety levels be preserved?**

16 A. The Safety Division recommends that the Pennichuck Water Works, Inc. system remain a
17 member of the one-call center, Dig Safe Systems, Inc. (Dig Safe[®]) and perform duties of
18 operators and excavators.

19 **Q. What is Dig Safe[®]?**

20 A. Dig Safe Systems, Inc is the one-call center organized under RSA 374:48 *et. seq.* RSA
21 374:48 *et. seq.* are officially known as the New Hampshire Underground Damage Prevention
22 Program but more commonly referred to as the Dig Safe regulations. Ideally, Dig Safe
23 allows excavators, including homeowners excavating on their own property, to place a single

1 notification either through telephone or the internet, for purposes of arranging to have
2 locators representing underground facility operators locate and mark those facilities.

3 **Q. What do you mean by ideally?**

4 A. In instances where municipalities operate underground facilities, a call or notification via the
5 internet by the excavator may not ensure that all underground facilities are properly
6 identified and marked.

7 **Q. Why not?**

8 A. Upon advice of counsel, RSA 374:49 requires regulated utilities to participate in the one-call
9 system. Unregulated municipalities cannot be compelled by RSA 374:49 to participate in
10 Dig Safe because of the costs associated with Dig Safe membership. Article 28-a of the N.H.
11 Constitution prohibits unfunded mandates: *"(t)he state shall not mandate or assign any new,*
12 *expanded or modified programs or responsibilities to any political subdivision in such a way*
13 *as to necessitate additional local expenditures by the political subdivision unless such*
14 *programs or responsibilities are fully funded by the state or unless such programs or*
15 *responsibilities are approved for funding by a vote of the local legislative body of the*
16 *political subdivision."* The Article's practical implication makes the one-call system a
17 multiple-call system for the excavator who is then exposed to potentially longer delays in
18 marking underground facilities, greater risk, and requires additional coordination.
19 Municipalities become in effect, exempted from the required accuracy associated with
20 markings. In my experience, this leads to damages which could otherwise be prevented.

1 **Q. Is PWW a member of Dig Safe?**

2 A. PWW has long been an active and responsible participant in the Dig Safe system, locating
3 and identifying the facilities of its 425 miles of water mains system-wide and over 21,000
4 customers in Nashua. 14,179 requests for location information were placed by excavators
5 with PWW in 2005.

6 **Q. Has the City of Nashua reported on their intentions regarding membership in Dig Safe?**

7 A. Yes, in the City's response to staff data request no. 4-1 dated March 20, 2006, Nashua states
8 that Nashua will become a member of and participate in Dig Safe. See, Attachment RSK-1.

9 **Q. Does the City's statement allay the concerns of the Safety Division?**

10 A. To some extent, but this response does not bind the City going forward. Once unregulated by
11 the Commission, the City could discontinue its membership in Dig Safe.

12 **Q. Are there any additional concerns of the Safety Division?**

13 A. In the Original Filing of the City of Nashua dated March 25, 2004, the Safety Division from
14 the outset saw no mention of City of Nashua stating that it would continue membership with
15 Dig Safe Systems Inc. It was not until specific Data Requests in set No. 4 probed by the
16 Safety Division did City of Nashua present its intentions. The Safety Division would have
17 preferred that the City of Nashua advise the Commission earlier, especially since the City of
18 Nashua does not voluntarily participate as an operator for other City owned facilities such as
19 drainage and sewer lines.

20 Staff Data request No.4-4 stated that O&M Contractor Veolia Water would do the
21 locating of facilities. See, Attachment RSK-2. There included no details regarding the
22 experience level or qualifications level of the locator or if it was going to be sub-contracted
23 out. Safety Division believes this answer is minimal in nature and does not alleviate certain

1 concerns. Safety Division's experience regarding locators is that familiarity with the
2 distribution system, knowledge of materials used, experience in record management
3 including review and interpretations, local knowledge of construction practices both
4 internally and within municipalities of New Hampshire are very important factors for
5 accurately locating in addition to the prerequisite thorough understanding of a manufacturer's
6 piece of locating equipment.

7 Staff Data request No. 4-8 inquired about prudent industry practice in regards to locating
8 and marking practices. See, Attachment RSK-3. Nashua's response was lacking in specifics
9 except to say that facilities would be marked in a timely manner and accurately which is
10 required by statute and rule. Safety Division believes industry best practices put forth such
11 as those in *Common Ground Alliance*, *National Utility Contractors Association* training
12 programs, and other written manuals greatly add to the safety practices of all parties involved
13 with excavations. This response raises our concerns about the level of commitment. These
14 practices among others include on site meetings with excavators, positive response, and
15 abandoned line markings.

16 **Q. Please describe PWW's other involvement, if any, with promoting Dig Safe.**

17 A. PWW serves on the Dig Safe Advisory Council which works on potential legislation
18 improvements to the Dig Safe practices and supports educational seminars provided for
19 excavators, which the Commission participates in. The Safety Division sees no indication
20 that City of Nashua would continue this involvement.

1 **Q. What would the Safety Division anticipate if the water system were no longer a member**
2 **of Dig Safe?**

3 A. The Safety Division is significantly concerned that damage to the water works facilities could
4 occur if underground water facilities in the City were ever to be taken from the umbrella of
5 protection afforded by Dig Safe. Many people do not comprehend the hazards of excavation
6 in the cramped environment of a city. Many people don't consider the underground and
7 invisible dangers including natural and propane gas pipelines, telecommunications cables,
8 electric power lines and water lines. For technical, safety, and aesthetic reasons, utilities
9 bury their facilities in a manner that leaves them less noticeable. Excavators, however, are
10 acutely aware of these perils because they may cause injury or death to themselves, their
11 colleagues and bystanders. Not only are there immediate safety risks, but serious service
12 interruptions may disrupt economic activity by stopping industrial production, closing down
13 computer networks, phone systems and shutting down heating systems. Dig Safe limits the
14 exposure of all of us to those threats by responding to locate requests within 72 hours and
15 identifying the location of underground facilities for excavators. Furthermore, the
16 uncertainty of excavators' schedules would grow and the costs of any construction or repair
17 project involving excavation in the City would increase.

18 **Q. Does this conclude your testimony?**

19 A. Yes.

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