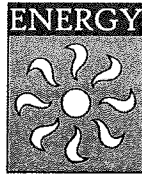


D.F. RICHARD



March 7, 2017

Testimony of Ryan Jackson
DF Richard Energy

Testifying in **OPPOSITION to LD405** – Dig Safe registration expansion to propane sites with more than 2,000 gallons

Senator Woodsome and members of the Energy, Utilities, and Technology Committee, my name is Ryan Jackson and I want to thank you for the opportunity to address you today. I am the Chief Operating Officer for D.F. Richard Energy. I have been lucky enough throughout my career to do just about every job there is do in this wonderful industry. I currently hold a Propane and Natural Gas license in the State of Maine and New Hampshire and work hard every day to improve the safety and operational efficiencies within our company and industry.

D.F. Richard Energy is a small family owned and operated business with a corporate office in Dover, NH. We serve 14,000 customers in 3 counties. York County in Maine as well as Rockingham and Strafford Counties in New Hampshire. We currently employ 60 employees, many of them from Southern Maine.

Propane facilities are located on private property and are much **SAFER** than other **UTILITIES** that are regulated by the Dig Safe rules. We don't have long pipelines running through public ways and our operating pressures within most of our underground lines measures between 11" water column and 10 PSI. We also have a service valve (shutoff) on all propane tanks within these facilities. Unlike water and natural gas pipelines, a propane facility can be shut down within seconds. Propane facilities are also much more obvious to the excavators as there is either a large aboveground tank, or a dome sticking out of the ground, depending on the type of installation.

DF Richard Energy has 22 jurisdictional accounts currently registered with Dig Safe in Maine and New Hampshire. In 2016, DF Richard Energy had 623 Dig Safe tickets. Of these 623 tickets, we were properly notified for 4 of our propane facilities. As you can see from these staggering statistics, propane companies are **NOT UTILITIES**. We physically deliver product to all our customers and if a customer is not happy with their current supplier, they may switch to another supplier of their choice at any time.

The propane industry has always been very proactive when it comes to the safety our customers and the public. Dig Safe was designed for the utilities and currently is unable to map tickets for family owned propane companies. I have personally tried to work with Dig Safe for many years now with no success.

In the past, I have asked on many occasions why a Dig Safe ticket was applied to one of our propane facilities. Here are a couple of questions I have asked and the explanations I have received from Dig Safe.

DigSafe Ticket # 20165202516 – Why were we notified on this ticket when our nearest facility is 2.65 miles away?

“As you are aware the street does not exist on our maps and the location had to be drawn out by our CSR. Since the location was drawn out electronically on a map our current software notifies all member utilities in that municipality whenever a ticket is renewed online.”

Regular Locate Request – 20164400624 – Why were we notified on this ticket when our propane facility was transferred to another supplier?

“That ticket is a renewal ticket. At the time the original ticket was issued, your mapping showed underground in this area, and you were notified. We cannot take a utility off of an existing ticket, so when the ticket is renewed, it will send notice to you.”

Digsafe Ticket # 20144000908, 20144000910, 20144000933 – Why were we notified on these tickets?

“The online system does not require the streets for new utilities when the tickets are renewed. So in cases such as these tickets, the computer automatically defaults and notifies all the member utilities for the town. This is a safety precaution set in place to ensure that no new utilities have been added to that town.”

These examples are only a few of the frustrations our company and industry have with the Dig Safe system. I recently took all our Dig Safe tickets from the last quarter of 2015 and went through them one-by-one to determine if they applied to our facilities. Out of 113 tickets, 2 applied to our propane facilities. Out of 113 tickets, 81 were located on the same street at one of our propane facilities. When our quarterly invoice was sent, I figured I would give Dig Safe the benefit of the doubt and pay \$81 as the others didn't apply at all. This is the response I received:

“We continue to update our map data and ticket entry programming to eliminate over notifications but **the system is not designed to send tickets exactly where your propane facilities are located** due to our buffer structure. This excavation buffer was created to ensure the safety of the digging public and Dig Safe will not jeopardize the safety of an individual by not sending out a ticket. We have kept our cost/ticket at \$1.00 for over 20 years to help alleviate the financial burden to our membership.”

I was also threatened to have my membership cancelled with Dig Safe if I did not pay the invoice in full:

“I am interpreting your email reply as notice that you no longer will be paying the invoice amounts billed you each Quarter. I will be meeting with my Board Of Directors and will inform them of your decision and will recommend the termination of your membership if your full payment is not received.”

Obviously, I paid the rest of the invoice. If I don't use Dig Safe, who else can I use? Nobody, because Dig Safe has a monopoly on the one call program with no competition.

With all the technology that we currently have in this world, I find it very hard to believe that Dig Safe Systems, Inc. is unable to come up with a way to properly notify family owned propane companies and utilities correctly. Just about all excavation contractors, home owners, etc. have access to a smart

phone. A very simple app can be written to transmit GPS coordinates of a dig site and a buffer can be formed around these coordinates.

I personally believe that Dig Safe System, Inc. does not come up with better software on purpose. The way the current business structure is set up, they would not be able to operate on the \$1 tickets from properly notified family owned propane companies and utilities if they were doing it correctly. Fewer tickets, less revenue, etc.

As I hope all of you are aware, the propane industry is very proactive about safety. LD405 is nothing more than a way to generate more revenue for Dig Safe and has nothing to do with the safety of our customers and the public. If a one call system is designed so it properly notifies the family owned propane companies and utilities correctly, our industry will embrace it.

I urge you to vote **NO** on LD405. Until we have a one call system in place that can properly and effectively notify affected parties, there is no sense giving them more systems to register.

I thank you for your time and would be happy to answer any questions you may have.

Thank You!