

**WRITTEN TESTIMONY OF MARK ANDERSON
SAFETY MANAGER, DEAD RIVER COMPANY**

BEFORE THE ENERGY, UTILITIES, AND TECHNOLOGY COMMITTEE

REGARDING - LD 405 AN ACT TO MAKE CHANGES TO THE SO-CALLED DIG SAFE LAW

March 7, 2017

Good afternoon, my name is Mark Anderson. I am the Safety and Compliance Manager for Dead River Company and I thank you for this opportunity to address you today.

Dead River Company is a Maine company family owned and run by people in Maine. We offer a variety of petroleum products on both the wholesale and retail levels, including home heating oil, kerosene, diesel fuel, propane and gasoline. We also provide 24-hour burner service and heating equipment installations. Dead River Company employs over 900 workers. In the State of Maine, we have 41 (market plus branches) offices and we cover nearly the entire State from Biddeford, to Rumford, and Calais to Fort Kent. (Mark – look at where the members of the committee are from and consider changing to reflect locations.)

Dead River Company has been in business in the State of Maine for over 100 years and was one of the first in Maine to offer propane to our customers beginning in 1946. Propane is a federally approved clean fuel. Propane is nontoxic, so it's not harmful to soil or water and it is a safe alternative green fuel that is an excellent environmentally green choice for businesses and homes, especially if they are located in a rural area.

Propane systems are unique and safer when compared to other products that are covered by the digsafe rules. Propane is not connected to a long pipeline. Each propane system is connected to a unique tank and each tank has a shut off valve. If a propane line is ever hit by an excavator, unlike water lines and natural gas lines, a propane tank is located in the immediate vicinity and each tank can easily be turned off. Also, unlike pipelines, there is only a limited volume of propane in each tank. This makes propane installations much safer from a digsafe perspective. Because propane tanks are either obvious aboveground installations or obvious underground tank installations sticking up above the ground, propane facilities are obvious to see and determine where there is a line running from the tank to the regulator on the outside of the building.

Dead River Company has over 200 jurisdictional propane accounts currently registered with Digsafe. In 2016, we had over 6,300 digsafe tickets. The way that LD 405 is currently written, we estimate over 1,100 accounts would be required to be registered with digsafe. Based on our 2016 digsafe tickets, this would amount to over 29,700

additional tickets, or nearly 5 times the amount we already process, just for Dead River Company if this bill were to pass.

Propane companies are not utilities. We do not have separate Digsafe departments that get incorporated into stranded costs. If this bill were to pass we estimate having to add between 2-4 employees just to respond and register digsafe facilities. Each ticket takes an average of 1 hour to respond to. Depending on the ticket, it may be only 15 minutes total time if it is a repeat ticket, or it could take up to half a day if lines have to be marked, or if an out of the way site has to be visited because the excavator does not respond to phone calls. When you consider 29,700 additional tickets and multiply this by an average of one hour per ticket, the impact and costs of this bill are staggering.

Let me take you through the process. First, it takes about one hour to register each site with Digsafe, and propane customers change frequently between propane companies, so sites would constantly need to be registered and then unregistered with digsafe. Next, Digsafe requires one contact for each company, so although we have 41 locations in Maine, all of our Digsafe tickets come into our corporate office where one of our Administrative Assistants receives the e-mail and figures out which of our offices it applies to. This often requires the Admin to google the location. The Admin then e-mails the ticket to the local office, where one of our Customer Service Representatives passes the ticket to the Service Manager or calls the Service Manager if he is out in the field, to discuss the location. The Service Manger then reviews the ticket and either calls the contractor and asks him about the excavation to insure that the digging is not going to happen near our tanks, or he goes to the site to look at where the markings are located. Ninety five percent of our current tickets do not require us to go out and mark our locations, because they are not excavating near our installations, however, we still must respond to each ticket received and keep them on file for the PUC to inspect.

As the largest propane dealer in Maine, with over 50 years in the propane business, I think it's critical to note that Dead River Company has never had a serious incident related to excavators hitting underground propane tanks or lines.

The Maine PUC is an agency designed to regulate large utilities, not propane marketers. This expansion of Digsafe rules to target propane facilities by the Maine PUC costs Maine businesses and our customers, and does not protect public safety. There have been no serious Digsafe accidents or incidents and yet the regulations continue to become more onerous. The propane industry has an outstanding safety record.

I urge you to vote ought not to pass on this, I thank you for your time, and I would be happy to answer any questions.