



Pipeline Safety Division Investigation Report

Investigation regarding: Infrastructure Systems, Inc

UPPAC Database Record ID: 1497

Investigator: Howard Friend

Telephone: 317-232-2717

Report Date: 01/06/2012

Damage Date: 08/12/2010

Damage Address: Main Street Approximatley 75' North Of Ballard St

City: West Baden

County: Orange

The Parties

Excavator: **Infrastructure Systems, Inc**

Contact: Jonathan R Stalker, Project Manager

Address: 260 Vincennes Street, Orleans, In 47452

Telephone: 812-865-3309

Facility Owner: Indiana Natural Gas Corporation

Contact: Phillip Ross

Address: 1080 W Hospital Road, Paoli, IN 47454

Pipeline Facility

Facility Type: Natural Gas

Facility Function: Distribution

Investigation regarding: Infrastructure Systems, Inc

UPPAC Database Record ID: 1497

Damage Impact

Product release: No

Ignition: No

Service Interruption: False

Number of Customers Affected: 0

Injuries: 0

Fatalities: 0

Repair Cost (if known): \$

Excavator Activities/Cause of damage information:

Excavator request locates: No Indiana 811 ticket Number:

Type of Equipment: Backhoe/Trackhoe

Type of work performed: Road Work

Synopsis: A steel natural gas main was damaged during efforts to remove blacktop for road improvements. The main was not broken, however it was damaged enough such that it the operator / facility owner replaced the damaged section the following day.

Findings: Reported by operator; excavator response received 10/17/2011. Excavator was working on an expired locate request. Excavator submits that marks were still present from previous requests and that machine operator was familiar with the marks, but did not request an extension.

Conclusion: By working off of an expired locate request, excavator failed to provide notice of excavation.

Violation: IC 8-1-26-16(g): Failure to provide notice of excavation.

Infrastructure Systems, Inc currently has 7 reports of damages in the record between 04/07/2010 and 08/23/2011.

NO

LOCATE

TICKET

PROVIDED

STATE OF INDIANA



INDIANA UTILITY REGULATORY COMMISSION
101 W. WASHINGTON STREET, SUITE 1500E
INDIANAPOLIS, INDIANA 46204-3407

<http://www.in.gov/iurc>
Office: (317) 232-2701
Facsimile: (317) 232-6758

September 20, 2011

RECEIVED

OCT 18 2011

INDIANA UTILITY
REGULATORY COMMISSION

Mr. Phillip Ross
Indiana Natural Gas Corporation
1080 W Hospital Road
Paoli, IN 47454

Subject: Investigation Request for Information

Date of Event: 8/12/2010

Event Location: Main Street Approximatley 75' North Of Ballard St., West Baden

Facility Owner: Indiana Natural Gas Corporation

Excavator: Infrastructure Systems, Inc.

Other Party: N/A

Pipeline Division Case No. 1497

Dear Mr. Ross:

Pursuant to Indiana Code 8-1-26, the *Indiana Damage to Underground Facilities Act*, the Pipeline Safety Division of the Indiana Utility Regulatory Commission ("Pipeline Division") is required to investigate reported incidents of alleged statutory violations involving underground pipeline safety. The purpose of this statute is to promote excavation and pipeline safety and to reduce the imminent danger to life, health, property, or loss of service associated with unsafe digging practices. Please note that the investigation does not entail determining criminal liability or a civil determination of fault or damages; however, it does determine whether any statutory violations were committed regarding public safety.

The Pipeline Division received information regarding potential statutory violations regarding the date and location referenced above. You were identified as a person or entity that might have information that would assist the Pipeline Division in its investigation. Therefore, we have contacted you in order to receive the full account of information in order to make a fair determination related to the circumstances of this incident.

We have asked all involved parties, entities and witnesses to provide *written* information within *30 days* in order to meet legal deadlines to conclude our investigation. **Please consider this letter as a formal request to receive any and all information and evidence (including a narrative, documentation,**

maps, photographs or any other written information) you can access regarding anything you may know about the incident referenced above.

Please promptly provide your information to: Pipeline Safety Division – Case No. 1497, Indiana Utility Regulatory Commission, 101 West Washington Street, # 1500E, Indianapolis, IN 46204. Also, please include the Investigation Number referenced above on your materials. In the alternative, if you would prefer to scan the materials and send them electronically, please send the documents to: *PipelineDamageCase@urc.in.gov*.

Although you are not a formal party in this investigation, please treat this request for information seriously, because the potential civil penalties for violations include: a potential civil fine up to \$10,000.00; mandatory education and training for employees regarding pipeline safety; a required development plan to avoid future violations; or a warning letter for certain homeowner/tenants who are first time offenders. Consequently, your input will assist the Pipeline Division with its determination and may have a substantial impact on the case.

After the investigation is completed, the Pipeline Division will prepare an Investigation Report with findings and forward it to the Underground Plant Protection Advisory Committee (“Advisory Committee”). This is a statutory committee, comprised of excavators, facility operators, investor and municipal utilities, the 811 Association and facility locate marking companies, whose role is to evaluate the Pipeline Division’s findings and make a recommendation for a civil penalty. In the event there is disagreement regarding the Advisory Committee’s recommendation to the Commission, parties are entitled to request a hearing before the full Commission. If there is a violation, the Indiana Utility Regulatory Commission (“Commission”) will impose the penalty. Any fines imposed are statutorily required to be spent funding the Commission’s training and educational programming to promote excavation and pipeline safety.

Thank you for your *prompt* assistance in providing written information to the Pipeline Division regarding the previously referenced incident. Any information received after the deadlines will not be considered in the investigation, will be unavailable to the Advisory Committee and will result in a lack of full information being made available; hence, your participation is vital to serving the interests of justice and enhancing the public’s safety. In an effort to assist you, please find an enclosure entitled “Information Request.” Should you have procedural or legal questions regarding the Underground Plant Protection Advisory Committee or the Indiana Utility Regulatory Commission, please contact David L. Welch, Assistant General Counsel, at (317) 234-4715. Should you have questions regarding the pipeline damage identified above, or our investigation, please contact me at (317) 232-2718. Thank you for your assistance.

Sincerely,



William Boyd
Director, Pipeline Safety Division

Enclosure: Information Request

Information Request

Pipeline Safety Division Indiana Utility Regulatory Commission

The Pipeline Safety Division of the Indiana Utility Regulatory Commission requests any and all information you can provide regarding the following criteria:

The Parties:

Excavator Information:

Business Name: INFRASTRUCTURE SYSTEMS INC

Responsible Party Personal Name:

Title (if any):

Address: 260 VINCENNES ST

City, State Zip: ORLEANS, IN 47452

Preferred Telephone: 812-865-3309

Cell Phone Number:

Email Address:

Facility Information:

Business Name: INDIANA NATURAL GAS

Responsible Party Personal Name: PHIL ROSS

Title (if any): GM

City, State, Zip: PAOLI, IN 47454

Address: PO BOX 450

Preferred Telephone: 812-723-2151

Cell Phone Number:

Email Address: phil_r@indiananatural.com

Locator Service Information:

Business Name: OUR LOCATOR (INC)

Responsible Party Personal Name:

Title (if any):

Address:

City, State Zip:

Preferred Telephone:

Cell Phone Number:

Email Address:

Other (Witness, Police, Fire, Other) Information:

Personal Contact:

Business/Organization Name:

Title (if any)

Address:

City, State, Zip

Preferred Telephone:

Cell Phone Number:

Email Address:

Utility Line Impact:

Product Type (circle one):

Natural Gas

Liquid Pipeline

Unknown/Other

Facility Type (circle one):

Distribution

Gathering

Service/Drop

Transmission

Unknown/Other

Size (Diameter/etc.): 2" STEEL

Pressure (PSIG/Inches): 44 PSI

NO LEAK

Interruption in Service: Yes / No Number of Customers Affected: _____

Evacuation: Yes / No If yes, How Many Evacuated? _____

Repair Cost (if known): \$ _____

Cause of Damage Information:

Type of Equipment (circle one):

Auger

Backhoe/Trackhoe

Boring /Drilling

Directional Drilling

Explosives

Farm Equipment

Grader/Scraper

Hand Tools

Milling Equipment

Probing Device

Trencher

Vacuum Equipment

Unknown/Other

Type of Work Performed (circle one):

- Agriculture
- Cable TV
- Curb/Sidewalk
- Bldg. Construction
- Bldg. Demolition
- Drainage
- Driveway
- Electric
- Engineering/Surveying
- Fencing
- Grading
- Irrigation
- Landscaping
- Liquid Pipeline
- Milling
- Natural Gas
- Pole
- Public Transit Authority
- Railroad Maintenance
- Road Work**
- Sewer (Sanitary/Storm)
- Site Development
- Steam
- Storm Drain/Culvert
- Street Light
- Telecommunications
- Traffic Signal
- Traffic Sign
- Water
- Waterway Improvement
- Unknown/Other

Release of Product: Yes / **No**

Ignition and/or Fire: Yes / **No**

Excavator Notify 811: Yes / No

Locate Information:

Excavator Request Locate: Yes / No

Indiana 811 Locate Ticket Number:

Locate Marks Visible: Yes / **No**

Locate Marks Correct: Yes/No

Excavator "White Lined": Yes / **No**

Maps Used to Mark Facilities: Yes / No

HAD BEEN LOCATED NEAR THE
BEGINNING OF ROAD PROJECT,
ASPHALT REMOVED, ALONG WITH
PAINT MARKS, ON
ASPHALT.

Was Locate Provided within Two (2) Working Days: Yes / No

Operator Employees On-site during Excavation: Yes / No

Incident Impact Information:

Number of Outpatient Treated: _____

Number of Inpatient Treated: _____

Number of Fatalities: _____

Fire Department Response: Yes / No

Police Department Response: Yes / No

Ambulance Response: Yes / No

Additional Information/Comments: _____

- 2-INCH MAIN DENTED.
- COATING SCRAPED OFF
- SEE ATTACHED



DAMAGE INFORMATION REPORT – PIPELINE SAFETY DIVISION
State Form 54122 (R / 11-09)
INDIANA UTILITY REGULATORY COMMISSION

NO LEAK

Submitted to IURC-Pipeline Safety on: 08-24-2010

Who is submitting this information?

Name of person providing this information: Phil Ross - Indiana Natural Gas Corp.

Business address (*number and street*): 1080 W Hospital Road

City, State, and Zip Code: Paoli, IN 47454

Telephone Number (*area code*): +1 (812) 723-2151

Fax Number (*area code*): +1 (812) 723-2188

Email address: phil_r@indiananatural.com

Excavator Information, if known

Full Name: Infrastructure Systems Incorporated

Business address (*number and address*): 260 Vincennes Street

City, State, and Zip Code: Orleans, IN 47452

Telephone number (*area code*): +1 (812) 865-3309

Fax number (*area code*): _____

Email address: _____

Excavation or Demolition Information

Type of excavation or demolition: Excavation

Type of excavation or demolition equipment: Track Hoe

Type of work performed: Digging Subgrade for street replacement

Date and Location of Damage

Date of damage: 08-12-2010

County: Orange

City/Subdivision/Location Name: West Baden

Street address: Main Street approximately 75-feet North of Ballard Street

Nearest intersection: Ballard Street

Right of way where incident occurred: Public Private

Was there a release of product? Yes No

Was there any customer service interruption? Yes No

If yes, how many affected N/A

Projected timeline for completion of re-lights after repairs are made. N/A

Were evacuations necessary as a result of release of gas or hazardous materials? Yes No

If yes, how many evacuated? N/A

Was there an ignition of released gas or material? Yes No

If yes, was there:

Injuries, how many? 0

Fatalities, how many? 0

Property damage, Estimate \$ 1,000

Affected Facility Information

What type of facility operation was affected? 2" Coated Steel Gas Main

What type of product was involved? Natural Gas

What was the depth of the damaged facility? Approximately 2-feet before road replacement started

Notification, Locating, Marking

Did excavator follow the law with respect to requesting a locate and commencing work? Yes No

Did excavator notify you in event of damage? Yes No

One Call ticket number, if known: Unknown

Contract or company locator? Company

If contracted, what was the name of the contracted locator? N/A

Were facility marks visible in the area of excavation or demolition? Yes No

Were facilities marked correctly? Yes No

Locating equipment type, if known: Heath SureLok

Type of marking used:

Paint Flags Other

If other, explain: _____

Was site marked by "White Lining"? Yes No

Were special instruction part of the locate order? Yes No

Were maps used during marking? Yes No

Did the pipeline operator provide a positive response? Yes No

Were pipeline company representatives on site at the time of excavation or demolition? Yes No

Description of Cause

Possible Cause: Contractor lost track of location of gas line after asphalt (paint) was removed. Hit line damaging coating and denting line. Damaged section of 2" main was replaced by ING the next day.

Additional Comments



October 17, 2011

Pipeline Safety Division- Case No. 1497
Indiana Utility Regulatory Commission
101 West Washington Street, Suite 1500 E
Indianapolis, Indiana 46204
Attn: David L. Welch, Asst. General Counsel
PipelineDamageCase@urc.in.gov

Re: Notice of Preliminary Determination of Violation, dated September 20, 2011; IURC Case No. 1497 (the "Violation Notice") addressed to Infrastructure Systems, Inc. ("ISI")

Ladies and Gentlemen,

Please allow this letter to respond to your Violation Notice, regarding damage to an underground gas line, and to provide you with additional information regarding the subject incident (the "Incident").

1. Summary of Incident. The Incident occurred on August 10, 2010. The subject area in which the damaged gas line was located had previously been located and marked by Indiana Natural Gas Company (the "Gas Company") at least two separate times. On the day of the Incident, ISI's equipment operator thought that the most recent ticket for the subject area was still valid; however, in fact, the ticket for the subject area was stale.

1.1 Gas Line. On the day of the Incident, ISI carefully commenced excavation of a 2" diameter natural gas line located within an existing street. Based upon ISI's prior recent history of excavating the same and other similar gas lines located immediately adjacent to the subject area, ISI was expecting that the gas line would be at least 24" below grade.

1.2 Elevations. The street above the gas line was constructed with an approximately 6" thick layer of hard asphalt, installed on top of an approximately 4" thick layer of hard, compacted rock. However, in fact, the top of the gas line coincided with the bottom of the

deliver first class work in a safe and workmanlike manner. Further background information about ISI may be obtained from ISI's web page maintained at <http://www.infrastructuresystems.com/>.

3. Scope of Work. At the time of the Incident, ISI was, and had been for several continuous months, working on a major renovation project for the Town of West Baden, Indiana (the "Town"). The work included replacing: streets and sidewalks, underground storm sewers, underground water mains, and underground sanitary sewer lines. The work also included installing retaining walls along the streets, and a host of other ancillary work. Consequently, ISI was very familiar with the areas surrounding the subject gas line.

4. IUPPS Notifications. Prior to commencement of work in each applicable area of the Town, ISI notified the Indiana Underground Plant Protection Service ("IUPPS") of ISI's intention to perform excavation work. ISI performed no work until after all applicable utility companies located and physically marked the locations of the respective underground utilities. ISI estimates that at least 8 notifications were made to IUPPS for the project prior to the Incident.

4.2 Stale Ticket. At the time of the Incident, the subject area in which the damaged gas line was located had previously been located and marked by the Gas Company at least two separate times. Those previous locates were initiated by the same equipment operator who was the person excavating the subject gas line on the day of the Incident. Consequently, the equipment operator was very familiar with the area, with the gas line and with the previous requests for locates. On the day of the Incident, ISI's equipment operator thought that the most recent ticket for the subject area was still valid; however, in fact, the ticket for the subject area was stale.

4.3 Contributing Factors. Factors which contributed to the equipment operator's error include the fact that on the day of the Incident: (i) the marks painted on the street in connection with the previous locates were still clearly visible and appeared relatively fresh. The marks appeared relatively fresh because the subject street had been closed to traffic for quite some time with the effect that the markings were not worn by traffic; and (ii) the equipment operator was the same person who had previously initiated locates for the subject area. Consequently, the equipment operator thought that the subject area had been located within the last 20 days with the effect that the previous ticket was still valid.

4.4 Acknowledgement. Based upon training seminars attended by ISI and provisions of the Indiana811 Handbook, ISI fully understands that work on the street on the day of the Incident should not have commenced until after another locate was performed by the Gas Company.

5. Mitigating Factors. Without in any way diminishing the importance of ISI's ongoing responsibility to renew tickets for utility locations on a timely basis, and fully appreciating ISI's duties and obligations to protect the safety of the public and to protect underground utilities, ISI would submit the following mitigating circumstances for purposes of assessing the gravity of ISI's infraction:

5.1 Training. ISI regularly trains its personnel respecting the protection of underground facilities, utilizing the Indiana811 Handbook and other training materials.

5.2 Visible Marking. The subject gas line was already physically marked by the Gas Company and the marks were still clearly visible at the time of the Incident. If a new ticket would have been called in for the subject area, upon arriving at the site, the Gas Company would likely have noted that the previous marks were still fresh and would have performed no further marking of the area. The marks were fresh because there was no traffic on the subject street due to the fact that the street was closed down to facilitate ISI's work.

5.3 Care. ISI knew the lateral location of the gas line and was in the process of carefully attempting to expose the gas line. Even if a new ticket had been called in, the result would have been the same. The gas line was damaged not due to a lack of markings by the Gas Company; rather, the gas line was damaged due to unavoidable circumstances. The gas line could not have been exposed utilizing hand excavation, air cutting, or vacuum excavation. ISI was forced to gain access to the gas line utilizing ISI's equipment. Unfortunately, notwithstanding ISI's exercise of due care, ISI scraped against the gas line.

5.4 Reasonable Excavation. Due to ISI's intimate knowledge of the area due to previous adjacent excavations, and the fact that other sections of that same gas line were previously encountered at depths of at least 24", ISI was not at fault merely due to the fact that the gas line was damaged. Rather, ISI was carefully attempting to expose the gas line in a reasonable manner.

5.5 Inadvertent Oversight. ISI did not intentionally fail to renew the ticket. Rather, ISI's failure to renew the ticket was an inadvertent oversight due to the fact that ISI's equipment operator thought that the previous ticket was still valid.

5.6 Previous Tickets. ISI had previously obtained tickets for the area.

5.7 No Immediate Threat. Damage to the gas line did not pose an immediate threat to public safety.

5.8 Immediate Notification. ISI immediately notified the Gas Company as soon as the Incident occurred.

5.9 History. ISI has an established history of safe excavation practices.

5.10 Not a Repeat Violator. ISI is not a repeat violator.

6. IURC Information Request. To further respond to your request for information, attached to this letter is a copy of the IURC "Information Request", filled out to the best of our ability.

In conclusion, ISI respectfully submits the above information respecting the Incident. If we can be of further assistance or if you have any further questions, please contact the undersigned at 812-865-3309.

Very truly yours,


Jonathan R. Stalker,
Project Manager

Information Request

Pipeline Safety Division Indiana Utility Regulatory Commission

The Pipeline Safety Division of the Indiana Utility Regulatory Commission requests any and all information you can provide regarding the following criteria:

The Parties:

Excavator Information:

Business Name: Infrastructure Systems, Inc.

Responsible Party Personal Name: Jon Stalker

Title (if any): Vice President/Project Manager

Address: 260 W. Vincennes St., P.O. Box 148, Orleans, IN 47452

City, State Zip: Orleans, IN 47452

Preferred Telephone: 812-865-3309

Cell Phone Number: 812-276-9523

Email Address: is12@blueriver.net

Facility Information:

Business Name: Indiana Natural Gas

Responsible Party Personal Name:

Title (if any):

City, State, Zip

Address:

Preferred Telephone:

Cell Phone Number:

Email Address:

Locator Service Information:

Business Name: Indiana Natural Gas

Responsible Party Personal Name:

Title (if any):

Address:

City, State Zip:

Preferred Telephone:

Cell Phone Number:

Email Address:

Other (Witness, Police, Fire, Other) Information:

Personal Contact:

Business/Organization Name:

Title (if any)

Address:

City, State, Zip

Preferred Telephone:

Cell Phone Number:

Email Address:

Utility Line Impact:

Product Type (circle one):

Natural Gas

Liquid Pipeline

Unknown/Other

Facility Type (circle one):

Distribution

Gathering

Service/Drop

Transmission

Unknown/Other

Size (Diameter/etc.): 2"

Pressure (PSIG/Inches): Low

Interruption in Service: Yes / No Number of Customers Affected: _____

Evacuation: Yes / No If yes, How Many Evacuated? N/A

Repair Cost (if known): \$ _____

Cause of Damage Information:

Type of Equipment (circle one):

Auger

Backhoe/Trackhoe

Boring /Drilling

Directional Drilling

Explosives

Farm Equipment

Grader/Scraper

Hand Tools

Milling Equipment

Probing Device

Trencher

Vacuum Equipment

Unknown/Other

Type of Work Performed (circle one):

- Agriculture
- Cable TV
- Curb/Sidewalk
- Bldg. Construction
- Bldg. Demolition
- Drainage
- Driveway
- Electric
- Engineering/Surveying
- Fencing
- Grading
- Irrigation
- Landscaping
- Liquid Pipeline
- Milling
- Natural Gas
- Pole
- Public Transit Authority
- Railroad Maintenance
- Road Work
- Sewer (Sanitary/Storm)
- Site Development
- Steam
- Storm Drain/Culvert
- Street Light
- Telecommunications
- Traffic Signal
- Traffic Sign
- Water
- Waterway Improvement
- Unknown/Other

Release of Product: Yes / No

Ignition and/or Fire: Yes / No

Excavator Notify 811: Yes / No

Locate Information:

Excavator Request Locate: Yes / No

Indiana 811 Locate Ticket Number: _____

Locate Marks Visible: Yes / No

Locate Marks Correct: Yes / No

Excavator "White Lined": Yes / No N/A

Maps Used to Mark Facilities: Yes / No

