

THE BI-MONTHLY PUBLICATION OF THE DISTRIBUTION CONTRACTORS ASSOCIATION



# DCA NEWS

SEPTEMBER / OCTOBER 2023



**Annual  
Convention**

**Scholarships**

**Leadership  
Development**



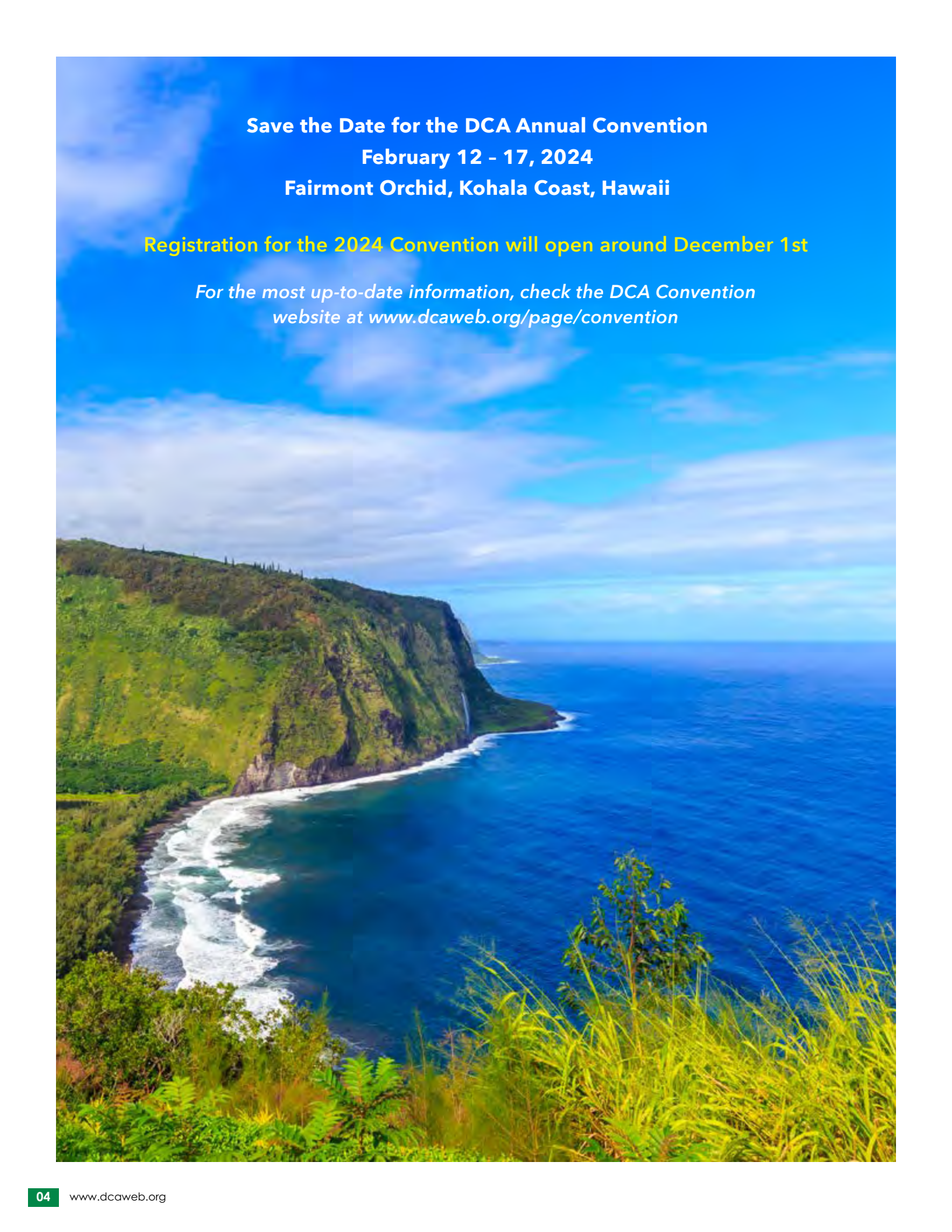




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**Save the Date for the DCA Annual Convention**  
**February 12 - 17, 2024**  
**Fairmont Orchid, Kohala Coast, Hawaii**

**Registration for the 2024 Convention will open around December 1st**

*For the most up-to-date information, check the DCA Convention website at [www.dcaweb.org/page/convention](http://www.dcaweb.org/page/convention)*





## Convention Sponsorship

The DCA Annual Convention holds a prominent position in the association's yearly agenda. DCA takes great pride in marking its 63rd year as a leading industry conference, bringing together influential leaders in gas distribution, HDD, and utility construction.

The association acknowledges and values the steadfast support from member companies over the years and sees this convention as a distinct opportunity to cultivate closer bonds with equipment and service suppliers. DCA's budget for construction equipment and services is expected to reach millions of dollars, presenting an excellent opening for your organization to help. The convention serves as a vital platform for the association to stay updated on the latest advancements in member products and services and develop a more robust professional network. Associate members are a critical part of DCA's growth and success, and the organization hopes to continue to count on your unwavering financial backing.

DCA recognizes the significant efforts that members go through to secure funding and is committed to providing networking opportunities to build fruitful relationships that

benefit the community. Sponsors will receive optimal acknowledgment at the conference based on their support level.

### 2024 Sponsor Recognition Levels:\*

- Platinum: \$25,000 and above
- Gold: \$10,000 - \$24,999
- Silver: \$5,000 - \$9,999
- Bronze: \$1,000 - \$4,999

*\*equals a combination of the 2023 Auction Donations as determined by the winning bid and 2024 Cash Pledge.*

To enable DCA to finalize its financial arrangements for the occasion, kindly access our website at <https://www.dcaweb.org/page/Sponsorship> to complete the online form by **Tuesday, November 14, 2023**. If you require any clarification, please reach out to Donna Reed, DCA Director of Member Services, via email at [dreed@dcaweb.org](mailto:dreed@dcaweb.org) or phone at (469) 399-5588. ▲







## Annual Auction: How to Get in on the Action!

DCA is gearing up for the annual fundraiser auction, set to take place on the evening of February 14, 2024, during the convention at the Fairmont Orchid Hawaii on the Big Island. DCA contractor and associate members come together each year for an exciting and spirited event that raises crucial funds for the association. These funds support DCA's educational initiatives and scholarships for deserving students who will promote and enhance the industry. With a special emphasis on Workforce Development, the 2024 auction aims to make a significant impact.

Since 1991, the DCA auction has raised over \$13 million for grants, scholarships, and educational programming, thanks to the generous donations from DCA members. A full-color catalog will be available online a few weeks before the auction, building excitement and energy from the start of the silent online bidding to the closing gavel of the live auction. The highest bidders of auction items can

also achieve Silver, Gold, and Platinum sponsorship levels for next year's convention.

DCA is now accepting items for the 2024 auction, which will be Wednesday, February 14, 2024. Members are invited to donate one or two highly sought-after pieces of equipment, trips, sporting events or even cash.

Visit: <https://www.dcaweb.org/page/AnnualAuction> for more information and to complete the online donor form. Along with the donor form, please include a 50-word description along with a 300-dpi high resolution photo in JPG format.

Donations must be received **no later than Tuesday, November 15, 2023**. Donations made after this date will be accepted on a space available basis.

If you have any questions or need donation ideas, please contact Director of Member Services Donna Reed at [dreed@dcaweb.org](mailto:dreed@dcaweb.org) or (469) 399-5588. ▲



CERTIFICATE

# SCHOLARS







# DCA Scholarship Applications Now Being Accepted

The application process for the 2024-25 DCA-Dale R. Michels Scholarship and Curtis Allen Scholarship is now open on the DCA website at: <https://dcaweb.org/page/Scholarship>.

All applications will be completed online.

Students should click on the link above, scroll down the page to find the scholarship they are interested in, click the button, and follow the instructions, including how to upload a transcript in PDF format.

## Basic guidelines:

- **The DCA–Dale R. Michels Scholarship** encourages students from all academic levels to apply. The **Curtis H. Allen Scholarship** focuses on those planning to attend a trade, technical, or vocational school.
- Applications must include an unofficial or official copy of a transcript. See the specific scholarship for the correct transcript that should be uploaded.
- All applications and supporting documents must be completed no later than **Monday, January 8, 2024**.
- If DCA receives more than three applications from a member company for either scholarship, the member company will be asked to review and select three for inclusion in the application pool.
- The winning applicants will be awarded an unspecified amount of financial aid for the 2024-25 academic year. This amount could be renewable for up to four years with proof of academic success for the Michels scholarship and two years for the Allen scholarship.
- Financial need, academic major, and community service will be considered by the scholarship committees.

The DCA-Dale R. Michels Scholarship Committee is comprised of: the DCA President, Treasurer, Past President Director, Associate Member Director, and up to five members appointed by the DCA President.

The Curtis H. Allen Scholarship Committee is comprised of: the DCA Vice President, DCA Director at Large, DCA Alternate Associate Member Director, two Halliburton Representatives, and one member appointed by the DCA President.

Contact [tkorson@dcaweb.org](mailto:tkorson@dcaweb.org) if you have any questions. ▲







# DCA Inaugural Leadership Development Program Kicks Off in October



Twenty-five leaders from 18 different companies, spanning the United States, started the inaugural DCA Leadership Development Program in Dallas in early October. Participants spent two days beginning their program that will last four days in total. They will return to Dallas in early November for the final two days of the program.

Topics in the program focus on how to develop and apply leadership skills and styles to deal with daily leadership situations. Participants in the inaugural program includes influential leaders, new leaders, and experienced leaders from contractor and associate DCA members.

The program development was spearheaded by the DCA Workforce Development Committee that is led by Stephanie Krabbe of InfraSource Construction, LLC and Matt Dvorak of Groebner. These individuals worked with ATW Training Solutions from Urbandale, IA to customize the session content and materials.

A participant commented, "This class so far is opening my eyes to many ways to lead my team more effectively".

The vision for the program was initiated several years ago and was pushed forward by Dave Wisnewski of Vermeer Corporation and other key association members who saw the importance of developing the future leaders of the industry.

"We want to proactively develop the future leaders in our industry. Sometimes as organizations we are too reactive when it comes to developing our leaders, waiting until problems arise. We want to help develop the skills of leaders today so they have them when situations arise in the future" commented Wisnewski.

The goal is to offer the program several times in 2024, so watch for further information and make sure to take advantage of this great DCA offering. ▲



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# Industry News

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## *Underground Infrastructure*

# Despite Challenges, HDD Market Continues Impressive Growth

By Robert Carpenter, Editor-in-Chief  
*Underground Infrastructure*

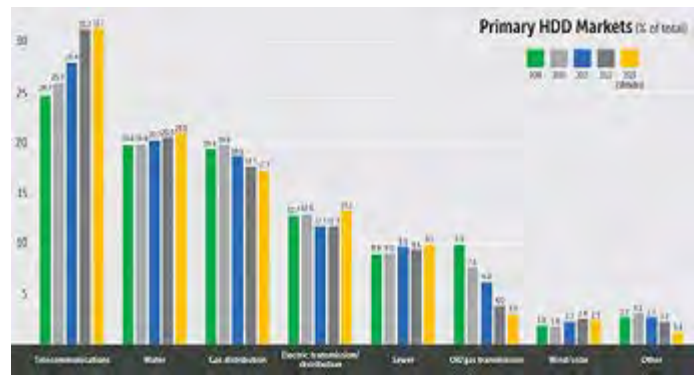




(UI) — In the horizontal directional drilling (HDD) land of milk and honey, there are still plenty of bees flying around.

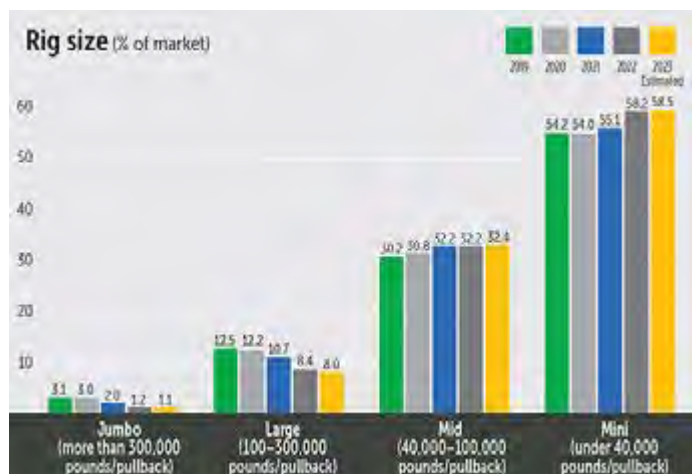
The 25th Annual Underground Infrastructure HDD Survey provides insight into the complex, yet generally lucrative, world of directional boring. Indeed, HDD is a technology that continues to expand to even further heights. It has clearly demonstrated how the introduction and development of this disruptive technology forever changed the face of utility and pipeline construction.

The exclusive *Underground Infrastructure* industry research effort was conducted during March and April 2023. It polled U.S. contractors and utilities that actively own and operate HDD units to enable a statistical portrayal of the market.



For small to medium drillers working in the fiber market and, increasingly, the electric power markets, opportunities abound. Abundantly funded by private industry, fiber networks and to-the-premises programs have been proliferating for several years, long before COVID struck.

The popularity of fiber has swelled over the past decades as the significance of ample broadband width necessary to enable not only large businesses, but individuals and small businesses, as well, has reached boom levels. Broadband has become essential for all parts of the country to provide the bones for effective regional and national business models.



But most of that work has been limited to cities of a certain size, fitting a particular financial profile that offsets risk for fiber providers and offers immediate payback on network capital investments. Similar to the early days of electricity and even landline telephones, rural areas typically just don't meet the financial profile for the providers.

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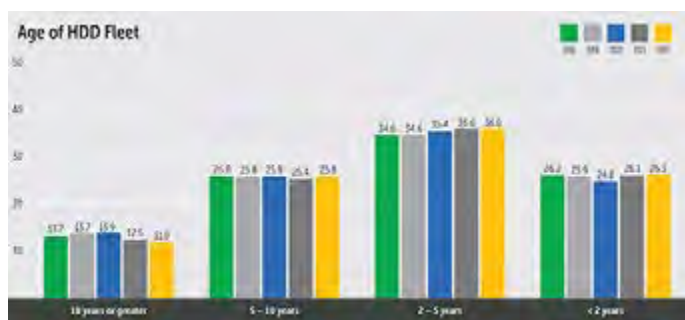




As the fiber wave has encompassed modern society, rural areas have found themselves in the situation of having to build their own network, if financially able, or wait until the major fiber providers might deem market conditions and profit opportunities attractive enough to circle back to small community installation.

Famously, the two-year old Infrastructure Bill arrived with billions for underground construction funding, including broadband (\$65 billion), and electric and power infrastructure (\$73 billion). Much of that money was tied to work in rural or underserved suburban areas.

All of a sudden, small towns and rural areas have become ground zero for building fiber networks – largely by HDD. And with the spending to “harden” power infrastructure and minimize network disruptions during storms, the historic trepidation about perceived costs in placing electric infrastructure underground are evaporating, as well.



Unlike the sewer and water markets where infrastructure dollars, operating in the public market, have to go through various phases, including extensive engineering and planning before being released, fiber and new electric projects immediately roared to life in late 2021. In 2023, HDD contractors working in those markets are sometimes almost overwhelmed with projects.

### Hiccups

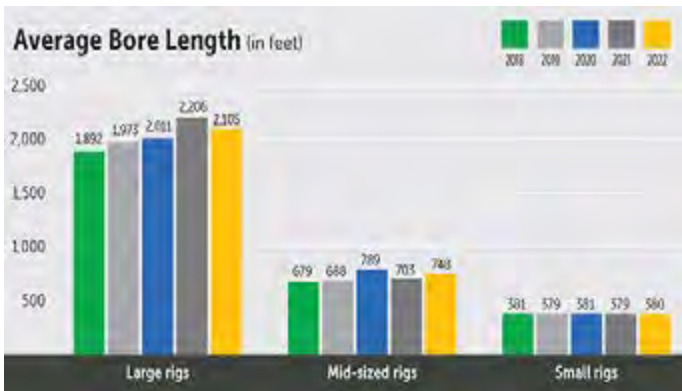
But like any boom-time market, there can be, and usually are, disruptions to the rosy market picture. The obvious challenge for HDD remains a somewhat depressed large rig market.

President Biden's war on the oil and gas business has dramatically reduced the number of large-diameter oil/gas pipeline projects throughout the country. In fact, it seems that larger energy companies are bowing to political pressure and major headwinds in bringing a major interstate pipeline proposal to completion.

Projects are being moved to the backburner while energy companies, instead, experiment in other energy ventures. Of course, that could all change overnight with the next presidential election.

The good news is that there is enough work spread over many different markets for large rig operations to allow that segment to keep its head above water.





In fact, some of the large rig contractors reported this forced diversification would be good for their future.

“Would I rather do pipeline work? Sure. But we’re actually gaining a foothold in water, electric transmission and other markets we would not have pursued in the past,” said this established contractor. “Even if gas pipeline work comes back as strong as ever, we’re always going to keep part of our focus on these other businesses going forward – it just pays to be diversified.”

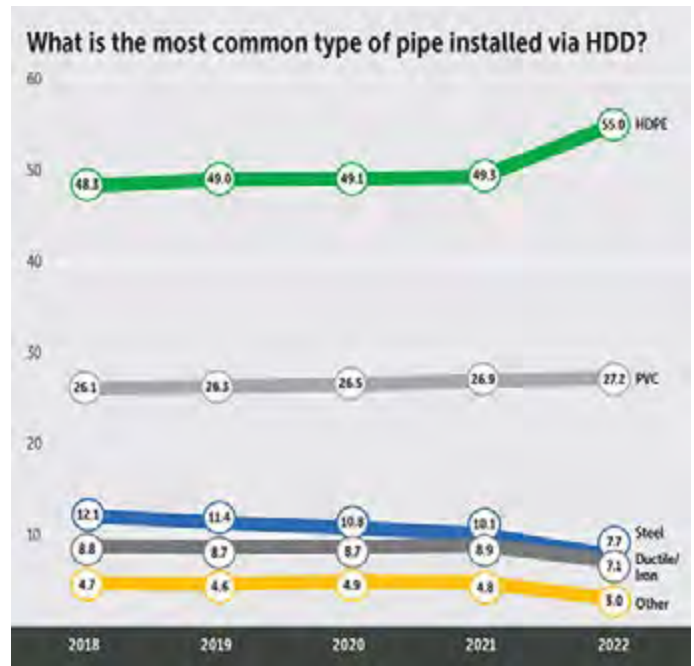
Another challenge faced by all contractors, regardless of rig size, is finding and retaining the workforce, especially in this era of growth for small rigs in the fiber and power markets.

“There’s tremendous pressure on us to increase our production,” bemoaned one contractor. “But just buying new rigs isn’t good enough; we’ve got to be able to put crews on those rigs that are also productive. Those people are just almost impossible to find right now.”

“We are continuing to work with tech schools, public schools, job fairs – anybody we can think of – to groom new workers,” explained this respondent. “We have a work-as-you-learn program that mentors and trains new employees. And we pay very competitively while they are being trained.”

Yet another contractor lamented that “untrained help is bad for business, and hard on equipment.”

Supply chain issues also continue to choke the HDD market. While showing improvement, availability of certain sizes of rigs remains tight. Based upon the overall size, growth and demand for the fiber market, due to fiber and increasingly electric distribution, one would think small rig sales would be booming. And indeed, they are. However, slowed by first COVID followed by worker shortages and finally the severe supply chain issues, the small rig market has struggled mightily since 2020. The issue is meeting contractor demand for not only expanding crews but simply replacement equipment.



### Rig sales

Rigs continue to be sold months in advance of expected delivery. While both major and small HDD rig manufacturers have succeeded in shortening the purchase/delivery gap, there still remains a substantial time lag. “But it’s getting better,” stressed one manufacturer.

One manufacturer has added a night shift, while yet another has brought in a weekend shift. All these are efforts to keep up with the manufacturing process, as supplies are slowly arriving in a more expeditious manner and rig orders remain stacked up. Dealers continue to scramble to find local answers to obtain minor parts and complete almost-finished rigs.

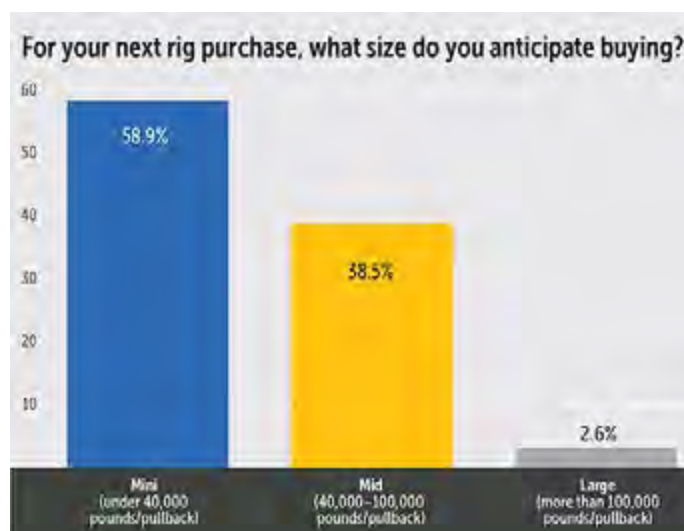
The extremely heavy use and long hours of work for small rigs has shortened their effective life. And it’s not just the rigs themselves. All kinds of steel replacement parts, tools, drill pipes, etc. have been in short supply. Further, soaring prices have driven items like drill pipe to record levels.

The 2022 rig sales climbed back up to 2,492, reflecting enhanced availability of smaller rigs and offsetting the continued depressed sales of large rigs.

Another hiccup in the market is what one respondent called “rogue drillers.” The contractor explained that “sometimes just inexperienced contractors can be a burden to an otherwise booming market.” A common complaint is that too many of the new entrants into HDD are “leaving money on the table.”

(continued on pg. 16)





But the most frequent complaint about many of the new breed of HDD contractors is that they have poor safety and damage prevention practices. Not only does that put lives at risk, several contractors stressed, but ultimately it raises costs for all.

“We don’t mind competition – that’s what America is all about,” emphasized a contractor. “But we don’t want to create dead spots around the country where cities or utilities have banned HDD because someone who didn’t know what they were doing walked away or really messed up a job.”

### Qualities and markets

The HDD survey historically asks contractors about the most important characteristics they seek from their manufacturer and supplier partners. Typically, service and quality are by far the strongest responses, followed by availability (support, equipment and supplies).

As a sign of the times, there was a shake-up this year. While service remained the strongest desirable characteristic of vendors, it was at a much lower level than in the past – 30.7 percent compared to 34.1 percent just a year ago. In fact, availability surged into second place, at 28.1 percent, assumably reflective of lingering long waits for rigs and sometimes accompanying tools and supplies. Quality fell to third place at 22.2 percent.

Another significant change came with the cost of service/equipment, which jumped to 12.6 percent, up from 7.0 percent in 2022. That was not unexpected as inflation (including high steel prices), combined with tight supplies, continued to drive up equipment prices.

Even with the slowdowns in HDD rigs and equipment, telecommunications (essentially fiber) remains the largest market segment by a substantial margin, climbing to a 31.7 percent estimated market share for 2023.

Water HDD climbed to 21 percent, up from 20.3 in 2022. Interestingly, water drilling experienced an even larger growth rate for big rig work. The value of HDD for installing water mains continues to gain traction. With the additional investment of federal infrastructure dollars in the water market through at least 2026, it’s expected to continue its climb in both small- and large-diameter installations.

Mud disposal of drilling fluid remains a major issue for many contractors and was again referenced frequently in the survey comments.

With the expansion of the fiber market over the past few years, it’s no surprise that the average age of a contractor’s HDD rig fleet decreased in 2022. Of course, to some degree the slower rate of getting new rigs to customers also impacted the age of rigs, as contractors had to keep older equipment operating longer.

Rigs 10 years and older comprise about 11.9 percent of active units while rigs that are two-to-five-years old comprise the largest market segment at 36.0 percent, and 26.3 percent of small rigs are under two years old.

In 2022 and continuing into 2023, plastic pipe made big jumps as the material of choice for HDD. With the high steel and cast iron prices, plus a depressed pipeline construction market, it’s no surprise that plastic pipe jumped in popularity.

The most common pipe installed via HDD remains HDPE, which increased its market share from 49.3 to 55 percent. PVC, particularly the growth of fusible PVC, helped push its market share to 27.2 percent. Steel fell to 7.7 percent of the market and ductile/iron dropped to 7.1 percent.

Original equipment manufacturers (OEMs) in the HDD tooling and drill pipe sectors play a vital role with many contractors. About 43.9 percent of downhole tooling is purchased from OEMs and 49.1 percent of drill pipe.





### Ready for the future

HDD contractors as a whole portray the image of hard-working, hard-nosed individuals powering through obstacles to successfully deliver products to the market. To a certain degree, that is an accurate picture, especially for those who have been working within the industry for decades.

However, there is much more to today's HDD contractors. They have learned the business nuances and know how to turn a profit even in the toughest of situations. They also know how to say "no" to unrealistic expectations. They can engineer, survey and plan jobs with the best in any market. They have advanced to be true, dedicated artisans of their craft.

The face of HDD construction also continues to gain bright young contractors who will build the market further as technology expands to every fabric of utility and pipeline construction.

When asked about future prospects for the continued growth of HDD, most respondents – even large-rig contractors – remained overwhelmingly bullish on HDD's future, despite the challenges of today.

"It's been a great run for me and my family," said a long-time contractor. "Now, my children are taking over, and HDD shows no sign of slowing down. I'm hoping we'll have our grandchildren working in the business, too!"



Said a big-rig respondent, "It's been tough with the downturn of big rig drilling for pipelines. But we're surviving, keeping everybody employed and, in fact, are finding different business opportunities that we'll probably continue to pursue even when pipelines come back."

"Pure and simple, HDD is here to stay," explained this contractor. "We're definitely in it for the long haul." ▲

# DCA Hosts PSMS Panels at 2023 AGA Fall Technical Committee Meetings



DCA recently hosted a pair of panel discussions on pipeline safety management systems (PSMS) at the 2023 AGA Fall Technical Committee Meetings. The event was attended by over 140 participants, including representatives of the Pipeline Hazardous Materials Safety Administration (PHMSA) and National Transportation Safety Board (NTSB). Each panel consisted of three contractors and was moderated by Kevin Parker, Senior Vice President – Health, Safety, & Environment at Mears Group and DCA Past President. Participating contractors included:

- John Bentley, InfraSource
- Nate Healy, Michels Corp.
- Kristine Brobst, Centuri Group
- Stuart Buhendorf, The Hallen Construction Company
- Bill Cunningham, Q3 Contracting
- Adam Lanier, Miller Pipeline

The first panel covered how contractors evaluate their safety culture through safety culture perception surveys.

The panel went over methods used, the results, lessons learned, and how they are working with their clients on improving safety culture. The discussion began with a description of DCA's involvement in pipeline safety management systems (PSMS), and the DCA template got a shout out from some in the audience. AGA discussed its strong partnership with the DCA and talked about how contractors are an integral part of PSMS due to the work they do on pipeline systems.

The second panel focused on how contractors rolled out PSMS in the field. Panelists discussed how they are integrating PSMS into their field operations, the lessons learned, what succeeded and didn't, and how they are working with their clients as they roll out PSMS. Each contractor presented for 10 to 15 minutes, followed by 15 to 20 minutes of questions. Audience response was so enthusiastic that the questions overran the time slot. The feedback provided valuable insight on how DCA can better serve its audience on this topic in the future. ▲



# Calendar

## DCA & Industry Events

### 2023

#### NOVEMBER 6-8 Session 2

DCA Leadership Development Conference  
Embassy Suites DFW Airport North  
Grapevine, Texas  
[www.dcaweb.org](http://www.dcaweb.org)

### 2024

#### JANUARY 30 - FEBRUARY 3

2024 PLCA Convention  
Grand Hyatt Baha Mar  
Nassau, Bahamas  
[www.plca.org](http://www.plca.org)

#### FEBRUARY 12-17

DCA 2024 Annual Convention  
Fairmont Orchid  
Kohala Coast, Hawaii  
[www.dcaweb.org](http://www.dcaweb.org)

#### FEBRUARY 22-23

HDD Academy  
Arizona State University's SkySong Center  
Scottsdale, Arizona  
[www.hddacademy.com](http://www.hddacademy.com)

### 2024 (cont.)

#### MARCH 7-12

PCCA Annual Convention  
Turtle Bay Resort  
Kakuku, Hawaii  
[www.pccaweb.org](http://www.pccaweb.org)

#### MARCH 18-20

2024 DCA & AGA Workshop  
InterContinental Kansas City at The Plaza  
Kansas City, Missouri  
[www.dcaweb.org](http://www.dcaweb.org)

#### MARCH 19-21

Underground Infrastructure Conference (UCI)  
Oklahoma City Convention Center  
Oklahoma City, Oklahoma  
[www.uctonline.com](http://www.uctonline.com)

#### APRIL 22-24

DCA Safety Congress  
InterContinental Kansas City at The Plaza  
Kansas City, Missouri  
[www.dcaweb.org](http://www.dcaweb.org)

#### JUNE 24-28

SkillsUSA TechSPO  
Georgia World Congress Center  
Atlanta, Georgia  
[www.nlsc.skillsusa.org](http://www.nlsc.skillsusa.org)

### ATTENTION ALL DCA MEMBERS!

*So you do not miss out on future meeting and event notices, please have your company's IT representative whitelist all emails from [dcaweb.org](http://dcaweb.org). If you have any questions, please contact Teri Korson at [tkorson@dcaweb.org](mailto:tkorson@dcaweb.org).*

# Save the Date for These DCA Events!

**DCA & AGA Workshop**

**March 18 – 20, 2024**

**InterContinental Kansas City at The Plaza  
Kansas City, Missouri**





**DCA Safety Congress**

**April 22 – 24, 2024**

**InterContinental Kansas City at The Plaza**

**Kansas City, Missouri**





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# Insights

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## PHMSA Proposes Changes to Gas Distribution Regulations

DCA members may recall the Merrimack Valley, Massachusetts, overpressurization incident in late 2018 that caused a series of explosions and fires in approximately 40 homes. As a result of the incident, in 2020 pipeline safety legislation focused on gas distribution systems. This led to several congressional mandates included in the Protecting our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2020, as well as safety recommendations issued by the National Transportation Safety Board (NTSB).

The mandates directed the Pipeline and Hazardous Materials Safety Administration (PHMSA) to implement regulations intended to prevent catastrophic incidents resulting from overpressurization of low-pressure gas distribution systems. These regulations included modifying minimum requirements for Distribution Integrity Management Program (DIMP) plans and emergency

response plans, establishing “management of change” requirements for distribution operators, and modifying design, operations, and maintenance requirements for overpressure protection.

On September 7, 2023, PHMSA issued several proposed rule changes in response to these congressional mandates. Key aspects of the Notice of Proposed Rulemaking (NPRM) address the following areas:

- *Design:* PHMSA proposes to amend the pipeline safety regulations requiring that new, replaced, relocated, or otherwise changed regulator stations serving low-pressure gas distribution systems be equipped with at least two methods of overpressure protection. Operators would also be required to monitor the gas pressure at or near the location of overpressure protection devices with a system providing real-time notification capability when engaged in an overpressurization event.



- *Construction:* PHMSA proposes to amend the regulations requiring operators to inspect new, replaced, relocated, or otherwise changed transmission pipelines and mains to ensure they are constructed in accordance with current pipeline construction requirements. Operator personnel who perform a construction task would be prohibited from performing the required inspection. However, the proposed rule includes an exception for small operators in situations where the operator could only perform the inspection by using a third-party inspector.

PHMSA also proposes to require operators of gas distribution pipelines to develop and follow a Management of Change (MOC) process when conducting certain activities. The MOC process would require operators to ensure that qualified personnel review and certify construction plans associated with installations, modifications, replacements, or upgrades for accuracy and completeness before the work begins.

This provision is important because original proposals in the PIPES Act of 2020 would have required a professional engineer to review and certify such construction plans, but DCA was able to limit that language to “qualified personnel” and not require professional engineers for these certifications.

- *Testing:* PHMSA proposes to amend regulations requiring gas operators to maintain test records of pipelines operating below 100 psig, service lines, and plastic pipelines for the life of the pipeline – well beyond the current five-year requirement. The records would also need to include certain information about the operator and pipeline that was tested, similar to what is currently required for other pipelines.
- *Operations:* PHMSA proposes to amend regulations requiring operators of gas distribution pipelines to update their operations and management procedures to account for the risk of an overpressurization event. This would include identifying and responding to signs of overpressurization as well as investigating, responding to, and correcting the causes of overpressurization symptoms.

For all gas pipeline operators, PHMSA proposes to expand the existing list of pipeline emergencies that operators must have in an emergency response plan.

The list would include a notification of a potential rupture, a release of gas that results in one or more fatalities, and any incident deemed significant by the operator.

PHMSA proposes a new regulation requiring operators of gas distribution pipelines to identify and maintain traceable, verifiable, and complete maps and records. Records must document the characteristics of their pipeline systems that are critical to ensuring pressure control.

PHMSA also proposes a new regulation requiring operators of gas distribution pipelines to evaluate each construction project to identify potential activities during which an overpressurization event could occur at a regulator station. If a determination is made that a potential for overpressurization exists, operators would have to have qualified personnel at the regulator station to prevent or respond to an overpressurization event.

- *Maintenance:* PHMSA proposes to amend pipeline safety regulations requiring operators to test each disconnected service line being returned to service in the same manner as a new service line. Records of these tests would need to be maintained for the life of the pipeline.
- *Reporting requirements:* While the NPRM focuses largely on gas distribution pipelines, PHMSA also proposes changes that would apply to all regulated gas pipelines, including gas transmission and gathering lines. PHMSA also proposes to apply annual reporting requirements to small liquified petroleum gas (LPG) operators, including overpressure protection methods.
- *Distribution Integrity Management Programs (DIMP):* PHMSA proposes to establish additional criteria for operators of gas distribution pipelines to evaluate when identifying and implementing measures to address risks identified in DIMP plans. Specifically, operators would need to account for risks associated with the age of the pipe and pipeline system, the presence of known issues, and the potential for overpressurizing the system, and to implement measures to address those risks.

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- *State inspections:* PHMSA proposes to amend the pipeline safety regulations to require states to use an established tool to ensure an adequate number of safety inspectors are employed in their pipeline safety programs.

In a statement, Transportation Secretary Pete Buttigieg affirmed that millions of miles of gas distribution pipelines deliver energy safely every day. However, the secretary also pointed to the one fatality from the Merrimack Valley incident when calling for higher safety requirements on pipeline operators.

"Every day, millions of miles of gas distribution pipelines deliver energy to tens of millions of Americans, helping heat homes and power businesses," Buttigieg said. "But as the tragic death of Leonel Rondon in 2018 reminded us, more must be done to ensure the safety of those pipelines - which is why we are announcing a new proposed rule to strengthen pipeline safety regulations and protect the public."

"This proposal incorporates lessons from the 2018 Merrimack Valley tragedy to help ensure something like that never happens again," said PHMSA Deputy Administrator Tristan Brown. "These changes will protect communities and the environment, as well as lower energy costs for consumers."

The PIPES Act of 2020 also expanded PHMSA's purview and required the agency to consider the impacts of methane emissions on pipeline safety regulations. According to PHMSA, this proposed rule builds on other national and international actions advanced by Congress and the Biden administration to reduce methane emissions. As part of the Biden plan to reduce emissions, PHMSA is also directing funding from the Infrastructure Investment and Jobs Act (IIJA) to modernize municipal and other publicly-owned natural gas distribution pipes.

Earlier this year, PHMSA announced the first \$196 million from the nearly \$1 billion Natural Gas Distribution Infrastructure Safety and Modernization grant program, which was fully supported during debate of the IIJA. PHMSA notes that the additional \$400 million in awards to several public gas entities expected later this year are intended as resources provided to help comply with the proposed rule.

## Energy Industry Pushes Back (Again) on Proposed Restrictions on Cooking Products

In February 2023, the U.S. Department of Energy (DOE) issued a supplemental notice of proposed rulemaking (SNOPR) to enact new energy conservation and efficiency standards for consumer conventional cooking products. Six months later, in August, DOE updated its analysis for these cooking products based on stakeholder data and information received in response to the SNOPR and requested comments, data, and information regarding the updated analysis in a notification of data availability (NODA).

DCA has been working with allies from the American Gas Association (AGA) and the American Public Gas Association (APGA) on a range of issues, including pushing back on mandatory electrification mandates and any restriction on natural gas appliances. While DCA supports energy conservation, we oppose DOE's proposed energy conservation standards to consumer conventional cooking products.

In response, DCA submitted comments to the NODA with strong opposition to the overall rule, indicating that if enacted, the updated efficiency levels presented would ban the majority of gas-fired ranges that are currently available on the market.

"Therefore, DCA recommends the SNOPR be withdrawn," DCA's comments stated. "The bottom line is that American consumers would not have access to the appliances they may choose if these standards are adopted."

DCA did not have additional input regarding DOE's updated analysis but did not want to lose an opportunity to express the association's full opposition to the banning of natural gas and the pipelines, and appliances, that deliver it. DCA suggested that "DOE's previously proposed standards and updated efficiency levels would violate federal law if adopted by banning certain features in gas ranges that consumers find valuable." DCA also reminded DOE of anticompetitive concerns raised by the proposed rule, and reiterated our main point that "the ongoing hostility and outright assault on natural gas is shortsighted and counterproductive to achieving a strong American energy future," and that "[w]ithdrawing the SNOPR would be a step in the right direction."



### Biden Pulls Energy Nominee After Spat over Gas Stoves

The Biden administration recently withdrew its nominee for a key post at the U.S. Department of Energy (DOE), ending what became a months-long standoff and handing a win to Sen. Joe Manchin (D-WV), who has protested DOE's plans to regulate gas stoves.

Biden's nomination to be assistant secretary of the DOE's Office of Energy Efficiency and Renewable Energy had been stalled for months before Manchin, who chairs the Senate Energy and Natural Resources (ENR) Committee, cancelled a committee vote on the nomination. At the time, Manchin argued he was not "comfortable moving forward" with the nominee, who had been tapped to lead the DOE division spearheading the stove energy efficiency rule that the ENR chairman opposed.

Earlier this year, DOE made public unprecedented limits on the energy consumption of gas stoves as well as electric cook tops. Industry organizations blasted

the move, saying it could lead to some products being removed from the market and unfairly restricting consumer fuel choice.

The DOE rules came just weeks after regulations around gas stoves became a national issue when an official with the U.S. Consumer Product Safety Commission floated the idea of banning these appliances. That drew outrage from Manchin and others who correctly seized on it as a prime example of government overreach.

The friction between the Biden administration has increased since passage of the Inflation Reduction Act (IRA), which included a wide range of climate provisions unpopular in the energy industry and likely would not have passed in the Senate without Manchin's vote. While the senator received final approval of the Mountain Valley Pipeline, the ENR Committee chair's growing concern about the overzealous climate agenda has been made readily apparent. ▲



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# CEWD WORKFORCE DEVELOPMENT SUMMIT

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# Member News



Mears

## Mears Performs Horizontal Directional Drilling Beneath the Tinker Air Force Base Runway

Mears Group Inc. was selected by Oklahoma Gas & Electric (OG&E) to construct a 2,333-ft crossing at Tinker Air Force Base, in Midwest City, Oklahoma, using horizontal directional drilling (HDD). Mears also installed a pipe bundle consisting of four 6-inch diameter and two 4-inch diameter HDPE conduits to facilitate construction of a 138kV transmission system being built at the base.

Tinker Air Force Base was built in 1941 and named in honor of Maj. Gen. Clarence L. Tinker of Pawhuska, Oklahoma. Today, in addition to providing total support of America's defense systems, the base is a national leader in pollution prevention through the use of aggressive and innovative technologies.

### Challenges Overcome

The bore alignment crosses underneath a section of the active runway, raising concern about the potential for ground heave and the subsequent impact on military aircraft. OG&E's design engineers required daily monitoring of the surface along the bore path to ensure that any ground movement was within acceptable limits. Fortunately, the ground conditions anticipated along the HDD alignment were cohesive soils overlying bedrock, resulting in a stable borehole, significantly reducing the probability of ground movement. Nevertheless, ground

settlement monitoring was conducted during all drilling phases and was especially challenging due to strict access restrictions imposed by the airport authority.

For security and safety reasons, settlement monitoring surveys of the runway could only be taken within a specific timeframe each day, and the surveyor had to be escorted by authorized airfield personnel. The timeframe was determined by the airport operations manager based on the site conditions, weather forecast, and the flight schedule for that day. Thus, it was difficult to plan the work ahead of time. During the construction phase, the ground settlement readings were within the specified tolerance.

One of the unique challenges during the project was handling the logistics of resources at the jobsite. Due to security concerns, the airport authority imposed strict regulations on any personnel, equipment, or materials entering the premises. All employees had to undergo thorough background checks and receive credentials to enter the base. Any work within a 200-foot buffer from the runways had to be escorted by an airport representative, and all trucks entering the air force base were escorted. Rigorous pre-planning and coordination were needed just to mobilize resources to the jobsite.

Another challenge was the tight drilling tolerance required for the project. The specified drilling tolerance was a 5-foot radius circle around the design drill path. This can be difficult to achieve when drilling in a rock formation with a mud motor because the mud motor assembly increases the distance between the drill bit and the steering guidance sensors. Deviations from the intended alignment can go unnoticed by the steering technician for a longer period, meaning there is little room for the surveyor and the driller to make corrective adjustments.

To shorten the distance between the drill bit and the guidance sensors, Mears selected a unique mud motor.

Despite these and other obstacles, Mears completed the HDD installation in 34 shifts — four shifts ahead of schedule — and without any safety or environmental incidents.





### Michels Opens Employee Health and Wellness Clinic

Michels has expanded its employee benefits program through the establishment of its first on-site health and wellness clinic at its corporate headquarters in Brownsville, Wisconsin, staffed and managed by SSM Health at Work.

"Safety is the cornerstone of our culture," said Pat Michels, president and CEO. "Health is a key component of that core value. This clinic is an extension of our commitment to health and safety. It allows our people and their families to have dedicated access to high quality, convenient, and affordable health and wellness care right here on our main campus."

The Michels Clinic creates improved access to acute care, wellness, and preventive care for Michels non-union employees and their family members. Occupational health services, including drug testing and DOT physicals, are available for all Michels employees.



Underground Infrastructure

### Unlock The Secrets To Success In Underground Infrastructure At UIC

Join your peers at the Underground Infrastructure Conference (UIC) in Oklahoma City, March 19–21, 2024, for an incredible opportunity to learn, network and elevate your career in this lucrative industry.

During the span of just two-and-a-half days, you'll have access to a dynamic experience that focuses on the key industry drivers of construction, rehabilitation and asset management. The program highlights the natural synergies between innovative technologies, panel discussions and case histories, translating them into substantive, valuable content for all.

*(continued on pg. 28)*

**THE WORLD'S TOUGHEST TERRAIN? THERE'S A DRILL FOR THAT.**

**THE WORLD'S LARGEST ALL TERRAIN DRILL.**  
[DITCHWITCH.COM/AT120](https://ditchwitch.com/AT120)

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Spend time with diverse minds comparing and contrasting real-world situations and solutions and come away with new ideas that can be applied to your job site immediately. Curated tracks, led by subject matter experts, offer comprehensive seminars and qualify for Professional Development Hours (PDHs) and Continuing Education Units (CEUs) granted by the University of Texas at Arlington.

But UIC is not just about education. It's also about connecting with like-minded professionals who can expand your career and business. Unforgettable social and networking events, including the bi-annual HDD Reunion and Hall of Fame celebration, the Underground Infrastructure Awards, MVP luncheon, and exhibit hall, provide ample opportunities to expand your career and business.

Also on the agenda is an insightful keynote address from Chris Browning, the renowned general manager of the Oklahoma City Water Utilities Trust.

UIC offers something for everyone in the infrastructure industry. With a new name and revitalized focus, the conference will bring excitement and energy, along with education, networking and opportunities, to attendees unmatched in 2024. Make plans now to be a part of this important event.

Conference updates will be posted at [UI-Conference.com](http://UI-Conference.com). Registration opens soon. Contact [Karen@UndergroundInfrastructure.com](mailto:Karen@UndergroundInfrastructure.com) for details on exhibiting, sponsoring, or attending the enriching educational program.

*(continued on pg. 30)*

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# February 22-23, 2024

Arizona State University's SkySong Center  
Scottsdale, Arizona



## Join us at the HDD Academy

The 2024 HDD Academy will take place at Arizona State University's SkySong Center in Scottsdale, Arizona, on February 22-23. Horizontal directional drilling experts will deliver presentations during a two-day intensive course designed to equip attendees with knowledge of horizontal directional drilling pre-construction, design and material selection, construction and operations. Registration for the Academy is open and the agenda will be announced soon.

*Members of our supporting organizations receive a \$300 discount off the full course registration fee.*

### **Registration Types and Fees – Through January 22, 2024**

Supporting Organization Member Attendee Fee – \$1,095  
(After January 22 – \$1,195)

Non-Member Attendee Fee – \$1,395  
(After January 22 – \$1,495)

### **The Registration Fee Includes:**

- Admittance to networking reception on February 22, 2024
- Hot Breakfast, Refreshments at Break and Lunch on February 22nd and 23rd
- Educational Sessions and CEUs
- Flash Drive with Presentations
- Horizontal Directional Drilling Academy Gift



**McElroy Awarded Prestigious Safety Award From Oklahoma Safety Council**

At the 2023 Oklahoma Safety Conference, McElroy was named the recipient of the prestigious Pinnacle of Safety Award from the Oklahoma Safety Council.

The Pinnacle of Safety Award is given to companies that achieve the highest levels of excellence in safety and health. Companies are judged on management commitment, safety culture, and safety performance in the areas of safety and health.

“McElroy has a strong company-wide culture of safety,” said McElroy Environmental Health and Safety Manager Tony Little. “We understand that our people are our greatest asset, and it is always our number-one priority to ensure they have a safe and secure working environment.”

The Oklahoma Safety Council is a member-based, non-governmental, nonprofit public service organization. Its mission is to promote the adoption of safety, health, and environmental practices and procedures that prevent and mitigate human suffering and environmental loss. More than 700 businesses throughout Oklahoma are members. ▲



**DCA MEMBERS - SEND US YOUR NEWS!**

DCA would love to publish your company news in upcoming issues of the DCA newsletter and on the DCA website. Please send news items, press releases, images or videos to [cgreen@dcaweb.org](mailto:cgreen@dcaweb.org).



# Featured DCA Member Websites



## Mersino

[www.mersino.com](http://www.mersino.com)

Founded in 1988 by Rod Mersino, coming from an extensive background in specialized drilling and construction site dewatering, Mersino Inc. has evolved into a multi-faceted corporation able to engineer and deploy a full-service approach to groundwater control and pumping solutions. Mersino considers its people, the Mersino Team, as their most valuable asset and strives to maintain a culture that inspires dedication to customer service. Whether a planned project or an emergency response, Mersino, available globally, is positioned to meet client challenges with expertise, equipment, and service anytime, anywhere.

## Challenger Services

[www.challengerservices.com](http://www.challengerservices.com)

Challenger Services offers utility and pipeline construction equipment to onshore contractors throughout the world. They focus on both equipment and support items. Their equipment capability include pipelayers, pipelayer attachments, pipe benders, vacuumlifts, pipecarriers, low ground pressure pipe trailers, hydrotest pumps and other specialized equipment. Support items include welding machines, holiday detectors, slings, spreader bars, external clamps, pipe locators and accessories.



## EPIC Insurance Brokers & Consultants

[www.epicbrokers.com](http://www.epicbrokers.com)

EPIC Insurance Brokers & Consultants is a unique and innovative retail risk management and employee benefits insurance brokerage and consulting firm, founded in San Francisco, California in 2007 with offices and leadership across the country.

EPIC Insurance Brokers & Consultants has a depth of industry expertise across key lines of insurance, including risk management, property and casualty, employee benefits, unique specialty program insurance and private client services.



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