

Minnesota County Engineers Association



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mncountyengineers.org

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AFFILIATED WITH



Association *of* Minnesota Counties March 19, 2024

Rep. Frank Hornstein, Chair House Transportation Finance and Policy Committee

Chair Hornstein and Members of the Committee:

On behalf of the Minnesota County Engineers Association (MCEA), we write in support of HF2717 (Kraft) as amended by the DE2 and the A1 amendments, relating to provisions governing the excavation notice system. We want to thank Rep. Kraft and recognize the significant work that has gone into this bill from all stakeholders.

Safety on and around our roadways and construction projects is the number one priority for county engineers and we appreciate the modifications proposed in the DE2 amendment to HF2717 to further improve safety and reduce liability for underground utility locating. MCEA is appreciative of the proposed enhanced accuracy of utility mapping and locations for our projects. We also support the language on line 4.10-4.11 of the DE2 amendment relating to preliminary design meetings requiring project owners to provide start dates, duration information, and scope of work.

MCEA initially had concerns with the language relating to cost reimbursement on lines 8.4-8.6 of the DE2 amendment and we appreciate that this section was removed through the A1 amendment. We believe it is important that our Contractors take an active and responsible role in utility location and coordination within their construction contracts. If communication between the contractor and utility operator breaks down or unforeseen circumstances impact the project, it can be incredibly difficult assigning direct responsibility after the fact and could result in additional delay to determine fault prior to moving forward, which is already a challenge when a project has sequential construction or tight timeframes.

Again, we want to thank Rep. Kraft for taking our concerns into consideration and offer our support for HF2717 as amended by the DE2 and A1 amendments. Thank you for the opportunity to comment on the bill.

Sincerely,

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Mel Odens, P.E. President, Minnesota County Engineers Association



A Minnesota Rural Electric Association 11640 73rd Avenue N | Maple Grove, MN 55369 | p: 763-424-1020 | www.mrea.org

March 19, 2024

Dear Members of the House Transportation Finance and Policy Committee,

On behalf of the Minnesota Rural Electric Association representing the 50-community based, nonprofit cooperatives providing electric service across Minnesota, we appreciate the opportunity to submit written testimony on HF 2717.

I want to start by thanking Representative Kraft for his extensive, sincere efforts to address our concerns about this bill and for his commitment to identifying ways to improve the safety of excavation work. As an organization, our largest department is focused on improving safety. We are in a dangerous business, and nothing is more important to our members than the lives of their employees and community members. While we wholeheartedly share the goal of improving safety in this work, we have concerns that several provisions don't fully consider on-the-ground realities and impose significant new operational costs without meaningfully improving safety.

The changes being proposed today represent major changes to the current practices used by utilities to document and locate underground utility infrastructure. The cumulative changes in this bill will result in a significant increase in operational costs for our members. As not for profit cooperatives operating in areas deemed too costly to serve by for-profit business, we take affordability very seriously. We do not operate on a profit motive; if the balance book is positive, we send excess revenues back to our members. I wanted to note this because when we express concern about the cost-benefit of these proposals, it's not a concern about limiting profits, it's a concern about directly increasing the electricity bills of the 1.7 million households we serve.

The new standards required on lines 2.8-2.11 and on lines 6.22-6.24 represent a major shift in how utilities must document their underground infrastructure. This standard moves from being a consensus standard to a prescriptive standard with the goal of moving all utility data to survey level accuracy certified by a professional engineer. This standard can only be achieved through significant and expensive updates to technology and additional professional personnel. One of our cooperatives estimated it would cost at least a half million dollars to upgrade the devices of their 9 locators and that's just the starting point of the costs that will accompany these changes. Our cooperatives, especially the smallest ones serving only a few thousand members, simply cannot bear this kind of cost burden without potentially major rate increases on millions of Minnesotans.

We are additionally concerned that the proposal to displace the use of physical white markings in favor of electronic maps would actually increase safety risks. White markings are how excavators visually define the digging area for utilities to mark their infrastructure. An excavation site being properly white marked is a foundational practice for ensuring an accurate locate is done, which ultimately prevents damages, injuries, and outages from hitting line. Not having white markings is like going into a locate blind. You don't even have the site boundaries to work from. Aside from the fact that what constitutes an electronic white marking is not even defined, we have several questions about how electronic marking would actually work in the field. We operate in rural areas where reliable internet is a common challenge, which means the ability to even access a digital map will be unpredictable. If digital marking can be accessed, trying to physically mark utility lines

using a digital map of the excavation site would require advanced technology and slow the process down as locators try to visualize precise physical locations using a digital map. Ultimately, this change will simply shift the burden of defining the site from the excavator to the utility. In studies referencing the use of electronic white marking as a best practice, the focus is on increasing the accuracy of the excavation area descriptions using technology and web-based tickets submission. The benefits discussed in these studies come from the improvement of excavation area descriptions within the ticketing system. For these reasons, we believe that using electronic white marking in addition to the continued use of physical white marks would represent an improvement to the efficiency and accuracy of locates without displacing physical white markings as a foundational safety practice.

Our members operate on both sides of this system as frequent excavators and as operators who locate our infrastructure for others. We understand the challenges and importance of making improvements to this system from both perspectives and we remain committed to working on improvements to this system in a way the delivers on the promise of increased safety.

The energy sector is now deep in the difficult work of transforming our electric grid to be carbonfree by 2040 as the result of last year's legislation. Taking on another costly, transformative change to the very basics of our business will put a burden on cooperatives that will threaten the success of both. We respectfully ask that HF 2717 continue to be worked on to address these very real challenges to small cooperatives across the state.

Sincerely,

Tricia Elite

Government Affairs Representative, Minnesota Rural Electric Association



March 18, 2024

Rep. Frank Hornstein, Chair House Transportation Finance and Policy Minnesota House of Representatives 563 State Office Building St. Paul, MN 55155

Re: HF 2717 (Kraft) Excavation notice system governing provisions modified.

Dear Chair Hornstein,

On behalf of the Minnesota Utility Contractors Association, I am writing in support of the HF2717 DE2 amendment and to thank Rep. Kraft for his work to improve safety and underground utility locating.

For many years MUCA has been an active participant in stakeholder discussions to update and reform Minnesota's utility location and damage prevention statutes. At times these discussions have been intense as service providers that own underground facilities and our contractors who work around and among buried utility systems met to discuss the safety of the workers in our industry, the underground facilities, and the public. Finding common ground was difficult.

MUCA appreciates the additional utility contractor protections and improved utility mapping contained in the DE2 amendment that will lead to increased safety in the field while protecting operator assets. Also important to MUCA members is the language in the DE2 outlining the requirements of on-site meets and the requirements of geospatial location information in the development of as-built drawings for newly installed or newly abandoned facilities. These modernizations will contribute to increased safety in future projects by providing more accurate locate information.

We are pleased to support the DE2 amendment as a reasonable compromise between stakeholders and look forward to the adoption of the DE2 amendment and the passage of HF 2717.

Thank you for your consideration.

Stephanie Henring

Stephanie Menning, CAE, IOM Executive Director

OUR MISSION

To promote the underground utility industry by providing safety training, continuing education, scholarships and legislative relations. OUR VALUES

Honest Communications Transparent Leadership Authentic Engagement



March 19, 2024

Representative Frank Hornstein (<u>rep.frank.hornstein@house.mn.gov</u>) Chair, House Transportation Finance and Policy Committee Minnesota House of Representatives 563 State Office Building St. Paul, MN 55155

Re: HF2717 – DE2 Amendment

Dear Chair Hornstein:

The Minnesota Cable Communications Association (MCCA) has been working hard since last legislative session with all stakeholders to reach consensus on changes to Minnesota Statutes Chapter 216D, Minnesota Excavation Notice System law. A great amount of time and work was spent on the Minnesota Office of Pipeline Safety (MN-OPS) agency bill (HF1275) last summer. Two representatives of our industry served on an Advisory Council organized by MN-OPS which was professionally facilitated by the Management Analysis and Development (MAD), the consulting arm of Minnesota Management and Budget (MMB). MCCA thought we were very close to consensus on the MN-OPS bill.

Unfortunately, despite all this effort, MN-OPS then withdrew its agency bill, and the focus shifted to a bill sponsored by the Association of General Contractors (AGC), which is the bill before your committee today (HF2717). We want to thank Representative Kraft for his hard work and efforts in trying to reach a compromise on this bill. We have had many good faith, constructive conversations with Representative Kraft, AGC, other utility operators, Gopher State One Call (GSOC) and with MN-OPS.

We appreciate some of the changes to the bill reflected in the DE2 amendment, particularly the change in the time when the clock starts ticking on the 48-hour period in which our locate vendors must locate underground utilities in a proposed excavation area to midnight on the day the locate request is submitted by an excavator. However, we are very disappointed that we have not been able to persuade proponents, or Representative Kraft, to add a general conduct standard for those who use the GSOC system—that is, a simple requirement for operators and excavators to act reasonably and use the system in good faith .

Utility operators uniformly agree there is a need for a general good faith/reasonableness standard of conduct in Chapter 216D. Twenty-three (23) states have language requiring reasonableness and good faith in order to curb abuses of the one call system that result in substantial risks to public safety and wasteful inefficiencies in the system. During initial discussions, MCCA proposed language, based on existing Illinois law, which would provide MN-OPS necessary additional regulatory authority to determine when a stakeholder in the excavation notice eco-system is not acting in a reasonable manner. Minnesota

Chair Frank Hornstein March 13, 2024 Page 2 of 2

regulatory agencies are asked to make determinations about reasonableness all the time.¹ A reasonableness/good faith standard would provide MN-OPS important authority to police abuses of the one call system. In our view, there is no more important power to place in the hands of MN-OPS to protect public safety.

However, this language was rejected with concerns that MN-OPS did not have the current capacity for additional enforcement and that there would be a cost. We do not believe the addition of a general conduct standard will result in any significant incremental cost beyond the costs that will already be imposed by the bill. In response to this objection, MCCA offered new language that would only require that excavators act reasonably in exercising the new power they would gain to require in person meetings before commencement of any excavation project, no matter the size, and regardless of whether a meet is necessary. (See Lines 4.19-4.20) Again, this simple addition, asking for nothing more than for those who use the GSOC system to act reasonably and in good faith, was rejected by the proponents of this bill.

MCCA's primary goal is enacting changes that improve public safety and the efficient operation of the GSOC system, as \$652 million in federal broadband infrastructure funding arrives in 2025 with a construction deadline of four (4) short construction seasons. Passing one call legislation is an imperative for MCCA and we have been very clear about that. No utility association has worked harder on this bill over the past year than MCCA. MCCA members have made many concessions to reach compromise. We will continue to work to enact changes to Chapter 216D that promote public safety and improve the operation of the Minnesota one-call system.

Sincerely,

MINNESOTA CABLE COMMUNICATIONS ASSOCIATION

Melissa Wolf, Executive Director

¹ See Minn. Stat. §216B.03 (reasonableness in utility rates), 216B.04 (reasonable service quality), 216B.1611 (reasonable terms and conditions in tariffs for interconnection of distributed generation fueled by natural gas or renewables); §237.06 (duty of telephone companies to furnish reasonably adequate service); Minn. Stat. §237.075 (duty of MPUC to determine just and reasonable rates for telephone service). Indeed, the phrase "reasonable" or some form of that word appears 81 times in chapters 216B and 237, which govern regulated utility services.



March 15, 2024

Chair Frank Hornstein House Transportation Committee 563 State Office Building 100 Rev. Dr. Martin Luther King Jr. Blvd Saint Paul, MN 55155

Dear Chair Hornstein:

On behalf of the Ramsey County Board and the residents of Ramsey County, I am writing to offer support for HF 2717 (Kraft) and ask you to pass the bill or consider including this policy in any omnibus transportation bill this session. This year in our 2024 state legislative platform, we added supportive language requiring improved mapping of private utilities, especially in public works projects. This bill accomplishes that, and we urge your passage.

Various entities, including Ramsey County, have experienced significant delays and cost increases associated with road construction projects due to missing or incomplete utility location information, improperly marked utilities, and decreased participation by utility operators at required meetings for upcoming construction projects.

One example is a recently completed reconstruction of Lexington Avenue, located within the municipalities of Arden Hills and Shoreview. Issues with utilities arose almost immediately, when staff noted there were far more utilities marked in the field than were identified in the plans. Some of these utilities were not identified in the plans AND were not marked in the field, leading to surprise discoveries and delays. Once a utility was identified in the field and a relocation plan agreed upon, it would often take weeks or even months for the utility contractors to relocate those utilities.

These issues resulted in an increase of \$1.58 million in the cost of the project, and what was originally planned as a one-year project took nearly two full construction seasons to complete. <u>A recent article in the Star Tribune</u> detailed the difficulties faced by several businesses along the corridor; customers avoiding the construction meant less foot traffic for these local businesses, and some closed. HF 2717 would help ensure that staff and contractors have the information they need to complete road construction projects in a timely and cost-effective manner, saving residents and local businesses both frustration and money.

Thank you for your service and consideration.

Sincerely,

Trista Martinson Chair of the Ramsey County Board