



ENSTAR Natural Gas Company
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907-277-5551

May 1, 2023

Important Notice Regarding Civil Penalties and Treble Damage Charges Allowed Under Federal and Alaska State Law

ENSTAR hereby notifies you that if you are found to have committed a probable violation of Part 196 of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CRF), PHMSA, under 49 U.S.C § 60122 and 49 CFR § 190.223, may purse a civil penalty not to exceed \$257,664 per violation per day the violation persists, up to a maximum of \$2,576,627 for a related series of violations.

Additionally, ENSTAR may assess treble damages when excavators¹ damage its natural gas pipelines. In its continued efforts to reduce pipeline damages, ENSTAR will continue assessing treble damages as authorized by Alaska Statute 42.20.030 (please see reverse).

In the last five years, excavation damages to ENSTAR's gas lines dropped 18%, totaling 193 damages last year. ENSTAR is proud of this trend, but third-party damages still occur at a far higher rate in Alaska than compared to the national average. More than 31% of damages last year could have been prevented had the damaging party called for locates. We need to do better.

To assist you in working around natural gas pipelines, and to avoid potential safety hazards, the cost of repair, and treble damages, ENSTAR has developed the enclosed document entitled "**Safety Requirements for Excavation Adjacent to Natural Gas Pipelines.**" **Please read and review this policy with all your employees who may be working near natural gas pipelines.** We've also included information about PHMSA (Pipeline and Hazardous Materials Safety Administration), and their excavation enforcement laws and penalties that could affect you.

ENSTAR needs your coordination and cooperation in working near natural gas pipelines. Either during the design phase or prior to the start of actual construction, please call our Engineering Department to ask any questions and to help eliminate or minimize conflicts. **ENSTAR's Engineering Department may be reached at 334-7740.**

Simply call **811** for your **Free** locate and you will be connected to Alaska Digline or go online to www.811ak.com. Utilities in the area of your excavation will be marked within 2 working days.

Sincerely,
ENSTAR Natural Gas Company

Steve Cooper
Vice President Operations & Engineering

CC: State of Alaska OSHA PHMSA
Enclosure



¹ As defined in AS 42.30.490(3)-(4).

Alaska Statutes

Title 42. Public Utilities and Carriers

Chapter 20. Telegraph and Telephone Systems and Cable Lines

Section 30. Civil Liability for Taking Utility Service and For Damages to or Interference With a Utility Line.

AS 42.20.030. Civil liability for taking utility service and for damages to or interference with a utility line.

(a) A person is civilly liable to the utility whose property is damaged in a sum equal to three times the amount of the actual damages sustained and three times the value of the service taken if the person intentionally or in the exercise of gross negligence

- (1) damages a pole, tree, pipeline, or other object used in a utility line;
- (2) damages an insulator in use in the line or damages or removes from its insulator any wire used in a utility line;
- (3) damages the insulation of the line or interrupts the transmission of the service through it or damages the protective wrapping of a water, oil, or gas pipeline;
- (4) damages property or materials belonging to a utility;
- (5) interferes with the use of a utility line, or obstructs or postpones the transmission of service over a utility line;
- (6) procures or advises damage to any utility line;
- (7) interferes with or alters a meter or other device for the measuring of service from a utility; or
- (8) without the permission of the utility takes service from the utility or taps a wire or line used for the transmission of service or procures or advises this to be done.

(b) A person is civilly liable to the utility whose property is negligently damaged under (a)(1), (2), (3), (4), or (5) of this section in a sum equal to the amount of the damages sustained.



ENSTAR Natural Gas Excavation Safety Requirements

Safety



ENSTAR Natural Gas Company provides natural gas service through 3,600 miles of gas mains to over 150,000 customers in South Central Alaska. ENSTAR's gas pipeline system is designed, installed, and maintained with the highest regard for safety in compliance with applicable federal, state, and local government statutes and regulations. ENSTAR is regularly inspected to ensure that its operation meets industry standards.

The US Department of Transportation, Pipeline & Hazardous Materials Safety Administration (PHMSA) oversees minimum safety regulations for the transportation of natural gas by pipelines. The DOT safety regulations are currently published in Title 49, Parts 190, 191, 192 & 199 of the Code of Federal Regulations (CFR).

The Law

Calling **811** before you dig and exercising reasonable care around underground facilities is required by state and federal law. Under Alaska Statute 42.30.400, excavators are required to call for locates "at least two but not more than 15 working days before the date scheduled for beginning the excavation. An excavator may not begin to excavate until each underground facility has been field marked." After 15 days, an excavator must once again call for locates or request a "refresh" of the old locates. Failure to exercise reasonable care can result in civil liability and triple charges for the repair under AS 42.20.030.

PHMSA is the excavation damage enforcement agency in the State of Alaska with regard to federal laws. The enforcement program protects the public from the risk of pipeline ruptures caused by excavation damage. Should an excavator violate any of the damage prevention requirements prescribed in 49 CFR part 196, Subpart B, they may face civil and or criminal penalties. Civil penalties of not more than \$222,504 for each violation, not to exceed \$2,225,034, may be levied. Criminal penalties may be enforced with imprisonment of not more than 5 years per violation. More information about the PHMSA ruling can be found at <http://www.phmsa.dot.gov/>.

To call for locates, simply dial **811** or go online to www.811ak.com to submit your locate request. In Alaska, dialing **811** connects you with Alaska Digline to collect your excavation information and notify all affected utilities. Utilities have two business days to mark their utilities after receiving your locate request.

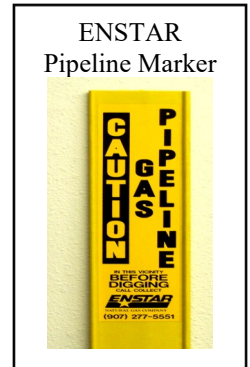
Pipeline Markers

What is a pipeline marker? These are permanent, above-ground installations that indicate that one of ENSTAR's high pressure transmission pipelines is nearby. However, do not assume there is not a pipeline just because there is no marker present.

Transmission pipelines are steel and range in size from 2" to 20" in diameter. They are typically coated with a protective coating. Pipeline coatings are predominantly yellow and black but may also be green or brown.

Distribution pipelines are steel or high-density polyethylene and have locate wires. These pipelines range in size from 1" diameter to 12" in diameter. Gas "mains" are typically found in street rights-of-way or utility easements and supply the natural gas to an entire street or subdivision.

Natural gas service lines are connected to the gas main. Service lines generally serve a single building or small group of buildings on private property. Service lines are typically ½" to 2" in diameter. Service lines can be rigid steel, steel tubing, copper or polyethylene with locate wire. Gas mains and service lines are generally black or yellow in color.



Excavation Safety Requirement Steps to Follow

1. **Line Locating: A Free Service:** To request a locate, dial **811**, the nationally recognized One-Call number, and you will be connected to Alaska Digline. You can also submit a locate request online at www.811ak.com. Request locates at least 2 but not more than 15 working days before the date scheduled for beginning the excavation.
2. **Request a Relocate Ticket when:** the marks have not been maintained, the excavator is unable to accurately "read" the locate marks, the marks have been destroyed, or the marks are more than 15 working days old. If you do not request a relocate or "refresh" before the 15 days expire, do not excavate until the locates are refreshed. **Digging on expired locates is the same as having no locates at all.**
3. **Typical Locate Marks and Colors:**



ELECTRIC



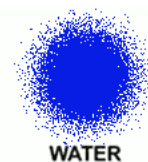
TELECOM-
MUNICATIONS



GAS & OIL



SEWER



WATER



PROPOSED
EXCAVATION

4. **Excavating around Locate Marks:** In Alaska, you must use reasonable care when digging. This means using non-mechanized digging methods if you must excavate within the "Tolerance Zone", which is 24 horizontal inches of the outside dimensions of the locate marks. If you are digging to a depth of 10 feet or greater, you must use reasonable care within 30 horizontal inches. Treat all buried lines as if they are active.

The only acceptable methods for digging within the tolerance zone:

Hand Dig



Air Knife



Vac Truck



5. **Standby/Inspection Requirements:** Extreme caution must be exercised whenever pipelines are encountered. All excavations in the immediate vicinity of ENSTAR Natural Gas facilities (including backfill, compaction, temporary support, and shoring), are subject to prior approval and inspection by ENSTAR personnel. Pipeline inspections are provided whenever an excavator is working within 10 feet of a transmission pipeline, or within 5 feet of a distribution line. If excavation occurs without either locates or standby (qualified ENSTAR personnel), ENSTAR Natural Gas reserves the right to excavate to determine if there has been any damage to ENSTAR Natural Gas facilities. If damage has occurred, ENSTAR Natural Gas has the right to charge the excavator for repairs.
6. **Support for Steel Pipeline Crossings:** If an excavation below a **steel gas** pipeline leaves the pipeline unsupported for a distance of more than 20 feet, the excavator must provide additional support for the pipeline. Support must be provided in a way as to not damage the pipe or its coating during construction, backfill placement, and compaction. Generally, a support spacing of 5 feet or less will provide the required support. The ENSTAR Engineering Department must approve all excavations crossing steel pipelines above a 4" diameter. If support is required, ENSTAR Engineering's Department written approval is required prior to beginning construction. Call ENSTAR Engineering at (907)334-7740 for further information. Extra care must be taken when geotextile fabric and/or rigid insulation are used. Geotextile fabric and/or rigid insulation shall be sufficiently separated from any steel pipelines and in addition to continuous support under the pipeline, compacted fill material shall be placed between the geotextile fabric/rigid insulation and the pipeline (see item 11, "Clearance"). Care shall be taken to insure stability for the ENSTAR facility. Failure to properly protect ENSTAR's facilities could result in future damage if differential settlement occurs.
7. **Support for Polyethylene Line Crossings:** If an excavation is below a **polyethylene gas pipeline**, the excavator must continuously support such pipeline during construction, backfill placement, and compaction. Geotextile fabric and/or rigid insulation shall be sufficiently separated from the polyethylene gas pipeline to prevent undue stress during the compaction/settlement process. (see item 11, "Clearance.")

8. **Excavation Parallel to Pipeline:** Whenever an excavation (horizontal or vertical) is performed within 5 feet of a distribution pressure pipeline or 10 feet of a transmission pressure pipeline, the gas pipeline must be exposed to visually determine the exact location. When parallel excavations are expected to expose or undermine sections of pipeline, the excavator must notify ENSTAR Engineering in advance. Care must be taken not to damage the pipeline, or to induce stresses due to differential settlement following construction. **Long parallel excavations exposing pipelines can be very dangerous if not properly performed and shall not be attempted without prior ENSTAR approval and standby.** Unless otherwise approved by ENSTAR Engineering, all excavations parallel to a gas pipeline require that the pipeline be exposed at intervals no greater than every 25 feet to visually determine the pipeline's exact location. Contact ENSTAR Engineering at (907)334-7740 for additional information.
9. **Blasting:** All plans for blasting that will occur within 500' of any Company Facility must be reviewed by an ENSTAR Engineer. The person performing the blasting shall take all appropriate measures as recommended by ENSTAR Engineering, (i.e. require minimum distance from facilities, minimize blasting charge intensity, etc.) to protect the integrity of the Company's Facilities. A leak survey shall be performed before and after any blasting activity, within 500' of any Company Facility. The person performing the blasting will be held liable for any post-blasting leaks.
10. **Trenchless Excavation (Vertical or Horizontal):** Whenever a trenchless excavation (horizontal or vertical) is performed within 5 feet of a distribution pressure pipeline and 10 feet of a transmission pressure pipeline, the gas pipeline must be exposed to visually determine the exact location. If the trenchless excavation is expected to cross the pipeline within the aforementioned distances, the pipeline in question shall be fully exposed to a minimum of 1 foot beneath the pipeline prior to the expected crossing to ensure that the pipeline is not unduly damaged due to ground movement in the immediate vicinity of the pipeline. **When performing a trenchless excavation parallel to a gas pipeline, the gas pipeline must be exposed at intervals of 25 feet or less to visually determine the pipeline's exact location.** Trenchless excavation is defined as drilling, directional drilling, boring, pile installation, etc.
11. **Clearance:** For natural gas pipelines with a diameter of 4" or smaller, a 12" minimum separation from other utilities or structures is required. For pipe diameters of 6" and larger, a 36" minimum separation is required. For underground utilities or structures that do not run parallel to ENSTAR's pipeline, but terminate nearby or cross the pipeline in localized areas, the minimum clearance may be reduced to 12". **Electrical utilities paralleling an ENSTAR pipeline of any diameter must maintain 36" separation. ENSTAR requires a 36" minimum separation from any grounded components i.e. ground rods, non-insulated conductors and associated structures.**
12. **Pipeline Cover:** ENSTAR pipelines in public rights-of-way are generally installed with 36" to 48" of cover, and in private rights-of-way with 12" to 36" of cover. Projects that decrease cover or increase cover in excess of 60" must receive prior approval from ENSTAR Engineering Department (907)334-7740. ENSTAR has limited ability to prevent the removal of cover over gas pipelines. Increasing pipeline cover more than 5 feet or decreasing pipeline cover to less than 3 feet may be considered a damage that may result in relocation of the gas pipeline at the expense of the Excavator. The depth of cover listed above cannot be assumed after installation. The excavator is responsible for any damage to ENSTAR pipelines regardless of the depth at which they are encountered.

13. **Landscaping:** Most landscaping activities require locates, and when it is determined that landscaping activities are within 5 feet of a distribution pipeline, or 10 feet of a transmission pipeline, Inspection/Standby requirements as listed above are applicable. Planting of trees and shrubs over existing pipelines is not permissible and can present a safety and reliability hazard to the pipeline.
14. **Cross Bore Safety:** A “cross bore” is when a natural gas line runs through an existing underground utility, typically a sewer or septic line. If you discover a clogged sewer or septic line, you need to call **811** for an emergency locate before performing any work. Utilizing CCTV and non-cutting plumbing snakes are recommended best practices when a cross bore is possible.
15. **Damage Review.** ENSTAR reviews each damage for charges based on the following:
 - **Valid Locates.** Note that excavation that commences prior to locates being completed and excavation on locates older than 15 days are not considered valid locates. AS 42.30.400.
 - **Tolerance Zone.** Evidence of mechanized equipment utilized within the tolerance zone; 24” on either side of the outer bound of the locate. Only use approved non-mechanized equipment within the tolerance zone, as described in Section 4 above.

Damage Reporting

If you damage a gas line, immediately call **911** and ENSTAR at

1-844-SMELL GAS (1-844-763-5542). It's the Law.

Gas lines that have been pulled, stretched, kinked or bent could be damaged underground away from where the line is connected. If you pull or stretch gas lines call ENSTAR at (907)277-5551 and an ENSTAR Representative will investigate for possible underground leakage.

Pipe Wall Protection

Dents, scrapes, gouges, and scratches reduce pipeline wall thickness and affect the safety of the facility in two ways. First, the reduced wall thickness decreases the pressure at which the pipeline can safely operate. Second, the damage serves as a stress concentration that can cause a future brittle failure of the pipeline. **An ENSTAR representative must inspect each dent, scrape, gouge or scratch, no matter how small, before it is reburied.**

Corrosion Protection

ENSTAR's **steel** pipelines are protected from corrosion by a dielectric coating and an impressed current or galvanic anode cathodic protection system. Direct contact with metallic objects (a short) or removal of the protective coating can compromise this system. Contact the ENSTAR Engineering Department (907)334-7740, whenever coating damage or a short is encountered. **An ENSTAR representative must inspect each short or section of damaged coating before it is reburied.**

Locate Wire Protection

ENSTAR's **polyethylene** pipelines are installed with a parallel copper wire, which is used to locate the pipeline. If the locate wire or wire coating is damaged, ENSTAR's ability to properly locate the pipeline may be severely compromised. Electrical continuity must be maintained. **An ENSTAR representative must inspect and/repair each possible locate wire damage before it is reburied; ENSTAR repairs accidental locate wire damage free of charge.**

Excess Flow Valves

An Excess Flow Valve (EFV) is a safety device installed in a natural gas service line near the gas main that is designed to automatically shut off the flow of natural gas in the event that the service line is broken. Effective April 14, 2017, all gas companies nationwide are required to install an EFV or a curb-side shut off valve in any new or renewed service lines.

What does this mean to you as an Excavator?

Should you damage a natural gas service line that has an EFV, the gas will blow for a short duration and shut off automatically if the flow of gas is sufficient to close the EFV. Damages that do not sever the service line completely may not cause the EFV to close and the gas will continue to blow. Regardless, **you must report all damages to ENSTAR immediately.** EFVs are designed to allow a small amount of "bleed-by" so they can be reset without excavating the gas main. Backfilling a damaged service line with gas bleeding underground is extremely dangerous and could fuel an explosion if it is not repaired timely. **Do not assume a damaged service is dead or abandoned if it is not blowing gas. The EFV may have shut down the flow of gas.** Report all damages immediately by calling **1-844-SMELL-GAS**.

Please remember that at this time, the vast majority of ENSTAR service lines were installed prior to April 2017 and thus WILL NOT have an EFV. Should you damage a service line without an EFV, gas will blow at full line pressure until ENSTAR can arrive to shut it off. Your best protection against damaging underground utilities is to call **811** for locates and hand dig within 2 feet of the locate marks.

What to do if You Smell Gas

Natural gas does not have a natural odor, but mercaptan compounds are added to distribution system gas to enable you to smell a leak. If you smell the characteristic Sulphur odor, call ENSTAR at 1-844-SMELL GAS (1-844-763-5542)

Qualified Personnel Requirements

Only qualified individuals meeting all applicable requirements may perform work on natural gas facilities. At a minimum, such individuals must comply with applicable federal, state, and local regulations, statutes, and ordinances.

Additional pipeline information can be found on the following websites:

PHMSA/DOT	https://phmsa.dot.gov/pipeline
Common Ground Alliance	http://www.commongroundalliance.com
Pipeline 101	http://www.pipeline101.com
Alaska Digline, Inc.	http://www.811ak.com/

For further information about ENSTAR, visit our web site at www.enstarnaturalgas.com



Get Informed and Encourage Change

BOTTOM LINE: Until Alaska enforces its own excavation damage prevention law, excavators are subject to federal enforcement.



Effective October 1, 2016, if you are an excavator who unlawfully damages a natural gas or hazardous liquid pipeline in Alaska, you are subject to federal enforcement. If Alaska develops and enforces a state One-Call law that meets the minimum federal standard, the federal government will have no jurisdiction over excavators in Alaska. PHMSA wants the States to enforce their own One-Call laws. We are working hard to support the State's efforts to improve their enforcement programs.



U.S. Department of Transportation

PHMSA's mission is to protect people and the environment by advancing the safe transportation of energy and other hazardous materials that are essential to our daily lives. To do this, the agency establishes national policy, sets and enforces standards, educates, and conducts research to prevent incidents. PHMSA also prepares the public and first responders to reduce consequences if an incident does occur.

If you have questions or need additional information, please contact us at:

Email: phmsa.pipelinesafety@dot.gov

Phone: 202-366-4595

Website: <https://www.phmsa.dot.gov/pipeline/enforcement/enforcement-overview>



**Know what's below.
Call before you dig.**

Alaska and the Federal Excavator Enforcement Rule





If You are an Excavator or Pipeline Operator in Alaska, Federal Regulations Require You to Prevent Excavation

Federal regulations require excavators to do the following:

- ⇒ Contact 811 Alaska Dig Line before you dig by calling 811 or open E-Ticket at www.akonecall.com.
- ⇒ Wait for pipeline operators to mark the location of underground pipelines.
- ⇒ Excavate with proper regard for the marked location of pipelines an operator has established by taking all practicable steps to prevent excavation damage
- ⇒ Contact 811 Alaska Dig Line again, if necessary, for any reason to ensure underground pipelines are not damaged.

BOTTOM LINE: If you damage a pipeline, immediately report the damage to the pipeline operator. If there is a release of natural gas or hazardous liquid from a damaged pipeline, immediately call 911.

You May be Subject to Federal Penalties if You Unlawfully Cause Excavation Damage to a Pipeline

The U.S. Department of Transportation, Pipeline and Hazardous Materials Safety Administration (PHMSA) has determined that Alaska does not adequately enforce its One-Call law. According to federal law, if a State does not adequately enforce its own One-Call law, PHMSA may take enforcement action against excavators and pipeline operators who cause excavation damage to natural gas and hazardous liquid pipelines

BOTTOM LINE: If you cause excavation damage to a natural gas or hazardous liquid pipeline in Alaska, you may be subject to federal penalties of up to \$222,504 for each violation for each day the violation continues, with a maximum penalty of up to \$2,225,034 for a related series of violations.



Encourage Alaska to Enforce It's Own One-Call Law

The federal government does not want to be involved in state related excavation damage. Encourage your Alaska policymakers to strengthen and enforce the existing one-call law. Enforcement of the State One-Call laws is the responsibility of the State of Alaska, not the federal government.

However, since Alaska does not enforce its own One-Call law, the federal government is empowered to act as a “backstop” authority in Alaska in the case of excavation damage to natural gas or hazardous liquid pipelines.

If Alaska begins to adequately enforce the One-Call law, the federal government will no longer have enforcement authority in Alaska.

Every excavation damage to a natural gas pipeline is a potential disaster. Enforcement of One-Call requirements reduces rates of excavation damage to pipelines and other underground infrastructure.

