

January 27, 2012

TO: Missouri Natural Gas Operators

SUBJECT: 1) MANGO General Meeting
2) Horizontal Drilling/Cross Bore Safety Meetings
3) DIMP Plans – Performance Measure Baselines

Note: Copies are not sent to all operator personnel. Please forward to the appropriate person(s).

1) **MANGO General Meeting**

The next MANGO general meeting has been set for 10:00 a.m. on **Thursday, March 22, 2012, in Jefferson City. The meeting will be on the 4th floor (Room 450, Ballroom) of the Governor Office Building (GOB).** Coffee and bakery items will be served prior to the meeting (9:30 a.m.) and lunch will be provided. Parking is available in the City Parking Garage directly across from the Governor Office Building (a limited number of parking passes will be available). If you have suggested discussion items, please contact a MANGO Board Member or the MoPSC Staff.

2) **Horizontal Drilling/Cross Bore Safety Meetings**

Bill Dexheimer with Missouri One Call will be hosting meetings throughout the state covering the advantages and disadvantages of horizontal and directional drilling activities. These types of installation activities have become increasingly more popular as an excavation practice and their use has created safety issues that need to be discussed. The meetings will begin with a free breakfast starting at 8:15 a.m. with the presentation beginning at 8:30 a.m. Registration must be made at least 3 days prior to the meeting. To view the meeting schedule and register go to: <http://www.mo1call.com/meetings/safety2012.php>

Staff highly encourages your participation in one of these meetings (please encourage any of your boring contractors to participate as well). Staff also encourages operators to review the boring guidelines available on the MANGO website at www.mangowp.org. These guidelines were developed by Staff and MANGO to provide operators some preconstruction

and construction considerations to utilize when using trenchless technology to install PE lines near sewer lines and laterals.

3) DIMP Plans – Performance Measure Baselines

While reviewing several DIMP plans submitted by operators, it has come to Staff's attention that many operators did not include baselines for their performance measures, and that SHRIMP does not include a process for an operator to establish a baseline for performance measures using historical data. CFR 49 Part 192.1007 requires that performance measures be monitored from **established** baselines. SHRIMP procedure states, "Where a performance measure requires data that has not previously been collected and retained by the operator, the baseline for such performance measures will be the first year such data is collected and retained. Where the operator does have past data for any performance measure, the user must establish a baseline based on that historical data. The baseline should be included in the implementation plan text for that performance measure." It is the operator's responsibility to determine these baselines and include them in the plan for **each** performance measure. Operators may use different means to come up with a process to establish these baselines. Staff requests that, if not already completed, operators update their plans to include baselines for each performance measure using historical data or specify that, due to lack of data, data collected during the current year will be used as a baseline. Staff requests that the plans be revised/updated within 30 days of this letter.

An example process for determining baselines would be to average failures due to each specific threat over the past six years. This would allow the incorporation of leak data acquired during two complete leak survey cycles. If an operator were establishing a baseline for the mandatory performance measure of tracking excavation damages for 2012, the operator would find average number of excavation damages per 1000 tickets (or 100 tickets depending) over the past 6 years (2006-2011). This average would be the baseline, and operators can evaluate the effectiveness of their actions to reduce risk based on whether the data for 2012 is above or below. When determining the baseline for 2013, an operator would use data from 2007 – 2012. This process would be applied to each performance measure specified in the DIMP plan, and, through time, the baselines should always be decreasing.

If you have any questions concerning any of these topics, please contact me at 573/751-3456.

Sincerely,

Robert R. Leonberger
Supervisor – Gas Safety/Engineering

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