

**MINUTES OF THE
SENATE COMMITTEE ON GROWTH AND INFRASTRUCTURE**

**Eighty-second Session
March 15, 2023**

The Senate Committee on Growth and Infrastructure was called to order by Chair Dallas Harris at 3:33 p.m. on Wednesday, March 15, 2023, in Room 2144 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Dallas Harris, Chair
Senator Pat Spearman, Vice Chair
Senator Julie Pazina
Senator Scott Hammond

COMMITTEE MEMBERS ABSENT:

Senator Ira Hansen (Excused)

STAFF MEMBERS PRESENT:

Kristin Rossiter, Policy Analyst
Paula Peters, Committee Secretary

OTHERS PRESENT:

Garrett Weir, General Counsel, Public Utilities Commission of Nevada
Paul Maguire, Engineering Manager, Public Utilities Commission of Nevada
Scott Leedom, Southwest Gas Corporation
Devlin Daneshforouz, NV Energy

CHAIR HARRIS:

We will open the hearing on Senate Bill (S.B.) 27:

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SENATE BILL 27: Revises provisions relating to excavations in areas containing subsurface installations. (BDR 40-224)

GARRETT WEIR (General Counsel, Public Utilities Commission of Nevada):
I am the General Counsel for the Public Utilities Commission of Nevada (PUCN). With me today is Paul Maquire. He is our Engineering Manager whose division is enforcing the PUCN's Pipeline Safety Program.

PAUL MAGUIRE (Engineering Manager, Public Utilities Commission of Nevada):
I have a slide presentation ([Exhibit C](#)). Nevada was one of the leading states to implement a damage prevention law. The law requires excavators to call 811 no later than 2 days prior to their excavation job. When they call, their call is directed to our call center and a request is lodged to have the line marked in advance.

Nevada's Call Before You Dig laws are set forth in *Nevada Revised Statutes* (NRS) 455. Excavation is defined in NRS 455.092 on Slide 3, [Exhibit C](#).

A blanket exemption for hand tools is in NRS 455. The Nevada process over the past couple of years has not conformed to Nevada's Call Before You Dig laws because of this exemption.

The U.S. Department of Transportation (DOT), under their Pipeline and Hazardous Materials Safety Administration, passed its own federal law in 2015. This was to address states that, unlike Nevada, did not have a Call Before You Dig law or were not enforcing it.

With excavation damage being the leading cause of pipeline failures and pipeline incidents, DOT passed federal laws to address states that were not adopting and/or enforcing state laws. The federal government will enforce these laws as needed. Since 2015, DOT has annually audited each state on its state program and enforcement.

Nevada has been found adequate every year, but the DOT auditors found an issue with Nevada's hand tool exemption. Federal law does not exempt hand tools. The exemption is also inconsistent with Occupational Safety and Health Administration (OSHA) safety rules.

The OSHA regulations are not vague and require that you do everything possible to protect workers when digging in areas of hazards. If a Nevadan worker digging with a shovel were to strike an electrical line and be injured, OSHA would reprimand the State for not calling 811 and having the lines marked prior to digging.

None of our neighboring states of Arizona, Utah and California have a blanket exemption for hand tools.

The graph on Slide 5 in [Exhibit C](#) shows the great work that Nevada and our utility companies in our excavation community have done. When I started working for the PUCN, we used to have 1,500 gas excavation damages reported in a year. We are now down below 365 a year. We have more gas infrastructure in the ground and more people digging and working, so Nevada's historic low damage rate reflects great progress by everyone involved.

For every 1,000 tickets called in, we had 14 gas damages. Now for every 1,000 tickets called in, we have 2 gas damages. The final numbers are due today, and I expect that rate will be below two gas damages for this year.

The graph on Slide 6 ranks Nevada with other states. It is a ratio of how many gas customers we have compared to how many damages we have. It is similar to vehicle accidents, being compared to how many vehicles are on the road. As you can see, we have constantly ranked in the top five nationally. We sometimes ranked first and ranked fourth in 2021. Our low gas damage history is a credit to the excavation community, the utility companies and everyone involved.

If [S.B. 27](#) is passed, it would include hand tools in the definition of excavation equipment for licensed contractors. That would comport with the OSHA requirements for worker safety. It would apply to anyone who is digging 12 inches or deeper.

The 12-inch depth comes from the natural gas code, which is in the Code of Federal Regulations, 49 CFR Part 192. That is the minimum depth set by federal pipeline safety regulations that a service can be buried. It is 12 inches on private property and 18 inches on public streets. The reason for that depth is that many states have joint trenching and the gas, electric, telecom and other utilities are in the same trench.

Gas has a specific gravity less than one. It is lighter than air. You want the trench near the top so that in the event of a leak, or a breach of the pipe, the gas migrates up through the soil and out into the air. If it were eight feet to ten feet deep, it would travel and pool under structures.

You want the trench deep enough so people do not trip on it or post a realtor sign on top of it and strike the pipe. You do not want it too deep because natural gas has a very specific and small explosive range. It is lighter than air. So, once it gets up to the atmosphere, it will dissipate and should not combust. That is one of the safety aspects of natural gas.

MR. WEIR:

A minor proposed amendment ([Exhibit D](#)) has been circulated with the Committee to clarify the definition of an emergency or the circumstances that constitute an emergency, reducing the notification requirements.

Basically, it allows immediate action and subsequent notification to occur as soon as practicable. Specifically, the clarification describes a scenario where an operator would attempt to determine the severity or spread of a leak or when there is a problematic line that operator cannot find. The operator can send that notification immediately after an excavator has called in a ticket.

We have worked with operators to put together language that is a consensus. We are happy to continue to work with folks in the interest of seeing Nevada adopt the same standards that exist federally.

SENATOR PAZINA:

I am curious why hand tools were exempted when this bill was written.

MR. MAGUIRE:

I cannot speak specifically, but they may have been concerned about hand tools being used to plant bulbs in the garden. Or the local Boy Scout Troop planning a sleepover in the backyard and using four-inch tent pegs to pitch their tents.

Mechanical equipment can rip, breach, and cause major damage. Instead, they could have decided to get the equipment under control and then maybe revisit the hand tools later.

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SCOTT LEEDOM (Southwest Gas Corporation):

Southwest Gas is in support of S.B. 27 as amended. "We want to put our support on the record." Safety is very important to our company, and conforming the State requirements to federal requirements is a great idea and will increase safety.

We want to thank the PUCN for reaching out to us many months ago on this bill. They have been working with us to ensure that we are in a good spot as we moved into this Legislative Session.

DEVLIN DANESHFOROUZ (NV Energy):

NV Energy is in support of S.B. 27 as amended. We also want to thank the PUCN for bringing us in early to discuss our comments and for considering our language. This bill will promote safety and reliability while preserving our ability to restore service quickly during an emergency.

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CHAIR HARRIS:

I will close out the hearing on S.B. 27. Having no further business to come before the Senate Committee on Growth and Infrastructure, we are adjourned at 3:53 p.m.

RESPECTFULLY SUBMITTED:

Paula Peters,
Committee Secretary

APPROVED BY:

Senator Dallas Harris, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Introduced on Minute Report Page No.	Witness / Entity	Description
	A	1		Agenda
	B	1		Attendance Roster
S.B. 27	C	2	Paul Maguire / Public Utilities Commission of Nevada	Presentation
S.B. 27	D	4	Garrett Weir / Public Utilities Commission of Nevada	Proposed Amendment