



151 Southhall Lane, Ste. 450  
Maitland, FL 32751  
P.O. Drawer 200  
Winter Park, FL 32790-0200  
www.inteserra.com

December 29, 2022  
**Via E-File**

Ms. Linda Bridwell, Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, KY 40601

**RE: Case Number 2022-00363 - In the Matter of Electronic Investigation Into Compliance with  
Excavator Locate Requests Pursuant to KRS 367.4909 and KRS 367.4917(7)**

**Response of WANRack, LLC – Utility ID: 5057670 and 5179870**

Dear Ms. Bridwell:

Please accept this letter with attachments submitted on behalf of WANRack, LLC (“WANRack”) in response to the Request for Information in Case No. 2022-00363.

Any questions you may have regarding this filing should be directed to my attention at 407-740-3002 or via email to cwightman@inteserra.com. Thank you for your assistance in this matter.

Sincerely,

/s/Connie Wightman

Connie Wightman  
Consultant

tms: KYx2201

CW/im

**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of )  
 Electronic Investigation into Compliance )  
 With Excavator Locate Request Pursuant to )  
 KRS 367.4909 and KRS.367.4917(7) ) Case No. 2022-00363  
 )  
 )

**RESPONSE OF WANRACK, LLC – UTILITY IDs: 5057670 and 5179870**

WANRack is submitting the following information in response to the Request:

- a. Since January 1, 2022, the number of locate requests received in total and broken out into the types of locate requests contained in KRS 367.4909(5);

Type of Locate Requests	Number Received
Normal	18
Emergency	1
Information Request	0
Large Project (Not not a KY811 Ticket Type)	3
Unmapped or Untonable	0
Fiber-to-the-premises broadband deployment	0

- b. Since January 1, 2022, the number of second or subsequent requests for the same locate request received in total and broken out into the types of locate requests contained in KRS 367.4909(5);

Type of Locate Requests	Number of Second or Subsequent Requests Received
Normal	0
Emergency	0
Information Request	0
Large Project (Not not a KY811 Ticket Type)	0
Unmapped or Untonable	0
Fiber-to-the-premises broadband deployment	0

- c. Since January 1, 2022, the length of time required to respond to each requestor/excavator in total and broken out into the types of locate requests contained in KRS 367.4909(5). Also, provide information showing whether underground facilities are marked within the statutory window, and the average time it takes to respond to a locate request;

Type of Locate Requests	Average Response Time/Days
Normal	1.37
Emergency	0.08
Information Request	0
Large Project (Not not a KY811 Ticket Type)	1.81
Unmapped or Untonable	0
Fiber-to-the-premises broadband deployment	0

- d. Since January 1, 2022, the number of times an agreement has been reached with an excavator outside of the statutory time limits required by KRS 367.4909, with the aggregate numbers and broken out into the types of locate requests contained in KRS 367.4909(5)

Type of Locate Requests	Number ICB Agreements
Normal	0
Emergency	0
Information Request	0
Large Project (Not not a KY811 Ticket Type)	0
Unmapped or Untonable	0
Fiber-to-the-premises broadband deployment	0

- e. Since January 1, 2022, state whether locate requests have been performed by Utility personnel or by a third-party contractor. If the answer is both, provide the number of locate requests performed by Utility personnel and third-party contractors, respectively;

Response: Third Party Contactor.

- f. State whether records and statistics are kept of the number of underground facilities located accurately versus inaccurately. Provide all records and statistics compiled since January 1, 2022;

Response: Locate accuracy is generally only investigated when a facility damage occurs; the data provided below reflects records and statistics of accuracy from damage investigations.

Number of Damages Located Accurately	Number of Damages Located Inaccurately
0	0

- g. Explain the method used to determine whether an underground facility has been located accurately versus inaccurately; and

Response: On site investigation using a hit kit, measurements and photos.

- h. State what policies and procedures have been implemented to reduce the number of inaccurately located facilities. Provide information detailing the efficacy of those procedures on reducing the number of inaccurately located underground facilities.

Response: Regulatory scheduled meetings with USIC to measure performance and improvements (See Attachment).



US INFRASTRUCTURE COMPANY

# USIC Locate Compliance Review

December 2022



SAFE-LIFE CULTURE

# JOURNEY TO **0** ZERO

- Zero injuries
- Zero collisions
- Zero violations
- Zero excuses

**ALWAYS PREVENTABLE**

# SAFE



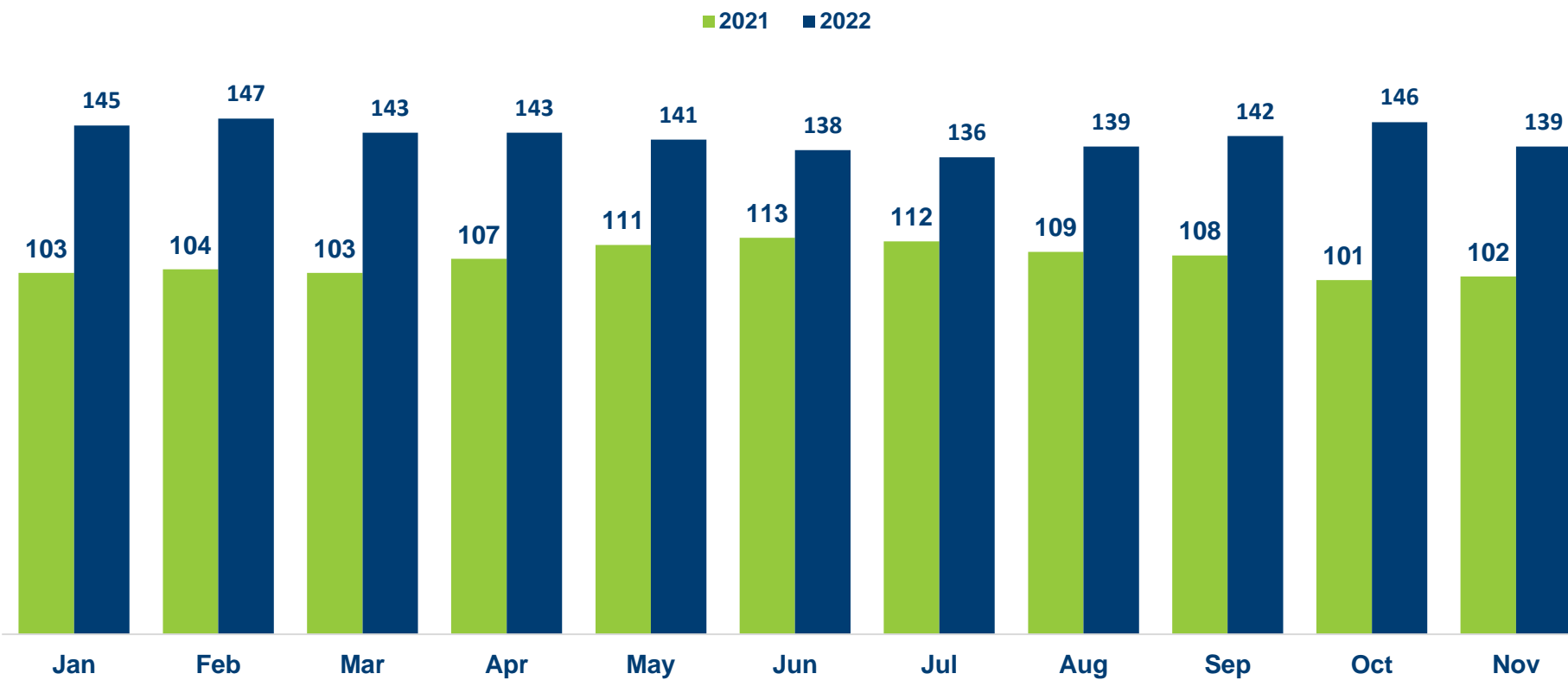
# LIFE

USIC

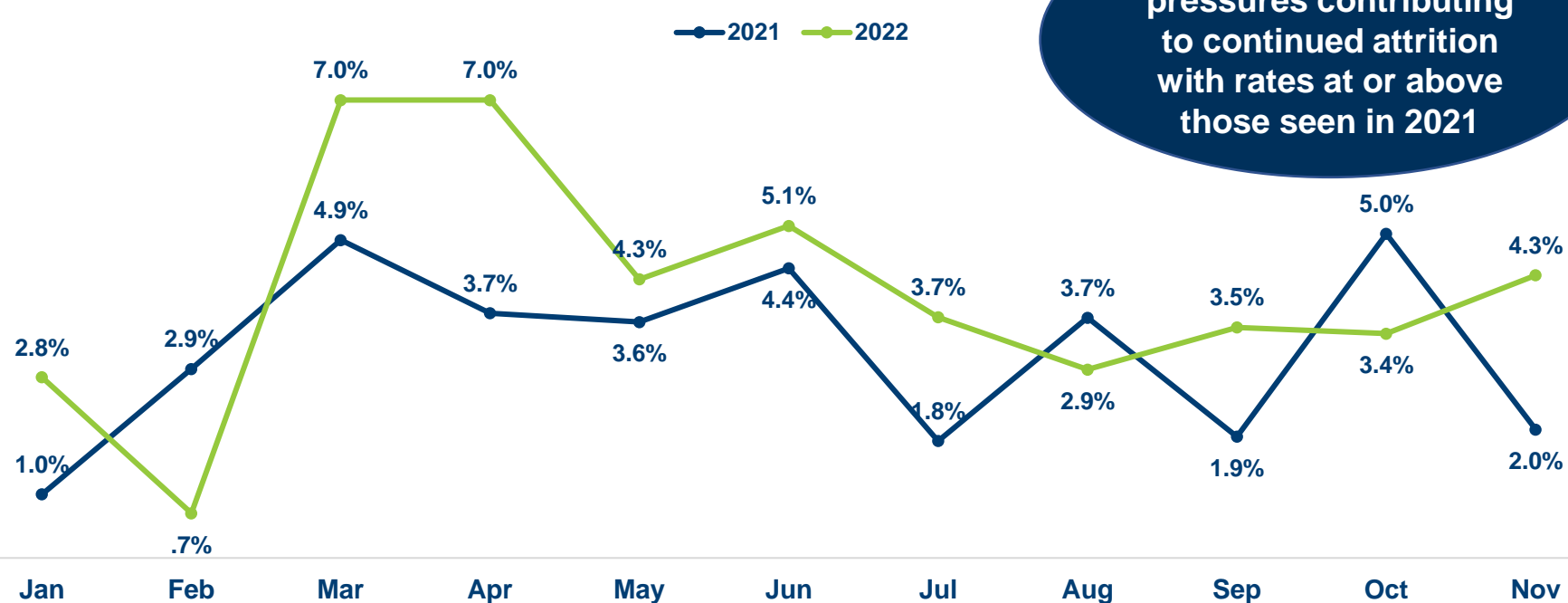
PROTECTING  
Infrastructure  
Our Communities  
Ourselves

# EVOLUTION OF HEADCOUNT IN KENTUCKY

2021-2022 Kentucky Headcount



Monthly Attrition 2021-2022



Labor market pressures contributing to continued attrition with rates at or above those seen in 2021

- ✓ 33% increase in average headcount versus 2021
  - 35 additional locate technicians on average
- ✓ **Headcount increase achieved during time of unprecedented challenges** with labor availability, increased cost of wages, and evolving employee expectations
  - USIC was able to overcome increased attrition in 2022 and net more technicians through sustained hiring
- ✓ Focus for the remainder of 2022 & 2023 will be on work life balance | Lowering attrition and retaining tenured workforce to sustain service delivery improvements
- ✓ USIC will continue aggressive hiring to ensure proper staffing levels are met for 2023
- ✓ **New training program** that extends the time a new locator is in class | Increased from 4 to 6 weeks of training

**Current November headcount is 36% above 2021 November headcount | Focus on ensuring locate staff is prepared for 2023 demand**

# INVESTMENTS IN 2022 TO IMPROVE SERVICE DELIVERY

## Work/Life Balance

Program supporting **Work/Life Balance** for the technicians

Goal of increasing **employee satisfaction & reduce turnover**



## Hiring/Workforce

**↑ 3x**

**Locate Technicians** hired in Q4 2021 to prepare for 2022

**↑ 1,043** 

**Additional Locate Technicians** on staff through 2022 over 2021



**Additional travel teams** for 2022

## Volume Planning



**~400M**

Feet of **incremental fiber installation** projects

**Infrastructure Investment and Jobs Act** expected to drive broadband growth



## 2021 & 2022 Investments

**\$38M**

Recruit, Reward, Retain Qualified Technicians

**\$10M**

Enhanced Training for Field Operations

**\$15M**

State-of-the-Art Technology & Data Analytics

**\$80M**

Fleet Investments

## IT 2025 Investment



High-risk **ticket audits**



Automated **routing**



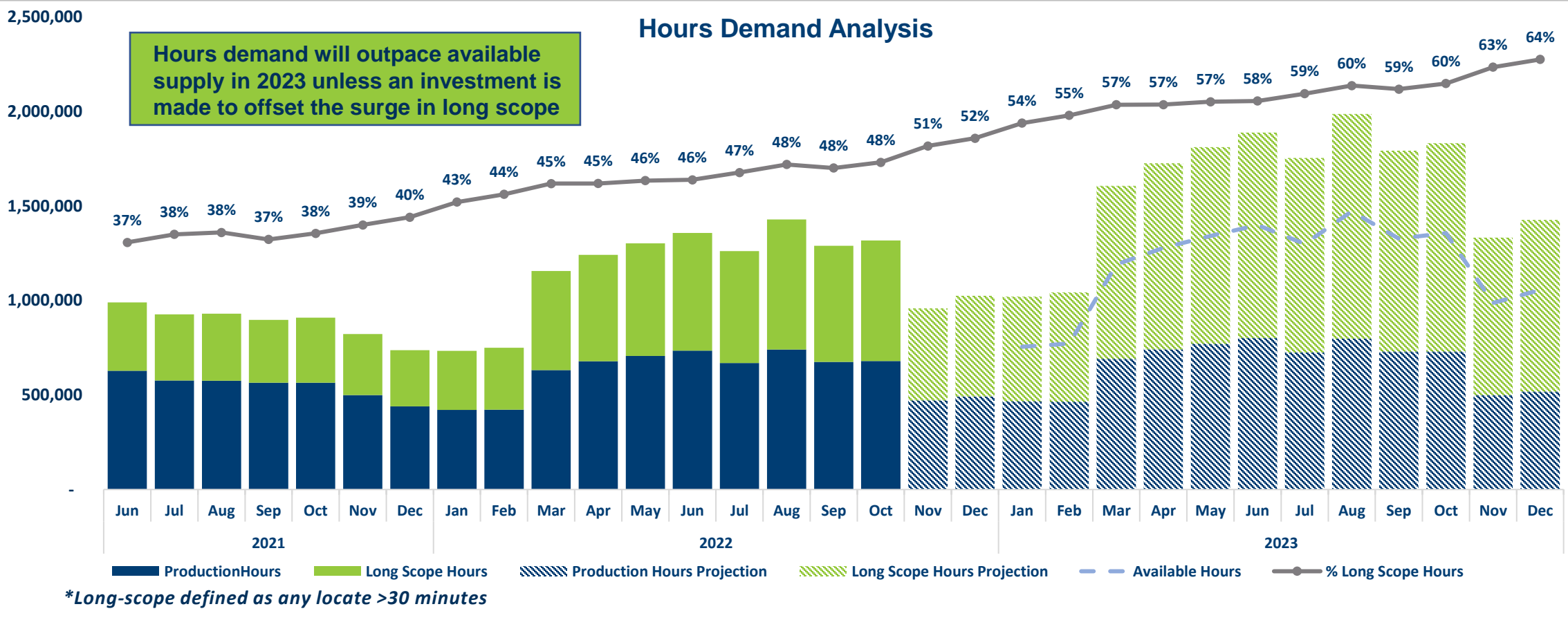
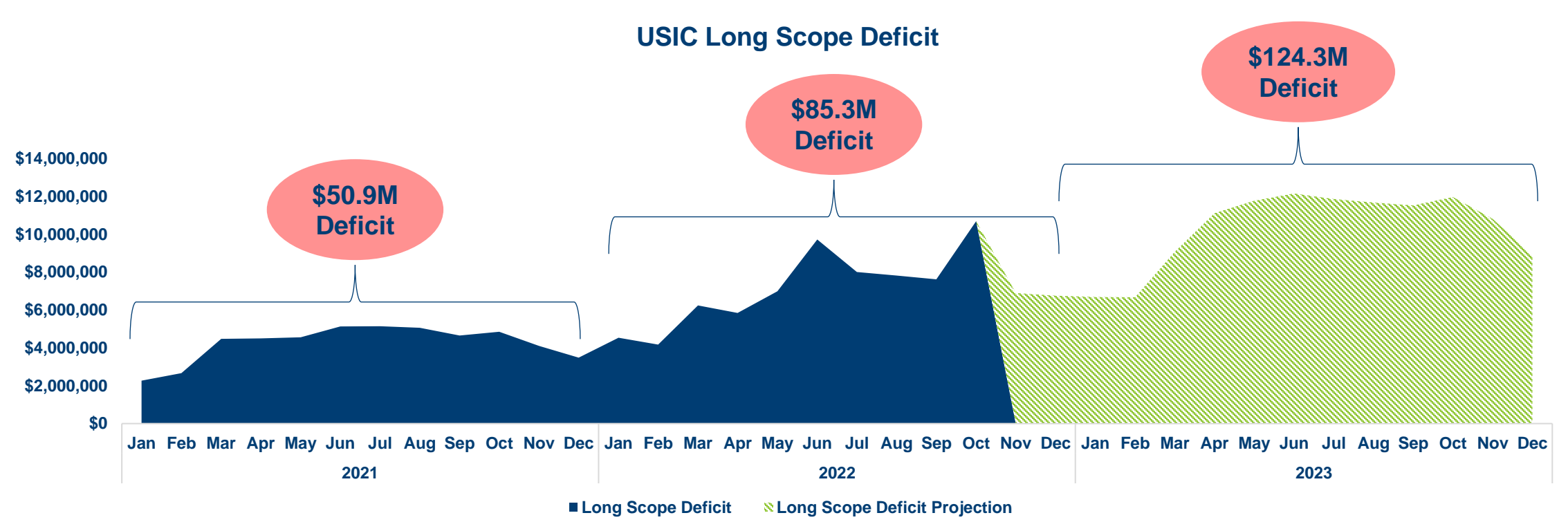
**2025 Vision**





# UNPAID LONG SCOPE SERVICES

- ❑ Our contract terms do not address or provide appropriate pricing to USIC for the **unprecedented market-driven long scope orders we are currently providing services for**
- ❑ As a result, most customers are not paying adequately for USIC's long scope services provided
  - **\$85.3M in unpaid services in 2022**
  - **Anticipated \$124.3M in unpaid services for 2023**
- ❑ As long scope demand continues to grow, **USIC will need to immediately correct payment shortfalls in our contracts**
  - If we can not reach agreement on payments for our services, we may need to consider discontinuation of underperforming contracts
- ❑ **Payment for all USIC locate services, excess hours and distance worked, is required from our customers for USIC to continue to invest in their programs, as was the original intent of our contract agreements**



**Increased demand from long scope project work content creates capacity and efficiency headwinds for USIC | Projected to climb the next 5 years**

\*Long-scope defined as any locate >30 minutes



# SIGNIFICANT SHIFT IN OPERATING ENVIRONMENT CREATING HEADWINDS TO SERVICE DELIVERY

*Macroenvironment factors presenting significant challenges to delivering excellent service delivery | Expected to continue in the near future...*

▪ **LONG SCOPE WORK DEMAND**

*Increased demand from long scope work content creates capacity and efficiency headwinds for USIC | Projected to climb the next 5 years*

▪ **ENHANCED REGULATORY ENVIRONMENT**

*811 regulatory bodies haven't evolved with changing landscape of locating | Laws and regulations do not account for fast-moving large-scale work*

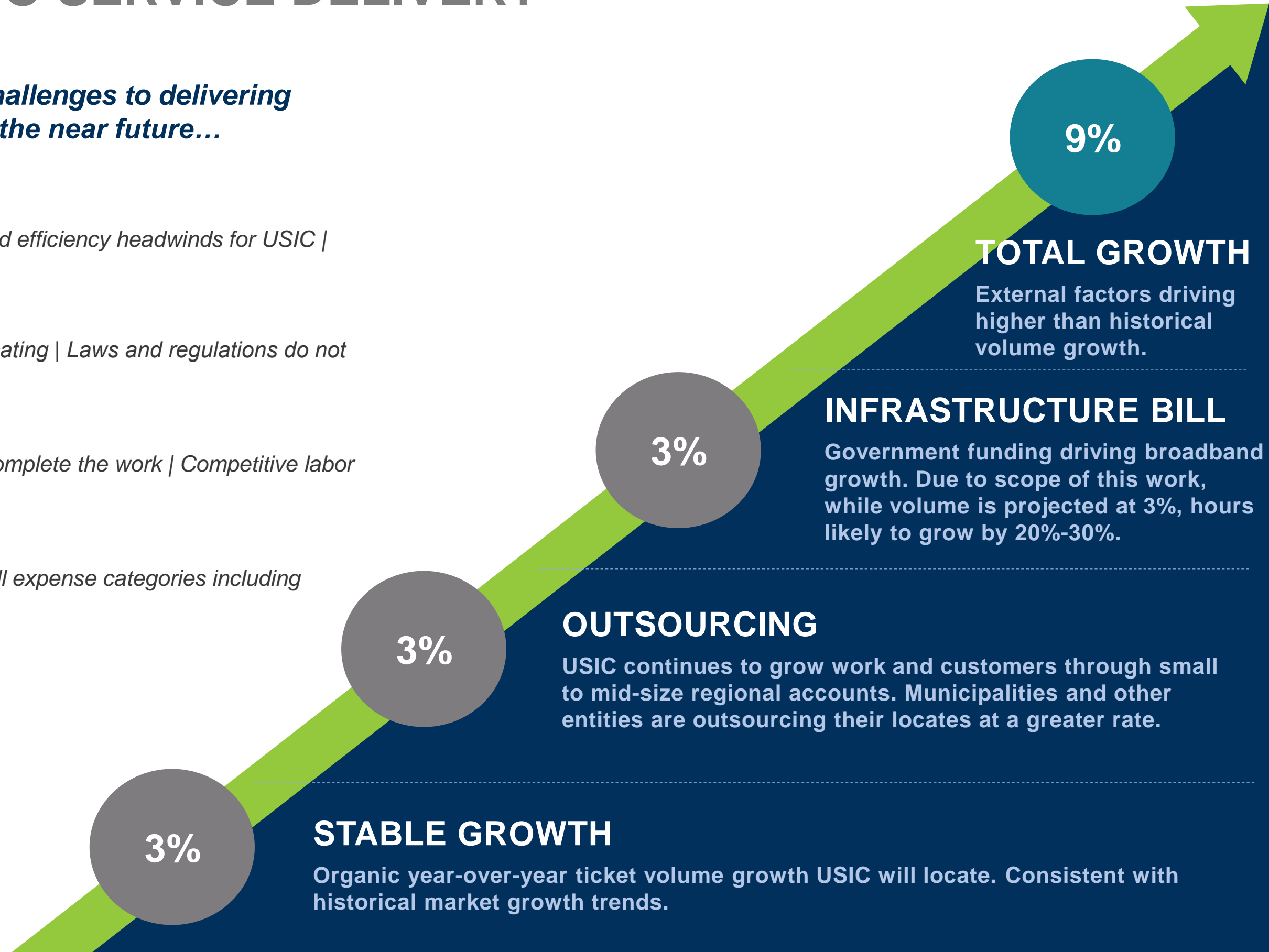
▪ **LABOR MARKET**

*Long-scope work content requires significantly more technicians to complete the work | Competitive labor market increasing the cost to hire and retain workforce*

▪ **COST OF DOING BUSINESS**

*Inflation and supply chain shortages driving increased costs across all expense categories including people, damage claims, vehicles, paint, and flags*

**USIC has absorbed a cost per hour increase of 12% YoY, with expected labor investments to continue into 2023 & beyond**



## TICKET PLANNING

*Call in tickets as they are needed and after permitting is approved*

- ✓ Avoids rework, ensures locators focus on the priority areas
- ✓ Ensures tickets don't expire before work commences



## LIMIT TICKET SCOPE

*Limit the scope of ticket to the specific dig area to avoid limitless lengths*

- ✓ Calling in smaller tickets improves likelihood they will be closed on time
- ✓ Increases tech focus on the areas which matter to you
- ✓ Maximizes safety and quality performance



**More Effort On The Front End Saves Effort On The Back End**

## COMMUNICATE WITH LOCATORS

*Technicians are eager to engage at the local level to ensure proper coordination*

- ✓ Single point of contact for large projects reduces confusion and conflicting information
- ✓ The excavators with the best quality and timeliness incorporate their locating partners into the excavation process



## WHITE LINING

*White lining ensures the actual scope of the ticket is executed fully*

- ✓ Removes confusion in the field
- ✓ Identifies the precise area where the work will occur
- ✓ Promotes efficiency
- ✓ Another layer of communication between the utility, excavator, and locator



- ✓ Experienced Senior Executive overseeing the implementation and execution of new program
- ✓ This program aligns the following functions with our field leadership:
  - Risk Management
  - Training
  - Safety
  - Quality & Quality Auditing
- ✓ Ensures we are providing frontline team members with comprehensive support & training
- ✓ Building our Tenured Tech Army is key to taking quality and safety to the next level



**ZERO  
SAFETY INCIDENTS**



**ZERO  
DAMAGES**



**ZERO  
LOSSES OF TENURED  
TECHS**



**Introducing: Kim Bedzyk, SVP of  
Quality & Risk Management**

to further differentiate our services within the marketplace  
and enable us to deliver even greater value