



Mike Kemper explains how this gas line company is thriving despite some major industry challenges.

NPL Construction

Igniting Change

When asked what issue stands out to him at this stage in his 24-year career in the energy business, CEO of NPL Construction, Mike Kemper, was quick to mention the danger of cross-bored sewer laterals. "It is the single greatest dilemma facing the utility construction industry today," he said. In his opinion, the solution must originate within the utility industry as it is first and foremost a public safety issue.

According to Kemper, water, telephone, cable, electricity, and gas utilities are required to mark existing lines prior to any underground construction and/or excavation—but sewer lines are often left unmarked. With the advent of trenchless technology, it is possible for contractors to install utility lines directly through sewer laterals, pipes connecting a building's sewage system to the city's main sewer lines.

Traditionally, gas- and electricity-line installers dug large trenches, thus exposing any unmarked sewer lines. The possibility for penetrating a sewer lateral arises when using a moderately recent method of pipeline installation called trenchless technology in which the process of installing a gas or electric line is done entirely underground and out of sight.

The danger from a cross-bored sewer lateral arises when a plumber is called to clear a blocked

lateral. "Plumbers often use a rotary cutting device, which can accidentally cause the utility line to rupture. If gas leaks in to the building and ignites, the consequences are devastating," Kemper explained.

NPL sees the solution to this problem in three parts: legislation, enforcement, and technology. The company supports legislation to mandate that utilities mark sewer lines according to the same laws governing all other underground utilities and the enforcement of existing legislation.

Lastly, emerging technology may someday prevent cross-bores. NPL is currently working with others in the industry to develop technology to locate water and sewer lines. "We are not an R&D company, but this issue is too big to ignore, so we are partnering with others who can help make the public safer."

Rewarding safety

As the largest gas distribution contractor in the US, with 2,500 employees and \$300 million in revenue, Phoenix, Ariz.-based NPL has made safety a top priority. The company provides turnkey services from project scheduling all the way through surface restoration for electric and gas utilities. "We install more than 16 million feet of pipe and wire annually, and we outsource very little, so we need the skills to do the job right the first time," Kemper said.

The company currently has a three-step program in place that rewards employees for maintaining a stellar safety record. All employees in the company are eligible to participate in the first level of the program: those who do not experience a safety or quality issue over the course of a year are rewarded with a gift. The second level of the program is designed for front-line supervisors and foremen, who receive a larger gift for achieving the same goal. In the third level, superintendents and area managers receive cash rewards. The awards are handed out every spring at NPL's annual safety and quality meetings.

In addition, NPL has made August Quality Awareness month, during which every employee meets with management to discuss quality issues. New employees go through extensive safety training, and weekly on-the-job tailgate meetings keep safety issues, such as when it is safe to enter a trench, top of mind. As a result of its efforts, NPL has one of the lowest insurance experience modifier rates in the industry with a score of .58.

Actions speak louder than words

According to Kemper, finding qualified individuals to join the company is difficult, especially

given the labor-intensive nature of the job. To overcome this challenge, NPL is relying on retention as its primary recruitment strategy. "We believe that if we treat our employees with respect and appreciation, others will want to work here," he said. "Positive word of mouth is the key."



For starters, the safety program is appealing to potential employees. "Rewarding people for working safely is unusual in our industry. People want to work for a company where safety and quality come before production," Kemper added. As a result, NPL has outstanding employee tenure. In fact, the company was founded in 1967 and is still paying its first employee.

Employees are also attracted to NPL's Leadership Development Institute, a two-year program for superintendents that consists of two weeks of intense training each year, as well as outside classroom education. Classes are taught by internal staff and external industry expertise, including Denver-based FMI Consulting Group and Universal

Technology Institute, a nationwide provider of technical automotive training.

Fifteen to 20 employees are selected by upper management to participate in the Leadership Development Institute each year. "It is an honor to be selected," Kemper said. On completion of the program, superintendents are not only armed with the skills needed to excel in their current positions, but they are also better candidates to move up the organizational ladder.

The program is currently in its third year, and Kemper has received nothing but positive feedback. "The response from the first class was that we'd be crazy not to continue the program." ■

Liz French and Kevin Kemper, project consultant, NPL Construction

