



District 10 Message – August 2023

I'm often asked to provide a comparison on how individual employers or subsets of the industry compare to the Electric Transmission and Distribution (ETD) industry as a whole. It may come as a surprise, but finding a reliable data source for this information can be challenging. In fact, the most reliable information is your company's own recordkeeping. Generally, when someone wants to know how an industry is performing, they would start by establishing the correct industry identifier. The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data. In fact, the OSHA 300 Form 300A "Summary of Work-Related Injuries and Illnesses" requires employers to report their respective NAICS code. NAICS codes are used by the Bureau of Labor Statistics (BLS) for developing reports on industry level fatalities, injuries, illnesses, and other important information. Many host employers require contractors and sub-contractors to meet or exceed industry benchmarks for safety indicators; including Total Recordable Incident Rates (TRIR) and Days, Away, Restricted or Transferred rates (DART). These numbers come from BLS. It can be challenging for employers to establish a meaningful benchmark when using this data, let me explain why.

One might think that every employer who builds, maintains, and/or operates electric utility infrastructure would fall under one industry code, but that's not the case. If we want to see how the ETD industry is performing, we need to analyze data submitted for NAICS 22112 "Electric power transmission, control, and distribution" (utilities or operations/maintenance) and NAICS 23713 "Power and communication line and related structures construction" (contractors or construction). To complicate things, some employers will inadvertently select the wrong NAICS code. Others may intentionally choose a different NAICS code because their work doesn't necessarily fit (specialty work) or because a similar NAICS code provides a better benchmark, remember the pre-qualification bit. I generally see this when ETD contractors apply NAICS 23821 "Electrical contractors and other wiring installation contractors". Although you can make the argument that ETD contractors are indeed "electrical contractors", when given more context you will learn that this code is meant for residential, commercial, and industrial electrical construction, not transmission and distribution work. However, employers are free to select a NAICS code that they feel best describes their work and provides the best opportunities for pre-qualification and compliance with customer or regulatory requirements.

Another example of how NAICS code driven data can be unreliable is the sharing of codes by multiple industries. For example, NAICS 23713 covers both powerline construction and communication line construction. The problem is best demonstrated by a review of OSHA's Fatality and Catastrophe Investigation Summaries or 170 Forms. I recently analyzed these summaries for NAICS 23713 from January 1, 2018, to present. I found that less than 50% of the



fatalities are related to actual ETD work, employers, or workers. This is important when you consider the level of qualification, training, and regulation for line work when compared to other trades found within the other 50%. I don't say this to disparage other trades, only to draw attention to the fact that when your customers ask you how your rates compare to your peers, you may not be comparing apples to apples.

In closing, detailed and accurate reporting of injuries, illnesses, and fatalities is important. This information is used to make important decisions. For example, will you be able to pre-qualify? How will regulators use this info to target high-risk industries? Do you have a clear picture of how your company stacks up against your industry peers? At the end of the day, these are numbers, but these numbers represent lives lost or altered because of workplace incidents. Lagging indicators such as Fatality rates, TRIR, and DART are useful for identifying trends but the work we do to prevent these incidents from occurring in the first place is the main objective.

Thank you,

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