IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
WELDED CONSTRUCTION, L.P., *et al.*,[1]	Case No. 18-12378 (KG)
Debtors and Debtors In Possession.	(Jointly Administered)
WELDED CONSTRUCTION, L.P. AND WELDED CONSTRUCTION MICHIGAN, LLC,	Adv. Pro. No. 19-50180 (CSS)
Plaintiffs, vs.	**Ref. Adv. Docket No. 85**
PRIME NDT SERVICES, INC.,	**WELDED'S RESPONSE IN OPPOSITION TO PRIME NDT SERVICES, INC.'S MOTION FOR PARTIAL SUMMARY JUDGMENT**
Defendant.	

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January 14, 2019
Wilmington, Delaware

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Welded Construction, L.P. (5008) and Welded Construction Michigan, LLC (9830). The mailing address for each of the Debtors is 26933 Eckel Road, Perrysburg, OH 43551.

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Welded Construction L.P. and Welded Construction Michigan, LLC (collectively, "Welded"), the plaintiffs in the above-captioned adversary proceeding (the "Adversary Proceeding") and the debtors in possession in the above-captioned chapter 11 cases, by their undersigned attorneys, hereby submits this brief (the "Response") in response to *Defendant, Prime NDT Services, Inc.'s Motion for Partial Summary Judgment on the Issues of Breach of Warranty and Consequential Damages* [Adv. Docket No. 85] (the "Motion"). In further support of the Motion, Welded respectfully states as follows:

INTRODUCTION AND SUMMARY OF ARGUMENT

At issue is whether Prime NDT Services, Inc. (the "Defendant" or "Prime" and collectively with Welded, the "Parties") can avoid its obligation to pay consequential damages for its gross negligence and reckless misconduct by distorting the applicability of the Subcontract's (defined below) consequential damages provision. The answer is a resounding "no."

While Prime would have this Court believe that "there is simply no reasonable reading of the language of the Subcontract" that would permit Welded to analogize project managers, project engineering managers, construction managers, and superintendents with Prime's personnel, Prime is wrong. First, such terms are not defined in the Subcontract and should be given their natural meaning. The record abounds with evidence that Prime employed managers to coordinate staffing, cost projects, interface with Welded, manage and train employees, and troubleshoot employee issues for the Project. In other words, Prime's management personnel are project managers and/or superintendents that were tasked with managing and coordinating Prime's work on the Project. Second, even if such terms were to be interpreted as terms of art, which Prime has suggested (Motion, at ¶ 30), Prime's management team fits squarely within the contours of Prime's proposed interpretation. Third, Prime entirely ignores that the consequential

damages provision applies to its management team; instead, it alternatively argues that the consequential damages provision could not apply to Prime's technicians, who Prime describes as "two men on a truck who follow Welded's laborers as they perform their work, taking and reading x-rays." Motion, at ¶ 31. Welded has never espoused such an idea and Prime's argument is a red herring that should be discarded. Finally, extrinsic evidence, in the form of the Parties' course of conduct and testimony from Welded's contracts manager, also supports Welded's position that Prime's management team performed the roles of project managers and/or superintendents for Prime on the Project.

Prime's obligation to indemnify Welded for consequential damages is triggered by the gross negligence and reckless misconduct of Prime's project managers, project engineering managers, construction managers, and superintendents. Prime had a duty to supervise its technicians, and it concedes that its managers intentionally "did not oversee . . . technicians[']work." Motion, at ¶ 31. The calamitous result posed a serious threat to the safety of nearby residents and required an expensive and expedited remedial operation that led, in part, to Welded's termination from the Project. *See*, *e.g.*, Dec. 12, 2019 Deposition of Scott Elliot, attached hereto as Exhibit A (the "Elliot Dep. Tr."), at Pages 36:21 to 37:19; Nov. 7, 2019 Deposition of Stephen D. Hawkins, attached hereto as Exhibit B (the "Hawkins Dep. Tr."), at Pages 209:22 to 210:8. Thus, the record supports, and Welded has rightfully asserted, a claim for consequential damages.

NATURE AND STAGE OF PROCEEDINGS

Welded filed its *Complaint* [Adv. Docket No. 1] on March 27, 2019, alleging claims of breach of contract and breach of warranty to recoup costs it incurred as a result of the deficient[2]

[2] *See* Elliott Deposition, (Pages 28:24 to 29:2) ("Q. So he would submit a false x-ray film associated with a weld that he had previously shot? A. Yes.").

non-destructive testing services Prime performed on the Mariner East 2 pipeline construction project (the "Project") owned by Sunoco Marketing Partners & Terminals L.P. and Sunoco Pipeline L.P. (collectively, "Sunoco"). *See* Adv. Docket No. 1.

On April 26, 2019, Prime filed a motion to dismiss the Complaint [Adv. Docket No. 7] (the "Partial Motion to Dismiss"), arguing that Welded could recover neither for consequential damages nor on a theory of breach of warranty. *See* Adv. Docket No. 7, at 1–2. After hearing argument on the issues, this Court denied the Partial Motion to Dismiss in its entirety. *See* Adv. Docket No. 30.

Subsequently, Prime answered the complaint [Adv. Docket No. 39], and the Parties engaged in fact and expert discovery.

On January 7, 2020, Prime filed the Motion. *See* Adv. Docket No. 85.

STATEMENT OF FACTS

A. The Subcontract

The Debtors operated as a mainline pipeline construction contractor headquartered in Perrysburg, Ohio. *See Declaration of Frank Pometti in Support of Debtors' Chapter 11 Petitions and First-Day Motions* [Docket No. 4]. In early summer 2018, Welded oversaw the construction of three separate pipeline "spreads" within the Project, totaling approximately 152.6 miles of high pressure liquefied natural gas pipeline. Complaint, at 1–2. To construct the pipeline, Welded's crews, and those of its various subcontractors, cleared the right of way, dug trenches, strung pipe along rocky and unpredictable terrain, welded such pipes together, tested each weld, and, once all parties were satisfied of the quality and safety of each weld, backfilled the pipe and restored the right of way. Due to the linear progression of work on the pipeline, timing was critical. *See e.g.*, Complaint, Ex. G, at Art. 3.0. Any backup or delay could create a

domino effect, causing significant delays in the ultimate completion of the Project. *See generally, id*.

Welded and Sunoco agreed on, and required their Subcontractors to abide by, various safety procedures. *See Construction Subcontract*, dated January 6, 2016, attached as Exhibit 1 to the Complaint (the "Subcontract"), Ex. F. Safety was of utmost importance, in part, because the potential dire consequences that could ensue — e.g., explosions, property damage, environmental degradation, loss of life and limb, etc.— left little room for error. *See* Elliott Deposition, at Pages 36:21 to 37:19; Subcontract, Ex. H., at 1. Of relevance, the testing of each weld included, among other things, non-destructive radiographic testing ("NDT") to ensure that each weld was secure and safe. *Id*.

Welded engaged Prime to perform NDT of each weld on the Project.[3] Subcontract, at 1. Specifically, Prime agreed to provide the following (the "Work"):

> Furnish ***all project***; union labor; materials; tools; supplies; equipment; transportation (other than stipulated in this article); ***supervision***; technical, ***professional and other services***; and shall ***perform all operations necessary and required to satisfactorily perform the following***:
>
> - ***Subcontractor will provide all labor***, equipment and material ***for 100% NDE inspection of welds in accordance with API Standard 1104, latest edition and approved by DOT Part 195.***
> - Subcontractor is responsible for storage of all records. Records are to be turned over to Contractor at the end of the project.
> - Subcontractor shall maintain a record of each weld in the form of a weld log which is to be submitted to Welded weekly as often as determined by the Spread Project Manager.
> - Subcontractor will complete a daily report to be submitted to Welded Project Manager by noon of the next business day for the previous business day's work.

[3] The Subcontract covered work for all three spreads of the Project. Rapp Dep. Tr., at Pages 21:14 to 22:2; 31:3 to 32:12.

- Subcontractor shall submit all employee licenses and qualifications prior to the start of the Work.
- Subcontractor shall provide a written project specific procedure prior to the start of any work.
- ***Subcontractor will comply with all*** client specifications, ***standards, safety***, and environmental project requirements that ***pertain to NDE activities as set forth herein by form of exhibits.***

Subcontract, at 1–2 (emphasis added).

In addition, Prime represented that Work would be performed

> (1) ***with due diligence and in a safe, workmanlike, and competent manner, in accordance with sound construction practices and standards and Company approved practices and standards***;
>
> (2) in compliance with all applicable laws, codes, regulations or other standards applied by any governmental entity having jurisdiction over the Work and shall secure, at its expense, all necessary permits and licenses, including but not limited to applicable state subcontractor licenses, for the performance and completion of the Work, including but not limited to the operation, hauling and transportation of all materials and/or equipment needed, used or supplied in and for the Work . . .
>
> (3) in accordance with all applicable manufacturer's requirements;
>
> (4) ***in accordance with all applicable standards and codes***; and
>
> (5) ***in accordance with the provisions of this [Sub]Contract***.

Subcontract, Ex. G., at Art. 20.0 (emphasis added).

Prime supplied teams comprised of a technician and an assistant who performed NDT in pickup trucks outfitted with mobile radiograph labs. Elliott Dep. Tr., at Pages 75:18 to 75:22; Dec. 10, 2019 Deposition of Don Byron Shumway, attached hereto as Exhibit C (the "Shumway Dep. Tr."), at Pages 75:11 to 75:15. Prime's technicians were supposed to take three images of each weld, review and interpret each image, and submit a report to Welded and Sunoco assessing the quality of each weld. Shumway Dep. Tr., at Pages 69:4 to 72:3. Once Welded obtained

confirmation through various types of testing that each weld was of sufficient quality, Welded backfilled the trench and restored the right of way. Hawkins Dep. Tr., at Pages 105:20 to 106:1.

In late June 2018, Sunoco's independent third-party auditor (the "Sunoco Auditor") identified irregularities in several of the images that one of Prime's technicians, Joshua Springer, had submitted. Elliott Dep. Tr., at Pages 30:17 to 31:21; 41:12 to 43:23; Hawkins Dep. Tr., at Pages 77:4 to 78:3. After the Sunoco Auditor and Prime's Level III technician, Robert Elliott, reviewed all of the radiographic films submitted by Mr. Springer to Welded and Sunoco, they determined that Mr. Springer had submitted fabricated images for seventy-three (73) individual welds over the span of nearly fifty (50) miles (such incident will be hereafter referred to as the "Sham Radiograph Films"). Hawkins Dep. Tr., at Pages 80:7 to 80:9; 89:9 to 90:1; Shumway Dep. Tr., at Pages 121:9 to 125:6); Elliott Dep. Tr., at Pages 41:12 to 43:23. Thus, Welded and Sunoco could confirm the quality of the affected welds only by digging up portions of the pipeline, which was, in some cases, fully restored, and re-imaging each of the affected welds. Shumway Dep. Tr., at Pages 178:20 to 178:23. This process required Welded to obtain approvals to access private property, restore access roads to the pipeline, build workspaces, excavate areas of the pipeline, re-test the affected welds, and backfill and restore affected areas of the pipeline trench. Hawkins Dep. Tr., at Pages 95:11 to 96:14.

The remedial work caused delays, diverted resources from other aspects of the project, and required Welded to incur significant costs. *See generally*, *id*. Most dramatically, however, Sunoco, citing, in part, the NDT fiasco, terminated Welded from the Project. Hawkins Dep. Tr., at Pages 209:22 to 210:8.

B. Prime's Management Personnel

Prime is a relatively small company founded by the Shumway family in 1997. Shumway Dep. Tr., at 13:22 to 14:3. Its employee base fluctuated over the years, ranging from fifteen to

forty employees. Shumway Dep. Tr., at 14:19 to 14:21. In early 2018, RAE Energy, Inc. acquired Prime, and its former owner/president, Don Shumway, transitioned to the position of corporate Level III Technician and Radiation Safety Officer. Shumway Dep. Tr., at 16:1 to 16:9. Scott Elliott, the then-Vice President, assumed the role of President, and the then-operations manager, Tim Rapp, assumed the role of Vice President. Shumway Dep. Tr., at Pages 26:1 to 27:13.

Prime's management team comprises a handful of individuals, primarily led by Prime's current President, Mr. Elliott. According to him, Prime's management team ***does not abide by official titles***. Elliot Dep. Tr., at Pages 18:12 to 19:11. Mr. Elliott described in detail how he and his colleague, Tim Rapp, worked as a core unit to manage the daily operations of the company including supervising, scheduling, training, auditing, and managing employees, bidding for projects, communicating with pipeline owners, general contractors and their core management, including various project managers, and addressing general project concerns. Elliot Dep. Tr., at Pages 18:12 to 19:11; 21:13 to 22:2; 32:23 to 33:8; 44:13 to 49:22; 66:6 to 67:2; 69:17 to 70:23; 76:25 to 78:5; 97:13 to 97:25; 98:9 to 100:5; 106:5 to 107:5; 136:17 to 140:5; 140:6 to 143:12; 144:21 to 149:6.

Mr. Shumway testified that Mr. Elliott coordinated all of Prime's pipeline project field operations, including sales. Shumway Dep. Tr., at 29:20 to 30:12; 31:6 to 31:15. He further testified that Mr. Rapp administered contracts, coordinated crews, assigned technicians to projects, bid for projects, administered billing, and managed field crews. Shumway Dep. Tr., at 32:12 to 32:19; 33:5 to 35:5.

In fact, all of Prime's fact witnesses provided testimony supporting Welded's conclusion that Mr. Elliott and Mr. Rapp were in fact—if not in title—Prime's acting project manager and

superintendent for the Project. Excerpts of testimony illustrating Mr. Elliott's and Mr. Rapp's direct management of Prime's services on the Project are attached hereto as Exhibit D.

Specifically, the record reflects that Mr. Elliott and/or Mr. Rapp:

- prepared the bid for the Project by assessing the length of the particular project, pricing, overhead costs, and the margins involved (Elliott Dep. Tr., at Pages 114:10 to 117:18);
- personally communicated with Welded regarding crew assignment (Elliott Dep. Tr., at Pages 136:17 to 140:5); [4]
- administered contracts, estimated rates and customer project costs, procured equipment, and oversaw personnel (Dec. 13, 2019 Deposition of Tim Rapp, attached hereto as Exhibit E (the "Rapp Dep. Tr."), at Pages 12:2 to 13:15);
- processed technicians' daily reports for billing/archiving (Rapp Dep. Tr., at Pages 22:17 to 24:6);
- prepared the project schedule for Prime's work on the Project (Rapp Dep. Tr., at Pages 37:2 to 37:21; 38:17 to 40:13);
- communicated scheduling/manpower changes with Welded personnel;
- coordinated technicians' requests for time off (Rapp Dep. Tr., at Pages 50:22 to 51:10);
- administered safety audits of technicians (Rapp Dep. Tr., at Pages 53:15 to 53:24);
- communicated any changes in operating procedures to Prime's crews (Tim Rapp Dep. Tr., at Pages 77:25 to 79:25);
- dispatched technicians to particular job sites (Rapp Dep. Tr., at Pages 101:2 to 101:18);
- participated in a management meeting with Sunoco and Welded to develop a plan for remedial work (Elliott Dep. Tr., at Pages 69:17 to 70:23);[5]
- met with Welded's project manager onsite at Welded's equipment yard to discuss remedial work (Elliott Dep. Tr., at Pages 106:5 to 107:5);
- tracked billing data associated with the remedial work, including the "dig-ups and re-shots" for purposes of costing (Elliott Dep. Tr., at Pages 76:25 to 78:5);

[4] Welded would provide Mr. Elliot with information about the type of work that Welded would be performing on a given day, and Mr. Elliott would determine how many people would be sent to the Project to perform NDT services. Elliott Dep. Tr., at Pages 136:17 to 140:5. Once that determination was made, either Mr. Elliot or Mr. Rapp would personally notify the technicians to direct them to a particular part of the Project. *Id*.

[5] Such meeting addressed, among other things, allocation of crews onsite.

- directly handled the Sham Radiograph Films and personally interviewed Mr. Springer (Elliott Dep. Tr., at Pages 98:9 to 100:5; Tim Rapp Dep. Tr., at Pages 95:2 to 95:8);
- personally terminated Mr. Springer (Elliott Dep. Tr., at Pages 32:23 to 33:8); and
- investigated Mr. Springer's qualifications and responded to inquiries for such information following the discovery of the Sham Radiograph Films (Elliott Dep. Tr., at Pages 97:13 to 97:25).

The record also reflects that the Parties understood the terms "project manager and superintendent" to apply to the roles of individuals on Prime's management team—not individuals with specific titles. *See, e.g.,* Aug. 10, 2016 Email from C. Hernandez to S. Elliott, Subject: Pre-Construction Meeting for OPP1, attached hereto as Exhibit F. For example, on one occasion, Welded's personnel contacted Mr. Elliott requesting that Prime's project manager and superintendent attend a kick off meeting to communicate operational details about the Project. *Id*. Given that Welded did not agree to pay for a site supervisor (*see* Elliot Dep. Tr., at Pages 167:12 to 169:2), Welded could only have been referring to individuals on Prime's management team that fulfilled the roles of project manager and superintendent for Prime's work. Indeed, Scott Elliott and Tim Rapp attended the meeting in their management capacity on Prime's behalf. Elliott Dep. Tr., at Pages 144:21 to 149:6; Rapp Dep. Tr., at Page 24:8. As indicated above, Mr. Elliott directly interfaced with Welded for any Project-related coordination and/or issues, further evidencing the Parties' understanding that Mr. Elliot was Prime's liaison and coordinator for the Project.

ARGUMENT

I. THE COURT SHOULD DENY PRIME'S PARTIAL MOTION FOR SUMMARY JUDGMENT ON THE ISSUE OF CONSEQUENTIAL DAMAGES

A. The Relevant Standard

A court shall grant summary judgment under Rule 56(c) of the Federal Rules of Civil Procedure, made applicable by Rule 7056 of the Federal Rules of Bankruptcy Procedure, only if "the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to judgment as a matter of law." Fed. R. Civ. P. 56(c); *Arthrocare Corp. v. Smith & Nephew, Inc.*, No. CIV.A. 01-504-SLR, 2003 WL 1856436, at *1 (D. Del. Apr. 9, 2003). As the moving party, Prime bears the burden of establishing that no genuine issue of material fact exists. *Id*. "Facts . . . are 'material' and disputes are 'genuine' if evidence exists from which a rational person could conclude that the position of the person with the burden of proof on the disputed issue is correct. *Id*. The Court must view the facts and "all reasonable inferences therefrom in the light most favorable" to Welded, the party opposing the motion. *Id*.

B. Prime's Management Personnel Were Project Managers and/or Superintendents of Prime's NDT Work on the Project

1. The Consequential Damages Provision Should be Given Its Natural Meaning

Article 15.0 of the Subcontract codifies the Parties' agreement and Prime's obligation to indemnify Welded for consequential damages

> ***caused by the gross negligence and willful misconduct of subcontractor's project manager, project engineering manager, construction manager, and superintendent for subcontractor***, while working on the project.

Subcontract, Ex. G, ¶ 15.0 (emphasis added) (the "Consequential Damages Provision"). The Parties do not dispute that Prime's indemnity obligation under the Consequential Damages

Provision is limited to damages caused by the gross negligence and willful misconduct of subcontractor's project manager, project engineering manager, construction manager or superintendent (collectively, the "Manager Roles").

The Manager Roles are not defined in the Subcontract and should be given their natural meaning. *Bohler-Uddeholm Am., Inc. v. Ellwood Grp., Inc.* ("a contract that is unambiguous on its face must be interpreted according to the natural meaning of its terms, unless the contract contains a latent ambiguity, whereupon extrinsic evidence may be admitted to establish the correct interpretation.").

The natural meaning of a contract term is the "meaning [of such term] without any guide other than a knowledge of the simple facts on which, from the nature of the language in general, its meaning depends[.]" *Bohler-Uddeholm Am., Inc.*, 247 F.3d at 94. The term, "project manager" is defined in Black's Law Dictionary as one "who sketches out the functioning, along with organization of relevant resources required to accomplish a project." BLACK'S LAW DICTIONARY (2d ed. 1910). "Superintendent" is defined in Black's Law Dictionary as "[a] person with the power to direct activities; a manager." BLACK'S LAW DICTIONARY (11th ed. 2019).

The record is teeming with examples of how Prime's managers, Mr. Elliott and Mr. Rapp, coordinated and/or directed Prime's work on the Project. *See, e.g.*, Exhibit D, attached hereto. As cited in Section B, above, Mr. Elliott and Mr. Rapp costed the Project, interfaced with Welded to secure the Subcontract, coordinated the work schedule, dispatched technicians, procured and inspected equipment, performed on-site safety audits, and managed employee issues. In addition, Mr. Elliott met and coordinated with Welded's project managers and personnel. Elliott Dep. Tr., at Pages 69:17 to 70:23; 106:5 to 107:5; Rapp Dep. Tr., at Pages

45:23 to 46:16; 77:25 to 79:25. Thus, the services that Mr. Elliot and Mr. Rapp performed fit squarely into the definition of "project manager" and/or "superintendent."

Prime insists that such terms could not be applicable because Prime's personnel comprise "two men on a truck who follow Welded's laborers as they perform their work, taking and reading x-rays." To be clear, there is no dispute that two men on a truck taking and reading x-rays are not project managers. Prime's argument is a red herring that completely ignores that its management team, as demonstrated above, managed the daily operations of Prime's services on the Project. Prime does not even address the point. *See* Motion, at ¶ 31.

Notwithstanding that the Manager Roles are not defined in the Subcontract, and that nothing in the Subcontract suggests that such terms should be interpreted other than in the context of their commonly understood meaning, Prime contends that the Management Roles are terms of art that should be understood in the context of the construction industry and provides several proposed definitions. Motion, at ¶ 30. However, even under Prime's various suggested definitions, Mr. Elliott and Mr. Rapp qualify as project managers and/or superintendents, and Prime has not indicated otherwise. *See* Motion, at ¶ 31. First, Prime states that "[i]n each and every case, . . . [the Management Roles] are supervisory construction professionals who exercise supervisory oversight over a project . . . ." Motion, at ¶ 30. As described in detail above, Mr. Elliott and Mr. Rapp are supervisory professionals in the construction industry who coordinated and managed Prime's provision of services on the Project. Second, in a footnote, Prime cites the California Real Estate Law & Practice Scope treatise for the definitions of "project manager" and "superintendent" which are, respectively, as follows:

> [Project Manager:] An individual who has been assigned responsibility and authority for accomplishing a specifically designated unit of work effort or group of closely related efforts established to achieve stated or anticipated objectives, defined

> tasks, or other units of related effort on a schedule for performing the state work funded as a part of the project. ***The project manager is responsible for the planning, controlling, and reporting of the project.***
>
> [Superintendent:] A job title usually reserved for the administrative level person who supervises the work on an on-site contractor. Alt: The person having complete control of a piece of work.

Motion, at FN 1 (emphasis added).

These proposed definitions also describe the roles that Mr. Elliott and Mr. Rapp performed for Prime. They were responsible for coordinating and managing the various tasks associated with providing NDT services to the Project—including the "planning, controlling, and reporting of the project." As illustrated above, every one of Prime's witnesses provided testimony supporting Welded's position that Mr. Elliott and Mr. Rapp filled the roles of project manager and/or superintendent for Prime during the Project, including Mr. Elliot and Mr. Rapp. Thus, under any of Prime's suggested interpretations, Welded has adduced evidence in the record sufficient to establish that Prime's management personnel acted as project managers and/or superintendents for Prime's work on the Project.

2. Welded's Interpretation Is Supported by the Record

Even if extrinsic evidence were needed to ascertain the meaning of the words "project manager" and "superintendent," such evidence would establish that the Parties intended for the Management Roles to be broadly interpreted. For example, Welded included the Consequential Damages Provision as a standard clause in the form subcontracts that it entered into with a variety of subcontractors. *See, e.g.*, Dec. 11, 2019 Deposition of Renee Bisnett, attached hereto as Exhibit G, at Pages 20:17 to 21:16. If anything, this context underscores that Welded intended for the job descriptions in the Consequential Damages Provision to be as generally applicable to as broad a range of subcontractors as possible.

In addition, the deposition testimony of Welded's contracts manager, Renee Bisnett, reflects a natural reading of the terms "project manager" and "superintendent." She describes the terms as, respectively, "the person responsible, overall responsible for the project, for the costs, schedule and oversight management of everything that's happening with the contract, subcontract, or the prime [contract]" and "the person that runs the work." Mr. Elliott testified that he "pretty much done [*sic*] the sales, hired the people, took care of the equipment and managed the day-to-day operations of the pipeline side of the company. [. . .] And then, I mean, the entire company would, other than Don Shumway, would report to me, I guess. Wouldn't necessarily report to me, but they were my responsibility." Elliott Dep. Tr., at Pages 21:16 to 22:2.). This is consistent with Ms. Bisnett's view that a project manager would have "oversight . . . of everything . . . with the subcontract." Mr. Rapp's role as support to Mr. Elliott is consistent with a boots-on-the-ground superintendent who "runs the work."

Finally, Prime's specific and misleading comments about the Parties' course of conduct should be summarily rejected. Prime argues that it never sent a project manager or superintendent to the *project*. Motion, at ¶ 32. While it is accurate that nothing in the record indicates that Prime sent a manager to the actual right of way, Welded requested that Prime send its project manager and superintendent to a Project kick-off meeting *held at an off-site hotel*, and both Mr. Elliott and Mr. Rapp attended as Prime's representatives. Elliott Dep. Tr., at Pages 140:6 to 140:18. Also, while accurate that *Welded* did not communicate with Prime relative to *problems* with Prime's technicians prior to the Sham Radiograph Films, Welded reached out to Mr. Elliot for other administrative reasons, such as a request for additional manpower (s*ee* Rapp Dep. Tr., at Pages 45:23 to 46:16) and Sunoco's third-party auditor communicated with Mr. Elliott regarding performance issues (May 24, 2017 Email from Tim Rapp to Scott Elliott,

Subject: FW Film Quality Issues, attached hereto as Exhibit H). In addition, it is irrelevant whether Welded was aware of Prime's Management Roles. When Welded asked Prime to send its project manager and superintendent to a meeting, Mr. Elliott and Mr. Rapp attended. When Welded reached out to Prime to negotiate the Subcontract, to discuss procedures, to procure additional manpower, or to complain about the Sham Radiograph Films, it contacted Mr. Elliott, Prime's project manager in-fact. *See* Exhibit D. Moreover, Welded had no reason to inquire about Prime's management titles. The record reflects that the annual salaries of Prime's management are included in overhead, which is built into the markup of a bid. Shumway Dep. Tr., at Pages 109:14 to 111:12. Accordingly, Prime would not have listed its managers or any of their rates on any part of the Subcontract (*see generally id.*; Rapp Dep. Tr., at Pages 93:19 to 94:19), and Welded would have no reason to know of Prime's managerial hierarchy.

To the extent that Prime is arguing that management individuals must have the formal titles of "Project Manager" or "Superintendent" to trigger the Consequential Damages Provision, it is mistaken, and such an interpretation could lead to unreasonable and irrational results. *See Mellon Bank, N.A. v. Aetna Bus. Credit, Inc.*, 619 F.2d 1001, 1013 (3d Cir. 1980) ("Trade terms, legal terms of art, numbers, common words of accepted usage and terms of a similar nature should be interpreted in accord with their specialized or accepted usage unless such an interpretation would produce irrational results or the contract documents are internally inconsistent."). Taken to its extreme, such an interpretation would permit any counterparty to a subcontract to simply change the titles of its management personnel—notwithstanding such personnel's role on a project or the parties' intent—to avoid liability. Such a result would be untenable.

C. The Record Amply Illustrates That Prime's Management Personnel Intentionally Failed to Supervise Its Technicians in Reckless Disregard of the Consequences That Could—and Did—Ensue

Prime concedes that it failed to supervise its technicians (Motion, at ¶ 31), and its management personnel acknowledge the dire consequences that could have ensued as a result (Elliott Dep. Tr., at Pages 36:7 to 37:19). Prime claims that its management could not possibly be grossly negligent or have engaged in willful misconduct because they "utterly lacked knowledge" of Joshua Springer's acts. Motion at ¶¶ 3, 36–37. Prime's argument entirely misses the point. While Joshua Springer's actions certainly rose to the level of willful misconduct, it is Prime's intentional failure to supervise him that constitutes the gross negligence and/or reckless misconduct that forms the basis of Welded's consequential damages.

1. Prime Had a Duty to Supervise Its Technicians

Prime's duties to supervise its technicians arose under the Subcontract and applicable codes and industry standards of conduct. *See* Subcontract, at 1; Ex. G, Art. 17.0; Aurora Inspection and Consulting, Expert Report, Dec. 16, 2019. Under the Subcontract, Prime was obligated to furnish ***all "supervision,"*** "union labor" and "technical, professional and other services" and "shall perform all operations necessary and required to satisfactorily perform" the work proscribed in the Subcontract. Subcontract, at 1 (emphasis added). In addition, Prime was obligated to "provide all labor, equipment and materials for 100% NDE inspection of welds in accordance with API Standard 1104, latest edition and approved by DOT Part 195." *Id*. Under Article 17 of the Subcontract, Prime agreed to be

> ***solely responsible*** for conducting operations under this subcontract ***to avoid risk of harm to the health and safety of persons and property and for inspecting and monitoring all equipment, materials and work practices*** used in the Work to ensure compliance with [subcontractor's] obligations under this subcontract.

Subcontract, Ex. G, Art. 17.0 (emphasis added).

In addition, as described in the unrebutted *Expert Report* submitted by Joshua Bell, a consultant with significant NDT experience, it is standard practice in the NDT industry to provide some form of quality assurance such as random sampling of radiographic film and/or proficiency reviews of technicians.

2. Prime Intentionally Failed to Supervise Mr. Springer in Reckless Disregard of the Dangerous Consequences

Prime intentionally did not supervise ***any*** of its technicians. Motion, at ¶ 31 ("Prime did not oversee its technicians [*sic*] work."); Shumway Dep. Tr., at Pages 41:20 to 41:23 ("Q. So was there anyone at Prime who was supervising the work that Prime's crew performed on the Welded subcontract? A. No."). Prime licensed Mr. Springer as a Level II technician merely two (2) days prior to sending him to work on the Project. Aurora Inspection and Consulting, Expert Report, ¶ 11, Dec. 16, 2019; July 23, 2018 Email from Tim Rapp to Jay Dresh, Subject: Joshua Springer, attached hereto as Exhibit I. As Prime's witnesses have testified, Level II is the minimum level of certification to read and interpret radiographs for NDT. Elliott Dep. Tr., at Pages 22:21 to 23:5; Shumway Dep. Tr., at Pages 38:1 to 38:4. Prime sent Mr. Springer to the Project with an assistant, who was no more qualified than he, without ***any*** supervision. Shumway Dep. Tr., at Pages 23:17 to 23:19; 75:8 to 75:18; 83:6 to 83:11. Not once, but every day for months. Shumway Dep. Tr., at Pages 138:8 to 138:10. No one at Prime checked Mr. Springer's work, confirmed that he was continuing to be competent, or otherwise engaged in ***any*** quality assurance procedures. Shumway Dep. Tr., at Pages 83:6 to 83:11. As the witnesses have stated on the record and Prime has conceded in its Motion, this failure was intentional. Motion, at ¶ 31 ("Prime did not oversee its technicians [*sic*] work."); Shumway Dep. Tr., at Pages 41:20 to 41:23; Elliott Dep. Tr., at Pages 170:1 to 170:17.

Moreover, Prime understood the stakes. Prime's President acknowledged that the failure to provide credible radiographs of welds was "absolutely" a safety issue. Elliott Dep. Tr., at Pages 37:8 to 37:12. He admitted that should a weld fail, the potential consequence included an explosion. Elliott Dep. Tr., at Pages 36:7 to 37:19. Mr. Shumway, Prime's safety officer, also acknowledged that the consequences would be that the "pipe could blow up" and that pipeline safety was definitely a concern. Shumway Dep. Tr., at Pages 80:7 to 80:12. This does not even account for the consequences to property that would inevitably ensue as a result of an explosion.

Notwithstanding that Prime understood the grave consequences, and that the Subcontract required Prime to provide supervision and monitoring, Prime took the position that it did not need to supervise its technicians and employees. Shumway Dep. Tr., at Pages 47:1 to 48:15. Thus, Prime recklessly disregarded the severe consequences to the safety of the people living adjacent to the Project and the professionals working on the pipeline, and it ignored the consequences to Sunoco's and Welded's property, and the costs that both parties would inevitably incur should something go awry.

Furthermore, Prime was specifically put on notice as of May 24, 2017, that there were issues with the quality of the technicians' performances on both OPP1 and PPP1, including failing to turn in film and reports on a daily basis and scratches on the film near the welds in interest, that could lead to the need for re-shots. May 24, 2017 Email from Tim Rapp to Scott Elliott, Subject: FW Film Quality Issues. The Sunoco Auditor specifically requested for Tim Rapp to "[p]lease speak with your technicians about correcting these issues[,] we don't want to have to dig up welds for reshots [*sic*]." *Id.* Less than one month later, Joshua Springer submitted the first of 73 fabricated x-rays. *See* Debtors0002888 and Debtors0000235, attached hereto as Exhibit J.

Prime's reference to a gross negligence standard in the context of a Delaware Superior Court opinion and its citations to a Maryland state court case are irrelevant and should be ignored. The governing standard for determining gross negligence and reckless disregard is in the Subcontract. *See* Subcontract, Ex. G, Art. 15.0 ("gross negligence and willful misconduct shall be defined as the intentional failure to perform a manifest duty in reckless disregard of the consequences as affecting the life or property of another.").

Over the span of approximately five months, Mr. Springer submitted seventy-three (73) falsified radiographs to Welded and Sunoco resulting in the excavation of welds over a nearly fifty-mile span of the Project. There is no dispute—Prime did not supervise Mr. Springer. The Subcontract unambiguously requires Prime to monitor work practices and supervise technicians. The industry standard required Prime to supervise its employees and provide quality assurance. *See* Aurora Inspection and Consulting, Expert Report, Dec. 16, 2019. Prime was specifically put on notice as of May 24, 2017 that there were quality issues with Prime's performance on the Project that could require re-shots. Nevertheless, Prime did nothing. Prime's utter failure to provide even the most basic supervision of its technicians is a "reckless disregard of the consequences as affecting the life or property of another" and requires Prime to indemnify Welded for the consequential damages that ensued.

II. BREACH OF WARRANTY

Welded has determined not to proceed with its claim for breach of warranty.

CONCLUSION

For the foregoing reasons, Welded respectfully requests that the Court deny the Motion in its entirety.

Dated: January 14, 2020
Wilmington, Delaware

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EXHIBIT A

Excerpts from Deposition Transcript
Scott Elliott
December 12, 2019

VERITEXT
LEGAL SOLUTIONS

Deposition of:

Scott Elliott

December 12, 2019

In the Matter of:

Welded Construction, L.P., Et Al. v. Prime NDT Services, Inc.

Veritext Legal Solutions
800-462-2233 | calendar-de@veritext.com |

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE
~~~~~~~~~~~~~~~~~~~~

In re: Case No. 18-12378(KG)
WELDED CONSTRUCTION, L.P., et al.,
Debtors and Debtors In Possession.

WELDED CONSTRUCTION, L.P. AND
WELDED CONSTRUCTION, MICHIGAN, LLC,
Plaintiffs,

vs. Adv. Pro. No.
19-50180(CSS)

PRIME NDT SERVICES, INC.,
Defendant.
~~~~~~~~~~~~~~~~~~~~

Videotaped Deposition of
SCOTT ELLIOTT

December 12, 2019
9:09 a.m.
Taken at:
Veritext - Akron
3737 Embassy Parkway, Suite 250
Akron, Ohio

Buster Beck, RPR

A. Pennsylvania.

Q. Okay. What is your current title with Prime NDT?

A. Currently, I'm the president of the company.

Q. And how long have you been the president?

A. Little over a year.

Q. What -- about when did you start, do you believe?

A. With the company?

Q. Oh. As -- I'm sorry. When did you start the position as president?

A. Early 2018.

Q. And as the president of Prime NDT, what are your responsibilities?

A. Make sure the company runs well. I mean, it's all my responsibility.

Q. And who reports directly to you at Prime NDT?

A. Currently, Tim Rapp.

Q. And what is his role -- what is his role with the company?

A. Bids and -- bids and contracts.

Q. And what's his title?

A. We don't really have official titles, but he's -- Brandon Champion.

Q. And what does he report to you about?

A. He does more of the sales and customer relations.

Q. Any other direct reports to you?

A. Steven Elliott.

Q. What does he report to you about?

A. He's our procurement, equipment and consumables.

Q. Any relationship to you?

A. He's my son.

Q. Your son?

And do you report to anyone as the president of Prime NDT?

A. Shareholders.

Q. Is there a board?

A. There is. R.A.E. Energy. It's -- it's the controlling board that owns Prime now. Now, this is -- this is all post PPP1.

Q. So I guess when was the changeover? You're saying that there was a different change in control?

A. Yes.

Q. Okay. And prior to you becoming president of Prime NDT in early 2018, what position did you hold with Prime NDT?

A. Again, the title, I guess, was vice president.

Q. What were -- and how -- how long would you -- how long were you in that position, would you say?

A. Two or three years.

Q. So if -- from about 2015 on? Or 2016? Which one?

A. I'd say 2015 on.

Q. And what were your job responsibilities as -- in this position at Prime NDT as vice president?

A. I pretty much done the sales, hired the people, took care of the equipment and managed the day-to-day operations of the pipeline side of the company.

Q. And as -- in this position, who would report to you?

A. At that point in time, Tim Rapp was the only administrative assistant -- assistance that I had. And then, I mean, the entire company would, other than Don Shumway, would

report to me, I guess. Wouldn't necessarily report to me, but they were my responsibility.

Q. Okay. And -- so that was in 2015. Prior to 2015, were you also working for Prime NDT in any manner?

A. I believe I started in 2011.

Q. 2011.

And --

A. I can't recall the exact -- it may have been earlier than that. It may have been '10. But anyway, yes.

Q. Okay. And what position did you have when you started with Prime NDT?

A. I worked in the field and done sales. So really wasn't any kind of position, it was just a job.

Q. When you say you worked in the field, what were -- what was your -- what were you doing in the field?

A. Performing non-destructive testing.

Q. And did you have any certifications to perform NDE testing?

A. Yeah. I was a level-two radiographer.

Q. What does it mean to be a level-two

radiographer?

A. It means I had the classroom training and the experience and passed the tests to go out and interpret film and say whether a weld was good or bad.

Q. And who administers the test? What is the -- what is the body that certifies you?

A. The company.

Q. The company.

Is there any type of state certification related to this type of work?

A. Any type of what?

Q. Like, state certification.

A. The companies are required to certify you in accordance with AS&T TC1A. Per -- DOT 195 spells that out.

Q. Were you ever certified as a level-two technician at another company prior to joining Prime NDT?

A. Yes.

Q. Okay. And who -- who was that with?

A. JANX.

Q. And how long did you work for JANX?

A. Off and on, 18 years. And then,

understanding of what the basis for this lawsuit is, is why Welded Construction sued Prime?

A. I think so.

Q. What -- what's your general understanding?

A. There was some work by -- rework caused by one of my employees. And the cost of that is what Welded was trying to recoup.

Q. And you just said rework caused by one of your employees. What -- what was the -- what was your understanding of the issue that caused the need for rework?

A. He was -- when he went to -- back to -- he found film that he didn't -- wasn't happy with or thought would not pass the auditor. And because he felt -- and this is -- I'm assuming. I don't know for sure, I'm not in his head. But he felt that he had read a weld, knew the weld was good, and he just needed a piece of film that would pass the auditor so he would re-take that picture wherever it was at.

Q. So he would submit a false x-ray film associated with a weld that he had

previously shot?

A. Yes.

Q. Okay. If -- going forward, when we're talking about this, can I -- if I refer to "the x-ray issue," can we -- can we agree we're talking about the problem of an x-ray was submitted that wasn't the one that he --

A. That was supposed --

Q. -- actually shot?

A. Yes.

Q. Okay. And we keep saying "he." Who is this person we're talking about? What's his name?

A. Josh Springer.

Q. So I want to go to the start. How did you learn for the first time that there was an issue with the x-rays Josh Springer was submitting?

A. The level-two -- and I should have looked his name up. Just so I can clarify --

Q. Yeah.

A. -- at that time we had 180 people, so I don't remember names as good as --

Q. Okay.

A. -- I should.

Q. That's fine.

A. The -- the other level-two that was working on the project, which would have been OPP2, called me and said that he had been in the office that morning and that there was an issue.

Q. So I just want to -- a level-two tech that was on the job at, you just said OPP2. We haven't talked about OPP2 before. Where is that?

A. That was the next job over.

Q. Next job over.

And was that Welded Construction's job?

A. No.

Q. No.

Who -- who was the contractor on that job?

A. US Trinity.

Q. US Trinity.

So on the US Trinity job, one of your Prime level-two technicians called you?

A. Um-hmm.

Q. And what did he tell you?

A. That he had been in the office and

the auditor had discovered a discrepancy in the way Josh was doing his -- turning in his film.

Q. And you just said the auditor identified. Who -- who are you referring to when you talk about the auditor there?

A. I can't remember his name either. But he was a third-party auditor hired by Sunoco or Sunoco's engineering firm.

Q. And what was the issue, as you understand it, that he identified to your level-two technician with --

A. He had radiographs from two welds. As they reviewed them, he noticed a very similar spot in both of them. And as he went back and looked at it, he realized that it was from the same weld, but identified as two different welds.

Q. And what -- what date was this that you received this phone call from your level-two tech?

A. I don't remember.

Q. As -- after you spoke with this level-two technician, what did you do next?

A. I called Springer, I called to find out what happened. He pretty much told me, you

know. And then, by the time they had come back around, Sunoco was involved and they started a review of -- of what -- all the work that he had done.

Q. So you said when you called him he pretty much told you. What did he -- what -- what does that mean? What did he say to you?

A. He said, I knew the weld was good, but I needed some film. And basically, that that's how he had always done it. So...

Q. If -- if he knew the weld was good, what does it mean he needed some film?

A. He just needed -- he needed, again, a piece of film that would pass the auditor's scrutiny.

Q. And why would the film he shot not pass the auditor's scrutiny?

A. There's millions of things in -- in film radiography that can cause artifacts in the film. Film is very sensitive; if it's muddy or wet or mishandled, it will -- it will have a --- what we call an "artifact."

Q. So you -- you had this initial call with Mr. Springer, and did you -- what did you do next as far as did you -- did you start to

investigate further? Did you talk to anyone?

A. We relieved Mr. Springer.

Q. You -- when you say you relieved him, did you say, You're fired. Don't come back? Or what -- what -- what does "relieved" mean?

A. I told him to bring our truck back to us and -- yeah.

Q. And you also mentioned that shortly after you spoke with Mr. Springer, Sunoco got involved. What does that mean?

A. Well, the -- the auditor who was working third party reported back to Sunoco. Sunoco took the reins from there immediately and started their investigation.

Q. And do you recall the time frame for when Sunoco got involved?

A. Immediately.

Q. Immediately.

All right. So if you had -- and you don't recall at all the -- the time frame of when you actually spoke to Mr. Springer for the first time?

A. Not really.

Q. Is it --

A. I don't remember.

Q. You don't remember.

Do you remember, did you initiate a call with him or did you --

A. I don't remember.

Q. You don't remember.

When you first heard from Sunoco that -- that we're talking over 70 welds were impacted, what did you think?

A. I thought; That's pretty bad.

Q. And what is the concern with the way that the -- that the films weren't -- that the wrong films were submitted? What's -- what's the concern?

A. They wouldn't know for sure that all the welds were in code.

Q. And if a weld is not in code, what -- what could happen?

A. Hypothetically, there could -- it could fail.

Q. And if it failed -- what -- what happens if a weld fails on a pipeline?

A. There's a blowout.

Q. Is a blowout -- can you explain to me what that means?

A. I suppose it blows up.
Q. Blows up?
A. Yeah.
Q. Like an explosion?
A. Yeah.
Q. Okay. So this was a very serious issue?
A. Yes. Absolutely.
Q. Yes. Okay.
A safety issue, right?
A. Right.
Q. Yeah.
A. I guess I can can that by saying a large portion of the pipelines are never x-rayed. So to say that this was catastrophically endangering the community in more than one where they don't actually x-ray it, I don't -- but it was -- it was a serious -- a serious situation.
Q. Do you know, does Sunoco -- did Sunoco, under PP1, require each weld to be examined?
A. Yes.
Q. So Sunoco contract -- or Sunoco required each weld to be examined?

something like that that had the auditors on site. They were the auditing contractor for the duration of the project.

Q. Duration.

And were they Sunoco's auditor or --

A. They either worked -- they either were contracted through Sunoco or through Sunoco's engineering firm. There's been -- trying to get the answers to all of that has been a little fuzzy.

Q. Okay. And you mentioned at this meeting when everyone was coming up with a game plan to how -- how we're going to -- how to go back to find each -- get -- get to each affected weld and reshoot it and re-examine it. How many welds were in discussion at that point in time?

A. I don't recall.

Q. You don't recall.

Was it every weld that had ever been shot by Josh Springer on PP1?

A. At that point in time --

Q. That -- that --

A. -- during the discussion?

Q. -- needed -- that needed to be re-examined?

A. No.

Q. No.

Why --- why did they all not need to be re-examined?

A. Because after a review, they realized which ones had been done wrong and which ones hadn't.

Q. And who made the determination that the documentation showed that a weld needed to be re-examined?

MR. HEYDEN, JR.: Objection.

You can answer.

A. Who made the determination?

Q. I guess the question is, is -- we're talking now there was a game plan, it wasn't default, it was just because Josh Springer reshot a weld that you had to actually re-examine it --

A. No.

Q. -- so --

A. Sunoco's representatives reviewed and decided.

Q. Did anyone from Prime review those

same x-ray films?

A. Yes.

Q. Yes.

Who -- who at Prime reviewed?

A. Robert Elliott.

Q. Not -- not the reshot, but the -- the original x-ray issues that were identified that there was an issue.

A. Yes.

Q. Yes.

Robert Elliott?

A. Yes.

Q. Okay. And did Robert Elliott and the Sunoco auditor agree on the same set of welds that were at issue?

A. Yes.

Q. Okay. And you just can't recall the exact number?

A. The exact number is somewhere -- well, no, I can't -- 70 -- it was around 70.

Q. Okay.

A. Whether they had all that that day at that meeting or not, I don't recall.

Q. Okay. Do you know where the films are now that -- that the Sunoco and Robert

Elliott auditor reviewed to make the determination that these welds needed to be re-examined?

A. I do not.

Q. Prior to your phone call from the level-two technician on OPPP1 [sic] for the first time informing you there was an issue with Josh Springer's work, did Prime ever detect any irregularities in x-rays on the PP1 spread?

A. No.

Q. No.

Did Prime perform any quality control over their technicians' work on PP1?

A. Yes.

Q. What -- what type of quality control did you do -- did Prime do?

A. We have 180-day audits that we do on our personnel for safety and quality.

Q. And what does that mean, a personnel audit for safety and quality? What -- what does that entail?

A. We send someone out to the truck in the field where it's working to view them working and make sure they're doing it legally

and -- and within compliance.

Q. And you do that about every 180 days?

A. Yes.

Q. Okay. And is that every 180 days on the project, or as if the person is working for you for multiple --

A. Yeah.

Q. Is it per -- let me start -- I'll break it down.

Is it per person that you do -- you time the 180 days?

A. Yes.

Q. Yes. Okay.

And do you document this audit?

A. Yes.

Q. How do you document the audit?

A. There's actually an audit form that they fill out when they go.

Q. And how long has this audit process been in place at Prime?

A. For as long as I've been here.

Q. Okay. And where are these audit -- I'm sorry. What did -- how did you describe -- the audit documentation, where -- where is that

maintained at Prime?

A. Schnecksville, Pennsylvania.

Q. Is it in electronic format?

A. I believe most of it is now.

Q. So who performs -- who actually performs these 180-day audits?

A. It varies.

Q. Varies.

Can you explain, what's the variance? Who are the type of people or when?

A. Someone in a management -- that's available to go.

Q. Have you ever performed those?

A. Yes.

Q. Did you ever perform any of those on -- any time on PP1?

A. No.

Q. Do you know anyone -- do you know which management from Prime conducted any audits on PPP1?

A. I don't remember.

Q. But there would be documentation if one was actually conducted?

A. Yes.

Q. So it sounded to me just right now,

when we were talking about this 180-day audit, this was an onsite audit, correct?

A. Yes.

Q. Okay. Was there also an audit of the actual documentation from work being conducted on PP1?

A. No. Not by Prime NDT.

Q. So with the 180-day audit, and you were talking about conducting an audit of the quality of work, what -- what -- what types of things would you look at to test the quality of work?

MR. HEYDEN, JR.: Objection.

You can answer.

A. Our 180-day audit, at the time this was going on, was more geared toward radiation safety.

Q. Okay.

A. There would be -- obviously, if the -- if the truck was in disarray or -- or not well kept and it was obvious that the guy was, you know, not taking care of our equipment, that would be brought to our attention. But the main crust [sic] of the form that we had to fill out had to do with radiation, safety and

being within the laws of the NRC.

Q. I'm sorry. What -- the laws of the what?

A. The Nuclear Regulatory Commission.

Q. Okay. And what was the quality component? So that was the safety component. What -- what was --

A. The quality component exists [sic] mostly of checking out cleanliness -- cleanliness and things like that. There would be no -- typically on a project like that, our -- his radiographs are given to Sunoco and Welded daily. So when we come to the field and find him, there would be a minimal amount that we could look at. But -- and in most of them, you just take a look to make sure that the film quality is there, the image is there, and the dark room in the lab is kept clean and things like that.

Q. Okay. So the -- the importance of the cleanliness of the truck relates to the quality of the film?

MR. HEYDEN, JR.: Objection.

You can answer.

A. Again, there's a lot of artifacts

that you can get when doing radiograph, radiography.

Q. Um-hmm.

A. And if -- if you have a very unclean environment, it tends to have detrimental effects on you.

Q. So if you or one of the other Prime's management went for 180-day audit and there were films presently on the crew's -- with the crew, you would take a look at those at the time?

A. Typically.

Q. Typically.

And would that also be documented in the 180-day audit?

A. No.

Q. No.

If there was an issue with the films with their -- in -- in -- on that 180-day check, if you saw something that was a concern, would that be documented?

A. Not -- not then.

Q. Sorry.

So after you first received the first phone call sometime in June of 2018 from

over, it's not Prime's -- we don't own them. Sunoco and Welded own that film. We -- once we take that picture and give it to them, that's their chain of custody. It's their -- it's theirs.

Q. Okay. And if we go back to the top of the same page that we were on, under Recommended Corrective Action, it says; "Per Scott Elliott - Prime NDT Services Inc to provide additional supervision over NDE crews during remaining NDE." What additional supervision was Prime going to provide over the NDE crews?

A. What we did was, send Robert Elliott in to be another set of eyes and review.

Q. I'm sorry. I missed the last part of what you said.

A. To review the film as another set of eyes.

Q. To review the completed films?

A. Um-hmm.

Q. Any other supervision over the actual tech crews conducting NDE examinations of welds?

A. No. What we sent was what Welded requested.

Q. Okay. So just so I understand, with the level-three, Robert Elliott, exactly what was the work flow for him then? It's -- how did it work with Prime -- the -- going forward from this point in time, how often did he review films?

A. I don't -- I wasn't there. I mean, he reviewed all the film that came through until Welded seen fit that they didn't need him there anymore.

Q. So was he on the site daily?

A. Yeah.

Q. But do you know for how long?

A. I don't recall.

Q. Did Prime charge Welded for Mr. Elliott to be on the site?

A. No.

Q. If you turn to the next page. It discusses extent of condition. It's on page Bates stamp 11839.

A. Yep.

Q. Okay. It says; "73 welds need to be excavated and proper NDE completed. 2 of

needed to be reshot, correct?

A. Yes.

Q. Okay. And do you have any reason -- do you have any knowledge that Mr. -- Mr. Robert Elliott disputed with the Sunoco auditor the amount of welds that needed to be re-examined?

A. No.

Q. No. Okay.

Do you recall the time frame of when you first understood that Sunoco wanted to stop work on PP1 to address the re-examination of the affected welds?

MR. HEYDEN, JR.: Objection.

You can answer.

A. I don't believe that ever happened.

Q. Okay. We discussed earlier you attended a meeting among Sunoco and Welded, correct?

A. Yep.

Q. And there was coming up with a game plan of how to address the affected welds, correct?

A. Yep.

Q. Okay. And maybe you could explain

to me your understanding of what the plan was going to be to address the affected -- how to get to and re-examine all of the affected welds.

A. Well, it's my understanding, when they -- when they move trucks around, they have to -- they have to get certain permits to move the trucks. They were going back in property that they -- in some cases they had already been on, so they had to make arrangements with the homeowners, and I mean, there was a whole array. And they wanted to hurry up and get it done.

So they were going to talk about maybe bringing in additional crews to work on that. Because they -- and that's why I know they never stopped their other work because they wanted to bring in additional crews to work on this as they kept their other work moving forward.

Q. And when you say "they wanted to hurry up and get it done," who's the "they"?

A. All parties.

Q. All parties.

Did Sunoco communicate it was a

And what was discussed? Like, how -- what was the planning that Prime was involved when -- about how to conduct re-examinations?

A. Other than the fact that we were going to take a test shot through the coating and show that we could do sensitivity, that was pretty much the extent of our ability to have input.

Q. And what crews were involved -- what -- what was required on Prime's part to do a reshoot of a weld?

A. Per one, two-man radio -- radiographic unit.

Q. And what equipment would they use?

A. They would use a radioactive source and cranks and guide tube and film.

Q. And how would they get to the weld itself?

A. We have portable pickup trucks -- or pickup trucks with portable labs on them and a UTV, which is a Polaris side by side.

Q. And did Prime get paid by Welded for -- for conducting these reshots?

A. No.

Q. No.

Did Prime get reimbursed by its own insurance for these reshots?

A. No.

Q. Did Prime write off the work for these reshots?

A. No. Not that I know of.

Q. Does Prime expect to get paid by anyone for the reshots?

A. No.

- - - - -

(Thereupon, Deposition Exhibit 2, a cover page regarding BILLING SUMMARY WELDED-2016-22-RIG 101-PO 59085 Reshots followed by three oversize spreadsheets, was marked for purposes of identification.)

- - - - -

Q. This has been marked as Exhibit 2.

MS. EDWARDS: Do I have it? Sorry.

Q. So for the record, this was a document produced as Bates number Prime 001302 that was produced in native format.

A. Um-hmm.

Q. So -- which is the long way of

saying this is an Excel spreadsheet, so this is why we tried to print out in a fashion where we could actually read it.

Do you recognize this document?

A. This is what we call a billing summary.

Q. Billing summary? Okay.

And -- and who at Prime would prepare a billing summary?

A. Well, right now the lady's name is Stephanie. But I don't believe she was with us at this -- at this time.

Q. Okay.

A. This is something Tim -- Tim kind of helped me put together, a spreadsheet to do this.

Q. And when you say Tim?

A. Rapp.

Q. Tim Rapp. Okay.

And at the bottom of this, there's notes. And it says; Dig-Ups/Reshots, Non Billable, for Insurance/Costing.

A. Um-hmm.

Q. So what was the purpose of this spreadsheet?

A. Because it's time we didn't -- wasn't sure if we would be able to turn this in on our insurance or not.

Q. Okay.

A. So we wanted to keep track of it.

Q. And do you know what data you used to -- or that Tim used to make this spreadsheet?

A. Daily reader sheets.

Q. Daily reader sheets.

And how would he -- before, you were mentioning -- or I should -- I should clarify.

During the July 2018 and August 2018 time frame, Prime was -- was Prime conducting work for Welded on spread PPP1 that did not have to do with the reshoots?

A. Yes.

Q. Yes. Okay.

So how did Mr. Rapp know which daily radiographic sheets to capture in this spreadsheet?

A. They documented very clearly on the daily reader sheets whether they were working on rework or working on new work.

Q. Here's what's been marked as Exhibit 7. If you could take a look at that.

This is an e-mail from Tim Rapp to jay.dresh@energytransfer.com. Do you know who Jay Dresh is?

A. No, I don't.

Q. Okay. And on the CC line, it says Scott Elliott at pndtscott@live.com. Is that your e-mail address?

A. Yes, it is.

Q. Is that your work e-mail?

A. Yes.

Q. Okay. And during July of 2018, what was Tim Rapp's role at Prime NDT?

A. I'd call him maybe an operations manager.

Q. Okay. Are you aware if Tim looked into how -- I guess, Josh Springer's role at Prime NDT -- his history at Prime NDT?

A. Well, according to this, he went back through his personnel file and pulled the dates that he was with us, tested.

Q. And do you know why he was sending this on July 23rd, 2018 to Mr. Dresh?

A. It had to have been requested.

Q. You mentioned -- we were discussing earlier that you first found out about this because you had a phone call from Josh Springer himself.

A. No.

Q. No? Okay.

A. It was a different level-two on the job, and I can't --

Q. I'm sorry. That's correct.

Did you ever have any direct conversations with Mr. Springer once you found out that there could be an issue with his x-rays on -- on any spread of --

A. Yes.

Q. -- work? Yes.

When did you first have a discussion with Mr. Springer?

A. About 10 minutes after the phone call from the original technician.

Q. And what exactly did you guys discuss on that call?

A. I asked him what he had done. How -- why the discrepancy was there and what his thinking was and why he had done this or what he had done. Basically there was probably a

few curse words in there, and that was pretty much a short, brief conversation, and we went from there.

Q. Did he discuss with you how many times he did it?

A. He did not verbally, no.

Q. Did you ask him how long it had been going on?

A. I did.

Q. And did you ask him which spreads he worked for for Prime that he did that on?

A. I did.

Q. Did.

And which spreads were those?

A. He did not -- he -- he -- he did not recall at the time.

Q. After that initial call -- what time -- that was right after your first call from the level-two tech, correct?

A. Right.

Q. And you're not sure exactly what date that was?

A. Right.

Q. But that was prior to June 29th, 2018?

A. It would have been somewhere around 6-1-18 evidently.

Q. 6-1.

A. If that's the day he was fired, that was the day that we had the conversation.

Q. Oh. Okay. Do you know the time frame when Welded was first instructed that there could be an issue on their spread related to Mr. Springer's work?

A. I do not recall.

Q. After Mr. Springer was fired around June 1st, 2018, did you have any subsequent phone calls with him?

A. I -- to the best of my recollection, he would not receive my phone calls. So I finally sent him a text message asking him to divulge the information we needed to see how far this went and how bad of a situation this was.

Q. What information were you trying to get from him?

A. How many times he had done this and where at.

Q. Did he respond to your text?

A. He did.

Q. Here's Exhibit 9. If we could take a moment to flip through that. If you could go back to the first page. Sorry.

A. It's all pretty much the same.

Q. So page 1 of Exhibit 8 [sic], the date at the top of this letter is July 24th, 2018. It's to your attention. From Doug Sutton. Do you -- do you know who Doug Sutton was?

A. Um-hmm.

Q. Okay. And --

A. Yes. Sorry.

Q. And had you communicated with Doug Sutton prior to this regarding the rework?

A. Yes.

Q. Okay. And how often would you discuss the rework with Doug Sutton?

A. I think I met with Doug briefly once or twice in Washington, Pennsylvania.

Q. And what -- what's -- what's Washington -- what's the significance of Washington, Pennsylvania?

A. Well, that's where their yard was at.

Q. Okay.

A. I was on site.

Q. And then, what -- do you recall what time frame you met with him?

A. Somewhere in the July -- June/July time frame.

Q. Okay. And do you recall receiving this invoice from Welded regarding the rework?

A. I do.

Q. Okay. And did Prime ever pay this invoice?

A. This invoice was forwarded on to our insurance company.

Q. And did Prime ever dispute this invoice?

A. No.

MS. EDWARDS: Can we go to Q?

- - - - -

(Thereupon, Deposition Exhibit 10, a document Bates labeled DEBTORS0009660 through DEBTORS0009666, was marked for purposes of identification.)

- - - - -

Q. Okay. If we could mark as Exhibit 10 -- or it's been marked as Exhibit 10. Could

in connection with the project?

A. Their scope of work.

Q. And at that time, did you understand the scope of work would -- would cover three spread -- three spreads of a project?

A. I don't recall if they even knew at the time they had all three spreads or if they were in the process of bidding.

Q. Okay. And then, what factors did you consider -- did you prepare a bid or submit a bid to Welded after you met with Mr. Welsh?

A. We did at some point.

Q. Okay. Did you prepare the bid for Prime?

A. Most likely Tim would have typed it up.

Q. Would you and Tim have a discussion about what you would want to capture in your bid?

A. Yes.

Q. Okay. And what -- what considerations did you -- do you take into account when you're bidding a job as -- as defined -- sorry.

What considerations do you take into account when you're bidding for a job on a -- to do NDE work on a pipeline over multiple spreads?

A. We kind of have a smorgasbord pricing. So if they want certain services, we give them a list of the prices for those services.

Q. Do you have prices for preferred customers, for repeat customers?

A. Well, we can -- whatever price we put in there, I guess, is the price. But we try to keep a margin that's sustainable for a company and add it to our -- our labor costs and our costs and, like, put a little margin on there, and that's our price. Would we beat up some numbers because the year -- the -- the time and frame the test was bid was a terrible time in our industry -- and so we probably did reduce our pricing to try and get the job.

Q. Would it factor into your decisions on a bid if it was going to be a very long project with more work for Prime NDT?

A. Sure.

Q. And when you were submitting a bid

for the job with Welded on the Mariner East II project, did -- what generally was the understanding of the work that Prime would be performing on that project?

A. Radiographing and non-destructive testing of the welding.

Q. And then --

(Phone ringing.)

MS. EDWARDS: Sorry.

Q. Were there any timing considerations that you and Tim Rapp discussed when preparing a bid for this project?

A. I'm sorry?

Q. I guess, did you have any concept for how long this project would take?

A. No.

Q. No.

Did you anticipate it would take more than one month?

A. No. I mean, I anticipated that -- my experience in the industry, that most pipeline contractors will get approximately a mile a day --

Q. Um-hmm.

A. -- on a mainline. So we were

looking at 30-mile spreads. We figured, you know, with tie-ins, maybe two, three months.

Q. How did you assess Prime's ability to have the manpower to meet the needs of a project before you submitted a bid?

A. How did I assess our manpower?

Q. So before you put in a bid for a project that, by this you felt would be at least a few months, how do you know you would have enough Prime employees to -- to conduct the work?

A. Based on what little information we got from Welded as far as how their execution of the job would go and how many units they wanted, we'd come up with a number of people. Again, we're signatory to Operating Engineers Local 112, which is a pool of almost 1,400 trained personnel.

Q. And -- well -- at the time you and Tim Rapp were preparing the bid for this project on the Mariner East II pipeline, was Prime working on any other segments of the Mariner East II pipeline?

A. At the time we were preparing the bid, no one was working on the Mariner East II

(Thereupon, Deposition Exhibit 13, a document Bates labeled DEBTORS0013723, was marked for purposes of identification.)

- - - - -

A. Yeah.

Q. Okay. This is a letter dated August 4th, 2016 from Renee Bisnett from Welded Construction to you, and it's regarding OPP1 project mobilization. Do you -- do you recall at all receiving this letter?

A. Not really.

Q. Not really? Okay.

Is that your signature at the bottom, it says; Print and Sign?

A. It is.

Q. Okay. And under this letter, Ms. Bisnett says that the contractor is providing notice to Prime NDT that the Sunoco ME2 OPP1 project shall commence x-ray activities on or around October 12th, 2016. Contractor authorizes subcontractor to begin preparations to support construction activities beginning on this date. What type of preparations did you start after you received this notification?

A. Well, we had been prepared for quite some time, so there wasn't a lot to start at that point.

Q. What do you have to do for the -- to be ready to start when you get a notice like this. What -- what types of things does -- what kind of preparations do you need to be ready so Prime can be ready to start working on the pipeline? What -- what considerations do you do?

A. Well, we -- we already have our equipment. We keep our equipment up and ready to go and we start looking for the personnel that we're going assign to these projects and get them on those and ready to go.

Q. How long does it usually take you -- or how long do you like to have to be able to -- to get your personnel ready to go? How long do you need?

A. Most of these personnel already work for us, so we need a couple days notification to get them to the shop and get them going where they're going. A lot of them already have their equipment in their truck with them and they're somewhere working, so

they would just be told to move, come over to that direction.

Q. And how do you decide the number of personnel that -- that you're going to need for that project?

A. I don't.

Q. You don't.

Who -- who decides that?

A. Welded.

Q. And how does Welded inform you of the number?

A. Most typically, they'll call me one evening and say; We want a truck tomorrow.

Q. And what does that mean if they want a truck tomorrow?

A. That means I've got to scramble and find a truck and send them the personnel for the following day to get to work.

Q. And how do you know the number of people that have to be on that truck? Like, the number --

A. They will indicate what they want. If they feel like they're -- they're going to be following a production crew, then we'll perhaps put three people. If they feel like

it's a tie-in or slow production, we'll put two people. If it's a lot of production, then we'll think about a crawler.

Q. And who at Prime -- once you get the call from the customer saying; We need a truck tomorrow, who at Prime actually coordinates finding that personnel and matching them up and telling them where to go?

A. At the period of this -- of this time --

Q. Yeah.

A. -- it was me and Tim.

Q. You and Tim?

Could it be you or Tim?

A. Could be.

Q. Did you and Tim discuss often --

A. Yes.

Q. Okay. And then, how did that work? How did -- did -- did you guys call the crew members and say; You're called in, or e-mail or text?

A. Yeah. For the most part, we were anticipating this work and hoping for it. And we had guys that were wanting to go to work that had been selected that they would get to

go when the call came. So they were -- I mean, there was years of preparation for this before it started, so we knew, you know, what was going to happen. Or who was going to go, at least.

Q. Okay. Prior -- prior to this anticipated start date for x-ray activities around October 12th, 2016, do you recall if Prime participated in any meetings with Welded to discuss kicking off the Mariner East worksite?

A. We attended a meeting with Sunoco and Welded, and I can't recall if there was any other contractors there or not at the time, at the -- I think it was the casino hotel in Washington, Pennsylvania where they went through what Sunoco expected of Welded and -- and what would be there.

At that time I believe -- I believe Andy Mack, and maybe Alex Epstein was still around then, I spoke with them briefly about when they thought they might get started. At some point Welded sent me a scatter sheet of what they felt like when their time crews would start and when X, Y and Z would happen. But

other than that, I would say our -- our communication with Welded was very limited.

Q. You just mentioned a meeting in -- in -- in-person meeting that you attended, I think you said Washington Park?

A. PA.

Q. PA.

And did anyone else from Prime attend that with you?

A. No.

Q. Just you.

And at that meeting, did you discuss -- you said Sunoco and Welded were there. Did you discuss specifically NDE-related activities?

A. So it was a big conference room with a lot of people in it, and Sunoco people were almost putting on, like, a conference to tell us what -- you know, what they were going to expect --

Q. Um-hmm.

A. -- and they briefly did touch on NDT requirements, yes.

Q. And then, from that meeting, from when they communicated to you NDE processes,

how did you communicate that back to your team at Prime?

A. Verbally.

Q. Verbally.

And who did you meet with at Prime to -- to relay these instructions onto?

A. At the time, again, it was just Tim and I.

Q. When you would get the call to say, you know; We're finally ready. We want -- we need the truck, had you met -- had you or Tim met with your crew members before that to explain anything specific to this project?

A. No. We did not have a meeting with our -- I mean, we see our people and talk to them frequently, some of them. Some of them are five states away, so we see them when they're called and they come.

Q. Was there -- do you recall anything unique from that meeting that you were just talking about that -- when Sunoco expressed their -- or communicated to you their preferences on this project or specifications on this project, do you recall anything unique about what they wanted Prime to do on this

project?

A. They were going to use some kind of a barcoding, which was a little different. It was kind of still up in the air whether we would be putting the barcodes on as we x-rayed or not. I know that they required all personnel to have IS Net abnormal operating condition testing, where it's not typically required for the assistant on the truck. So there was some job-specific things that were a little different than what we dealt with usually.

Q. And you just mentioned the barcoding and it was -- was up in the air. What was eventually decided, do you recall?

A. No. I know we had the barcodes for a while. I think eventually they did it -- they ended up letting the survey crew do it, but I -- I don't recall how that all played out.

Q. When you first started off doing the barcoding, how -- how did you instruct -- how did the Prime crews get informed to do the barcoding process?

A. By the third-party inspection

company.

Q. Did you participate in any meetings with the third-party inspection company about barcoding?

A. I was in the trailer when the first guys come in and they discussed how they wanted them to do it.

Q. Were there any other Prime employees with you in the trailer during those discussions?

A. I can't remember if Tim was with me or not.

Q. This is Exhibit 14.

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(Thereupon, Deposition Exhibit 14, a five-page document beginning with Bates-labeled page DEBTORS0017472, was marked for purposes of identification.)

- - - - -

Q. This is an e-mail from Cecilia Hernandez to -- to your e-mail address, the pndtscott@live.com, dated August 10th, 2016 regarding pre-construction meeting for OPP1. Is this the meeting you were discussing before

at the race -- or the --

A. Yep.

Q. -- in Washington? Yes. Okay. With the big conference room with all the people? Okay.

And in this e-mail, she said that she requested that the project manager and superintendent for Prime for OPP1 be present at the kickoff meeting. And you were the only person who attended on Prime's behalf, correct?

A. Yes.

Q. Okay. Is there -- do you recall any reason why you would be the only person who would have attended the meeting on Prime's behalf, the kickoff meeting?

A. Probably because financially we only have such a staff, and we don't have project managers or superintendents for this project on payroll, or never did have one period.

Q. Um-hmm.

A. I, as the vice president, would be the only person that would be -- attend something like this to get the information and relay it back.

Q. Relay it back?

And you just said Prime never has project managers?

A. No.

Q. Okay. And never has superintendents?

A. No.

Q. And why do you -- why do you believe that?

A. Because that's not -- that's not our role in a project, to manage it. It is not our role to provide a superintendent. That is a contractor term used for their people. Just like a chief inspector and assistant chief inspector is third-party inspection terminology for their people.

All we have at most would be a site supervisor if the contractor or the parent company decides they want to purchase one, pay for one. If they don't, then our technicians are there to do the work at the direction of the contractor or the parent company.

Q. But you participated in this meeting to understand the process on behalf of Prime?

A. Mostly trying to get an idea of the scheduling.

Q. Um-hmm.

A. But yeah. I mean, the process is pretty standard across the industry when you work with API 1104. Like I said, our procedures are pre-written, they're updated every year, they're submitted to multiple customers. It's not -- there's not a big change for an NDT company.

Now, for a contractor, I assume that, depending on what river they bore or what the situations they have to go to specific there may be more details that change. But for us, it is -- we're just kind of like a plumber, you call us when you want your pipe checked, and we come and do it.

Q. And you just mentioned sometimes some of your contracts you use what's called a supervisor?

A. Yes.

Q. What -- what -- what is the job of a supervisor for Prime?

A. Well, a typical role for a supervisor is to do the scatter, to talk to the

-- to communicate with the customer and coordinate the trucks where needed.

Q. And during the time frame that Prime was working on any part of the ME2 spread, did Prime -- how many crews at a time would Prime have out on the field?

A. I -- do you want me to go through the specific spreads?

Q. Sure.

A. I believe in Ohio, some -- at some point they might have been up to five or six. As they divided the other spreads, I think they would -- they allowed us to have three per section. And it may have went to four in some, but I don't recall.

Q. And how did Prime track all of its crews out on the different jobs?

A. Well, we have a scatter sheet that we kind of keep track of where our people are at across the country.

Q. And what happens -- what would happen on either OPP1 or PPP1 if one of your -- your level-two techs didn't show up one day on a job, what would happen?

A. Welded would call me.

Q. They would call you?
A. Yeah.
Q. Okay.
A. Or call Tim. They would call us and let us know, but I don't know that that ever happened.
Q. Okay. So if there was any type of problem with your crew or equipment, who could Welded talk to at Prime?
A. They would call the office.
Q. Okay. And how did Prime -- for the Mariner East II project spreads, how did Prime track the progress being made on the different spreads?
A. We typically don't.
Q. You don't.
Would -- it wouldn't have any impact on Prime's understanding of income coming in or manpower?
A. No. Most of our -- as you see our bidding is done on a kind of a cost plus basis, T&M. So if they lay a thousand foot a day or one foot a day, we're paid by the day.
Q. And it wouldn't factor into -- to knowing if you could take on additional jobs?

we were under the impression that it was the Project Consulting Services that managed the project. It's kind of been kicked back and disputed that they weren't working for -- nobody wants to claim who they were working for. So at this point, I can't tell you if this is correct. Because the guy that did the auditing worked for a company called EII. Who EII was contracted through, other than the fact that I know it wasn't us and I know it wasn't Welded, I do not know.

Q. Okay. And did the presence of an auditor from EII on PP1 -- PPP1 alter -- cause Prime to alter its services at all?

A. It did not cause Prime to alter its services. It may have caused Welded to opt not to take some of our services.

Q. Okay. Like which services?

A. Like an onsite supervisor.

Q. Okay. And forgive me, I know you discussed it before, but the onsite supervisor there, what would they typically do on a job?

A. Again, they'd -- they would kind of direct the crews where to go and what to do, and then keep a daily -- you know, work with

the guys daily if there's any questions about film or film quality or -- they're just there to -- to help.

Q. Would they audit the films daily?

A. They would -- well, it just depends on the job. But particularly, if we have a supervisor, they're looking at that film.

Q. And how much do you typically charge for a supervisor?

A. It's somewhere around our level-three rate. It can be adjusted by job per customer, you know.

Q. So it's a -- it's an hour -- hourly rate?

A. Yes.

Q. Okay. And does the supervisor have to be a level-three --

A. Nope.

Q. -- certified?

A. 90 percent of the time they're not.

Q. Okay. Would -- do they have to have the certification level at all?

A. Nope. Just level two.

Q. Just level two.

And you only provide supervisors if

they're specifically billed for?

A. Requested, yes.

Q. So the next line, 11 -- or paragraph 11 says; "PCS' presence and role on the Project caused Prime to alter its staffing on the Project." Is it -- is it accurate that Prime did not alter its staffing in relation to there being a Sunoco auditor on the project?

A. I would say that this is inaccurate, because again, Prime does not get to decide our staffing. It's never up to me. If -- if a contractor would let me staff my work, I would make a lot more money. It is always their decision when to bring in additional staffing as needed. It's not something we get to make the decision on.

So whether he was there or not would not have made any difference. And for the record, I requested that we still have an onsite supervisor, even though that guy was doing it. Because it's just a better practice to have. And I think if you looked in your corrective actions where Welded looked at what went wrong, they also agreed going forward that they should have taken that -- that step.

Q. That Welded needed to -- to bear the cost of a supervisor?

A. People are not free. Labor is not free. I can't get a supervisor to work for free, so how can -- I mean, the cost has to be borne. It's borne somewhere in the project. Every other project does -- of this size has them. The client pays for them. It's not -- I'm not asking them to -- I mean, it's a -- it's a service.

Q. Are your home office's services that are provided to your customers, support with invoicing, et cetera, is that a direct cost to a customer?

A. It's billed into that rate.

Q. It's billed into the rate?

A. Um-hmm.

Q. You've discussed a lot of time you and Mr. Rapp spent dealing with various issues on this project. Do you get to bill directly any of your services? That's part of your overhead?

A. That's part of my -- yeah.

Q. During the course of -- I'm going to go back to the big word, "project," again,

EXHIBIT B

Excerpts from Deposition Transcript
Stephen D. Hawkins
November 7, 2019



Deposition of:

Stephen D. Hawkins

November 7, 2019

In the Matter of:

Welded Construction, L.P., Et Al. Vs. Prime NDT Services, Inc.

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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In Re:	)	CHAPTER 11
	)	CASE NO.
WELDED CONSTRUCTION,	)	18-12378 (KG)
L.P., et al.,	)	
	)	
Debtors and	)	(Jointly
Debtor in Possession	)	Administered)
WELDED CONSTRUCTION,	)	ADVERSARY
L.P.,	)	PROCEEDING
Plaintiff,	)	
v.	)	
PRIME NDT SERVICES, INC.,	)	ADV. PRO. NO.
Defendant.	)	19-50180 (KG)

- - -

C O N F I D E N T I A L

Thursday, November 7, 2019

- - -

Oral deposition of STEPHEN D. HAWKINS, taken at the law offices of Young Conaway Stargatt & Taylor LLP, 1000 North King Street, Wilmington, Delaware 19801, beginning at 10:06 a.m., before Cheryl L. Goldfarb, a Registered Professional Reporter, Notary Public, and an approved reporter of the United States District Court.

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times. That's a thing I have had difficulty with throughout this case.

BY MR. HEYDEN:

Q. What is your understanding of how the nonconforming x-ray films of welds were discovered?

A. Okay. My understanding was, is that -- and, again, I've got to go back and -- this is how Rick communicated it to me. What I recall is that he said that on spread two, that they had discovered some nonconforming x-rays that they had linked to an individual. And that they went back then and did an audit of all of those individual's films on our job, you know, tied to that individual, and at that time, that there was a quantum of them that were linked to him that they found also to be nonconforming. And that this was the -- the effort was to get that rectified as quickly as possible.

Q. Do you know who that individual was?

A. I don't know the name, no.

Q. Was he an employee of Prime?

A. I understand him to be an employee of Prime.

Q. Okay.

A. Not knowing his name, but I understand that he was the Level III tech, is what I was told, who was assigned to our job.

Q. Do you know how many Level III techs were assigned to the PPP1 spread?

A. I do not.

Q. What's your understanding of the nature of how these films were nonconforming?

A. That they weren't actually shot. That they were a single film that was taken of an individual weld that was -- had passed. And then that it was assigned separate discrete markers for one film, so that they appeared to be individual shots, when, in fact, it was one of the same weld.

Again, I have not seen anything. This is the way it was explained to me and the way I understand it.

Q. Sure. So how many welds do you understand were affected by these nonconforming films?

Q. What does this document show?

A. It shows the weld number. Then it shows the station number, and then any notes, constructability notes, and then just a work process.

Q. Are these the affected welds?

A. I believe that these are the 70 -- yeah, I think these are the 73 discrete weld numbers that we performed x-rays on.

Q. We're going to come back to this in a second. I just wanted to make sure that we were on the same page about what that was.

So you came to understand the number of welds from this -- is it a dig report we're calling it?

A. Yeah. I just called it a dig report, yeah, a dig-up report. I don't know what it was listed as, but that's just what we called it.

Q. That works for me.

A. Yeah, dig-up report.

Q. We'll come back to that later.

What did Rick Smith say to you about what Welded should do in response to the

producing change notices, things like that.

Q. Would the --

A. Or producing the cost elements of change notices. I'm sorry.

Q. Would he be on site?

A. Blaine was on site, yeah. He was on -- he resigned on the 15th of July. So he wasn't there for the whole time.

Q. The nonconforming x-rays, do you have an understanding of where they were located on the PPP1 spread?

A. I do now generally, yeah.

Q. Okay.

A. I've seen a map that has the dig locations on it.

Q. Where were they?

A. They were dispersed pretty much, I would say, for about 75 percent of the right-of-way. They weren't all in one location, but they were from the beginning, across the river almost.

Let me see how many miles it was. But, I mean, it was -- they were dispersed from the beginning through about 30,

35 miles of the 50 miles, I think.

Q. Were they on the west spread?

A. They were on both spreads, yeah, east and west.

Q. East and west.

Let's refer to Hawkins 2.

A. Okay.

Q. So let's go to the second page. So we're going to start with the second column that says, "Station Number"?

A. Yeah, I'm looking at that. I can't tell you exactly if they -- I'm just looking at station numbers now -- if they were on east and west. I thought they were. But I can't tell by station numbers. But go ahead.

Q. Okay. Do you know how many total stations there were?

A. There were about 20 -- I think there were -- well, a station is basically a hundred feet, right? So if the job was 23 -- 230,000 feet, which is roughly 50 miles, then there would be, you know, 2,300 or so stations.

Q. Okay.

A. Roughly. I'm just -- I don't

Q. And, again, because I'm not an oil pipeline guy, what does cleaning up that sort of area consist of?

A. Well, it would be where they went in to do the dig itself, you know, there's dirt around it. They backfill it. And then they make that work area, you know, cleaned up again.

Q. I did not ask a basic question that I should have.

What did Welded have to do in terms of work to remediate the affected welds?

A. My understanding is that there was -- it depended on the weld and where the area was, right? So if it was -- if they had to go back into an area that had been fully restored, grass growing, then the effort would have been to get back onto the right-of-way, create a travel lane, meaning cut out a lane that the equipment could travel on, possibly mat it, which means laying wooden mats down so that the heavy equipment could travel on it to get access to it. Some needed that.

Again, I'm just looking at the

notes here. Some needed that. Some, you know, may not have. Some maybe they could get access to it, just dig the area there, and then inspect the weld and then backfill it and then the remediation rework would be less than it would in other areas. But it depended completely on where the dig was.

Q. Sure.

A. Some of them -- it said here some of them didn't have any temporary workspace, so they had to create a workspace. And then the temporary workspace would have had to have been taken down or remediated again. So it all depends on the location of the weld.

Q. Do you know how many of these welds, the affected welds -- and when I'm saying "affected welds," are you understanding that I'm referring to welds that had a corresponding, nonconforming x-ray film?

A. Yeah, I understand that it's what's in Hawkins 2, the 73 welds here that are identified as the nonconforming welds.

Q. I just wanted to make sure we were on the same page.

A. The day that the -- the original date to dig it was scheduled. They were going through each -- each dig at each station and trying to organize their resources and have a date to set in. And that became the primary coordination date for all of the other interfaces, land. Or it would be a result of all those other interfaces when we had access to the area to do the work. But that's the date that it would go in.

Q. It's the day you're starting to dig, right?

A. The date that you would start -- yeah, that you would do the dig. And then once the dig was done, then that's when the film would be shot, so.

Q. And then on the farthest right column, we have "Status"?

A. Uh-hum.

Q. What does "Passed/Backfilled" mean?

A. The way it was covered in the daily calls was that the film was shot. That it passed. That the film was good, the weld

was good. And so the weld was backfilled.

Q. Would that also mean that it had been reseeded?

A. No, it doesn't mean that. It just means that it was covered back up again.

Q. In the context of your work, and specifically the ME2 pipeline, what's environmental work?

A. Environmental work is maintaining the right-of-way through environmental control devices, things like silt socks, silt fences, water bars. Because once you cut the trees out and expose the right-of-way to the dirt, then it's susceptible to rain runoff. You want to make sure that none of the erosion goes into streams, other people's property, things like that.

So it's -- it's along the entire right-of-way. You know, it's several devices that are designed to provide erosion control, environmental control.

Q. I skipped over this one, unfortunately, "Dig Up Crew." For a lot of these, there are two letters.

inadvertent returns from the drills that were discharging, you know, the bentonite, which is the drilling mud, into streams, things like that. That was the -- that was the bulk of the administrative order that the state wrote them.

Q. Do you know what monetary penalties Sunoco was subjected to?

A. Yeah. Sunoco had to pay a fine to the state in February of '18 for the collective violations that the state asserted across all spreads by all contractors, not limited to Welded.

Q. Do you know how much that was?

A. I think they paid 12-and-a-half million dollars. But you'll have to check that out. It was a -- it was a big fine. You'll have to confirm that.

But, again, that wasn't strictly -- Welded wasn't named in that, per se. But our spreads, some of the IRs were in there.

Q. Then after that semicolon, we have, "ongoing and continuous welding and x-ray issues."

Well, we know what the x-rays issues are. That's probably referring to Prime, right?

A. Yes.

Q. Did Welded have any other nonconforming issues with any other nondestructive expert testing subcontractors?

A. I don't believe so, no.

Q. What are the welding issues, if any, that you're aware of?

A. I don't know. We had a very low weld reject rate of less than one percent on 6,600 welds. And, you know, we didn't have an ongoing welding issue, as far as I know.

Like I said, this -- you know, to me, this was just a, you know, kitchen sink.

Q. And then we have "frequent and repeated deviations from permit requirements."

A. That's back to the -- the drilling issues.

Q. And I think we discussed this, but it's getting late in the day.

Was it Sunoco that was responsible for getting the permits?

EXHIBIT C

Excerpts from Deposition Transcript
Don Byron Shumway
December 10, 2019

VERITEXT
LEGAL SOLUTIONS

Deposition of:

Don Byron Shumway

December 10, 2019

In the Matter of:

Welded Construction, L.P., Et Al. v. Prime NDT Services, Inc.

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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In Re:	)	CHAPTER 11
	)	CASE NO.
WELDED CONSTRUCTION, L.P., et al.,	)	18-12378 (KG)
	)	
Debtors and Debtor in Possession	)	(Jointly Administered)
WELDED CONSTRUCTION, L.P.,	)	ADVERSARY PROCEEDING
Plaintiff,	)	
v.	)	
PRIME NDT SERVICES, INC.,	)	ADV. PRO. NO.
Defendant.	)	19-50180 (KG)

- - -

C O N F I D E N T I A L

Tuesday, December 10, 2019

- - -

Video-recorded deposition of DON BYRON SHUMWAY, JR., taken at the law offices of GORDON REES SCULLY MANSUKHANI, LLP, Three Logan Square, 1717 Arch Street, Suite 610, Philadelphia, Pennsylvania 19103, beginning at 10:56 a.m., before Cheryl L. Goldfarb, a Registered Professional Reporter, Notary Public, and an approved reporter of the United States District Court.

- - -

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- - -

A L S O P R E S E N T :

WILLIAM MILLER
The Video Technician

- - -

Inspection.

Q. Okay. So after high school, did you start to work for North American?

A. I did. North American Inspection.

Q. How long did you work for North American Inspection?

A. Until 1996, when they went out of business.

Q. What was your job at -- I'm sorry, what's the name of the company?

A. North American Inspection.

Q. What was your job at North American --

A. I was a radiographer, a Level II radiographer, or x-ray technician.

Q. North American Inspection, you said, closed in 1996; is that right?

A. Correct.

Q. Did you then -- where did you work after that?

A. My father started Prime NDT Services right at that time, in January of 1997. So we -- since North American went out

of business, we were able to purchase the -- or he was able to purchase equipment and bring some of the same employees over.

Q. What was your title at Prime when it started?

A. Radiographer, Level II radiographer.

Q. What was your -- was your father's role in the company when it started?

A. President.

Q. How long --

A. And radiation safety officer.

Q. How long was your father president?

A. Until 2010, when he passed.

Q. From 1997, when it started, until 2010, when your father passed, roughly how many employees did Prime have?

A. At the beginning, it was maybe 15 or 20. And in 2010, it was probably up to 40, 40 or 50. Right, 40.

Q. Did you advance from a Level II radiographer at Prime?

A. Yeah. At -- I don't remember

A. Yeah, I believe it was May.
Q. Did your title change as part of that stock purchase with Rae?
A. Yes.
Q. So what did your title change to?
A. It became -- I'm the -- the corporate Level III and the radiation safety officer.
Q. And you have held those positions since May of 2018; is that correct?
A. Yes.
Q. And are those your -- is that your title today?
A. Yes.
Q. I know the answer to this. But do you hold certifications or professional licenses?
A. Yes.
Q. Which ones?
A. ASNT NDT Level III.
Q. Please explain the training and licensing process to become a Level III.
A. I don't know the exact hours off

A. Yes, all of them other than office staff.

Q. Are you a -- are you a union worker?

A. I'm not.

Q. So of those 70, who, by title or responsibility, would be union folks versus the non-union folks?

A. So -- and like I said, I'm not positive about the 70. It goes up and down because we're a union company and it's also a slow time of the year.

So if -- if the current would be 70, you'd probably have 60 of those being union members, and half of those 60 being Level II technicians and the other half being assistants. Most of our crews are two-person crews, comprising of a Level II technician and an assistant.

Q. So if I'm doing my math, and I'm not holding you to 70, but there are roughly ten administrative or management staff?

A. Yeah. But some of our management staff is union. I'm just not.

Stephanie, who's non-union.

Q. You were the president of Prime until the transaction in 2008 (sic) with Rae Energy, correct?

A. Eighteen.

Q. Eighteen, I'm sorry.

A. 2018, correct.

Q. Who is the current president of Prime?

A. Scott Elliott.

Q. Was he the president right after you no longer were president?

A. Yes. That was part of the whole transaction.

Q. If we're to discuss an organizational chart, for lack of a better word --

A. Okay.

Q. -- at Prime --

A. Yes.

Q. -- can you describe for me who's at the top and who's at the next rung?

A. For Prime, it would be, Scott is the president. Tim Rapp is vice president.

And then I would most likely be the next in charge. And then from there, we have regional managers.

Q. Who are the regional managers?

A. Brandon Champion is one of them. Lee Hadden is another one.

And you're just speaking currently, correct?

Q. Correct.

A. That's -- Greg Dearing, D-e-a-r-i-n-g. That's pretty much the regional managers. They all report to Scott. I don't really interact with them too much.

Q. Does Scott report directly to the board of directors?

A. Yes.

Q. Does Mr. Rapp report to Scott?

A. Yes.

Q. Scott Elliott. And do you report to Mr. Elliott?

A. Yes.

Q. Do the regional managers report to -- who do the regional managers report to?

A. Scott.

Q. What are Mr. Elliott's responsibilities currently?

A. Well, he reports to Rae Energy. He meets with customers, does sales. And I'm not sure, because we're in separate offices. And then just coordinates, you know, all the crews and, you know, what kind of work we're going to go after.

Q. Are you familiar with the nonconforming x-rays that are at issue in this lawsuit?

A. I am.

Q. What period of time were those nonconforming x-rays taken?

A. I believe it was in 2017.

Q. Were any of those nonconforming x-rays shot or taken in 2018, to your knowledge?

A. Not to my knowledge, no.

Q. In 2017, what was Mr. Elliott's title at Prime?

A. Vice president.

Q. What were his roles and responsibilities as vice president in 2017?

A. Pretty much the same. He -- he did a bunch of sales and he coordinated the -- all the jobs that we were doing, all the pipeline jobs.

He didn't really -- you know, I ran, you know, the money side of it, you know, the business side of it, and the, you know, radiation safety and just all the office-type stuff. But he still ran the jobs.

Q. So in '17, 2017, Mr. Elliott ran the --

A. All the pipeline operations.

Q. In 2017, was he working as either a Level II or a Level III technician?

A. No. Now, let me -- let me back up. He's certified, but he didn't actually, you know, go out and run a truck or -- or anything like that. But he's certified as both a Level II and a Level III technician.

Q. Was he certified as a Level II and a Level III technician in 2017?

A. Yes.

Q. Did -- in 2017, did he perform any work as a Level II or a Level III within

Prime?

A. He would have done some Level III consulting or film review. But I can't give you -- I don't know exactly what he did.

Q. Was most of Mr. Elliott's work in 2017 management-type work?

A. Yes.

Q. Was -- in 2017, was Mr. Elliott supervising the field operations?

A. Yes.

Q. In 2017, was Mr. Elliott supervising field operations related to the Welded subcontract?

A. Yes.

Q. And I want to -- I want to go back and ask you questions about 2017.

You were the president of Prime in 2017, right?

A. Yes.

Q. You touched on it a bit, but briefly, what were your roles and responsibilities in 2017 as the president of Prime?

A. I would handle or oversee the -- you know, any of the office operations, radiation safety, the Level III operations, financing, you know, making payroll, things like that.

Q. You mentioned earlier someone by the name of Tim Rapp.

A. Yes.

Q. Tim Rapp is currently the vice president of Prime, correct?

A. Correct.

Q. In 2017 -- strike that.

Let me ask you this question: Currently, as the vice president of Prime, what are Mr. Rapp's roles and responsibilities?

A. Tim works with bidding and contracts, coordinating crews, you know, making sure we have enough people and the right people and assigning them to projects.

Q. In 2017, when the nondestructive testing or the nonconforming x-rays -- strike that whole question.

In 2017, what was Mr. Rapp's title?

A. I -- I believe he was operations manager.

Q. As the operations manager in 2017, what were his roles and responsibilities?

A. The same as they are today.

Q. So in 2017, Mr. Rapp was responsible for bidding for Prime; is that right?

A. He was doing bidding. He was -- he was doing bidding. He was coordinating all the crews, making sure all the jobs were covered. And he might at that time have started handling some of the billing. He does work with billing now, also. I forgot to mention that.

Q. Does he have a Level II or Level III certification?

A. I don't think it's current anymore. But he was previously a Level II. But I'm not sure if it's current at this time.

Q. Did Mr. Rapp have management responsibilities over the field crews for Prime in 2017?

A. Yes.

Q. Did he have management responsibilities for Prime in 2017 as it related to the Welded subcontract?

A. Yes.

Q. Did Mr. Rapp run the field operations for Prime related to the Welded subcontract?

A. With Scott. So not entirely by himself, no.

Q. So to clarify, Scott Elliott and Tim Rapp ran the field operations for Prime in 2017 as it related to the Welded subcontract; is that correct?

A. Correct.

Q. Did Mr. Rapp supervise Prime's crews in 2017 on the Welded subcontract?

A. Supervise in what manner?

Q. Did he oversee their performance?

A. No.

Q. Did he have any supervisory function over the field crews for Prime in 2017 as it related to the Welded subcontract?

A. No, not on site; no.

Q. How about not on site, but in the office, did he have some supervising role for the Welded subcontract?

A. Yeah. He handled who was there and, you know . . .

Q. In 2017, as it related to the Welded subcontract, who at Prime was responsible for -- for billing? Was that Mr. Rapp?

A. Yeah. It would have been -- it would have been Mr. Rapp, or Tim, yeah. And my office manager at the time created the invoices, which was Renee Olsovsky.

Q. How do you spell that?

A. I think it's O-l-s-o-v-s-k-y.

Q. She was the office manager; is that right?

A. Yes.

Q. Ms. Olsovsky was the one at Prime who created the bills that were sent to Welded for the subcontract; is that what you're saying?

A. Yes.

Q. In 2017, as it related to the

A. The -- the code dictates how that is supposed to be carried out. So the -- the code requires that there is a Level II technician on there to perform his job.

Welded did not want us to have a supervisor on site. So we just worked according to code. And then the code reads that it's the pipeline owner's responsibility to make sure that everything that the Level II technician does is acceptable.

BY MR. GUERKE:

Q. Let me break that down a bit.

You just said the code requires that the pipeline owner is responsible for performance of the crew's work; is that . . .?

A. Right. So the -- there's no -- there's nothing in the code that says that we would put a supervisor on site to -- you know, to watch our crews. He was certified to -- to do the work according to code. And then the film review and the acceptance of the work that we do has to be approved by the pipeline owner. That's the way the code reads.

Q. Who is the -- the pipeline owner

job site, no, there's never a supervisor.

But when you have a job with multiple crews, we -- we push in our -- in our bid to put a supervisor on, because it makes it run smoother. That's always our recommendation.

Q. When you -- in those situations where you -- where Prime would put a supervisor on a job, would that supervisor be a union worker?

A. Yes.

Q. And would that supervisor be either a Level II or a Level III tech?

A. By code, they would have to be at least a Level II. So there's no specification saying that they have to be a Level III. But they would -- if they're reviewing film, they would have to at least be a Level II certified technician.

Q. So was there anyone at Prime who was supervising the work that Prime's crew performed on the Welded subcontract?

A. No.

Q. In 2017, as it relates to the

Q. A related question. Who at Prime was responsible in 2017 as it relates to the Welded subcontract for making sure that the crews were showing up on time at the locations required by the subcontract?

A. So once we dispatch a crew, let's say Tim Rapp dispatches that crew to the job site, then after that, they would report to whoever Welded would tell them to report to, whether it's a Sunoco person or a Welded supervisor.

Every morning, they would report to that person, and that person would give them their instructions for the day. And then at the end of the day, they would turn in their reports to whoever was designated.

Q. After the Prime crew received instructions, who at Prime was responsible for making sure those instructions were followed?

A. It's -- it's on the technician. The code reads that the -- that a Level II technician is qualified to perform all those functions.

Q. The dispatching of crews --

A. So he is his own supervisor.

Q. So is what you're saying, that a Level II technician is his own supervisor?

A. On -- yes, on those jobs. And not to be -- dumb it down or anything, but just it's the same as if you would hire a plumber. A plumber would come to your house and perform a job and he does not have a supervisor over him at all times making sure that he knows how to put a pipe together or fix a toilet or something like that.

You know, our Level II technicians are -- are qualified and certified to, you know, perform their function without having a supervisor for every person on site.

Q. Does a Level III supervise a Level II in the field?

A. No. Un-unh. A Level II supervises a Level I. A Level III, like I said, writes procedures and certifies people.

The -- when it comes to performing an x-ray or an inspection, all that's required is a Level II. A Level III is very rare in the industry. There's probably

for every single weld that Welded made on a project?

A. Yes.

Q. Okay. Can you walk me through how a crew does its work on this Welded project, a typical -- a typical crew inspecting a typical weld?

A. Okay. So they would report to the job site. They would get their instructions from the supervisor that they're working for. That's normally either the pipeline company or the welding company.

They would be, you know, instructed on what they need to inspect that day. They would go out to those welds, and in this case, they would radiograph, or x-ray is more of a slang term, because you're not actually using x-rays, you're using gamma rays, but you would radiograph the weld.

And then we would develop that radiographic film on site, and then complete a report each day listing what we inspected and the outcomes that we found. And then we will turn that into the same supervisor.

Q. What equipment is used to do -- strike that.

All the weld inspections that Prime performed, was it radiographic inspection?

A. For this project, yes.

Q. And if I call those x-rays, will you understand that I'm referring to the same thing?

A. Yeah, that's the slang term that most people use, is x-rays.

Q. What equipment is used to perform that type of inspection?

A. For this particular job, it would have been a gamma ray projector made by a company called QSA Global.

Q. For someone who doesn't know, what does that look like?

A. That looks like, it's a yellow device that's about 60 pounds. It's approximately 13, 14 inches in length with a handle. We -- as a slang, you may -- we might refer to it as a camera. But it is a depleted uranium-shielded radioactive device that's, you

know, 13 inches by nine inches, by nine inches tall, that weighs about, like I said, about 56 pounds.

And then it is remotely operated, using 35-foot crank-outs. That way we limit the radio -- the radiation exposure to our employees.

Q. What size pipe was Prime inspecting on this job?

A. I don't -- I don't know.

Q. Was this camera --

A. I know there was various sizes. You know, I think there was various sizes. I think it was 20 inch was the most common. But I'm not positive, off the top of my head.

Q. Does the device or the camera, does it move around the perimeter of the pipe or does it stay in place and just shoot the whole thing?

A. This type stays in place. And you have to -- for this particular project, you have to shoot the weld in thirds. So you would cover a third of the weld with film. And you would have that radiation source on the

opposite third. And then you would take three shots going around the weld so that you can get complete coverage of that weld.

Q. Typically, how -- how many welds would you have in, let's say, a hundred yard span of a pipeline?

A. It all depends on terrain. Normally, the pipe, I believe, is like 40-foot sections. So every 40-foot, there would be a weld.

Q. When Prime was inspecting a weld on this project, how long did it take to -- to shoot the x-rays for one weld?

MR. HEYDEN: Objection.

You can answer.

A. I -- I don't know, because it depends -- it changes daily. When you work with radioactive materials, they decay every day.

So a ballpark would be two minutes, or a minute and a half, two minutes per exposure, and then three exposures per weld.

BY MR. GUERKE:

for Prime on this project?

A. I believe two. And I say "I believe," because on -- if they have -- and I don't know about the specific project, but if they have busier days or something, they might add a third person or a fourth person. But generally, it's two.

Q. Who does the -- who are the two crew members? Is one a Level II and one was something else?

A. Yeah. There's a Level II technician, and then there's an assistant, which is either a Level I or he may not be a level anything. He's just a certified assistant.

Q. What does a Level II do compared to what the Level I would do on a -- on a job?

A. A Level II is allowed to review and interpret the radiographs. So he's the person that can make those calls, fill out that report saying something is good or -- or not good.

Q. Who of the two-man crew is responsible for developing the film?

means that it was originally inspected.

Q. And generally, why -- why are the welds required to be inspected?

A. To make sure that the -- the welding meets the standards that are outlined in the code that they're working to.

Q. If a weld does not meet the standard, what could be a consequence of that?

A. The pipe could blow up.

Q. As part of Prime's work, is safety, pipeline safety, a concern?

A. Definitely.

Q. If you would turn back to the subcontract in front of you, Exhibit 2.

A. Uh-hum.

Q. Go to the second page. There's a -- a bullet point at the top and it says, "Subcontractor shall maintain a record of each weld in the form of a weld log."

Do you see that?

A. Yes.

Q. What is the weld log?

A. That would be a report that we turn in daily.

code. Because some -- you know, some pipeline companies might have their own procedure, also, and they may want us to incorporate some of -- of what they have in their procedures in our procedures. But most time, it's general.

Q. Did Prime supervise its x-ray technicians who performed work on the Welded project?

MR. HEYDEN: Objection.

You can answer.

A. No.

BY MR. GUERKE:

Q. Are you familiar with Joshua Springer?

A. Yes.

Q. Are you familiar with David Springer?

A. Yes.

Q. How are you familiar with Joshua Springer?

A. From reviewing his training, his hiring packets. I have to make sure that he has the proper radiation safety certifications and things like that.

be a percentage for a profit in that. Not a very high percentage, but there would be a percentage in that. And then we would have a percentage on the consumables, which is on the bottom of the page. And then that would cover darkroom -- the darkroom, the chemicals, the film, all the added equipment needed for -- for that.

Q. Is --

A. But subtracting out the equipment and everything, all the equipment would come out of the 2,000. So I'm not sure what the actual percentage was at that time.

Q. As a standard practice in 2017, did -- when establishing a daily rate, did Prime break out overhead and profit or was profit part of its overhead number?

A. I don't remember.

Q. Can you give me a rough estimate of -- percentagewise -- of what the overhead and profit would be on a $2,000 day rate?

A. I would have to calculate it out. I'd have to know the -- I gave you ballpark figures for what the rates were,

because I don't -- I haven't dealt with those in years. So I'd have to figure those out. You know, probably in the ten, 15 percent range, but . . .

Q. And that ten to 15 percent range, that would include some percentage for profit?

A. Yes. We were cutting -- you know, trying to get these big projects, we were cutting it pretty -- pretty tight on everything, so.

Q. The -- the ten to 15 percent, which is your -- Prime's overhead and profit, would that include money to cover for your costs and your office costs?

A. Yes.

Q. Would that also cover Mr. Rapp's and Mr. Elliott's --

A. Yeah, all office --

Q. -- work on the project?

A. All office expenses, yeah, because none of those were billed to the customer. It would also cover wear and tear, fuel, thing like that, for the first hundred

miles. And then over a hundred miles, we would charge a dollar a mile to -- to help out with the fuel and the expenses for the trucks.

Q. So the -- the Prime personnel that managed and supervised the Welded subcontract were paid through this $2,000 day rate, right?

MR. HEYDEN: Objection.

A. Yes.

MR. HEYDEN: You can answer.

THE WITNESS: I'm sorry.

A. (Continuing) Yes.

BY MR. GUERKE:

Q. Do the rates for Prime change every year?

A. Yes.

Q. Does that rate change coincide with a change in the union member labor rate?

A. Yes. Because those change in per diem rates change every year.

Q. Did Prime secure insurance for its work covered under the subcontract?

A. Yes.

Q. Did -- for the insurance that it

quality mistakes. And he didn't want the auditor or anybody else on the job to know, because they'd probably fire him. So he was going back and trying to correct his mistakes instead of going about the -- and doing it the correct way, and, you know, telling the auditor that he screwed up and he has to go backwards and reshoot something.

Q. Did Prime discover in 2018 that one of its technicians was falsifying x-ray records?

A. Yes.

Q. Were the falsified records discovered first on the US Trinity project?

A. I believe so.

Q. Please describe what you discovered -- strike that.

Please describe what Prime discovered in relation to Prime's technician falsifying x-ray records on the US Trinity project.

MR. HEYDEN: Object to the form.

You can answer.

A. Okay. I have secondhand

knowledge through Scott Elliott. From what he told me, that they caught Mr. Springer falsifying a weld on that job. And I don't recall if it was us or the auditor that caused them to go back -- I believe it was the auditor -- but that caused them to go back and check his previous work.

BY MR. GUERKE:

Q. You just testified that someone at US Trinity caught Mr. Springer falsifying welds.

How was he caught doing that?

A. So if there's an indica -- indication on a radiograph that is of a unique nature, and it appears on another radiograph, it kind of makes you look closer at it, because no two radiographs are identical.

So if there's something of a unique shape or just something that you've seen before, if you go back and can find that same image on another weld, then that will tell you that -- that it's been falsified.

Like I said before, it's not very common. You know, in a business of

integrity, you don't see it very often. But, you know, in this aspect, they -- they caught that.

Q. Did Prime discover that Prime's technician was falsifying records for the work performed for Welded Construction under the subcontract?

A. Did -- did Prime?

Q. Discover, yes.

A. I don't believe Prime discovered.

Q. Did Prime learn that one of Prime's technicians was falsifying records for work allegedly performed for Welded under the subcontract?

A. Right. Through the auditor, I believe, yes.

Q. What I'm trying to get at is, Prime learned that the technician was falsifying records on the Welded project in addition to the US Trinity project, correct?

A. Through the auditor, yes. What I'm trying to say is -- is, we weren't on the job as supervisors. So we did not -- we were

not there to catch it. So I'm saying we caught it through an auditor, yes.

Q. Who was the auditor?

A. I don't know.

Q. How -- regardless of the name of the auditor, how did the auditor inform Prime of the problem with falsified records?

A. I -- it -- I learned it from Scott. So I'm -- I'm guessing that they reached out to Scott.

Q. What did -- what did Prime do in response to finding out from the auditor that it had a technician that was falsifying records on Welded's subcontract?

A. We went through all of the film that was ever shot by that technician, as well as all the other technicians on every one of these Mariner spreads, to ensure that it was isolated to that one technician.

Q. What did Prime discover in that process?

A. I'm not sure if -- if our guy caught it all or if it was the auditor. But I believe they found 73 welds that they believe

were falsified.

Q. All 73 of those welds that you just mentioned were for the Welded subcontract work, right?

A. Yes.

Q. During the review that Prime conducted once it learned of this falsified record issue, was the problem isolated with only that one technician?

A. Yes.

Q. Was that technician Joshua Springer?

A. Yes.

Q. When did that problem come to Prime's attention?

A. I don't remember the date. It was in, I mean, 2018. But I don't remember the exact date.

Q. Was Scott Elliott the first person at Prime that was informed of that problem?

A. To my knowledge, yes. He informed me, so.

Q. You touched on this a little bit

understanding that the issue related to a single weld or were there multiple welds like we had with the Welded subcontract?

A. I believe I was informed it was a weld, one weld.

Q. Do you know over what period of time the falsified x-rays were shot?

A. I don't. I believe it was a couple, three, four months, five months maybe. I don't know the exact span.

Q. We just discussed Prime's investigation.

Who at Prime conducted that investigation?

A. Of?

Q. Joshua Springer.

A. I believe it was Robert Elliott we had in there to review some film. I think Scott did some of it. And then I went out to a Sunoco Mariner East project that was out this direction that Springer was on, just for a few days, and I reviewed film on that project.

Q. Who is Robert Elliott?

A. Robert Elliott, I believe, is

- - -

THE VIDEO TECHNICIAN: The time is now 3:07. We are back on the video record.

BY MR. GUERKE:

Q. After the falsified records were discovered from Josh Springer, was Prime involved in the remedial work that Welded performed?

A. Yes.

Q. What work did Prime have in Welded's remedial work?

A. We provided a crew to go behind the excavators and reinspect the welding.

Q. Just -- is that just one crew?

A. To my knowledge, it was one crew.

Q. Was that one two-man crew?

A. Yes.

Q. Was Welded required to dig up and reshoot the 73 affected welds for the Josh Springer incident?

A. To my knowledge, yes.

Q. Did Prime reshoot the x-rays for

EXHIBIT D

Excerpts of the Record Supporting Welded's Position That Scott Elliott and Tim Rapp Were Prime's "Project Managers" and/or "Superintendents" on the Project

Evidence in the Record That Prime's Management Team Were Project Managers and/or Superintendents for the Project		
Deposition of Scott Elliott *December 12, 2019*		
Page(s)	**Excerpt**	**Relevance**
Pages 18:12 to 19:11	18 Q. Oh. As – I'm sorry. When did you start the position as president? A. Early 2018. Q. And as the president of Prime NDT, what are your responsibilities? A. Make sure the company runs well. I mean, it's all my responsibility. Q. And who reports directly to you at Prime NDT? A. Currently, Tim Rapp. Q. And what is his role – what is his role with the company? A. Bids and – bids and contracts. Q. And what's his title? 19 A. We don't really have official titles, but he's – Brandon Champion.	Scott Elliott and Tim Rapp have responsibility for company operations. Prime does not utilize "official titles."
Pages 21:13 to 22:2	21 And what were your job responsibilities as – in this position at Prime NDT as vice president? A. I pretty much done the sales, hired the people, took care of the equipment and managed the day-to-day operations of the pipeline side of the company. Q. And as – in this position, who would report to you? A. At that point in time, Tim Rapp was the only administrative assistant – assistance that I had. And then, I mean, the entire company would, other than Don Shumway, would 22 report to me, I guess. Wouldn't necessarily report to me, but they were my responsibility.	Mr. Elliott managed the day-to-day operations of Prime's pipeline projects.
Pages 44:13 to 46:14	44 Did Prime perform any quality control over their technicians' work on PP1? A. Yes. Q. What – what type of quality control did you do – did Prime do? A. We have 180-day audits that we do on our personnel for safety and quality. * * * 46 Q. So who performs – who actually performs these 180-day audits? A. It varies. Q. Varies. Can you explain, what's the	Mr. Elliott and the management team performed radiation safety audits of personnel on the Project.

	variance? Who are the type of people or when? A. Someone in a management – that's available to go. Q. Have you ever performed those? A. Yes.	
Pages 69:17 to 70:23	69 Q. Okay. We discussed earlier you attended a meeting among Sunoco and Welded, correct? A. Yep. Q. And there was coming up with a game plan of how to address the affected welds, correct? A. Yep. Q. Okay. And maybe you could explain 70 to me your understanding of what the plan was going to be to address the affected – how to get to and re-examine all of the affected welds. A. Well, it's my understanding, when they – when they move trucks around, they have to – they have to get certain permits to move the trucks. They were going back in property that they – in some cases they had already been on, so they had to make arrangements with the homeowners, and I mean, there was a whole array. And they wanted to hurry up and get it done. So they were going to talk about maybe bringing in additional crews to work on that. Because they – and that's why I know they never stopped their other work because they wanted to bring in additional crews to work on this as they kept their other work moving forward. Q. And when you say "they wanted to hurry up and get it done," who's the "they"? A. All parties.	Mr. Elliott participated in a management meeting to develop a plan for remedial work. Such meeting addressed, among other things, allocation of crews on site.
Pages 76:25 to 78:5	76 Q. So – which is the long way of 77 saying this is an Excel spreadsheet, so this is why we tried to print out in a fashion where we could actually read it. Do you recognize this document? A. This is what we call a billing summary. Q. Billing summary? Okay. And – and who at Prime would prepare a billing summary? A. Well, right now the lady's name is Stephanie. But I don't believe she was with us at this – at this time. Q. Okay. A. This is something Tim – Tim kind	Mr. Elliott and Mr. Rapp tracked billing data associated with the remedial work, including the "dig-ups and re-shots" for purposes of costing.

	of helped me put together, a spreadsheet to do this. Q. And when you say Tim? A. Rapp. Q. Tim Rapp. Okay. And at the bottom of this, there's notes. And it says; Dig-Ups/Reshots, Non Billable, for Insurance/Costing. A. Um-hmm. Q. So what was the purpose of this spreadsheet? 78 A. Because it's time we didn't – wasn't sure if we would be able to turn this in on our insurance or not. Q. Okay. A. So we wanted to keep track of it.	
Pages 97:13 to 97:25	97 Q. Okay. And during July of 2018, what was Tim Rapp's role at Prime NDT? A. I'd call him maybe an operations manager. Q. Okay. Are you aware if Tim looked into how – I guess, Josh Springer's role at Prime NDT – his history at Prime NDT? A. Well, according to this, he went back through his personnel file and pulled the dates that he was with us, tested. Q. And do you know why he was sending this on July 23rd, 2018 to Mr. Dresh? A. It had to have been requested.	Mr. Elliott considered Mr. Rapp an operations manager. Upon receiving notice of the Sham Radiograph Films, Mr. Elliott looked into Mr. Springer's qualifications and responded to inquiries for such data.
Pages 98:9 to 100:5	98 Q. I'm sorry. That's correct. Did you ever have any direct conversations with Mr. Springer once you found out that there could be an issue with his x-rays on – on any spread of – A. Yes. Q. – work? Yes. When did you first have a discussion with Mr. Springer? A. About 10 minutes after the phone call from the original technician. Q. And what exactly did you guys discuss on that call? A. I asked him what he had done. How -- why the discrepancy was there and what his thinking was and why he had done this or what he had done. Basically there was probably a 99 few curse words in there, and that was pretty much a short, brief conversation, and we went from there. Q. Did he discuss with you how many times he did it? A. He did not verbally, no.	Mr. Elliott directly handled the Sham Radiograph Films and personally interviewed Mr. Springer.

	Q. Did you ask him how long it had been going on? A. I did. Q. And did you ask him which spreads he worked for for Prime that he did that on? A. I did. Q. Did. And which spreads were those? A. He did not – he – he – he did not recall at the time. Q. After that initial call – what time – that was right after your first call from the level-two tech, correct? A. Right. Q. And you're not sure exactly what date that was? A. Right. Q. But that was prior to June 29th, 2018? 100 A. It would have been somewhere around 6-1-18 evidently. Q. 6-1. A. If that's the day he was fired, that was the day that we had the conversation	
Pages 32:23 to 33:8	Q. So you – you had this initial call with Mr. Springer, and did you – what did you do next as far as did you – did you start to 33 investigate further? Did you talk to anyone? A. We relieved Mr. Springer. Q. You – when you say you relieved him, did you say, You're fired. Don't come back? Or what – what – what does "relieved" mean? A. I told him to bring our truck back to us and – yeah.	Mr. Elliott personally terminated Mr. Springer.
Pages 106:5 to 107:5	106 Q. So page 1 of Exhibit 8 [sic], the date at the top of this letter is July 24th, 2018. It's to your attention. From Doug Sutton. Do you – do you know who Doug Sutton was? A. Um-hmm. Q. Okay. And – A. Yes. Sorry. Q. And had you communicated with Doug Sutton prior to this regarding the rework? A. Yes. Q. Okay. And how often would you discuss the rework with Doug Sutton? A. I think I met with Doug briefly once or twice in Washington, Pennsylvania. Q. And what – what's – what's Washington – what's the significance of Washington, Pennsylvania?	Mr. Elliott met with Welded's project manager onsite at Welded's equipment yard to discuss remedial work. *Mr. Sutton is identified as Welded's project manager on the Project in the Dec. 17, 2019 Deposition of Douglas Sutton, at Pages 22:15–17; 24:19–15.

	23 A. Well, that's where their yard was 24 at. 25 Q. Okay. 107 1 A. I was on site. 2 Q. And then, what – do you recall 3 what time frame you met with him? 4 A. Somewhere in the July – June/July 5 time frame.	
Pages 114:10 to 117:18	114 10 Q. Okay. And then, what factors did 11 you consider – did you prepare a bid or submit 12 a bid to Welded after you met with Mr. Welsh? 13 A. We did at some point. 14 Q. Okay. Did you prepare the bid for 15 Prime? 16 A. Most likely Tim would have typed it 17 up. 18 Q. Would you and Tim have a discussion 19 about what you would want to capture in your 20 bid? 21 A. Yes. 22 Q. Okay. And what – what 23 considerations did you – do you take into 24 account when you're bidding a job as – as 25 defined – sorry. 115 1 What considerations do you take 2 into account when you're bidding for a job on a 3 -- to do NDE work on a pipeline over multiple 4 spreads? 5 A. We kind of have a smorgasbord 6 pricing. So if they want certain services, we 7 give them a list of the prices for those 8 services. 9 Q. Do you have prices for preferred 10 customers, for repeat customers? 11 A. Well, we can – whatever price we 12 put in there, I guess, is the price. But we 13 try to keep a margin that's sustainable for a 14 company and add it to our – our labor costs 15 and our costs and, like, put a little margin on 16 there, and that's our price. Would we beat up 17 some numbers because the year – the – the 18 time and frame the test was bid was a terrible 19 time in our industry – and so we probably did 20 reduce our pricing to try and get the job. 21 Q. Would it factor into your decisions 22 on a bid if it was going to be a very long 23 project with more work for Prime NDT? 24 A. Sure. 116 10 Q. Were there any timing 11 considerations that you and Tim Rapp discussed 12 when preparing a bid for this project? 13 A. I'm sorry?	Mr. Elliott and Mr. Rapp prepared bids for projects by assessing the length of a particular project, pricing, overhead costs, and margins.

	Q. I guess, did you have any concept for how long this project would take? A. No. Q. No. Did you anticipate it would take more than one month? A. No. I mean, I anticipated that – my experience in the industry, that most pipeline contractors will get approximately a mile a day – Q. Um-hmm. A. – on a mainline. So we were 117 looking at 30-mile spreads. We figured, you know, with tie-ins, maybe two, three months. Q. How did you assess Prime's ability to have the manpower to meet the needs of a project before you submitted a bid? A. How did I assess our manpower? Q. So before you put in a bid for a project that, by this you felt would be at least a few months, how do you know you would have enough Prime employees to – to conduct the work? A. Based on what little information we got from Welded as far as how their execution of the job would go and how many units they wanted, we'd come up with a number of people. Again, we're signatory to Operating Engineers Local 112, which is a pool of almost 1,400 trained personnel.	
Pages 136:17 to 140:5	136 Q. Okay. And under this letter, Ms. Bisnett says that the contractor is providing notice to Prime NDT that the Sunoco ME2 OPP1 project shall commence x-ray activities on or around October 12th, 2016. Contractor authorizes subcontractor to begin preparations to support construction activities beginning on this date. What type of preparations did you start after you received this notification? 137 A. Well, we had been prepared for quite some time, so there wasn't a lot to start at that point. Q. What do you have to do for the – to be ready to start when you get a notice like this. What – what types of things does – what kind of preparations do you need to be ready so Prime can be ready to start working on the pipeline? What – what considerations do you do? A. Well, we – we already have our equipment. We keep our equipment up and ready to go and we start looking for the personnel that we're going assign to these projects and	Mr. Elliott personally communicated with Welded regarding crew assignment. Welded would provide Mr. Elliot with information about the type of work that Welded would be performing on a given day, and Mr. Elliott would determine how many people would be sent to the Project to perform NDT services. Once that determination was made, either Mr. Elliot or Tim Rapp would personally notify the technicians to direct them to a particular part of the Project.

get them on those and ready to go.
Q. How long does it usually take you -- or how long do you like to have to be able to – to get your personnel ready to go? How long do you need?
A. Most of these personnel already work for us, so we need a couple days notification to get them to the shop and get them going where they're going. A lot of them already have their equipment in their truck with them and they're somewhere working, so

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they would just be told to move, come over to that direction.
Q. And how do you decide the number of personnel that – that you're going to need for that project?
A. I don't.
Q. You don't.
Who – who decides that?
A. Welded.
Q. And how does Welded inform you of the number?
A. Most typically, they'll call me one evening and say; We want a truck tomorrow.
Q. And what does that mean if they want a truck tomorrow?
A. That means I've got to scramble and find a truck and send them the personnel for the following day to get to work.
Q. And how do you know the number of people that have to be on that truck? Like, the number –
A. They will indicate what they want. If they feel like they're – they're going to be following a production crew, then we'll perhaps put three people. If they feel like

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it's a tie-in or slow production, we'll put two people. If it's a lot of production, then we'll think about a crawler.
Q. And who at Prime – once you get the call from the customer saying; We need a truck tomorrow, who at Prime actually coordinates finding that personnel and matching them up and telling them where to go?
A. At the period of this – of this time –
Q. Yeah.
A. – it was me and Tim.
Q. You and Tim?
Could it be you or Tim?
A. Could be.
Q. Did you and Tim discuss often –
A. Yes.
Q. Okay. And then, how did that work?

	How did – did – did you guys call the crew members and say; You're called in, or e-mail or text? A. Yeah. For the most part, we were anticipating this work and hoping for it. And we had guys that were wanting to go to work that had been selected that they would get to 140 go when the call came. So they were – I mean, there was years of preparation for this before it started, so we knew, you know, what was going to happen. Or who was going to go, at least.	
Pages 144:21 to 149:6	144 Q. This is an e-mail from Cecilia Hernandez to – to your e-mail address, the pndtscott@live.com, dated August 10th, 2016 regarding pre-construction meeting for OPP1. Is this the meeting you were discussing before 145 at the race – or the – A. Yep. Q. – in Washington? Yes. Okay. With the big conference room with all the people? Okay. And in this e-mail, she said that she requested that the project manager and superintendent for Prime for OPP1 be present at the kickoff meeting. And you were the only person who attended on Prime's behalf, correct? A. Yes. Q. Okay. Is there – do you recall any reason why you would be the only person who would have attended the meeting on Prime's behalf, the kickoff meeting? A. Probably because financially we only have such a staff, and we don't have project managers or superintendents for this project on payroll, or never did have one period. Q. Um-hmm. A. I, as the vice president, would be the only person that would be – attend something like this to get the information and relay it back. 146 Q. Relay it back? And you just said Prime never has project managers? 146 A. No. Q. Okay. And never has superintendents? A. No. Q. And why do you – why do you believe that?	Apparently, both Welded and Prime understood the terms "project manager and superintendent" to apply to the roles of individuals on Prime's management team—not individuals with specific titles—because Welded personnel contacted Mr. Elliott requesting that Prime's "project manager and superintendent for Prime" be present at a kick-off meeting to start the project. According to Scott Elliott, Welded did not agree to pay for a site supervisor (*see* Elliot Dep. Tr., at Pages 167:12 to 169:2), so Welded could only be referring to individuals on Prime's management team. Indeed, Scott Elliott attended on Prime's behalf.

A. Because that's not – that's not our role in a project, to manage it. It is not our role to provide a superintendent. That is a contractor term used for their people. Just like a chief inspector and assistant chief inspector is third-party inspection terminology for their people.

All we have at most would be a site supervisor if the contractor or the parent company decides they want to purchase one, pay for one. If they don't, then our technicians are there to do the work at the direction of the contractor or the parent company.

Q. But you participated in this meeting to understand the process on behalf of Prime?

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A. Mostly trying to get an idea of the scheduling.

Q. Um-hmm.

A. But yeah. I mean, the process is pretty standard across the industry when you work with API 1104. Like I said, our procedures are pre-written, they're updated every year, they're submitted to multiple customers. It's not – there's not a big change for an NDT company.

Now, for a contractor, I assume that, depending on what river they bore or what the situations they have to go to specific there may be more details that change. But for us, it is – we're just kind of like a plumber, you call us when you want your pipe checked, and we come and do it.

Q. And you just mentioned sometimes some of your contracts you use what's called a supervisor?

A. Yes.

Q. What – what – what is the job of a supervisor for Prime?

A. Well, a typical role for a supervisor is to do the scatter, to talk to the

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-- to communicate with the customer and coordinate the trucks where needed.

Q. And during the time frame that Prime was working on any part of the ME2 spread, did Prime – how many crews at a time would Prime have out on the field?

A. I – do you want me to go through the specific spreads?

Q. Sure.

A. I believe in Ohio, some – at some point they might have been up to five or six. As they divided the other spreads, I think they would – they allowed us to have three per

	section. And it may have went to four in some, but I don't recall. Q. And how did Prime track all of its crews out on the different jobs? A. Well, we have a scatter sheet that we kind of keep track of where our people are at across the country. Q. And what happens – what would happen on either OPP1 or PPP1 if one of your – your level-two techs didn't show up one day on a job, what would happen? A. Welded would call me. 149 Q. They would call you? A. Yeah. Q. Okay. A. Or call Tim. They would call us and let us know, but I don't know that that ever happened.	
Deposition of Don Byron Shumway *December 10, 2019*		
(Pages 10:20 to 11:10)	10 Q. Did you discuss anything else with Mr. Elliott in preparation for your deposition? A. No. Q. Why did you have this discussion 11 with Mr. Elliott rather than someone else within the company? A. Because he's -- he was more involved with -- with this project. I was in the office and not on job sites. I didn't have the same interactions that he had. Q. By whom are you currently employed? A. I'm -- I'm employed by Prime NDT Services, which is owned by Rae Energy.	Mr. Elliott was onsite on the Project and was more involved in the day-to-day operations than Mr. Shumway.
(Pages 29:20 to 30:12)	29 Q. In 2017, what was Mr. Elliott's title at Prime? A. Vice president. Q. What were his roles and responsibilities as vice president in 2017? 30 A. Pretty much the same. He -- he did a bunch of sales and he coordinated the -- all the jobs that we were doing, all the pipeline jobs. He didn't really -- you know, I ran, you know, the money side of it, you know, the business side of it, and the, you know, radiation safety and just all the office-type stuff. But he still ran the jobs. Q. So in '17, 2017, Mr. Elliott ran the --	Mr. Elliott's role in 2017 was much the same as it is currently. Mr. Elliott managed/coordinated Prime's pipeline operations.

	12 A. All the pipeline operations.	
(Page 31:6 to 31:15)	31 6 Was most of Mr. Elliott's work 7 in 2017 management-type work? 8 A. Yes. 9 Q. Was -- in 2017, was Mr. Elliott 10 supervising the field operations? 11 A. Yes. 12 Q. In 2017, was Mr. Elliott 13 supervising field operations related to the 14 Welded subcontract? 15 A. Yes.	Mr. Elliott supervised field operations related to the Welded subcontract.
(Page 32:12 to 32:19)	32 12 Q. In 2017 -- strike that. 13 Let me ask you this question: 14 Currently, as the vice president of Prime, what 15 are Mr. Rapp's roles and responsibilities? 16 A. Tim works with bidding and 17 contracts, coordinating crews, you know, making 18 sure we have enough people and the right people 19 and assigning them to projects.	Mr. Rapp bid and finalized contracts, coordinated crews, and assigned crews to projects.
(Pages 33:5 to 35:5)	33 5 A. The same as they are today. 6 Q. So in 2017, Mr. Rapp was 7 responsible for bidding for Prime; is that 8 right? 9 A. He was doing bidding. He was -- 10 he was doing bidding. He was coordinating all 11 the crews, making sure all the jobs were 12 covered. And he might at that time have 13 started handling some of the billing. He does 14 work with billing now, also. I forgot to 15 mention that. 16 Q. Does he have a Level II or 17 Level III certification? 18 A. I don't think it's current 19 anymore. But he was previously a Level II. 20 But I'm not sure if it's current at this time. 21 Q. Did Mr. Rapp have management 22 responsibilities over the field crews for Prime 23 in 2017? 24 A. Yes. 34 1 Q. Did he have management 2 responsibilities for Prime in 2017 as it 3 related to the Welded subcontract? 4 A. Yes. 5 Q. Did Mr. Rapp run the field 6 operations for Prime related to the Welded 7 subcontract? 8 A. With Scott. So not entirely by 9 himself, no. 10 Q. So to clarify, Scott Elliott and 11 Tim Rapp ran the field operations for Prime in 12 2017 as it related to the Welded subcontract; 13 is that correct?	Mr. Rapp's role in 2017 was much the same as it is currently. Mr. Rapp assisted Mr. Elliott in managing the field operations of the Prime's services on the Project.

	14 A. Correct. 15 Q. Did Mr. Rapp supervise Prime's 16 crews in 2017 on the Welded subcontract? 17 A. Supervise in what manner? 18 Q. Did he oversee their 19 performance? 20 A. No. 21 Q. Did he have any supervisory 22 function over the field crews for Prime in 2017 23 as it related to the Welded subcontract? 24 A. No, not on site; no. 35 1 Q. How about not on site, but in 2 the office, did he have some supervising role 3 for the Welded subcontract? 4 A. Yeah. He handled who was there 5 and, you know . . .	
(Page 36:6 to 36:20)	36 6 In 2017, as it relates to the -- 7 or as it related to the Welded subcontract, who 8 at Prime was responsible to make sure that 9 Prime had sufficient manpower? 10 A. That would have been either 11 Scott or Tim. 12 Q. In 2017, as it related to the 13 Welded subcontract, who at Prime was 14 responsible for sequencing Prime's work? 15 A. Explain, please. 16 Q. Coordinating -- coordinating 17 the -- 18 A. That would have been Tim and 19 Scott. They're in the same office and they 20 kind of work as a team on -- on everything.	Mr. Elliott and Mr. Rapp were responsible for ensuring that there was sufficient manpower for the provisions of services on the Project. Mr. Elliott and Mr. Rapp were responsible for sequencing Prime's work streams.
(Pages 110:5 to 111:12)	110 5 Q. And that ten to 15 percent 6 range, that would include some percentage for 7 profit? 8 A. Yes. We were cutting -- you 9 know, trying to get these big projects, we were 10 cutting it pretty -- pretty tight on 11 everything, so. 12 Q. The -- the ten to 15 percent, 13 which is your -- Prime's overhead and profit, 14 would that include money to cover for your 15 costs and your office costs? 16 A. Yes. 17 Q. Would that also cover Mr. Rapp's 18 and Mr. Elliott's -- 19 A. Yeah, all office -- 20 Q. -- work on the project? 21 A. All office expenses, yeah, 22 because none of those were billed to the 23 customer. It would also cover wear and tear, 24 fuel, thing like that, for the first hundred 111 1 miles. And then over a hundred miles, we would	Mr. Elliott's and Mr. Rapp's annual salaries were built into the overhead costs of each bid, which would never be billed directly to any customer.

	charge a dollar a mile to -- to help out with the fuel and the expenses for the trucks. Q. So the -- the Prime personnel that managed and supervised the Welded subcontract were paid through this $2,000 day rate, right? MR. HEYDEN: Objection. A. Yes. MR. HEYDEN: You can answer. THE WITNESS: I'm sorry. A. (Continuing) Yes.	
(Pages 114:4 to 116:23)	114 Q. In 2017, for the Welded subcontract work, did Prime hold performance reviews for its crews? A. Yes. Q. How often? A. Every six months. Q. How long did the work Prime performed on the Welded subcontract last? A. I don't recall. Q. Was it more than six months? A. I don't recall. Q. Who -- A. Now, can -- I need to go back. I need to explain what a performance review is. In our industry, a performance review is a radiation safety performance review. It has to do with safety, not auditing or film quality, if that's what you're . . . Q. Thanks for the clarification. A. Okay. Q. Is there any type of performance 115 review related to film quality or performance of the work that the tech is performing? A. On paper, no. Q. How about not on paper? A. So since this instance, we now perform quality checks on top of our performance reviews presently. Q. When did that start? A. That started in 2019. 116 Q. Who are the supervisors? A. It would be, you know, either Brandon Champion, Lee Hadden. Scott does it every once in awhile. I'll do it every once in awhile. Bryan Shumway was doing it. Q. Were the supervisors you just named also supervisors in 2017? A. I -- Bryan was a supervisor. You know, myself, Tim Rapp, Scott Elliott. I'm not sure if Brandon Champion was a supervisor at that time. Lee Hadden didn't work for the company. The other guys, Greg Dearing and them	Mr. Rapp and Mr. Elliott were among various supervisors that administered performance reviews.

	that I listed before, they did not work for the company prior to 2019.	
(Pages 117:12 to 118:9)	117 Q. Did Prime hold either weekly or monthly meetings with its crews to discuss progress on the Welded subcontract work or performance of the Welded subcontract work? A. Not with me. They might have, but it wasn't with me. So I don't have knowledge of it. Q. If it wasn't with you, who would it have been with? A. Scott and Tim. Q. Is that -- is that something that was routinely done in 2017 for Prime work? A. We -- 118 MR. HEYDEN: Objection. You can answer. A. (Continuing) Because of a job, even though they weren't paying for a supervisor, you know, we would have been in constant communication, knowing the status of that project. And we would also be getting those reports on a weekly basis. So we would know the status of a project, so.	Mr. Elliott and Mr. Rapp would have been the people responsible at Prime for interfacing with crews to discuss progress/performance on the Project. Even though Welded was not paying for a supervisor technician, Prime's management team would have been in "constant communication" with Prime's crews to understand the status of the Project.
Deposition of Tim Rapp *December 13, 2019*		
Pages 12:2 to 13:15	12 Q. Okay. And what is your title with Prime? A. Right now it's vice president of operations. Q. And how long have you been the vice president of operations? A. About a year -- about a year. Q. Do you recall when you started that position? A. We went through a transition of ownership. I don't recall exactly when -- I mean, I'm doing the same job I've done for probably two years, but they -- just titles changed. Q. Okay. So let's see. We're in winter of 2019. Was it around winter of 2018, you think, or maybe fall? A. Yeah. Probably. Q. Okay. A. Yes. Q. What are your responsibilities -- responsibilities as VP of operations now, currently? A. Contract administration, 13 estimating, procurement, overseeing office personnel.	Mr. Rapp's title has changed to Vice President, but he has continued to do the same role since the winter of 2017. Mr. Rapp was responsible for contract administration, estimating rates and customer project costs, procurement of equipment, overseeing office personnel, etc.

	Q. And you just said "estimating." What -- what are you estimating? A. Rates, customer project costs. Q. And procurement, what -- what you are procuring? A. Equipment in direction of our facilities manager and buying equipment. Lease of trucks. Q. And in your current position as VP of operations, who -- who reports to you at Prime? A. My facilities manager, my mechanic, the office staff.	
Pages 22:17 to 24:6	22 Q. Did the work first commence -- did Prime's -- did -- the work on the Mariner East II project under the subcontract, how was it sequenced? Did it happen at the same time, or, you know, did one spread go first? A. I believe we started with spread one in Ohio. Q. Okay. And specifically for you, what -- what responsibilities did you have on 23 that OPP1 section? A. I -- billing, processing of reports after we commenced. Q. And when you say "processing of reports," what kind of reports are you talking about? A. Our men fill out daily what we call "reader sheets." They come to the office the week after the work was performed and they are processed for billing and archiving. Q. And the daily reader sheets, you said they came a week after. How would they arrive to your office? A. PDF. Scanned PDF. Q. And during this whole project, would they have been electronic scan PDF? A. Yes. Q. Okay. And when they arrived weekly, would you personally review the -- the reports? A. No. Q. No. What would you do with the reports when you received them? A. We -- I would -- as the job 24 started, I would process a billing summary that we use. And as each unit started, each unit had its own billing summary, and it was my job to -- to plug all the pricing per the subcontract into the billing summaries for the AR department to be able to invoice.	Mr. Rapp was responsible for processing the crew's daily reports for billing and archiving.

Pages 24:7 to 25:7	24 Q. And were you ever onsite on OPP1? A. I was at the kickoff meeting. Q. Okay. And what -- can you explain to me what the kickoff meeting is? A. All the contractors and relevant personnel for the project meet and discuss what the process is for reporting and construction time frame, project details. Q. Do you recall when that meeting took place? A. No. Q. Do you -- do you remember who -- who -- did anyone else from Prime attend that meeting with you? A. Yes. Scott Elliott. Q. Okay. And who -- was anyone there at that meeting with you guys from Welded? A. Yes. The -- the -- the management team from Welded. 25 Q. Okay. Do you recall anyone specifically, a name? A. I'm trying to -- names. Not specific names that I can tell you exactly. Q. Was there -- who owned the Mariner East II pipeline? A. Energy Transfer/Sunoco.	Mr. Rapp attended the "kick-off" management meeting with Scott Elliott on behalf of Prime.
Page 37:2 to 37:21; 38:17 to 40:13	37 A. Radiation safety officer. Q. And the attachment says; "PNDT PROJECT SCHEDULE," and it's in Excel. And your e-mail says; "This week's Project schedule." What's a project schedule? A. It's where the personnel are across the entire company for location where they're at that given week. Q. Okay. And is -- is this something you prepared, the -- A. Yes. Q. -- the project schedule? Okay. And how -- how long -- during your time at Prime, when were you responsible for preparing the project schedule, do you recall? A. Early 2017. Q. Did you prepare the project schedule throughout the -- Prime's work on Mariner East II for Welded? A. Yes. * * * 38 Q. On this schedule, if we would look at the -- the first column says CUSTOMER, WELDED CONSTRUCTION. It's the top line. PROJECT, MARINER EAST; SPREAD, OPP 1.	Mr. Rapp prepared the project schedule for Prime's work on the Project.

	So that's what we were discussing, OPP1. And then, it also -- the -- the next column over -- two columns over says RIG number. What is this column capturing, can you explain that to me? 39 A. That is the truck that they're in. Q. And where did -- how did -- how are the truck numbers assigned? A. I couldn't tell you how those numbers -- each truck had a number. Q. Okay. Are -- are these Prime's trucks? A. Yes. Q. Okay. I should clarify. So Prime supplies these trucks to the job site? A. Yes. Q. Okay. Also, there's a unit number. Do you know what -- what those letters mean? A. That is the technician unit assigned by Welded Construction. Q. Would Welded Construction assign a technician unit? What does that mean? Can I get a better understanding? A. Basically, it's the first truck in is rig A. Q. Um-hmm. A. And the second truck is B, and so on. It's to differentiate on paperwork who that person is by that unit number. Q. Okay. So then, the first -- 40 A. It's an -- Q. I'm sorry. Go ahead. A. It's an identifier. Q. Thank you. So the next column talks about technician. And the first name under it is Dustin Pool. So how did Dustin Pool get on the project? A. We assigned him to the project. Q. Okay. And then, did you supply his name to Welded to say; This is a technician for OPP1? A. Yes.	
Pages 45:23 to 46:16	45 Q. Is -- is there ever a time where maybe at the beginning of the project you need the five trucks, but at some point in time 46 would Welded ever say; We need to -- we only need three trucks now? A. Yes. Q. Okay. And how would they communicate that to you?	Welded would communicate scheduling/manpower changes directly to Scott Elliott who would direct Tim Rapp accordingly.

	A. Through phone or e-mail. Q. Okay. A. Or in person. Q. Okay. And who -- who at Prime would they let know that? A. Generally, Scott Elliott. Q. Okay. And would Scott Elliott then say to you, Hey, we might have some changes in the -- where our personnel need to go? A. Yes. Q. Okay.	
Pages 50:22 to 51:10	50 Q. So if -- if -- if a Prime employee who was working on one of the spreads of a Mariner East project for Welded, if they needed time off, who would they submit that request 51 to? A. Scott Elliott or myself. Q. And then, would Prime make sure that there was the spot -- that technician's spot was filled when they were on vacation leave? A. Yes. Q. Okay. And -- and who at Prime would handle that? A. Scott Elliott or myself.	Scott Elliot or Tim Rapp would personally handle employee requests for time off.
Pages 53:15 to 53:24	53 Okay. And can you explain to me how a 180-day audit is conducted? A. Somebody goes out onsite and witnesses their performance, making sure that they're using their proper PPE and radiation safety equipment. Q. And you said someone goes out onsite. Who -- who performs the test? A. Myself, Scott Elliott, Bryan Shumway, Don Shumway.	Scott Elliott and Tim Rapp, among others, were responsible for administering safety audits of Prime's employees.
Pages 77:25 to 79:25	77 Q. I'm going to hand to you what's 78 been identified as Exhibit 8. At the top of this e-mail, it's an e-mail from Scott Elliott to you dated September 28th, 2016. And he's forwarding the e-mail to you from Cecilia Hernandez dated September 22nd, 2016. And the e-mail was sent from Mr. -- Ms. Hernandez to Scott Elliott, and then, also, your e-mail address, pndt.timrapp@outlook.com. And the subject is; Question, Answers, and Meeting Notes from PCS and Welded Meeting on 9-8-16 Regarding Pipe Tagging and Labelling. Do you recall if -- if you attended this meeting?	Scott Elliott would have been the person at Prime responsible for communicating any changes in operating procedures to Prime's crews.

	A. I do not. Q. Okay. And if we look at it, the purpose of the meeting is stated as; "PCS to communicate the pipe tagging/scanning process." Do you -- do you know who PCS is? A. They were the survey company. Q. Survey. And listed as present for Prime was Scott Elliott. If you could take a moment and read this. Do you -- do you remember any of these procedures that were being discussed? A. Yes. Q. And do you recall if -- but you 79 don't recall actually attending this meeting, correct? A. No. Q. Okay. And do you recall if -- if Mr. Elliott explained to you the process to take place on this job? A. Yes. We were given the requirements of an earlier e-mail with what documents required from NDE from Welded provided us with what the process would be for our people. Q. Okay. A. And that would have been passed on to our people. Q. And how do you -- how do you pass on those requirements to your people? A. Through e-mail or in person. Q. Okay. And would -- would you pass on that process to them, to the people in the field? A. At this time, I don't believe so, no. Q. Okay. At that time, who do you think would be -- A. Scott Elliott.	
Pages 95:2 to 95:8	95 Q. Are you aware if Prime investigated the allegations that the x-rays conducted by Mr. Springer were -- were deficient? A. Yes. Q. And who at Prime worked on that investigation? A. Scott Elliott.	Mr. Elliott personally investigated the Sham Radiograph Films.
Pages 101:2 to 101:18	101 What does that mean to be a call-out for Sunoco Logistics? A. That is, you're on a day to day, not on any one project. They call and need a truck at a location, it's usually a one-day job.	Prime was responsible for determining which of its technicians would go to a particular job.

	Q. Would that call-out come through Prime? A. Sunoco or the contractor or the gas company would call and request the technician for a day, and then we would dispatch our truck to -- to cover that work. Q. When they -- when they would call -- ask for a technician for a day, would they say; We want Mr. Springer back, or would Prime determine who went? A. We determined who went.	

EXHIBIT E

Excerpts from Deposition Transcript
Timothy Rapp
December 13, 2019

VERITEXT
LEGAL SOLUTIONS

Deposition of:

Timothy Rapp

December 13, 2019

In the Matter of:

Welded Construction, L.P., Et Al. v. Prime NDT Services, Inc.

Veritext Legal Solutions
800-462-2233 | calendar-de@veritext.com |

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE
~~~~~~~~~~~~~~~~~~~~

In re: Case No. 18-12378(KG)
WELDED CONSTRUCTION, L.P., et al.,
Debtors and Debtors In Possession.

WELDED CONSTRUCTION, L.P. AND
WELDED CONSTRUCTION, MICHIGAN, LLC,
Plaintiffs,

vs. Adv. Pro. No.
19-50180(CSS)

PRIME NDT SERVICES, INC.,
Defendant.
~~~~~~~~~~~~~~~~~~~~

Videotaped Deposition of
TIMOTHY RAPP

December 13, 2019
9:04 a.m.
Taken at:
Veritext - Akron
3737 Embassy Parkway, Suite 250
Akron, Ohio

Buster Beck, RPR

A. Yes.

Q. Okay. And what is your title with Prime?

A. Right now it's vice president of operations.

Q. And how long have you been the vice president of operations?

A. About a year -- about a year.

Q. Do you recall when you started that position?

A. We went through a transition of ownership. I don't recall exactly when -- I mean, I'm doing the same job I've done for probably two years, but they -- just titles changed.

Q. Okay. So let's see. We're in winter of 2019. Was it around winter of 2018, you think, or maybe fall?

A. Yeah. Probably.

Q. Okay.

A. Yes.

Q. What are your responsibilities -- responsibilities as VP of operations now, currently?

A. Contract administration,

estimating, procurement, overseeing office personnel.

Q. And you just said "estimating." What -- what are you estimating?

A. Rates, customer project costs.

Q. And procurement, what -- what you are procuring?

A. Equipment in direction of our facilities manager and buying equipment. Lease of trucks.

Q. And in your current position as VP of operations, who -- who reports to you at Prime?

A. My facilities manager, my mechanic, the office staff.

Q. And who do you report to?

A. My president of the company and ownership and CFO.

Q. And who is the president of the company?

A. Scott Elliott.

Q. And who is the CFO?

A. Jairo Perez.

Q. And you said you also report to ownership. Who is ownership?

this project for Welded Construction.

Q. Okay. And -- and let's see. This is dated January 2016 -- or 6 -- 6th day of January, 2016. At that time, January 2016, what was your role, again, with Prime?

A. I was, at that point, in the office, but primarily a level-two radiographer.

Q. Okay. So you had a dual role?

A. Yeah.

Q. Okay. And in either of those roles, were you familiar with Prime's job requirements under the subcontract?

A. Yes.

Q. Okay. And do you know who at Prime, during the course of this project -- which I understand covers three spreads over three locations referred to as OPP1, PPP1 and PP5 [sic] there at the top, the work location. Are --

A. Yes. Yes.

Q. What's your understanding of the significance of those -- those -- the work locations being titled OPP1, PPP1 and PP5?

A. It's the way the project was divided --

Q. Okay.
A. -- into sections.
Q. Okay. And are those commonly referred to as -- or do you understand that those were referred to as "spreads" sometimes?
A. Yes.
Q. Okay.
A. Yes.
Q. So when we start talking about the different spreads --
A. Okay. Yes.
Q. Thank you.
Do you know who was responsible for making sure that -- let's focus on OPP1 for a moment.
A. Okay.
Q. Did the work first commence -- did Prime's -- did -- the work on the Mariner East II project under the subcontract, how was it sequenced? Did it happen at the same time, or, you know, did one spread go first?
A. I believe we started with spread one in Ohio.
Q. Okay. And specifically for you, what -- what responsibilities did you have on

that OPP1 section?

A. I -- billing, processing of reports after we commenced.

Q. And when you say "processing of reports," what kind of reports are you talking about?

A. Our men fill out daily what we call "reader sheets." They come to the office the week after the work was performed and they are processed for billing and archiving.

Q. And the daily reader sheets, you said they came a week after. How would they arrive to your office?

A. PDF. Scanned PDF.

Q. And during this whole project, would they have been electronic scan PDF?

A. Yes.

Q. Okay. And when they arrived weekly, would you personally review the -- the reports?

A. No.

Q. No.

What would you do with the reports when you received them?

A. We -- I would -- as the job

started, I would process a billing summary that we use. And as each unit started, each unit had its own billing summary, and it was my job to -- to plug all the pricing per the subcontract into the billing summaries for the AR department to be able to invoice.

Q. And were you ever onsite on OPP1?

A. I was at the kickoff meeting.

Q. Okay. And what -- can you explain to me what the kickoff meeting is?

A. All the contractors and relevant personnel for the project meet and discuss what the process is for reporting and construction time frame, project details.

Q. Do you recall when that meeting took place?

A. No.

Q. Do you -- do you remember who -- who -- did anyone else from Prime attend that meeting with you?

A. Yes. Scott Elliott.

Q. Okay. And who -- was anyone there at that meeting with you guys from Welded?

A. Yes. The -- the -- the management team from Welded.

at any time on OPP1?

A. No.

Q. Okay. So now I am going to move to PPP1. And are there -- did you have the same roles and responsibilities as we just discussed that you had on PPO -- I'm sorry -- that you had on OPP1?

A. Yes.

Q. Okay. Anything different that you recall?

A. There was not a kickoff meeting. I wasn't present onsite ever at PPP1.

Q. Do you recall when PPP1 started?

A. No. Not specifically.

Q. Okay. Was OPP1 still going on when -- when Prime started the work on PPP1?

A. Yes.

Q. Okay. Was there any difference in who reported to you on PPP1?

A. No.

Q. Any difference in how you reported to anybody else at Prime --

A. No. Same process.

Q. Okay.

A. All three spreads.

Q. Same process all three spreads?
A. Yes.
Q. Okay. And so, you don't remember anything distinctive or different about Prime's work on PPP5?
A. No.
Q. So you -- you acted pretty much the same throughout the whole Mariner East project pipeline process?
MR. HEYDEN, JR.: Objection.
You can answer.
A. Yes.
Q. Okay. All right. How did -- so now that we -- let's see. So generally I'm going to talk about -- when I talk about the project, I'm talking about Mariner East and the three spreads like we were just talking about. And it seems like you -- and you just said you had the similar role and responsibilities on each of the three spreads, correct?
A. Yes.
Q. Okay. So generally, for the project, how did Prime know where to send a crew on a given day?
A. Direction of Welded.

Q. What's the RSO?

A. Radiation safety officer.

Q. And the attachment says; "PNDT PROJECT SCHEDULE," and it's in Excel. And your e-mail says; "This week's Project schedule." What's a project schedule?

A. It's where the personnel are across the entire company for location where they're at that given week.

Q. Okay. And is -- is this something you prepared, the --

A. Yes.

Q. -- the project schedule? Okay.

And how -- how long -- during your time at Prime, when were you responsible for preparing the project schedule, do you recall?

A. Early 2017.

Q. Did you prepare the project schedule throughout the -- Prime's work on Mariner East II for Welded?

A. Yes.

Q. Okay. If we could take a look at the -- if you -- and you'll see at the bottom of the page, there should be a Bates-stamped number Prime 007.

A. I don't have that.

MS. EDWARDS: That was not Bates stamped?

MS. PAKROUH: Yeah.

MS. EDWARDS: Okay.

Q. Sorry. Sorry for the confusion.

If you flip -- the first page at the top says; "PROJECT SCHEDULE"?

A. Uh-huh.

Q. And then, it also says the week of 6-4-2017?

A. Yes.

Q. Okay.

MS. EDWARDS: And just for the record, this exhibit we're looking at is a native file that was produced as Prime 07049.

Q. On this schedule, if we would look at the -- the first column says CUSTOMER, WELDED CONSTRUCTION. It's the top line. PROJECT, MARINER EAST; SPREAD, OPP 1. So that's what we were discussing, OPP1.

And then, it also -- the -- the next column over -- two columns over says RIG number. What is this column capturing, can you explain that to me?

A. That is the truck that they're in.

Q. And where did -- how did -- how are the truck numbers assigned?

A. I couldn't tell you how those numbers -- each truck had a number.

Q. Okay. Are -- are these Prime's trucks?

A. Yes.

Q. Okay. I should clarify. So Prime supplies these trucks to the job site?

A. Yes.

Q. Okay. Also, there's a unit number. Do you know what -- what those letters mean?

A. That is the technician unit assigned by Welded Construction.

Q. Would Welded Construction assign a technician unit? What does that mean? Can I get a better understanding?

A. Basically, it's the first truck in is rig A.

Q. Um-hmm.

A. And the second truck is B, and so on. It's to differentiate on paperwork who that person is by that unit number.

Q. Okay. So then, the first --

A. It's an --
Q. I'm sorry. Go ahead.
A. It's an identifier.
Q. Thank you.
So the next column talks about technician. And the first name under it is Dustin Pool. So how did Dustin Pool get on the project?
A. We assigned him to the project.
Q. Okay. And then, did you supply his name to Welded to say; This is a technician for OPP1?
A. Yes.
Q. Okay. And then, another two columns over it says; "IRRSP CARD." What's an IRRSP card?
A. That is the requirement to be considered a radiographer. That is a radiation safety national -- or state certification.
Q. It also says "ASSISTANT 1" under that. Can you explain why -- I guess the significance of having this above --
A. The color coding is just -- looking at that schedule, you can see if you've got a trainee or a carded --

A. I'm still not sure I understand what you're asking.

Q. I guess I'm trying to say, okay, I know Dustin Pool, the week of 6-4-2017, he -- he presumably submitted a time sheet to you the week before saying; I'm working on OPP1, Mariner East. How do you know that the next week he's still going to need to be working on OPP1 Mariner East?

A. I don't. It's under direction of -- of -- of Welded. When a truck -- on a project like this, once a technician commits to come get in one of our trucks and takes the job, that they're there for -- until the completion of the project.

Q. And how much advance notice will you get that -- that the project will be complete and won't need any more trucks?

A. We -- I guess it's based on mileage, on what the -- you know, it's how -- how large the spread is, and we know how far we've gone.

Q. Is -- is there ever a time where maybe at the beginning of the project you need the five trucks, but at some point in time

would Welded ever say; We need to -- we only need three trucks now?

A. Yes.

Q. Okay. And how would they communicate that to you?

A. Through phone or e-mail.

Q. Okay.

A. Or in person.

Q. Okay. And who -- who at Prime would they let know that?

A. Generally, Scott Elliott.

Q. Okay. And would Scott Elliott then say to you, Hey, we might have some changes in the -- where our personnel need to go?

A. Yes.

Q. Okay.

A. If he brought in whether it was Union hire -- or I shouldn't say "Union hire" because we're all Union members. So Union dispatched or dispatched by ourselves.

Q. So when I look at this spreadsheet, there's a lot of -- multiple projects going on at the same time. How did that impact how you would make sure you had enough manpower for each of your projects? Did it impact anything?

it's just for tracking --

Q. Tracking?

A. -- of people.

Q. Okay.

A. Yep.

Q. And then, if we go to the top e-mail from you to Mr. Shumway, you're also talking about last week's substitutions weren't made on the schedule. What's a substitution to the schedule?

A. The addition of personnel.

Q. Does it also include removal of personnel?

A. Yes.

Q. Okay. So the next line you talk -- Mike Elliott took DJ spot for wedding leave. So does this mean -- I guess, can you explain what that means?

A. It means that DJ was getting married and was taking a week off, and Mike Elliott was put in his place.

Q. So if -- if -- if a Prime employee who was working on one of the spreads of a Mariner East project for Welded, if they needed time off, who would they submit that request

to?

A. Scott Elliott or myself.

Q. And then, would Prime make sure that there was the spot -- that technician's spot was filled when they were on vacation leave?

A. Yes.

Q. Okay. And -- and who at Prime would handle that?

A. Scott Elliott or myself.

Q. Okay. And how would you communicate that personnel change to -- to Welded?

A. Generally Welded was notified by the person in the truck. The technician.

Q. Technician.

The technician would say, I'm going to be out, but I'll have a replacement?

MR. HEYDEN, JR.: Objection.

You can answer.

A. Yes. But -- but those kind of changes only apply for level-one, not a technician. It's -- I say once that technician is in that truck and started that job, there's no replacing him until he's laid off.

180-day audit. What's the significance of 180 day?

A. It's the requirement of the NRC.

Q. When does -- how do you -- what time period is captured by 180 days?

A. From the day they start, we have to have that every 180 days that they're on staff for us.

Q. So the 180 days starts for each technician when they start?

A. Yes.

Q. Okay. It's not 180 days per project?

A. No.

Q. Okay. And can you explain to me how a 180-day audit is conducted?

A. Somebody goes out onsite and witnesses their performance, making sure that they're using their proper PPE and radiation safety equipment.

Q. And you said someone goes out onsite. Who -- who performs the test?

A. Myself, Scott Elliott, Bryan Shumway, Don Shumway.

Q. In order to conduct this test, do

Q. Okay. So --
A. -- what took place.
Q. -- you don't recall Mr. Elliott telling you, I had a meeting with -- anything at the beginning of the project to say, Welded expects us -- you know, I had additional meetings with Welded and have some more instructions for our team?
A. No. Not to my knowledge.
Q. Okay.
A. That I can recall.
Q. Did you attend -- in addition to the kickoff meeting, did you attend any other meetings at the beginning of the project with -- regarding tagging pipes or tagging welds?
A. No. The only meeting I attended was the OPP1 kickoff.
MS. EDWARDS: Can we --
- - - - -
(Thereupon, Deposition Exhibit 8, a document Bates labeled PRIME000286 through PRIME000287, was marked for purposes of identification.)
- - - - -
Q. I'm going to hand to you what's

been identified as Exhibit 8. At the top of this e-mail, it's an e-mail from Scott Elliott to you dated September 28th, 2016. And he's forwarding the e-mail to you from Cecilia Hernandez dated September 22nd, 2016. And the e-mail was sent from Mr. -- Ms. Hernandez to Scott Elliott, and then, also, your e-mail address, pndt.timrapp@outlook.com. And the subject is; Question, Answers, and Meeting Notes from PCS and Welded Meeting on 9-8-16 Regarding Pipe Tagging and Labelling. Do you recall if -- if you attended this meeting?

A. I do not.

Q. Okay. And if we look at it, the purpose of the meeting is stated as; "PCS to communicate the pipe tagging/scanning process." Do you -- do you know who PCS is?

A. They were the survey company.

Q. Survey.

And listed as present for Prime was Scott Elliott. If you could take a moment and read this. Do you -- do you remember any of these procedures that were being discussed?

A. Yes.

Q. And do you recall if -- but you

don't recall actually attending this meeting, correct?

A. No.

Q. Okay. And do you recall if -- if Mr. Elliott explained to you the process to take place on this job?

A. Yes. We were given the requirements of an earlier e-mail with what documents required from NDE from Welded provided us with what the process would be for our people.

Q. Okay.

A. And that would have been passed on to our people.

Q. And how do you -- how do you pass on those requirements to your people?

A. Through e-mail or in person.

Q. Okay. And would -- would you pass on that process to them, to the people in the field?

A. At this time, I don't believe so, no.

Q. Okay. At that time, who do you think would be --

A. Scott Elliott.

A. Because there's a -- we're there to provide verification of -- of a weld, and if you have not got your information correct on the film, that's -- you're not -- you're not verifying the integrity of that weld. And we have a code of ethics that -- through the ASNT that radiographers are to abide by.

Q. And that would be a violation of the code of ethics?

A. Yes.

Q. And would that fail API standard 1104?

A. Yes.

Q. During the time you've worked for Prime, are you aware of any other technician doing the same type of intentional misidentification as Mr. Springer?

A. No.

Q. Since Mr. Springer was relieved of his duties, are you aware of any additional procedures Prime has put into place to prevent that from happening again?

A. I guess, yes.

Q. What would those be?

A. More onsite review by our own

personnel rather than relying on third party to police our people.

Q. And who's conducting that onsite review?

A. That varies. If their job is where they've got a supervisor, their supervisor. Scott Elliott, my regional director, Don Shumway, Bryan Shumway. Management.

Q. Management?

A. Yeah.

Q. So if -- if there's not a supervisor on the job, then one of management would conduct onsite audits periodically?

A. Yes.

Q. Will management get reimbursed for those onsite periodic reviews from the customer?

A. No. That's on our -- that's of our own choosing.

MS. EDWARDS: Could we take a break?

THE VIDEOGRAPHER: Off the record, 10:54.

(Recess had.)

THE VIDEOGRAPHER: On the record,

11:11.

Q. Are you aware if Prime investigated the allegations that the x-rays conducted by Mr. Springer were -- were deficient?

A. Yes.

Q. And who at Prime worked on that investigation?

A. Scott Elliott.

Q. Anybody else?

A. Robert Elliott.

Q. Who is Robert Elliott?

A. Level-two for Prime NDT.

Q. Is he a level-two or a level-three?

A. A level-two.

Q. And do you know what his job title is at Prime NDT?

A. He's level-two radiographer. He's actually retired now.

Q. And did you assist with gathering any materials related to the investigation?

A. Some pulling of reports.

Q. And what type of reports did you pull?

A. Just his daily readers.

Q. Did -- are you aware if Prime

Logistics.

What does that mean to be a call-out for Sunoco Logistics?

A. That is, you're on a day to day, not on any one project. They call and need a truck at a location, it's usually a one-day job.

Q. Would that call-out come through Prime?

A. Sunoco or the contractor or the gas company would call and request the technician for a day, and then we would dispatch our truck to -- to cover that work.

Q. When they -- when they would call -- ask for a technician for a day, would they say; We want Mr. Springer back, or would Prime determine who went?

A. We determined who went.

Q. Okay. And then; Started on PP2 -- sorry -- PPP2 5 -- 5/2/18 for US Trinity/Sunoco.

What's US Trinity?

A. The Prime contractor on the Mariner spread two.

Q. They were another general

EXHIBIT F

August 10, 2016 Email from C. Hernandez to S. Elliott
Subject: Pre- Construction Meeting for OPP1

From: Cecilia Hernandez
Sent: Wednesday, August 10, 2016 1:59 PM
To: pndtscott@live.com
Cc: Andy Mack; Renee Bisnett; Gerald Hill; Alex Epstein
Subject: Pre-Construction Meeting for OPP1
Attachments: ME2 Kickoff Meeting OPP1 .docx

Scott,

I am requesting that the Project Manager and Superintendent from Prime for OPP1 be present at the kick off meeting. Please see the attached tentative agenda and I will be forwarding you a meeting notice.

Location: 340 Racetrack Road, Washington, Pennsylvania, 15301
Date: 8/22/16-8/23/16

Sunoco has set-up a reduced rate for rooms please see below for Lodging: We are eligible for a reduced rate rooms for a little as $89/night.
A group block is already set up and reservations can be made by calling the hotel 724-222-6200 or 1-800-HILTONS and using the group code SUN

Thanks,
Ceci Hernandez
419-250-5766

50 Years WELDED Pipeline Professionals Since 1966

From: Cecilia Hernandez
Sent: Monday, August 01, 2016 11:30 AM
To: 'pndtscott@live.com'
Cc: Andy Mack; Renee Bisnett; Gerald Hill; Alex Epstein
Subject: NTP Sunoco OPP1 - Prime NDT

Scott,

We did get NTP 3 from Sunoco this past Friday (7/29/16). The NTP 3 has Welded starting with clearing on Aug. 24th. We are working on finalizing our execution approach and schedule early this week, I will pass on the updated execution schedule to you.

EXHIBIT
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OPP1
Monday August 22, 2016

Tentative Agenda for PPP Kick Off Double Tree Meeting Rm

7:30 – 8:00 a.m.	Breakfast provided in conference room
8:00 – 8:10 a.m.	***General Opening Statements to OPP Project*** **Safety Minute** – Adam Thomas Sunoco Project Manager Matt Gordon, Sunoco Project Manager Bruce Werzanski, Construction Manager for OPP1
8:10 – 10:00 a.m.	***Material Handling and Control with Barcode System*** -Brock Wilson/Beck Panter, and Bret, Peben Mainline Pipe Laydown Yards – OPP1 specific Misc Material and Warehouses Requisitioning Pipe, Elbows, Fittings, Valve settings General Material – PeBen Drop Box
10:00 – 10:15 a.m.	***Break***
10:15 – 11:00 a.m.	***Construction Support*** -LeRoy Humke, REI Lead Field Engineer Engineering Roles and Engineering Support Processes and Problem Resolution RFI Process Survey LWS – Color Scheme - Signage
11:00 – 11:45 a.m.	***Environmental*** -Brad Schaeffer, TT Permitting -Ellen Berklite, REI Engineer Introduce Rob Simcik, Chris Cable, and EI General Permit Conditions and Restrictions Drawings Environmental Inspection/Coordination IR Plan: Everyone needs to know it
11:45 – 12:15 a.m.	***Permitting / Land Acquisition*** -Don Stephens & Maria Davis & ROW Agents -Justin Lunsford Permit agent Crossing agreements and General Permitting Construction Line list -Joseph Crisler, Sunoco Permit Supervisor -Rick Cotter - STV Haul Permitting and Traffic Control plans
12:15 – 1:00 p.m.	***Lunch Break (Lunch brought in)***

OPP1
Monday August 22, 2016

Tentative Agenda for PPP Kick Off Double Tree Meeting Rm

1:00 – 2:15 p.m.	***Mapping and drawings*** -Roxanne Burridge, REI GIS Manager -Mike Wager, EI GIS Web map Intro and Training Data Halo Mapping Drawings Provided
2:15 – 2:30 p.m.	***Break & Afternoon Snack***
2:30 – 4:00 p.m.	***Discussion of Doc Control*** -Heidi Johnson - REI -Becky Panter – PCS – Overview of Drop Box Roles and Responsibilities SharePoint Training SharePoint and File Structure Forms and Filing RFI Form – Requirements SharePoint Training (Where to find docs)
4:00 – 4:30 p.m.	**Weekly project update** Wednesdays we will report progress discuss issues etc. (Safety, PM, CM, Engineering, Environmental, Land, PR, Schedule) Strategy for weekly meetings to keep them short and to the point.
4:30 p.m.	**Safe Driving Tip – Bruce Werzanski** General Assembly dismissed

OPP1
Tuesday August 23, 2016

Tentative Agenda for PPP Kick Off Double Tree Meeting Rm

7:30 – 8:00 a.m.	Breakfast provided in conference room
8:00 – 8:10 a.m.	***Greeting and call to order*** -Adam Thomas, Sunoco Project Manager
8:10 – 9:00 a.m.	***DOT Compliance*** -Al Kravatz, Garret Ray *PHMSA / PUC*
9:00 – 10:0 a.m.	***Government Relations*** -Chris Koop – Jeff Shields Team intro and hierarchy Roles and responsibilities Interaction with local/state government officials Advance coordination Pocket Cards to be distributed Dealing with Land Owner and Gen Public Questions
10:00 – 10:15 a.m.	**Break**
10:15 – 11:00 a.m	**Welding Requirements** Johnny Green Lead Welding inspector Welder Qualification, Rules, Pass Rate, etc. Inspection Company and 3rd party oversight Tie in welds post Hydro for valve settings
11:00 – 12:00 a.m	**Foreign Line crossing Identification** Standard crossing details & Identifying lines - Jeff Lowey, & LeRoy Humke Executed crossing agreement details, examples.
12:00 – 1:00 p.m.	**Lunch provided in conference room**
1:00 – 1:30 p.m.	***Health and Safety*** Ryan Kiley, & Brian Yates, Sunoco Logistics General Expectations Integration with the project Review of pre-construction requirements (train/test) Introduction of Craig Mills Safety Lead for Spread
1:30 – 2:30 p.m.	***Spread specific team breakout work/planning*** Schedule Discussion, & Overall Execution Strategy Start point, direction, restrictions, line list, number of crews, daily planning meeting, weekly planning meeting, welder qualification, OQ qualifications
2:30 – 2:45 p.m.	***Break & Afternoon Snack***
2:45 – 3:15 p.m	**PCS Hand Held and Barcode training** Mainly for Inspectors and Surveyors but beneficial for all

3:15 – 4:00 p.m. ***Task Specific team breakout work/planning session***

EXHIBIT G

Excerpts from Deposition Transcript
Renee Bisnett
December 11, 2019

VERITEXT
LEGAL SOLUTIONS

Deposition of:

Renee Bisnett

December 11, 2019

In the Matter of:

Welded Construction, L.P., Et Al. v. Prime NDT Services, Inc.

Veritext Legal Solutions
888.777.6690 | cs-midatlantic@veritext.com | 215-241-1000

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

IN RE:	)	Chapter 11
	)	
WELDED CONSTRUCTION, L.P., et al.,	)	Case No. 18-12378 (KG)
Debtors and	)	
Debtors In Possession	)	Jointly Administered
	)	
	)	
WELDED CONSTRUCTION, L.P.,	)	Adversary Proceeding
	)	
Plaintiff,	)	Adv. Pro. No. 50180 (KG)
	)	
vs.	)	
	)	
PRIME NDT SERVICES, INC.,	)	
	)	
	)	
Defendants.	)	

- - -

VIDEO RECORDED DEPOSITION OF RENEE BISNETT

DATE: December 11, 2019 at 1:07 p.m.
PLACE: Collins Reporting Service, Inc.
615 Adams Street
Toledo, Ohio
REPORTER: Casey G. Schreiner, RMR-RDR
Notary Public

- - -

need to be held to what we're held to.

So we would flow those specific articles down into that boilerplate.

Q. Okay. What -- what portions, if any, of the subcontracts were negotiable between the contractor and the subcontractor?

A. They would negotiate any and all of the areas as they see fit. And we typically didn't allow too many changes to indemnity. That was the one that we were kind of steadfast on, we need to hold for whatever the owner requires.

Q. Would that be the same case for consequential damages?

A. Yes. There was -- from my recollection, they were only included in subcontractors where the owners had money for consequential damages, yeah.

Q. So we're going to talk about some specific contracts in a second. But as we sit here today, do you remember any specific portions of -- any specific language that Sunoco required that -- strike that.

As we sit here today, do you remember any specific language on the PPP1 spread of the Mariner East 2 pipeline that would flow down from Sunoco into the subcontracts?

EXHIBIT H

May 24, 2017 Email from Tim Rapp to S. Elliott
Subject: FW Film Quality Issues

Message

From: Tim Rapp [pndt.timrapp@outlook.com]
Sent: 5/24/2017 3:16:03 PM
To: scott elliott [pndtscott@live.com]
Subject: FW: Film Quality Issues

From: Mark Burd [mailto:MarkB@enginsp.net]
Sent: Wednesday, May 24, 2017 3:00 PM
To: pndt.timrapp@outlook.com; 'Brian McKenna' <brianm.eiint@icloud.com>
Cc: JGreen@csdpipeline.com; msombeach@gmial.com
Subject: Film Quality Issues

Tim,
After reviewing film at OPP1 and PPP1 west a number of issues have been revealed they include.

1) Lack of reports in film boxes
2) Film in the wrong spot in the boxes
3) Boxes not having information filled out
4) Film and reports not turned in daily
5) Scratched film in the weld area of interest
6) Processing artifacts (streaks, debris in cassettes)

Please speak with your technicians about correcting these issues we don't want to have to dig up welds for reshots.

Thank You
Mark Burd
Engineering & Inspections

EXHIBIT I

July 23, 2018 Email from Tim Rapp to Jay Dresh
Subject: Joshua Springer

Message

From: Tim Rapp<pndt.timrapp@outlook.com>
Sent: 7/23/2018 3:17:59 PM
To: jay.dresh@energytransfer.com
CC: Don Shumway [don@primendt.com]; 'scott elliott' [pndtscott@live.com]
Subject: Joshua Springer
Attachments: WE 3.10.18.pdf; Springer Timesheets.pdf; WE 03.31.2018.pdf; WE 03.31.2018.pdf; WE 03.17.2018.pdf; WE 3.10.18.pdf; image003.png

Jay,
Josh Springer came to us as a Union dispatch Tech. He was a Level II Tech but we tested and hired him on as a Level I Assistant, as is our program when we get someone new to us who has not been actively working.

He tested as Level I 2/14/17, and went to work as helper
He came in and tested as Level II. His Certs for Level II are dated 5/2/17
Went to work for Sunoco as Level II on PPP1 West 5/4/17.
Shot last Weld on 12/30/17, Mob out on 1/1/18.
Worked our local call-out from the Eighty Four Pa. Office for the Winter and Spring Months.
Worked a total of 8 days as call-out for Sunoco Logistics. See attached Timesheets and Reports.
Started on PPP2 5/2/18 for US Trinity/Sunoco.
Was Run Off on 6/1/18.
Let me know if I can provide anything further.

Tim Rapp
Operations Manager
Prime NDT Services Inc
828-430-0964



EXHIBIT
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EXHIBIT J

Daily Radiographic Inspection Report

PRIME NDT SERVICES, INC.

Prime NDT Services Inc.
4345 Independence Drive
Schnecksville, PA 18078

www.PrimeNDT.com
Email: Info@PrimeNDT.com
Phone: 610-262-1100

DAILY RADIOGRAPHIC INSPECTION REPORT

TERMS AND ABBREVIATIONS-

IP-INADEQUATE PENETRATION
IPD-INADEQUATE PENTRATION DUE TO HIGH LOW
ICP- INADEQUATE CROSS PENETRATION
IF-INCOMPLETE FUSION
IFD- INCOMPLETE FUSION DUE TO COLD LAP
IC-INTERNAL CONCAVITY
BT- BURN TIROUGH
ESI-ELONGATED SLAG INCLUSIONS
ISI-ISOLATED SLAG INCLUSIONS
P-POROSITY
CP-CLUSTER POROSITY
HB-HOLLOW BEAD POROSITY
C-CRACKS
EU-UNDERCUTTING ON OD
IU-UNDERCUTTING ON ID
AI-ACCUMULATION OF IMPERFECTIONS

LOCATIONS
R.S- RIGHT OF WAY SIDE
D.S-DITCH SIDE
T-TOP
B-BOTTOM
T.Q.-TOP QUARTER
BQ.-BOTTOM QUARTER

CUSTOMER: SUNOCO-ME 2

ADDRESS: 2933 Perrysburg, OHIO 43551

☐ STATION ☑ PIPELINE

X-RAY NUMBER	PIPE DIAM.	PIPE WALL	WELDER IDENTIFICATION	NO. EXPOSURES- INSIDE	NO. EXPOSURES- OUTSIDE	SOURCE X-RAY	SOURCE GAMMA RAY	WITHIN CODE YES	WITHIN CODE NO	DEFECTS TYPE	DEFECTS LOC.	REJECT DISPOSITION REPAIR	REJECT DISPOSITION REMOVE	REMARKS
1HDD-0033	20"	.456"			3		X	X						RESHOTS
1HDD-0035	20"	.456"			3		X	X						
														SUNOCOC PIPELINE LP
														MARINER EAST
														CONTRACTOR WELDED
														WEST SPREAD

DATE	CUSTOMER JOB NO.	TYPE FILM	CODE	JOB LOCATION	REPORT NO.	UNIT NO.	NO. MEN ON JOB	NO. OF WELDS
7-25-18	2016-22	D5	API-1104	WASHINGTON, PA	11	01/RIG K	02	02

PER DIEM CHARGED ☑ YES ☐ NO | ATV USED YES ☐ NO ☑ | ASSISTANT(S) STEVE HAWKINS

TRAVEL IF APPLICABLE: MILES: HOURS: POINT OF DISPATCH: TOTAL HOURS 10

CUSTOMER (SIGN)	CUSTOMER (PRINT)	RADIOGRAPHER (SIGN)	RADIOGRAPHER (PRINT)	LEVEL
Mathew Thomas			STEVEN ELLIOTT	II

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4345 Independence Drive
Schnecksville, PA 18078

www.PrimeNDT.com
Email: Info@PrimeNDT.com
Phone: 610-262-1100

DAILY RADIOGRAPHIC INSPECTION REPORT

TERMS AND ABBREVIATIONS

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B-BOTTOM
TQ -TOP QUARTER
BQ -BOTTOM QUARTER

WELDED / SUNOCO LOGISTICS

ON FILE

STATION [ ] PIPELINE [X]

X-RAY NO	PIPE DIAM	PIPE WALL	WELDER ID BEAD	WELDER ID HP	WELDER ID F-C	NO. OF EXPOSURES INSIDE	NO. OF EXPOSURES OUTSIDE	SOURCE X-RAY	SOURCE GAMMA RAY	WITHIN CODE YES	WITHIN CODE NO	DEFECTS TYPE	DEFECTS LOC	REJECT DISPOSITION REPAIR	REJECT DISPOSITION REMOVE	REMARKS
1HDD0021	20"	.456"	TWJ/TWG	TWJ/TWG	TWS		3		X	YES						955+58
1HDD0022	20"	.456"	TWJ/TWG	TWJ/TWG	TWAA		3		X	YES						955+58
1HDD0023	20"	.456"	TWJ/TWG	TWJ/TWG	TWAA		3		X	YES						955+58
1HDD0024	20"	.456"	TWJ/TWG	TWJ/TWG	TWJ/TWES		3		X	YES						955+58
1HDD0025	20"	.456"	TWJ/TWG	TWJ/TWG	TWS		3		X	YES						955+58
1HDD0026	20"	.456"	TWJ/TWG	TWJ/TWG	TWU		3		X	YES						957+07
1HDD0027	20"	.456"	TWG/TWJ	TWG/TWJ	TWD		3		X	YES						957+07
1HDD0028	20"	.456"	TWG/TWJ	TWE/TWE	TWL		3		X	YES						957+07
1HDD0029	20"	.456"	TWJ/TWG	TWJ/TWG	TWL/TWS		3		X	YES						957+07
1HDD0030	20"	.456"	TWG/TWJ	TWG/TWJ	TWS		3		X	YES						957+07
1HDD0031	20"	.456"	TWJ/TWG	TWJ/TWG	TWS		3		X	YES						957+07
1HDD0032	20"	.456"	TWG/TWO	TWG/TWO	TWAA		3		X	YES						957+07
1HDD0033	20"	.456"	TWO/TWG	TWO/TWG	TWAA		3		X	YES						957+07
1HDD0034	20"	.456"	TWG/TWO	TWG/TWO	TWO/TWJ		3		X	YES						957+07
1HDD0035	20"	.456"	TWO/TWG	TWO/TWG	TWO		3		X	YES						957+07
1HDD0036	20"	.456"	TWO/TWG	TWO/TWG	TWU/TWD		3		X	YES						957+07
1HDD0037	20"	.456"	TWG/TWO	TWG/TWO	TWD		3		X	YES						959+00
1HDD0038	20"	.456"	TWO/TWG	TWL	TWE/TWS		3		X	YES						959+00
1HDD0039	20"	.456"	TWO/TWG	TWO/TWG	TWS		3		X	YES						959+00
																959+00
																PROJECT NAME:
																MARINER EAST
																PPP-1 WEST
																LINE # 12127
																Patterson Rd
																Page 1 of 1

DATE	CUSTOMER JOB NO.	TYPE FILM	CODE	JOB LOCATION	REPORT NO.	UNIT NO.	NO. SHOTS ON JOB	NO. OF WELDS
6/9/17	2016-22	AGFA D5	API 1104	WASHINGTON, PA	46	R5	2	19

PER DIEM CHARGED: [X] YES [ ] NO | UTV USED [ ] YES [X] NO | ASSISTANT(S): David J Springer

TRAVEL IF APPLICABLE: HOURS N/A | MILES N/A | HOURS WORKED | TO | TO | TOTAL HOURS 10

SIGNATURE OF CUSTOMERS REPRESENTATIVE CERTIFIES TIME AND MATERIAL CORRECT

Joshua D Springer | LEVEL II

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