

UNITED STATES OF AMERICA

NATIONAL TRANSPORTATION SAFETY BOARD

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Investigation of:

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NATURAL GAS BUILDING EXPLOSION &  
FIRE NEAR WEST READING,  
PENNSYLVANIA, ON MARCH 24, 2023

Accident No.: PLD23LR002

\* \* \* \* \*

Interview of: MARK SCHLOTT, CEO  
R.M. Palmer Company

Wyomissing, Pennsylvania

Monday,  
July 24, 2023

APPEARANCES:

SARA LYONS, Investigator  
National Transportation Safety Board

DANE SPILLERS, Investigator  
National Transportation Safety Board

LOGAN SMITH, Party Coordinator  
R.M. Palmer Company

TOM TOBIN, Attorney  
Wilson, Elser, Moskowitz, Edelman, and Dicker LLP

I N D E X

ITEM

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Interview of Mark Schlott:

By Ms. Lyons

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By Mr. Spillers

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By Mr. Smith

15

By Ms. Lyons

16

I N T E R V I E W

(3:10 p.m.)

1  
2  
3 MS. LYONS: Okay, good afternoon, today is July 24th, 2023,  
4 it's now -- let's see, 3:10 p.m., Eastern Time. My name is Sara  
5 Lyons and I'm the National Transportation Safety Board Pipeline  
6 Operations and Integrity Management group chair for this accident.  
7 We're holding this interview at R.M. Palmer Building 4 in  
8 Wyomissing, Pennsylvania. The interview is being conducted as  
9 part of the investigation into the explosion that occurred on  
10 March 24th, 2023, in West Reading, Pennsylvania. The NTSB Case  
11 Number for this accident is PLD23LR002. This interview is being  
12 recorded and may be transcribed at a later date. A copy of the  
13 transcript will be provided to you for review prior to being  
14 entered into the public docket.

15 Mark, for the record, can you state the spelling of your full  
16 name and your job title?

17 MR. SCHLOTT: Sure, so, it's Mark Schlott, M A R K S C H L O  
18 T T, and I'm the CEO.

19 MS. LYONS: And you're permitted to have one other person  
20 present during the interview. It is the person of your choice.  
21 It can be an attorney, spouse, supervisor, friend, family member,  
22 or no one at all. Please state for the record who you've  
23 selected.

24 MR. SCHLOTT: Tom Turban (sic). I think that's his last  
25 name. I think I said it right.

1 MS. LYONS: Okay, now I'd like to have each person state  
2 their name with spelling, title, and the agency or organization  
3 that you're representing. I'll begin and then I'll go to Dane,  
4 and then Logan, and then Tom. So, my name is  
5 Sara Lyons, S A R A L Y O N S. My title is chief pipeline  
6 investigations branch and I'm with the National Transportation  
7 Safety Board.

8 MR. SPILLERS: Dane Spillers, D A N E S P I L L E R S, I'm a  
9 pipeline investigator for the NTSB.

10 MR. SMITH: Logan Smith, L O G A N S M I T H, and I'm the  
11 Palmer party coordinator.

12 MR. TOBIN: My name is Tom Tobin, T O B I N, and I'm with the  
13 Wilson Elser law firm and will be representing Mr. Schlott for the  
14 purpose of the interview today.

15 INTERVIEW OF MARK SCHLOTT

16 BY MS. LYONS:

17 Q. Okay, so with that, we'll go ahead and get started. Again,  
18 thank you for agreeing to talk with us today, Mark.

19 A. Sure.

20 Q. I wanted to start off -- just ask you if you could, in a  
21 general sense, go over your background, your time with Palmer, and  
22 your position, and the responsibilities of your position?

23 A. So, yes, I started with the company in 1986. I started,  
24 actually, in the maintenance department while I was going to  
25 school for electrical engineering. I sort of get -- started

1 getting involved in production and supervision. We installed some  
2 equipment and I got involved with that on the engineering side and  
3 realized some promotions, got to know the Palmer family, and I've  
4 been part of management now for, maybe, two-and-a-half decades.  
5 So, I've been here for a while. So, yeah, that's sort of my  
6 background here with the company.

7 Q. And then I wanted to focus today mostly on the work that was  
8 done at your Building 2 -- Palmer Building 2 back in 2021?

9 A. Sure.

10 Q. So, can you start out -- just tell us anything that you  
11 remember about that day?

12 A. Yeah, so there's very little I do remember. I just remember  
13 being in a meeting with the staff about -- whenever we have to  
14 shut streets or operations, we get chocolate delivery, so there  
15 has to be some coordination with our scheduling department. So, I  
16 remember sitting in some meetings and they were doing some  
17 scheduling of the chocolate trucks and such to make sure that we  
18 could operate while they were working outside on Cherry Street. I  
19 do remember that day, the parking lot where I parked is right  
20 behind there -- it's right behind Building 2 and I remember  
21 walking through there while they were doing that. What I would do  
22 from time to time for the employees and for the Palmer family, at  
23 times, I would take pictures or whatever to share, mainly, with  
24 the employees. We had -- we have a thing in our HR system, it's a  
25 network called PNN. Instead of CNN, it's Palmer News Network.

1 Q. Okay.

2 A. So, we -- it's all about positive messaging throughout our  
3 entire organization. So, every break room, rest area, or  
4 whatever, has these monitors that HR is responsible for  
5 that -- they communicate messaging. So, if we're doing a project  
6 or there's a project taking place, we'll communicate that with the  
7 employees. In '21, it was sort of the middle of covid, so we were  
8 doing some extra communication with everyone just because of the  
9 situation. So, that's what I remember about that day, seeing them  
10 outside working.

11 Q. Okay, now over covid, were you coming into the office like  
12 normal?

13 A. Yeah, I came in every day.

14 Q. Okay.

15 A. I never stayed home.

16 Q. Okay, perfect. So, Logan shared some photos with me a little  
17 while ago after the accident and so, here's one, I think this is  
18 the location of the work that we're talking about?

19 A. Yes, I'm familiar with that.

20 Q. That's number one?

21 A. Yes.

22 Q. Did you take this photo as well?

23 A. I don't think so.

24 Q. You don't recall?

25 A. I don't recall, no.

- 1 Q. Okay, and then I also had this photo, we'll call exhibit two.
- 2 A. That I did, that's the photo that I did take.
- 3 Q. This is the photo that you took?
- 4 A. Yes, that one there.
- 5 Q. Do you remember -- I mean, you talked about it a little bit
- 6 earlier, but do you remember what -- why you took that photo?
- 7 A. I think -- again, during the covid period when there was
- 8 projects going on at the different facilities, I would try to
- 9 communicate it with the teammates -- all of our teammates. So, I
- 10 think that was just in the interest of putting it on PNN or I sent
- 11 it to the owner who was -- he was 75 -- who would not come into
- 12 the office. Sometimes I would send him pictures of -- here's a
- 13 project for the day, you know, that sort of communication. But
- 14 that would be the only purpose I took those pictures for.
- 15 Q. When you say the owner, who's that?
- 16 A. Richard -- former owner, Rich Palmer, the Palmer family.
- 17 Q. Oh, the owner of the company?
- 18 A. The owner of the company, so -- yeah.
- 19 Q. Okay, just to let him know what was going on?
- 20 A. Sure, just as a hey we're working on this today kind of
- 21 thing.
- 22 Q. Okay, do you recall anyone from UGI (ph.) coming and talking
- 23 to you that day?
- 24 A. No.
- 25 Q. No?



1 A. No, not at all.

2 Q. Are you aware of any other photos of this work other than  
3 this photo and the one on the bottom of exhibit one?

4 A. I am not and I was surprised to find that photo because I was  
5 looking, you know, for Building 2 photos for the investigation and  
6 I stumbled across that. So, I didn't find any other photos that I  
7 was in possession of.

8 Q. Okay, are you aware of -- so, in this -- in exhibit one, the  
9 photo shows the concrete not completed?

10 A. Yes.

11 Q. But the road had already been patched and it looks like UGI's  
12 work had been completed. Are you aware of what additional work  
13 Palmer did versus UGI?

14 A. Yes, I am aware of that.

15 Q. Can you describe that?

16 A. I was part of that. When they left, they left this meter  
17 exposed. I remember talking to the maintenance staff and the  
18 plant manager, Sue (ph.), that because of trucks and cars going up  
19 and down that street, we were concerned that that was left out  
20 into the open. So, our maintenance staff, I believe, hired a  
21 contractor and we installed that safety barrier to make sure that  
22 nobody could accidentally run into that meter.

23 Q. Okay, so you had someone install those two barriers?

24 A. Yes.

25 Q. And then how about the sidewalk in this area? I just -- I

1 can't tell in the photo because I don't have the originally photo  
2 of this one.

3 A. Sure.

4 Q. But it doesn't seem to be completed?

5 A. Yeah, I believe our maintenance staff finished that at some  
6 point. I'm not sure exactly when they did it, but they did not  
7 fill that in when they left. We -- I believe our staff did that.

8 Q. Oh, okay, and were you involved in that work?

9 A. No.

10 Q. No, okay. So, you've been at Palmer for a while, if you  
11 notice in the photo that you took, exhibit two, just kind of  
12 zoomed in a little bit, here is exhibit three, where they're  
13 digging, there's something that -- well, how would you describe  
14 what's in that area where they're digging?

15 A. It looks like stone and rock to me.

16 Q. Okay.

17 A. I'm not quite sure what that is. The white stuff there?

18 Q. Uh huh.

19 A. I'm not quite sure what that is.

20 Q. It looks like a white powder.

21 A. A white powder, yeah, I'm not sure what that is.

22 Q. Okay, so you're not familiar with that being under the ground  
23 in that location?

24 A. No, not at all, unless it was from when they were -- sawed  
25 the -- you know, the pavement outside here. But I have no idea.

1 Q. I was told on the day that this work was done, that the crew  
2 had questions about white powder that was found in the excavation  
3 and they reached out to someone at UGI -- I mean at Palmer, sorry.

4 A. At Palmer?

5 Q. At Palmer.

6 A. I don't know who that would be. It was not me.

7 Q. It wasn't you?

8 A. It could've been the plant manager.

9 Q. Okay.

10 A. She would've been responsible for the site along with the  
11 maintenance supervisor. They were the two that would have  
12 responsibility for overseeing that project.

13 Q. Okay, so -- but you don't recall anything like that?

14 A. No.

15 Q. You weren't involved?

16 A. I wasn't involved.

17 Q. Okay, perfect. So, those are the questions I had for you on  
18 the 2021 work.

19 A. Okay.

20 Q. And I just wanted to ask you a couple of questions about the  
21 day of the accident.

22 A. Sure.

23 Q. I understand you were at the Building 1 on the day of the  
24 accident?

25 A. I was.

1 Q. That's correct?

2 A. Yes.

3 Q. Okay, can -- did you smell gas that day?

4 A. Not until I got into the front stairwell, which was about a  
5 second to two seconds, it was quick. When I hit the stairwell to  
6 go down -- well, I was going to meet with Sue because my  
7 receptionist told me that there was a report of an odor  
8 outside -- an unusual odor. So, I was back with my sales team, so  
9 I walked through and I thought I'll check with Sue, see what's  
10 going on. It's the end of the day, Friday, end of the week, and  
11 when you got to the stairwell -- and again, the stairwell is  
12 closed by a bunch of security doors up on the third floor, the  
13 second floor, and then down at the first floor. I'm kind of a  
14 fast walker, but I hit the door open, I took a couple steps down,  
15 and I went oh, my God, that's natural and that's when the  
16 explosion hit. So, I was thrown around pretty good.

17 Q. So, you recognized the smell?

18 A. Immediately, there wasn't -- I mean, it was a massive amount  
19 of natural gas in that stairwell to the point where I'm -- in  
20 retrospect, I'm surprised we didn't have a bigger issue.

21 Q. You said your receptionist told you there was a report?

22 A. Yes, so I was back with the sales team, which is all the  
23 way -- I can't show you on these pictures, but it's all the way on  
24 the other side of the building back where the sales team is.

25 Q. Okay, so can you just describe that a little bit?

1 A. Yeah.

2 Q. I'm not that familiar with the building. But if you enter  
3 the main --

4 A. So, if this was Building 2 and here's Cherry Street and  
5 here's the stairwell right here. Okay, so the sales team is,  
6 like, all the way down near Franklin Street.

7 Q. Oh, okay.

8 A. I think his office is all the way down at the other end.

9 Q. So, you enter the main door to Building 1 off Second Avenue?

10 A. Yes, that's correct.

11 Q. And you were on the second floor?

12 A. Yes, so our main office is on the second floor. So, when she  
13 came back to get me, she just said Mike and Sue are responding to  
14 an odor. Mike was the senior maintenance mechanic, Sue was the  
15 plant manager. Both lost their lives investigating. So, I  
16 finished my conversation with the sales team in about ten, 15, 20  
17 seconds and I thought well, I'll go check with Sue to see what's  
18 going on, you know, nobody said emergency, nobody said anything,  
19 it was just an odor outside. So, I walked down the hallway and  
20 I -- Tina (ph.), the receptionist, was sitting there and I  
21 mentioned something to her and I walked through the lobby, and  
22 that's when I got into the main stairwell. And I took a couple of  
23 steps -- however long it takes your brain to process something  
24 like that, I just remember thinking oh, my God, that's natural,  
25 and that's when the explosion happened in Building 2.

1 Q. Okay, but where you were meeting with your sales team, you  
2 didn't smell anything?

3 A. No, not at all.

4 Q. Okay.

5 A. Not at all.

6 Q. When you were back there, did you hear any of the calls? Did  
7 you --

8 A. No, I did not. I mean, it's normal to hear some chatter on  
9 the PA system, you know, with the factory. So, unless somebody  
10 was really yelling about something, I wouldn't necessarily pay  
11 attention to it.

12 Q. Okay, and you don't --

13 A. Because they're calling each other all the time.

14 Q. Okay.

15 A. Yeah.

16 Q. So, you don't recall any calls to, like, Sue or calls to --

17 A. The first time I was made aware of it when Tina came back to  
18 me and said Mike and Sue responded to -- she either said an odor  
19 or an unusual odor outside. (Verbatim)

20 Q. Okay.

21 A. That was when I was first made aware of it.

22 MS. LYONS: Okay, that's all the questions I have for you.

23 MR. SCHLOTT: Okay.

24 MS. LYONS: So, I'll pass it to Dane.

25 BY MR. SPILLERS:

1 Q. Sara asked you about -- if you met with the UGI crew or about  
2 the meter move or the --

3 A. Yeah.

4 Q. And you said you had not?

5 A. I had not, no.

6 Q. Who would typically be the person they would meet with?

7 A. The plant manager and the maintenance supervisor. They would  
8 be the ones that would coordinate that.

9 Q. You were coming into the stairwell from the second floors  
10 where you first observed the smell and then the explosion occurred  
11 almost immediately?

12 A. Yeah.

13 Q. And that's almost right on top of -- the outside of that  
14 almost --

15 A. It's right at the corner, like, towards Cherry Street.

16 Q. Right around the corner was where the meter relocation  
17 occurred?

18 A. Exactly.

19 MR. SPILLERS: Okay, no, I don't think I have anything else.

20 BY MR. SMITH:

21 Q. Before Tina came to talk to you, no one else said anything  
22 else to you?

23 A. No, not at all.

24 Q. Okay, and before that situation, was there any other times  
25 when UGI was called to investigate any other smells or anything?

1 A. I remember the maintenance staff talking about -- I believe  
2 it was earlier that summer, I think there was an issue that they  
3 called UGI for. Not for this, but for a different area. That's  
4 the only thing that I was made aware of after the incident. But  
5 not before the incident.

6 MR. SMITH: Okay.

7 That's all I had.

8 MS. LYONS: Okay, I actually -- do either of you -- are you  
9 guys done? Do you have any additional questions?

10 MR. SMITH: Yes.

11 MR. SPILLERS: I think I'm finished, thank you.

12 BY MS. LYONS:

13 Q. Okay, so just a final question, is there anything else that  
14 we didn't ask you about that you think might be important as far  
15 as -- mostly the gas system side of things?

16 A. No, I think we covered everything that I'm aware of.

17 MS. LYONS: Okay, great, I appreciate it. Thank you, Mark.

18 MR. SCHLOTT: Thank you -- no, thank you.

19 (Whereupon, the interview was concluded.)

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CERTIFICATE

This is to certify that the attached proceeding before the  
NATIONAL TRANSPORTATION SAFETY BOARD

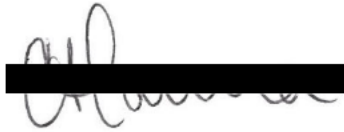
IN THE MATTER OF:           NATURAL GAS BUILDING EXPLOSION AND FIRE  
                                    NEAR WEST READING, PENNSYLVANIA  
                                    ON MARCH 24, 2023  
                                    Interview of Mark Schlott

ACCIDENT NO.:                PLD23LR002

PLACE:                         Wyomissing, Pennsylvania

DATE:                         July 24, 2023

was held according to the record, and that this is the original,  
complete, true and accurate transcript which has been transcribed  
to the best of my skill and ability.



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Carolyn Hanna  
Transcriber

Mark Schlott — Exhibit 1 — 7/24/2023



Mark Schlott — Exhibit 2



Mark Schlott - 7/24/2023

Exhibit 3





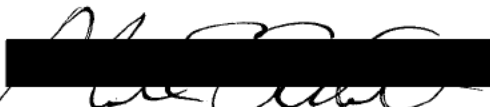
**Interview Regarding Investigation PLD23LR002**

**UGI Corporation Natural Gas-Fueled Explosion and Fire  
West Reading, PA  
March 24, 2023**

Name: MARK SCHOTT  
Organization: R. M. PALMER LLC.  
Title: CEO  
Date of Interview: JULY 24, 2023

I have reviewed my transcript(s) from the above referenced accident and:

- I have no comments to make.
- My comments are submitted herewith.
- My comments are marked on the attached copy.

Signature: 

PAGE # 13 LINE # 20 - DENA IS OUR RECEPTIONIST, LISTED AS TINA  
WHICH IS NOT CORRECT.  
# 14 LINE # 17 - SAME THING AS ABOVE.  
# 15 LINE # 21 - " " " "