



Weekly Update August 26, 2010

SHRIMP WEBINAR

The SIF Simple, Handy, Risk-based, Integrity Management Program (SHRIMP) is live and ready to start working for you!

If you are interested in learning more about the SIF SHRIMP program or if you are a new SHRIMP user and want to get an overview on how to start using the product there will be two introductory webinars in the upcoming weeks - one for users and one for consultants. Please check out information on additional webinars at our website www.apgasif.org!

Introduction to SHRIMP for users

This webinar will be a general overview of the SHRIMP program developed by the APGA Security and Integrity Foundation.

When:

Friday, September 10, 2010
2:00 PM - 3:00 PM EDT

Introduction to SHRIMP for consultants

This is an overview for public gas consultants about how they can use the SHRIMP program to affordably assist their clients.

When:

Wednesday, September 1, 2010
1:00 PM - 2:00 PM EDT

Register online at www.apgasif.org.

APGA Sends Out Membership Satisfaction Survey

Last week, APGA sent out to all of its members a membership satisfaction survey. The survey, which was developed by the APGA Membership Committee, is administered to assess member views of APGA's performance, value, and the quality of services provided. The survey also seeks input on additional services that APGA should offer to provide

increased value to its members. The survey is broken into five segments: background; membership value; advocacy; communications; and education.

The survey is intended to take no more than 10-15 minutes to complete. The survey will help APGA and the Board of Directors identify the value of the services APGA provides as well as areas where improvement is needed. APGA has always been and continues to be a member-driven organization. As such, this survey plays a critical role in our strategic planning and helps ensure that APGA meets the future needs of its members.

We strongly encourage you to take the time to complete the survey. Your input will help improve APGA and the overall value of membership. If you have any questions on the survey or need additional information, please contact Dave Schryver of APGA's staff by email at dschryver@apga.org or by phone at 202-464-2742.

DOE Considers Adoption of Full Fuel Cycle Energy Standards

On August 23, the Department of Energy (DOE) published a notice of its plans to hold a public meeting and take comments on several National Academy of Sciences recommendations to incorporate full fuel-cycle analysis into their standard rulemakings for consumer products and certain commercial and industrial equipment. You may view the notice [here](#).

Critical Dates

- **Public Meeting:** Thursday, October 7, 2010, from 9 a.m. to 4 p.m. Washington, DC.
- **Request to Speak:** Before 4 p.m., Thursday, September 23, 2010.
- **Submit Statements:** Before 4 p.m., Thursday September 30, 2010.
- **Comment Period:** Before and after the public meeting but not later than October 19, 2010.

APGA will submit a request to speak at the public meeting and submit comments for the record. APGA members are encouraged to also speak and submit comments. Weighing in on this matter is critically important to natural gas utilities.

DOE proposes to implement certain NAS recommendations including using full fuel-cycle (FFC) measures of energy and greenhouse gas (GHG) and other emissions in the national impact analyses and environmental assessments included in future energy conservation standards rulemakings. DOE would do this by taking data from its existing National Energy Modeling System (NEMS) and then apply emissions factors from its Greenhouse Gases, Regulated Emissions, and Energy Use in Transportation (GREET) model in energy

conservation standards rulemakings to convert primary energy impacts to FFC energy impacts.

Importantly, this proposed policy would change the current point-of-site measurement currently used by DOE to measure energy efficiency and consumption.

Finally, DOE proposed improvements to the online database at the Federal Trade Commission by making full fuel cycle and GHG emissions measurements available to the public. DOE is also seeking comments on the value of adding GHG information to the existing energy guide label and how the information can be presented in a manner that is clear, understandable and fair to consumers.

For more information, please contact Bob Beauregard at 202-464-2742 or bbeauregard@apga.org

APGA Comments on Texas Pipeline Safety Proposal

On August 16, APGA filed written comments with the Texas Railroad Commission expressing concern about a proposed pipeline safety rule that APGA projected would have a disproportionately negative impact on municipal gas utilities in Texas. APGA typically does not weigh in on state regulations but was concerned that the Texas rule could provide a precedent for federal or other state rules. The Texas proposal would require utilities to compare the number of leaks on steel service lines with leaks on the rest of the system and, if a third or more of the system leaks were on steel services, replace all steel service with plastic pipe. APGA's comments pointed out that this ratio of leaks on steel services to other leaks was a poor indicator of relative risk. We pointed out that the APGA Security and Integrity Foundation (SIF) SHRIMP program and other risk-based programs look at leaks per mile or per service and even then do not rely on a single statistic as the final determination of risk. A small utility that may have only have 2-3 leaks per year and if one of those leaks happened to occur on a steel service it would trigger a requirement to replace all steel services, even if the leaks per service was below Texas and national averages. The cost of such a replacement program would exceed the resources available to many smaller systems.

The rule would also prohibit installing distribution piping by any method other than welding for steel and fusion for plastic pipe. For more information please contact John Erickson, APGA vice president, operations 202-464-2742, ext 1002 or jerickson@apga.org.

APGA Speaks at Western Regional Gas Conference

APGA vice president, operations John Erickson made two presentations and participated in a roundtable on distribution integrity management during the Western Regional Gas Conference in Tempe, AZ on August 24-25. The conference attracted over 200 utility managers, pipeline safety regulators, vendors and others. Pipeline and Hazardous Materials Safety Administration (PHMSA)

associate administrator for pipeline safety, Jeff Weise provided the keynote address and Mike Comstock of Mesa, AZ was the conference host.

APGA's first presentation was an overview of the Distribution Integrity Management Programs (DIMP) rule that was published by PHMSA on December 4, 2009. Utilities have until August 2, 2011 to create a written DIMP plan meeting the requirements of the rule. John reviewed the required elements and in his second presentation described how utilities can use the Simple, Handy, Risk-based Integrity Management Plan (SHRIMP) developed by the APGA Security and Integrity Foundation (SIF) to write a DIMP plan specific to their system. Over 316 systems have registered to use SHRIMP and more are registering every day at www.apgasif.org. The City of Mesa has volunteered for PHMSA and state regulators to conduct a pilot inspection of Mesa's DIMP plan, which will be developed using SHRIMP, so the pilot audit will offer a trial of the SHRIMP plan and processes.

For further information please contact John Erickson, APGA Vice President, Operations 202-464-2742, ext 1002 or jerickson@apga.org.

Public Natural Gas Week Webinar

Join us for a Webinar on September 8 to learn how to get the most out of Public Natural Gas Week in addition to hearing from an APGA member who has found success in her small town promoting the benefits of a public gas in her town.

Space is limited

Reserve your Webinar seat now at:

<https://www2.gotomeeting.com/register/205046267>

What: How to Get the Most Out of Public Natural Gas Week

APGA Will Visit the Southeast to Brief Public Gas Systems During August Recess

While Congress is in recess, the American Public Gas Association (APGA) will provide a series of briefings to public gas systems in the Southeast. Similar to what was done earlier this year in the Midwest, Bert Kalisch, APGA's president and CEO will highlight APGA's advocacy activities in the 111th Congress and seek input as to how APGA can provide greater value for its members and the public natural gas industry as a whole.

If you would like to learn more about APGA and the latest events in the natural gas industry we encourage you to attend. These briefings are open to **ALL** and there is no registration fee. Each briefing begins at 10:00 am and a lunch will be served at approximately 11:30 am. During and after lunch, there is a roundtable to discuss the issues impacting public gas utilities. All briefings will conclude no later than 1:15 pm.

To see if Bert is coming to your town please check the locations below. If you have a question about any of the above briefings, please call Bert at 202-464-2742 or email at

bkalisch@apga.org.

To RSVP please contact Marghet Hager at mhager@apga.org at 202-464-2742.

August 27

Commerce Civic Center
110 State Street
Commerce, GA

August 31

York County Natural Gas Authority
Rock Hill, SC

Federal Pipeline Safety Technical Committee Receives Update on Regulations

On August 19 the Technical Pipeline Safety Standards Committee (TPSSC) met by conference call to discuss the status of pipeline safety regulations. TPSSC is a peer review committee comprised of pipeline safety experts from industry, government and public who advise the Pipeline And Hazardous Materials Safety Administration (PHMSA) whether rules are reasonable, practicable and technically feasible. Mike Comstock of Mesa, AZ is APGA's representative on the TPSSC, although this was Mike's last meeting as he has completed two, 3-year terms on the committee. Rich Worsinger of Rocky Mount, NC has been nominated to replace Mike, and Mike Bellman of Richmond (VA) Department of Public Utilities has been nominated to fill another distribution industry opening on the TPSSC. APGA thanks Mike Comstock for his diligent work looking out for the interests of public gas during his terms on the TPSSC.

Although no rules were offered for a vote, PHMSA provided some insight into several ongoing projects that may result in regulations in the near future. Most importantly, PHMSA intimated that rules would be proposed to extend the mandatory installation of excess flow valves (EFVs) to new and replaced service beyond just single family residences. Rules requiring installation on branched services, duplexes, triplexes and some small commercial customers where flow rates are predictable and within capabilities of EFVs were under consideration. PHMSA is also conducting a "gap" analysis comparing natural gas regulations to hazardous liquid regulations to document what issues are addressed in one set of rules but not the other. Mike Comstock cautioned PHMSA that the design, construction, operation and maintenance of gas distribution is very different than hazardous liquid pipelines and there are many legitimate reasons the rules should be different.

For further information please contact John Erickson, APGA Vice President, Operations 202-464-2742, ext 1002 or jerickson@apga.org.

Weekly Storage Report: Storage increases to 3,052 Bcf

Here is the weekly EIA Summary Report issued on Thursday, August 26, 2010, that reports last week's storage report highlights for Friday, August 20, 2010. A 40 Bcf increase has been reported.

Summary

Working gas in storage was 3,052 Bcf as of Friday, August 20, 2010, according to EIA estimates. This represents a net increase of 40 Bcf from the previous week. Stocks were 198 Bcf less than last year at this time and 177 Bcf above the 5-year average of 2,875 Bcf. In the East Region, stocks were 15 Bcf above the 5-year average following net injections of 48 Bcf. Stocks in the Producing Region were 84 Bcf above the 5-year average of 865 Bcf after a net withdrawal of 5 Bcf. Stocks in the West Region were 78 Bcf above the 5-year average after a net drawdown of 3 Bcf. At 3,052 Bcf, total working gas is within the 5-year historical range.