



Weekly Update February 18, 2010

APGA To Conduct Training on SHRIMP with Broadcast via Webinar

The “SHRIMP” on-line program for creating customized Distribution Integrity Management Plans is nearing completion. It has been guided at every step by a team of industry, state and federal pipeline safety experts to ensure it addresses every requirement of the rule. Next week utilities will be able to begin signing up for the training so they can be ready to use SHRIMP when it is released in March. SHRIMP is free to systems with 1,000 or fewer service lines and at a nominal cost to larger systems.

To help operators understand how SHRIMP works APGA will conduct two, half-day seminars during which APGA’s John Erickson will create an actual written DIMP plan for a gas utility. The first session will be held on March 24 from 10 am – 1pm in Springfield, MO in conjunction with the APGA Security and Integrity Foundation (SIF) and APGA Operations Conference. **This seminar will also be broadcast as a webinar for those unable to attend either session in person. Registration for the webinar coming soon!**

The second session will be held March 31 in conjunction with the Southern Gas Association’s Spring Conference and Expo in Charlotte, NC. Registration information for the Springfield Conference and a link to SGA’s registration information for the Charlotte Conference can be found at <http://www.apgasif.org/i4a/pages/index.cfm?pageID=3341>.

Registration to view the March 24 SHRIMP webinar will be posted soon. For further information contact John Erickson, APGA Vice President, Operations 202-464-2742, ext 1002 or jerickson@apga.org.

APGA Urges NARUC Not to Endorse DOE Efficiency Standards for Residential Water Heaters

On February 12, APGA sent a letter to the Chairman and Board of the National Association of Regulatory Utility Commissioners (NARUC) regarding their consideration of a resolution which expresses support for the U.S. Department of Energy’s (DOE) Efficiency Standards for Residential Water Heaters. In its letter, APGA urges NARUC to table a resolution that the Board will consider at its Winter Meeting that endorses DOE’s Efficiency Standards for Residential Water Heaters. APGA’s letter communicates that the standards “would further exacerbate an unfortunate but increasing trend of promulgating standards that favor electric storage water heating over natural gas storage water heating.” DOE’s standard would potentially result in the removal of atmospheric water heaters from the marketplace and as a result, electric water heating will become the preferred alternative in a large number of replacement installations and in some cases it may be the only alternative.

In its letter APGA also communicates that DOE's standard ignores the many benefits provided by the direct-use of natural gas. For example, using gas-fired water heaters for homes instead of electric resistance water heaters ultimately reduces greenhouse gas emissions by one-half to two thirds. The letter also cites a June 2009 study released by APGA, the Interstate Natural Gas Association of America and others that analyzed the benefits of increased direct use of natural gas as a cost-effective means to increase full fuel cycle energy efficiency and reduce greenhouse gas emissions. The study demonstrated, among other things, that using revenues to provide incentives for original natural gas end-use applications and conversions to natural gas appliances from their electric counterparts will provide substantially higher and immediate return values in energy efficiency and carbon output reductions than an equal investment in electric applications.

A copy of APGA's letter to NARUC, as well as the study referenced in the article, is available on the APGA website at www.apga.org. If you have any questions on this article or the Gas Supply Conference, please contact Dave Schryver of APGA's staff by email at dschryver@apga.org or by phone at 202-464-2742.

APGA sends letter in support of increased LIHEAP authorization

On February 17, APGA sent a letter to U.S. Representative Edward J. Markey of Massachusetts in support of his recently introduced bill entitled the *Energy Assistance for American Families Act* (H.R. 4554). Markey's bill would increase the authorized funding level for the Low Income Home Energy Assistance program (LIHEAP) from \$5.1 billion to \$7.6 billion per year for fiscal years 2011 to 2014. The bill currently has 28 cosponsors in the House of Representatives and has been sent to the House Committee on Education and Labor for review.

LIHEAP is a federal block grant program that provides money to low-income individuals/families to help them meet their energy needs. The program receives an annual appropriation from Congress through the Labor and Health and Human Services (Labor-HHS) Appropriations bill and is administered by the states. APGA has long supported increased funding for LIHEAP because it helps low income families and seniors manage their energy bills and avoid the choice of paying for energy versus other necessities such as food, medicine, and childcare.

Congress increased the authorization for LIHEAP to \$5.1 billion as part of the Energy Policy Act of 2005. In fiscal years 2009 and 2010 Congress appropriated the full \$5.1 billion in spending for the LIHEAP program. The formula used to allocate funds under LIHEAP is based on two sets of regulations and is weighted towards state's relative cold-weather conditions and households living in poverty.

According to the National Energy Assistance Directors Association (NEADA), LIHEAP funds helped states assist approximately 8.3 million households last year, a more than 33 percent increase in the number of households served from the previous year. In addition, in large part due to the economic downturn, NEADA estimates that 10 million households may apply for assistance this year.

You can view a copy of the letter at www.apga.org. If you have questions on this article you can contact Nate Hill at 202-464-2742 or nhill@apga.org.

APGA continues taking nominations for the Public Gas Policy Council

APGA continues to take nominations for locally elected and appointed officials to serve on the APGA Public Gas Policy Council (PGPC). This year APGA members can fill out and submit their PGPC nominations completely online at www.apga.org/pgpc.

On January 7, APGA sent out to all of its members a form for them to nominate officials to the PGPC. The PGPC is made up of locally-elected and appointed officials from public gas communities. The PGPC meets annually in Washington, D.C. The 2010 meeting will be held on May 4-5. During the Washington meeting, participants receive updates from APGA and congressional staff on legislative issues affecting public gas systems and meet with key members of Congress and their staff to discuss issues of concern to public gas systems. Public gas systems and their locally-elected officials visited over 80 congressional offices during the 2009 meeting and received a presentation on regulatory issues from the outgoing Federal Energy Regulatory Commission (FERC) chairman Joe Kelleher.

The primary purpose of the PGPC is to assist APGA in moving legislation forward that is important to its members, to oppose harmful legislation, and to provide advice on other legislative related issues of importance to APGA. Locally elected and appointed public officials have a strong, persuasive, and authoritative voice in Washington, D.C. with their elected representatives in both the House and Senate. Having a core group of elected officials to carry the public gas message to Congress significantly strengthens APGA's advocacy efforts.

You can send your nominations to Nate Hill at APGA by fax at 202-464-0246 or by e-mail at nhill@apga.org. Once nominations are received, appointments to the PGPC will be made by the Chair of the APGA Board of Directors. If you have an elected or appointed official from your community that would be a good advocate for public gas, APGA strongly encourages you to submit a nomination for that individual.

If you have any questions regarding the PGPC, please contact Nate Hill at APGA by phone at 202-464-2742 or email.

Register for the Southeast LDC Gas Forum

On April 14, Bert Kalisch, President & CEO of APGA, will give a keynote speech at the Southeast LDC Gas Forum in Atlanta, Georgia. His speech will cover a regulatory update from the LDC perspective. If you are interested in learning more or registering, [please download the agenda here](#).

2011 Natural Gas Calendar – Commitment Deadline Extended

We had asked all public utilities to communicate their 2011 Natural Gas Calendar order commitments by February 15. However, some systems will need to get approval for a calendar purchase at Board meetings scheduled after February 15. **For that reason, we are extending the commitment deadline to March 1.**

To date, we have received order commitments for 31,200 2011 calendars however, we need an order commitment of 75,000 calendars to proceed with production.

For planning purposes, assume the following calendar prices based on quantity:

250-999 - \$1.99/calendar
1,000-4,999 - \$1.93/calendar
5,000-9,999 - \$1.88/calendar
10,000 and over - Negotiated price

If you want envelopes please add \$0.05/calendar.

Prices are an approximation because we can't predict whether printing and shipping costs will rise or by how much.

If your system is one of the many public gas systems that does not have a formalized marketing plan, the APGA calendar can be the one marketing initiative that costs little and pays big dividends in customer good-will. It can also potentially increase their usage of natural gas appliances in their homes.

Reply with your 2011 calendar order commitment by March 1, 2010, to Bob Beauregard at bbeauregard@apga.org or 202-464-2742.

Join Us At The Operations Conference March 22-24

The 2010 Operations Workshop & Conference sponsored by the American Public Gas Association and the Security & Integrity Foundation (SIF) will include educational sessions for all levels of utility operations from field workers to management in Springfield, MO March 22-24. At the Springfield Utilities' training center, the SIF will offer operator qualification training in covered tasks, including both written and hands on evaluation. Classroom sessions will include public awareness, integrity management, preparing for a compliance audit, and more. Speakers will include Mike Israni of the Pipeline and Hazardous Materials Safety Administration (PHMSA) who will discuss the Distribution Integrity Management Programs (DIMP) rule, Ken Cuccinelli of Questfore who will discuss public awareness effectiveness assessment and others. Wednesday morning will include a half-day working seminar on how to use SHRIMP to create a written DIMP plan. There will also be an exhibit of the latest in operations products and services from APGA associate members. Registration information can be found at www.apgasif.org/owc.

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

OQ to be held in conjunction with APGA/SIF Operations Conference in Springfield, Missouri

The APGA Security and Integrity Foundation will be holding Operator Qualification (OQ) and requalification workshops at the City Utilities of Springfield Training Facility during the APGA/SIF Operations Conference, March 22-24, 2010. Operators who want to attend the OQ workshop need to register using the OQ registration form (separate from the general session registration form). The SIF will provide evaluators and material. A qualification certificate will be mailed to each operator after the tests are graded.

The \$395 event registration fee covers one operator for the entire event. The operator can choose to attend only general session events, general session and OQ events, or all OQ. This event is not intended to be a training event for new or inexperienced employees. It will primarily qualify or re-qualify operators that have been previously trained in the specific task areas. For more information call or email Todd Brady at 202-370-6211 or tbrady@apga.org. Additional information can be found on the SIF website at www.apgasif.org.

OQ Single Day Registration Fees:

Monday OQ only (hotel reception not included) - \$129.00

Tuesday OQ only (hotel reception not included) - \$195.00

Wednesday OQ only - \$129.00

OQ Multiple Day Registration Fees:

OQ or Operations Conference (includes hotel reception) - \$395.00

Operator Qualification schedule:

1:00 – 5:00 - Monday - Odorization -

1211 – Periodic Sampling

1221 – Odorizer inspection, Testing, Preventative and Corrective Maintenance

8:30 – 5:00 – Tuesday (lunch provided) - Leak Investigation -

1231 – Inside Gas Leak Investigation

1241 – Outside Gas Leak Investigation

1261 – Walking Gas Leakage Survey

8:30 – 11:30 - Wednesday - Valves -

0301 – Manually Opening and Closing Valves

0331 – Visual Inspection and Partial Operation

0341 – Preventative Maintenance

Location:

City Utilities of Springfield Training Facility

2115 W. Grand

Springfield, Missouri 65802

Transportation will not be provided between the hotel and the training facility.
Carpool opportunities may be available.

MSTTC Program Adds Two Exciting Speakers

Recently you received the large colorful postcard giving you detail on the March 29-31, 2010, Marketing & Sales Trends and Training Conference in Pensacola Beach, Florida. Since then, two exiting speakers have been added to the program. Conference sponsors APGA, ANGA and FNGA are pleased to pass this news along.

Bill Cantrell, retired President of TECO Peoples Gas and newly selected Executive Director of the CRE will speak about his passion for natural gas marketing and communication. Bill's experience is vast, including past chair of Florida Natural Gas Association (FNGA), past marketing chair of Southern Gas Association (SGA) and immediate past chair of the American Gas Foundation. Under his leadership, TECO Peoples was one of three utilities with the foresight to establish the Council for Responsible Energy (see www.comfortableresponsible.org).

Dr. Ken Morgan, Director of the TCU Energy Institute, will keep you on the edge of your seats with his address on shale gas and how that new and vast supply of natural gas is a "game changer" for our industry and our nation.

For an updated program and information on registration and the conference hotel, please visit www.apga.org/msttc. To ensure the best hotel rate we suggest you register by March 8. Also look for our discounted group rates available.

For further information, please contact any of the following three persons;

Brad Pitt, Riviera Utilities – 251-943-5001; bpitt@riviera-utilities.com

Jill Grove, ESP - 850-474-5318; jgrove@ci.pensacola.fl.us

Bob Beauregard, APGA – 202-464-2742; bbeauregard@apga.org

Weekly Storage Report

Here is the weekly EIA Summary Report issued on Thursday, February 18, 2010, that reports last week's storage report highlights for Friday, February 12, 2010. A 190 Bcf **decline** has been reported.

Summary

Working gas in storage was 2,025 Bcf as of Friday, February 12, 2010, according to EIA estimates. This represents a net decline of 190 Bcf from the previous week. Stocks were 26 Bcf higher than last year at this time and 53 Bcf above the 5-year average of 1,972 Bcf. In the East Region, stocks were 18 Bcf below the 5-year average following net withdrawals of 105 Bcf. Stocks in the Producing Region were 18 Bcf above the 5-year average of 655 Bcf after a net withdrawal of 63 Bcf. Stocks in the West Region were 52 Bcf above the 5-year average after a net drawdown of 22 Bcf. At 2,025 Bcf, total working gas is within the 5-year historical range.

