

Weekly Update September 15, 2011

The Success of Tomorrow Depends on the Research of Today

WHAT: The 2011 R&D Forum. Sponsored by the APGA Research Foundation (RF) and the Gas Technology Institute (GTI)

WHERE: Chicago, IL at GTI Headquarters.

WHEN: October 25 & 26, 2011

COST: Hotel (two-nights) and food provided at no cost. Just get to Chicago.

WHY ATTEND: Learn about new technologies that will help you to reduce operating costs while improving customer satisfaction and new technologies that will help you provide your residential and commercial customers environmentally-friendly end-use appliances. You will leave the Forum knowing that research and development is crucial to the long-term success of the natural gas industry.

AGENDA: The R&D Forum program begins at 5:00 pm CT on Tuesday, October 25, with a tour of GTI facilities followed by a networking dinner with GTI leadership and R&D project managers. The forum picks up on Wednesday, October 26, with morning and afternoon informative classroom presentations on supply, operations and end-use R&D projects, some of which are near commercialization. GTI will then host a reception and dinner on Wednesday evening.

HOW TO REGISTER: Please go to www.apgarf.org/2011Forum by October 5, 2011 to mail or fax your registration form. Please encourage one of your Board members to join you. There is no registration fee, food costs are covered for all attendees and two nights room plus tax will be covered for the first forty (40) registrants.

THE HOTEL: Radisson Hotel O'Hare. The hotel provides a complimentary 24-hour O'Hare airport shuttle. The hotel will shuttle between the hotel and GTI at specific times.

The RF Board and GTI looks forward to seeing you in Chicago! Again, space and hotel rooms are limited.

Please call Bob Beauregard at APGA 202-464-2742 or Mary Kos at GTI 847-768-0950 with your attendance confirmation or questions.

Join Us September 20 for a Public Awareness Webcast and Roundtable

The Pipeline and Hazardous Materials Safety Administration (PHMSA), along with its state partners, has announced plans to conduct comprehensive audits of the public awareness plans of all distribution, transmission and hazardous liquid pipelines by the end of 2012. Public awareness is one of the issues raised by the pipeline accident in San Bruno, CA last September, where the National Transportation Safety board (NTSB) has been harshly critical of the utility's public awareness efforts. Many of these public awareness audits have already taken place.

On September 20 at 2 pm EDT the **APGA Operations and Safety Committee** will conduct a roundtable discussion via conference call and webcast to help members prepare for these audits. Amber Pappas, director of communications for Regulatory Compliance Partners, will open with a presentation based on her participation in several of these comprehensive audits. Following this presentation the roundtable will open up for questions and answers, plus sharing of the experience of APGA members who have gone through these audits.

[To register, go to here.](#) For further information contact John Erickson of APGA at 202-464-2742, ext 1002 or jerickson@apga.org.

Over 300 Participate in Training and Education at Leak City

Over 300 utility operations and maintenance personnel participated in four days of training and education at the annual Fall Workshop conducted at the Leak City training facility in Athens, AL September 12-15. The annual workshop featured classroom and hands on training in areas including leak investigation, corrosion control, odorization, valve operation and maintenance, pressure regulators and more. Individuals who successfully completed written tests and hands-on demonstrations of competence were given operator qualification certifications by the APGA Security and Integrity Foundation (SIF).

The workshop also featured classroom training for operations and maintenance managers, from first line supervisors to upper management. APGA once again organized and conducted the operations and regulatory roundtable, moderated by Chris Latch of Corinth (MS) gas department. APGA Vice President, Operations John Erickson opened the roundtable with a summary of current issues affecting operations including pipeline safety act reauthorization, NTSB recommendations following the San Bruno accident and EPA's greenhouse gas reporting rules. The discussion that followed included an extensive discussion of operator's experience with developing and defending during inspections their Distribution Integrity Management Programs (DIMP) plans. Quite a few participants related how they used the SHRIMP™ program to create their DIMP plans. The roundtable concluded with participants sharing experience on topics such as procedures for reestablishing service after an outage, operator qualification and other operations issues.

The workshop also featured an exhibition of products and services for utility operations and maintenance. For further information contact John Erickson of APGA at 202-464-2742, ext 1002 or jerickson@apga.org.

DOE Issues Final Rule on AFUE Minimum Efficiency Standard

On September 12, APGA requested an extension of the comment period on the DOE Direct Final Rule (DFR) and NOPR regarding the new 90% annual fuel utilization efficiency (AFUE) minimum efficiency standard for natural gas furnaces in the thirty (30) northern states.* APGA contended that it has effectively been denied due process by its inability to do a refined technical analysis of the subject DFR/NOPR in a timely fashion and that additional time is needed to conduct a thorough and proper analysis of and to comment on the Department's proposals in this proceeding for three reasons, each of which is discussed in detail in the extension request. The three reasons:

- Delayed public access to critical data relied on by DOE;
- Non-functioning software to analyze DOE life-cycle-cost estimates; and
- The DOE enforcement plan for regional standards is still unknown, including the potential impact on gas suppliers and DOE's requirements to comply with the Regulatory Flexibility Act.

Taken together, these three issues require additional time to conduct a thorough analysis of and to comment on the Department's significant proposals in this proceeding.

The comment period ends on October 13. APGA asked DOE to extend the comment period by a minimum of thirty-days and that the DFR effective date be extended a corresponding period of time. More appropriately, APGA respectfully urged the Department to delay the DFR/NOPR comment period and effective date, initiate the rulemaking to establish its regional standard enforcement plan pursuant to EISA 2007 Section 306 as soon as possible and provide all interested persons at least 110 days thereafter to comment on DFR, NOPR and Enforcement proposals in this proceeding together.

[To view the Comment Extension request go here](#)

** The northern region for furnaces contains the following States: Alaska, Colorado, Connecticut, Idaho, Illinois, Indiana, Iowa, Kansas, Maine, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New York, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Dakota, Utah, Vermont, Washington, West Virginia, Wisconsin, and Wyoming.*

For further information, contact Bob Beauregard at 703-489-2941 or bbeauregard@apga.org

National Petroleum Council Meets in Washington

Today, the National Petroleum Council (NPC) held its 121st meeting in Washington, DC. The NPC is a federally chartered and privately funded advisory committee whose purpose is to advise, inform and make recommendations to the Secretary of Energy with respect to any matter relating to oil and natural gas, or to the oil and gas industries submitted to it or approved by the Secretary. Approximately 200 people serve on the NPC. Craig White, president & CEO of Philadelphia Gas Works, serves as a public gas system representative on the NPC.

At today's meeting, the NPC approved a report entitled "*Prudent Development: Realizing the Potential of North America's Abundant Natural Gas and Oil Resources.*" In response to a request by Secretary of Energy, Dr. Steven Chu, the report is intended to "reassess the character and potential of North American natural gas and oil resources and the contribution that natural gas can make in a transition to a lower carbon energy mix while achieving objectives of environmental protection, economic growth and energy security." Within the report, it appears that several conclusions have been reached: the potential supply of North American natural gas and oil is much greater than anticipated; natural gas and oil resources will continue to be needed even as energy efficiency reduces demand and lower carbon alternatives become more economically viable; and the successful utilization of the benefits of natural gas and oil is dependent on environmentally responsible development. Secretary Chu spoke at the meeting and discussed energy policy and a wide range of energy related issues. The meeting also included a progress report from the NPC Committee on a study of future transportation fuels prospects through 2035/2050 for auto, truck, air, rail, and waterborne transportation.

A copy of the reports and presentations can be viewed on the NPC website at www.npc.org. If you have any questions on this article, please contact Dave Schryver of APGA's staff by phone at 202-464-2742 or by email at dschryver@apga.org.

EIA Reports Storage Build of Bcf to Put Working Gas Storage at 3,112 Bcf

Here is the weekly EIA Summary Report issued on Thursday, September 15, 2011, that reports last week's storage report highlights for Friday, September 9, 2011. A 87 Bcf increase has been reported.

Summary

Working gas in storage was 3,112 Bcf as of Friday, September 9, 2011, according to EIA estimates. This represents a net increase of 87 Bcf from the previous week. Stocks were 140 Bcf less than last year at this time and 52 Bcf below the 5-year average of 3,164 Bcf. In the East Region, stocks were 89 Bcf below the 5-year average following net injections of 59 Bcf. Stocks in the Producing Region were 37 Bcf above the 5-year average of 944 Bcf after a net injection of 22 Bcf. Stocks in the West Region matched the 5-

year average after a net addition of 6 Bcf. At 3,112 Bcf, total working gas is within the 5-year historical range.