



Weekly Update September 30, 2010

Tragic Accident in Cairo, GA Kills Gas System Employee and Injures Three Others

It is with great sadness APGA informs you that on Tuesday, September 28, an accident occurred while employees of the City of Cairo, GA public gas system were replacing a section of pipeline. The explosion killed one employee, Wendell Harrison, and injured three other employees, one of whom suffered serious burns. Soon after the accident, the City of Thomasville provided aid and assistance by sending a gas crew to repair the damage and restore service to customers. The Thomasville gas system employees are to be commended for their effort to provide assistance.

APGA offers its deepest condolences to the City of Cairo and the Harrison family. Our thoughts and prayers will be for the City of Cairo, the Harrison family and those injured in the accident. Mr. Harrison had been an employee of the city since June 16, 1994 and a member of the gas crew since July 31, 2003. The accident is being investigated. Below is a statement from the City of Cairo released the day of the accident:

“A City of Cairo gas crew employee was killed at approximately 11:30 a.m.

Tuesday morning when a gas line ignited and three other workers were injured. According to Cairo City Manager Chris Addleton, the city gas crew has been conducting leak detection surveys around the city. A leak had been discovered in the metal gas line at the intersection of 4th Ave. and 4th St. N. W.

The repairs began early this morning as the crew dug up the street to repair the leak. As the workers attempted to couple the new [plastic] pipe with the metal pipe something caused the natural gas to ignite. It has not been determined the exact cause at this time.

The victim is Wendell Harrison, who has been an employee of the city since June 16, 1994 and a member of the gas crew since July 31, 2003.

Peter Garland, who supervises the gas crew, suffered burns to his arms and face and was transported to Tallahassee Memorial Hospital for treatment. His condition is not known.

Two other gas crew members, Jay Spence and Tony Hudson, suffered minor burns and were treated and released at Grady General Hospital in Cairo.

Other members of the gas crew who were on the scene and assisting with traffic direction were not injured.

Once the gas was shut off and the fire extinguished the scene was barricaded off and once it cooled down Asst. Coroner Rusty Powe conducted his investigation and the body was removed shortly before 1 p.m.

The city has notified the Georgia Public Service Commission and the National Response Center in Washington D.C. Two PSC investigators will be in Cairo late Tuesday evening to investigate the incident.

The city manager issued the following statement, "It is devastating when you lose a fellow employee. Our prayers go out to the family and to Peter Garland and his family. We hope his injuries are not severe and he has a speedy recovery. My hope is we can identify the cause of the accident so that we can prevent anything like this from happening again."

Counseling for city employees has been arranged and a City of Thomasville gas crew has been requested to complete the repairs to the gas line pending the conclusion of the PSC investigation."

Mr. Harrison's obituary notice may be viewed at <http://www.clarkfuneral.com/obituaries.htm>

APGA Discusses Pipeline Safety with State Regulators' Association

On September 29, APGA's Bert Kalisch and John Erickson spoke at the Annual Meeting of the National Association of Pipeline Safety Representatives (NAPSR) in Portland, OR. NAPSR is the association of state pipeline safety regulators and therefore has a great deal of influence both with how pipeline safety rules are enforced with APGA member systems and with the federal regulatory programs. Virtually all APGA members are subject to pipeline safety regulations and compliance audits conducted by NAPSR members. This year's meeting was particularly important in light of the ongoing efforts by Congress to pass pipeline safety legislation in the wake of the San Bruno, CA transmission pipeline accident.

At the meeting, APGA focused on the results of the APGA GOAL program for assessing the effectiveness of utility public awareness programs. GOAL found that the level of public awareness of both customers and non-customers living near distribution lines was already high even before the new regulations took full effect. We attributed this to the effectiveness of utility public education efforts going back decades. In the wake of the San Bruno accident some have called for more intensive public awareness, however the GOAL results cast doubt whether this is necessary for distribution operators. In addition, we also highlighted the activities of the APGA Security and Integrity Foundation (SIF), particularly the Simple, Handy, Risk-based Integrity Management Plan (SHRIMP), the DIMP plan development tool being created by the APGA Security and Integrity Foundation (SIF). NAPSR has actively participated in the

development of SHRIMP as well as other SIF programs.

For further information please contact John Erickson, APGA Vice President, Operations (202-464-0834 or jerickson@apga.org).

Calling all Utility Managers: Register NOW for the Gas Utility Management Conference

Join us on November 2-3 for the Gas Utility Management Conference. The APGA Gas Utility Management Conference is held annually as an add-on to the 2010 Fall Board and Committee meetings. This dynamic conference provides public gas system managers with important information on issues to help them better manage the day-to-day operations of their system. Issues covered include rate making, marketing, operations challenges, and legislative and regulatory initiatives.

REGISTER AND VIEW THE AGENDA HERE: www.apga.org/gumc

LOCATION:

Renaissance Ross Bridge Resort
4000 Grand Avenue
Birmingham, AL 35226
www.rossbridgeresort.com

RESERVATIONS: Please call (205) 916-7677 OR (800) 593-6419 to make reservations for the meeting. Be sure to mention "American Public Gas Association" when making reservations to get the group rate.

ROOM RATE: \$179.00 per night

HOTEL CUT-OFF: October 4, 2010 (Reservations made after this date will be accepted on a space and rate available basis, so please make your reservations early!)

October 3-10 is Public Natural Gas Week!

Public Natural Gas Week (PNGW) is held each year during the first week of October. This year APGA will once again provide our members with a variety of creative materials available for free on our website to use for your own 2010 Public Natural Gas Week promotions. These materials include press releases, bill stuffers, advertisements, website buttons, proclamations, and op-eds.

If you are interested in learning more about 2010 Public Natural Gas Week and ways to promote the benefits of having a public natural gas utility in your town or would like to download free creative materials please go to www.apga.org/PNGW.

APGA Submits Testimony to Senate Pipeline Safety Hearing

On September 28, APGA submitted testimony to the Senate Commerce, Science and Transportation Subcommittee on Surface Transportation and Merchant Marine for a

hearing on the San Bruno, CA explosion and other recent pipeline accidents. Witnesses at the hearing included: Senator Feinstein (D-CA); Cynthia Quarterman, administrator of the Pipeline and Hazardous Materials Safety Administration (PHMSA); Christopher Hart, vice chairman of the National Transportation Safety Board; Paul Clanon, executive director of the California Public Utilities Commission; Christopher Johns, president of Pacific Gas and Electric Company; Jim Ruane, mayor of San Bruno, California; and Rick Kessler, vice president of the Pipeline Safety Trust.

In its testimony, APGA communicates that “regulations and rules have a significantly different impact upon a small public gas system than they do upon a larger system serving hundreds of thousands or millions of customers with several hundred or even thousands of employees and an in-house engineering staff. The testimony further states that “the burdens of regulation on these tiny utilities can be unbearable if not tailored to the realities of the community.”

Immediately prior to the hearing, Senator Lautenberg (D-NJ), the Chairman of the Subcommittee introduced pipeline safety legislation entitled the Pipeline Transportation Safety Improvement Act of 2010. APGA staff is reviewing this legislation and will meet with Committee staff to discuss our concerns with the legislation.

A copy of the testimony submitted to the Senate hearing is available on the APGA website at www.apga.org. Congress has departed for the elections and is anticipated to return in mid-November for a lame-duck session. It remains unclear whether Congress will be able to pass pipeline safety legislation during the lame duck session. 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.

APGA Pushes for Full Funding of LIHEAP

On September 20, APGA joined many other groups and associations, including the American Public Power Association and American Gas Association, in a letter to House and Senate leadership urging full funding (\$5.1 billion) of the Low-Income Home Energy Assistance Program. Specifically, the letter expresses support for the funding language contained in the FY'2011 House Labor, Health and Human Services, and Education appropriations bill which provides \$5.1 billion in funding. By contrast, the Senate Labor, Health and Human Services and Education appropriations bill would provide \$3.3 billion with a potential additional \$2 billion being provided if additional authorizing legislation that establishes a trigger component is signed into law. At this point it remains unclear if the additional authorization legislation will be signed into law.

APGA has been a strong-supporter of full funding for LIHEAP. Funds provided by LIHEAP play a vital role in helping low-income families meet their energy needs. Currently, LIHEAP reaches only approximately 15 percent of the 30 million households that are eligible for assistance. Without LIHEAP funding assistance many low-income

families face the difficult choice between paying their energy bills or paying for other necessities, such as prescription drugs, food and childcare.

A copy of the letter referenced in this article is available on the APGA website at www.apga.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.

Weekly Storage Report: Storage increases to 3,414 Bcf

Here is the weekly EIA Summary Report issued on Thursday, September 30, 2010, that reports last week's storage report highlights for Friday, September 24, 2010. A 74 Bcf increase has been reported.

Summary

Working gas in storage was 3,414 Bcf as of Friday, September 24, 2010, according to EIA estimates. This represents a net increase of 74 Bcf from the previous week. Stocks were 166 Bcf less than last year at this time and 202 Bcf above the 5-year average of 3,212 Bcf. In the East Region, stocks were 22 Bcf above the 5-year average following net injections of 48 Bcf. Stocks in the Producing Region were 119 Bcf above the 5-year average of 931 Bcf after a net injection of 21 Bcf. Stocks in the West Region were 61 Bcf above the 5-year average after a net addition of 5 Bcf. At 3,414 Bcf, total working gas is within the 5-year historical range.