



Weekly Update September 9, 2010

Hurry! Register for the APGARF/GTI R&D Forum

The APGA Research Foundation (RF), in partnership with the Gas Technology Institute (GTI), will host the R&D Forum in Chicago on October 13-14, 2010 and is inviting all APGA members to attend this important event, especially those not yet supporting R&D through the RF. We will make it easier for the first thirty registrants by covering their hotel costs. Food costs will be covered for all attendees. Please join us by registering now at www.apgarf.org/2010Forum. We also ask you to encourage one of your Board members to join you on the trip.

The Forum will demonstrate the value of R&D to public gas systems on a broad level. This is an opportunity to learn about new sources of domestic supply, technologies that will help you to reduce operating costs while improving customer satisfaction, and new environmentally-friendly end-use appliances.

The R&D Forum program begins at noon CT on Wednesday, October 13 at GTI. The Forum begins with lunch and a half-day of informative presentations, tours, and live demos focused on gas utility operations R&D. You will also get a sneak peak at some emerging technology. The evening's activities will then include a reception and dinner. On the morning of October 14, the R&D Forum will continue with another half-day of R&D presentations, tours, and live demos focused on natural gas supply and end-use technologies. Breakfast and lunch will be provided. For those flying home on the 14th, a shuttle has been arranged from GTI to O'Hare after lunch.

Accommodations are at the Radisson Hotel O'Hare. The hotel provides a complimentary 24-hour O'Hare airport shuttle. The hotel has also agreed to shuttle between the hotel and GTI at specific times.

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

Please call Bob Beauregard at APGA 202-464-0831 or Mary Kos at GTI 847-768-0950 with your attendance confirmation or questions.

To register, please go to www.apgarf.org/2010Forum or www.apga.org/RFForum.

Nearly One Third of Distribution Operators Using SHRIMP

Nearly one third of the approximately 1,300 distribution system operators in the United States

are using the Simple, Handy, Risk-based Integrity Management Plan (SHRIMP), developed by the APGA Security and Integrity Foundation, to create their Distribution Integrity Management Program (DIMP) Plans. Under a rule issued by the Pipeline and Hazardous Materials Safety Administration (PHMSA) in December 2009 all distribution operators, master meter operators and operators of jurisdictional propane piping systems must have a written DIMP plan in place by August 2, 2011. SHRIMP is an on-line DIMP plan development tool that asks the user about the inspection and maintenance history and other information about the system that enable SHRIMP to assess the relative risk of failure due to each of the eight threats required by the rule. At the end of the process SHRIMP produces a written DIMP plan addressing each threat and all the elements of a DIMP plan specified in the rule.

To date, over 350 systems have signed up to use SHRIMP to develop their plans, including some of the very largest investor-owned utilities. In addition to the ease of use, users also note that having a plan organized similar to what state regulators will see when auditing other SHRIMP users will ease the process of state inspections. New systems are signing up every day. To register go to www.apgasif.org.

The SIF is also conducting periodic web-based seminars to help SHRIMP users understand the concepts of the DIMP rule and how to use SHRIMP to develop their plans. **The next webinar is scheduled for September 10 at 2 pm.** For further information please contact John Erickson, APGA Vice President, Operations 202-464-2742, ext 1002 or jerickson@apga.org.

Majority Leader closes door on climate change legislation this year

Senate Majority Leader Harry Reid said this week that the Senate will not pass legislation this year that imposes a price on carbon. Despite the efforts of several senators for months to reach a compromise on carbon regulations, Reid said that incremental steps will be the only practical approach for advancing climate and renewable energy proposals this fall and next year.

Reid further said that small business legislation will top the Senate's agenda when the chamber returns from the recess next week. The legislation that includes tax breaks for small business is expected to take most of the three week work period before both chambers break again in early October to campaign through Election Day on November 2nd.

Reid left the door open for bringing broader energy legislation to the Senate floor for debate during the "lame duck" session, which is the period that Congress is in session after Election Day and before the start of the new Congress in January 2011.

Reid said he is focused on a broader energy bill with provisions that could garner 60 votes. Those provisions could include a Renewable Electricity Standard (RES), the NAT GAS Act that mainly includes government support for the conversion of heavy trucks to natural gas, Home Star energy efficiency bill, oil spill liability and other energy provisions.

The focus on carbon regulations now shifts to the Environmental Protection Agency (EPA), which plans to finalize its “tailoring rule” in 2011 that will require large emitters over 100,000 metric tons of emissions to consider greenhouse gases when applying for clean air act permits in the future. These regulations would only impact very large emitters such as coal-fired electric generators. The long-term concern for many emitters, including public gas systems, is that the EPA could in the future seek to apply similar carbon constraints to smaller emitters.

If you have questions on this article contact Nate Hill at 202-464-2742 or nhill@apga.org.

MARK YOUR CALENDAR

The 2011 Marketing & Sales Trends and Training Conference (MSTTC) is set for April 4-6, 2011, in Pensacola Beach, Florida. Once again, the venue will be the beautiful Hilton Pensacola Beach Gulf Front. And once again APGA, ANGA and FNGA will join together to cosponsor this most important and most exciting annual event. Please plan on traveling to Pensacola, Florida next April.

The MSTTC Task Force is just beginning its work but their charge is to make the 2011 conference more valuable and memorable than the 2010 conference. Keep a look-out for a colorful oversized postcard coming your way announcing the 2011 MSTTC and the 2011 SIF/Operations Conference. The latter conference will take place at the same hotel and start immediately after conclusion of the MSTTC.

For more information, please contact Sheila Deringis at 202.352.1193 or Sheila@apga.org or Bob Beauregard at 202-464-2742 or bbeauregard@apga.org

Weekly Storage Report: Storage increases to 3,164 Bcf

Here is the weekly EIA Summary Report issued on Thursday, September 9, 2010, that reports last week’s storage report highlights for Friday, September 3, 2010. A 58 Bcf increase has been reported.

Summary

Working gas in storage was 3,164 Bcf as of Friday, September 3, 2010, according to EIA estimates. This represents a net increase of 58 Bcf from the previous week. Stocks were 218 Bcf less than last year at this time and 166 Bcf above the 5-year average of 2,998 Bcf. In the East Region, stocks were 5 Bcf above the 5-year average following net injections of 35 Bcf. Stocks in the Producing Region were 92 Bcf above the 5-year average of 882 Bcf after a net injection of 18 Bcf. Stocks in the West Region were 69 Bcf above the 5-year average after a net addition of 5 Bcf. At 3,164 Bcf, total working gas is within the 5-year historical range.