

Project Review Committee (PRC) Minutes

September 23, 2008

Dominion Peoples Donahoe Road Office

Attendees

Name		Email	Office	Mobile	Fax
Frank Milfeit	Member	Frank.J.Milfeit@dom.com	412-244-7164	412-260-8216	412-244-2546
Jim Gray	Member	James.P.Gray@dom.com	724-842-4808	724-331-3048	724-842-4844
Len Paugh	Member	LPaugh@gl-energy.com	724-743-6714	724-525-3205	724-783-7655
Don Sprouse	Member	DSprouse@kriebelgas.com	814-226-4160	814-221-8637	814-226-9582
Craig Neal	Member	Craig.W.Neal@dom.com	724-464-1501	412-309-0557	724-349-5735
Mike Warcholak	Member	Michael.L.Warcholak@dom.com	724-842-4877	724-882-3811	724-842-4876
Dave Fritz	Guest	David.Fritz@dom.com	724-292-3413	724-323-2636	724-258-2758
Bill Werts	Guest	William.H.Werts@dom.com	724-832-2835	724-331-5132	724-832-0245
Kenneth Nath	Guest	Kenneth.R.Nath@dom.com	724-842-4159	724-640-0179	412-244-2546
Judith Stone	Guest	Judith.C.Stone@dom.com	724-842-4827	724-882-2533	724-842-4844

The prior meeting minutes were distributed and approved.

Current Issues

Project	Duration	Systems Affected	Project	Comments
Redbank				Project in construction. Wiring is going in, tie-ins are complete, engine is ready, and SCADA needs to go in. DEP needs a 5-day notice for a test fire. Township will do additional inspection. Waiting for electric pole.
Kittanning Improvement		Kittanning Ford City Parks 18# system	Adjust pressures on system.	Last month, moved pressure to about 14# from one station with a higher feed. Should provide about 3# of relief. Will continue to monitor system.
Pipe Replacement Tie in		TP301	2-3 days	Tie in 2 nd or 3 rd week October.
Pipe Replacement Tie in		TP7810	2-3 days	First phase: Tie in Oct 14 Phase 2: Tie in mid or end of November.

Updates:

The Laurel Ridge Update: Ken Nath supplied a Dearing quote for a CAT G3516TA (1,400 RPM) Ariel JGE/4-2 4 throw double acting compressor. Suction at 200 PSI discharge = 710 PSI pumping

15-21 MMCFD. Unit cost estimated at \$946,000 delivery is 34 weeks from the date of order. Must add bay to building, extend crane rails and headers, and may need to install thermal oxidizers to 2 of the existing dehys, to maintain total emissions under 25 tons per year. Jim Gray will have Radu refresh his transmission model. Ken will prepare a full cost estimate. Committee will vote on complete project prior to next meeting.

New agreement response: The participating 12 month average is 78.61%.

Smart Pigging: Related work: Just started TP301 - Install 7,000 feet. TP7810 - replace 1 mile of pipe in HCAs. The tie-ins will be late October. Work will start up again next year. East West system will be pigged in 2009, with launchers and receivers installed to accommodate the pigging schedule. Due to the committee's desire to minimize interruptions in 2008 there will be scheduled maintenance in 2009 that may cause intermittent interruptions.

Volumes provided at today's meeting are for the month of July: 137,286 MCFD and August: 135,567 MCFD. Compared to last year's volumes of 121,264 MCFD for July and August was 108,626 MCFD.

Storage: Injecting into all storage fields. As of the end of August: Rager is 84%, Truittsburg 82%, Webster 81%, Gamble Hayden 71%, and Dice is at 83%. Plan is 13.5 BCF and actual is 12.8 BCF, as of September 21. Expect to be full mid November.

Dehy for Armbrust: Meeting with contractor on Friday. Plan to pour concrete end of September. Will begin piping. Unit is available for delivery.

The Redbank, Latrobe and Belknap and Egry Dehys are on order. Foundations are designed. Working on permits to begin concrete and piping work.

Pigging on Indiana Loop: Began welding work for taps. There will be 7 siphon taps. If necessary, at a later date will put in ladder drips. Most locations will be relatively accessible.

Truittsburg: DTI is pigging. Local gas in this area is higher than DTI's 1,100 BTU specification. Blending this gas at Rural Valley will become necessary to ensure consistent off system deliveries to DTI.

Transmission Modeling: Stoner program is going to be upgraded. All information inputs will be loaded into new program. All customer load and production data is to be entered. Stoner programmers are reviewing the data at this time. Discussed ability to do projects without using a model: Will need to identify areas where projects will be coming on line to find areas to improve systems to take additional gas. Kittanning and Penn Township systems show seasonal swings. May look to even out the swing. Customers burn all the gas here.

Ethanol Plant: There is no additional news.

Ethanol Background:

The Commonwealth Renewable Energy Ethanol Plant and its (7/24/355) 20 mmcfld load are expected to start up the 3rd quarter 2009. Delays are due to financials and equipment orders. To accommodate this customer and create an additional outlet for local production, PNG must uprate 12" M-8122 and lay a new 3500' suction line to Armbrust at an estimated \$375-400K capital. PNG proposed that the

PRC fund this work as it creates a significant outlet for further local production projects. PNG is to provide the PRC with an estimate that details the spending for pipeline uprate, pipeline installation, and measurement and regulation stations. Peoples intends to formally recommend that 3-4 of the 15 projects associated with this uprate be credited as PA PES capital. More detailed estimates and description will come at future meetings.

Pigging Schedule 2009

Pipeline	Pig Type	Date	Description
TP7625	Launcher/Receiver	July	
	Clean/Caliper Pig	Sept	
	Smart Pit	Sept	
TP7676/4555	Launcher/Receiver	May-June	Pardus to Derry
	Clean/Caliper Pig	Aug-Sept	
	Smart Pig	Aug-Sept	
TP598	Launcher/Receiver	May- June	Derry to 1 mile east of 8904 (Laurel Ridge) at the 20" to 16" transition
	Clean/Caliper Pig	Aug-Sept	
	Smart Pig	Aug-Sept	

A possible bottleneck exists between Abels Crossroads and the Green Pig Trap near Trim Tree Nursery also Rt. 422. Bottleneck appears to be under Rte. 422. Line is 8", 10" and 6" combinations. There is a 6" restriction in line 7439 (approximately 6,000'). Pressure drop from PO 8003 to PO 4215 is 8 psi. UPDATE: Found 3 drips, 2 on the 10" and 1 on the 6" section. No fluids recovered from drips. May shut down a portion of the system to see if fluid settles.

Mendon: Discussed putting an Arnold engine in the Lincoln Heights area aka 'Little Mike Station' (North of Mendon). Jim Gray and Mike Warcholak will do the initial research.

City of Pittsburgh: Interested in introducing additional distribution supply in Pittsburgh. Peoples will bring maps and line locations to the next meeting.

The next meeting will be October 28,2008 at 1:00 pm in Peoples Greensburg office.

Projects Under Review

Priority	Project Proposal Name	Number of Affected Producers	Current Affected Volume (mmcf/d)	Incremental Capacity Created (mmcf/d)	Capital (\$)	Status
Authorized	Gibson BPR and SCADA / Regulator	15	0.75	0.5	\$20,000	In progress. ROW issue. (Alternative project: change regulator at the station.)
Authorized	Redbank Comp (48)	65	10	2.5	\$1,200,000	November 2008
Authorized	Kittanning Ford City Parks (18 psig) System – Move Eljer plant to the 99# system. Lay 700' to 1000' of pipeline.	31	0.7 (sum) 1.0 (winter)	0.4	Need new estimate.	Tabled.
1	Commonwealth Renewable Energy Ethanol (12" M-8122)	All	0	20 mmcf/d	Need Quote	Plant start up 3rd Qtr 2009
1	Laurel Ridge (add 1 compressor to displace Texas Eastern)	All	15	12 (May-Sept)	TBD	Getting estimate. For 1,375 HP unit. Engine bid received. Env. work begun.

Priority	Project Proposal Name	Number of Affected Producers	Current Affected Volume (mmcf/d)	Incremental Capacity Created (mmcf/d)	Capital (\$)	Status
2	Monessen (38)/Belle Vernon (30)/Gibson (18)	25	1.8	3 – 4	\$1,500,000	A deadline will be established for completion of modeling.
2	Mendon Discharge Upgrade to Armbrust- Considering the relocation of the Arnold #2 unit to a site to be determined.	TBD	TBD	TBD	TBD	
3	Expansion of Off System (Truittsburg)	All	0	20 –30 (for 180 days/yr)	\$2 ,000,000 – 2,500,000	Need to utilize the current capacity to necessitate this expansion.
3	Replace Abels Crossroads to Green Pig Trap 6” with larger pipe (185 psig Loop)	TBD	TBD	TBD	TBD	
	Greene County Area	TBD	TBD	TBD	TBD	Investigate methods to increase production.

Judy Stone for Craig Neal - Secretary