

Damage Prevention Program

October 8, 2008

Ken Lyle, Operations Manager, Damage Prevention

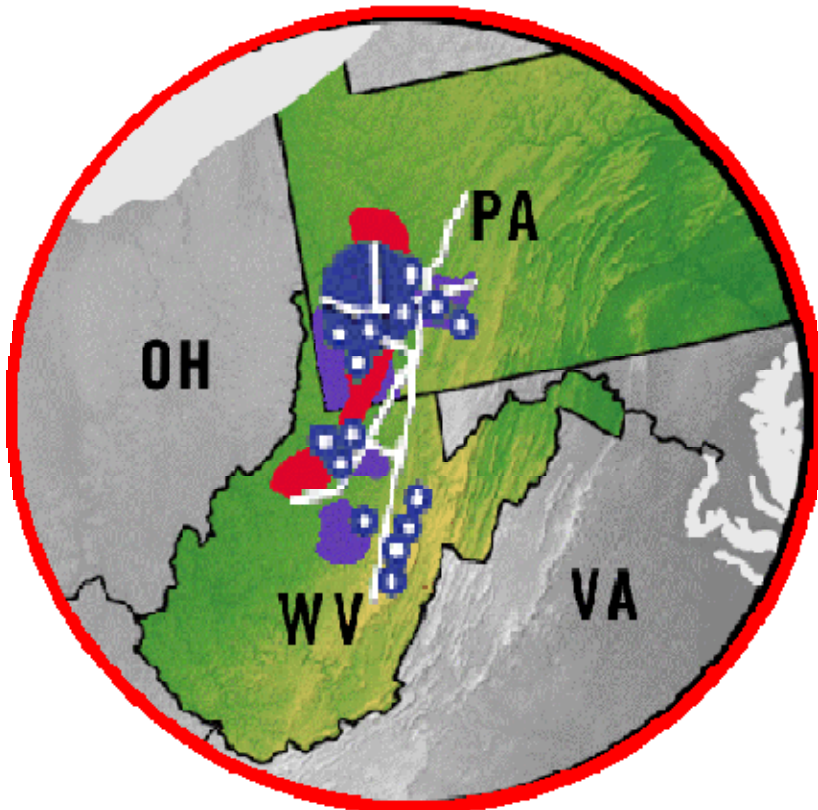
Jack Mackin, Operations Manager



Agenda

- **Introduction – Equitable Gas**
- **Performance Improvement**
- **Success Factors**
 - Company Commitment
 - Ticket Handling Processes
 - Effective Procedures
 - Operator Qualification/QA Program
 - Investigating/Reporting
 - Root Cause/Statistics
 - Outreach
- ***Question & Answer***

Introduction – Equitable Gas



Equitable Resources, Inc. (NYSE:EQT, Enterprise value: ~\$7 Billion as of Oct '08) is a fully integrated energy company focusing on Appalachian natural gas operations. The company is organized into three major operating units:

▪ **Equitable Production** develops, produces and sells natural gas and related products in the Appalachian region of the United States. Equitable is the largest operator in the Appalachian Basin, controlling 3.3 million acres of gas-rich land, and proven reserves of more than 2.5 trillion cubic feet of natural gas.

▪ **Equitable Midstream** provides natural gas gathering services, storage capacity, processing of natural gas liquids, transmission pipeline services and various risk management activities. Midstream deals in both regulated and non-regulated operations.

▪ **Equitable Gas** distributes natural gas to homes, businesses and industrial organizations in southwestern Pennsylvania and north central West Virginia. Its activities are regulated by the Public Utility Commissions in both states.

- Operate 4,100 miles of pipeline
- Deliver 50 Bcf per year.
- Pressures normally range from ½ psig to 60 psig
- Pipe Sizes range from 1" to 36"

Performance Improvement

2007 to 2008

- ◆ Ticket Volume Increased 16%
- ◆ Hits Per 1000 Tickets Received Decreased by 23%
- ◆ Hits Per 1000 Tickets Marked Decreased by 21%

Success Factors

- Company Commitment
- Ticket Handling Processes
- Effective Procedures
- Operator Qualification/QA Program
- Investigating/Reporting
- Root Cause/Statistics
- Outreach

Company Commitment

Increased Damage Prevention resources 43% from 2006 to 2008

- Weekly Reports – Reviewed from CEO to field personnel.
- Active Involvement - Western PA Damage Prevention Com., AGA, PA 1-Call, CGA
- Monitor Damages/Investigations/Reporting *Make Adjustments*
- Outside Education/Training

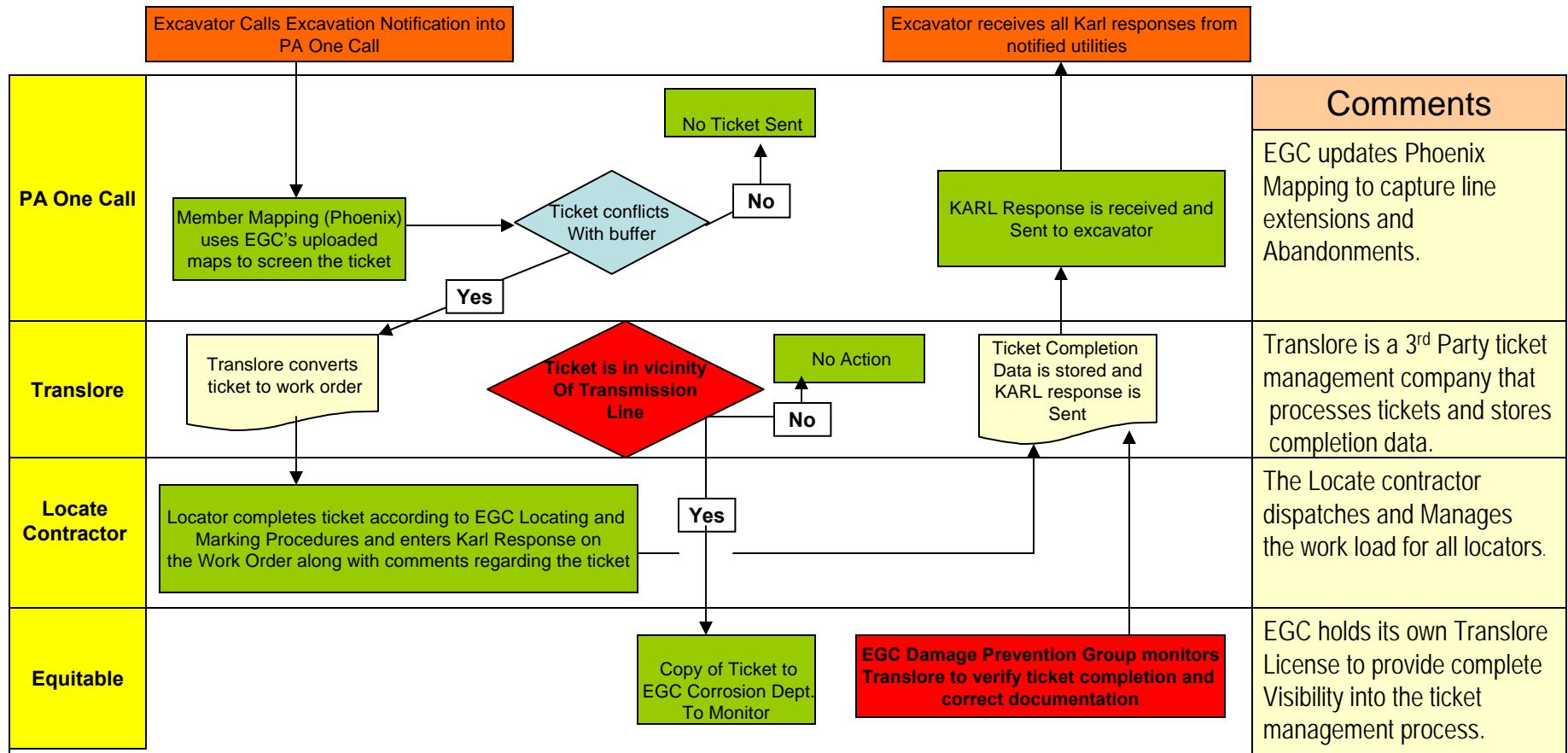
Operations Supervisors : 100% Dedicated to Damage Prevention

- Field Investigate 100% of Damages.
- Complete Root Cause Analysis
- Contractor Quality Assurance in the field / Site Inspections
- Reporting – gathering accurate data from damages

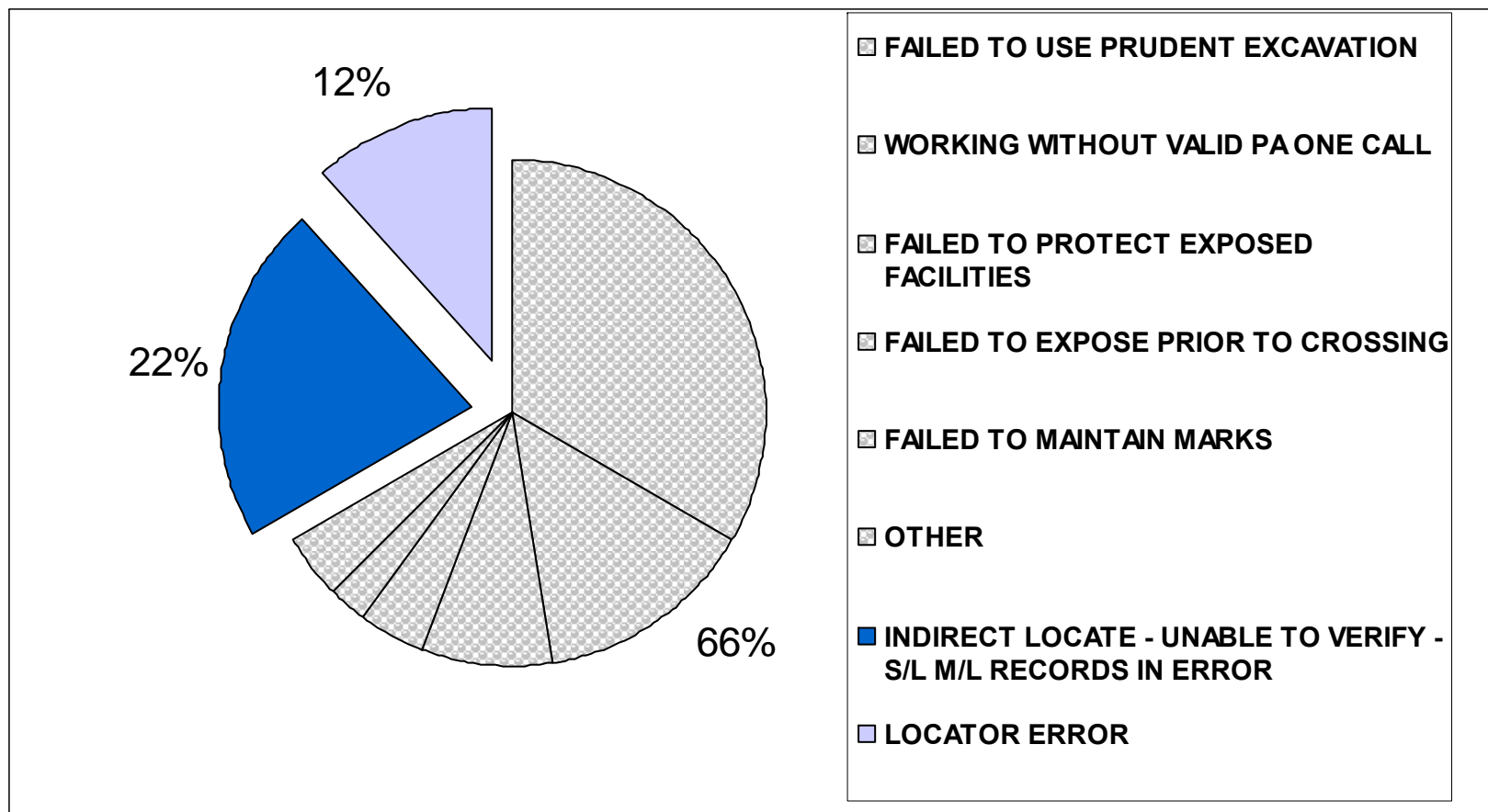
Locators

- Dedicated 100% to locating (full attention to locating vs. multi –task position)
- Field Investigate 100% of Damages
- In house Quality Assurance in the field

EGC Ticket Handling Processes



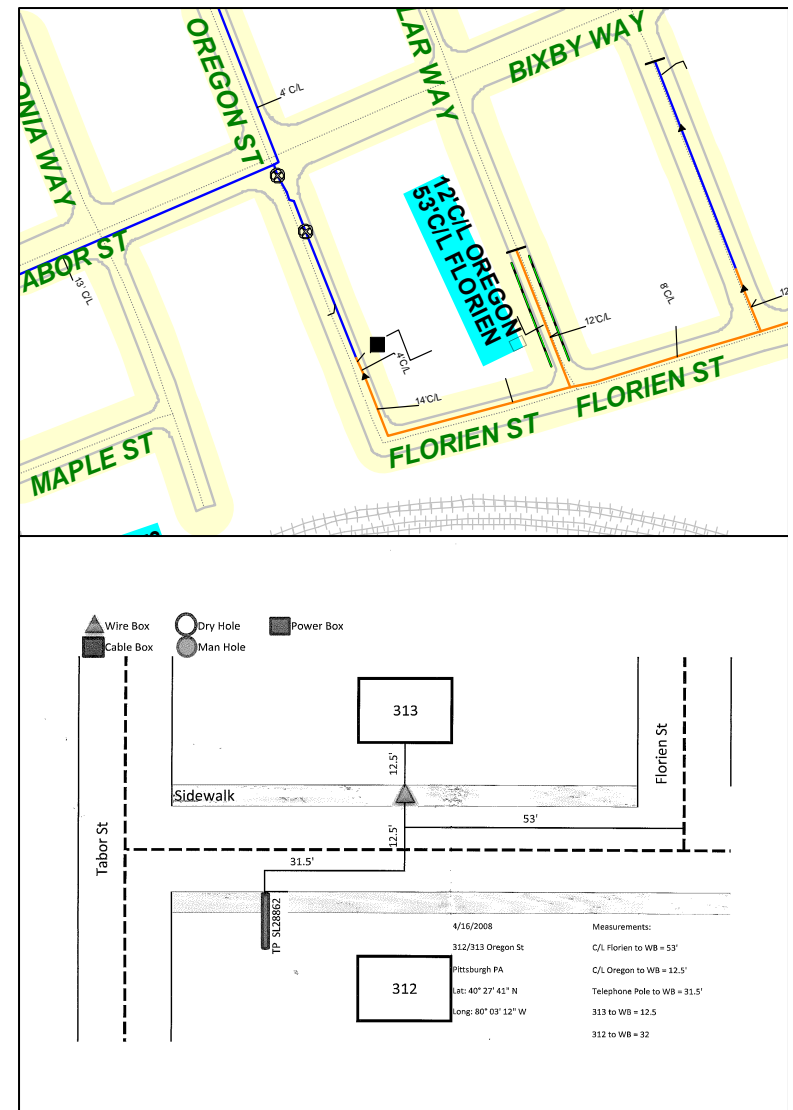
Root Cause Statistics (Internal)



Effective Procedures

Locating and Monitoring Facilities

- Facility information
- Utilize Equipment and Materials
- Facility Locating
- Completing Locate Follow Ups
- Responding to Tickets
 - Emergency
 - Complex Projects
 - Demolition Tickets
- Monitoring/Observing



Operator Qualification and Quality Assurance



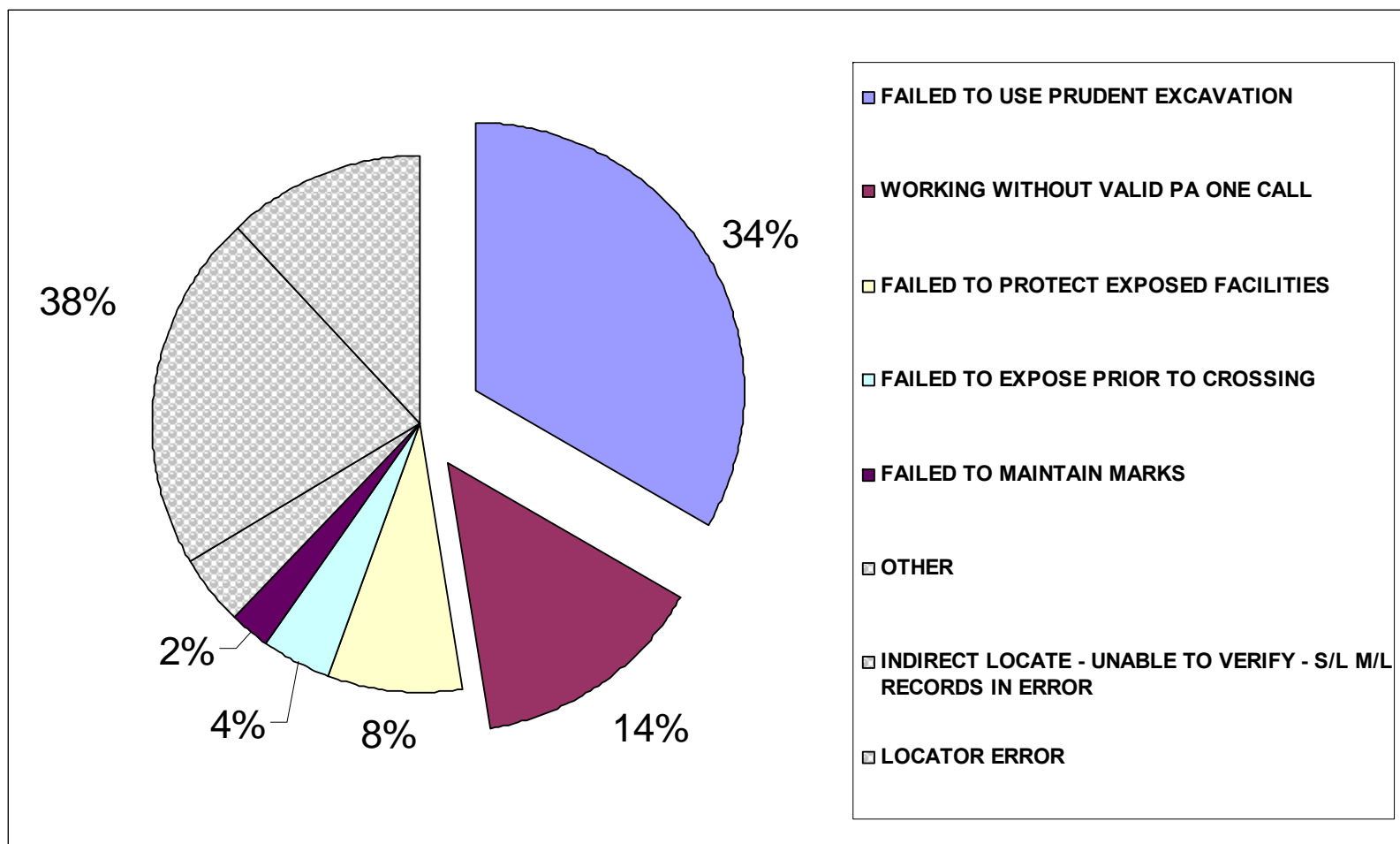
- Equitable Locator Requirements
- Contractor Quality Assurance
- Final Inspection QA/Job Site Visit

Investigating/Reporting

- Gather Factual Data Quickly
 - Notification & Response
- Complete 100% of Investigations
 - Investigate Jointly
- Documentation
 - Hit Kit
- Root Cause Analysis
 - Field Adjustments/Mapping Corrections



Root Cause Statistics (External)



Outreach

- Identify Top 10 offenders “Bad Actors”
 - Water Company
 - Communications
 - Paving
 - Sewer Contractor
 - DOT
- Excavator Training and Educational Meetings
- Public Awareness



Q&A



Ralph Graeser needs to place a PA One Call Before he Tees Off

