

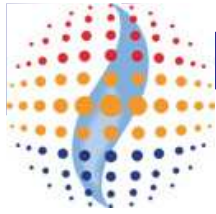
REPORT OF WORKING COMMITTEE 4 DISTRIBUTION

RAPPORT DU COMITÉ DE TRAVAIL 4 DISTRIBUTION

Chairman/Président

Peter Cistaro

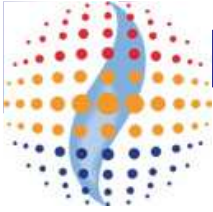
USA



PARTICIPATING COUNTRIES

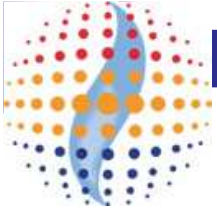


Algeria	Hungary	Russia
Argentina	Iran	Serbia-Montenegro
Australia	Ireland	Slovakia
Austria	Italy	Slovenia
Bosnia-Herzegovina	Japan	Spain
Canada	Kazakhstan	Sweden
China	Korea	Switzerland
Croatia	Malaysia	Ukraine
Czech Republic	Netherlands	U.K.
Denmark	Pakistan	U.S.A.
France	Poland	Belgium(Assoc)
Germany	Romania	MARCOGAZ(Assoc)



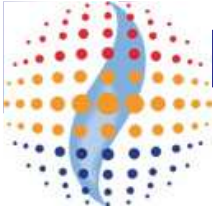
OVERVIEW

- *Liberalization and changes in regulations continue to be international issues in gas distribution*
 - Integrity and safety of distribution networks is critical for industry reputation
 - Cost control and safety drive the need to implement best practices internationally
 - “Short-sightedness” of R& D funding could negatively impact our industry



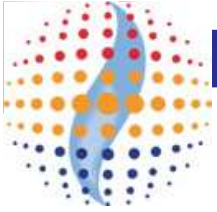
THEMES

- Study Group 4.1 **“Distribution Pipeline Integrity”**
- Study group 4.2 **“Implementation of Leading Practices for Construction, Maintenance and Operations of Gas Distribution Systems”**
- Study group 4.3 **“Role of R&D and Technology in Gas Distribution”**



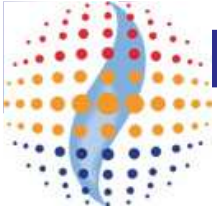
SELECTED CONCLUSIONS

- **Theme 1: *Distribution Pipeline Integrity***
Coordinator: Mel Ydreos Canada
Vice coordinator: Jeremy Bending UK
- Learning from transmission integrity
- Industry has been proactive in developing and maintaining codes & standards using risk based analysis
- Third party damage still main threat
- Collaborative effort by all stakeholders is necessary to develop any rule changes



SELECTED CONCLUSIONS (CONTINUED)

- **Theme 2: *Implementation Of Leading Or Best Practices***
- Coordinator: Jorge Doumanian Argentina
- Vice Coordinator: Fergal Geoghegan Ireland
- Liberalization and regulation changes drive cost effectiveness
- In general best practices are used to:
 - Improve safety
 - Improve service quality
 - Improve cost effectiveness
- Leading companies had similar & proactive strategies



SELECTED CONCLUSIONS (CONTINUED)

- **Theme 3: *Role Of R&D In Gas Distribution***
- Coordinator: Juan Puertas Spain
- Vice Coordinator: Alessandro Soresina Italy

- As liberalization expands, R&D funding contracts
- Need to balance short term and long term R&D
- R&D funding needed in the rate making process
- Despite liberalization and competition, collaborative R&D is the best approach

