



working better together

Your pipeline to Miller news and information **January 2011**

Gaining exposure and sharing expertise

In the trenches commonly features projects and updates within our company. One facet of our company not featured often is our participation in tradeshows. An integral part of our marketing strategy, Miller Pipeline participates in approximately 50 trade shows or conferences a year. Representatives from all over our geographic footprint attend these events to serve as the face of Miller Pipeline. Our involvement gives us the opportunity to reach prospects, build relationships, market our products and services, gather leads, and stay up-to-date on trends and developments within the industry.

This month representatives will travel to Houston, Texas to take part in Underground Construction Technology's International Conference and Exhibition. The shows focus is exclusively on the installation and rehabilitation of the underground infrastructure. Over 200 companies displaying hundreds of the nation's latest and greatest products and services will be featured. We are pleased to share that two of our employees will be presenting at this show. Kevin Miller, president, is giving a presentation on the prevention of utility cross bores. "Utility cross bores are a growing concern for our industry, particularly those involving sewer laterals," said Kevin. "Various technologies, like our

sewer cameras, allow us to locate laterals and avoid the risk associated with boring blindly. I believe we have an obligation to educate the industry about the risks and solutions, when we have the opportunity."

Also presenting at the exhibition is Louis Woska, business development manager of the municipal services division. Louis will be giving a presentation about our internal joint seal product, the WEKO-SEAL. The WEKO-SEAL is one of the more popular products Miller brings to display at the show. A 6-foot diameter, life-size model will be present at the booth, and a smaller model will be displayed within one of the attractions called the RehabZone. Other products featured at the booth will be EX-Method, high-strength PVC lining – as well as the Vac-a-Tee, of which Miller has a license to install through LMK Enterprises.

In this issue

Gaining exposure and sharing expertise	1
Fourth quarter update from the president	2 & 3
2011 safety goals based upon continuous improvement	3
2011 scholarship	3
Majorsville project profile	4
Safety scorecard	4



Employees stand in front of Miller Pipeline's tradeshow exhibit at NASTT's NoDig conference and exhibition in 2010.

Fourth quarter update from the president



Thank you all for working safely during the last three months of the year. As you can see by glancing at the chart below, we were able to beat our goals in all safety categories for the period and the year. We also were able to make it through fourth quarter with only one rear-end collision. This type of accident has been an “Achilles heel” for us and we are happy to see an improvement.

	Q-4	2010	Goal
Recordable Injury Rate	2.36	3.02	4.00
Lost Time Incident Rate	0.24	0.55	1.00
Lost Time Severity Rate	15.59	18.12	30.00
Preventable Accident Rate	1.89	2.77	2.80

Wrapping up the year for the Midwest, the Ohio operations stayed busy until December, finishing all projects on schedule. We were successful in our bids for two modules of replacement work for Duke, totaling six miles of main and 800 services. In Dayton we were

awarded 16 miles of main and 2,200 service replacements, which should start as soon as the weather breaks. As you may have read in the newsletter last month, we achieved a “preferred contractor” status with BP, which should give us the opportunity to expand our business with them. Indiana distribution work was steady through the period and our Kentucky operation was extremely busy, completing a large number of special projects for LG&E.

In the East region we worked a record amount of labor hours for the period. All of our customers needed projects completed - right up to the end of the year. For PSE&G, we did a job using our Safety-T-Seal product, on some very large bell joints. We sealed 36 and 42-inch joints, including one in front of Seton Hall University. Our workload with Virginia Natural Gas continued to grow as we were awarded a large replacement project with 33,000 feet of main and over 300 services. We also completed an interesting project for Columbia Gas: Bay State Division, in Andover, MA which required us to replace dresser end caps with welded end caps, on 6 and 8-inch medium pressure mains. Columbia of PA just awarded us several replacement jobs in Pittsburg, scheduled to start early March, which should keep a couple crews busy for most of the year.

Although work volume was down a bit in the South region during the fourth quarter, our management team stayed plenty busy bidding many projects, across multiple states. They were successful in picking up a small replacement project in New Iberia, LA for Centertpoint. A bid for service replacements has been submitted for Atmos, in Dallas where the Commission is requiring the

replacement of 100,000 service lines within the next two years. Work in Alabama has been steady for Mobile Gas. Alagasco just renewed our new business blanket contract, for the Birmingham area, for another year. Miller Pipeline was also awarded a 12-inch steel job for them, which required us to make a 200-foot long, solid rock bore under a railroad. With 24-inch casing and at a depth of nearly twenty feet, the job was difficult, but the bore went well and the job is nearly complete.

At the end of 2010, our transmission group was notified we made the final cut with Boardwalk Pipeline Partners (Texas Gas), to possibly enter into an alliance agreement for replacement projects across several states. Crews also started on a new job called the Majorsville Project, for Columbia which takes place on the border between Pennsylvania and West Virginia. The project will need to be completed by mid-February. The Dover crews made good progress on the station portion of the project for us, as well as taking on another small job in Ohio, where they dug up anomalies on the new 42-inch Rockies Express pipeline. Our Evansville crews worked on a unique project for Texas Gas in Bedford, KY where they had to lay “rock blankets” across a creek to protect an existing pipeline.

Continuing their progress, the Municipal Services Division had another great quarter and finished the year with the best financial performance ever. WSSC sent notification that they intend to award us six more projects, giving us a consistent base of work for crews working out East. WEKO-SEAL made a large sale of Hyflex seals to a contractor doing a job for the Mekorot Water Company, in Israel. A WEKO technician was sent to Tel Aviv, to provide training on proper product installation. Florida (continued on page 3)



2011 Safety goals based upon continuous improvement

We are committed to becoming the safest company in the pipeline industry. Several years ago we implemented a plan to continuously improve our safety metrics in order to reach "best in class" status by 2013. This year we will continue to follow this linear approach as planned.

Miller Pipeline has decided to modify the way we classify and report our vehicle accidents. These changes include:

Preventable Vehicle Accident:

When an employee is found by the company to be responsible for causing vehicular damage, property damage, or bodily injury due to the unsafe operation of a company vehicle (regardless of what property was damaged, who was injured, the extent of injury or damage, or where the accident occurred.)

Reportable Vehicle Accident:

When an employee is involved in an accident while operating a company vehicle on a public roadway and is found by the company to be responsible for causing a fatality, bodily injury that required immediate medical treatment away from the scene, or disabling damage to at least one vehicle requiring transport away from the scene.

2011 Safety Goals

Recordable Incident Rate: 3.0

(Out of every 100 employees, 3.0 or less will have a recordable injury. Another way to look at it is 97% won't!)

Lost Day Incident Rate: 0.75

(Out of every 100 employees, 0.75 or less will require time off due to an injury. Another way to look at it is 99.25% won't!)

Lost Day Severity Rate: 22.50

(Our injuries requiring time off will average 22.50 days away from work or less)

Preventable Accident Rate: 3.0

(Out of every 100 employees, 2.5 or less will have a preventable accident.)

In order to reach these goals, all employees must stay focused on our "Safety Hit List" items and the Smith Driving System fundamentals.

Check out some of the artwork submitted (below) for our 2011 hard hat sticker contest. While we had several great submissions, the safety committee will choose the winner at the end of this month.



Louisville, Kentucky Group



Allen Ghent Laborer, Indiana



Trevor Humphrey (Son of Shane Humphrey Foreman, Michigan)



Kenneth Slevin Laborer, Indiana

2011 Scholarships

Don. W. Miller scholarship:

The Don. W. Miller scholarship offers awards of \$500-\$1,000 per academic year and is renewable. All children of our employees are eligible. The application deadline is March 29. Go to millerpipeline.com and login to the Miller Hub to download an application, or call Niki Rocha at (800) 428-3742 to receive one by mail.

Fourth quarter update from the president con't

(continued from page 2)
operations completed a sizeable job in Sanford, installing 6,000 feet of 12 to 30-inch CIPP and we were just recently awarded another job for the same customer.

In spite of the many different challenges we faced as a company during 2010, we still managed to have another good year. Several new customers have been added to our gas distribution, pipeline construction and sewer rehab markets. New operational bases have been set up in several areas and many people and pieces of equipment have been shuffled back and forth across the country. Your flexibility allowed Miller Pipeline to meet the changing needs of our customers and establish a solid foundation to grow upon next year. All of us at Miller are excited about the work we are lining up for 2011. We expect to hire more people, creating opportunities for personal growth for our current employees.

--Kevin Miller
President

In the Trenches is a Miller Pipeline employee publication produced in-house on a monthly basis. To submit story ideas, comments or for other inquiries, please contact Casey Clark at (317) 295-6406, casey.clark@millerpipeline.com or Kim Lyon at (800) 428-3742 ext. 166 or kim.lyon@millerpipeline.com

Majorsville project profile



Winter time in the northeast can be brutal. Straddling the state line between West Virginia and Pennsylvania, the Majorsville project requires crews to brave rugged terrain, frozen ground, bitter cold and a blanket of snow.



Crews carefully lower the pipeline into the trench

Part of the project includes building a large metering station and four pig launchers/receivers which will be installed by our Dover operations. The mainline is being constructed by our Indiana group and consists of taking up three miles of old 14-inch line and replacing it with 16-inch line up to the stations. An additional mile of 16-inch will be run from the station to connect with Spectra (Texas Eastern).

“This has been and continues to be a tremendous collaboration between Dover and Indiana operations,” said Keith Miller, VP of Transmission Division.



Pictured above is the meter station currently under construction. It is the point where Columbia Transmission (green pipeline) and Spectra (white pipeline) exchange gas ownership

Of interest, because of the open-cut design of two stream crossings, we had our first experience using an aqua barrier for water control. An aqua barrier bladder is essentially a large water-filled balloon used to damn a stream and reduce sedimentation.



An aqua barrier stops water flow so crews can install the pipeline across the creek.

Putting the device in place only required an excavator and a 4-inch pump to fill the bladder. Considering the water flow rate of 9,500 gallons a minute, the use of one 8-inch and two 12-inch water pumps was necessary to complete the first crossing. The second crossing is solid rock and yet to be completed due to water flow rates from melting snow. With all obstacles ahead and the threat of mother nature, we expect the project to wrap-up mid March.



Crew members perform field tie-ins

Safety scorecard

COMPANY STATS	RECORDABLE INCIDENT RATE	LOST DAY INCIDENT RATE	LOST DAY SEVERITY RATE	PREVENTABLE ACCIDENT RATE	# REPORTABLE ACCIDENTS
2010 Goals	4.00	1.00	30.00	2.80	
2010 Rates	3.02	0.55	18.12	2.77	6
GOAL TRACKING	Ahead by 0.98	Ahead by 0.45	Ahead by 11.88	Ahead by 0.03	

INSIDE THE NUMBERS: Congratulations! We hit all of our safety goals for 2010! Most of the year we were behind on our goal for “Preventable Accident Rate”, but over the last few months most of our employees drove safe which allowed us to finish strong. We only had one (1) “Recordable Injury” in December also. Although it did involve restricted duty, it did not involve any lost time. Thanks to all for their dedication to safety! Let’s continue our success in 2011.