



Your pipeline to Miller news and information July 2011

The quality evolution: staying ahead of the curve

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Miller Pipeline’s mission calls for a ‘high standard of excellence’ and we deliver—especially when it comes to providing quality service and doing the right thing. Over the last 58 years Miller has earned a reputation as a first class contractor. In fact, we just completed a customer perception survey where customers consistently referenced our “high quality work” and “high quality field crews.”

Today, as we gain new customers and enter new geographic territories, we recognize that changes are occurring in our marketplace. Many of our customers are supplying fewer inspectors on each job and we are seeing an increase in compliance supervision by regulatory

bodies. Our goal is to be the very best, and in response to these changes we started a formal QA/QC program, which I was hired to be the Director. We service a wide variety of customers, so we will work to establish our own set of quality standards which meet or exceed customer expectations across the board.

To begin, let’s explore the definitions of Quality Assurance and Quality Control. Both of these practices are important to an effective Quality system.

WHAT IS QUALITY ASSURANCE?

Quality Assurance is about putting into place those policies, procedures, work instructions and other tools that will help us ensure a quality product. It is a proactive approach. We will be reviewing our procedures to make sure they are the best they can be. Then, we need to make sure those processes are understood and followed. This will include such things as training, job planning, crew huddles, and procedure reviews. Management has a big responsibility here to make sure the barriers to good execution on these procedures are removed so the crews can do their job to the best of their ability. Two key tools we will be using to help us with this are checklists and audits.

Second quarter update from the president



If I had to sum up our 2nd quarter with one word, it would be “growth”. At the end of June we had 1878 employees, which is nearly 200 more than we had at our peak last year. We are currently operating about 440 crews, having experienced significant growth with many of our regular customers, particularly in the Midwest. Additional crews have been added to handle the CIBS replacement work for Columbia of Ohio, Nipsco, Vectren and Louisville Gas & Electric. We also successfully completed a replacement project for Dominion East Ohio and we’ve been awarded several more jobs for Duke Energy in Cincinnati including a mile of 16-inch steel inside the city limits. Our work in Michigan created the need to add several more crews to complete our blanket work for Semco and DTE/MichCon.

The volume of work in our east region has been up and we have added many crews over the last six months. We started a large project for Boston

Water and Sewer using our vacuum excavators to dig up water services and determine whether they are lead or copper. Just recently, we picked up a project for Columbia digging test holes over newly installed plastic services in Eastern and Western Pennsylvania and Virginia. Problems were found with the plastic pipe that had been used on some of the original service installations; we are digging up the lines to verify the type of pipe used on these services.

Near Montgomery, Alabama we began a project for Alagasco which includes installing 35,000 feet of 4-inch steel and 6-inch plastic to service Koch Foods. A Municipal Gas Company in Canton, Mississippi is just kicking off a cast iron/bare steel replacement program and awarded us 25,000 feet of small diameter plastic main and 300 services. We also were awarded a 5,000 foot replacement job for Atmos in Monroe, Louisiana.

On the Transmission Pipeline side of our business, we experienced significant growth during the period related to Marcellus shale gas. We completed two projects for Williams Mid-Stream and have just been awarded two additional projects – 24,000 feet of 10-inch steel and 12,000 feet of 8-inch steel in Washington and Green County, Pennsylvania. We kicked off our multi-state integrity dig program for Nisource Gas Transmission, with six crews; the investigative work being done is leading to the replacement of several pipe sections. We also were recently awarded a 30-inch relocation project for Oneok related to the construction of I-69

in southern Indiana.

In the municipal market, we have been awarded a 14,000 foot CIPP lining project in Louisville, Kentucky. This particular job is the beginning of a long term sewer rehab program and we hope to be able to establish ourselves in that area. In Florida, we were awarded a 75,000 foot EX project in Tampa for Hillsborough County. Our WEKO crews started a project for National Grid in Boston installing two thousand 24-inch and 36-inch seals within their large cast iron gas mains.

Our safety measures through June for recordable injuries, lost workdays and lost work day severity rate both met and exceeded our goals. The preventable vehicle accident rate continues to be slightly higher than our goal but I’m confident that we can reduce that number before the end of the year. As we take advantage of the many growth opportunities in front of us this season, please remember that our expansion cannot come at the expense of safety or quality. We have developed an excellent safety program over the years, which has led to a continually improving safety record for our company. Having a safety director on staff to develop and manage our safety program is one of the reasons we have seen such improvement. With that in mind, we have hired Dennis Lapp to develop and manage a quality assurance program which will help us deliver the kind of quality work that will make us the “contractor of choice” for our customers. (see pages 1 & 3 for more about quality assurance).

Kevin Miller
President



Company Store grand re-opening

As many of you know the company store was down for a period of time. We are happy to announce that it is back up and running. We've switched vendors to offer you a bigger and better selection. Miller will continue to pay for the cost of the logo application and shipping if sent to a Miller Pipeline office. Login to the Miller Hub to check it out!



NEW! Safety T-shirt design revealed

We had an overwhelming number of Safety Shirt slogan submissions this year. Thank you to everyone who contributed!

The slogans submitted were so great, we couldn't pick just one. The design incorporates key words relating to safety from all of the submissions. However, one was chosen to appear in full on the back: "Safety is a LIFETIME reward".

This shirt is not yet available - but be looking for it to appear in the store under 'specials' in August.



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

Breaking ground downtown

Earlier this month crews wrapped up a project for Columbia Gas of Pennsylvania. The project included installing a 20-inch steel pipeline and a 6-inch plastic pipeline in the same trench along a back alley in downtown York. Adding an element of difficulty, railroad tracks ran across the back alley making it necessary for our crews to auger bore that portion of the project.

The railroad, as many do, required casings larger than the carrier pipe to be installed in an effort to eliminate voids and settlement around the pipe. Crews bored 120 feet of 24-inch casing for the steel pipe and a 12-inch casing for the plastic pipe side-by-side under the tracks. Once the casing was installed, they were able to manually push the pipe through.

"For a small alley we ran into a lot of obstructions including water lines, railroad tracks, telephone cables, the

original main," said Frank Rick, superintendent. "With everything said and done it was an interesting project and the crew did an outstanding job."



Crews install a 20-inch steel pipeline and a 6-inch plastic pipeline in the same trench along a back alley in downtown York.

The quality evolution: staying ahead of the curve (cont.)

WHAT IS QUALITY CONTROL?

The focus of the Quality Control function is to ensure the product we put out does meet customer requirements.

Our goal in Quality Control will be to identify those very critical process outputs and put the tools in place to make sure we did them right. Critical process outputs, for example, are things that, if they went wrong, could end up with somebody being injured or maybe a gas leak that could possibly cause a fire. We would put in some type of inspection or verification that our work in these areas was correct and the risk of a problem is eliminated. Typical ways to do this are inspections and sign-off sheets.

This quality initiative goes hand-in-hand with Operation Impact and putting a focus on continuous improvement. Taking these steps will ensure we continue to possess the ability to use "quality" as a competitive advantage.

We are in the process of putting our plans together. I would like to encourage you to take a hard look at the work being done and think about how we might do it better. I would love to hear your ideas! We are in this quality journey together and if we all work together there is no way we can fail.

We will be talking more about quality in future articles. Until then, work safely!



All you need to know about: Dehydration

As the health care landscape evolves, preventive health is becoming much more important - Miller Pipeline recognizes this trend and has embraced an approach to help keep our employees aware of the benefits of being healthy. We will be focusing on different aspects of basic health through an assortment of topics relevant to our work atmosphere.



Symptoms of dehydration:

- Dizziness
- Cramps
- Lethargy
- Confusion
- Not producing tears
- Sunken eyes
- Little or no urine output for 8 hours
- Dry mouth or dry eyes
- Fast-beating heart
- Listlessness and inactiveness

Tips to avoid dehydration while working in extreme heat conditions:

- Listen to news for "heat index" and use extreme caution at or above 103.
- Wear loose-fitting, lightweight, light-colored clothing.
- Apply sunscreen to exposed skin (sunburn reduces skin's ability to cool).
- Drink 8 oz. of water or sport drinks before work and every 30 minutes throughout the day (even if not thirsty).
- Avoid drinking alcohol the night before or caffeine throughout the day.
- Eat frequent, small, low protein meals (e.g. fruits, vegetables, salads).
- Take short/frequent breaks in air-conditioned vehicle when heat index is high.
- Know the common symptoms, monitor your body, and react quickly.
- Watch out for and check on each other, especially those who are away from rest of crew.

How much water should I be drinking??

Weight (lbs)	Daily Water Intake	Weight	Daily Water Intake
140	54 oz.	240	96 oz. (3/4 gal)
160	64 oz. (1/2 gal)	260	104 oz.
180	72 oz.	280	112 oz.
200	80 oz.	300	120 oz.
220	88 oz.	320	128 oz. (1 gal)

Company picnic announcement

Company picnics are going to be handled a little differently this year. We've made the decision to localize picnics so each individual office will get to choose what type of event works best for their area. Some offices may want to partner up with another office for a larger gathering. Be on the lookout for more information about the picnic in your area soon. Informa-

tion about picnics will also be posted on the Miller Hub as it becomes available.



Safety scorecard

COMPANY STATS	RECORDABLE INCIDENT RATE	LOST DAY INCIDENT RATE	LOST DAY SEVERITY RATE	PREVENTABLE ACCIDENT RATE	# REPORTABLE ACCIDENTS
2011 Goals	3.00	0.75	22.50	3.00	
2011 Rates	2.29	0.72	10.23	3.25	6
GOAL TRACKING	Ahead by 0.71	Ahead by 0.03	Ahead by 12.27	Behind by 0.25	

INSIDE THE NUMBERS: We had five (5) OSHA Recordable Injuries in June, three (3) of which involved lost time. The leading cause of injury last month was due to heat stress. We had five (5) total heat stress illnesses, two (2) of which were lost time cases. This trend has only gotten worse during the month of July! We also had five (5) Preventable Vehicle Accidents. Three (3) of these accidents involved striking parked vehicles.