

**Natural Gas Transmission
Communications:**
*An Approach & Methodology
For Relaying Key Messages
Regarding the Interstate
Natural Gas Pipeline Industry*

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1 EXECUTIVE SUMMARY

This document (referred to hereafter as “the Plan”) provides a framework of messages and opportunities that will assist INGAA, INGAA Foundation members and operators in the interstate natural gas transmission business to better communicate with a variety of key constituencies.

The Plan is designed as a comprehensive reference piece to benchmark and better focus the on-going communications efforts of INGAA and its member companies. It is designed to combine perceptions, messages and recommendations into a “one stop” reference tool to help various entities in the natural gas transmission business speak with a unified tone and tenor.

Historically, the public has held a positive perception of natural gas and a relatively solid understanding that long-distance interstate pipelines are the leading method for delivering natural gas from producing fields to markets. Compared to other fuel based sources, natural gas is consistently seen as safe and reliable. Such a view, however, does not translate into deep knowledge or familiarity with the industry. Thus, natural gas pipelines are quite vulnerable to situations of vocal concern or outright opposition such as intervention attempts of new construction, opposition to clearing of rights-of-way and public attention on recovery and restoration efforts after a major incident.

More recently, wide-spread media coverage on the impacts to oil and gas production from the active hurricane season; press and consumer focus on the rise in home heating costs; congressional inquiries into the rise of gasoline prices following the 2005 storms; and wide-spread press coverage of record profits for oil companies have come together to create myriad communications challenges for all involved in the energy business. How, or whether all of these factors impact perceptions of the natural gas transmission industry, or whether the general populace differentiates between large oil companies and gas transmission pipeline concerns remains to be seen. It is clear, however, that the current energy environment presents both communication challenges and opportunities.

This study details these challenges and opportunities in depth. It identifies key audiences and provides a roadmap for communication, messages that resonate with these audiences. The study suggests strategic messages and central themes that should be pursued.

2 INTRODUCTION

PLAN OVERVIEW

This document (referred to hereafter as “the Plan”) provides a framework of messages and opportunities that will assist INGAA, INGAA member companies and natural gas industry service providers (herein referred to as “industry members”) in the interstate natural gas transmission business to better communicate with a variety of key constituencies.

Strategically, this communications Plan incorporates a variety of elements in suggesting an orchestrated methodology for meeting the challenges posed by current industry conditions as well as pre-existing perceptions of transmission pipelines. The Plan recommends strategies for INGAA staff to undertake and for member companies to consider incorporating, as appropriate, into their own outreach materials with key stakeholders. Tactically, the Plan offers succinct and focused messages that when consistently used and communicated can provide for a more coherent, integrated industry message.

The Plan is composed of several key parts. Specific sections include an Executive Summary (Section 1); an Introduction (Section 3); a situational analysis of the industry, its current communications challenges and a discussion of industry perceptions and how they shape the need for improved communications (Section 3); an overview of key audiences and high-level themes for the industry’s communications efforts (Section 4); a summary of strategic messages and supporting tactical points (Section 5); some recommendations on programs and implementation of this plan (Section 6); and footnotes and source references (Section 7).

PLAN OBJECTIVES

The overriding objective of this Plan is to develop a short-term (2006-2007) overall communications strategy for INGAA, its member companies and INGAA Foundation member companies that will serve as a platform to build on for initiatives of a high-priority to the industry. While each separate initiative will contain information and specific approaches, this Plan proposes easy-to-understand and easily implemented key messages for consistently relaying vital information about the natural gas transmission industry to key stakeholders.

The Plan is intended to support INGAA’s overall priorities. A key aspect of the effort is to establish a more favorable national environment that will facilitate the efficient construction and operation of interstate natural gas pipeline systems.

Supporting objectives include:

- ✓ Providing insight and a well-reasoned industry perspective to counter any negative or contentious perceptions of interstate transmission pipelines

- ✓ Finding synergies and building upon the communications efforts member companies are undertaking as part of the Pipeline Integrity and Public Awareness initiatives.

This includes recommending key messages on pipeline purpose, benefits and overall industry safety that member companies can then use to enhance their public awareness program materials.

- ✓ Providing perspective to key policy makers on:
 - The industry's safety record and its robust efforts in the areas of emergency planning, training and response
 - Increasing the understanding and appreciation of interstate transmission pipelines and their role in our nation's energy picture
 - Improving the understanding of how and where transmission pipelines fit within the natural gas industry as a whole

- ✓ Providing a communications framework that will support strategies and mechanisms for forging improved relations with key policy and decision makers

PLAN USES

The Plan is structured to be used by INGAA, member companies of INGAA, and service providers that are members of the INGAA Foundation. While specific recommendations and approaches provide nuanced variations of the key messages depending on the messenger, the overriding intent of this document is to provide a resource that will help the industry undertake a more integrated and consistent approach in its high-level communications; particularly as they relate to such key areas as safety and reliability, environment, infrastructure needs, demand and supply and price trends.

The various steps, recommendations and communications initiatives detailed in this Plan support the industry's commitment to continually strive for open, accessible dialogue with the communities and key constituencies where natural gas transmission pipelines operate. With some isolated exceptions, the industry has generally earned a solid reputation for conducting its business responsibly with a full appreciation and concern for public safety, its member employees and the environment. This Plan strives to assist the industry and its companies in further carrying forth those important messages.

It is hoped that those organizations using this Plan find it a reference piece to better focus their own on-going communications efforts, while ensuring that the industry speaks with a unified voice on overarching issues related to the natural gas pipeline industry.

3 SITUATIONAL ANALYSIS & INDUSTRY PERCEPTION

CHAPTER OVERVIEW

This section provides overview analysis on the core level of perceptions and public understanding of the natural gas industry in general, and gas transmission business in particular. The summary is gleaned from a variety of research and media sources.

UNDERSTANDING OF THE INDUSTRY & TRANSMISSION SECTOR

Historically, the public has held a positive perception of natural gas and a relatively good understanding that long-distance interstate pipelines are the leading method for delivering natural gas from producing fields to markets.¹ Such a view, however, does not translate into deep knowledge or familiarity with the pipeline industry. Thus, natural gas pipelines are quite vulnerable to situations of vocal concern or outright opposition such as intervention attempts of new construction, opposition to clearing of rights-of-way and recovery and restoration efforts after a major incident.

As a fuel, natural gas is generally seen as a safe and reliable energy source, especially when compared to other leading, fuel based sources. When the public is asked to judge natural gas, oil, coal and nuclear power according to nine specific criteria, natural gas is the runaway winner, with the vast majority of polled respondents citing natural gas as the most acceptable source of fuel for widespread use.² Not surprisingly, natural gas is held in highest esteem by its users, with one poll citing 96 percent of users at least somewhat satisfied and only 2 percent dissatisfied. Nevertheless, it seems people don't want a pipeline in their back yard.

While natural gas is continually touted by industry representatives for its environmental benefits relative to other fossil fuels, some studies demonstrate that the level of common understanding of this fact is not as widespread as believed and may be trending downward.³ In one research study conducted in 2004, 82 percent of polled residents in New York and New Jersey said that they would be more likely to support a natural gas pipeline project upon learning that such a pipeline provided access to cleaner burning fuel.⁴ These results highlight a need and opportunity to better promote the environmental benefits of natural gas in new ways and forums.

The general public does not yet appear to view reliability of gas supplies as a problem. However, it is obvious that wide-spread media coverage on the impacts on oil and gas production from the active hurricane season of 2005⁵ and press and consumer focus on the rise in home heating costs are heightening public concern⁶ while also raising awareness of regional and North American energy interdependence.

Specific to natural gas transmission lines, there is evidence that generally indicates a lack of understanding of the role of pipelines in delivering energy; little understanding of the need for additional pipeline construction; scant appreciation for how pipelines fit into the nation's overall energy picture; and no real grasp of how pipelines work in a business sense (they don't own the gas they transport!). Unfortunately, some of those with little grasp of pipelines, their benefits and challenges appear to be key policy makers.

Some research demonstrates that those identified as "influential," and those more highly educated and affluent are more inclined to identify pipelines as the leading method for delivering gas,⁷ or to have a more positive impression of pipelines in general.⁸ Such data illustrates that when the industry gets its message out, when the messages are focused and well-articulated, and when recipients seek or choose to make an effort to receive and understand information related to pipelines, that the perception and understanding regarding the industry are enhanced.

While Americans seem to generally understand that interstate pipelines provide a safe method for transporting natural gas, studies indicate that the average person does not typically differentiate or have a level of understanding about the various types of pipelines, or draw a distinction between natural gas and other energy products that move through lines. The public tends to view the entire gas industry, especially transmission and distribution operations, through the same lens.

In short, the general level of understanding of the gas transmission sector might be best described as "a pipeline is a pipeline, is a pipeline," and a "gas company is a gas company, is a gas company." Whether a prevailing view that "an energy company is an energy company, is an energy company" actually exists needs to be better understood.

PERCEPTIONS

Considering its day-to-day impact and importance to the nation, the natural gas transmission business does not have a high public profile when compared with other industries. To a great degree, the industry can be likened to airlines in that the average citizen and policy maker tends to pay little attention until an accident occurs, costs to consumers rise or a contentious situation develops related to placement of new or expanded facilities.

It can accurately be said that in terms of widely held public perceptions, major pipeline controversies (contentious projects, major legislative initiatives, operational incidents, etc.) are so uncommon, that when they do occur headlines are generated and some key audiences tend to over-react.

While most people have a general appreciation of the environmental benefits of natural gas and somewhat of an understanding that pipelines are usually safe and reliable, other, sometimes not as favorable, perceptions combine to make the communications efforts of the industry more challenging.

Based on acquired research data, surveys, informal interviews and observations, some of the more common negative perceptions of the natural gas industry as a whole, or the interstate natural gas transmission sector in particular, are noted in the box on the following:

Stated in terms of widely-held individual views, some of the more common negative perceptions of pipelines and the natural gas transmission industry include:

- “I know pipelines are necessary, but I wouldn’t want one on or near my property.”
- “Pipelines carry volatile materials, so they should be located away from residential or areas of heavy concentration.”
- “Pipelines run mostly through rural settings, and there aren’t any near my house.”
- “There are no benefits to having a pipeline near my home, only risks and negatives.”
- “Pipeline construction causes negative impacts.”
- “Pipelines are unsightly and negatively impact the visual landscape.”
- “Pipeline companies don’t spend much time or money communicating because they don’t want us to know they are there.”
- “The pipeline business is staid, old fashioned and low-tech. They are conducting business the same way they have for years, with the same pipe in the ground.”
- “I don’t even use gas at my house, so why should I care about gas pipelines?”
- “Natural gas companies, like big oil, rig the marketplace to reap huge profits.”
- “Energy companies manipulate the political process to get concessions and regulations that save them money and ultimately allow them to make high profits.”
- “I only hear about pipeline or pipeline companies when something goes wrong or when they want to build new facilities or lines.”
- “If market forces really dictate consumer prices, why am I paying more for energy while large energy companies are making record profits?”

Stated in terms of widely-held individual views, some of the more common positive perceptions of natural gas and the natural gas transmission industry include:

- ✓ “Natural gas is a preferred fuel and pipelines are a common method for transporting natural gas”
- ✓ Natural gas is better for the environment than other fossil fuels.”
- ✓ “Natural gas service is reliable.”
- ✓ “I know pipelines are necessary and have to be somewhere.”
- ✓ “I didn’t even know there were pipelines around my home.”

It may be noted that there is similarity between a few of the stated positive perceptions and those which may be deemed negative – “I know pipelines are necessary, but I don’t want one near me;” as opposed to “I know pipelines are necessary and have to be somewhere.” At least one other perception, characterized as a positive, “I didn’t know there were pipelines near my house,” could likewise be perceived negatively. This similarity actually presents communications opportunity, as it demonstrates how subtle nuance and the proper highlighting can transport a negative impression into a more positive one, or vice versa.

While the above comments, stated as perceptions, center on common views among the overall public, studies tend to demonstrate that key audiences for this plan -- policy makers and public officials -- generally have many of the same perceptions and concerns about pipelines. For example, one recent survey from a cross section of public officials listed the physical condition of the pipeline, safety and security as the top concerns, followed by visibility of facilities, reliability, costs to community and land use.⁹

The same report cited general satisfaction from officials about the quality of information they receive from pipeline companies. In comparing sources of information on industry-related issues, polled officials rated the information provided by pipeline companies as more credible than that from any other source, exceeding researchers and educators, chemical companies, power utilities, local governments, state and federal agencies and industry associations.¹⁰

CHALLENGES & OPPORTUNITIES

Each of the perceptions cited above, creates a challenge for the natural gas transmission industry. Some of the principal communications challenges, and the communications opportunities presented by them, are listed below:

- The natural gas transmission industry gets “painted with the same brush” as other sectors of the energy business (“an energy company is an energy company, is an energy company.”) Therefore, it is imperative to better educate important audiences and constituencies how interstate natural gas transmission fits into the nation’s energy picture.
- Similarly, to better address the prevailing notion that “a pipeline is a pipeline, is a pipeline,” it is critical that the natural gas transmission industry continue to highlight the nature and benefits of its transported product, as well as the sector’s outstanding safety and reliability record. That is not to say that product or other types of pipelines should be criticized, only that a differentiation be made, when and where appropriate. For example, when appropriate, it is important to distinguish the safety record of local distribution versus transmission.
- Likewise, to combat the view that “a gas company is a gas company, is a gas company,” increased communications emphasis and education differentiating natural gas transmission operations from the distribution facet of the business is necessary.
- To better weather concerns and increased emphasis on rising gas prices by legislators, regulators and the consuming public, it is also critical that the interstate natural gas transmission business foster a better understanding of specifically how and where its pipelines fit into the “price of gas” picture.
- Perspective should be provided that the natural gas market has had some areas of capacity constraints for some time, and such constraints are rising while demand continues to grow. Despite perceptions, interstate pipeline companies are not significantly benefiting from the current market situation. Therefore, it is of paramount importance that a concise and easily articulated and understood message be conveyed to the question, “Why are gas prices so high?” Ideally, the answer

should be framed from the context of “If you want lower prices, here is what has to be done legislatively.”

- In a post-September 11 environment, the industry must continue to address concerns on safety and security. Both continue to be key concerns while at the same time the public has an expectation of open communication, reporting and “right-to-know.” The industry should further highlight its efforts and outstanding track record in these areas,
- To demonstrate the benefits of natural gas and pipelines to those who aren’t gas consumers, communications messages should highlight the consumer products and by-products made possible by safe, reliable natural gas.
- The status and critical need for safe, reliable pipelines and how the natural gas transportation business fits into the nation’s critical infrastructure must be better articulated.
- While the natural gas transmission business has recently undertaken high profile integrity management and public awareness initiatives, the perception exists that these steps are being forced on the industry. Effort should be made to better promote the view that more emphasis on system integrity and increased communications with important stakeholders is the right way to conduct business and is of long-term benefit to the industry.
- In the same vein, the industry should not be reluctant to highlight and lay claim to the Integrity Management and Public Awareness initiatives as its own. Concerns of “the government is making us do this” keep the industry and its members from aggressively touting their commitment and efforts in these areas.
- Since many view natural gas transmission as a rather simple, old-fashioned and “low tech” business, an opportunity exists to shift perceptions by discussing new technologies that are being developed to mark lines, combat corrosion, and make pipelines even safer.

4- KEY AUDIENCES & MESSAGES

CHAPTER OVERVIEW

This chapter identifies key audiences for industry communications, and offers a range of themes and topics that should ideally be geared for each respective stakeholder. These are delivered as high-level strategic messages that are supported by more detailed tactical points.

The messages are displayed in a box format, with the central theme in the center of the box, and supporting points along the outside. The strategic messages are designed to be tight, succinct and generally applicable to all types of audiences. The tactical supporting points provide more depth and detail. Their use will be contingent upon the audience, and the method of communication.

Each page contains one key strategic message. Later, a matrix matching the primary and supporting message for each particular audience is provided.

PRIMARY AUDIENCES

Specific audiences include:

- ✓ Congressional members and staff
- ✓ Leaders in key agencies overseeing the industry
- ✓ Public Officials & Policy Makers
- ✓ Key energy reporters and general news media
- ✓ State and community leaders

Though the above groups represent key audiences for the proposed initiatives in this Plan, it must be stressed that the foundation for effective communication lies in articulating simple, straight-forward messages that are understood and applicable to a wide array of audiences.

While the industry has undertaken communication initiatives specific to the pipeline integrity and public awareness issues, it is critical that the key messages from those efforts be consistently echoed to the groups that constitute the primary focus for this Plan. Many communication programs have been rendered ineffective and confusing because they contained different messages for various constituencies. In short, a message that is good for the public is a message that is good for regulators, legislators and public officials since these groups serve, and in effect report to, the public.

Natural Gas & Pipelines: America's Choices

SAFETY

- Safety is the top priority of the interstate gas transmission business, and our record proves it!
- Pipelines are statistically the safest form of transportation in our country.
- Pipeline incidents are rare; in fact, incidents have decreased 30 percent in the past 20 years, while the amount of gas delivered has increased 30 percent.
- Interstate pipeline companies maintain a highly-skilled workforce, who continually receives training on safety and emergency response procedures.

Interstate pipelines are the safest and most reliable way to transport natural gas, America's most popular and efficient heating fuel.

RELIABILITY

- Interstate natural gas transmission companies invest billions to maintain safe and reliable delivery of natural gas to end users and city gates that serve more than 68 million homes and businesses.
- Historically, natural gas pipelines have proven extremely reliable, especially when compared with other energy sources.

Natural Gas

- Natural gas heats homes, cooks food, warms water, fuels vehicles, and supports manufacturing and electric power generation.
- Natural gas is the cleanest fossil fuel.
- Natural gas is efficient: indeed some 90 percent of the gas produced is delivered to customers as usable energy.
- Natural gas is abundant. In the U.S., there are enough gas resources to meet consumer needs for generations.

Safety, More Than A Goal or Value

MEASURES

- Interstate pipeline companies maintain a highly-skilled workforce, who continually receives training on safety and emergency response procedures.
- Pipeline companies routinely evaluate their pipelines internally, using techniques that help detect any abnormalities, in an effort to keep them as safe and efficient as possible.
- Large interstate pipelines are monitored continuously by state-of-the-art computer technology that quickly spots abnormal changes in pressures or flows.
- Pipelines are also periodically monitored visually, both from the ground and air.
- The industry has effectively reduced the risk of corrosion through use of new technology, coatings, cathodic protection, and prevention measures.

In the natural gas transmission business, safety is more than a goal or a value; it's our bottom line.

COMMITMENT

- Safety is the top priority of the interstate gas transmission business.
- Our investment to reach our safety goals

STATISTICS

- Pipelines are statistically the safest form of transportation in our country, far safer than cars, trucks, boats, trains or airplanes.
- Pipeline incidents are extremely rare; in fact, incidents have decreased 30 percent in the past 20 years, while the amount of gas delivered has increased 30 percent.
- Historically, about two-thirds of all serious pipeline incidents are caused by outside forces, usually someone hitting an underground line.

PARTNERING WITH OUR COMMUNITIES

- While we have always worked to be better neighbors in areas where we operate, the pipeline industry has embraced and undertaken a comprehensive initiative to better educate our neighbors.
- We need our neighbors to be our partners in safety; to call if they see or hear anything unusual; to help us in keeping our rights of way clear of construction and other encroachments.
- Together we can keep a safe, clean environment for all of us.
- We believe that a public that is more familiar with and educated on pipelines promotes safety for everyone.

Pipelines: America's Energy Highways

ABOUT PIPELINES

- There are 220,000 miles of interstate natural gas pipelines in this country.
- Pipelines make new gas supplies accessible.
- In terms of volume, natural gas pipelines transport approximately one-quarter of the nation's freight.
- Statistically, pipelines are the safest form of transportation in our country, with less than 1/100th of one percent of all transportation incidents attributed to pipelines.
- Despite emerging alternative energy sources, existing and new pipeline infrastructure will remain the primary means for transporting energy well into this century.

Our energy infrastructure is critical to ensuring the Nations energy supply. As underground highways carrying energy used by 68 million homes and businesses every day, interstate natural gas pipelines have an essential role in maintaining our energy security.

PIPELINES & THE INDUSTRY: THE BASICS

- The process of supplying natural gas to homes and businesses begins at the wellhead.
- Small-diameter gathering lines then collect the gas and feed it into larger transmission lines.
- Once inside transmission lines, the natural gas makes its way across the country propelled by compressor stations at key points along the route.
- Transmission pipelines deliver the gas to industrial users or local utilities at metering stations.
- Local distribution companies then bring the natural gas to consumers through their own network of distribution lines.

Demand & Supply

Increasing demand for clean, safe and reliable natural gas exceeds available domestic supply, and the gap is growing.

THE SITUATION

- America is at a critical crossroads with regard to natural gas supply.
- While demand continues to rise, some gas supply remains off limits to production.
- Continued economic growth is contingent upon an ample supply of affordable energy.
- Just as roads and bridges must be expanded to handle more traffic, the nation's primary energy transportation system – pipelines – must expand to handle increased deliveries of natural gas and shifts in producing fields and population centers.
- We all have a stake in ensuring reliable, affordable gas supplies.
- One-third of the natural gas consumed in the U.S. supports manufacturing; and industrial demand is expected to grow by 40 percent by 2025.

RELIABILITY

- Interstate natural gas transmission companies invest billions to maintain safe and reliable delivery of natural gas to more than 68 million homes and businesses.
- Historically, natural gas pipelines have proven extremely reliable, especially when compared with other energy sources.

THE SOLUTION

- A comprehensive, integrated energy policy that brings natural gas supplies back in balance with demand.
- The formula is simple – more supply equals lower prices.

FUEL

- Natural gas is America's most popular home heating fuel, heating more homes than all other energy forms combined.
- Natural gas is inherently efficient and the cleanest fossil fuel.
- Natural gas heats homes, cooks food, warms water, fuels vehicles, and supports manufacturing and electric power generation.

Energy Future

- U.S. natural gas resources are abundant, and enough to meet consumer needs for generations to come.
- Increased use of natural gas makes America less dependent upon foreign energy sources.
- The vast majority (84 percent) of the natural gas consumed in the United States is produced in the United States, and 97 percent is produced in North America.

Environmental Benefits

- Using more natural gas addresses a number of environmental challenges simultaneously, including greenhouse gas emissions, smog and acid rain.
- The simpler, chemical composition of natural gas in relations to other fuels results in fewer harmful emissions.
- In communities nationwide, natural gas is helping to improve air quality as municipalities and businesses use natural gas that emits less pollution than other fossil fuels.

Natural Gas Price Trends and Pipelines: Economics & Business

THE SITUATION

- America is at a critical crossroads with regard to natural gas supply.
- While demand continues to rise, some gas supply remains off limits to production.
- Continued economic growth is contingent upon an ample supply of affordable energy.
- We all have a stake in ensuring reliable, affordable gas supplies.
- One-third of the natural gas consumed in the U.S. supports manufacturing, and industrial demand is expected to grow by 40 percent by 2025.

Higher costs for natural gas consumers are primarily a result of a tight balance between demand and available supply – not factors related to transporting the critical fuel.

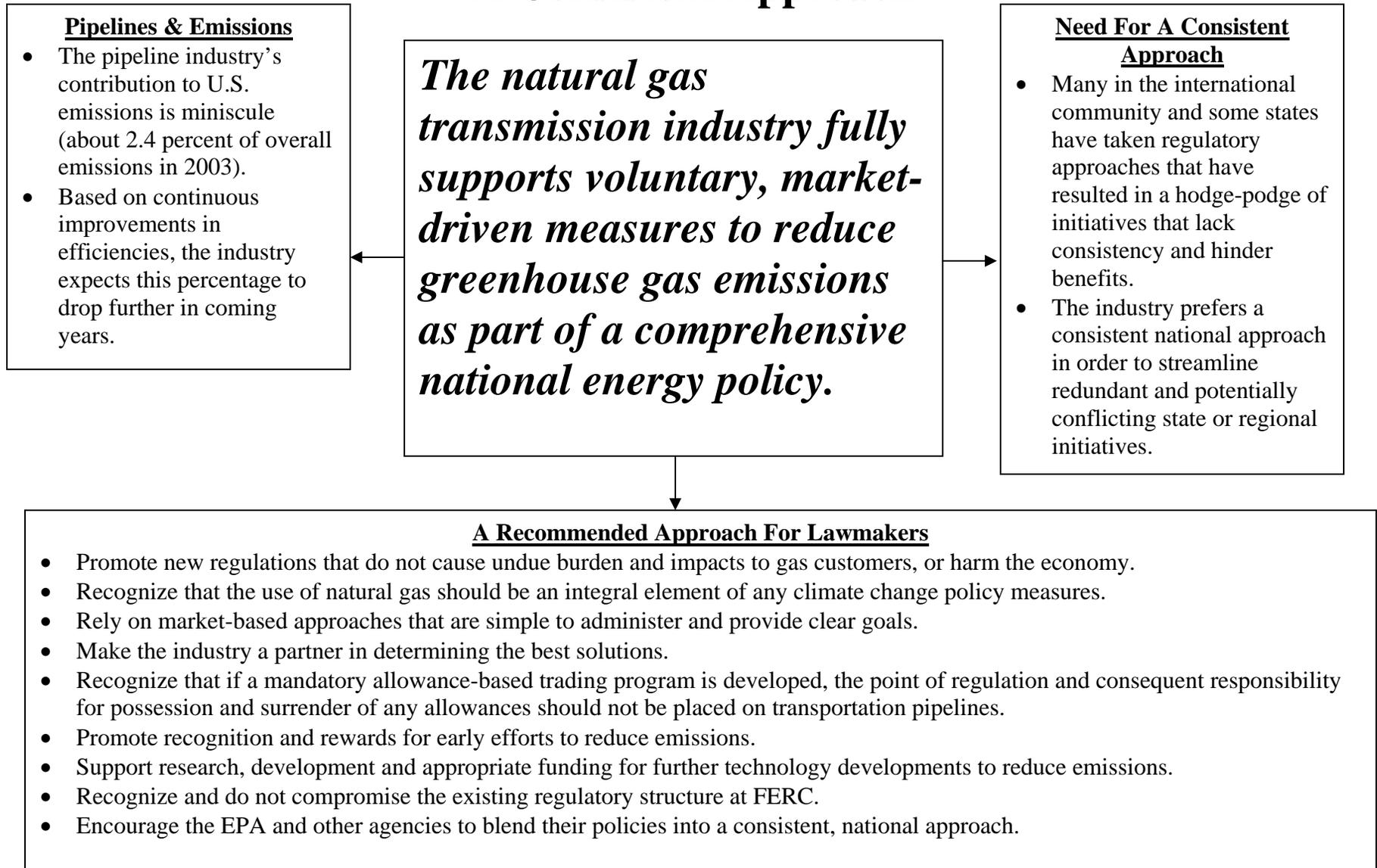
THE SOLUTION

- What our nation needs is a comprehensive, integrated energy policy that brings natural gas supplies back in balance with demand.
- The formula is simple – more supply equals lower prices.
- More gas demand, plus more gas supplies will mean more gas pipelines are needed.

PIPELINES AND THEIR ROLE IN THE INDUSTRY

- Pipelines are like trucks; they do not own the product they move, they simply provide the transportation service.
- Just as roads and bridges must be expanded to handle more traffic, the nation's primary energy transportation system – pipelines – must expand to handle increased deliveries of natural gas.
- The gas market has been constrained for some time and pipelines aren't benefiting from the rise in prices
- It is important to understand that the energy marketplace is very complex with a wide variety of integrated factors that affect the consumer price of natural gas. Large transmission pipelines transport natural gas from producing regions like the Gulf of Mexico, to end-users all over the country.
- Residential consumers don't purchase gas from pipelines, but rather from

Pipelines and Climate Change – Sharing the Concern, Striving For A Consistent Approach



5- RECOMMENDATIONS

CHAPTER OVERVIEW

This chapter provides recommendations for INGAA, pipeline operators, and The INGAA Foundation in implementation of this Plan.

The recommendations are grouped as thoughts, concerns and specific communications ideas for reaching the various groups.

This plan is meant to provide an overarching direction for development of an action plan of initiatives that will be funded as appropriate or resourced from INGAA/INGAA Foundation staff or member committees.

Prior to the overall strategies and tactical approaches are suggested maintenance, implementation and administration steps.

RESPONSIBILITY FOR IMPLEMENTATION & ADMINISTRATION

At INGAA and The INGAA Foundation, the Communications Plan and Program will be overseen by the INGAA Pipeline Safety Communications Task force. In implementing and administering our Plan, we will be guided by the following objectives to make certain that:

- Stakeholder audiences are properly identified
- Messages appropriate to each stakeholder are identified
- Appropriate media and communication vehicles are selected to reach each stakeholder audience
- Messages are delivered as specified in our Plan
- The effectiveness of the Plan and program is periodically evaluated
- The Plan is modified to reflect changing situations or the results of stakeholder feedback or other form of program effectiveness evaluation

Specifically, INGAA Pipeline Safety Communications Task force that administers this Plan will:

- Establish the parameters associated with the selection of audiences
- Develop relationships with other companies, industry associations or organizations to reduce redundancies and optimize common efforts
- Determine the messages, methods and media used to deliver the communications to the intended audiences
- Promote awareness of the Plan throughout the interstate natural gas transmission community
- Assign specific responsibilities to appropriate functions, subcommittees or groups
- Coordinate feedback from stakeholder audiences

- Keep abreast of situational changes that might necessitate new messages, ideas or program enhancements

Recommended Strategic Approach

In 2006, INGAA, The INGAA Foundation and pipeline operators must agree on a set of easily-understood, coherent messages that succinctly highlight the natural gas transmission industry's positions, benefits and contributions to our nation's critical infrastructure. The messages must be geared toward key policy makers and public officials, but should be applicable to all audiences, including the general public. The messages and stated positions, however, are just one element of the strategic approach; the other entails distributing the messages by capitalizing on existing relationships and communications vehicles while seeking innovative new methods and audiences.

As consumer costs and energy supply issues continue to garner attention and media coverage, the industry and its member companies must present a more concise and unified position. The emotional nature of the topic --as it relates to impacts to the everyday lives of consumers -- make it imperative that the industry have easy to understand and well-reasoned messages that the common person can understand.

Summary of Tactical Steps

For INGAA and The INGAA Foundation

- Build on targeted key messages for all major written outreach materials and speeches with policy makers. This includes:
 - The INGAA website
 - Briefing materials for specific legislative proposals or general awareness
 - Speeches or testimony before legislative bodies.
- Maintain message discipline and speak as “one voice,” on those broad messages that cut across the industry. For those not as informed or less historically familiar with pipelines, messages should be somewhat deeper in scope and content, but should have at its foundation the easily-understood message applicable to all constituencies.
- Be more anticipatory in communications with key groups, and more attuned to current situations and the shifting sands of perception, attitudes and sentiments.
- Prepare a series of background materials that reinforce the industry's commitment to pipeline safety and integrity initiatives. In all messages and vehicles, the industry must come off as sincere and devoted to the cause. Stress that the industry is committed to excellence and avoid public perceptions that major integrity initiatives

are being undertaken only because of regulatory mandate. In short, work to “own” the culture of pipeline safety.

- Leverage the focus and efforts undertaken as part of the public awareness initiative to convey key messages from this Plan and build trust from key stakeholders included in this outreach, such as public officials along pipelines.
- Continually highlight natural gas transmission’s role in the nation’s critical infrastructure.
- Stress the industry’s priorities, positions and messages repeatedly and through a variety of vehicles and outlets.
- Don’t be hesitant to proactively discuss emergency response measures and performance from an industry perspective; it’s an often-missed communications opportunity.
- The interstate natural gas transmission sector should be more aggressive in getting its story and issues out to the media, and messages to this audience should be succinct and easily understandable. The primary focus from INGAA staff should be with key energy reporters and trade press, primary conduits to the constituencies we wish to influence. A second priority should be to target the general media by having materials that are easy to obtain as issues develop. Messages to the general media should be strategic, not tactical. Whereas messages to the trade press, should be more tactical.
- Develop a ready pool of expert third-party sources for articles, presentations and editorials. These sources should be trained and well-rehearsed on the industry’s messages.
- On a quarterly basis, consider an aggressive campaign of “media pitching” on hot-button topics. The steering committee for this Plan, or a cross-section of communicators from member companies, could decide on topics and tactics. These groups should ideally push the selected topic across a broad front using press relationships each has established, but “singing off the same sheet” relative to focus and messages.

For Pipeline Operators

- Use the messages developed in this Plan, and communicated on a broad front by INGAA, in individual company outreach and communication efforts.
- Take ownership of the Public Awareness effort and PROMOTE that the industry is committed to it. The same can be said for the Integrity Management initiative. Take the appropriate key messages in this Plan and tailor them specifically to company purpose, commitment and overall safety measures.
- Provide articulate, available company resources for INGAA-led industry communications initiatives; especially third-party sources for articles, presentations and editorials.
- Coordinate with INGAA staff in “media pitching” efforts to confirm saturation of message and to target audiences with the best resources and established relationships.
- Evaluate and improve the communication of key industry messages to a company’s workforce – an important audience that is too often overlooked. Employees live in their communities and can influence neighbors and local officials with whom they often interact. Specific approaches to better educate the industry workforce on key strategic issues include:
 - Reprinting favorable or topical press articles or excerpts in company publications, or point employees to important articles and other items of interest related to the industry on the organization’s internet or intranet sites.
 - Providing more and better links from company intranet sites to industry association websites.
 - Seeking more opportunities for employees to directly receive key industry messages. One such idea might be monthly or quarterly “brown bag lunches” where company or industry speakers knowledgeable on a hot topic are provided to workers’ groups for briefings. These types of initiatives not only improve communications, but are fine morale boosters, projecting the company as an engaged and caring employer.

THOUGHTS & APPROACHES

The recommended actions that follow are grouped by suggested audience. Included are general thoughts, concerns and specific communications ideas for better reaching each respective group.

POLICY MAKERS & PUBLIC OFFICIALS

Policy makers and key public officials are arguably the most critical audiences and primary focal points of this Plan and the suggested initiatives. That said, these groups represent areas where INGAA and its member companies are already highly involved.

In targeting public officials and policy makers, here are elements to consider:

- ✚ The industry and individual member companies must be disciplined in an effort to speak as “one voice” so that key policy makers and public officials get consistent, well-articulated messages.
- ✚ Messages to these groups must be well-reasoned and somewhat deeper in scope and content than with other audiences who are generally less informed or not as historically familiar with pipeline and natural gas matters.
- ✚ Communicating with these groups must be more anticipatory and more attuned to current situations and the shifting sands of perception, attitudes or sentiment.
- ✚ The industry’s commitment to its own-going Pipeline Integrity and Public Awareness initiatives must be communicated as sincere, devoted and not undertaken simply because the government required it. In short, stress that the natural gas transmission sector and its member companies are convinced that a focus on system integrity and on heightened public education is in the industry’s best interest.
- ✚ Studies indicate that the optimum way to communicate with public officials on pipeline matters is through personal contact.¹¹
- ✚ Obviously, it is critical to communicate with these groups on industry policy initiatives, key industry positions, etc. Information credibility from pipeline companies is rated very highly by public officials in studies and surveys. Likewise, on-going communications related to pipeline and industry issues are considered most important to those with whom the industry and company are already communicating. Therefore keep the communications coming!¹²
- ✚ Security and safety concerns are huge issues after September 11, but complaints from gas consumers and constituents to higher gas prices are sure to get policy makers more focused on cost and supply issues. The natural gas transmission sector must work to make its positions on these issues more concise and clear, as well as

aggressively differentiate and distinguish itself from distribution and production facets of the industry.

- ✚ That said, be careful in language and rhetoric that paint policy makers as part of the “problem” on supply, reliability and cost issues. Instead, search for innovative approaches to make them part of the solution. Such angles make it more likely to receive their buy-in and support.
- ✚ Continually highlight natural gas transmission’s role in the nation’s critical infrastructure and overall energy picture.
- ✚ Although it is very tempting, be wary of using politicians too freely or aggressively as surrogates in industry communication efforts to the general public. There is a widespread and well documented sentiment that the energy industry is too cozy with politicians and policy makers. One recent study demonstrates that the stated support of federal and state politicians does not benefit companies in terms of public perception to their operations and projects, and (depending on the politician) may actually hurt the industry or company’s image.¹³
- ✚ The above concern, however, does not seem to apply to regulatory bodies, or environmental groups. In the stated research poll, 72 percent of respondents say that would be more likely to support a pipeline project that is supported by the Federal Energy Regulatory Commission, and the same percentage was more likely to support a project endorsed by an environmental organization such as The Sierra Club or Greenpeace.¹⁴ Therefore, in relation to FERC, DOE, EPA and other federal and state agencies, the industry should continue its efforts to routinely and proactively communicate its key messages, programs and concerns. With environmental and other influential interest groups, the industry should become more aggressive and innovative in seeking opportunities to make better inroads.

THE NEWS MEDIA

Natural gas industry associations and individual member companies have historically been very inconsistent in their approaches to dealing with news media.

Generally, the industry and some of its companies have spent much time and effort courting trade and industry press. In doing so, they have not only adopted a “preach to the choir” approach, but they have relied on complex messages that deal in industry jargon are not easily transferable or understandable to the general news media and its mass audience.

In targeting news media to assist in carrying the industry’s messages, here are elements to consider:

- ✚ The interstate natural gas transmission sector should be more aggressive in getting its story and issues out to the general media.
- ✚ To get its message out more effectively, the industry and its communicators will need to become more innovative and focused.
- ✚ Messages should be short, sweet and easily understandable.
- ✚ Messages to the general media should be strategic, not tactical. Messages to the trade press, more tactical.
- ✚ Positions and messages must be stressed repeatedly and through a variety of vehicles and outlets.
- ✚ In the contemporary media environment, never forget that raising concern helps sell the story. Without overstating matters, the industry should not be afraid to aggressively communicate its view on the long-term supply issue and its resulting impact on consumer costs as a looming crisis. But, be careful not to point the finger at policy makers as the problem. Instead, highlight them as part of the solution.
- ✚ Both the general and trade media thrive on expert sources. The natural gas transmission sector should aggressively find, train and promote a wide variety of industry sources, and then seek innovative approaches for getting these parties and their expertise placed in stories, features, articles and editorials.
- ✚ A more aggressive and assertive media relations strategy for the industry is contingent upon developing and enhancing relationships with key reporters and media outlets, as well as increasing the quality and credibility of information provided to these outlets.
- ✚ Consider a quarterly campaign of aggressive “media pitching” on hot-button industry topics. The steering committee for this Plan, or a cross-section of communicators from member companies could decide on topics and tactics, and should ideally push the selected topic across a broad front using relationships each has established, but “singing off the same sheet” relative to focus and messages.
- ✚ In pushing articles and features, don’t underestimate the value of strong pictures or video images. Now, more than ever, pictures help sell the story. Based on creative images found in recent annual reports, many key players in the natural gas transmission business have in-house photographic talent or access to high-quality photographers who can provide pictures that enhance the pitch and potential placement of items.
- ✚ Understand that trade press outlets are critical sources of information for industry insiders, as well as some regulatory and public officials. Utilize such outlets with this

in mind and don't assume that the messages, vehicles, or spokesperson used in communicating to these outlets are the same that will resonate with the masses through the general media.

- ✚ Keep in mind that studies indicate that positive media coverage of pipeline projects and activities has tremendous impact on the general public, and is also viewed as credible. In a recent survey regarding public opinion on a proposed pipeline project, 86 percent of total respondents cited an article in the local newspaper as being a credible and helpful source of information, far bettering other sources such as advertisements, letters from political officials, and even company "open house" or other sponsored events.¹⁵

THE PUBLIC

It should be understood, that the term "the public" incorporates numerous parties and interest groups; many of whom overlap with some of the other identified audiences in this Plan. When referring to the public in our current context, we are considering both "the masses" and the affected public – those who live near pipelines.

The natural gas transmission industry has made tremendous strides in its focused and on-going communications initiatives with the public, and because of the new recommended practices related to Public Awareness, will continue to hone and direct its safety and reliability message.

Communication efforts, however, should not stop there. As numerous studies and surveys indicate, the average citizen has little or no concept as to how natural gas actually gets to his home, or how pipelines fit into the overall picture of natural gas and energy. Thus, in many minds, natural gas transporters are lumped in with distribution companies or with large energy companies as a whole. Tremendous opportunity lies in providing perspective and differentiating the interstate natural gas transmission business.

Here are elements to consider when focusing communications toward the public:

- ✚ The interstate natural gas transmission sector should be more aggressive in getting its story and issues out to the general public, and not rely totally on its on-going initiatives in the area of Public Awareness. The messages and considerations offered in this Plan should dovetail and ideally be central elements in an organization's Public Awareness communications, and vice versa.
- ✚ Take ownership of the Public Awareness effort and PROMOTE that the industry is firmly committed to it. The same can be said for the Integrity Management initiative.
- ✚ Continually stress that the industry is undertaking the Public Awareness and Integrity Management initiatives not because it has to, but rather because it makes

good business sense to improve safety and enhance relationships with community neighbors.

- ✚ Never underestimate the “we live here too” message!
- ✚ With the public, understand that a primary goal is to build confidence in the industry’s ability to construct safe and secure pipelines.
- ✚ A consistently missed communications opportunity for many pipeline companies is a discussion of the commitment that the organization takes to emergency response and having a well-trained and well-prepared workforce. For some reason, many companies seem reluctant to bring up this topic, thinking that to talk about emergency response is to somehow highlight the risk.
- ✚ As consumer costs and gas supply issues garner attention and media coverage, the industry and its member companies must present a concise and unified position. The emotional nature of the topic --as it relates to impacts to the everyday lives of consumers -- make it imperative that the industry have easy to understand and well-reasoned messages that the common person can understand. Cut out the legislative and industry jargon when communicating to the general public!
- ✚ Although the industry should aggressively seek to expand its message, in terms of resonance and impact on the general public NEVER underestimate or underplay the proven safety and reliability cards. Research continually finds that the more the industry highlights its outstanding safety record in relation to other forms of transportation, the greater the sense of comfort with pipelines. In other words, accentuate the positive!

INDUSTRY “INSIDERS”

As previously stated, too many organizations tend to focus industry related communications almost exclusively toward external parties, forgetting critical internal constituencies: their own workforce, contractors and consultants.

When properly prepared with information, these groups can be tremendously beneficial and influential. The tens of thousands of interstate gas transmission employees who work with INGAA member companies routinely represent their organizations in formal and informal settings. Member companies should make a concerted effort to better inform and arm these workers with the key messages and current communications focus of their own companies and the industry.

Some of the previously-stated communication approaches (such as pushing industry messages and story ideas to the news media) will also provide residual benefits in communicating to employees and other insiders.

Other ideas include:

- ✚ Reprinting favorable or topical press articles in company publications.
- ✚ Posting topical articles and items of interest related to the industry on the company’s internet or intranet sites.
- ✚ Provide more and better links from company intranet sites to industry association websites.
- ✚ Finding more opportunities for employees to directly receive key industry messages. One such idea might be monthly or quarterly “brown bag lunches” where company or industry speakers knowledgeable on a hot topic are provided to workers’ groups for briefings. These types of initiatives not only improve communications, but are fine morale boosters, projecting the company as an engaged and caring employer.

CONCLUSION

In short, this report has attempted to draw a road map for natural gas companies (both transporters and service providers) to use in delivering a concise message – that natural gas is an abundant and clean fuel source that historically has been delivered in a safe and efficient manner. Natural Gas will continue to be delivered to a growing market safely and efficiently if key groups, including policy and decision makers and citizens affected by siting issues receive a constant, positive message with respect to the positive aspects of natural gas as a fuel source. While core messages need further refinement, the template contained in this report should serve as a solid starting point for industry members to use in communicating the benefits of natural gas and the infrastructure needed to deliver it.

7- SOURCES & FOOTNOTES

NOTES ON SOURCES

A variety of sources were used to shape this Plan; especially in an effort to gain a better understanding of the perceptions of the public and communications challenges facing natural gas transmission operators.

Printed and primary sources include:

“Natural Gas Pipelines, Making the Connection: Communications Support for the Siting Process,” prepared by Wirthlin Worldwide for The INGAA Foundation; 2002

“Natural Gas Pipeline Impact Study,” prepared by Allen, Williford & Seale for The INGAA Foundation; 2001

“An Updated Assessment of Pipeline Storage Infrastructure for North American Gas Market,” prepared by Energy and Environmental Analysis Inc. for The INGAA Foundation; 2004

“Discussion of Effects of Long-term Gas Commodity and Transportation Contracts on the Development of Natural Gas Infrastructure,” prepared by Energy and Environmental Analysis Inc. for The INGAA Foundation; 2005

“Changes in U.S. Natural Gas Transportation Infrastructure in 2004,” published by Energy Information Administration, Office of Oil & Gas; 2005

“On-Shore Natural Gas Transmission Safety Performance Summary,” prepared by Process Performance Improvement Consultants for the INGAA Pipeline Safety Committee; 2005

“Residential Natural Gas Prices, What Consumers Should Know,” published by Energy Information Administration, Office of Oil & Gas; 2005

“Public Attitudes Toward Natural Gas and Interstate Pipelines,” prepared by The Roper Organization, Inc., and published by The INGAA Foundation; 1991

“Annual Energy Outlook, Market Trends Natural Gas Demand and Supply,” U.S. Department of Energy, Energy Information Agency; 2005

“The Role of Risk Communications in Siting Controversies,” a presentation given by Eric Donovan; 2002 API Pipeline Conference

“Questionnaire, NY/NJ Version,” prepared by Wirthlin Worldwide for El Paso Corp.; 2004
“Assessment of Public Official Communication Needs,” focus group survey summary presentation by the Rozelle Group Ltd.; 2002

“Community Connections, A Guide for Improving Communications With Our Neighbors,” produced by Tenneco Gas; 1993

“Pipeline Public Awareness Plan,” prepared by Nixon & Associates for The Southern Gas Association; 2005

In addition to the written sources cited above, the authors also utilized numerous industry and association websites, newspaper and magazine articles and informal interviews and discussions with individuals both inside and outside the industry.

FOOTNOTES

¹ “Public Attitudes Toward Natural Gas and Interstate Pipelines;” a report prepared by The Roper Organization for The INGAA Foundation; 1991; pg. 16

² Ibid; pg. 2

³ Ibid; pg. 6

⁴ “Questionnaire, NY/NJ Version,” prepared by Wirthlin Worldwide for El Paso Corp.; 2004

⁵ “Storms’ Fallout Pits Energy Supply Against Environment,” USA TODAY; Oct. 21, 2005

⁶ “Home Heating Costs May Rise A Third,” THE WALL STREET JOURNAL; Oct. 13, 2005

⁷ “Public Attitudes Toward Natural Gas and Interstate Pipelines;” a report prepared by The Roper Organization for The INGAA Foundation; 1991; pg. 16

⁸ “Questionnaire, NY/NJ Version,” prepared by Wirthlin Worldwide for El Paso Corp.; 2004

⁹ “Assessment of Public Official Communication Needs,” focus group survey summary presentation of the Rozelle Group Ltd.; 2002; slide 8

¹⁰ Ibid; slide 22

¹¹ Ibid; slide 14

¹² Ibid; slide 17

¹³ “Questionnaire, NY/NJ Version,” prepared by Wirthlin Worldwide for El Paso Corp.; 2004

¹⁴ Ibid

¹⁵ Ibid