Best Practices Frequently Asked Questions (FAQs)

What is the Purpose of AGA's Best Practices Program?

The AGA Gas Utility Operations Best Practices Program provides a forum for the identification of procedures and practices that can improve the reliability, safety and cost-efficiency of a company's operations.

How long has this Program been around?

The Best Practices Program was first added as a member service by the Operating Section Managing Committee in 1991. It has gone through several modifications through the years to include Transmission and LNG topics. Though it is now primarily dedicated to Distribution topics, these other topics are included periodically.

How are topics selected?

Best Practices Topics can be suggested by any Full member in the AGA's Operating Section. Typically these suggestions come out of the Technical Committees. There is also a Best Practices Steering Committee that reviews past topics and suggests topics for the upcoming year. The Operating Section Managing Committee meets in the fall, reviews these suggestions and votes on the top 3 or 4 topics to include in the next calendar year.

What Topics have been selected in the past?

The list of topics benchmarked in recent years can be found on the Best Practices home page.

Who is on the Steering Committee?

Operations Section Managing Committee members nominate utility employees to serve on the Steering Committee for 3-5 year terms. A listing of the current Steering Committee Members can be found on the Best Practices home page.

How does a company get started?

Each year, the companies are asked to complete an online participation agreement. The form asks each company to identify at least one Best Practices Contact. The form also acts as reminder of the commitment a participating company makes:

1. Agree to submit the data requested within the schedule deadlines
2. Abide by the AGA Anti-trust guidelines
3. Respect the AGA copyright for any work created from the collected data
4. Treat the reports and information from the program as confidential
5. Receive reports only for the topics for which the company has submitted data

What is the role of the Best Practices Contact?

The Best Practices Contact will receive all the email correspondence for the program in that particular year. This includes draft data packs and questionnaires, correspondence detailing data entry instructions and deadlines, draft results for review, and final Best Practices Results. If AGA has questions on any data submitted by the company, the Best Practices Contact would be notified. More information can be found on the Best Practices home page in the "Responsibilities of Benchmarking Representative" document

How are "Best Practices" determined?

Information in the form of data and answers to questionnaires are collected and analyzed to identify companies that appear to have leading performance in the particular topic.

How are unique company operating conditions considered in determining "Best Practices"?

They are not explicitly considered at the data collection phase of the program. We explain, up front, on our web page that:

> *Each operator serves a unique and defined geographic area and their system infrastructures vary widely based on a multitude of factors, including, condition, engineering practices and materials. Each operator needs to evaluate highlighted practices in light of their system variables. Not all highlighted practices will be applicable to all operators due to the unique set of circumstances that are attendant to their specific systems*

This is the value of the Topic Roundtables which occur at the end of each year. The Subject Matter Experts can discuss those unique challenges and hear how others have addressed them.

What data is collected?

Performance Measures are developed for each topic. The benchmarking data necessary to determine these performance measures are developed in what are called Data Packs. For example: If we want to measure leaks per 1000 miles of main, then we need to collect data on the number of leaks and on the number of miles of main. The resulting data pack questions are reviewed at the Kickoff Meeting each year in January. Company representatives have the chance to tweak the questions and provide clarification to ensure everyone interprets the question in the same way. The data is collected through AGA's survey tool called Statistics & Survey System.

How are the questionnaires different from the Data Packs?

The questionnaires collect information on the processes and procedures specific to each topic through mostly Yes/No and multiple choice questions. This allows comparisons of procedures and practices rather than numerical performance results. Companies have the opportunity to share experiences regarding new technologies and methodologies. The questionnaires are also reviewed during the Kickoff Meeting. Responses are collected using an online tool such as Survey Monkey or Microsoft Forms.

Does the information collected change from year to year?

Two data packs are repeated every year: System Reliability and Company Profile. These include basic operational information including much of what you already report to other agencies. For example: The information you report annually to PHMSA on the Distribution Annual Report is included in System Reliability. If your company is required to report financial data to FERC, much of that is also reported on the Company Profile. The questions for the selected topics change every year, since the topics change every year.

What else happens at a kickoff meeting?

We often include a topical workshop for at least ½ day of the meeting to advance everyone's education on natural gas issues. In addition to reviewing and clarifying the Data Pack questions and Questionnaire questions, we continually look for ways to make the data collection and surveys less redundant and of value to the companies. At the meeting we try to verify that the questions we are asking are of value to the companies. We don't want the resources needed to collect the requested data to outweigh the benefits of that data.

What happens after the Kickoff meeting?

The, now reviewed, Data Pack questions and Questionnaire questions are loaded into their respective survey tools (BESS or Survey Monkey). All best Practices Contacts, identified on the Participation Agreement, receive an email describing the login process for BESS and location of the Survey Monkey surveys online. Then we enter the data collection phase.

How long do we have to enter our data?

The schedule will be different for each set of information collected. Some portions of the Company Profile are not due until the first of June. But typically this data collection phase runs from mid-February until the end of March. By mid-April you will receive a draft of the formatted data for your review. Any changes are submitted by the end of April so that we can analyze the results to identify the top performers. By mid-May, we are inviting those top performers to the Follow-Up Meeting.

For a look at the schedule, go to the Best Practices home page, where there is a link to the current year's schedule.

How do we receive the final results?

Both Data Pack and Questionnaire results are posted to the Reports Section in the Statistics & Survey System.

What happens at the Follow-Up Meeting?

The Follow-Up Meeting is usually held in late June. It is a chance for the Best Practices Contacts to review the final results, provide feedback on the process, and to select presenters for the Topic Roundtables. Six to eight of the top performers in each topic are invited to present a shortened version or highlights of a presentation that they would propose to present at a roundtable meeting. The attendees vote on these to identify the top 4 or 5 to be invited to present at the Roundtable Meetings.

What happens at a Topic Roundtable?

This is where the rubber hits the road (or the gas hits the burner tip).

The key results from the data collection are reviewed. Top-performing companies present their strategy for achieving outstanding performance. Interspersed with the presentations are roundtable discussions. The large group of attendees break into smaller discussion groups. They will discuss the challenges of a particular topic, identify how they meet that challenge in their own company, and as a small group, decide which of those solutions should be considered as Best Practices. These Best Practices are summarized and discussed on the last day of the Roundtable.

Who should attend these Roundtables?

These meetings are most successful when attended by each company's subject matter expert in the topic. This typically includes:

- Department managers
- Engineers
- First-line supervisors
- Process owners

These should be individuals who are familiar with your company's processes and challenges.

How should Best Practices Contacts prepare these Roundtable Attendees?

The Best Practices Contact should meet with company representative(s) attending roundtable to review any applicable Best Practices reports, graphs, questionnaire summaries, or other supporting documents such as SOS summaries. In addition, they should discuss what will happen at the roundtable.

How should a Roundtable Attendee prepare for the Roundtable?

Company representative(s) attending roundtables should prepare a list of issues or challenges that they would like to address during the roundtable and practices that are unique to their operations to share with participants. They should also review the data and questionnaire results with their Best Practices Contacts and select some key issues they are interested in discussing with other participants.

If we have travel restrictions, can we still participate in the program?

Yes, there are various levels of participation in the Best Practices Program, even if you only wish to submit data and receive the compiled results.

We still encourage your company to participate in as many meetings as you can. The real value of the program is in sharing your challenges and hearing possible solutions in a confidential, forum of utility subject matter experts. However, there is also value in being able to review the results and compare your performance and answers to the questionnaires.

Can we use the Best Practices results in a Rate Case?

No. The results of the Best Practices process are protected by the confidentiality portion of the Participant Agreement that every company must submit. That provision states:

> *The **Work** we receive is the original, creative and copyrighted work of AGA and AGA grants my company permission to use the **Work** for internal company purposes alone. My company may not use it for any other purpose(s) nor reproduce, distribute or make derivative works from it without the specific written consent of AGA. The **Work** may not be used in rate cases or shared with regulatory commissions or other agencies.*

Contact the AGA General Counsel's Office at gco@aga.org to request "specific written consent" to distribute the work outside your company.

Where can I find more information or updates?

Visit the AGA Gas Utility Operations Best Practices website:

Best Practices Program | American Gas Association (aga.org)