

Special points of interest:

- Happy birthday, We're 30! (p. 1)
- Energy Solutions and Invensys announce strategic alliance (p. 2)
- PipelineStuido® product update (p. 2)
- Bord Gais improve capacity with PipelineStudio® (p. 3)

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From the CEO

Welcome to Energy Solutions International bi-annual newsletter. On a regular basis we will be providing you valuable information on our company, products, latest news, upcoming events and case studies.

To start things off, I'd like to let everyone know Energy Solutions is celebrating a Birthday. This year marks the 30th year of business for our company. We've been working with pipeline companies and companies with pipeline assets for three decades and have committed ourselves to helping solve your challenges. In 1976 LICconsult was founded in Denmark and after several important acquisitions and mergers, Energy Solutions continues to provide leading edge technology and consistent value to our customers. In our 30 years we have learned many lessons on how to correctly implement our technologies in your unique operational and business environments. Thank you, to each of you for your repeated support.

Our company continues to grow. As we grow we are always looking for ways to add value. We have announced a strategic alliance with Invensys. Read more about this exciting relationship on the next page.

Over the past 6 months, Energy Solutions has announced several personnel appointments. On the back page you will be able to find out more about the newest additions to Energy Solutions growing team. As well as a number of well deserved promotions as we recognize the contributions of our team members.

Our entire team comes to work each and every day to help make you successful. We are always interested in hearing from you; if you have questions on anything you've read here send an email to info@energy-solutions.com.



Thank you,

Customer Spotlight: OCP, Managing Transactions

Energy Solutions and Oleoducto de Crudos Pesados (OCP) Ecuador S. A. published an article on managing transactions in World Pipelines December issue.

OCP chose Energy Solutions' PipelineTransporter® application for the management of receipt, transportation, storage and delivery processes associated with their pipeline and terminal system. The company needed to replace an outdated system that consisted of many multi-page spreadsheets, each with data input areas, complex

calculations and detailed reports. OCP required a commercial solution for oil movement control including relational database management system and a web-based interface for data collection and report generation. PipelineTransporter provided them with a system that could



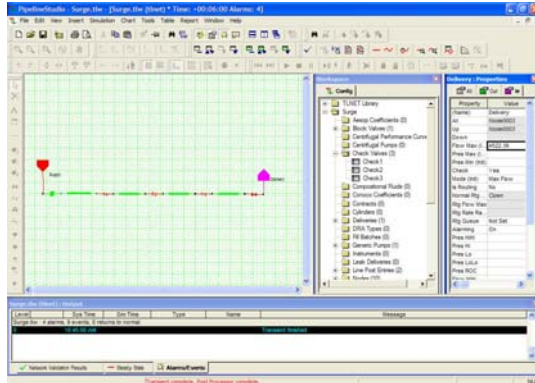
be tightly integrated with the hydraulic simulators used in their pipeline operations.

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pipelinestudio®

Product Update: PipelineStudio®

PipelineStudio® now has Help available in Spanish, Portuguese and Chinese in addition to English. The Alternate Help Package installs help in one or more of the supported languages and includes a utility that permits users to switch the PipelineStudio Help sys-



tem between installed languages. You can download this from http://www.energy-solutions.com/pipestudio_language_form.html.

The latest full release of PipelineStudio 2.7.1 is available for download on the website. Version 2.7.1 builds on the previous releases, enhancing the ability to use PipelineStudio as a large-scale component in custom built applications. Look here for information on the next version of PipelineStudio to be released in the coming months.

Over twenty-five new customers have joined the PipelineStudio family in 2005. We are very pleased that this product continues to be the standard for offline design and simulation technology in the pipeline business. To see a list of the companies that helped set a banner year for PipelineStudio, visit our web site under News.

“There is no one size fits all when it comes to LDS [Leak Detection Systems], each pipeline operation is unique.”



In the news...Invensys & Energy Solutions Alliance

Energy Solutions and Invensys Process Systems have announced a strategic alliance. The two companies will collaborate to provide customers with intelligent solutions for pipeline automation and optimization in the oil & gas transportation sector.

This is a great opportunity to extend the value both companies provide their customers. Energy Solutions pipeline technology has been paired with Invensys' SCADA technology at many customer sites already. With so many customers benefiting from using our technologies together, we felt it only made sense to

make it that much easier to work with us. Michael Chmielewski, VP SCADA & Pipeline Business of Invensys Process Systems says, “ESI's technology is a perfect complement to the extensive portfolio of technologies & services that Invensys already delivers to pipeline companies worldwide.”

This alliance will include close integration of each company's technologies, joint sales pursuits, joint marketing activities, as well as product training. For more information on Invensys visit, www.invensys.com.

“Model Behaviour” Article in *World Pipelines*

Energy Solutions' Product Manager Morten Kristiansen published an article on the different forms of leak detection systems in the August, 2005 issue of *World Pipelines*.

This article covers the benefits of a model based leak detection system, such as Energy Solutions' PipelineManager® product. The main advantages are the high percentage of system availability. This means that the PipelineManager system is able to remain active during normal or rigorous operations as well as varying stages of outages. The other advantage is the use of existing instrumentation on the pipe-

line for data. In addition, PipelineManager is a robust system based on a fully transient hydraulic and thermodynamic model that is able to detect leaks in various sizes from small holes to larger ruptures. Of course a fully trained operations staff is also required and PipelineManager has a trainer capability to help get pipeline operators up to speed on the latest leak detection operational techniques.

For the full article see *World Pipelines*, August 2005 issue or visit our website at www.energy-solutions.com/articles_page.htm.

Case Study: Bord Gais

Bord Gais Eireann, used Energy Solutions' PipelineStudio® application to successfully identify additional capacity from one of its central Dublin plants. Ireland's largest electrical generation company needed additional capacity from the Poolbeg plant (pictured).

Bord Gais initially made significant infrastructural reinforcements to the transmission system; improvements that were believed would make the network accommodate more gas to the necessary power stations. When the results showed that the request could not be accommodated, Bord Gais used PipelineStudio to model a



better understanding of the entire network and was able to identify the additional capacity.

This case study was presented at the November 2005 Pipeline Simulation Interest Group (PSIG) in San Antonio, Texas. For a complete look at this case study, and other PSIG customer successes, visit our website at, <http://www.energy-solutions.com/publications.htm>.



OCP and Managing Transactions continued

OCP's PipelineTransporter system has four primary areas: Administration: users, client information, tank & ship information, contracts, pipeline system configuration, reference tables, etc. Planning: shipper nominations, lifting program configuration and scheduling. Certification: meter certification, lifting certification, tank & fuel inventory and operational record management. Consolidation: loss/gain reports, fuel calculation & distribution, bal-

ance calculations and invoicing

All functions are integrated into a cohesive package configured for OCP's business processes. The system produces formatted reports and graphic displays enabling OCP to monitor and optimize operations.

See *World Pipelines*, December 2005, "Managing Transactions" by John Sherman, Chief Technology Officer.



Upcoming Events...we've saved you a seat.



April 19-21 2006
ENTELEC
Houston, Texas USA
Booth #421

April 24-28 2006
Pipeline Technology 2006 Conference
Hanover, GERMANY
Hall 6, Stand C38

April 25-27 2006
API Pipeline Conference,
Fort Worth, Texas USA

May 2-4 2006
American Gas Association Operations Conference
Boston, Massachusetts USA

May 15-16 2006
Oil & Gas Pipelines in the Middle East
Abu Dhabi, UAE

June 5-9 2006
World Gas Conference
Amsterdam, NETHERLANDS

September 25-29 2006
International Pipeline Conference
Calgary, CANADA

To request information on upcoming events, email info@energy-solutions.com or visit our web site at, <http://www.energy-solutions.com/events.htm>.



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World leaders in pipeline management.

Energy Solutions International is the leading global supplier of pipeline management software for the oil and gas industry. The company's broad range of integrated products drives excellence in operational efficiency, throughput management, pipeline safety and transaction management. Founded in 1976 and headquartered in Houston, Texas, Energy Solutions serves more than 500 clients in over 70 countries through its offices in the United States, United Kingdom, India, China and Canada.

For more information, visit www.energy-solutions.com or you can contact Jodi Bash at jbash@energy-solutions.com.

Company News: Appointments, ISO certification

Employee News:

Robert Young is the new Product Manager for the PipelineTransporter® and TransactionManager®. He has 20 years of natural gas experience.

John Sherman has been promoted to Chief Operations Officer with responsibility for the Implementation and Financial Organizations. He will continue to lead the product organization and marketing as he had done as the Chief Technology Officer.

Rene Varon, who has been with our company for over 10 years, will become the Executive



Vice President of Sales, leading sales for all the Americas. Rene formerly focused on our Latin American growth.

ISO Certification:

We are also pleased to announce that Energy Solutions International, Ltd., based in the United Kingdom, has been certified with an **ISO 9001:2000 compliant** Quality Management System in place. Helping us consistently provide products and services that meet customer and regulatory requirements. Energy Solutions also demonstrated inclusion of processes for continual improvement within its quality management system.