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Special points of interest:

- Improving Forecast Accuracy with GasLoadForecaster (p. 1)
- Energy Solutions makes Software Magazine top 500 companies list (p. 2)
- Regulatory Newsletter (p. 3)
- New CEO, Dr. Webber (p. 4)

Inside this issue:

Customer Spotlight 1

Product News 2

Customer News 2

Article 3

Coming Soon, Events 3

Company Update 4

## From the President

There have been some exciting changes recently at Energy Solutions. As many of you may have seen in the press, In September we added two very experienced people to our management team. Dr. Jo Webber and Ann Casaday have joined our company. Dr. Webber is the Vice Chairman of the Board and our new CEO. Ann Casaday is our Global Vice President of Sales. I will continue as President of Energy Solutions. For more information on Jo and Ann please see Page 4 under "Company News". You can also read the full press release on our web page: [www.energy-solutions.com/news.htm](http://www.energy-solutions.com/news.htm).

In other news, it has been a great year overall. We have had a number of new product releases already and more are expected in the next few months. In addition to being named one of the top 100 small companies in Houston, Texas; Energy Solutions has also been listed as one of the top 500 Software companies in the world by Software Magazine. See more information on the next page.

I am very excited by the wealth of feedback we received from our Customer Care survey that went out to our global install base throughout August and September. Your comments and insights were truly helpful and will assist us in continuing to improve our support offerings. If you would like to contribute to this survey but did not get the opportunity before, see page 3 for instructions on how to participate. We are always happy to hear from our customers.

Also, sign up for our new monthly e-newsletter dedicated to providing a consolidated list of North American industry regulatory updates. See page 3 for subscription information.

Thank you,  
Al Jacob, President



## Customer Spotlight: Fluxys & GasLoadForecaster®

Belgium company Fluxys operates as an independent natural gas transport company.

Fluxys chose Energy Solutions' GasLoadForecaster tool to effectively anticipate the requirements of gas demands on its network. Both Energy Solutions' industry experience and its technical expertise in developing and delivering gas operations management tools and neural network technology were essential to Fluxys' selection of GasLoadForecaster.

By reducing forecast develop-

ment time and improving accuracy, Fluxys operational staff was able to react more quickly to demand fluctuations and transport constraints as well as to additional shipper capacity requests.

Sophie Jhaes, a Project Leader for Fluxys said, "Fluxys chose Energy Solutions because of the product's accuracy and the robustness, comprehensive administrative functions and overall user-friendliness. As an IT team member, I was also interested in a solution that easily could be integrated but

also work in standalone."

GasLoadForecaster uses Energy Solutions' Neural Net to forecast volume and energy targets at supply points along the pipeline network. This neural network model finds patterns in complex pipeline operations resulting from weather fluctuations and calendar information.



gasloadforecaster®

## Product Update: GasLoadForecaster® 3.0

Energy Solutions has released GasLoadForecaster version 3.0. This major release features a new user interface built with the Microsoft .NET® framework and support for multiple databases, including Microsoft® SQL Server® and Oracle®. The leading neural network product dedicated to the gas market, GasLoadForecaster learns historical patterns to predict future behavior in order to provide optimum revenue at the lowest cost. It offers capabilities in capacity management, demand forecasting, imbalance management and neural network forecasting.

Other GasLoadForecaster 3.0 features include improvements in forecasting speed and additional variables in the forecasting process.

The product's forecasts are based upon minimum, maximum and average weather values. In addition, forecast data can be stored as far in advance as there is weather data. GasLoadForecaster interfaces with the advanced hydraulic gas pipeline models available from Energy Solutions.

For more information on this product see [www.energy-solutions.com/gasloadforecaster/htm](http://www.energy-solutions.com/gasloadforecaster/htm).



## In the News: Energy Solutions named in Top 500 Software companies from Software Magazine



Each year Software Magazine publishes a list of the top 500 software companies. Energy Solutions is proud to be listed among other outstanding companies

making up the 2006 Software 500 list. Although the specific numerical listing is not given, Energy solutions placed in this list for the first time within the 361-370 decile. Software magazine is targeted to buyers and

influencers of high technology products and services for medium to large organizations. For more information on the publication you can visit [www.softremag.com](http://www.softremag.com).

"It is good to see the software industry thriving in the latest Software 500 study" said Dr Jo Webber, CEO of Energy Solutions. "We are pleased that Software Magazine has recognized the technological advances made by Energy Solutions over the last year and has included us in this important listing."

**"Our evaluation of Pipeline-Studio was very positive. The product was robust and sophisticated simulations could be done."  
Keith Taylor of Valero L.P.**

## Valero L.P. Selects Energy Solutions to Standardize Offline Pipeline Management System

Valero L.P. has selected PipelineStudio® to standardize its offline simulation system. Valero L.P. evaluated and purchased PipelineStudio after its acquisition of the Kaneb pipeline, which currently relies on the PipelineStudio product.

PipelineStudio is a leading simulation and design product for pipeline systems that is used extensively by pipeline and engineering companies. Valero L.P. has over 9,000 miles of pipeline, 89 terminal facilities and four crude

oil storage facilities. "Once we acquired the Kaneb pipeline system, we wanted to begin the process of standardization for our offline hydraulic modeling," said Keith Taylor of Valero L.P.

Based in San Antonio, Valero L.P. is one of the largest terminal and independent petroleum liquids pipeline operators in the nation. For the press release see [www.energy-solutions.com/press\\_releases.htm](http://www.energy-solutions.com/press_releases.htm).

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## World Pipelines Article: The ROI of Leak Detection

Selecting a leak detection system that will add to your company's bottom line as well as provide the peace of mind of a solid leak detector is easier than it may seem. Energy Solutions' Morten Kristiansen has contributed an article on how to go about selecting a system that will help companies stay one step ahead of the tightening government regulations and the competition.

According to Kristiansen, "when selecting a leak detection and operator training system it is important to think ahead; making a choice based purely on the upfront cost of the software is ill-advised."

A training simulator for pipeline operators provides a quick return on investment (ROI) by training and certifying operators much more quickly, without the need for costly shutdowns on the pipeline. Accurate simulation of emergencies ensures uninterrupted operations with no risk of equipment failures.

The ROI for a leak detection system is based on avoided cost. The investment in the software provides a return when a leak event occurs and is higher the sooner the leak is found. The ROI for leak detection can easily be as high as 350% when the



leak occurs in the first five years after installation. Some costs associated with leaks such as environmental harm and clean up and people in the surrounding community are often impossible to quantify, making quick leak determination and location imperative.

Published in the September 2006 issue of World Pipelines, p. 41. See full article at [www.energy-solutions.com/articles\\_page.htm](http://www.energy-solutions.com/articles_page.htm).

## Coming Soon: PipelineManager® 3.0

In the next few months Energy Solutions will be releasing a major version of PipelineManager. The 3.0 release will provide a roll up of all recent enhancements to the product. These include: the new VisualPipeline GUI, faster data analysis and historical trending features, expanded training module and improved auto tuning for more accurate modeling.

Of significant importance are the faster and more sensitive leak detection capabilities for liquid pipelines. PipelineManager 3.0 continues to provide the flexibility that customers



Leak Detection screen in the VisualPipeline GUI.

have always enjoyed with multiple modules to choose from including a Training simulator, DRA/Batch/Composition Tracking, Predictive and Look Ahead Analysis and Leak Detection.

For more information on PipelineManager 3.0 contact [sales@energy-solutions.com](mailto:sales@energy-solutions.com) or visit [www.energy-solutions.com/pipelinemanager.htm](http://www.energy-solutions.com/pipelinemanager.htm). Demos and pricing are available upon request.

## Energy Solutions Events & Publications



### Regulatory E-Newsletter:

Would you like to see all the latest regulatory recommendations in one consolidated email? Energy Solutions is putting out a monthly e-newsletter to do just that. It will contain updates from FERC, OPS, DOT, NTSB, and any other agency that you would like us to monitor.

**To subscribe, email:**  
[info@energy-solutions.com](mailto:info@energy-solutions.com)  
**subject: "enews".**

### We want your input!

Our Customer Care department has recently conducted a survey of our install base. To give us your views on the products, maintenance or anything else all you need to do is log on to the following site and answer 4 questions. Thank you to everyone who has already responded.

**Survey:**  
[www.regonline.com/101998](http://www.regonline.com/101998)

### Tradeshows:

January 15-19, 2007  
**Petrotech 2007**  
 New Delhi, India

Energy Solutions was pleased to co-author 4 of the papers presented at PSIG, the **Pipeline Simulation Interest Group** a few weeks ago.



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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.

To subscribe to this newsletter email [info@energy-solutions.com](mailto:info@energy-solutions.com), subject: "subscribe".

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## Company News: Dr. Webber Appointed CEO

Dr. Jo Webber has been appointed to vice chairperson and chief executive officer of Energy Solutions. Dr. Webber is an experienced software executive who has spent her career providing enterprise software solutions to many of the world's leading corporations.

Dr. Webber served as president and CEO of InnaPhase Corporation. When the company was sold to Thermo Electron (TMO) in 2004, she became vice president of Thermo Informatics. She earned a doctorate in quantum physics and a Bachelor of Science degree in applied chemistry from the University of Nottingham Trent in the United Kingdom.

Dr. Webber is a Chartered Chemist and a Fellow of the Royal Society of Chemistry. She serves on the boards of Maxwell Systems, a provider of construction accounting software applications, and Octagon Research, a clinical R&D software and services provider.



Ann Casaday previously served as VP of North American Sales for InnaPhase, and has a degree in petroleum and natural gas engineering.