



STEELRIVER
INFRASTRUCTURE FUND NORTH AMERICA



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SteelRiver Infrastructure Fund North America reaches agreement to acquire T.W. Phillips Gas and Oil Co.

BUTLER, PA – SteelRiver Infrastructure Fund North America LP today announced that it has reached an agreement to acquire T.W. Phillips Gas and Oil Co., a wholly owned subsidiary of the privately held TWP INC. The company will continue to operate as an independent, regional natural gas company serving more than 60,000 customers in western Pennsylvania.

The proposed acquisition will require certain state and federal regulatory approvals, as well as TWP INC. shareholder approval.

T.W. Phillips will keep its name and headquarters in Butler, according to Chris Kinney, CEO of SteelRiver Infrastructure Fund North America LP. He said T.W. Phillips, its employees and customers will benefit from SteelRiver's ability to invest in T.W. Phillips' natural gas pipelines and services. He added that the acquisition will be seamless and T.W. Phillips customers will experience no disruption in service.

"We are committed to building a stronger natural gas company in western Pennsylvania," Kinney said. "We look forward to working with the employees of T.W. Phillips to enhance customer service. We will invest in the company to ensure that we can meet the future energy needs of the region."

Bruce Wiegand, President and CEO of T.W. Phillips, noted: "We are delighted that our company is being acquired by a financially strong organization with a much larger local utility franchise. This acquisition will complement and ensure continuation of our legacy of providing the safe, reliable and cost-effective service our customers have enjoyed for more than a century."

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Wiegand added, “In view of the rapidly increasing complexity of the natural gas utility business and the dominance of large energy companies with financial and technical resources greater than those available to a company of our size, our Board of Directors has determined that SteelRiver’s purchase of our company is in the best long-term interests of our customers, the communities we serve and our employees and shareholders.”

SteelRiver is committed to investing in the energy needs of western Pennsylvania. In February 2010, SteelRiver Infrastructure Fund North America LP acquired Peoples Natural Gas Company from Virginia-based Dominion Resources Inc. Peoples Natural Gas has returned its headquarters to Pittsburgh and is in the process of hiring approximately 200 new employees to staff its new customer service center in Pittsburgh and handle all other administrative functions, which are currently being performed by out-of-state firms.

In addition, Peoples Natural Gas Company is expected to more than double its annual investment in western Pennsylvania, spending approximately \$100 million this year on pipeline upgrades and a new information technology system.

Kinney said Morgan O’Brien will serve as CEO for both Peoples Natural Gas Company and T.W. Phillips, and Bob Hovanec will continue as COO and CFO of T.W. Phillips. Bruce Wiegand will retire as President and CEO of T.W. Phillips upon the closing of the acquisition. Peoples Natural Gas and T.W. Phillips will remain independent companies with separate employees and services.

O’Brien said the acquisition of T.W. Phillips by SteelRiver will enhance not only the strength of the company, but also the economic growth of western Pennsylvania.

“SteelRiver has proven its commitment to jobs and investments in the region. Peoples Natural Gas is an example of that commitment,” O’Brien said. “We are improving the natural gas pipeline system, creating jobs and improving our customer service.”

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SteelRiver Infrastructure Fund North America LP is an unlisted infrastructure investment vehicle, managed by SteelRiver Infrastructure Partners, with committed capital in excess of USD 1.9 billion. The investment vehicle owns and operates energy, utility and other infrastructure businesses across North America. For more information on SteelRiver Infrastructure Fund North America LP, please go to www.steelriverpartners.com.