



STEELRIVER
INFRASTRUCTURE FUND NORTH AMERICA



PEOPLES TWP

FOR IMMEDIATE RELEASE

Tuesday, May 24, 2011

SteelRiver finalizes acquisition of T.W. Phillips Gas and Oil Co.; new company to remain in Butler and be renamed Peoples TWP

BUTLER – Chris Kinney, CEO of SteelRiver Infrastructure Fund North America LP (SteelRiver), today announced that an affiliate of SteelRiver assumed operations of T.W. Phillips Gas and Oil Co., a regulated gas utility serving more than 60,000 customers in 10 counties in western Pennsylvania.

Kinney said the new company would be renamed Peoples TWP and its headquarters would remain in Butler. Kinney said that the company's new identity reflects its renewed commitment to improve customer service and reliability and its affiliation with Peoples Natural Gas of Pittsburgh.

"Last year, SteelRiver acquired Peoples Natural Gas, returned its headquarters to Pittsburgh and increased investments in the company and the region," Kinney said. "Today, Peoples Natural Gas is a stronger company; we have the same goal of strengthening Peoples TWP through investments and improved customer service."

Kinney said Peoples TWP is committed to investing \$36 million between 2012 and 2014 in its natural gas distribution system, an increase of nearly 38 percent over the company's typical investment level. The new company also agreed to maintain the same base distribution rates for customers until at least January 2014.

Robert Hovanec will be President and Chief Operating Officer of the new company. Morgan O'Brien, Chief Executive Officer of Peoples Natural Gas, will be a board member on Peoples TWP's holding company. Hovanec said the acquisition will benefit customers and employees.

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“Our management and employees look forward to joining SteelRiver, a financially strong and viable organization. SteelRiver’s deep access to the capital markets should provide Peoples TWP with the funds necessary to improve its service to our customers,” Hovanec said.

In February 2010, SteelRiver acquired Peoples Natural Gas from Virginia-based Dominion Resources and returned the company’s headquarters to Pittsburgh. Since the acquisition, Peoples has invested approximately \$100 million in its gas distribution infrastructure and information technology systems.

Today, Peoples Natural Gas is hiring nearly 200 employees to fill company jobs, many of which were previously handled out-of-state. This summer, Peoples Natural Gas expects to transfer all customer services, including billing, human resources and customer calls, to its Pittsburgh headquarters. In addition, Peoples Natural Gas has increased its workforce to replace aging natural gas pipelines and improve service reliability.

O’Brien noted that SteelRiver acquired T.W. Phillips’ natural gas utility company and not the drilling and gas production business. He said the acquisition will allow Peoples TWP to sharpen its focus on creating a new strategy around being the best utility company it can be to its customers.

“We are committed to investing in the improvement and betterment of western Pennsylvania,” O’Brien said. “Peoples Natural Gas and Peoples TWP want to play a major part in helping business in the region grow and prosper. And to always ensure all families in western Pennsylvania the safest, cleanest and most economic form of energy now and into the future.”

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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.