



May 26, 2010

RE: Use of Non-Standard Pipe in Packaging
Rancho Cordova Incident

Al L. Wilkes
Sr. Technical Engineer

To Whom It May Concern:

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A recent presentation at the 2010 American Gas Association Operations Conference by Mr. Robert Fassett, Director – Integrity Management & Technical Support for Pacific Gas & Electric Company, has prompted questions regarding the use of off-specification pipe and start-up scrap for packaging and shipping purposes. Mr. Fassett's presentation detailed a 2008 natural gas explosion in PG&E's territory in Rancho Cordova, California, which resulted in personal injury, including a fatality, and property damage. *Performance Pipe materials were not involved in this incident.*

Performance Pipe assures all current and prospective customers that we do not use off-specification pipe, scrap pipe or any pipe not specifically intended for gas distribution use to ship products or as packaging material. Polyethylene sliders and non-standard start-up polyethylene materials have not been and will not be part of Performance Pipe's packaging. Performance Pipe will continue to use stretch wrap and banding in our packaging materials.

Thank you for considering Performance Pipe's products. Please feel free to call me if you have any additional questions.

Sincerely,

Al Wilkes
Sr. Technical Engineer
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