LETTER OF CONCERN

<u>CERTIFIED MAIL - RETURN RECEIPT REQUESTED</u>

January 15, 1998

Mr. Rob Stevenson Stevenson-Williams Real Estate 666 Washington Road Pittsburgh, PA 15228

CPF No. 18001C Re: Paul Manor Condominiums

Dear Mr. Stevenson:

On December 17, 1997, Ralph Graeser, an inspector with the Pennsylvania Public Utilities Commission (PA-PUC) met with a resident at Paul Manor Condominiums to discuss a complaint about the natural gas system. This resident stated that a contractor repairing a storm drain found a gas leak that was migrating into 712 Robinwood Drive. It is our understanding that this leak created an immediate hazard but actions were taken to minimize it by venting the gas and making temporary repairs.

On December 18, 1997, Dino Rathod, a staff engineer faxed you Mr. Graeser's memorandum which was followed by a telephone conversation. You stated that Equitable Gas Company, your natural gas provider, determined that the best option would be to replace the existing 4-inch bare steel service to two buildings with two-3 inch polyethylene services. These service lines would be equipped with individual shut-off valves and would be installed approximately 20 to 24 inches deep. You also stated that Flaherty Plumbing would be installing the new services. The conversation concluded with Dino Rathod asking you for your written remediation plan and schedule for the proposed work.

Later that afternoon, Joy Kadnar, another staff engineer from this office spoke to you and inquired about the nature of the repair just completed. You stated that it was a temporary repair; however, you were confident that gas was not leaking and further monitoring was unnecessary. Joy Kadnar also reiterated the need for your written plans for the proposed permanent repair. All the remediation work including pipe joining procedures and person qualifying to make the joints must meet the requirements of Part 192 of the Federal pipeline safety regulations.

On January 6, 1998, Ralph Graeser (PA-PUC) revisited the Paul Manor Condominiums. His gas detection instrument registered gas-in-air measurements of 40 percent and 20 percent in the ground and coming out of a vent, respectively. Ralph Graeser spoke to you prior to taking the measurements but was unable to locate you later. Based on your conversation with him, Equitable had not made a final decision about installing the new services.

I am concerned that the management from Paul Manor Condominiums is reported to be not monitoring this temporary repair. The Office of Pipeline Safety (OPS) recommends that this leak be continuously monitored using subsurface monitoring with a gas detection instrument. As reported to Ralph Graeser, natural gas is distributed to 36 units and is paid through the condominium common fee. According to Part 191.3 of the Federal pipeline safety regulations, the distribution system in the Paul Manor Condominium is a Master Meter System. The OPS has jurisdiction of your distribution system under Title 49, United States Code (U.S.C.) 60101 et seq. (pipeline safety laws) because the Commonwealth of Pennsylvania does not regulate the safety for these types of suppliers.

Therefore, this letter requests that you provide your written plans to eliminate the high concentrations of leaking gas and provide the details of your proposed permanent repairs within five days of your receipt of this letter. If you do not respond within five days of receipt of this letter, OPS intends to initiate compliance actions as authorized under the authority pursuant to Chapter 601 of Title 49, U.S.C.

We are enclosing a copy of the Federal pipeline safety regulations, Parts 190-199 for your use and information. In addition, Ralph Graeser has already given you a publication related to the Master Meter Operation titled "Guidance Manual for Operators of Small Natural Gas Systems."

Should you have any questions concerning this matter, please contact Dino Rathod or Joy Kadnar of this office at (202) 366-4580.

Sincerely,

William H. Gute Eastern Regional Director Office of Pipeline Safety

Enclosure

DRATHOD/sj/DPS-24/60229/1/15/98

FILE: CPF No. 18001C/Stevenson-Williams Real Estate

cc: DPS-22.1, DPS-24, NJDO, All Regions, Dino, Phillip, Atif

Fax copy to Joe Finnan