

LETTER OF CONCERN

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

January 8, 1999

Mr. Daniel P. Fowler
Director, Safety and Reliability
CNG Transmission Corporation
P.O. Box 2450
445 West Main Street
Clarksburg, WV 26302-2450

CPF No. 19101C

Dear Mr. Fowler:

We have reviewed the actions and the steps you have taken to restore the integrity and safe operation of your TL-378 line segment. The effort you have put forth in the remediation of your line TL-378 is acceptable.

We have no objection to line TL-378 returning to service at the pre-incident MAOP of 1,000 psig. Your plan to utilize a "smart pig" in TL-378 in the first half of 1999, and remediate any notable anomalies that are discovered bears further evidence of your commitment of operating a safe pipeline.

The preliminary findings, as stated in the Kiefner report of December 21, 1998, indicate that external corrosion was the cause of the natural gas release at the McIntyre farm. Inasmuch as this area was not included in your close interval potential survey because of landowner difficulties, it would be beneficial to check your records to determine if other such areas exist in your system. If they do, it is our expectation that they will warrant your further investigation. In addition, should your plan to utilize a "smart pig" in TL-378 change, we may reconsider additional follow-up action.

Should you have any questions regarding these issues please do not hesitate to contact John Firely in our New Jersey District Office at (609) 989-2179, or myself at the Eastern Region Office in Washington, DC at (202) 366- 4580.

Sincerely,

William H. Gute
Director, Eastern Region
Office of Pipeline Safety

BCOY/sj/DPS-24/(609) 989-2180/1/8/99
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cc: DPS-22.1, DPS-24, NJDO, Regions, Byron, Chuck, Phillip, Joy
Fax to Joe Finnan/PA PUC