Mr. Terry Fronterhouse Chief of Pipeline Safety Pipeline Safety Section Arizona Corporation Commission 1200 West Washington Street Phoenix, AZ 85007-2996

Dear Mr. Fronterhouse:

We have considered your letter of March 16, 2004, notifying us that the Commission has granted the City of Mesa a waiver of compliance with 49 CFR 192.123, *Design limitations for plastic pipe*. The waiver enables the City of Mesa to participate in a field test of new technologies sponsored by the Gas Technology Institute (GTI). This waiver replaces the waiver granted to the City of Mesa by the Commission on February 20, 2002. The Commission rescinded that waiver on September 4, 2003, because the City of Mesa failed to comply with the stipulations of the waiver.

Section 192.123 limits the design pressure of plastic pipe in distribution systems to 100 psig. The waiver allows the City of Mesa to operate up to one mile of 2-inch polyamide 11 (PA11) plastic piping at 102 psig for four years in its Magma Gas System, subject to certain installation and maintenance conditions.

We have no objection to the waiver. The circumstances are comparable to those of an Illinois Commerce Commission waiver issued on April 20, 1999, allowing Nicor Gas to operate PA 11 plastic piping at 160 psig during a trial period.

Sincerely, Stacey L. Gerard Associate Administrator for Pipeline Safety