



MEMPHIS LIGHT, GAS AND WATER DIVISION
Legal Department

February 28, 2011

Larry Borum, Chief
Gas Pipeline Safety Division
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville TN 37243-0505

Re: TRA Docket No. 08-00124

Dear Larry:

Memphis Light, Gas and Water ("MLGW") is in receipt of your letter of January 18, 2011 regarding the three (3) conditions requested by PHMSA as regards pipe in MLGW's inventory that has been set aside, not previously installed and stored outdoors without UV protection and properly fastened end caps.. MLGW proposes the following schedule to meet the conditions:

1. The removal and discarding of twice the diameter from the ends of each exposed pipe will occur each and every time the pipe is intended to be installed underground for as long as MLGW retains this pipe.
2. The proposed testing will be overseen by MLGW consultant in this matter, Dr. Gene Palermo. His suggested protocols are attached. The pipe has already been delivered to the lab, GTI Testing Laboratories.
3. The pipe inspection has been completed and all pipe exhibiting "cuts, gouges, scratches and similar imperfections" equal to or greater than 10% of the wall thickness has been discarded.

Unless we hear from you to the contrary we will proceed with the program set forth above. Should you require any additional information from MLGW in regard to the pipeline waiver, please do not hesitate to contact me.

Very truly yours,

Fred E. Jones, Jr.
MLGW Staff Attorney

FEJ/fj