



U.S. Department
of Transportation

**Pipeline and Hazardous
Materials Safety
Administration**

1200 New Jersey Avenue, SE
Washington, D.C. 20590

AUG 27 2008

Ms. Annmarie Robertson
Director, Pipeline Safety Division
Indiana Utility Regulatory Commission
101 W. Washington Street, Suite 1500E
Indianapolis, IN 46204-3407

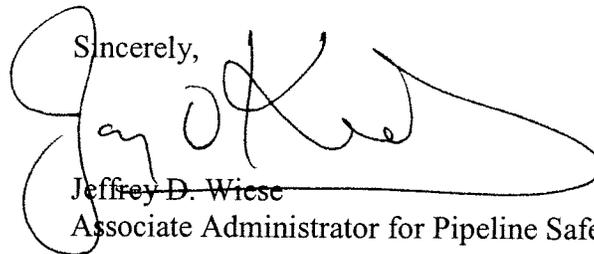
Dear Ms. Robertson:

The Pipeline and Hazardous Materials Safety Administration (PHMSA) reviewed your letter of June 11, 2008, notifying us that the Indiana Utility Regulatory Commission (IURC) issued an Order granting Northern Indiana Public Service Company, Inc. (NIPSCO) a waiver of compliance from 49 CFR §§ 192.121 and 192.123, as adopted by reference under the Indiana Pipeline Safety Act. The regulation in § 192.121 specifies a design factor of 0.32 in the plastic pipe design formulas, and the regulations in § 192.123 specify certain pressure and temperature limitations for plastic pipe.

PHMSA understands the waiver allows NIPSCO to design, construct, maintain and operate high-performance pipeline distribution systems composed of PE2708, PE3710 and/or PE4710 polyethylene pipe at no more than three locations. The systems will be designed using a design factor of 0.40 in the plastic pipe design formula in § 192.121. To ensure equivalent safety, NIPSCO agrees to use pipe with a minimum wall thickness of 0.090-inch instead of the minimum wall thickness of 0.062-inch specified in § 192.123(c). NIPSCO will also adhere to minimum wall thickness values and corresponding standard dimension ratio (SDR) values for distribution piping systems as explained in the IURC order. These actions would result in distribution pipeline system pressures up to and including 102 pounds per square inch gauge (psig).

PHMSA does not object to this grant of waiver. If you wish to discuss this waiver or any other pipeline safety matter, my staff would be pleased to assist you. Please call John Gale, Director of Regulations (202-366-0434) for regulatory matters, or Alan Mayberry, Director of Engineering and Emergency Support (202-366-5124) for technical matters.

Sincerely,



Jeffrey D. Wiese
Associate Administrator for Pipeline Safety

for