

April 2, 2012

To our Driscopipe® 8000 Pipe Customers:

Re: Frequently Asked Questions

The following is the most recent update on the status of our investigation into concerns with Driscopipe® 8000 pipes (8000 pipe).

• **What do the affected pipes look like?**

The affected pipes are solid black in color. The appearance is a peeling outside pipe layer with a degraded inner wall thickness. Photos of affected pipe samples are shown below.

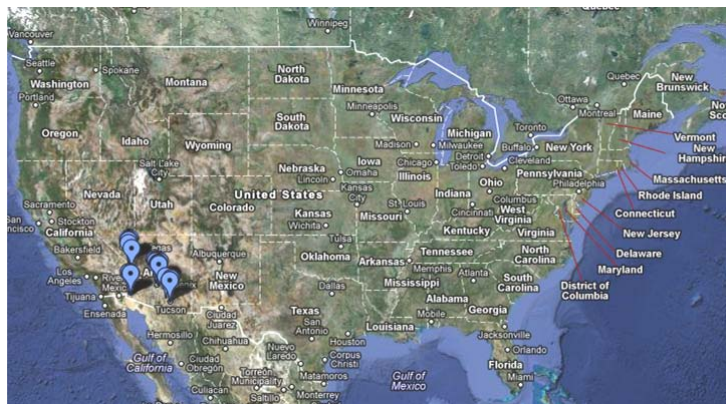
• **What pipe products are affected?**

8000 pipe was produced from Marlex® M-8000 PE3408 pipe resin, a unique pipe material that contained specific and unique additives, and was manufactured by way of a proprietary process. One customer has reported leaks from product installed in the 1970's that may be Driscopipe® 7000 pipe, a similar pipe that was the predecessor to 8000 pipe.

There is no evidence that any other piping products being produced today, or produced during the same era by Performance Pipe or its predecessors, including Phillips Driscopipe, have been similarly affected, including pipes installed in similar service and similar environments. 8000 pipe contains an additive blend that is distinguishable from other polyethylene pipes, and was extruded by a proprietary method.

• **Where has the problem been reported?**

The reports of degraded materials have occurred in desert regions in southern Arizona and the southernmost tip of Nevada.



• **Which plant did the pipe ship from?**

Where the print line is visible, we have identified product produced at two different pipe plants located in California and Kentucky.

- **What caused the pipe to degrade?**

The cause of the degradation is still under investigation. Our investigation is focused on specific environmental factors.

- **Should we put together a program to investigate Driscopipe® 8000 installations?**

We understand that some of our customers plan to increase leak surveys or to sample pipes in their systems, or both. Performance Pipe has only requested that you advise us if you are aware of any pipes that show the degradation that we described in this document and our earlier letter.

- **Should we notify our state commissioner?**

Performance Pipe has reported the 8000 pipe issue to the DOT PHMSA Office of Pipeline Safety, as well as the Plastic Pipe Database Committee (PPDC). Performance Pipe is not aware of any additional notification requirements including any requirement for a particular state.

- **What should we do with our pipe?**

At this time, Performance Pipe has no reason to believe that your 8000 pipe will not continue to perform as expected and, therefore, we do not have any specific guidance regarding steps you need to take in response to our earlier letter. If you are aware of affected or potentially affected 8000 pipe, please notify us immediately.

Please continue to let us know if you have any further questions, or if you need any additional detail. We will continue to provide additional updates through our email distribution list.

Sincerely,



Karen S. Lively, P.E.
Technical Manager

cc: Performance Pipe Territory Sales Managers, Allen Pearl

