

August 18, 2008

A. (Tony) Radoszewski
Executive Director

Mr. Jeff Griffin
Underground Construction Magazine
VIA E-MAIL

Jeff,

Thank you for your recent request concerning the retraction of our June 11, 2008 News Release. In your e-mail of August 13, 2008 you asked:

“Why was the press release retracted? Specifically, why so long in making the retraction? Was the retraction a result of legal action or the threat of legal action? The brief retraction statement leads editors to conclude that allegations in the June 11 press release are untrue or can't be documented. Is this an accurate conclusion of PPI's position? How many publications published the June 11 press release? The reaction does not summarize the content of the June 11 press release. Therefore, editors who may not have seen the original will not know what is being retracted and may be unlikely to publish a retraction. Comment?”

In the June 11, 2008 News Release, the Plastics Pipe Institute (PPI) expressed concern regarding issues relating to a new method of joining polyvinyl chloride (PVC) pipe using heat fusion. This release was sent to various trade publications like yours and distributed through various wire services. In that release we also announced a web-based seminar regarding high density polyethylene (HDPE) and fused PVC pipelines. That webinar was held on July 17, 2008, and we believe it currently best represents the information that the PPI wants to distribute regarding these issues. Specifically the webinar emphasizes that the fusion of thermoplastic pipe is a critical process that demands an open and full analysis by contractors, utilities, engineers and pipe manufacturers alike.

Several important points were raised during the Webinar: Firstly, not all plastic are the same. Because consumers do not necessarily make a distinction among various plastics pipe materials, a failure of one piping material may be attributed to all plastic pipe. Therefore, PPI recommends a cautious approach when evaluating new plastic materials and joining methods.

Secondly, the long history of successful heat fusion of HDPE cannot be extended to each and every plastic material. PPI recommends that all aspects of plastic pipelines, including heat fused joints, be subjected to rigorous testing, including long term stress testing, to ensure that the material and its fusion process can withstand the stresses imparted to the material during the installation and service of the pipe. To that point, PPI recommends that nationally recognized, consensus standards be adopted for pipelines used in municipal and water applications, and that such standards consider not only the material aspects of the pipe, but also of the fused joint.

One manufacturer of fused PVC pipe, Underground Solutions Inc. (UGSI), has made several demands regarding the information included in the June 11th News Release, and has requested that PPI retract it. We have repeatedly agreed to meet with UGSI representatives regarding its Fusible™ PVC product. To this date, UGSI has not scheduled a meeting with PPI.

We are also aware that Underground Solutions is involved in at least one lawsuit in California regarding statements made by other entities concerning its product. Rather than arguing with UGSI over each and every point in the News Release, and to avoid any potential litigation which could detract PPI from its primary mission to support the plastic pipe industry, we decided to simply retract the entire June 11 News Release. Again, our position regarding fused PVC pipe is covered in depth in our July 17, 2008 webinar which provides a more thorough treatment of the issues raised in the News Release. This webinar can be viewed in its entirety by visiting our web site at www.plasticpipe.org.

The second question you asked:

“Included in one response to the June 11 press release is the question of PPI in the industry. PPI claims it represents "all" the plastic pipe industry, yet its web site and published material contain information only about polyethylene pipe, leading to the charge that PPI supports only the interests of only the polyethylene pipe segment of the industry. Comment?”

As stated in our bylaws, the mission of the Plastics Pipe Institute is to promote plastics as the material of choice for piping applications. The primary objective of PPI is to provide a forum for our member companies to work in a cooperative effort to broaden the market for plastic pipe and related products. Our members' products serve virtually every underground utility and application where pipe is used.

Our association is comprised of six divisions. The first, Municipal and Industrial, is quite large in its scope. If you take the Municipal side first, we are involved with water and waste water systems and with utilities and rural water agencies. On the Industrial side, we are involved with various enterprises including nuclear, mining, power generation, landfills, petrochemical, energy and a whole host of other applications. Basically, our members' products are used in applications where the pipe must be corrosion and abrasion resistant, flexible and easy to install, and maintain a high flow coefficient throughout its service life of 50-100 years. And it must not leak. Pipe diameters range from ½ inch all the way up to 63 inches.

The next division, Fuel Gas, is related to natural gas distribution. Today, 95% of gas delivered in North America goes through plastic pipe and our members' products have proven to be the safe and reliable solution in this critical application for over 40 years.

Our Corrugated Division deals primarily with gravity flow applications such as storm and sanitary sewers and other subsurface drainage applications. We deal extensively with federal, state and local departments of transportation in providing long lasting solutions to stormwater

management. Members in this division also serve the needs of agricultural, municipal, architectural and industrial professionals world wide.

The High Temperature division serves the plumbing industry offering alternatives to copper tubing for hot and cold water lines and for radiant heating systems. We work extensively with state and local agencies developing codes and standards and other associations that share similar goals. These include the National Association of Home Builders Research Center, the Plastics Pipe and Fittings Association, the Partnership for Advancing Technology in Housing, HUD and the EPA

In the Conduit Division, our members serve the telecommunications and power industries and we work closely with UL, ASTM, IEEE and other associations and standards organizations.

Lastly, an important component of the PPI is the Hydrostatic Stress Board (HSB). Since 1958, this body's function is to develop policies and procedures, and to issue recommendations to the industry regarding the strength of thermoplastic piping material for pressure applications. The HSB is an independent body operating within PPI and is widely respected as the authority on the long term performance of thermoplastic pressure pipe.

So let me emphasize again, wherever plastic pipe is used, our association and our members are actively involved. Now, while many of our member companies have high density polyethylene (HDPE) interests, our organization also includes a number of producers of other plastic materials and pipe including polyvinylchloride (PVC), chlorinated polyvinylchloride (CPVC), polyamide, polypropylene, and crosslinked polyethylene. In addition, a growing number of our members also have divisions that produce and/or distribute ductile iron, cast iron, steel, copper, clay, corrugated steel, and concrete pipe.

Lastly, in your e-mail you ask [“Other comments?”](#)

I would like to emphasize we have never stated fused PVC pipe is an unacceptable product. I do want to underscore our position that the fusion of thermoplastic pipe is a critical process and that it demands an open and full analysis by those who design with it, install it and eventually use it. For nearly five decades, HDPE pipe has, and continues to engage the standards community in creating open criteria and test methods that provide the specifier and end user with the most up to date technical information available.

Jeff, thanks again for the opportunity to respond to your questions. If you have others, or would like to discuss these in more detail, please feel free to give me a call.

Best regards,

