PLAINTIFF'S EXHIBIT
CAP-1110

ENCLOSURE 2

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ARIZONA WATER COMPANY

2612 N. SIXTEENTH ST. POST OFFICE BOX 5396 PHOENIX, ARIZONA 85010 PHONE (602) 258-6101

May 4, 1984

Mr. William D. Ruckelshaus
Administrator
Environmental Protection Agency
401 M. Street, S.W.
Washington, D.C. 20460

Dear Mr. Ruckelshaus:

Arizona Water Company is very concerned about EPA's announced plans to ban asbestos-cement pipe. Arizona Water Company has used asbestos-cement water pipe to serve its 37,508 customers for more than 29 years. Asbestos-cement pipe has proven a cost-effective means of conveying potable water. Numerous scientific and regulatory bodies around the world, including EPA, have consistently indicated that asbestos-cement pipe poses no risks of any consequence to our customers. We therefore continue to use asbestos-cement pipe today and hope to continue its use for many years.

Were EPA to ban asbestos-cement pipe, Arizona Water Company would face substantial additional costs. Moreover, we are very concerned that such EPA action would create intense public pressures to remove existing asbestos-cement pipe. Were such demands ever heeded, the costs would be staggering. We therefore urge EPA to reconsider its plans. In order to assist the Agency in understanding the asbestos-cement pipe issue, the remainder of this letter provides some information on why Arizona Water Company employs this valuable product.

Arizona Water Company first began using asbestos-cement pipe in 1955. Over the years, asbestos-cement pipe has been demonstrated to have a lifetime of 100 years with minimal maintenance costs. As our market has grown, we have continued to install new asbestos-cement pipe. Today, 90 percent of our water system is currently serviced by asbestos-cement pipe.

In selecting pipe materials, we are concerned with both initial installation costs and long-term maintenance costs, and with the safety of the material. In each respect, our experience has often led us to choose asbestos-cement.

We are always vigilant about the safety of the water conveyed in our system. Needless to say, with the great publicity that asbestos health effects have had in the past decade, we have been concerned about the possibility that some health risk might be posed by fibers from

asbestos-cement water pipes. We have thus followed closely the reviews conducted by the American Water Works Association and EPA of asbestos ingestion risks.

We were reassured when the AWWA conducted an independent review of the medical and technological evidence on asbestos-cement pipes in 1974 and concluded that, "the probability of risk to health from the use of such (asbestos-cement) systems is small -- approaching zero." We nonetheless welcomed the extensive research program on asbestos in water conducted by EPA in coordination with the National Toxicology Program over the past decade. The results of that program, as announced at EPA's 1982 Workshop on Ingested Asbestos, confirmed the earlier AWWA assessment and once again reassured us that asbestos-cement pipe could safely be used in our system. Several EPA scientists and officials from its Office of Safe Drinking Water participated in that workshop and unanimously concluded that the extensive research program failed to find any human or animal evidence of a risk from ingested asbestos.

In sum, we have found asbestos-cement pipe to be effective, affordable and safe. We thus plan to continue its use for many years. Were we to be denied use of asbestos-cement pipe, our expenditures for new installed pipe would increase substantially.

Perhaps more importantly, we would expect an EPA ban to cause public demands to remove asbestos-cement pipe already installed. It would be extremely difficult for us to explain to our customers our confidence that the materials we use to convey water are safe when the same materials have been banned by EPA.

We trust that EPA's mind has not been set in concrete on the asbestos-cement pipe issue and urge you to reconsider any plans to ban this valuable product. If we can provide further information that would be helpful in your deliberations, please let us know.

Very truly yours,

Louie Miller, Jr.
Vice President
Operations

LM:km

cc: Assistant Administrator
John Moore
Office of Toxic Substances
Director Don R. Clay
Chemical Control Division
Deputy Director David Dull
Office of Safe Drinking Water
Director Victor J. Kimm

bcc: A/C Pipe Producers Association