



February 15, 2002

Colonel John B. O'Dowd  
Commander and District Engineer  
US Army Corps of Engineers  
26 Federal Plaza, Room 2109  
New York, NY 10278

Re: Millennium Pipeline Project:  
Crossing of Catskill Aqueduct

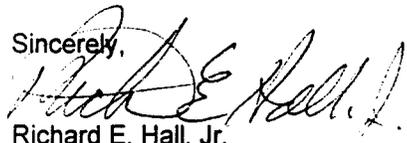
Dear Colonel O'Dowd:

Millennium Pipeline Company, L.P. (Millennium) wishes to respond briefly to the February 4, 2002 letter to you from the New York City Department of Environmental Protection (DEP) regarding Millennium's crossing of the Catskill Aqueduct at the Bryn Mawr Siphon. The concerns expressed in the DEP's letter have been addressed at length in the Federal Energy Regulatory Commission's (FERC) October 3, 2002 Final Environmental Impact Statement (FEIS) at pages 5-62 et seq. and in FERC's December 19, 2002 order conditionally approving the Millennium Pipeline Project at pages 57-59. As I'm sure you are aware, the US Army Corps of Engineers (the Corps) was a cooperating federal agency in the preparation of the FEIS.

As confirmed in the FEIS and the FERC's order, Millennium has agreed to conduct detailed engineering studies of the Bryn Mawr Siphon crossing in order to properly design, construct and maintain the pipeline facilities. These studies will be conducted in a cooperative effort with the DEP, which has already issued the required permits for the studies. As required by one of the environmental conditions imposed by the FERC in its certificate order, Millennium will conduct these studies and obtain any necessary approvals prior to any construction at the Catskill Aqueduct crossing. Based upon the design criteria being used by Millennium and the ability to slightly shift the pipeline route uphill (which should increase the separation distance between the facilities), Millennium is confident that it can develop an adequate design to ensure protection of the Catskill Aqueduct.

In short, Millennium believes that the DEP's concerns have been adequately addressed through the conditions imposed in the FEIS and the FERC's order and can similarly be dealt with by the Corps, if necessary, as a condition or provision in the Individual Permit for the project, thereby avoiding any unnecessary delay in completing the Corps' review of the project.

If you have any questions regarding this matter, please call me at 607.648.1116.

Sincerely,  
  
Richard E. Hall, Jr.  
Millennium Acting Facilities Project Manager

Cc: C. Hess - Corps  
G. Neives - Corps  
H. Firstencil - Corps  
V. Angulo - White House Energy Task Force  
J. Kerrigan - FERC  
J. Miele, Sr. - DEP