

PI-74-0121

May 31, 1974

Mr. John A. Elliott, Director
Pipeline Division
New Mexico State Corporation Commission
Sante Fe, New Mexico 87501

Dear Mr. Elliott:

Thank you for your letter of March 28, 1974, asking, "Who is the 'operator' of a gas system when the gas is transported in a pipeline belonging to someone other than the owner of the gas?"

Under 49 CFR 192.3, an "operator" is defined as "a person who engages in the transportation of gas." The term "transportation of gas" is defined as "the gathering, transmission, or distribution of gas by pipeline or the storage of gas, in or affecting interstate or foreign commerce." The term "pipeline" is defined as "all parts of those physical facilities through which gas moves in transportation . . ."; while a "pipeline facility" is defined as including all pipelines "used in the transportation of gas."

Under these definitions, which are in accord with the definitions of "transportation of gas" and "pipeline facilities" contained in sections 2(3) and 2(4), respectively, of the Natural Gas Pipeline Safety Act of 1963 (49 USC 1671 et. seq.), the Office of Pipeline Safety considers the term "operator" to include only those persons who have physical control over the use of pipeline facilities utilized to gather, transmit, distribute, or store gas in or affecting interstate or foreign commerce. The definitions do not require that a person who controls the use of a pipeline facility utilized to transport gas also own the gas. As a consequence, ownership of gas is not normally relevant in determining who is an "operator."

This interpretation is in keeping with the policy of the Act to establish safety regulations applicable to pipeline facilities and their use in the transportation of gas.