

PI-74-0152

December 17, 1974

Mr. Ralph Adams
Executive Vice President
Waco Savings & Loan Association
P.O. Box 1279
Waco, TX 76703

Dear Mr. Adams:

The following responds to the questions posed in your letter to this Department dated October 25, 1974, concerning the distribution of natural gas in a multifamily apartment project.

1. Where the owner of a multifamily project furnishes gas to tenants for cooking or heating and charges for the gas as part of the rental, the lines distributing gas to the various buildings must comply with the applicable Federal gas pipeline safety standards in 49 CFR Part 192 and the owner is a gas operator subject to the annual report requirements of 49 CFR Part 191.
2. Where the owner of a multifamily project uses gas to furnish heat to tenants but does not furnish gas directly to the tenants, the owner is not an operator subject to the Federal gas pipeline safety regulations.
3. The owner of situation 2 above consumes the gas and does not resell it. The owner is therefore not engaged in the transportation of gas.
4. The owner of a project in situation 1 above who sells gas to the tenants by the use of masters is an operator subject to the regulations.

We trust this satisfactorily responds to your inquiry.

Sincerely,
Joseph C. Caldwell
Director
Office of Pipeline Safety