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DEPARTMENT OF ENERGY AND NATURAL RESOURCES

January 31, 2025

US DOT OFFICE OF PIPELINE SAFETY
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION (PHMSA)
US DEPARTMENT OF TRANSPORTATION
1200 NEW JERSEY AVENUE, SE
WASHINGTON, DC 20590-0001

Subject: Interpretation Request, 192.1 (What is the scope of this part?)

Dear Mr. Mayberry,

The Louisiana Department of Energy and Natural Resources annually certifies a pipeline safety program with the US DOT. The Department, through the Office of Conservation, enforces the minimum pipeline safety standards for intrastate gas pipeline operators as defined in 49 CFR Part 192. We request an interpretation of the code concerning a certain pipeline transporting natural gas in Louisiana, specifically, whether or not this line is subject to the requirements of 49 CFR Part 192.

Background:

The pipeline in question is a lateral connected to the Gulf South Pipeline system in Louisiana and is owned by DuPont de Nemours, Inc. (DuPont), a petrochemical facility in St. John the Baptist Parish, LA. The pipeline was previously operated by Gulf South as a part of its interstate natural gas pipeline system, but operatorship of the line was transferred to the owner, DuPont, in 2024. The line currently serves DuPont with natural gas, most of which is consumed by DuPont, but some is redelivered to another entity who has a lease within the facility.

The location of the pipe is entirely on DuPont property as shown on the map (sourced from NPMS) with a few exceptions. The line crosses one road, DuPont Construction Road, which is a public road providing access the DuPont facility. It also crosses railroad tracks at two locations. The pipeline specifications are as follows: 8.625" OD x 0.322" WT, Grade B, ERW. The MAOP of the pipeline is 735 psi with an operating pressure of 285 psi. When Gulf South was operating the pipeline, they determined the line was in a class 3 location due to the proximity of a residential area and a school in relation to the pipeline. An MAOP of 735 psi generates a hoop stress that is 28% of the SMYS of the pipeline, but the line is operated at a pressure such that the hoop stress generated is less than 20%. It is DuPont's intention to lower the MAOP of the pipeline such that it falls below the 20% threshold.

There are two above-ground stations associated with this line. The first is at the connection with Gulf South. At this location, natural gas enters a regulator station (on DuPont property), which lowers the pressure from 1016 psi to 285 psi. At the second station (on DuPont property, but outside the fence line of the facility), pressure is reduced to 200 psi and the gas is metered. It is at this location that Gulf South ended their operatorship of the pipeline, DuPont has always operated the line beyond this location.

Inside of the facility, DuPont piping delivers gas to various areas for their own utilization/consumption. In addition to DuPont's own use, DuPont delivers gas to Denka Performance Elastomer (Denka) within the boundaries of the DuPont facility to be utilized by Denka for their operations within the facility. There is at least one meter (within the facility) to measure the gas delivered to Denka and they are invoiced for their gas usage. The DuPont facility is a Process Safety Management (PSM) facility and the pipelines within the facility are treated as such. Additionally, DuPont states that the line in question (from the tap with Gulf South to the meter station) is also covered by their PSM plan.

The owner (and now current operator) of the pipeline believes that since this line is located on DuPont property, it is not jurisdictional to the DOT regulations. Historically, the Louisiana pipeline safety program has regulated pipelines such as this up until such point where the line is inside the facility fencing with jurisdiction ending at a valve/meter/etc. With the addition of the definition of "Distribution Center" added to the regulations, it is our contention that the pipeline in question is a service line up until the point where the gas is metered. The definition of Distribution Center is as follows:

Distribution Center means the initial point where gas enters the piping used primarily to deliver gas to customers who purchase it for consumption, as opposed to customers who purchase it for resale, for example:

- (1) At a metering location;
- (2) A pressure reduction location; or
- (3) Where there is a reduction in the volume of gas, such as a lateral off a transmission line.

Service line means a distribution line that transports gas from a common source of supply to an individual customer, to two adjacent or adjoining residential or small commercial customers, or to multiple residential or small commercial customers served through a meter header or a manifold. A service line ends at the outlet of the customer meter or at the connection to a customer's piping, whichever is further downstream, or at the connection to customer piping if there is no meter.

In the scenario where a customer receives gas into their pipeline, but the gas is metered further downstream, it seems to this Office that the regulatory requirements continue downstream of the initial transfer point up to point where the gas is metered. However, in this scenario, downstream of the meter station, gas is not only consumed by the facility/pipeline owner, but also redelivered to another entity at a meter station within the confines (fence line) of the facility.

Therefore, my requests is that PHMSA respond to the following questions:

- 1) Does the jurisdiction of a gas pipeline depend on whether or not it is located on the end user's property? i.e. Since DuPont is a consumer of the gas and the gas enters their own pipeline on their own property, does jurisdiction end at that point? Or
- 2) Does the jurisdiction of a gas pipeline depend on whether or not it is located behind the fencing of and end user's property?
- 3) Does the fact that DuPont delivers gas (re-sale) to Denka change the jurisdictional determination?
- 4) Is the piping downstream of the meter station located outside the facility qualify as a master meter since some of the gas purchased by DuPont is re-delivered for sale to Denka?
- 5) Can pipelines required to be covered by PSM plans also fall under DOT regulation?

If you have any questions, I can be reached at (225) 342-2989 or Steven.Giambrone@la.gov. Thank you in advance.

Yours truly,

Steven Giambrone
Office of Conservation



