



July 20, 2026

Office of Pipeline Safety
Pipeline and Hazardous Materials Safety Administration
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590-0001

Re: Request for Interpretation of 49 CFR Part 199 Applicability to Foreign-Based Contract Dispatch Personnel

PHMSA Representative,

The purpose of this letter is to request a formal interpretation regarding the applicability of PHMSA's Drug and Alcohol Testing regulations, codified in 49 CFR Part 199, to contract dispatch personnel who perform covered functions for a U.S. natural gas operator while residing and working outside the United States.

Example Scenario

A U.S. natural gas distribution operator subject to 49 CFR Part 192 utilizes a contractor located in South America to provide after-hours emergency dispatch services. Contractor personnel receive emergency calls from customers, evaluate the need for response in accordance with the operator's emergency procedures, and dispatch operator personnel who physically respond to the event in the United States. Based on PHMSA's interpretations regarding emergency call handling and dispatch activities, these individuals may be performing functions that would otherwise qualify as covered functions under Part 199.

Regulatory Background

Section 199.2(a) states that Part 199 applies to pipeline operators "only with respect to employees located within the territory of the United States." However, 49 CFR § 199.115 provides that operators remain responsible for ensuring compliance with Part 199 requirements when covered functions are performed by contractor employees. Likewise, 49 CFR § 199.245 contains similar provisions regarding contractor employees for alcohol misuse prevention requirements.

The interaction between the territorial limitation contained in § 199.2(a) and the operator responsibilities related to contractor personnel is not clear when contractor employees are physically located outside the United States. Additionally, it is unclear whether compliance may be achieved through contractual agreements requiring foreign-based contractors to implement and maintain Part 199-compliant drug and alcohol testing programs, provided such requirements do not conflict with the laws of the country in which the contractor employees are located.

Request for Interpretation

PHMSA's interpretation is respectfully requested regarding the following questions:

1. Does the applicability limitation contained in 49 CFR § 199.2(a) extend to contractor employees who are physically located outside the United States while performing covered dispatch or emergency-response functions for a U.S. pipeline operator?
2. If such contractor employees are located outside the United States, are they subject to the drug and alcohol testing requirements of 49 CFR Part 199?
3. If compliance with Part 199 would not conflict with the laws or policies of the foreign country in which the contractor employees are located, would a contractual agreement requiring the contractor to administer a Part 199-compliant drug and alcohol testing program satisfy the operator's obligations under Part 199?
4. Does PHMSA interpret §§ 199.115 and 199.245 as requiring operators to ensure Part 199 compliance for contractor employees regardless of the physical location of those employees, or does the territorial limitation in § 199.2(a) supersede those requirements for personnel located outside the United States?

Thank you for your time and consideration of this request. We appreciate PHMSA's assistance in clarifying the applicability of Part 199 to foreign-based contractor personnel performing dispatch and emergency-response functions for U.S. pipeline operators.

Respectfully,

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