



U.S. Department  
of Transportation

**Pipeline and Hazardous  
Materials Safety  
Administration**

**OCT 23 2017**

1200 New Jersey Avenue, SE  
Washington, D.C. 20590

Mr. John A. Jacobi  
Vice President and Principal  
G2 Partners  
10850 Richmond Avenue, #200  
Houston, TX 77042

Dear Mr. Jacobi:

In a letter to the Pipeline and Hazardous Materials Safety Administration (PHMSA) dated December 16, 2016, you requested an interpretation of the reporting requirements for 49 CFR Parts 192 and 195. You specifically requested clarification on the reporting requirements in DOT Form PHMSA F 7000-1.1 for hazardous liquid pipeline facilities and DOT Form PHMSA 7100.2-1 for gas pipeline facilities.

You stated your understanding is that "if a line has never been placed in service, it should not be placed on an annual report or reported to the National Pipeline Mapping System (NPMS)." You provided reasons why some pipelines may be properly designed to meet PHMSA regulations but have never had product introduced, such as where the construction of planned connections has not been completed. You asked if an operator needs to report information to PHMSA using DOT Forms PHMSA F 7000-1.1 and PHMSA 7100.2-1 and the NPMS for a pipeline that has never been placed in service and has never transported a PHMSA regulated product.

The Federal pipeline safety regulations do not require operators to submit DOT Form PHMSA F 7000-1.1 for hazardous liquid pipeline facilities and DOT Form PHMSA 7100.2-1 for gas pipeline facilities or report information using NPMS until a regulated pipeline is placed in service. Once the pipeline is in service, the operator must report using DOT Form PHMSA F 7000-1.1 for hazardous liquid pipeline facilities and DOT Form PHMSA 7100.2-1 for gas pipeline facilities, as well as NPMS, for the life of the pipeline until it is formally abandoned.

If we can be of further assistance, please contact Tewabe Asebe at 202-366-5523.

Sincerely,



John A. Gale  
Director, Office of Standards  
and Rulemaking

December 16, 2016

VIA E-Mail

Mr. John Gale, Director  
Standards & Rulemaking  
Office of Pipeline Safety  
Pipeline and Hazardous Materials Safety Administration (PHP-30)  
U.S. Department of Transportation  
1200 New Jersey Avenue S.E.  
Washington, DC 20590-0001

Re: Request for Interpretation – Annual Reports under Parts 192 and 195

Dear Mr. Gale:

The hazardous liquid annual report instructions clearly state: “Each operator must annually complete and submit DOT Form PHMSA F 7000–1.1 for each type of hazardous liquid pipeline facility operated at the end of the previous year.”

(HL\_Annual\_Instructions\_PHMSA\_F\_7000\_1\_1\_rev6\_2014[1].pdf, page 1 – emphasis added)

The gas transmission annual report instructions clearly state: “Each operator of a transmission or a gathering pipeline system must submit an Annual Report for that system on DOT Form PHMSA 7100.2-1. This report must be submitted each year, not later than March 15, and provide information about the pipeline system as of December 31 of the previous year.”

(GT\_GT\_Annual\_Instructions\_PHMSA\_F\_7100.2\_1\_(rev10\_2014)[1].pdf, page 1 – emphasis added)

Question 5 of the National Pipeline Mapping System (NPMS) Transmittal letter reads: “Does this pipeline data reflect conditions in the field as of December 31 of last year?” (NPMS Operator Standards, page 24 – emphasis added).

My understanding has always been that if a line has never been placed in service, it should not be placed on the annual report or reported to the National Pipeline Mapping system.

There are pipelines that have been properly designed and constructed under the pipeline safety regulations (49 CFR Parts 190 -199); that have been inspected by PHMSA pipeline inspectors and/or state pipeline safety inspectors; that have never been connected to any other jurisdictional facility; and that have never had product introduced for transportation or any other purpose.

There are numerous potential reasons for such circumstances. For example, the economic need for the affected pipeline may have disappeared. There may be elements (such as valves, measurement, or overpressure protection) that are back-ordered but necessary before the line can be commissioned. Other operators may not have completed construction of facilities that the newly constructed pipeline must connect to. The upstream connections (transmission, gathering or production) may not be available. The newly constructed facilities may be designed

under Part 195 and now may be repurposed and converted to Part 192 service prior to commissioning (or vice versa), *ad infinitum*.

While it is understood that such pipelines must be properly maintained and suitability for service must be documented prior to commissioning, pipelines that have never had product introduced present little, if any, risk to the public.

The critical date appears to be December 31: If pipeline has never been placed in service, it should not be reported on annual reports or reported to the NPMS.

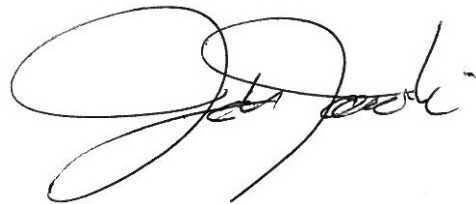
If, on the other hand, a pipeline is reported on either the annual report it must also be reported to the NPMS or vice versa.

Your written guidance regarding this matter is hereby requested.

Should you have any questions please do not hesitate to contact me at 832-712-3098 or via e-mail at [john.jacobi@g2-is.com](mailto:john.jacobi@g2-is.com).

Your prompt attention to this matter would be greatly appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "John A. Jacobi". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

John A. Jacobi, P.E., J.D.  
Vice President and Principal