



U.S. Department  
of Transportation

Pipeline and Hazardous Materials  
Safety Administration

1200 New Jersey Avenue SE  
Washington DC 20590

**NOV 06 2017**

Mr. Jonathan Heitzinger  
Associate Director: Utility Services  
Northern Arizona University  
PO Box 6016  
Flagstaff, AZ 86011-6016

Dear Mr. Heitzinger:

In a July 20, 2017 email to the Pipeline and Hazardous Materials Safety Administration (PHMSA), you requested an interpretation of 49 CFR Part 191. Specifically, you requested an interpretation on the requirements of § 191.3 as it relates to a master meter system.

You described your pipeline system as follows:

Northern Arizona University currently operates as a Master Meter System. We purchase natural gas from Unisource Energy Services through four master meters and distribute natural gas through our internally owned and operated distribution system to buildings within our property line. Currently the piping systems total 42,467 feet in length, at pressures ranging from 10 to 54 psi, serving 112 risers with 5 pressure reducing stations and are not interconnected. The buildings are owned and operated by NAU, owned by NAU with portions rented to external entities, or have land leased to external organizations where they own and operate the buildings to support the primary mission of the university. The external organizations include retail, food service, laboratories, offices, and student housing and are charged for natural gas consumption through meters or rent.

Upon review of interpretations PI-03-0101 and PI-73-030 it seems that a college or university is classified as a master meter system if there is underground piping and there are instances where the college or university is not the ultimate consumer. Additionally, there did not appear to be a limit to the size of systems, number of systems, or varying types of concessionaires or tenants. Based on the interpretations and regulations it seems that the Master Meter System definition does apply to NAU, and that our system is subject to the distribution regulations from 192-199 with the exceptions identified for a Master Meter System.

You asked whether the Northern Arizona University (NAU) falls under the Master Meter System definition of 49 CFR 191.3 and could operate the pipeline system under the exceptions for a master meter system. Specifically, you asked for clarification of whether the definition of a Master Meter System is limited by size or by the number of types of services.

The Pipeline and Hazardous Materials Safety Administration, Office of Pipeline Safety provides written clarifications of the Regulations (49 CFR Parts 190-199) in the form of interpretation letters. These letters reflect the agency's current application of the regulations to the specific facts presented by the person requesting the clarification. Interpretations do not create legally-enforceable rights or obligations and are provided to help the public understand how to comply with the regulations.

Section 191.3 defines a master meter system as:

[A] pipeline system for distributing gas within, but not limited to, a definable area, such as a mobile home park, housing project, or apartment complex, where the operator purchases metered gas from an outside source for resale through a gas distribution pipeline system. The gas distribution pipeline system supplies the ultimate consumer who either purchases the gas directly through a meter or by other means, such as by rents.

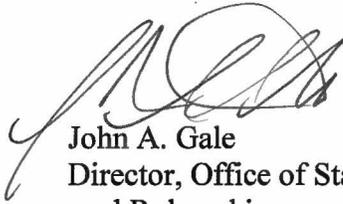
In PI-73-030, PHMSA stated that “If the college owned gas system provides gas to consumers such as concessionaires, tenants, or others, it is engaged in the distribution of gas, and the persons to whom it is providing gas would be considered the customers even though they may not be individually metered. In this situation the pipelines downstream of the master meter used to distribute the gas to these ultimate consumers would be considered mains and service lines subject to the Federal pipeline safety standards.” (Collins Interpretation, PI-73-030, issued Oct. 24, 1973).

In PI-03-0101, PHMSA explained that a college would not meet the definition of Master Meter System if it were only “using the gas delivered through its pipeline system to provide heat and hot water to campus buildings.” In that instance “the college would be the consumer of the gas.” It continued to explain, however, that if the college “gas system provides gas to consumers, such as concessionaires, tenants, or others, it is engaged in the distribution of gas, and the persons to whom it is providing gas would be considered the customers even though they may not be individually metered. In this situation, the pipelines downstream of the master meter used to distribute the gas to these ultimate consumers would be considered mains and service lines subject to the Federal pipeline safety regulations.” In conclusion, the college would be considered a master meter system subject to the pipeline safety regulations if it provides gas to customers in addition to providing heat and hot water to campus buildings. (Bryant College Interpretation, PI03-0101, issued Feb. 14, 2003).

You have indicated that NAU's system is within the university's property line and distributes gas to buildings that are "owned and operated by NAU, owned by NAU with portions rented to external entities, or have land leased to external organizations where they own and operate the buildings to support the primary mission of the university. The external organizations include retail, food service, laboratories, offices, and student housing and are charged for natural gas consumption through meters or rent." NAU's gas distribution pipeline system therefore "supplies the ultimate consumer who either purchases the gas directly through a meter or by other means, such as by rents." Consequently, it meets the definition of a master meter system and NAU operates the pipeline system as a master meter system operator.

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

U.S Department of Transportation  
Pipeline and Hazardous Materials Safety Administration  
East Building, 2<sup>nd</sup> Floor  
Mail Stop: E24-455  
1200 New Jersey Avenue, SE, Mail Stop: E24-455  
Washington, DC 20590

Dear Sir/ Madam,

I am writing you to determine if Northern Arizona University (NAU) falls under the Master Meter System definition from Title 49 CFR 191.3 and should operate our distribution system under the exceptions for a master meter system under CFR 191-199. Specifically, I am seeking clarification of whether the definition of a Master Meter System is limited by size or by the number of types of services.

Northern Arizona University currently operates as a Master Meter System. We purchase natural gas from Unisource Energy Services through four master meters and distribute natural gas through our internally owned and operated distribution system to buildings within our property line. Currently the piping systems total 42,467 feet in length, at pressures ranging from 10 to 54 psi, serving 112 risers with 5 pressure reducing stations and are not interconnected. The buildings are owned and operated by NAU, owned by NAU with portions rented to external entities, or have land leased to external organizations where they own and operate the buildings to support the primary mission of the university. The external organizations include retail, food service, laboratories, offices, and student housing and are charged for natural gas consumption through meters or rent.

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Sincerely,



Jon Heitzinger  
Associate Director of Utility Services  
Northern Arizona University



Facility Services

GASLINE ZONE MAP & GIS GRID 2015

Gas Line Legend

- GAS, North Master Meter
- GAS APPLIANCES, North Master Meter
- GAS, NE Master Meter
- GAS APPLIANCES, NE Master Meter
- GAS, South Master Meter
- GAS APPLIANCES, South Master Meter
- GAS, South Plant Master Meter
- GAS, South Plant Master Meter
- GAS, ABANDONED, North Master Meter
- NAU\_GIS\_Grid\_60\_20ac

1 inch = 843 feet

