



U.S. Department
of Transportation

Pipeline and Hazardous Materials
Safety Administration

1200 New Jersey Avenue SE
Washington DC 20590

JUL 12 2018

Ms. Stephanie Weidman
PHMSA Program Director
Railroad Commission of Texas
1701 North Congress Avenue
P.O. BOX 12967
Austin, Texas 78711 -2967

Dear Ms. Weidman:

In a September 14, 2016, letter to the Pipeline and Hazardous Materials Safety Administration (PHMSA), you requested an interpretation of 49 CFR Part 192. You specifically requested an interpretation of § 192.3 for a definition of a transmission pipeline.

You stated that “[o]ver the past few years, the Commission's (RRC) Pipeline Safety program has cited alleged violations of the State safety regulations pertaining to pipeline permitting (T-4) requirements for intrastate transmission and gathering pipelines.” You stated that “[c]ertain pipeline operators have revised and transferred previously operated and regulated natural gas transmission pipeline systems that operate at a hoop stress below 20% of SMYS, to a natural gas distribution pipeline designation or purpose.” You stated that “[o]ne particular operator based on their [sic] opinion has changed over 600 miles of pipelines from a status of transmission to distribution pipeline.”

You provided two examples of pipeline systems the RRC considers “to be transmission from historical and current operating conditions.” In addition, in a November 15, 2016, email you provided PHMSA summary of pipelines that the operators arbitrarily converted from transmission to distribution pipelines.

Section 192.3 defines a transmission line as:

Transmission line means a pipeline, other than a gathering line, that:

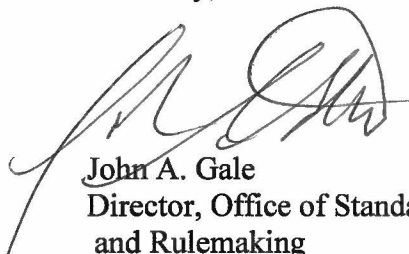
- (1) Transports gas from a gathering line or storage facility to a distribution center, storage facility, or large volume customer that is not down-stream from a distribution center;
- (2) operates at a hoop stress of 20 percent or more of SMYS; or
- (3) transports gas within a storage field.

NOTE: A large volume customer may receive similar volumes of gas as a distribution center, and includes factories, power plants, and institutional users of gas.

A pipeline that meets any of the three conditions listed under the definition in § 192.3 is a transmission line in accordance with 49 CFR Part 192. Therefore, a pipeline that operates at a hoop stress of less than 20 percent of its specified minimum yield strength, but meets either condition one or three, meets the definition of a transmission line.

PHMSA agrees, per § 192.3, with RRC's interpretation that any pipeline system other than a gathering line that transports gas from a gathering line or storage facility to a distribution center meets the definition of a transmission pipeline regardless of whether it operates at a hoop stress below 20 percent of SMYS. If we can be of further assistance, please contact Tewabe Asebe at 202-366-5523.

Sincerely,

A handwritten signature in black ink, appearing to read 'John A. Gale', is written over the typed name and title.

John A. Gale
Director, Office of Standards
and Rulemaking



RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION
PIPELINE SAFETY

September 14, 2016

John Gale, Director
Office of Pipeline Safety (PHP-30)
PHMSA, U.S. Department of Transportation
1200 New Jersey Avenue SE.
Washington, DC 20590-0001

OCT 11 2016

Re: Functionalized Distribution Pipelines

Dear Mr. Gale:

Over the past few years, the Commission's (RRC) Pipeline Safety program has cited alleged violations of the State safety regulations pertaining to pipeline permitting (T-4) requirements for intrastate transmission and gathering pipelines. Certain pipeline operators have revised and transferred previously operated and regulated natural gas transmission pipeline systems that operate at a hoop stress below 20% of SMYS, to a natural gas distribution pipeline designation or purpose. One particular operator based on their opinion has changed over 600 miles of pipelines from a status of transmission to distribution.

Included are two examples of pipeline systems the RRC understands to be transmission from historical and current operating conditions. Per the configuration details on the attached maps, the operator considers the green lines labeled APT to be transmission pipelines and the blue lines labeled MidTex to be distribution pipelines. The red dots represent pressure regulator stations and the black dots represent gas measurement stations. The gas for Line M primarily flows north to south and delivers gas to approximately 13 cities. The gas for Line U generally flows south to north and provides service to about 15 municipalities. The RRC perspective is that the entire pipeline system for both Line U and Line M should continue to be designated operated, and maintained as Transmission pipelines.

The RRC's traditional determination from Federal and State safety regulations, is that any pipeline system that transports gas to a distribution center (i.e. a city, town, or municipality) should be classified as a transmission pipeline per the definition of transmission line in 49 CFR 192.3, regardless of the operating hoop stress of the pipeline.

Any guidance from PHMSA that can be provided to assist in resolving this situation would be much appreciated.

Respectfully,

A handwritten signature in blue ink that reads "Stephanie Weidman".

Stephanie Weidman
PHMSA Program Director