

PI-74-0120

March 11, 1974

Mc. Scott C, Smith, Jr.  
Pioneer Natural Gas Company  
P.O. Box 511  
Amarillo, TX 79105

Dear Mr. Smiths

In your letter of January 31, 1974, you ask specific questions on safety requirements of 49 CFR Part 192, as they apply to lines acquired by gift or other transfer of ownership. Answers to these questions, which are set forth below are based, in part, on whether the line involved is a new or existing pipeline. New pipelines are those readied for service after March 12, 1971. Existing pipelines are those in service before March 13, 1971. This distinction is necessary because existing pipelines are not subject to the requirements in Part 192 for design, installation, construction, initial inspection, and initial testing, except that any replacement or relocation of an existing pipeline after November 12, 1970, must be performed in accordance with requirements in Part 192.

The questions and answers follow:

Question 1. "Is the operator (our Company in this case) in violation of D.O.T. Part 192, if he receives or buys a new plastic pipeline from a customer when he does not know what sort of pressure tests were installed (sic) on the pipeline when it was installed, does not know the exact location of the pipeline, and-knows that no wire that will enable locating the pipeline was ever installed during the construction, and then the operator proceeds to operate the pipeline as his own?"

Answer. An operator who acquires a new plastic pipeline or a relocated or replaced one must comply with the requirements of Subpart J either by knowing what pressure test was made on the line after installation or by conduct a proper test.

To comply with part 192, an operator who acquires an existing plastic pipeline other than one relocated or replaced after November 12, 1970, need not know what pressure test was made after installation of the line. However, since the line's MAOP cannot be determined under §192.619(a)(2)(i) without this information, the operator must establish an MAOP by testing the line, unless the exception in §192.619(c) applies.

Part 192 does not require an operator to know the "exact" location of its pipelines. However, §192.321(e) requires that new plastic transmission lines and mains have wires or other means for use in locating the pipeline. Also, an operator must know the general location of pipelines it operates to meet related requirements in Part 192.

Question 2. "Likewise, is the operator in violation if he receives a new steel pipeline from a customer that: installed the pipeline without testing welders in accordance with D.O.T. requirements, has no record of any pressure or strength tests of the pipeline, did not coat all of the pipeline, and did not install adequate cathodic protection."

Answer. An operator who acquires a new welded steel pipeline is responsible for compliance of that pipeline with the welding requirements in Subpart E. The use of unqualified welders by the previous owner in constructing the line is a violation of Subpart E requirements which, in the absence of appropriate waiver, may be charged to any subsequent owner or operator of the line. The welding requirements do not apply to an existing welded steel pipeline, except one which is relocated or replaced after November 12, 1970.

An operator who acquires a new steel pipeline or one relocated or replaced after November 12, 1970, must obtain or establish the test record required by §192.517, if applicable to the line acquired. Irrespective of this recordkeeping requirement, in the case of a new steel pipeline or a relocated or replaced one, to comply with Subpart J an operator must know what pressure test was made after installation or conduct a proper test. In the case of an existing steel pipeline operated at 100 psig or more, other than one relocated or replaced, to establish an MAOP under §192.619(a)(2)(ii), an operator must know what test was made after installation or conduct a proper test, unless the exception in §192.619(c) applies. Where such an existing line is operated at less than 100 psig, an MAOP may be established under §192.619(a) in the absence of a post installation test.

An operator who acquires a new or existing steel pipeline must comply with the requirements for corrosion control in Subpart I respecting that pipeline, regardless of the condition of the pipeline when ownership is transferred. If necessary, appropriate inspections should be made to determine the extent of compliance at the time of transfer.

It is important to note that the natural Gas Pipeline Safety Act of 1968 places the obligation of compliance with the Federal gas pipeline safety standards on each person who transports gas or who owns or operates pipeline facilities. This obligation may not be excused by blaming previous owners or operators for any failure in compliance.

I trust this satisfactorily responds to your inquiry.

Sincerely,

SIGNED

Joseph C. Caldwell

Director

Office of Pipeline Safety

PIONEER  
NATURAL GAS COMPANY  
POST OFFICE BOX 511  
AMARILLO, TEXAS 79105

January 31, 1974

Director, Gas Utilities Division  
D. O. T., Office of Pipeline Safety  
400 7th Street, Southwest  
Washington, D. C. 20590

Dear Sir:

In years past Pioneer Natural Gas Company had a policy of taking over customers' pipelines, particularly in rural areas where the customers had installed various sizes of plastic lines to irrigation wells. We did much of this by a bill of sale accompanied by easements to cover the lines but subsequently found the pipelines to be inferior, causing us to replace 1,000 miles or more of these lines, mostly 2" in size.

Though we ceased this practice of taking over customers lines some time back, we still have requests from people who wish to install their own line and give it to us. The question I wish to make of D. O. T. is two-fold:

1. Is the operator (our Company in this case) in violation of D. O. T., Part 192, if he receives or buys a new plastic pipeline from a customer when he does not know what sort of pressure tests were installed on the pipeline when it was installed, does not know the exact location of the pipeline, and knows that no wire that will enable locating the pipeline was ever installed during the construction, and then the operator proceeds to operate the pipeline as his own?
2. Likewise, is the operator in violation if he receives a new steel pipeline from a customer that: installed the pipeline without testing welders in accordance with D. O. T. requirements, has no record of any pressure or strength tests of the pipeline, did not coat all of the pipeline, and did not install adequate cathodic protection.

If you have a question concerning this, please do not hesitate to call collect at (806) 376-4841, Ext. 311. I look forward to receiving your reply.

Very truly yours,  
Scott C. Smith, Jr.  
Division Engineer