MEMORANDUM

Date: January 18, 1980

SUBJECT: CPF-5027

FROM: Chief, Pipeline Safety Enforcement Division, DMT-13

TO: Associate Director for Operations and Enforcement, DMT-10

I have reviewed the data in the file resulting from an inspection and noncompliance action against Union Oil Company of California (CPF-5027), the results of a conference held on July 10, 1979, and subsequent data submitted by the operator by letter of July 16, 1979. From the analysis of this data, I have determined that the pipeline referenced in this compliance action is a gathering line and is not subject to the regulations of Part 192.

Each pipeline gathering system is unique and because of this, in developing the Part 192 definition of gathering line, DOT and industry were unable to arrive at a precise definition. Since it is not precise, we must rely on our judgement using the generally accepted industry and government definitions as guidelines. I have principally used the following definitions as the basis for my determination:

<u>Gathering System</u>: The network of pipelines which carry gas from the well to the processing plant or other separation equipment.

Definition of Words & Terms
Used in the Gas Processing
Industry - Gas Processors
Assoc.

<u>Gas Plant</u>: A gas plant includes any natural gas or natural gas liquid gathering facilities and the transportation lines (including compressor stations) connecting these facilities to the actual physical plant at which the natural gas or natural gas liquids are processed.

Federal Register, Vol. 43, No. 184, Thurs., 9-21-78, Department of Energy The definition by the Department of Energy is for economic purposes; however, it does demonstrate that other government agencies do consider gathering lines and processing plants as part of the same facility.

<u>Gathering System</u>: The gathering lines, pumps, auxiliary tanks (in the case of oil), and other equipment used to move oil or gas from the well site to the main pipeline for eventual delivery to the refinery or consumer as the case may be. In the case of gas, the gathering system includes the processing plant (if any) in which the gas is prepared for market.

Manual of Oil & Gas Terms Williams & Meyers, 3rd Edition

<u>Gathering Line</u> (proposed): A pipeline that transports gas from a point where it is produced to the end of any treatment or other processing necessary to make the gas generally fit for consumers.

Federal Register, Vol. 39, No. 188, Thurs., 9-26-74, Office of Pipeline Safety, Notice 74-7

The OPS proposed definition was subsequently withdrawn because the definition contained many words and phrases which are open to varied interpretation. However, in my opinion, this Union Oil Company pipeline fits the intent of that definition. The gas in this pipeline prior to removal of the LPG's and natural gasoline (3.46 gal./1,000 feet³) would not meet the generally accepted standards for "dry" gas being transported by most transmission companies.

The Union Oil Company of California pipeline gathers natural gas and natural gas liquids from wells, compresses it, removes water, and then transports the "wet" gas to the Santa Clara Valley Gas Plant where LPG and natural gasoline are extracted from the natural gas. The section of pipeline between the compressor station and the gas plant is the pipeline addressed in CPF-5027 and in all of the preceeding [sic] definitions would be considered a gathering line.

This pipeline is in a location class 3 due to its location within 300 feet of a building occupied by 20 or more persons during normal use (Bardsdale Methodist Church). Contrary to the opinion of both the Region and the operator, this location does not be itself make a gathering line or a segment of a gathering line jurisdictional. To be jurisdictional the location must fit the criteria in Section 192.1(b)(2) which does not include any direct reference to class location.

Since this pipeline is a nonjurisdictional gathering line, I recommend the penalty assessment be withdrawn, the CPF closed, and the operator be advised of our finding.

Frank E. Fulton

Typed Note:

DMT-13: I agree with your recommendations.

Robert L. Paullin 2-25-80