August 5, 1983

Mr. J. B. Haug Engineering/Design Development Panhandle Eastern Pipe Line Company P. O. Box 1348 Kansas City, Missouri 64141

Dear Mr. Haug:

Your letter of July 21, 1983, asks if there is a legal maximum hydrogen sulfide content of a natural gas stream to be transported both inter and intrastate, and if gas distribution systems are treated the same.

The only legal limitation that we are aware of on the amount of hydrogen sulfide permitted in gas is the 0.1 grain of hydrogen sulfide per 100 standard cubic feet requirement of Section 192.475(c). This limitation is only applicable to gas stored in pipe-type or bottle-type holders.

Under the Natural Gas Policy Act of 1978, Section 110 and in the Federal Energy Regulatory Commission (FERC) Order 24, July 25, 1900, RM 88-47, 18 CFR Part 271.1104, a limit of one grain per 100 cubic feet has been established as a dividing line between what may be charged against producer costs versus pipeline operator costs. However, this does not place any limit on the amount of hydrogen sulfide that may be transported by pipeline.

There is no regulatory distinction in the Federal pipeline safety standards for gas distribution systems relative to hydrogen sulfide content. Individual States may have additional requirements for intrastate systems as long as they are not incompatible with the Federal minimum standards.

We hope that this provides the information you need.

Sincerely,

Richard L. Beam Associate Director for Pipeline Safety Regulation Materials Transportation Bureau July 21, 1983

Department of Transportation Office of Pipeline Safety 400 7th St. S.W., Washington, D.C. 20270

Dear Sirs:

I am writing you in order to determine if there is a <u>legal</u> maximum hydrogen sulphide content of a natural gas stream to be transported both inter and intra state. Also, are gas distribution systems treated the same?

If you can refer me to proper legislation or guides, please write me at the address below.

I currently am aware of NACE MR-01-75 (1978) and DOT paragraph 192.475.

Thank you, in advance, for your cooperation.

Sincerely, yours,

J. B. Haug Panhandle Eastern Pipe Line Co. Engineering/Design Development P. O. Box 1348 Kansas City, MO 64141