

September 20, 1993

Robert J. Aben Jr.
Chief, Boiler Division
State of Michigan
Department of Labor
Bureau of Construction Codes
7150 Harris Drive
P.O. Box 30254
Lansing Michigan 48909

Dear Mr. Aben:

This responds to your letter of August 4, 1993, concerning the issue of jurisdiction at ANR Pipeline Company (ANR) compressor stations in regard to boilers.

ANR has claimed that the boilers in their compressor stations used in the interstate transportation of natural gas are "pipeline facilities" and are, therefore, subject to the jurisdiction of the Department of Transportation under the Natural Gas Pipeline Safety Act of 1968.

The natural gas pipeline safety regulations are found at 49 CFR, Part 192 and are applicable to pipeline facilities and the transportation of gas. Pipeline facilities, as used in both the NGPSA and the pipeline safety regulations, includes gas pipelines, rights-of-way, and any equipment, facility, or building used in the transportation of gas or the treatment of gas during the course of transportation.

In initial conversations I had indicated that the boilers in question were not subject to our jurisdiction. I was later informed by our Regulatory Programs section that previous determinations had been made to the contrary in regard to the jurisdiction of boilers. Upon further review, it was determined that the subject boilers are pipeline facilities and, therefore, subject to the authority of the NGPSA and the pipeline safety regulations. I then contacted Mr. Jorgensen, and provided him with this information. I regret any inconvenience which the erroneous information previously provided might have caused.

I hope that this information is helpful to you. If you require additional information, please contact me.

Sincerely,

Ivan A. Huntoon
Director, Central Region
Office of Pipeline Safety

9/14/93

Subject: ANR Pipeline Boilers

From: Cesar DeLeon

To: Ivan Huntoon

I have reviewed the information about the subject boilers attached to your memo of June 16, 1993. I find that the boilers bear a substantial relation to the transportation of gas in ANR's compressor stations. Therefore, the boilers are "pipeline facilities" under the Natural Gas Pipeline Safety Act of 1968 and 49 CFR Part 192.

June 3, 1993

SUBJECT: DOT JURISDICTION - BOILERS

TO: I. Huntoon

FROM: R.J. Lecznar

As we discussed last Friday, attached is a summary of various uses of process heat at our compressor stations. Simply stated, the compressor stations can not operate without the steam/hot water boilers. We believe that our boilers are used in the "transportation of gas" and therefore, are "pipeline facilities." Also, our compressor stations are subject to the jurisdiction of the Federal Energy Regulatory Commission (FERC) and, therefore are "interstate transmission facilities."

ANR Pipeline currently operates pipeline facilities in sixteen states and includes inspection/maintenance requirements for boilers in our O & M Manual. These requirements apply to all boilers regardless which state the boiler is located.

Hopefully, this information will be useful in your discussions of boilers at your meeting next week.

June 2, 1993

Natural Gas Compressor Station Gas Fired Steam and Hot Water Boilers

ANR Pipeline Company utilizes either natural gas fired steam or hot water boilers at its gas compression facilities for the following uses:

a) Process heating of the incoming gas stream in the fuel gas system to raise the gas temperature above the predicted hydrate formation temperature prior to regulating the pressure from the higher pipeline pressure to the lower fuel gas system operating pressure. If a hydrate formed, the "freeze off" would block the flow of gas through the fuel system, and the station would cease to operate. Fuel gas is used by the engine/compressor units, generator sets, gas fired water bath heaters, gas fired glycol regenerators, boilers, etc.

b) Process heating of the Compressor Engine lubricating oil, prior to engine start-up. Lubricating oil is preheated and pumped through the engine/compressor unit to assure proper lubrication of all metal to metal contact points, i.e. crank and rod bearings, cylinder walls, turbochargers, etc. Allowing the oil to reach its proper viscosity also provides for an easier roll of the engine and faster engine starts.

c) Process heating of the engine coolant prior to engine start-up. Like the lubricating oil preheat, preheating the coolant provides for easier starts of the engine compressor units and allows the unit to come up to operating temperature more quickly.

d) Building heat for personnel and equipment.

Gas compression facilities within the ANR system that have boilers, regardless of location, use them for both heating of the fuel gas (item a) and building heat (item d). Northern locations, in addition to items a and d above, also use the boilers for items b and c to assure proper and timely starting during peak winter heating periods. While there are other substitute pieces for most of the above processes, i.e. catalytic heaters, electrical insertion or immersion heaters, etc., it would be difficult to provide a safe and effective alternative for fuel gas preheating. The steam/hot water boiler system has thus far proven to be the best arrangement for providing a heating medium source for ANR Pipeline.

**PART 192 - TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE:
MINIMUM FEDERAL SAFETY STANDARDS**

§192.13 General.

- (a)
- (b)
- (c) *Each operator shall maintain, modify as appropriate, and follow the plans, procedures, and programs that it is required to establish under this part.*

[35 FR 13257, Aug. 19, 1970, as amended by Amdt. 192-27, 41 FR 34605, Aug. 16, 1976; Amdt. 192-30, 42 FR 60148, Nov. 25, 1977]

§192.603 General provisions.

- (a) *No person may operate a segment of pipeline unless it is operated in accordance with this subpart.*
- (b) *Each operator shall establish a written operating and maintenance plan meeting the requirements of this part and keep records necessary to administer the plan.*
- (c) *The Administrator or the State Agency that has submitted a current certification under section 5(a) of the Natural Gas Pipeline Safety Act with respect to the pipeline facility governed by an operator's plans and procedures may, after notice and opportunity for hearing as provided in 49 CFR 190.237 or the relevant State procedures, require the operator to amend its plans and procedures as necessary to provide a reasonable level of safety.*

[Amdt. 192-66, 56 FR 31090, July 9, 1991]

§192.605 Essentials of operating and maintenance plan.

Each operator shall include the following in its operating and maintenance plan:

- (a) *Instructions for employees covering operating and maintenance procedures during normal operations and repairs.*
- (b) *Items required to be included by the provisions of Subpart M of this part.*

(c) Specific programs relating to facilities presenting the greatest hazard to public safety either in an emergency or because of extraordinary construction or maintenance requirements.

(d) A program for conversion procedures, if conversion of a low-pressure distribution system to a higher pressure is contemplated.

(e) Provision for periodic inspections to ensure that operating pressures are appropriate for the class location.

(f) Instructions enabling personnel who perform operation and maintenance activities to recognize conditions that potentially may be safety-related conditions that are subject to the reporting requirements of §191.23 of this subchapter.

[Amdt. 192-59, 53 FR 24950, July 1, 1988]

July 8, 1985

Mr. A.D. Simpson, III
Attorney at Law
Tennessee Gas Pipeline
Division of Tenneco Inc.
Tenneco Building
P.O. Box 2511
Houston, Texas 77001

Dear Mr. Simpson:

This responds to your letter of January 22, 1985, transmitting a November 13, 1984, letter jointly submitted by you and Guy N. Rogers of the Mississippi State Department of Health, which describes three categories of gas compressor station facilities operated by your company in Mississippi. You ask for a ruling and interpretation on whether, under the Natural Gas Pipeline Safety Act of 1968, as amended (NGPSA) (49 U.S.C. 1671 et seq.), the facilities are "pipeline facilities," whether they are "used in the transportation of gas," and whether they are preempted from State safety regulation. The Department of Transportation has no mechanism for issuing formal rulings or interpretations on the issue of preemption under the NGPSA.

The gas pipeline safety standards (49 CFR Part 192) issued pursuant to the NGPSA are applicable, with enumerated exceptions, to pipeline facilities and the transportation of gas. The term "Pipeline facilities," as used in both the NGPSA and the standards (49 U.S.C. 1671(4) and 49 CFR 192.3), includes gas pipelines, rights-of-way, and any equipment, facility, or building used in the transportation of gas or the treatment of gas during the course of transportation. Many of the standards are written in terms that apply to particular kinds of pipeline facilities, including compressor stations. Others apply to pipeline facilities in general. Part 192 does not contain standards that are particularly applicable to boilers or air receivers. Nevertheless, if such equipment is used in the transportation of gas by pipeline, it would have to meet applicable Part 192 regulations that govern pipeline facilities in general.

Use in gas transportation is not defined. However, in light of the NGPSA's safety purpose, we view the circumstances under which a facility is used in gas transportation broadly. Thus, pipeline facilities include not only equipment that is used directly or physically connected to the movement of gas, but also equipment that is related to the transportation process. Equipment in this latter category would include, for example, fire protection facilities and fencing located at compressor stations because their purpose is related to the gas carrying facilities. It also would include boilers and air receivers

located in shops, yards, or offices at compressor stations when the purpose of the equipment is transportation related. Whether particular boilers or air receivers at compressor stations are sufficiently related to the transportation of gas to be pipeline facilities would depend on the circumstances surrounding their use.

In regard to the three categories of facilities of concern to you, their general description and drawings indicate that the air tanks and boilers each bear a substantial relation to operation of gas compressors. We think, therefore, it is reasonable to view these facilities as "used in the transportation of gas" and, thus, "pipeline facilities." Furthermore, assuming that the lines to which these facilities appertain are interstate, that is, subject to the jurisdiction of the Federal Energy Regulatory Commission, we consider these facilities to be interstate transmission facilities.

As to the question of preemption, the NGPSA restricts the application of State laws to pipeline facilities as follows:

"Any State agency may adopt additional or more stringent safety standards for intrastate pipeline transportation if such standards are compatible with the Federal minimum standards. No State agency may adopt or continue in force any such standards applicable to interstate transmission facilities, after the Federal minimum standards become effective." (49 U.S.C. 1672(a))

We trust that this letter is helpful to you. A similar letter is being mailed to Guy N. Rogers. The individual compressor station drawings are being returned to you separately.

Sincerely,

Richard L. Beam
Associate Director for
Pipeline Safety Regulation
Materials Transportation Bureau