

**U.S. Department of Transportation**

**Research and  
Special Programs  
Administration**

Ms. J. M. Korpala  
Manager, Regulatory Compliance  
Shell Oil Products Company  
P. O. Box 2099  
Houston, TX 77252-2099

Dear Ms. Korpala:

I am responding to your letter of May 29, 1996, concerning hazardous liquid pipeline facilities at marine terminals in Port Tampa and Port Everglades, Florida. You asked if we agree with your conclusions about the extent to which these facilities are subject to the federal pipeline safety law (49 U.S.C. Chap. 601).

As defined in 49 U.S.C. §60101(a)(5), a "hazardous liquid pipeline facility" includes a pipeline, a right of way, a facility, a building, or equipment used or intended to be used in transporting hazardous liquid. And under 49 U.S.C. §60101(a)(22), "transporting hazardous liquid" means the movement of hazardous liquid by pipeline, or the storage of hazardous liquid incidental to the movement of hazardous liquid by pipeline, in or affecting interstate or foreign commerce; but does not include moving hazardous liquid through (i) gathering lines in a rural area; (ii) onshore production, refining, or manufacturing facilities; or (iii) storage or in-plant piping systems associated with onshore production, refining, or manufacturing facilities.

Applying these definitions to the facilities described and depicted in your letter, we find that none of the facilities comes under the listed exceptions. At the Port Tampa Terminal, we agree that the pipeline safety law covers pipelines beginning at the barge connection. Thus the barge pumping equipment is not covered, except any device that may be necessary to control the maximum operating pressure of the pipelines. Similarly, the law covers pipelines beginning at the barge connection at the Port Everglades terminal, rather than at the connection to the third party dock as you have depicted the limit of jurisdiction. At both terminals, we agree that the pipeline safety law covers the storage tanks and the pipelines of Chevron, BP Oil, and the unnamed third party.

We note that you have relied on our July 24, 1995, letter to David A. Renli of the Sioux Falls Fire Department to conclude that truck loading facilities at the marine terminals are not covered by the pipeline safety law. However, since we have used the pipeline safety law to regulate similar truck loading facilities at liquefied natural gas plants (see 49 CFR 193.2223-193.2233), we are reexamining the issue of whether the law applies to truck loading facilities at other locations. We understand from talking to

Shawn Hansson that this question is not of immediate importance to Shell, but, nonetheless, we regret having to reserve judgment at this time.

I hope you find this opinion helpful. If you have any questions regarding this matter, Mr. L.M. Furrow, at 202/366-4559, will be happy to assist you.

Sincerely,

Richard B. Felder  
Associate Administrator  
for Pipeline Safety