U.S. Department of Transportation 400 Seventh Street, S.W. Washington, D.C. 20590

9/24/99

Research and Special Programs Administration

Mr. Glynn Blanton

Chief, Gas Pipeline Safety Division Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505

Dear Mr. Blanton:

In your letter of May 28, 1999, you inquired about safety regulation jurisdiction over a natural gas pipeline operated by the U. S. Gypsum Pipeline Company from Marion County, Tennessee, to Jackson County, Alabama. The pipeline transports gas through a 10-inch diameter pipeline from an East Tennessee Natural Gas Company transmission line in Tennessee to the U.S. Gypsum manufacturing facilities in Alabama. Of the total 15.4 miles of pipeline, 14 miles are in Tennessee and 1.4 miles are in Alabama.

You asked us to review an opinion of our Southern Region that the Tennessee segment is under the jurisdiction of your agency and the Alabama segment is under the jurisdiction of the Alabama Public Service Commission. We have reviewed the applicable laws and regulations and discussed this matter with Frederick A. Joyner, Director of the Southern Regional Office in Atlanta, GA. We now have additional information that a Certificate from the Federal Energy Regulatory Commission (FERC) was issued authorizing the construction of this pipeline.

It is now clear that this pipeline is an interstate pipeline. It crosses a state line and is subject to the jurisdiction of FERC as evidenced by that agency's issuance of an approval of the U.S. Gypsum Pipeline Company application under Section 7 of the Natural Gas Act. The U.S. Gypsum Pipeline Company line running from Tennessee to Alabama is subject to the interstate regulatory jurisdiction of the Office of Pipeline Safety.

Southern Region has notified U.S. Gypsum that the pipeline is an interstate gas transmission line under the exclusive safety regulatory jurisdiction of this agency.

If you need further assistance, please contact me or Fred Joyner at 404-562-3533.

Sincerely,

Richard B. Felder

Associate Administrator for Pipeline Safety

cc: Chris Harvey Alabama Public Service Commission