U.S. Department of Transportation Research and Special Programs Administration 400 Seventh St., S.W. Washington, D.C. 20590

May 30, 2001

Ms. Stephanie J. Kreshel, P.E. Standards Engineer Puget Sound Energy, Inc. P.O. Box 90868 Bellevue, WA 98009-0868

Dear Ms. Kreshel:

This letter is in response to your letter of April 5, 2001, requesting an interpretation of the up rating requirements in 49 CFR Part 192, Subpart K and referencing a March 15, 2001, letter from the Washington Utilities and Transportation Commission (WUTC).

Puget Sound Energy (PSE), a local distribution company (LDC), wants to up rate a steel pipeline in a Class 3 location to a pressure that will produce a hoop stress of less than 30 percent of specified minimum yield strength (SMYS). In 1957, the pipe was pressure tested to 465 psig and the LDC established a maximum allowable operating pressure (MAOP) of 190 psig based on the highest operating pressure during the five-years prior to July 1, 1970. PSE's proposed up rating procedure calls for raising the pressure from 190 psig to 250 psig in four increments of 15 psig.

The proposed up rating pressure increments are in compliance with the requirements of the federal pipeline safety regulations in 49 CFR § 192.553 and § 192.555(c). Although the current MAOP of the pipeline is limited by the pressure the pipeline operated at in the five-year preceding July 1, 1970, as required by § 192.619(a)(3), that paragraph explicitly exempts up rating in accordance with Subpart K from this limitation. The up rating regulations in Subpart K also do not require that a new pressure test be conducted at the time of up rating. And, 192.555(c), which addresses up rating to a pressure that will produce a hoop stress 30 percent or more of SMYS, explicitly allows the use of a previous pressure test as the basis for MAOP, even if the pipeline was not operated to the MAOP during the five years prior to July 1, 1970. Although the use of a previous pressure test is not mentioned in § 192.557, which covers up rating to a pressure that will produce a hoop stress less than 30 percent of SMYS, it makes no sense to rely on a previous pressure test for high-stress pipe and disallow it for low- stress pipe. In any case, § 192.553(d) clearly states that the new MAOP may not exceed the maximum that we would allow for new pipe of the same material at the same location.

Therefore, reliance on a previous pressure test is allowable for up rating to a higher MAOP, providing that the pressure test, de-rated for class location as specified in § 192.619, allows for a maximum allowable operating pressure equal to or greater than the proposed up rated pressure.

If you require further information, please call me at (202) 366-4565.

Sincerely yours, Richard D. Huriaux, P.E. Manager, Regulations Office of Pipeline Safety Puget Sound Energy P.O. Box 90868 Bellevue, WA 98009-0868

April 5, 2001

Richard Huriaux
Manager of Regulations
United States Department of Transportation
Federal
Office of Pipeline Safety
400 7th Street, South West, Room 7128
Washington, District of Columbia 20590

Subject: Clarification of Title 49, Part 192, Subpart K, Upratin2 — Re: WUTC Letter Dated 3115/01

Dear Mr. Huriaux:

This letter is in reference to a letter from the Washington Utilities and Transportation Commission dated March 15, 2001 requesting clarification on Part 192 Subpart K. Puget Sound Energy (PSE) would like to submit the following question for further clarification of Subpart K as it applies to an up rate PSE is currently planning.

PSE is planning to up rate a steel pipeline from 190 psig to 250 psig in accordance with CFR Part 192 Subpart K. The segments to be up rated were installed in 1957 and were tested after construction to 465 psig. The current MAOP of the pipeline is limited by the pressure the pipeline segments operated at in the five years preceding July 1, 1970 as required by Part 192.619(a)(3). At the increased MAOP the pressure in the pipeline will produce a hoop stress less than 20 percent SMYS.

Our interpretation of 192.557(c) is that to up rate this pipeline from 190 psig to 250 psig PSE is required to raise the pressure in 4 increments of 15 psig each with the final increment at 250 psig. Is this interpretation correct?

If you disagree with our interpretation please cite the appropriate code and explain how it applies to further our understanding and compliance in the future. If you have any additional questions or require additional information, please call me at 206-224-2127. We appreciate your help in clarifying the up rating requirements in Part 192.

Sincerely, Stephanie J. Kreshel, P.E. Standards Engineer, Puget Sound Energy