

March 25, 1971

Mr. D. J. Hendrickson
Chief, Utility Safety Section
Indiana Public Service Commission
901 State Office Building
Indianapolis, Indiana 46204

Dear Mr. Hendrickson:

This is in reply to your letter of February 25, 1971, concerning interpretation of our leak reporting forms.

The type of damage which we require to be reported is determined by our responsibility under the Natural Gas Pipeline Safety Act, namely, the regulation of the transportation of gas in the interest of safety. Therefore, we are not interested in receiving information on incidents which result in damage to an operator's equipment, where no gas leak is involved. We are interested in receiving information on damage incurred where a leak is present whether or not the damage results from the gas leak, and whether or not the operator was reimbursed by the party causing the damage. This damage would quite properly include the loss of gas resulting from damage caused by others.

Since the document you enclosed was not official interpretation by the Office of Pipeline Safety, the interpretation stated in this letter, rather than that document, should be followed.

If we can be of further assistance to you, please let us know.

Sincerely,

Joseph C. Caldwell
Acting Director
Office of Pipeline Safety

February 25, 1971

Mr. Joseph C. Caldwell, Acting Director
Office of Pipeline Safety
800 Independence Avenue, S.W.
Washington, D.C. 20590

Dear Mr. Caldwell:

Please note underlined sections of the attached release from the A.G.A. Operating Section.

Are not (1) and (2) contradictory? If you are interested in the "overall amounts of money expended for repairs" why should not the cost of repair of damages where no leak resulted also be included? It seems to us rather incidental whether or not a leak resulted from the damage as long as the damage was done and the operator had the expense of repairing the same.

Also, in case of a loss of a large amount of gas, resulting from such damage by others, would not the value of the gas lost be part of the operator's cost?

We assume the operators total cost of repair ~~h~~ould be reported regardless of whether or not he was reimbursed for any amount of this cost by the party causing such damage.

Very truly yours,

D. J. Hendrickson
Chief, Utility Safety Section