

Mr. M. L. Fegenbush, Jr.
Director, Railroad Commission
of Texas/Gas Utilities Division
Capitol Station - P. O. Drawer 12967
Austin, Texas 78711

Dear Mr. Fegenbush:

The enclosed interpretation has been issued in response to the several questions in your letter of March 11, 1982, regarding application of §192.625(b) to a pipeline serving an industrial customer and regarding the classification of a pipeline as transmission line or main.

Sincerely,

Melvin A. Judah
Acting Associate Director for
Pipeline Safety Regulation
Materials transportation Bureau

Enclosure

No. 82-3
Date: May 6, 1982

DEPARTMENT OF TRANSPORTATION
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION
MATERIALS TRANSPORTATION BUREAU

PIPELINE
SAFETY REGULATORY INTERPRETATION

NOTE:A
pipeline safety regulatory interpretation applies a particular rule to a particular set of facts and circumstances, and, as such, may be relied upon only by those persons to whom the interpretation is specifically addressed.

SECTION: §§192.3 and 192.625(b)

SUBJECT: Odorization of gas in a transmission line

FACTS: I. An industrial customer received unodorized gas from a pipeline which operated at greater than 20 percent SMYS, passed through class 1 and 2 locations, prior to May 5, 1975. The customer used the gas for purposes and processes which did not require not would have been affected by a malodorant additive. In 1979, the customer began hydrogen production which required unodorized gas, in that, malodorant sulfur compounds severely affect catalyst activity. During 1980, it was determined that the class location along the pipeline from the end and upstream for several miles had changed to class 3.

QUESTION 1: Is the pipeline, in the class 3 locations, exempt from odorization?

INTERPRETATION: The facts presented indicate that prior to May 5, 1975, the line in question was a transmission line because it operated above 20 percent of SMYS. If the line is still properly classified as a transmission line, the new class 3 portion of the line may qualify under §192.625(b)(3) for an exemption from the odorization requirement if the line is a lateral transmission line transporting gas to a "large volume customer" with at least 50 percent of the length of line in class 1 or 2 areas. By prior interpretation, a "large volume

customer" is in effect a "distribution center" for purposes of classifying a pipeline as a "transmission line" under the definition of that term is §192.3, and the term "large volume customer" is used consistently here in applying §192.625(b). The class 3 portion would not qualify for an exemption under the industrial plant provision of §192.625(b)(2)(iv) because the current condition under which odorants are said to be detrimental arose after May 5, 1975.

QUESTION 2: If there are 30 other customers along the pipeline not requiring unodorized gas, does the one which requires unodorized gas govern the determination?

INTERPRETATION: The exclusion of a class 3 pipeline from the odorization requirement depends on whether the pipeline is a transmission line that falls within one of the exemption provisions of §192.625(b). The number of customers along a transmission line that are not troubled by receiving odorized gas is not a factor in applying §192.625(b). Thus, for purposes of §192.625(b)(2) or (b)(3), only one customer can qualify to exempt the entire upstream class 3 or 4 portion or portions of the line from the odorization requirement, even though in the case of paragraph (b)(2), the customer receives gas via a service line connected to the transmission line. Any of the customers along an unodorized transmission line that receive gas via a service line would have to be supplied odorized gas under §192.625(a).

QUESTION 3: Is it necessary that the process requiring unodorized gas was performed before May 5, 1975, or just that unodorized gas was served before May 5, 1975, to create an exemption under 192.625(b)(2)?

INTERPRETATION: This question is answered in the answer to Question I.1. Amendment 192-21 (40 FR 20279) which established §192.625(b)(2) makes it clear that the exemptions were intended to remedy existing problems and were not intended to apply to future conditions. Similar but new problems may be handled under the waiver process of section 3 of the Natural Gas Pipeline Safety Act of 1968.

FACTS: II. A pipeline has been called a transmission line, but through the years numerous customers have been added and population density has increased along the line.

QUESTION 1: When and/or under what conditions would this pipeline become a distribution main?

INTERPRETATION: The classification of a pipeline as a transmission line or main is determined by applying the definitions under §192.3. Under the definition of "transmission line," the number of customers along a line is not one of the three conditions that qualify a pipeline as a transmission line. Thus, regardless of the number of customers added to a transmission line during its life, it remains a transmission line as long as it continues to meet any of the qualifying conditions. If a gas pipeline no longer qualifies as a transmission line and it is not a gathering line, then according to the definitions, it is a distribution line and a "main" if it serves more than one customer.

QUESTION 2: Does it make a difference if all of the customers are large industrial customers, located in a densely populated area?

INTERPRETATION: In accordance with the definition of "transmission line," the addition of large industrial customers to a line is not a reason to reclassify the line as a main.

Melvin A Judah
Acting Associate Director for
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