

PI-83-0111

December 19, 1983

Mr. A. J. Schellenberg, P.E.
Gas Engineer, Lead Analyst
Public Service Commission
Capitol Hill Building
320 W. 25th Street,
Cheyenne, Wyoming 82002

Dear Mr. Schellenberg:

This responds to your November 16, 1983, letter regarding piping that supplies gas to individually metered dwelling units from a tap on a transmission line. Your letter indicates that a utility company owns both the transmission line and customer meters. It also meters and regulates the gas at a point next to the transmission line. The piping between this point and the customer meters is not owned by the company, but by one of the customers who is the landlord of the other customers. You have asked whether the utility company or the owner is responsible for compliance of this piping with the Federal safety standards in 49 CFR Part 192.

Part 192 applies to pipelines used in the transportation of gas. In accordance with the definition of "service line" in §192.3, the pipeline transportation that is subject to Part 192 ends when gas has been sold and delivered to a consumer. Under the facts given, the gas has been sold and delivered to consumers at the outlets of the customer meters after passing through the piping in question. Thus, the piping in question is used in the transportation of gas that is subject to Part 192.

The Natural Gas Pipeline Safety Act of 1968 (49 USC 1671 et seq.), under which the Part 192 standards were issued, provides in Section 10(a)(1) that:

"Each person who engages in the transportation of gas or who owns or operates pipeline facilities shall-

(1) at all times after any applicable safety standard established under this Act takes effect comply with the requirements of such standard"

Inasmuch as the utility company injects gas into the piping in question and uses the piping to sell and deliver gas to the customers, it is engaged in the transportation of gas with respect to that piping and, therefore, must meet the applicable Part 192 standards.

As the owner of the piping in question, the landlord is also responsible for compliance. In cases like this where a utility company and a separate owner are each responsible for compliance, the policy at the Federal level has been to enforce compliance by the utility before looking to the owner for compliance.

If you need more direct help in this matter, I am sure that Jack Overly, Chief, Western Region, will be glad to assist you.

Sincerely,

Richard L. Beam
Associate Director for
Pipeline Safety Regulation
Materials Transportation Bureau