

December 21, 1993

Mr. Richard S. Tweedie
Palmer Biezup & Henderson
Public Ledger Building
Independence Square
Sixth & Chestnut Streets
Philadelphia, PA 19106-3409

Dear Mr. Tweedie:

Thank you for your inquiry about an Enforcement Policy Directive relevant to shorted casings. You were specifically asking about a Directive that states:

"A pipeline that was installed prior to April 1, 1970, and the casings were designed to be shorted to the carrier pipe during construction, will be grandfathered and are exempted from Part 195 (exemption only pertains to shorted casings.)"

I was unable to locate a policy directive worded as you had stated; however, I feel that the line of reasoning that you were asking about is consistent with present compliance policy and with the act's intent. Therefore, I offer the following answers to your questions.

1. When was the Enforcement Policy Directive issued?

As stated above, I could not find a policy directive worded as you had indicated. It clearly states that in Section 203(c) of the Hazardous Liquid Pipeline Safety Act of 1979 (the Act), "Any standard issued under this section affecting the design, installation, construction, initial inspection, and initial testing shall not be applicable to pipeline facilities in existence on the date such standard is adopted." Wording such as this is commonly referred to as a "grandfathering clause".

Also, for your information, I have included a copy of the Regulation Enforcement Guidelines for Section 195.401(b) Condition Adversely Affecting Safe Operation - Electrically Shorted Casing.

2. Does it have general applicability?

Section 203(c) of the Act has general applicability.

3. If yes, then does it remain effective?

Section 203(c) of the Act remains affective until some condition is changed on the pipeline to nullify the grandfathering clause.

4. Would it apply to a pipeline that was built prior to 1970 but had a cathodic protection system installed in 1974?

If the pipeline was built in 1970, prior to the Act, then the grandfather clause applies. However, if the installation of a cathodic protection system involves significant and considerable construction/reconstruction of facilities that involved one of the casing installations in question, then this work would nullify the grandfather clause and thus require the isolation of that casing.

I hope this addresses your concerns. If you have further questions, please contact me on (202) 366-4580.

Sincerely,

William H. Gute
Eastern Regional Director
Office of Pipeline Safety

Enclosures