

May 24, 1995

Ms. Joan Korpala
Manager Regulatory Compliance
Shell Oil Products Company
Two Shell Plaza
P.O. Box 2099
Houston, TX 77252-2099

Dear Ms. Korpala:

As you requested, I agree with Shell Oil Products Company that the products pipeline leaving the Norco LA refinery is subject to 49 CFR Part 195 including and downstream of the pressure control device as indicated on your letter and drawing of April 19, 1995.

Sincerely

James C. Thomas
Regional Director

cc: Joel Kohler, LA DNR
w/cy Shell ltr dtd 4/19/95
William C. Bertges, w/cy
Shell ltr dtd 4/19/95

bcc: Cesar De Leon w/cy Shell
ltr dtd 4/19/95
Richard Sanders, TSI w/cy
Shell ltr dtd 4/19/95

Shell Oil Products Company

April 19, 1995

James C. Thomas, P.E.
Regional Director
U.S. Department of Transportation
2320 LaBranch, RM 2116
Houston, TX 77004

**SUBJECT: JURISDICTION OF PIPELINE SAFETY REGULATIONS AT
REFINERIES**

Purpose The purpose of this letter is to request your concurrence with Shell Oil Products Company's (SOPC) interpretation regarding the limits of U.S. Department of Transportation and Louisiana DNR jurisdiction for pipelines leaving SOPC's refinery at Norco, Louisiana.

Background SOPC operates a refinery at Norco, Louisiana. Subsequent to publication by RSPA of the "Regulatory Review - Hazardous Liquid and Carbon Dioxide Pipeline Safety Standards", in June, 1994, SOPC has reviewed the extent of regulatory jurisdiction of piping at this location.

Piping covered by this letter This letter covers piping through which products leave the refinery. The lines are operated and maintained by Shell Pipe Line Corporation outside the plant, and for a short distance inside the plant. Pressure is supplied by the refinery.

Regulations Hazardous Liquid Pipeline Safety regulations exclude from regulation "transportation of a hazardous liquid or carbon dioxide through . . . refining, or manufacturing facilities, or in-plant piping systems associated with such facilities".

The regulation also defines "in-plant piping system" to mean "piping that is located on the grounds of a plant and used to transfer hazardous liquid or carbon dioxide between plant facilities or between plant facilities and a pipeline or other mode of transportation, not including any device and associated piping that are necessary to control pressure in the pipeline under 195.406(b)."

Continued of next page

SOPC's interpretations

SOPC interprets part 195 of the pipeline safety regulations to mean:

jurisdiction of pipeline safety regulations extend upstream, that is, into the refinery, to a device that is necessary to protect the pipeline outside the refinery from overpressure
the existence of additional overpressure protective devices within the plant, and for the protection of the piping between the pressure source and the device which protects the pipeline, does not affect the limits of jurisdiction, and
a crossing of a single public thoroughfare by otherwise unregulated sections of in-plant piping does not affect the extent of jurisdiction.

Sketch attached

A sketch of the piping under consideration is attached. This sketch does not represent any single piping system at the Norco refinery; rather, it combines elements of various systems.

Previous reviews

The interpretations described in this letter were discussed in a February 20, 1995 meeting between Mike Chauvin and Shawn Hansson of SOPC, Dana Arabie of the Louisiana Department of Natural Resources, and Bill Bertges of the U.S. Department of Transportation. Bertges and Arabie recommended that these issues be directed to you in writing.

Questions

If you have questions regarding this subject please call S.H. Hansson at (713) 241-1751.

Concurrence requested

We request that you provide a written concurrence with SOPC's interpretation of these regulations.

Yours very truly

Joan Korpall
Manager Regulatory Compliance