

PI-99-0104

11/04/99

Ms. Amy L. Hammond  
Air Specialist  
Illinois Power Company  
P.O. Box 511  
Decatur, IL 62525-0511

Dear Ms. Hammond:

This is in response to your request for an interpretation of the federal jurisdiction over Illinois Power Company's (IPC) propane storage facility in Freeburg, Illinois. You request a determination of the applicability of 49 CFR §192.11 to the propane surge tank and the refrigerated storage sphere from which gas flows into the natural gas system for peak-shaving purposes.

All such "pipeline facilities" are within jurisdiction of the Natural Gas Pipeline Safety Act of 1968. A "pipeline facility" is defined in the Act to include "without limitation ... any equipment, facility, or building used in the transportation of gas or the treatment of gas during the course of transportation" (49 U.S.C. 1671(4)). In the regulations for gas pipelines, Section 192.11(a) states:

Each plant that supplies petroleum gas by pipeline to a natural gas distribution system must meet the requirements of this part and ANSI/NFPA 58 and 59.

Peak-shaving facilities are an interrelated and often essential part of a gas distribution system and fall within the intended coverage of the term "pipeline facilities." Consequently, a propane air peak-shaving facility is in its entirety subject to the jurisdiction of the Act.

If you have any questions regarding this matter, please contact Mike Israni at (202)366-4571 or Buck Furrow at (202) 366-4559.

Sincerely,

Richard D. Hurliaux, P.E.  
Manager, Regulations  
Office of Pipeline Safety

Illinois Power Company  
P.O. Box 5511  
Decatur, IL 62525-0511

May 24, 1999  
ALH9910

Mr. Richard D. Huriaux  
Manager of Regulations  
Office of Pipeline Safety  
Department of Transportation  
400 7<sup>th</sup> Street, SW  
Washington, DC 20590

Dear Mr. Huriaux:

Illinois Power Company submitted a request to the Department of Transportation on March 3, 1999 for a letter stating that propane storage at Freeburg, Illinois is regulated by DOT §192.11(a). As mentioned in the original request, Illinois Power uses the propane from our Freeburg gas storage field to supplement our natural gas supply.

As I have not received a response to my letter, I would like to inquire about the status of this request. Please call me at 217/424-8386 if you need any additional information to respond to this request. Thank you for your time.

Sincerely,  
ILLINOIS POWER COMPANY  
Amy L. Hammond  
Air Specialist

Illinois Power Company  
P.O. Box 5511  
Decatur, IL 62525-0511

March 3, 1999

Mr. Richard D. Huriaux  
Manager of Regulations  
Office of Pipeline Safety  
Department of Transportation  
400 7<sup>th</sup> Street, SW  
Washington, DC 20590

Dear Mr. Huriaux:

Illinois Power Company owns and operates a gas storage field in Freeburg, Illinois that is used for peak-shaving purposes. At this storage field, we supplement natural gas with propane through the pipeline system. The propane is brought in by truck and then transferred to a surge tank. From the surge tank, the propane is transferred to a large refrigerated storage sphere, where it is piped into the natural gas system. The stored propane is used solely for the pipeline system.

I want to be sure that both the surge tank and the large storage sphere are covered under the Department of Transportation regulations. I spoke with Mr. Lloyd Ulrich on March 1, 1999, and asked him this same question. His response to me was that the propane storage is under jurisdiction of DOT regulations §192.11(a). Mr. Ulrich referred me to you when I requested a written document that supports this response. This information will allow Illinois Power to determine the applicability of the Environmental Protection Agency's 112(r) rule to our natural gas facility.

I would appreciate very much if you would fulfill this request and send me a letter or document stating that storage of propane, under these circumstances, is covered under the DOT regulations. If I can provide any additional information, please call me at 217/424-8386. Thank you for your time.

Sincerely,  
Illinois Power Company  
Amy L. Hammond  
Air Specialist