

PI-01-0102

February 15, 2001

Mr. Dennis E. Lloyd
Pipeline Safety Division
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive, S.W.
Olympia, WA 98504-7250

Dear Mr. Lloyd:

Thank you for your letter of December 14, 2000, (Ref. No. 4-1319), regarding the definition of transmission pipelines in 49 CFR § 192.3 and the application of this definition to gas pipelines serving industrial facilities.

Specifically, you ask whether a 10-inch intrastate natural gas pipeline connecting a transmission line directly to the Fort James paper mill in Camas, Washington meets the definition of transmission line. The company claims that this line is not a transmission line (and therefore not subject to the pipeline safety regulations) because it operates at less than 20% of specified minimum yield strength.

Your staff reviewed the definition of transmission lines at 49 CFR § 192.3 and the preamble of the most recent change in this regulation (June 6, 1996; 61 FR 28770) and concluded that the bypass gas line serving Fort James is a transmission line.

The plain language of the regulation at § 192.3 is as follows:

Transmission line means a pipeline, other than a gathering line, that;

- (a) Transports gas from a gathering line or storage facility to a distribution center, storage facility, or a large volume customer that is not downstream from a distribution center;
- (b) Operates at a hoop stress of 20 percent or more of SMYS; or
- (c) Transports gas within a storage field.

A large volume customer may receive similar volumes of gas as a distribution center, and includes factories, power plants, and institutional users of gas.

If a company meets any one of these three conditions, it is a transmission line. Fort James is a factory, which is clearly a large volume customer. The fact that the pipeline operates at less than 20 percent of SMVS does not negate this fact.

This conclusion is supported by the language of the Final Rule issued June 6, 1996 (61 FR 28770), which states in the preamble that:

A long-standing RSPA interpretation holds that the definition of “transmission line” § 192.3

encompasses lines that link gathering lines or transmission lines to large volume customers, such as factories or power plants... Given our long-standing interpretation and the ASME B3 1.8 code definition, we find it reasonable to add "large volume customer" to the definition of transmission line...

Therefore, we concur with your conclusion that the Fort James gas pipeline is a transmission line and is subject to the pipeline safety regulations under 49 CFR Part 192.

If you require farther information on this issue, please contact me at (202) 366-4565.

Sincerely,

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