

because the public response was generally unfavorable, with industry commenters disputing the significance of the problem and alleging wholesale reclassification of lines, RSPA delayed final action pending the collection and consideration of further information. Meanwhile, Congress amended the pipeline safety law, directing RSPA to define the term "gathering line" for both gas and hazardous liquid pipelines, and define as "regulated gathering line" those rural gathering lines that, because of specific physical characteristics, should be regulated.<sup>2</sup> In furtherance of the proceeding begun in 1991 and the Congressional directive, RSPA opened an internet discussion of the gathering line issue, which focused on a definition offered by Gas Processors Association (Docket No. RSPA-98-4868; 64 FR 12147; Mar. 11, 1999). The discussion, which involved 100 participants, included a comprehensive treatment by the American Petroleum Institute for a coalition of trade associations.<sup>3</sup> However, RSPA and

NAPSRS were concerned that the coalition's suggested gathering line definition was based on certain "furthestmost downstream" points that are subject to change. As a stopgap, while continuing to decide on a suitable alternative to the 1991 gathering line proposal, RSPA published an advisory bulletin interpreting the end of gas gathering based on court precedent and historical interpretation (ADB-02-06; 67 FR 64447; Oct. 18, 2002).<sup>4</sup>

(1) transport gas from the furthestmost downstream point in a production operation to the furthestmost downstream of the following endpoints, with possible intermediate deliveries to other production operations, pipeline facilities, farm taps, or residential/commercial/industrial end users: (A) the inlet of the furthestmost downstream natural gas processing plant, other than a natural gas processing plant located on a transmission line, (B) the outlet of the furthestmost downstream gathering line gas treatment facility, (C) the furthestmost downstream point where gas produced in the same production field or separate production fields is commingled, (D) the outlet of the furthestmost downstream compressor station used to lower gathering line operating pressure to facilitate deliveries into the pipeline from production operations or to increase gathering line pressure for delivery to another pipeline, or (E) the connection to another pipeline downstream of: (i) the furthestmost downstream endpoint identified in (A), (B), (C) or (D), or (in the absence of such endpoint) (ii) the furthestmost downstream production operation; or

(2) transport gas from a point other than in a production operation exclusively to points in or adjacent to one or more production operations or gathering facility sites for use as fuel, gas lift, or gas injection gas within those operations; and (b) does not include a natural gas processing plant.

<sup>4</sup> ADB-02-06:

To: Owners and Operators of Natural Gas Pipeline Facilities.

Subject: Standards for classifying natural gas gathering lines.

Purpose: To inform operators of the standards OPS currently uses to classify natural gas gathering lines.

Advisory: Standards for classification of natural gas gathering lines.

Until OPS completes its rulemaking to better define natural gas gathering lines (Docket No. RSPA-98-4868), OPS will continue to classify lines according to the four-point standard established through court precedent and historical interpretation. OPS will also continue to classify lines that pose unique difficulties of classification on a case-by-case basis. In brief, in the most common situation, gathering begins at or near the well head. In most cases, the gathering process terminates at the outlet of a processing plant. A processing plant is defined by the extraction of heavy ends from the natural gas. If there is no upstream processing plant, the gathering process terminates at the outlet of a pipeline compressor. For the purposes of determining the termination point of the gas gathering process, OPS does not consider a well head compressor (field compressor) to be a pipeline compressor. If there is no processing plant or pipeline compressor, the point at which the gathering process ends is where two or more well pipelines converge. If none of these points applies, the gas gathering termination point is where there is a change in ownership of the pipeline. These points are determined on a case-by-case basis considering the location of the pipeline in relation to population density, major traffic areas, and environmentally sensitive areas. To summarize,

**Hazardous Liquid Gathering Line Definition.** RSPA's hazardous liquid pipeline safety regulations in 49 CFR part 195 apply to the transportation by pipeline of hazardous liquid (petroleum, petroleum products, and anhydrous ammonia) and carbon dioxide (in a supercritical state), except gathering lines in rural areas and certain other pipelines (§ 195.1). The term "gathering line" is defined in § 195.2 as "a pipeline 219.1 mm (8<sup>5</sup>/<sub>8</sub> in) or less nominal outside diameter that transports petroleum from a production facility." Section 195.2 also defines "production facility" and "rural area" without reference to the gathering line definition. RSPA has had little difficulty applying these definitions to identify gathering lines subject to part 195 or those excluded from part 195 because of location in rural areas.

### Purpose of Meeting and Request for Comment

RSPA, working with NAPSRS, is continuing to assess the acceptability of the present definitions of gas and hazardous liquid gathering lines and related definitions for purposes of determining the beginning and end of gathering. We are particularly concerned about the impreciseness of the gas definition. We are inviting new public input to this process, which we hope will be informed by the history of previously proposed definitions and their shortcomings.

We also are considering the need to establish safety regulations for onshore gas and hazardous liquid gathering lines in rural areas. While Congress initially exempted these lines from Federal regulation, it has granted DOT/RSPA authority to regulate rural gathering lines whose physical characteristics pose a special risk to the public. We are interested in receiving ideas on what situations would make it appropriate to regulate the safety of rural gathering lines, and what those regulations should be. Potential commenters should keep in mind that the pipeline industry's consensus standards in *ASME B31.4* and *ASME B31.8* apply to rural gathering lines.

We are especially interested in receiving comments on the following:

### (1) The point where gas production ends and gas gathering begins.

OPS considers the termination of gas gathering to be: (1) The outlet of a processing plant that extracts heavy ends from the natural gas; (2) The outlet of a pipeline compressor (not including a well head compressor); (3) The point where two or more well pipelines converge; or (4) The point where there is a change in ownership of the pipeline.

(2) If there is no natural gas processing plant, the point where custody of the gas is transferred to others who transport it by pipeline to:

- (i) a distribution center;
- (ii) a gas storage facility; or
- (iii) an industrial consumer.

(3) If there is no natural gas processing plant or point where custody of the gas is so transferred, the last point downstream where gas produced in the same production field or two adjacent production fields is commingled.

(4) A gathering line does not include any part of a pipeline that transports gas downstream—(i) from the end points in (1), (2), or (3) in this section; (ii) from a production facility, if no end point exists; or (iii) in any interstate transmission facility subject to the jurisdiction of the Federal Energy Regulatory Commission under the Natural Gas Act (15 U.S.C. 717 *et seq.*).

<sup>2</sup> The specific provisions are in 49 U.S.C. 60101(b): Gathering Lines.—(1)(A) Not later than October 24, 1994, the Secretary shall prescribe standards defining the term "gathering line". (B) In defining "gathering line" for gas, the Secretary—(i) shall consider functional and operational characteristics of the lines to be included in the definition; and (ii) is not bound by a classification the Commission establishes under the Natural Gas Act (15 U.S.C. 717 *et seq.*). (2)(A) Not later than October 24, 1995, the Secretary, if appropriate, shall prescribe standards defining the term "regulated gathering line". In defining the term, the Secretary shall consider factors such as location, length of line from the well site, operating pressure, throughput, and the composition of the transported gas or hazardous liquid, as appropriate, in deciding on the types of lines that functionally are gathering but should be regulated under this chapter because of specific physical characteristics. (B)(i) The Secretary also shall consider diameter when defining "regulated gathering line" for hazardous liquid. (ii) The definition of "regulated gathering line" for hazardous liquid may not include a crude oil gathering line that has a nominal diameter of not more than 6 inches, is operated at low pressure, and is located in a rural area that is not unusually sensitive to environmental damage.

<sup>3</sup> The coalition suggested the following definition of "gathering line": (a) means any pipeline or part of a connected series of pipelines used to