

December 28, 1971

Mr. T. E. Hedderman
Cody Gas Company
Box 990
Cody, Wyoming 82414

Dear Mr. Hedderman:

This is in further response to your letter of September 22, 1971, inquiring about leak reporting.

You have asked whether a gas leak that occurred inside a house is a reportable leak under the provisions of 49 CFR Part 191. In our opinion, any leak that constitutes an unintended escape of gas, that results directly from or that has a contributing cause, a defect or act on a pipeline facility over which the Department has jurisdiction, is reportable under Part 191. This assumes that the leak meets the other criteria for reporting that are stated in those regulations. If, however, the defect or act and the escape of the gas occurs outside our jurisdiction, then it is not reportable under Part 191.

Under Section 3 of the Natural Gas Pipeline Safety Act, the Secretary of Transportation has the authority and responsibility to establish safety standards to protect the public. By delegation from the Secretary, the Office of Pipeline Safety, through these standards, regulates safety for the transportation of gas and the pipeline facilities used for that transportation.

With this authority to establish safety standards designed to regulate or prevent activities that might cause the escape of gas and therefore endanger the public, this office may regulate activities that occur upstream from the downstream side of the customers meter, that is the limit of the jurisdiction retained under the Act.

To assist in carrying out the regulatory responsibility, Section 12 of the Act requires operators to "...maintain such records, make such reports, and provide such information as the Secretary may reasonably require...." Based upon this authority that has been delegated to this office, reporting is required with respect to those pipeline facilities and activities where there is jurisdiction to act. Requiring a report of incident that proximately results in the escape of gas and danger to the public, regardless of the physical location of that escape and danger, is a reasonable exercise of the authority.

In short, if the act that causes the escape or danger occurs where there is authority to regulate a report is required regardless of the physical location of the escape.

Thus, this office regulates activities that occur upstream from the downstream side of the customer's meter, but does not regulate the type of activity to which you refer that takes place in total downstream of the customer's meters.

If you have further questions, please feel free to contact us.

Sincerely,

Joseph C. Caldwell
Acting Director
Office of Pipeline Safety