



**Research and
Special Programs
Administration**

04/17/98

Mr. James S. Stites
Manager, Safety Department
111 Doctors Circle
Columbia, SC 29203

Dear Mr. Stites:

This is in response to your letter of February 18, 1998, requesting an interpretation concerning the federal jurisdiction of a non-gas utility receiving natural gas from an interstate pipeline to serve an electric generation turbine and an liquefied natural gas (LNG) plant. The LNG plant is to be located on a company's private property, and the gas from the plant may be sold for vehicular fuel.

The Research and Special Programs Administration (RSPA) considers a lateral pipeline from an interstate pipeline to an electric generation turbine and an LNG plant to be jurisdictional. Therefore, it is subject to 49 CFR Part 192. The lateral pipeline does not qualify for exclusion under the scope of §192.1. Only rural gathering lines and customer-owned service lines are exempt from Part 192.

In addition, RSPA considers an LNG plant located on a non-gas utility's private property to be subject to Part 193 because it receives gas from a Part 192 regulated pipeline and does not qualify for any exclusion under §193.2001.

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

Sincerely,

Richard D. Huriaux
Director, Technology and Standards
Office of Pipeline Safety

copy: Richard E. Sanders, TSI
Fred Joiner, Southern Region

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