

PI-73-0101

01-04-73

Mr. Harley Minniear, Director
Division of Pipeline Safety
State of Nebraska
Department of Fire Prevention
Lincoln, Nebraska 68509

Dear Mr. Minniear:

This is in reply to your letter of December 5, 1972, asking who is responsible for carrying out the pipeline safety regulations in the situation described.

As we understand the situation, a gas transmission company delivers gas through a master meter to the owner of a trailer court. The trailer court owns all piping downstream of the master meter and delivers gas to 145 metered customers of the court. The gas company reads and bills the customer meters and provides necessary repairs and services to the trailer court. The trailer court owner is billed for the difference between the sum of the 145 meters and the amount shown on the master meter.

On December 18, 1970, this office sent to the Chairman of each State agency having jurisdiction over gas pipeline safety a letter discussing, among other systems, a mobile home park system supplied from a single master meter. In that situation, there were no separate meters for individual tenants who were charged a flat rate. Under those conditions, the mains and service lines downstream of the master meter are considered to be a distribution system subject to the Natural Gas Pipeline Safety Act, and the landlord of the mobile home park is considered an operator under the gas pipeline safety regulations.

In the situation you now present, the tenants are individually metered with the meters read and billed by the serving gas company. Nevertheless, it is clear that the trailer court owner is responsible for the cost of all gas transmitted through the master meter. As with the master meter system discussed in the December 8, 1970 letter, the landlord in effect is purchasing gas from the company and distributing it from a single master meter to the various tenants in the trailer park.

The fact that the gas is metered to each tenant rather than going unmetered and charges at a flat rate does not affect the designation of the landlord's piping as a distribution system or the landlord as an operator. Under §192.3 of the regulations, a service line is defined as a distribution line that transports gas to a customer meter set assembly from a common source of supply. Where there are individual customer meters, the distribution system is regulated to the outlet side of each customer meter set assembly. The Department considers the work "customers" to mean the last person who purchases the gas before its consumption. the trailer

park system in your situation, therefore, more closely approximates a conventional distribution system than the system discussed in the December 18, 1970 letter.

The method by which the owner chooses to service its system does not alter the responsibility. Insofar as compliance with safety regulation is concerned, the landlord is free to contract with any person or company to perform necessary repairs or services on landlord-owned lines or to read the meters and collect the bills. Such arrangements, however, do not divest the owner of the responsibility.

In summary, the pipelines downstream of the master meter providing gas to the tenants in a trailer park constitute a distribution system subject to the Natural Gas Pipeline Safety Act. Whether or not the tenants of that park are individually metered and regardless of the person employed by the trailer park to perform necessary services, the owner of the trailer park's gas distribution system is the operator under our regulations. The operator has the responsibility for complying with the safety regulations including the ordorization and cathodic protection requirements which you specifically mentioned.

I trust this answers your inquiry. If there are additional questions, please contact us.

Sincerely,

/signed/

Joseph C. Caldwell
Director
Office of Pipeline Safety