



U.S. Department of Transportation
**Pipeline and Hazardous Materials
Safety Administration**

1200 New Jersey Ave, S.E.
Washington, D.C. 20590

OCT 13 2011

Ms. Alison S. F. Lambert
Gallagher Evelius & Jones LLP
Attorneys At Law
218 North Charles Street
Suite 400
Baltimore, MD 21201

Dear Ms. Lambert:

In a letter to the Pipeline and Hazardous Materials Safety Administration (PHMSA) dated May 26, 2011, you asked for guidance regarding the reporting requirements in the Federal pipeline safety regulations (49 CFR Parts 190-199). You stated that you represent a pipeline operator who currently transports a petroleum-based product by pipeline, but that the company is considering changing the type of petroleum-based product it transports. You would like guidance on the applicable reporting requirements for product change that are administered by PHMSA.

With certain exceptions, the reporting requirements in Subpart B of Part 195 apply to the transportation of petroleum or petroleum products by pipeline.¹ That includes “crude oil, condensate, natural gasoline, natural gas liquids, and liquefied natural petroleum gas,” as well as any “flammable, toxic, or corrosive products obtained from the distilling and processing of crude oil, unfinished oils, natural gas liquids, blend stocks and other miscellaneous hydrocarbon compounds.”²

A pipeline operator can change the kind of petroleum or petroleum product transported without affecting its obligations under Subpart B of Part 195. In other words, the reporting requirements for pipeline facilities used in the transportation of hazardous liquids or carbon dioxide remain the same as long as the pipeline operator continues to transport any form of hazardous liquids as defined in § 195.2.

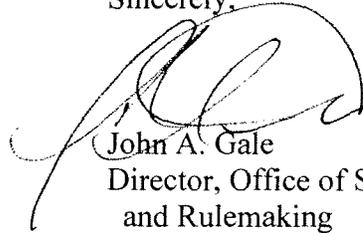
¹ 49 CFR §§ 195.0-195.1, 195.48.

² 49 CFR § 195.2.

The Pipeline and Hazardous Materials Safety Administration, Office of Pipeline Safety provides written clarifications of the Regulations (49 CFR Parts 190-199) in the form of interpretation letters. These letters reflect the agency's current application of the regulations to the specific facts presented by the person requesting the clarification. Interpretations do not create legally-enforceable rights or obligations and are provided to help the public understand how to comply with the regulations.

I hope that this information is helpful to you. If I can be of further assistance, please contact me at 202-366-4046.

Sincerely,

A handwritten signature in black ink, appearing to read "John A. Gale", with a large, sweeping flourish extending to the left.

John A. Gale
Director, Office of Standards
and Rulemaking

JUN 08 2011

ALISON LAMBERT
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May 26, 2011

John A. Gale
Director, Office of Standards and Rulemaking
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
East Building, 2nd Floor
Mail Stop: E-24 - 455
1200 New Jersey Avenue, S.E.
Washington, D.C. 20590

RE: Request for Written Interpretation

Dear Mr. Gale:

This firm represents an energy company with operations in multiple states, including the State of Maryland (the "Corporation"). The Corporation operates certain underground pipelines in the City of Baltimore, Maryland (the "Pipelines"). Currently, the Corporation transports a petroleum-based product through the Pipelines, but it is considering changing the type of petroleum-based product it transports.

The Corporation would like your guidance regarding the reporting requirements in the Pipeline Safety Regulations (49 CFR Parts 190-199) that would apply if it were to change the kind of petroleum-based product it transports through the Pipelines. To the extent that the change in product affects other regulated aspects of pipeline transportation, such as the risk assessment process, we understand that the Corporation would be responsible for making the necessary adjustments to that process internally. We also understand that federal and state agencies other than yours may regulate the reporting requirements for changing products, and that these requirements may go beyond those of the Pipeline and Hazardous Materials Safety Administration. However, the Corporation specifically requests your guidance on the applicable reporting requirements that are administered by your office.

Thank you in advance for your prompt attention to this matter.

Sincerely,



Alison S. F. Lambert

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