February 3, 1996

Mr. Terry Fronterhouse Chief, Pipeline Safety Utilities Division Arizona Corporation Commission 1200 W. Washington Street Phoenix, AZ 85007

Dear Mr. Fronterhouse:

We have considered your letter of December 5, 1995, notifying us that the Commission has granted Citizens Utilities Company a waiver from compliance with 49 CFR 192.739. This regulation requires operators to inspect and test each pressure regulating station annually to determine the condition of the station and its adequacy. The waiver applies to service-type regulators being utilized to reduce and control pressure to a multiple-meter manifold where delivery pressure to the customer is limited to a seven inch (7") water column.

Although the regulators covered by the waiver are technically "**regulator stations**," similar regulators installed with only one downstream meter are not subject to § 192.739. We do not think the presence of a multiple-meter manifold warrants application of § 192.739, as this regulation is appropriate for regulator stations that serve a network of piping resembling a distribution system. Therefore, we believe that no waiver of § 192.739 is needed. However, since the waiver has been approved at the state level, we have no objection to the waiver.

Sincerely,

Richard B. Felder Associate Administrator for Pipeline Safety

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