



U.S. Department
of Transportation

Pipeline and Hazardous Materials
Safety Administration

NOV 13 2009

1200 New Jersey Ave., SE
Washington, DC 20590

Mr. Nathan Solem
Acting Pipeline Safety Program Manager
South Dakota Public Utilities Commission
500 East Capitol Avenue
Pierre, SD 57501-5070

Dear Mr. Solem:

Pursuant to 49 U.S.C. § 60118(d), the Pipeline and Hazardous Materials Safety Administration (PHMSA) has reviewed your letter of September 16, 2009, notifying us that the South Dakota Public Service Commission (Commission), is granting NorthWestern Energy (NWE) a waiver from certain odorization requirements. Specifically, NWE requested that the Commission modify compliance with 49 CFR § 192.625(a), as adopted by the State of South Dakota pursuant to SDCL 49-34-B, and allow NWE to operate a 450 foot section of a natural gas distribution pipeline containing unodorized gas in Edmonds County, South Dakota.

The Commission's grant of the waiver is conditioned on NWE's compliance with the seven specific requirements detailed in the waiver. Based on these conditions, PHMSA does not object to the waiver of § 192.625(a) for the specified section of pipeline.

Thank you for your participation and cooperation in the State waiver concurrence process. If you wish to discuss this or any other pipeline safety regulatory matter, my staff would be pleased to assist you. Please call John Gale, Director of Regulations, at 202-366-4046, for regulatory matters or Alan Mayberry, Director of Engineering and Emergency Support, at 202-366-5124, for technical matters.

Sincerely,

Jeffrey D. Wiese
Associate Administrator for Pipeline Safety



Dustin Johnson, Chair
Steve Kolbeck, Vice Chair
Gary Hanson, Commissioner

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

500 East Capitol Avenue
Pierre, South Dakota 57501-5070
www.puc.sd.gov

Capitol Office
(605) 773-3201
1-866-757-6031 fax

Warehouse
(605) 773-5280
(605) 773-3225 fax

Consumer Hotline
1-800-332-1782

September 16, 2009

SEP 17 2009

Mr. Jeffrey Wiese
Associate Administrator of Pipeline Safety
US DOT / PHMSA / PHP-01
1200 New Jersey Ave, SE East Room E22-330
Washington, DC 20590

Dear Mr. Wiese:

The South Dakota Public Utilities Commission approved a permanent waiver of 49 CFR 192.625(a) for NorthWestern Energy's natural gas operations in South Dakota. This approval is noted in the attached order in Docket PS09-003. Please accept this letter as the required notification to PHMSA for its 60 day waiver review process.

The required information for a waiver notice is given below:

1. Name, address, and telephone number of applicant.

Melissa Baruth, Supervisor DOT
NorthWestern Energy
600 Market St.
Huron, SD 57350
605-353-7462

Ms. Sara Dannen, Corporate Counsel
NorthWestern Energy
3010 W. 69th St.
Sioux Falls, SD 57108
605-978-2940

2. Safety regulation involved: 49 CFR 192.625(a)
3. Pipeline facilities involved: 450 feet of natural gas pipeline located in Edmunds County, South Dakota (legal location: NE ¼, NE ¼, Section 28, Township 124 North, Range 66 West)
4. Justification for the waiver: Please see attached Request for Waiver
5. PUC Order and incorporated Request for Waiver is attached.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Nathan D. Solem

Nathan Solem
Acting Pipeline Safety Program Manager
605-773-4210
nathan.solem@state.sd.us

CC: Ivan Huntoon, PHMSA Office of Pipeline Safety, Central Region, 901 Locust St., Suite 462,
Kansas City, MO 64106, 816-329-3829, ivan.huntoon@dot.gov

Leonard Steiner, PHMSA Office of Pipeline Safety, Central Region, 901 Locust St., Suite
462, Kansas City, MO 64106, 816-329-3813, Leonard.steiner@dot.gov

attachments

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE FILING BY)	ORDER GRANTING WAIVER
NORTHWESTERN CORPORATION D/B/A)	
NORTHWESTERN ENERGY FOR APPROVAL)	PS09-003
OF A WAIVER OF 49 C.F.R. SECTION)	
192.625(a))	

On July 7, 2009, the Public Utilities Commission (Commission) received a filing from NorthWestern Corporation d/b/a NorthWestern Energy (NWE) requesting approval of a waiver of 49 C.F.R. Section 192.625(a). NWE requested a permanent waiver from specific aspects of the odorization of natural gas as required in the cited federal code.

At its regularly scheduled meeting on September 8, 2009, the Commission considered this matter. Commission Staff recommended approval of the waiver, subject to Staff's recommendations.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL 49-34B. The Commission further finds that the filing is just and reasonable and shall be approved, subject to the following conditions:

1. Patrolling must be conducted on a quarterly basis with the maximum interval between patrols: once every 4 ½ months, but at least four times each calendar year.
2. Leak surveys must be conducted on a quarterly basis using leak detector equipment with the maximum interval between leak surveys: once every 4 ½ months, but at least four times each calendar year.
3. The property owners who retain ownership of the easement and also the owners and/or tenants of the nearest residence must be notified on an annual basis of the following information:
 - a. The pipeline's purpose and reliability,
 - b. Awareness of hazards and prevention measures undertaken,
 - c. Damage prevention awareness,
 - d. Leak recognition and response,
 - e. Pipeline location information, and
 - f. The characteristics of natural gas.

The suggested delivery method for notification of the property owners and tenants may be conducted as outlined within NWE's public awareness plan.

4. Line markers that meet the requirements of 49 C.F.R. Part 192.707(d) must be installed at the origin of the unodorized pipeline on Northern Border Pipeline's property and at the end point on NWE's property.
5. Records of each patrol and leakage survey must be maintained for a period of at least five years.
6. The patrolling and leakage survey requirements for the 450 feet of unodorized pipeline must be included within NWE's Operations and Maintenance (O&M) manual.
7. The notification of property owners of the easement and also owners and/or tenants of the nearest residence requirements must be included within NWE's Public Awareness plan.

As the Commission's final decision in this matter, it is therefore

ORDERED, that the request seeking approval of a waiver of C.F.R. Section 192.625(a) is hereby granted, subject to PHMSA's review and consent and subject to the following conditions:

1. Patrolling must be conducted on a quarterly basis with the maximum interval between patrols: once every 4 ½ months, but at least four times each calendar year.
2. Leak surveys must be conducted on a quarterly basis using leak detector equipment with the maximum interval between leak surveys: once every 4 ½ months, but at least four times each calendar year.
3. The property owners who retain ownership of the easement and also the owners and/or tenants of the nearest residence must be notified on an annual basis of the following information:
 - a. The pipeline's purpose and reliability,
 - b. Awareness of hazards and prevention measures undertaken,
 - c. Damage prevention awareness,
 - d. Leak recognition and response,
 - e. Pipeline location information, and
 - f. The characteristics of natural gas.

The suggested delivery method for notification of the property owners and tenants may be conducted as outlined within NWE's public awareness plan.

4. Line markers that meet the requirements of 49 C.F.R. Part 192.707(d) must be installed at the origin of the unodorized pipeline on Northern Border Pipeline's property and at the end point on NWE's property.
5. Records of each patrol and leakage survey must be maintained for a period of at least five years.
6. The patrolling and leakage survey requirements for the 450 feet of unodorized pipeline must be included within NWE's Operations and Maintenance (O&M) manual.
7. The notification of property owners of the easement and also owners and/or tenants of the nearest residence requirements must be included within NWE's Public Awareness plan.

Dated at Pierre, South Dakota, this 15th day of September, 2009.

CERTIFICATE OF SERVICE	
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically.	
By: <u> <i>Delaine Kolbe</i> </u>	
Date: <u> <i>9/16/09</i> </u>	
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

Dustin M. Johnson
DUSTIN M. JOHNSON, Chairman

Steve Kolbeck
STEVE KOLBECK, Commissioner

Gary Hanson
GARY HANSON, Commissioner



Pamela A. Bonrud
Director - SD/NE Government &
Regulatory Affairs
Phone: (605) 978-2900
Fax: (605) 978-2919
Pam.Bonrud@northwestern.com

NorthWestern Corporation
d/b/a NorthWestern Energy
3010 W 69th Street
Sioux Falls, SD 57108
Telephone: (605) 978-2940
Facsimile: (605) 978-2910
www.northwesternenergy.com

July 7, 2009

Patricia Van Gerpen, Executive Director
South Dakota Public Utilities Commission
523 East Capitol Avenue
Pierre, SD 57501-5070

Re: Request for Waiver from 49 C.F.R. § 192.625(a)

Dear Ms. Van Gerpen:

Pursuant to SDCL § 49-34B-24, enclosed is a request from NorthWestern Energy for a waiver concerning 49 C.F.R. § 192.625(a), federal code governing the odorization of natural gas distribution pipelines.

Please let us know if you have any questions regarding our request.

Thank you.

Sincerely,

A handwritten signature in black ink that reads "Pamela A. Bonrud". The signature is written in a cursive style with a large initial "P".

Pamela A. Bonrud
Director – SD/NE Government and Regulatory Affairs

Attachments

cc: Melissa Baruth – Supervisor DOT, NorthWestern Energy
Sara Dannen - Corporate Counsel, NorthWestern Energy

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

In regards to:

Docket No. ____

A request by NorthWestern Corporation d/b/a
NorthWestern Energy for a permanent waiver
from 49 C.F.R. § 192.625(a)

Pursuant to SDCL § 49-34B-24, NorthWestern Corporation d/b/a NorthWestern Energy ("NorthWestern") respectfully requests a permanent waiver from 49 C.F.R. § 192.265(a). In support of its request, NorthWestern states as follows:

1) NorthWestern is a public utility providing electric and natural gas utility services to 137 (110 electric and 59 natural gas) South Dakota communities in east-central South Dakota.

2) 49 C.F.R pt. 192 consists of federal safety standards for the transportation of natural gas by pipeline. These standards are adopted for SDCL ch. 49-34B in SDCL § 49-34B-3.

3) 49 C.F.R. § 192.625(a) requires odorization of distribution lines, as noted below:

A combustible gas in a distribution line must contain a natural odorant or be odorized so that at a concentration in air of one-fifth of the lower explosive limit, the gas is readily detectable by a person with a normal sense of smell.

4) NorthWestern requests a permanent waiver of 49 C.F.R. § 192.625(a) to allow approximately 450 feet of natural gas pipeline in Edmunds County with the legal address of NE1/4, NE1/4, Section 28, T124N, R66W, to be an unodorized distribution pipeline. The line originates inside the Northern Border Pipeline property as shown in Attachment A. It then travels 450 feet west and south on an easement on private property to a regulator station leased by NorthWestern where it is odorized before

leaving the NorthWestern property. This is often referred to as station piping. Usually NorthWestern locates facilities for odorization within the station and there is a small portion, usually five to ten feet in length, of station piping between the origination/tap and odorization. In this situation, NorthWestern was unable to obtain permission from Northern Border Pipeline or to secure property immediately adjacent to the Northern Border Pipeline facilities. Due to the location of an established station owned by South Dakota Intrastate Pipeline, the land secured by NorthWestern was south and adjacent to the established South Dakota Intrastate Pipeline facility. Attachment B includes two photographs of NorthWestern's Regulator Station for the Commission's information.

5) With Commission approval of NorthWestern's request for a permanent waiver from 49 C.F.R. § 192.625(a), NorthWestern proposes the following monitoring, landowner notification, and maintenance procedures:

- ◆ According to federal code, if the 450 feet of natural gas pipeline is classified as transmission, it is required to be leak surveyed and patrolled annually. If the waiver is granted, NorthWestern agrees to leak survey and patrol the 450 feet of natural gas pipeline on a quarterly basis.
- ◆ NorthWestern agrees to annual notification to the property owners who retain ownership of the easement on the pipeline location and characteristics of natural gas. The property surrounding the easement is used for agricultural benefit. The closest residential dwelling is approximately one-half mile west of NorthWestern's Regulator Station.
- ◆ NorthWestern agrees to the installation of line markers, at the take off/origin of the natural gas pipeline and also at the end point on NorthWestern's Regulator Station property.

6) NorthWestern requests a permanent waiver since the NorthWestern Regulator Station resides 450 feet from where the line originates on the Northern Border Pipeline property.

7) Application of 49 C.F.R. § 192.625(a) without a waiver would require NorthWestern to classify this natural gas pipeline as a transmission pipeline on the condition of it not being odorized. As a transmission pipeline in a Class One Area, it is not required to be odorized per 49 C.F.R § 192.625(b)(1). In South Dakota, NorthWestern currently operates distribution natural gas pipelines but does not operate transmission natural gas pipelines, beyond the 450 feet in discussion. The small length of this line (less than one mile) requires no additional annual reporting by Pipeline and Hazardous Materials Safety Administration (PHMSA). See Attachment C, Instructions for Completing Form 7100.2-1 Annual Report for Gas Transmission and Gathering Systems. Since the natural gas pipeline in question is located in a Class One Area, there are no significant additional federal safety requirements imposed on the operator if this line is classified as distribution or transmission natural gas pipeline, unless the additional requirements noted above are imposed on the operator.

8) Approval of the waiver as requested with the additional requirements noted above imposes more stringent requirements on NorthWestern than if the line were classified as a natural gas transmission pipeline under federal pipeline safety standards.

9) 49 C.F.R. pt. 192 and SDCL ch. 49-34B contain provisions for requesting a waiver of pipeline safety provisions. Therefore, the rule subject to the petition for waiver is not specifically mandated by statute or another provision of law.

10) Approval of this request for waiver will result in additional leak surveying, pipeline monitoring, and property owner notification regarding the 450 feet of natural gas distribution pipeline compared to what would be achieved under the requirements of 49 C.F.R. § 192.625(b)(1).

11) The 450 feet of natural gas distribution pipeline under question in this request for waiver is constructed of four-inch steel line buried at a depth greater than 30 inches. The line operates at less than 20 percent SMYS (Specified Minimum Yield Strength) with a maximum allowable operating pressure of 1440 pounds per square inch (psi). The line became operational in 2008 to serve the Glacial Lakes Mina Ethanol plant.

12) Approval of this request for waiver will enable NorthWestern to classify and operate the 450 feet of natural gas pipeline as distribution pipeline with the added maintenance requirements of quarterly leak surveying, patrolling, and annual notification to the legal landowner.

13) NorthWestern is not aware of any persons who may be adversely impacted by the granting of this request for waiver.

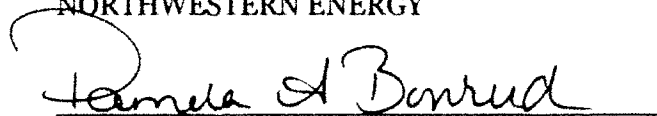
NorthWestern welcomes the opportunity to respond to any questions concerning this request.

WHEREFORE NorthWestern respectfully requests the South Dakota Public Utilities Commission grant a permanent waiver of 49 C.F.R. § 192.625(a).

Dated at Sioux Falls, South Dakota, this 7th day of July, 2009.

Respectfully submitted,

NORTHWESTERN CORPORATION d/b/a
NORTHWESTERN ENERGY



Pamela A. Bonrud
Director – SD/NE Government & Regulatory
Affairs
3010 West 69th Street
Sioux Falls, SD 57108
Telephone: (605) 978-2900
E-mail: pam.bonrud@northwestern.com

INSTRUCTIONS FOR COMPLETING FORM PHMSA F 7100.2-1 (Rev.12/05)
ANNUAL REPORT FOR CALENDAR YEAR 2008
GAS TRANSMISSION AND GATHERING SYSTEMS

Reporting requirements are in Part 191 of Title 49 of the Code of Federal Regulations (CFR) Transportation of Natural and Other Gas by Pipeline: Annual Reports, Incident Reports, and Safety-Related Condition Reports. Annual reports must be submitted by **March 15th** for the preceding calendar year. Report **TOTAL** miles of pipeline in the system at the end of the reporting year, including additions to the system during that year. **Please note that Operators operating less than one (1) mile of pipeline are not required to file an annual report.**

Each transmission system or non-rural gathering system operator is required to file an annual report. The terms operator, distribution line, gathering line, and transmission line are defined in §192.3 of the CFR. If an operator determines that pipelines fall under the definition for distribution lines, he or she should follow the instructions for Form PHMSA F 7100.1-1.

Use one of the following methods to submit your report. We prefer online reporting over hardcopy submissions. If you prefer, then you can mail or fax your completed reports to DOT/PHMSA.

Methods:

1. Online:

- a. Navigate to the OPS Home Page <http://www.phmsa.dot.gov/pipeline>, click the **ONLINE DATA ENTRY** link listed in the fourth column of hyperlinks on the Pipeline Safety Community main page
- b. Click on the Annual Gas Transmission and Gathering Systems Report name
- c. Enter Operator ID and PIN (*the name that appears is the operator name assigned to the operator ID and PIN and is automatically populated by our database and cannot be changed by the operator at the time of filing*).
- d. Click **add** to begin
- e. Click **submit** when finished. NOTE: For supplemental reports use steps 1a and 1b then click on the report ID to make corrections. Click **save** when finished.
- f. A confirmation page will appear for you to print and save for your records

If you submit your report online, PLEASE DO NOT MAIL OR FAX the completed report to DOT as this may cause data entry errors.

2. Mail to:

DOT/PHMSA Office of Pipeline Safety
Information Resources Manager,
1200 New Jersey Ave., SE
East Building, 2nd Floor, (PHP-10)
Room Number E22-321
Washington, DC 20590

3. Fax to: Information Resources Manager at (202) 366-4566.

GENERAL INSTRUCTIONS

If you need copies of the Form PHMSA F 7100.2-1 and/or instructions they can be found on the Pipeline Safety Community main page, <http://www.phmsa.dot.gov/pipeline>, by clicking the Library hyperlink and then the Forms hyperlink under the “Mini-Menu”. If you have questions about this report or these instructions, please call (202) 366-8075. Please type or print all entries when submitting forms by mail or fax.

Please round all mileage to the nearest 3 decimal positions. **DO NOT USE FRACTIONS.** Examples of rounding are as follows: 3/8 should round to 0.375; 3/4 should round to 0.75 and 1/2 should round to 0.5.

The total mileage reported in Part B sections 1 through 4 **MUST** all sum to the same totals in the appropriate rows. Please do not to report miles of pipeline in feet. If necessary, please convert feet into a decimal notation (e.g. 1,320 feet = .25 miles).

Make an entry in each block for which data is available. Estimate data if necessary. Please avoid entering mileage in the **UNKNOWN** columns where possible. We recognize that some companies may have very old pipe for which installation records may not exist. Enter estimate of the total of such mileage in the **UNKNOWN** section of item 3: “Miles of Pipe by Decade of Installation”.

SPECIFIC INSTRUCTIONS

Enter the Calendar Year for which the report is being filed. Check **Initial Report** if this is the original filing for this calendar year. Check **Supplemental Report** if this is a follow-up to a previously filed report to amend or correct information. On Supplemental Reports, please complete Part A and only amended, revised, or added information for Parts B, C, D and E.

PART A - OPERATOR INFORMATION

Insert the operator name and address data. Report the address where additional information can be found.

The operator's five digit identification number appears on the PHMSA mailing label (without leading zeroes when less than 10000). If the person completing the report does not have the operator identification number, they should contact the Information Resources Manager or PHMSA at (202) 366-8075 for the five-digit operator identification number.

Enter **the State for which information is being reported.** An operator should submit a separate report for all company transmission or non-rural gathering operations for each State in which it operates. A company may submit separate reports for subsidiaries or affiliate operations. Please do not report a pipeline facility more than once.

PART B - SYSTEM DESCRIPTION

The mileage of pipeline supplied in Part B, sections 1 and 2, will be used to better protect people and the environment. Mileage reported should accurately reflect miles of pipe meeting the PHMSA gas transmission and non-rural gathering line definitions. In the past, short segments of pipeline operated by distribution systems at less than 20 percent of the specified minimum yield strength (SMYS) have sometimes been inaccurately reported as transmission lines. Please carefully consider all reported pipelines classifications.

COATED means pipe coated with an effective hot or cold applied dielectric coating or wrapper.

OTHER PIPE means a pipe made of material not specifically designated on the form, such as copper, aluminum, etc. Enter the Other Pipe material, either in the column heading or by an attachment if mileage of Other Pipe is shown.

Include Outer Continental Shelf pipelines under offshore in Part B, sections No. 1 and No. 2.

Provide miles of pipe by decade installed in Part B, section 3. Estimate if exact totals aren't known. Where decade of installation is not known because records do not exist for such information, enter an estimate of this mileage in the UNKNOWN column. The sum total of mileage reported for Part B, section 3 should match total mileage reported in Part B sections 1, 2, and 4.

Provide miles of pipe by class location in Part B, section 4. Class location is defined in 49 Code of Federal Regulations (CFR) Part §192.5. These definitions are provided in Appendix A, below. All offshore mileage is Class 1.

PART C - TOTAL LEAKS ELIMINATED/REPAIRED DURING YEAR

Include all reportable leaks or ruptures and non-reportable leaks or ruptures repaired or eliminated including replaced pipe or other component during the calendar year. Do not include test failures.

Leaks are **unintentional escapes of gas from the pipeline**. A non-hazardous release that can be eliminated by lubrication, adjustment, or tightening is not a leak.

A reportable leak is one that meets the specific criteria of §191.5 and is reported on Form PHMSA F 7100.2, Incident Report - Gas Transmission and Gathering Systems. A non-reportable leak is one that is not reported under §191.5.

Leaks are classified as:

CORROSION: leak resulting from a hole in the pipe or other component that galvanic, bacterial, chemical, stray current, or other corrosive action causes.

NATURAL FORCES: leak resulting from earth movements, earthquakes, landslides, subsidence, lightning, heavy rains/floods, washouts, flotation, mudslide, scouring, temperature, GasTransAnnualInstructions 122008 Final 7100 2-1

frost heave, frozen components, high winds, or similar natural causes.

EXCAVATION: leak resulting from damage caused by earth moving or other equipment, tools, or vehicles. Include leaks from damage by operator's personnel or contractor or people not associated with the operator.

OTHER OUTSIDE FORCE DAMAGE: Include leaks caused by fire or explosion and deliberate or willful acts, such as vandalism.

MATERIAL AND WELDS: leak resulting from failure of original sound material from force applied during construction that caused a dent, gouge, excessive stress, or other defect that eventually resulted in a leak. This includes leaks due to faulty wrinkle bends, faulty field welds, and damage sustained in transportation to the construction or fabrication site. Also include leak resulting from a defect in the pipe material, component, or the longitudinal weld or seam due to faulty manufacturing procedures. Leaks from material deterioration, other than corrosion, after exceeding the reasonable service life, are reported under "Other".

EQUIPMENT AND OPERATIONS: leak resulting from malfunction of control/relief equipment including valves, regulators, or other instrumentation; stripped threads or broken pipe couplings on nipples, valves, or mechanical couplings; or seal failures on gaskets, O-rings, seal/pump packing, or similar leaks. Also include leaks resulting from inadequate procedures or safety practices, or failure to follow correct procedures, or other operator error.

OTHER: leak resulting from any other cause, such as exceeding the service life, not attributable to the above causes.

OFFSHORE includes jurisdictional pipelines on the Outer Continental Shelf.

PART D - TOTAL NUMBER OF LEAKS ON FEDERAL LAND OR OCS REPAIRED OR SCHEDULED FOR REPAIR

FEDERAL LANDS means All lands owned by the United States except lands in the National Park System, lands held in trust for an Indian or Indian tribe, and lands on the Outer Continental Shelf.", as defined in 30 USC Section 185.

Enter all leaks repaired, eliminated, or scheduled for repair during the reporting year, including those reported as incidents on Form PHMSA F 7100.2.

OUTER CONTINENTAL SHELF pipelines are separated to differentiate from other Federal offshore areas, which could be within a lake or river.

PART E - NUMBER OF KNOWN SYSTEM LEAKS AT END OF YEAR SCHEDULED FOR REPAIR

Include all known leaks scheduled for elimination by repairing or by replacing pipe or some other component.

PART F - PREPARER AND AUTHORIZED SIGNATURE

PREPARER is the name of the person most knowledgeable about the report or the person to be contacted for more information. Please include the direct phone number and email address.

AUTHORIZED SIGNATURE may be the preparer, an officer, or other person whom the operator has designated to review and sign reports. Please include the direct phone number and email address. If submitting via the Online Data Entry System your Operator ID and PIN take the place of the Authorized Signature.

APPENDIX A

Sec. §192.5 Class locations.

(a) This section classifies pipeline locations for purposes of this part. The following criteria apply to classifications under this section.

(1) A "class location unit" is an onshore area that extends 220 yards (200 meters) on either side of the centerline of any continuous 1-mile (1.6 kilometers) length of pipeline.

(2) Each separate dwelling unit in a multiple dwelling unit building is counted as a separate building intended for human occupancy.

(b) Except as provided in paragraph (c) of this section, pipeline locations are classified as follows:

(1) A Class 1 location is:

(i) An offshore area; or

(ii) Any class location unit that has 10 or fewer buildings intended for human occupancy.

(2) A Class 2 location is:

(i) Any class location unit that has more than 10 but fewer than 46 buildings intended for human occupancy.

(3) A Class 3 location is:

(i) Any class location unit that has 46 or more buildings intended for human occupancy; or

(ii) An area where the pipeline lies within 100 yards (91 meters) of either a building or a small, well-defined outside area (such as a playground, recreation area, outdoor theater, or other place of public assembly) that is occupied by 20 or more persons on at least 5 days a week for 10 weeks in any 12-month period. (The days and weeks need not be consecutive.)

(4) A Class 4 location is any class location unit where buildings with four or more stories above ground are prevalent.

(c) The length of Class locations 2, 3, and 4 may be adjusted as follows:

(1) A Class 4 location ends 220 yards (200 meters) from the nearest building with four or more stories above ground.

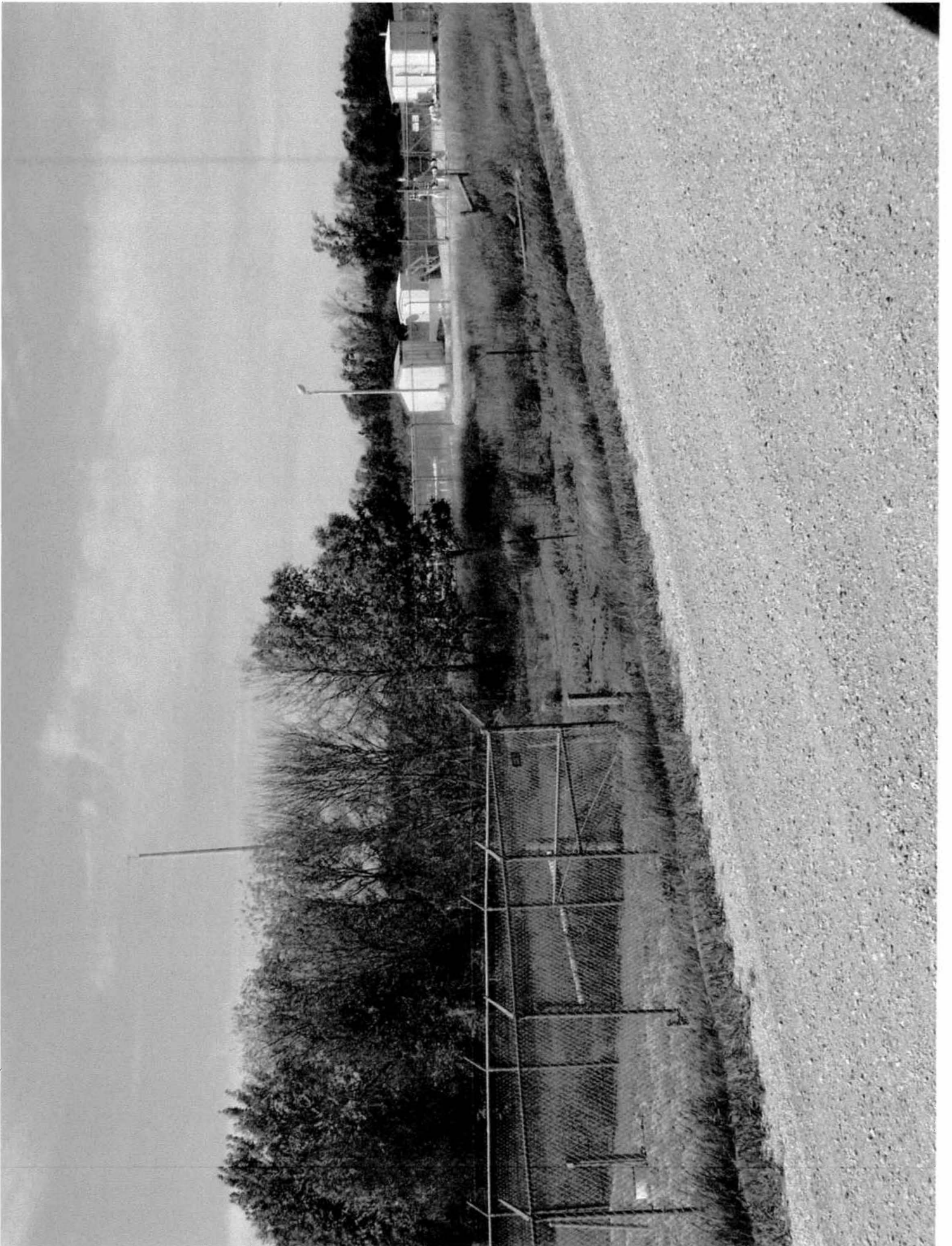
(2) When a cluster of buildings intended for human occupancy requires a Class 2 or 3 location, the class location ends 220 yards (200 meters) from the nearest building in the cluster.



Attachment A



Attachment R 16



Attachment R 7/2

