

Chapter 9**Defining Gas Gathering:
What a Long, Strange Trip It's Been****Gregory D. Russell***Vorys, Sater, Seymour and Pease LLP***Columbus, Ohio¹****Synopsis**

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§ 9.01. Introduction.

Historically, the gathering of natural gas in rural areas has been exempt from regulation under the Natural Gas Pipeline Safety Act of 1968. Producers and regulators, however, have often disagreed over whether a rural line is a production or gathering line—and therefore unregulated; or a transmission line—and therefore regulated. The difference can mean thousands of dollars in often unneeded system upgrades and compliance costs, as well as the potential costs associated with unnecessary enforcement actions.

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Recently, the U.S. Department of Transportation's Office of Pipeline Safety (OPS) reinvigorated a 30-year effort to define gas gathering for purposes of enforcing federal pipeline safety regulations and to remove the uncertainties that exist. This chapter addresses the history of federal gathering line safety regulation and offers some background on the OPS' new regulatory initiative.

§ 9.02. Regulatory Background.

[1] — A Brief History of Natural Gas Pipeline Safety Regulation.

In 1950, Congressman John Heselton introduced H.R. 5933 in the 81st Congress to authorize the Federal Power Commission to prescribe safety requirements for natural gas companies.² This was possibly the first federal effort to regulate the safety of natural gas transportation by pipeline and was prompted by the tremendous growth experienced—and ensuing risks presented—by the natural gas industry following the Second World War. Illustrative of that growth is the remarkable increase in natural gas pipeline mileage from 1945 to 1968 (growing nearly three-fold, from approximately 285,000 miles to 800,000 miles)³ and the corresponding increase in use of natural gas as an energy source (growing from approximately one-eighth of the nation's total energy consumption in 1945 to approximately one-third in 1968).⁴

While relatively rare, during that same period there were a number of tragic accidents that occurred involving the transportation of natural gas. One of the more catastrophic occurred on March 4, 1965, when a pipeline ruptured in Natchitoches, Louisiana, resulting in an explosion that killed 17 people and destroyed a 13-acre area, including five houses and several automobiles.⁵ An investigation showed that the rupture occurred in a Tennessee Gas Pipeline 24-inch high pressure line located near a highway. Investigators could point to nothing out of the ordinary that would have

² H.R. Rep. No. 90-1390 at 3227 (1968).

³ *Id.* at 3224-25.

⁴ *Id.* at 3225.

⁵ *Id.* at 3226.