

**BEFORE THE TENNESSEE REGULATORY AUTHORITY**

**NASHVILLE, TENNESSEE**

**October 20, 2014**

**IN RE:**

**APPLICATION OF NASHVILLE GAS COMPANY,  
A DIVISION OF PIEDMONT NATURAL GAS  
COMPANY, INC., FOR A WAIVER OF SECTIONS  
192.121 AND 192.123(a) OF PART 192 OF U.S.C.  
TITLE 49**

**DOCKET NO.  
01-01133**

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**ORDER REPEALING WAIVER OF THE REQUIREMENTS  
REGARDING PIPE DESIGN PURSUANT TO  
49 C.F.R. §§ 192.121 AND 192.123(a)**

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This matter came before Chairman Herbert H. Hilliard, Vice Chairman David F. Jones and Director Robin Bennett of the Tennessee Regulatory Authority (the "Authority" or "TRA"), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on September 15, 2014, for consideration of the request by Piedmont Natural Gas Company, Inc. ("Piedmont") to repeal the waiver of certain federal requirements for the design of plastic pipe granted by an Order of the Authority dated June 17, 2002.

**BACKGROUND**

On December 19, 2001, Nashville Gas Company (now Piedmont), filed its *Application of Nashville Gas Company, a Division of Piedmont Natural Gas Company, Inc. for a waiver of Sections 192.121 and 192.123 (a) of Part 192 of U.S.C. Title 49 to permit the use of polyamide resin (also known as Nylon 11, PA 11 or Rilsan™) as a piping material to distribute natural gas at operating pressures up to 200 psig as limited by its approved Plastic*

*Pipe Hydrostatic Design Basis design factor of 0.40 and the use of design formula contained within Section 192.121.* Piedmont filed a revised Application on March 5, 2002.

The revised Application requested that the Authority issue a waiver from the design of plastic pipe found at 49 C.F.R. §§ 192.121 and 192.123(a).<sup>1</sup> Section 192.121 set forth formulas for determining the design pressure for plastic pipe, while Section 192.123(a) set forth limitations regarding design pressure and operating temperatures. Piedmont sought the waiver in order to use polyamide resin (also known as Nylon 11, PA 11 or Rilsan™) as a piping material to be used in the distribution of natural gas. Piedmont proposed to use this piping material at operating pressures that varied from the requirements of Section 192.123(a) by up to 200 psig as limited by its approved Plastic Pipe Hydrostatic Design Basis rating of 2500 psi, and using a design factor of 0.40 in the formula contained within Section 192.121.<sup>2</sup>

Following notice and a hearing, by an Order dated June 17, 2002, the Authority granted a waiver of 49 C.F.R. §§ 192.121 and 192.123(a). By a letter dated August 14, 2002, the Office of Pipeline Safety (“OPS”) of the U.S. Department of Transportation filed an objection to the waiver pursuant to 49 U.S.C. § 60118(d), thereby staying the waiver, pending the receipt of additional information.<sup>3</sup> OPS withdrew its objections and lifted the stay in a letter dated November 29, 2002, and the waiver became effective.<sup>4</sup>

#### **PIEDMONT’S REQUEST**

On August 28, 2014, Piedmont filed a letter requesting that the Authority repeal the waiver. According to Piedmont, in cooperation with the Gas Technology Institute (GTI),

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<sup>1</sup> 49 U.S.C. § 60118 allows a state authority to waive compliance with a safety standard after notice and an opportunity for hearing.

<sup>2</sup> See Revised Petition, p. 4 (March 5, 2002).

<sup>3</sup> See Letter from Stacey L. Gerard, Associate Administrator for Pipeline Safety, to Glynn Blanton (September 3, 2002).

<sup>4</sup> See Letter from Stacey L. Gerard, Associate Administrator for Pipeline Safety, to Glynn Blanton (December 6, 2002).

Piedmont installed 5,723 feet of 2-inch PA 11 main line along Rutland Road NW and Hunting Hills Road in Mount Juliet, Tennessee. This main was installed for a test program on a project that was implemented from March 31 through May 14, 2003. Under the terms of the waiver, sample sections of the pipe were removed on May 18, 2004 and May 20, 2005 and sent to GTI for testing.<sup>5</sup>

In 2006, the manufacturer reported that there was an issue with a compound used in the colorant that caused the pipe to oxidize. The manufacturer recommended that the pipe be replaced and offered to provide pipe for that purpose. Piedmont decided to withdraw from the test program and replaced the mains and the services within the project area with Piedmont's standard material – medium density polyethylene pipe. The new piping was installed between October 31, 2006, and January 9, 2007. All PA 11 piping materials were retired from service at that date. Because PA 11 pipe is no longer in service, Piedmont requested that the waiver be closed.<sup>6</sup>

#### **FINDINGS AND CONCLUSIONS**

At a regularly scheduled Authority Conference held on September 15, 2014, the panel reviewed Piedmont's request for a repeal of the Authority's waiver of 49 C.F.R. §§ 192.121 and 192.123(a). The panel determined that because the PA 11 pipe is no longer in service, the waiver is no longer necessary. Therefore, the panel voted unanimously to grant Piedmont's request and to repeal the Authority's waiver of 49 C.F.R. §§ 192.121 and 192.123(a), as previously granted by an Order dated June 17, 2002.

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<sup>5</sup> See Letter from James M. Thweatt, Operations Manager, to Annette Ponds (August 28, 2014).

<sup>6</sup> *Id.*

**IT IS THEREFORE ORDERED THAT:**

1. The waiver of 49 C.F.R. §§ 192.121 and 192.123(a) previously granted to Piedmont Natural Gas Company, Inc. by an Authority Order dated June 17, 2002, is repealed.
2. A copy of this Order shall be provided to the Pipeline and Hazardous Materials Safety Administration ("PHMSA") of the U.S. Department of Transportation for its records.

**Chairman Herbert H. Hilliard, Vice Chairman David F. Jones and Director Robin Bennett concur.**

**ATTEST:**

  

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**Earl R. Taylor, Executive Director**