Exhibit 1

Interpretation 192.3 (Transmission Line) 9

Ms Mary E. Brazelton

Executive Secretary

Public Service Commission

of the District of Columbia

1625 I Street, N.W.

Washington, D.C. 20006

Dear Ms. Brazelton:

This responds to your letter of November 18, 1977, asking us to clarify an apparent difference of opinion on whether the Washington Gas Light Company (WGL) operates transmission lines in the District of Columbia.

After reviewing the matter, it appears that the issue may involve a misunderstanding of the definition of the term "transmission line" as set forth in 49 CFR 192.3. This definition provides, in relevant part, that a pipeline is a "transmission line" if it "transports gas from a gathering line or storage facility to a distribution center of storage facility." Referring to this definition, the WGL concludes in its letter to you dated October 31, 1977, that it does not have any transmission lines in the District of Columbia in part because it "has no gathering lines or gas storage fields within the District." This conclusion does not follow, however, because neither ownership of, nor the presence of, gas storage fields or gathering lines in the District is determinative of whether lines operated by the WGL in the District are properly classified as transmission lines.

In the October 7, 1977, colloquy, Mr. Heverly referred to WGL-operated pipelines running between interstate transmission lines outside the District and distribution centers inside the District as "transmission lines." In our view, his interpretation is correct. With the classification scheme of Part 192, the true beginnings of these lines are not the interstate lines, themselves, but the sources of the

interstate lines. These WGL-owned lines are merely extensions of transmission lines which begin at junctures with gathering lines or storage fields located outside the District.

We trust that this analysis will be useful to the Commission in carrying out its enforcement responsibilities.

Sincerely,

Cesar DeLeon

Acting Director

Office of Pipeline

Safety Operations

Exhibits 2 & 3

Interpretation 192.3 (Transmission Line) 12

Mr. A. D. Simpson, III

East Tennessee Natural Gas Company

P.O. Box 2511

Houston, Texas 77001

Dear Mr. Simpson:

As a result of your September 6, 1978, letter supplying additional information about the Kingsport Lateral System, we have reconsidered our Interpretation of August 2, 1978, that the portion of the Kingsport Lateral System used to deliver gas to the General Shale Corporation is not a "transmission line."

Of particular importance is your point that the present definition of "transmission line" in 49 CFR 192.3 was not preceded by a proposed definition of the term in the notices of proposed rulemaking upon which Part 192 is based. Since the term "transmission line" was used in those notices and the notices were, in general, based on the U.S.A.S. B31.8 Code (1968 ed.), we agree that the notices must have been drafted with the B31.8 definition of "transmission line" in mind. Under these circumstances, it would be improper to conclude as we did in the August 2, 1978, Interpretation that the adopted definition of "transmission line" in Part 192 was intended to alter the meaning intended by the B31.8 Code.

Since the term "transmission line" in Part 192 is intended to have the same meaning as that in the B31.8 Code, it follows that the term "distribution center," which marks the end of a "transmission line" in the adopted definition, must be interpreted to include a "large volume customer," a term which marked the end of a "transmission line" under the B31.8 Code.

To apply this interpretation, we must determine what B31.8 meant by "large volume customer." There is no question that as we previously stated, a "distribution center" occurs at a "point where gas enters piping used primarily to deliver gas to customers who purchase it for consumption." Basically, this includes points where title to gas is transferred from a transmission company to a distribution company. Since in the B31.8 Code, the terms "distribution center" and "large volume customer" were both used to define the end of a "transmission line," it is logical to conclude that except for the factor of resale, a "large volume customer" meant a customer with attributes similar to those of a distribution company. Foremost among

these attributes are the receipt of similar volumes of gas and the operation of piping facilities common to a distribution company. Thus, a customer fitting this description would also represent a "distribution center" under Part 192.

To properly answer your original inquiry, we have looked at whether the General Shale Corporation qualifies as a "large volume customer" within the meaning of the B31.8 Code. Based on the information you have submitted, we find that General Shale (1) receives gas in a quantity almost as large as that delivered to the neighboring distribution company, Volunteer Natural Gas Company; and (2) operates piping similar to that operated by a distribution company. Since these factors characterize a "large volume customer" within the meaning of "distribution center" under the adopted "transmission line" definition, the portion of the Kingsport Lateral System serving General Shale, or the General Shale lateral, is a "transmission line" under Part 192. Further, based on the information provided in your May 17, 1978, letter, concerning class locations, it appears that at least 50 percent of the length of the General Shale lateral is in a Class 1 location, and therefore, the lateral is exempt from orodization [sic] under section 192.625(b)(3).

To ensure that our interpretation of "transmission line," particularly the "distribution center" aspect regarding "large volume customers" is applied uniformly, we intend to publish it in the Federal Register. At the same time, we will invite public comments on the impact of this interpretation on the regulated industry and on public safety, and also on our judgment as to what constitutes a "large volume customers." If the comments warrant it, we may change our interpretation or propose to change the definition of "transmission line."

Sincerely,

Cesar De Leon

Associate Director for

Pipeline Safety Regulation

Materials Transportation Bureau

Exhibit 4

Interpretation 192.3 (Transmission Line) 10

Mr. A. D. Simpson, III

East Tennessee Natural Gas Company

P.O. Box 2511

Houston, Texas 77001

Dear Mr. Simpson:

By letter of May 17, 1978, you requested our opinion on whether 49 CFR 192.625(b)(1) and (2) requires East Tennessee to odorize that portion of its Kingsport Lateral System that is used to deliver gas to the General Shale Corporation.

As shown on Exhibit A to your May 17 letter, the Kingsport Lateral System consists of an arrangement of interlocking pipelines from East Tennessee's 3300 line. That portion of the System serving General Shale consists of the Kingsport Lateral, about 2,642 feet of the Mead Corporation Lateral, and the General Shale Lateral.

To answer you correctly, we asked for an explanation of East Tennessee's basis for classifying that portion of the System serving General Shale as a "transmission line" under Part 192. This information was provided by your letter of June 9, 1978.

You have made at least three separate arguments: First, you point out that under the industry code in effect before the adoption of 49 CFR Part 192 (the ANSI B31.8 Code), a "transmission line" was defined as " 'pipe installed for the purpose of transmitting gas from a source or sources of supply to one or more distribution centers or to one or more large volume customers...'" Because of the volume being delivered to General Shale (4196 Mcf/d), presumably we are to conclude that the pipeline involved is a transmission line under the ANSI definition. Regardless of such a conclusion, however, the term "transmission line" is defined in Part 192 (§192.3), and it is that definition that we must look to first in determining which gas pipelines are subject to Part 192 standards that apply to transmission lines. Only if

the "transmission line" definition is considered ambiguous in any respect would we look for clarifying information in background documents such as the B31.8 Code.

Your next argument relates to the statutory definition of the term "interstate transmission facilities." You state that all East Tennessee's facilities fall within that statutory definition and, therefore, are by implication "transmission pipelines." Notwithstanding this implication, the term "transmission line" in Part 192 is not defined in terms which relate to an "interstate transmission facility." Therefore, it cannot be correctly concluded that if a pipeline fits the statutory definition of "interstate transmission facility," it is consequently a "transmission line" under Part 192. Further, while we disagree with your interpretation of the 1976 amendment to the statutory definition of "interstate transmission facility," we concur with your view that there is no relation between that amendment and the classification of pipelines as "transmission lines" under Part 192.

Your last argument relates to the definition of the term "transmission line" in Section 192.3. Under Section 192.3, if a gas pipeline which is not a gathering line (1) either transports gas from a gathering line or storage facility to a distribution center or storage facility,(2) operates at 20 percent or more of SMYS, or (3) transports gas within a storage field, it is a "transmission line." Otherwise it is a "distribution line." Considering all the information presented (including the excerpted Technical Pipeline Safety Standards Committee transcript), it appears that by this definition, that portion of the Kingsport Lateral System used to deliver gas to the General Shale Corporation would be a transmission line in its entirety only if the point of delivery qualifies as a "distribution center." Since this latter term is not defined, it must be interpreted in light of its ordinary meaning and usage in the industry.

You have argued that the point of delivery to General Shale is a "distribution center" because the downstream piping is "a distribution network which delivers gas to the various points of utilization in the General Shale plant." We are not persuaded, however, that the natural gas transmission industry commonly refers to a point of delivery to an industrial customer as a "distribution center." The word "distribution" itself has a plural connotation, and the ANSI definition of "transmission line" which you cited distinguishes "distribution centers" from "large volume customers."

We have not found a written definition of the term "distribution center" in ANSI B31.8 or in other relevant background material. Nevertheless, we believe that the term commonly refers to that point where gas enters piping used primarily to deliver gas to customers who purchases it for consumption as opposed to customers who purchase it for resale. In this sense, the connection of the Kingsport Lateral with the 3300 Line is a "distribution center," and the downstream piping comprises either mains or service lines which must be odorized under the requirements of Section 192.625(a).

We recognize that under this interpretation, the lines serving General Shale have a different classification than existed under ANSI B31.8 prior to the adoption of Part 192. However, we have no reason to believe that the Part 192 definition of "transmission line" - inasmuch as it deletes the reference to large volume customers contained in the ANSI definition - was not intended to alter prior classifications. Indeed, just the opposite seems true, as indicated by the preamble to Part 192 where it is stated with respect to Section 192.3, "We have defined those terms which are being used in a different sense than the commonly understood meaning.

Sincerely,

Cesar De Leon

Associate Director for

Pipeline Safety Regulation

Materials Transportation Bureau

Exhibit 5

Interpretation 192.3 45

Mr. Joe M. Johnson
Acting Bureau Chief
New Mexico Public Regulation Commission
Pipeline Safety Bureau
1120 Paseo de Peralta
Santa Fe, New Mexico 87504

Dear Mr. Johnson:

In a letter to the Pipeline and Hazardous Materials Safety Administration (PHMSA) dated September 15, 2009, you requested an opinion/interpretation on whether the following pipelines operated by New Mexico Gas Company (NMGC) should be regulated as transmission pipelines or distribution pipelines (as described by New Mexico Public Regulation Commission):

1. Animas Power Plant 6" diameter - an intrastate natural gas pipeline that transports natural gas from a transmission line to a large volume customer (Animas Power Plant).

2. Farmington (Bluffview) Power Plant 8" diameter - an intrastate natural gas pipeline that transports natural gas directly from a transmission line to large volume customers (Animas and Bluffview power plants).

3. Tucumcari Mainline - an intrastate natural gas pipeline that transports natural gas directly from a transmission to distribution centers (Tucumcari Townplant, Northeast Regulator Station, and Baker Kelso Regulator Station). This pipeline is a continuation of the Clovis Transmission Line that transports natural gas from EI Paso Natural Gas Company's intrastate pipeline system to New Mexico Gas Company's Northeast Area distribution centers, and is not downstream of a distribution center.

NMGC has designated a valve at the Clovis Border Regulator Station as the end point of the Clovis Transmission Line and the beginning of the Tucumcari and Cannon mainlines. The Clovis Transmission line and the Tucumcari and Cannon mainlines all operate at 300 psig. The Tucumcari Mainline runs approximately 62 miles from Mile Post 0 at the Clovis Border Regulator Station to the Tucumcari Townplant distribution center.

4. Cannon Mainline - an intrastate natural gas pipeline that transports natural gas directly from a transmission to distribution centers (Northwest Regulator Station, Mixon lane Regulator Station, Hayfield Farmers Regulator Station, 6084 Regulator Station, Port Air Dairyman Regulator Station, Port Air Farmers Regulator Station, and Clovis Expansion Regulator Station). This pipeline is a continuation ofthe Clovis Transmission line that transports natural gas from EI Paso Natural Gas Company's Intrastate

pipeline system to New Mexico Gas Company's Northeast Area distribution centers, and is not downstream of a distribution center.

5. Northeast Distribution Mainline - an intrastate natural gas pipeline. The pipeline is a loop line that can be used to: (a) transports natural gas from EI Paso Natural Gas Company's interstate pipeline via NMGC's Clovis Transmission line to the Tucumcari Townplant distribution center without going to the Clovis Border Regulator Station, or (b) transport natural gas to the Clovis Townplant distribution center via the Tucumcari Mainline.

6. Portales Mainline - an intrastate natural gas pipeline that transports natural gas from the Clovis Transmission line, and Transwestern's interstate transmission line to distribution centers (Portales Townplant, Grinder Regulator Station, Baxter Regulator Station, Midway Regulator Station, and Cameo Regulator Station). Pressure on the pipeline is regulated at 200 psig just downstream of the Transwestern interconnect at the Clovis Transmission line. There are no service lines on the Portales Mainline and the pipeline runs approximately 20 miles to the Portales Townplant distribution center.

Based on the provided information, we agree with the Commission's determination that all of the specified lines meet the definition of a transmission line. PHMSA' s responses concerning each of the specified lines are as follows:

1. Regarding the Animas Power Plant 6" line, we believe this line is a transmission line because under the first definition of a transmission line this line transports gas from a transmission line to a large volume customer that is not downstream from a distribution center.

2. Regarding the Farmington (Bluffview) Power plant 8" line, we believe this line is a transmission line because under the first definition of a transmission line this line transports gas from a transmission line to a large volume customer that is not downstream from a distribution center.

3. Regarding the Tucumcari Mainline, we do not consider a decrease in pressure to below 20 percent SMYS at a transmission line to be a "distribution center" and lines downstream of that point to be distribution lines - this would violate the intent of the pipeline safety regulations. We consider a "distribution center" to be the point where gas enters piping used primarily to deliver gas to customers who purchase it for consumption as opposed to customers who purchase it for resale. Therefore, in our opinion, this line is an extension of the Clovis transmission line.

4. Regarding the Cannon Mainline, we do not consider a decrease in pressure to below 20 percent SMYS at a transmission line to be a "distribution center" and lines downstream of that point to be distribution lines - this would violate the intent of the pipeline safety regulations. We consider a "distribution center"

to be the point where gas enters piping used primarily to deliver gas to customers who purchase it for consumption as opposed to customers who purchase it for resale. Therefore, in our opinion, this line is an extension of the Clovis transmission line.

5. Regarding the Northeast Distribution Mainline, we do not consider a decrease in pressure to below 20 percent SMYS at a transmission line to be a "distribution center" and lines downstream of that point to be distribution lines - this would violate the intent of the pipeline safety regulations. We consider a "distribution center" to be the point where gas enters piping used primarily to deliver gas to customers who purchase it for consumption as opposed to customers who purchase it for resale. Therefore, in our opinion, this line is an extension of the Clovis transmission line or the Tucumcari Mainline as described by PSB.

6. Regarding the Portales Main line, we do not consider a decrease in pressure to below 20 percent SMYS at a transmission line to be a "distribution center" and lines downstream of that point to be distribution lines - this would violate the intent of the pipeline safety regulations. We consider a "distribution center" to be the point where gas enters piping used primarily to deliver gas to customers who purchase it for consumption as opposed to customers who purchase it for resale. Therefore, in our opinion, this line is an extension of the Clovis Transmission line and Transwestern transmission line.

For your information, on September 25,2009, PHMSA received a letter from NMGC concerning your interpretation request. PHMSA is providing NMGC with a copy of this letter and a copy of PHMSA's response to NMGC is enclosed. I hope that this information is helpful to you. If I can be of further assistance, please contact me at (202) 366-4046.

Sincerely,

John A. Gale

Director, Office of Regulations