

# Master Meter Regulations (Federal and State Differences)

Kyle Friske

Office: (810) 229-6608

Email: [friskek@michigan.gov](mailto:friskek@michigan.gov)



A scenic photograph of a sunset over a beach. The sun is low on the horizon, casting a bright orange glow across the sky and reflecting on the water. The beach is visible in the foreground on the left, and the ocean extends to the horizon on the right.

# Master Meter Regulations

- Federal Code (49 CFR 191.3)
- MPSC Order (U-4211)
- Operator Tariffs
  - Typically includes U-4211 plus additional requirements
- Master Meter vs. Central Meter

# 49 CFR 191.3

- **Master Meter System:**

means a pipeline system for distributing gas within, but not limited to, a definable area, such as a mobile home park, housing project, or apartment complex, where the operator purchases metered gas from an outside source for resale through a gas distribution pipeline system. The gas distribution pipeline system supplies the ultimate consumer who either purchases the gas directly through a meter or by other means, such as by rents;

- Eff. 1984



# 49 CFR 191.3

## Interpretation-3

...The question is whether the campus gas piping system is a Master Meter System subject to the gas pipeline safety regulations in 49 CFR Parts 191 and 192. The college claims that this system does not meet the definition of Master Meter System because it only uses gas to provide heat and hot water to the campus buildings and does not resell the gas....

...Bryant College's system is clearly a pipeline facility. It distributes gas through underground pipelines to campus buildings. It does not appear to meet the definition of Master Meter System because it is using the gas delivered through its pipeline system to provide heat and hot water to campus buildings. In this instance the college would be the consumer of the gas....

A background image of a sunset over a beach. The sun is low on the horizon, casting a bright orange glow across the sky and reflecting on the water. The beach is visible on the left side, with waves gently washing onto the shore.

# 49 CFR 191.3

## Interpretation-3

...However, if the Bryant College gas system provides gas to consumers, such as concessionaires, tenants, or others, it is engaged in the distribution of gas, and the persons to whom it is providing gas would be considered the customers even though they may not be individually metered. In this situation the pipelines downstream of the master meter used to distribute the gas to these ultimate consumers would be considered mains and service lines subject to the Federal pipeline safety regulations. The Bryant College pipeline system would then be a Master Meter System.

In conclusion, the Bryant College gas distribution system is a Master Meter System subject to pipeline safety regulation under 49 CFR Parts 191 and 192 if it is providing gas to customers in addition to providing heat and hot water to campus buildings.

# Commission Order (U-4211)

- Commission order on April 29, 1974.
- Master meters become the operating and maintenance responsibility of the utility supplying gas.
- <http://www.dleg.state.mi.us/mpsc/orders/gas/#>

STATE OF MICHIGAN  
THE MICHIGAN PUBLIC SERVICE COMMISSION

\* \* \* \* \*

ry, on  
n, into  
trally

Case No. U-4211

Michigan Public Service Commission held at its o  
Michigan, on the 29th day of April, 1974.

# Commission Order (U-4211)

- *A. ...revised rules of service placing responsibility with the utility for the design, construction, inspection, testing, operation, and maintenance for all new centrally metered installations as defined in attached Exhibit A...*
- *...rules shall provide for an operating and maintenance contract between the utility and the owner of existing centrally metered installations...*
- *...the direct cost to the utility for services performed under this contract plus an appropriate administrative overhead shall be charged to the owner of the centrally metered installation...*

# Commission Order (U-4211)

- *B. For new centrally metered installations the customers shall bear the cost of the design, construction, inspection and testing of the facilities and the utility shall bear the cost of the operation and maintenance...*
- *C. The design, construction, inspection, and testing costs of additions to underground gas piping in centrally metered installations shall be paid by the owner.*
- *D. The utility shall be responsible for maintaining proper records for all centrally metered installations to ensure compliance with the code and to facilitate investigation by the Staff.*

# Commission Order (U-4211)

- *E. The utilities offering operating and maintenance contracts for existing centrally metered installations shall report to the Staff by August 1, 1974 the names and addresses of any centrally metered customers with whom the utility has been unable to negotiate a contract.*
- *The definition of "centrally metered installation" proposed in Exhibit S-1 is adopted as modified and is attached hereto as Exhibit A.*

# Commission Order (U-4211)

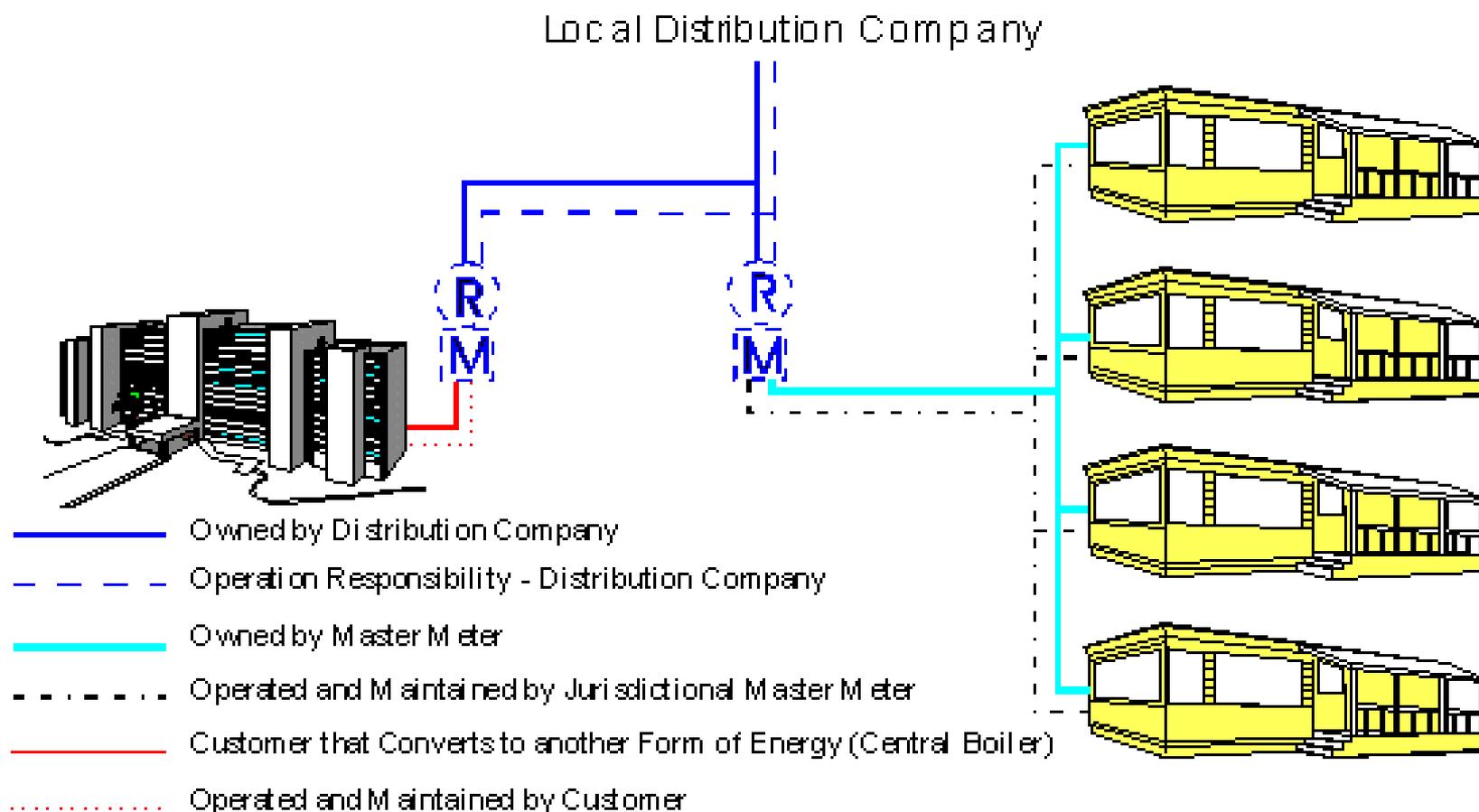
- Exhibit A
- *A centrally metered installation is one that meets all of the following conditions:*
  - 1. *The installation is served by a single meter set assembly;*
  - 2. *The fuel lines are buried underground from the central meter set assembly to the location at which each fuel line enters each customer's building or mobile home at its outside wall;*
  - 3. *(a) Where the complex consists of buildings, two or more separate buildings such as apartments, multiple family dwellings, dormitories or similar type buildings are supplied with gas and at least two buildings so supplied contain four or more living units; or*
  - 3. *(b) Where the complex consists of mobile homes, four or more mobile homes used as living units are supplied with gas.*

# Part 192 Service Line Drawing #4 (Do Not Use in Michigan)

191.3	NO
U-4211	Y/N

## Operator Responsibility - Master Meter

191.3	YES
U-4211	YES



A scenic photograph of a sunset over the ocean. The sun is low on the horizon, casting a bright orange glow across the sky and reflecting on the water. The sky transitions from a deep orange near the horizon to a darker purple and blue at the top. The water is calm, with a clear reflection of the sun. On the left side, a dark, silhouetted coastline with trees is visible.

# Commission Order (U-4211)

- Operators need to ensure that there are no independent master meter systems present.
- MPSC Staff have recently received notifications of master meter systems that have *not* been the responsibility of the operator providing gas.
- Any master meter systems that have not been operated and maintained by the gas provider are the responsibility of that provider.

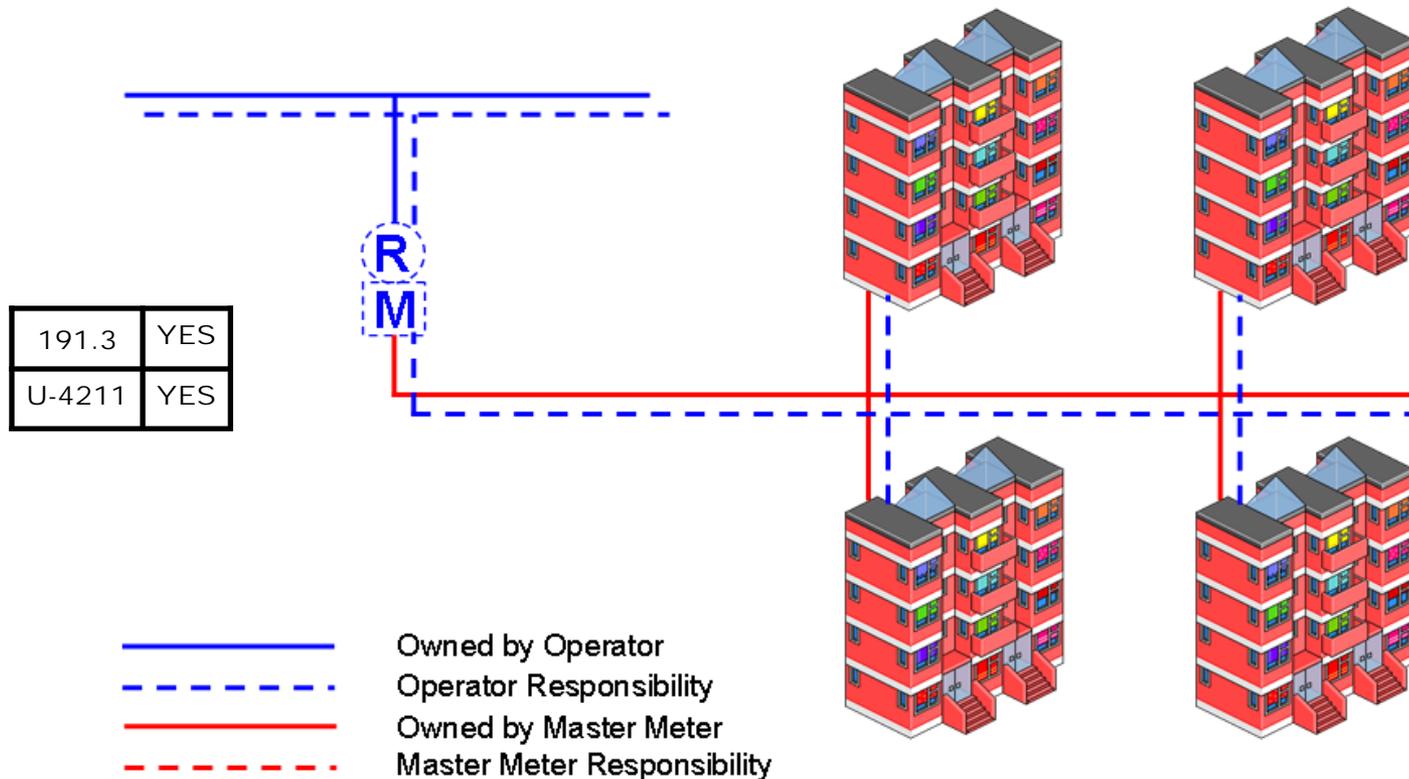
# U-4211 Scenario

## Operator Responsibility - Master Meter

### Scenario 1:

Two or more buildings with at least two buildings having four or more living units.

(Apartment Buildings)



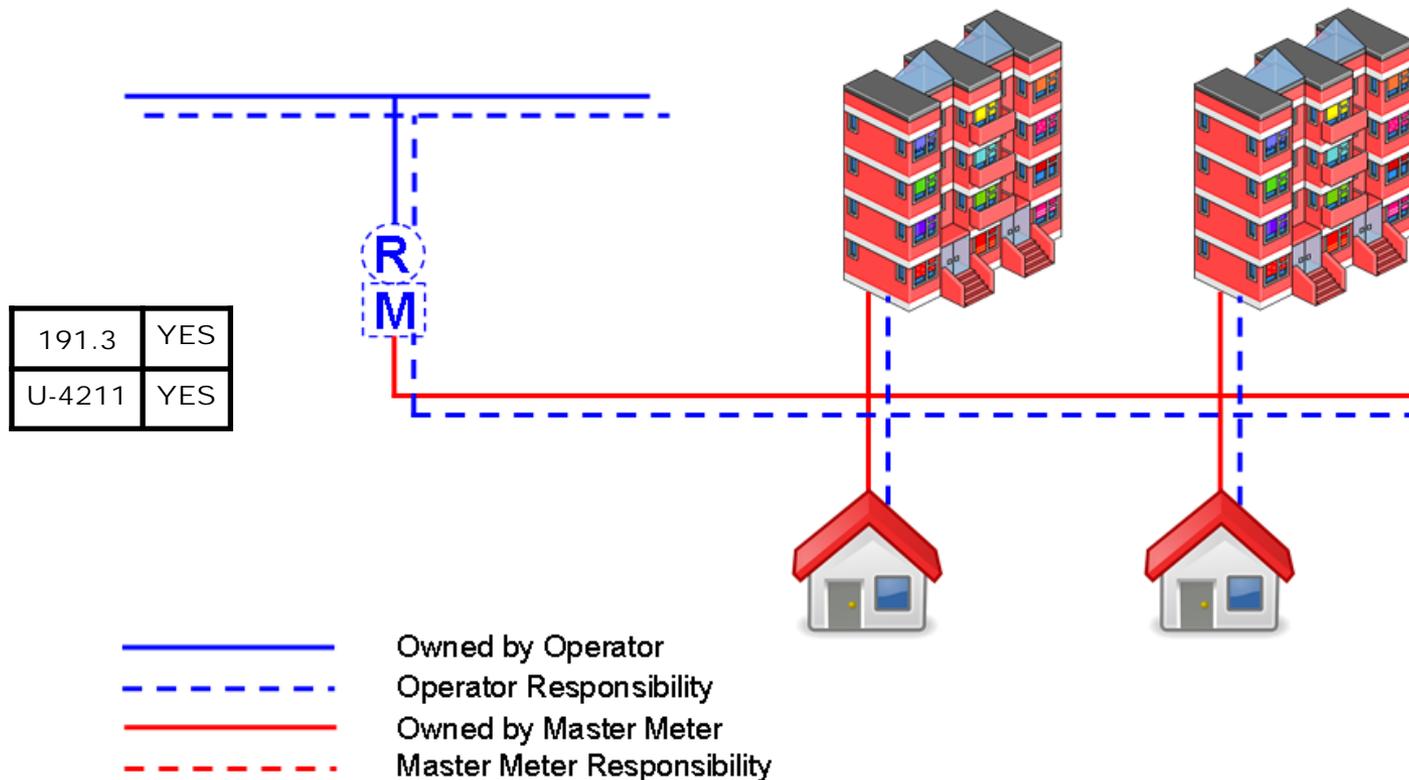
# U-4211 Scenario

## Operator Responsibility - Master Meter

### Scenario 2:

Two or more buildings with at least two buildings having four or more living units.

(Apartments with Single Family Residences)

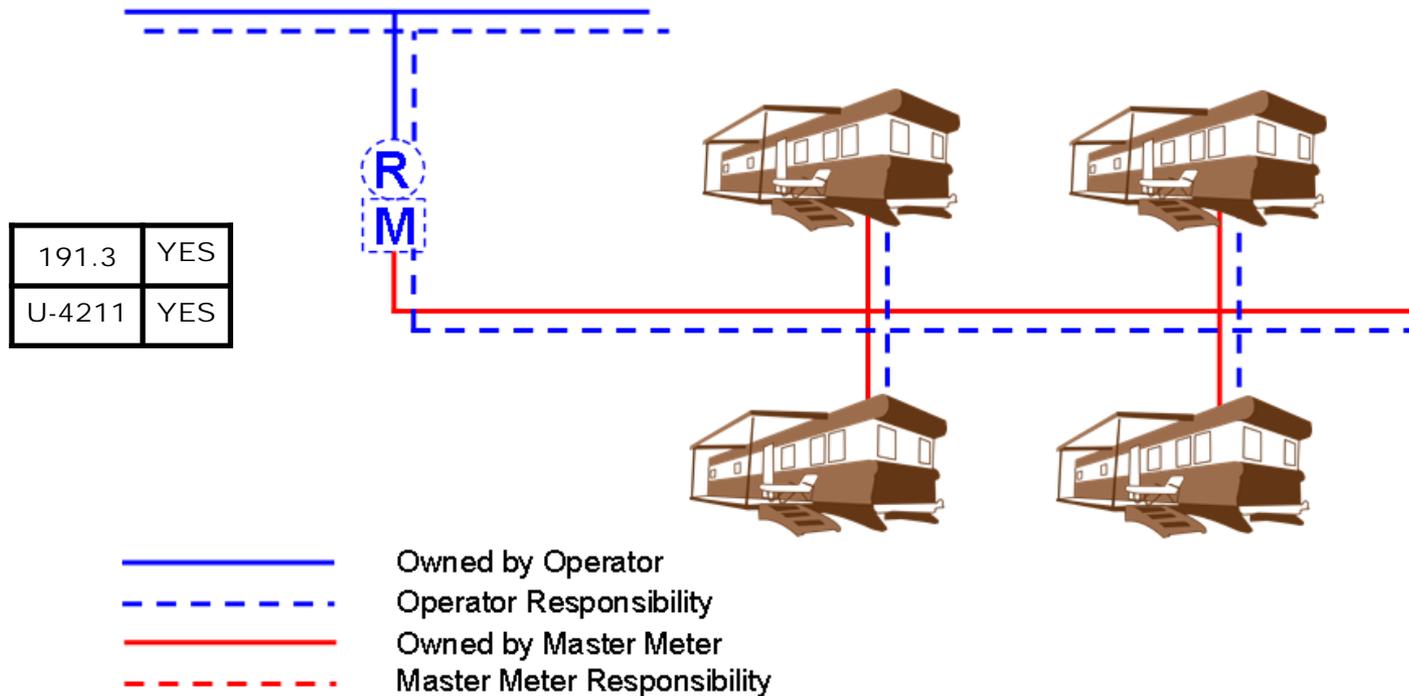


# U-4211 Scenario

## Operator Responsibility - Master Meter

### Scenario 3:

Four or more mobile homes used as living units are supplied with gas.





# U-4211 Scenario

- Covered by U-4211, but not 191.3
  - Buildings that meet the criteria of U-4211 with living units that do not directly utilize gas.
    - Prisons without commerce\*
    - Dormitories without commerce\*
    - Etc.

\*Commerce means gas is used by a third-party within the building (i.e. food service, laundry service, etc.)

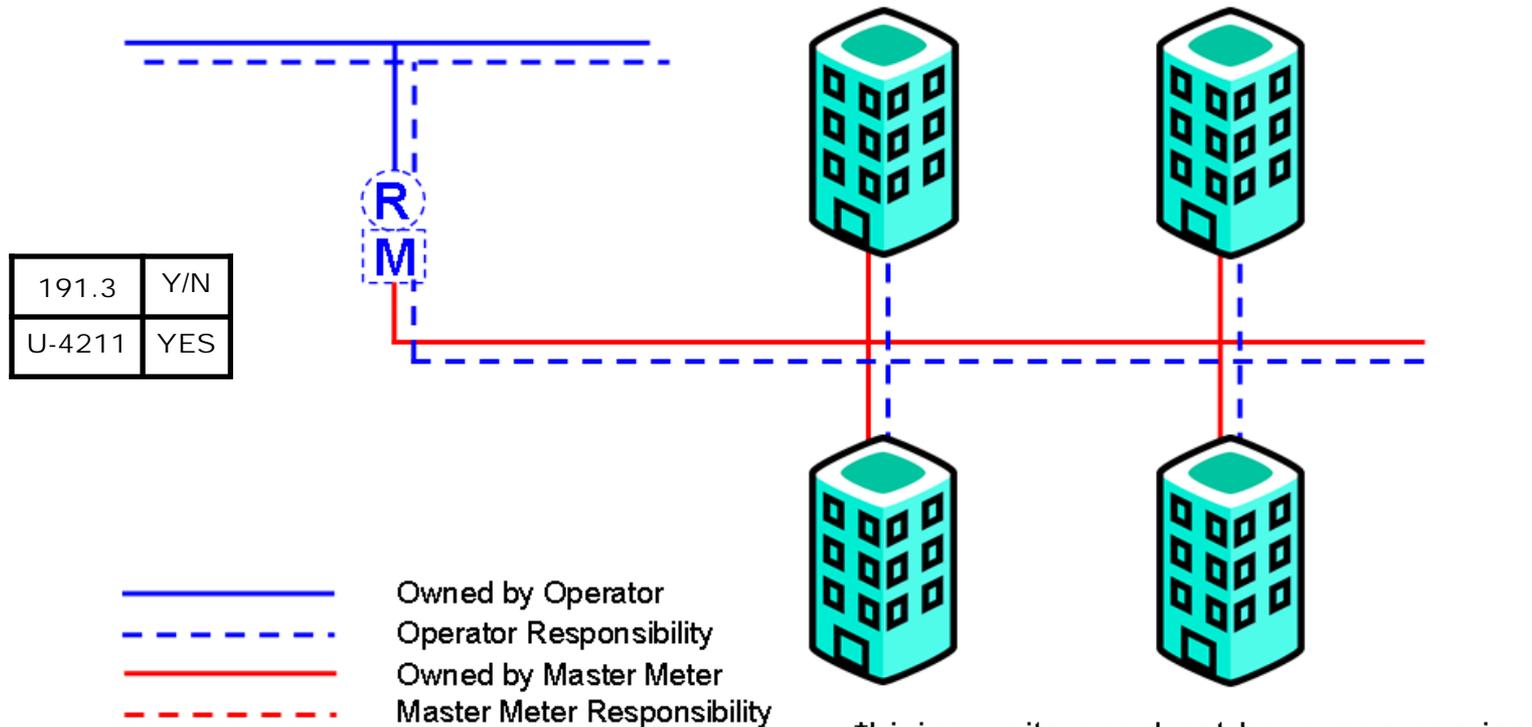
# U-4211 Scenario

## Operator Responsibility - Master Meter

### Scenario 4:

Two or more buildings with at least two buildings having four or more living units.

(Prisons or Dormitories\*)





# Scenarios That Need to Be Addressed

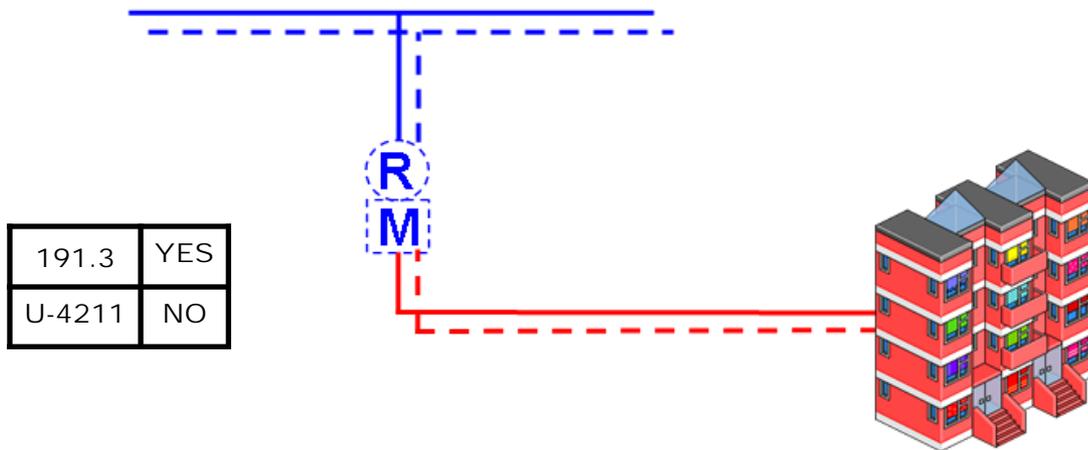
- Covered by 191.3, but not U-4211
  - A single building with four or more living units
  - Two or more buildings with fewer than four living units
  - Fewer than four mobile homes
  - Other residential structures
    - Condos
    - Townhouses
    - Rental Houses
    - Cabins
    - Resorts

# Covered by 191.3, but not U-4211

## Master Meter Responsibility

### Scenario 1a:

–A single building with four or more living units.  
(Apartment Building)



191.3	YES
U-4211	NO

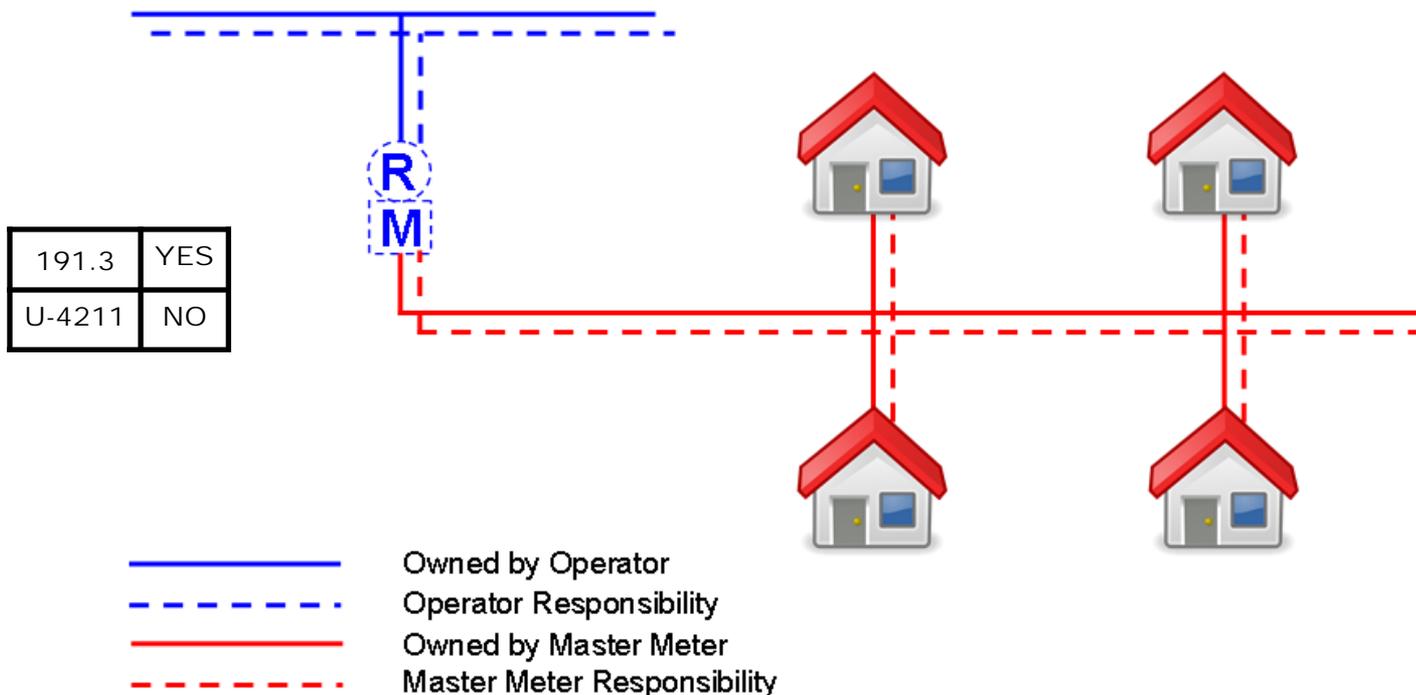
- Owned by Operator
- - - Operator Responsibility
- Owned by Master Meter
- - - Master Meter Responsibility

# Covered by 191.3, but not U-4211

## Master Meter Responsibility

### Scenario 2a:

Two or more buildings with fewer than four living units.  
(Apartments, Condos, Cabins, Resorts, etc.)

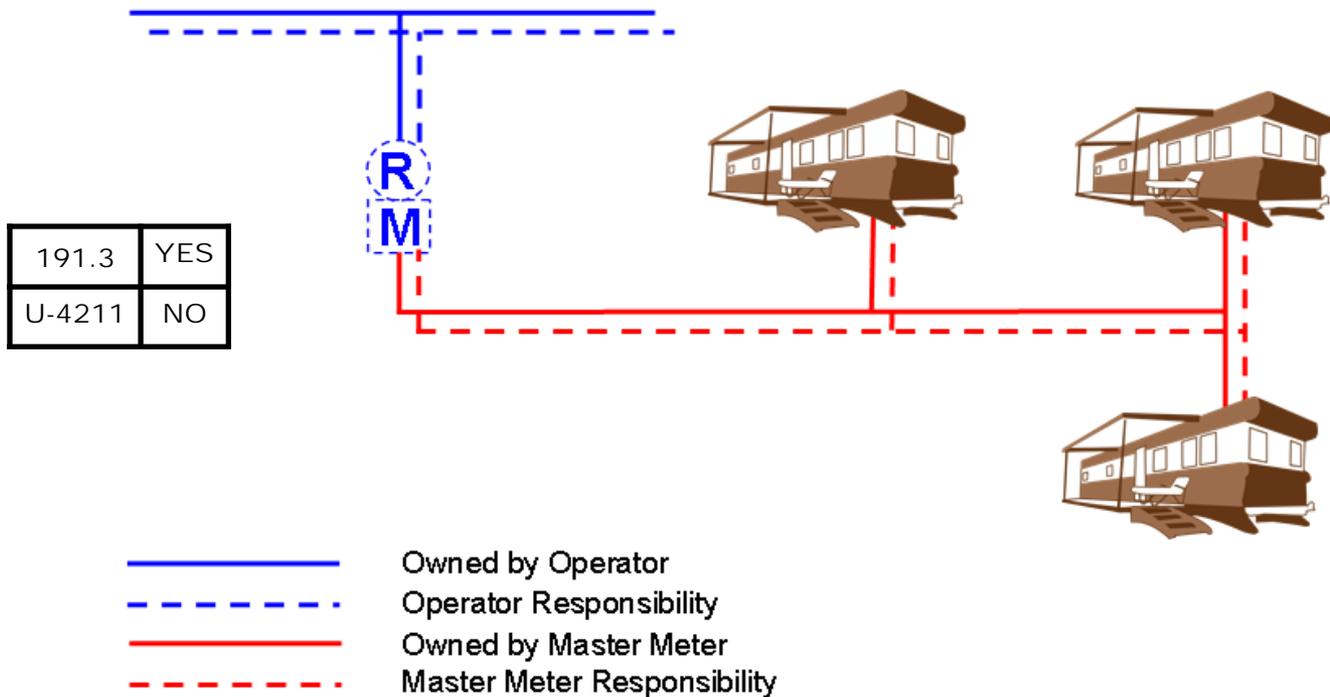


# Covered by 191.3, but not U-4211

## Master Meter Responsibility

### Scenario 3a:

Fewer than four mobile homes used as living units.



# Covered by 191.3, but not U-4211

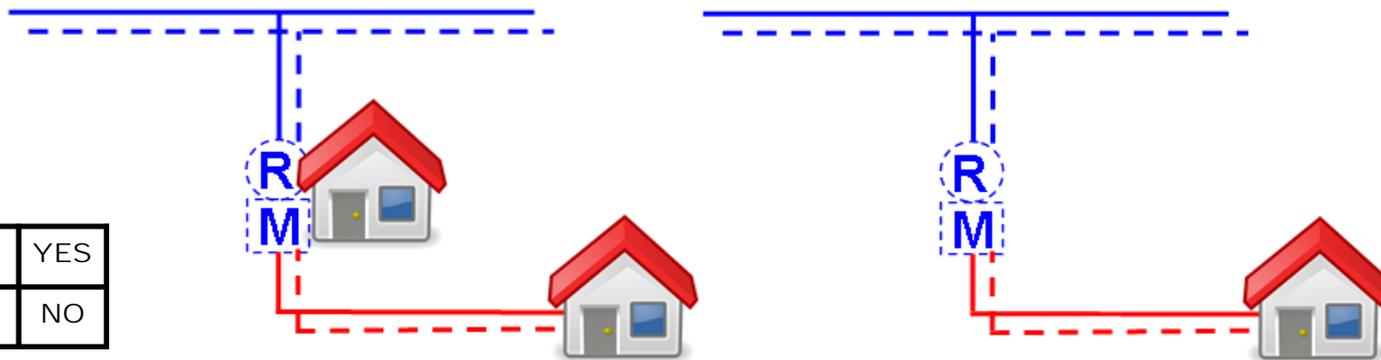
## Master Meter Responsibility

### Scenario 4a:

-A single building where rent is paid.

(Rental House with Below Grade Fuel Line)

191.3	YES
U-4211	NO



- Owned by Operator
- - - Operator Responsibility
- Owned by Master Meter
- - - Master Meter Responsibility

A scenic photograph of a sunset over a beach. The sun is low on the horizon, casting a bright orange glow across the sky and reflecting on the water. The beach is visible in the foreground, and the sky transitions from orange to a darker purple at the top.

# Scenarios That Need to Be Addressed

- The MPSC is working on addressing these scenarios covered by 191.3, but not U-4211.
- We encourage operators to perform O&M on **ALL** Master Meter systems.
- Many of these scenarios may already be covered with operator specific tariff language.
  - <http://www.michigan.gov/mpsc/0,4639,7-159-16385-110722--,00.html>

# Operator Tariff Example

*A centrally metered installation is one that meets all of the following conditions:*

- a) The complex is served by a single meter installation: and*
- b) The fuel lines are buried underground from the central meter installation to the location at which each fuel line enters each building or mobile home at its outside wall; and*
  - i. Where the complex consists of two or more separate buildings, such as apartments, multifamily dwellings, dormitories or similar type buildings are supplied with gas and at least two buildings so supplied contain four or more living units, or*
  - ii. Where the complex consists of mobile homes, four or more mobile homes used as living units are supplied with gas.*

# Operator Tariff Example (cont.)

A scenic photograph of a sunset over the ocean. The sun is low on the horizon, casting a bright orange glow across the sky and reflecting on the water. The sky transitions from a deep orange near the horizon to a darker purple and blue at the top. The water is calm, with a clear reflection of the sun. In the foreground, a dark, silhouetted coastline is visible on the left side.

*c) A centrally metered installation may also be an individual building served by a single meter installation where gas is provided to multiple living units...*

*d) Penal and corrective institutions are not considered to be centrally metered installations...*



# Path Forward

What are the next steps we can expect?

- The MPSC Staff will contact distribution operators to address any issues.
  - If master meters exist
  - If the operator is maintaining
  - Tariff issues.
- Potential rulemaking to address any gaps.

# Questions or Comments?





**Thank You!**



**2016** Pipeline  
Safety  
September 26-28 **Conference**