BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

| In the Matter of Staff Recommendation for |) | |
|---|---|----------------------------|
| Kansas Gas Service, a Division of ONE Gas, |) | |
| Inc., to show Cause why the Commission Should |) | Docket No. 21-KGSG-398-SHO |
| Not Impose Penalties for Violation of Natural |) | |
| Gas Pipeline Safety Regulations. |) | |

Kansas Gas Service's Response to Show Cause Order

Kansas Gas Service, a Division of One Gas, Inc. ("Kansas Gas Service" or "Company" or "Movant") submits the following response to the Order to Show Cause issued on April 20, 2021 ("Order") under the above captioned matter:

- 1. Kansas Gas Service acknowledges that the Kansas Corporation Commission ("the Commission") has jurisdiction and authority to administer and enforce the Kansas Underground Utility Damage Prevention Act ("KUUDPA"), as provided in K.S.A. 66-1801et seq. and that the Commission may issue an order to investigate potential noncompliance with KUUDPA, and issue orders to address findings.
- 2. Kansas Gas Service acknowledges that pursuant to K.S.A. 66-1,150 the Commission has authority to adopt rules and regulations as necessary to conform with the natural gas pipeline safety act of 1968 (U.S.C.§ 60101, et seq.).
- 3. Kansas Gas Services is committed to the principles of the KUUDPA and actively works to meet the intent of the statute. As noted in the Staff's report, Kansas Gas Service has made significant improvements toward reducing damages, including enhanced monitoring of locates and using internal personnel to perform a portion of the large volume of locate tickets in its service area. (Order, par.6) Further, the Company's efforts also include working to increase public awareness of the underground safety to prevent damage to facilities and protect the public.

4. Kansas Gas Service agrees that an audit and evaluation of its contractor, USIC, is

reasonable to identify and to further address locate issues. Therefore, Kansas Gas Service will

perform an assessment of USIC locator training, as well as an assessment of its resource allocation

and procedures, to determine opportunities to improve performance and will prepare a Corrective

Action Plan (CAP). Kansas Gas Service proposes to provide a report to the Commission of the

assessment findings and provide the CAP within six months of the date of the Order and will report

closure of the CAP and impacts on the damage prevention program in 12 months.

5. The Order proposes a \$90,000 penalty, with \$36,000 to be held in abeyance until

the assessment and corrective actions are complete in April of 2022. Kansas Gas Service

respectfully requests that the Commission consider a reduction of \$27,000 from the remaining

\$54,000 penalty, with a \$27,000 penalty assessed at this time. Kansas Gas Service commits to

utilizing the \$27,000 reduction for additional educational efforts in Kansas to increase excavator

awareness of the need to wait for a positive response, and the critical importance of respecting the

tolerance zone.

WHEREFORE, Kansas Gas Service requests that its proposed actions be approved and

the reduction in penalty be granted.

Respectfully submitted,

Judy Jenkins Hitchye

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Attorney for Kansas Gas Service, a Division of ONE Gas, Inc.

VERIFICATION

| STATE OF KANSAS |) |
|-------------------|---|
| |) |
| COUNTY OF JOHNSON |) |

I, <u>Judy Jenkins Hitchye</u>, of lawful age, being first duly sworn upon oath, states as follows: I am a Managing Attorney for Kansas Gas Service, a Division of ONE Gas, Inc. I have read the above *Kansas Gas Service's Response to Show Cause Order* and all the statements therein are true to the best of my knowledge, information and belief.

<u>|s| Judy Jenkins Hitchye</u> Judy Jenkins Hitchye

Affiant

SUBSCRIBED AND SWORN to before me on 5/19/2621.

My Appointment Expires: 04/05/22

