

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

Before Commissioners: Pat Apple, Chairman
Shari Feist Albrecht
Jay Scott Emler

In the Matter of the General Investigation Into)
the Operations of Kansas Gas Service, a)
Division of ONE Gas, Inc., Regarding the) Docket No. 18-KGSG-120-GIP
Natural Gas Incident that Occurred at 4505 W.)
91st Street in Prairie Village, Johnson County,)
Kansas.)

ORDER OPENING GENERAL INVESTIGATION

This matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. Having reviewed the files and records, and being duly advised, the Commission finds and concludes as follows:

I. BACKGROUND

1. The Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. § 60101 *et seq.*) requires all pipelines transporting natural gas to meet minimum safety requirements as promulgated by the U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration (PHMSA). Under the Act, the State of Kansas is to obtain jurisdiction over intrastate natural gas pipelines, provided the state pipeline safety program meets PHMSA certification requirements.

2. The Commission, under the authority of K.S.A. 66-1,150, has assumed jurisdiction of safety oversight for all intrastate natural gas pipelines and is annually certified by PHMSA. PHMSA requires the Commission to investigate natural gas incidents that have resulted in personal injury requiring hospitalization, a fatality, property damage exceeding \$50,000, the release of more than 3,000 MCF of natural gas, and/or other incidents otherwise considered significant.

3. On September 8, 2017, Commission Staff (Staff) filed its Motion to Open Docket.¹ Staff requested the Commission open a general investigation docket to examine a natural gas release that occurred at the residence located at 4505 W. 91st Street within the city limits of Prairie Village, Kansas.² Although there were no injuries associated with this unintentional release of natural gas, the preliminary estimate of costs associated with the structure fire exceed \$50,000.³ Kansas Gas Service, a division of ONE Gas, Inc. (KGS), operates the pipeline associated with this incident.⁴ KGS operates within the State of Kansas as a natural gas public utility and is lawfully certified to operate as such. The National Response Center was notified of the incident on July 24, 2017, and this event was assigned Incident Report No. 20170067-16619.⁵

4. Staff's Motion to Open Docket states the proposed docket will allow Staff to track costs associated with the general investigation, report its findings to the Commission, allow the Commission to rule on any matters pertaining to Staff's investigation and initiate further action as necessary.⁶

II. FINDINGS AND CONCLUSIONS

5. Pursuant to K.S.A. 66-1,150 *et seq.*, the Commission is authorized to adopt rules and regulations as may be necessary to be in conformance with the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. § 60101 *et seq.*), as amended. Accordingly, pursuant to this authority the Commission has jurisdiction to investigate intrastate natural gas incidents that have resulted in

¹ Motion to Open Docket (Sept. 8, 2017) (Motion to Open Docket).

² *See id.* at p. 1.

³ *See id.*

⁴ *See id.*

⁵ *See id.*

⁶ *See id.*

personal injury requiring hospitalization, a fatality, property damage exceeding \$50,000, the release of more than 3,000 MCF of natural gas and/or other incidents otherwise considered significant.⁷

6. Staff's Report and Recommendation, filed in this docket dated September 6, 2017, is hereby adopted and incorporated by reference.

7. The Commission finds and concludes the events described in Staff's Report and Recommendation merit further investigation. The Commission finds the incident described above involves monetary damages rising to the level necessitating a Commission investigation.

8. Pursuant to K.S.A. 66-1,150 *et seq.*, described above, the Commission's regulations regarding natural gas pipeline safety, K.A.R. 82-11-1 *et seq.*, and the Commission's general authority to investigate natural gas public utilities, K.S.A. 66-1,200 *et seq.*, the Commission hereby finds and concludes a general investigation docket shall be opened to permit the Commission and Staff to conduct its investigation as appropriate.

9. Accordingly, the Commission finds and concludes Staff's request to investigate the incident as described in its September 8, 2017 Motion, and its request for the Commission to open a general investigation docket for the reasons stated in its Motion and Report and Recommendation are just and reasonable.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

(A) A general investigation to examine various issues surrounding the incident described in paragraph 2, above, is hereby opened.

(B) Pursuant to K.S.A. 66-1,204, any hearings required in this proceeding shall be conducted in accordance with the Kansas Administrative Procedures Act.

⁷ For reference, the Commission's adoption of PHMSA regulations, reporting requirements and enforcement procedures may be found at K.A.R. 82-11-1 *et seq.*

(C) Kansas Gas Service, a Division of One Gas, Inc. is hereby made a party to this proceeding and must enter an appearance no later than thirty (30) days from the date of this Order.


(D) Parties have 15 days, plus three days if service is by mail, from the date of service of this Order to petition the Commission for reconsideration or request a hearing, as provided in K.S.A. 77-542.⁸

(E) The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such further orders as it may deem necessary and proper.

BY THE COMMISSION IT IS SO ORDERED.

Apple, Chairman; Albrecht, Commissioner; Emler, Commissioner

Dated: SEP 14 2017


Lynn M. Retz
Secretary to the Commission

SLS

Order Mailed Date
SEP 15 2017

⁸K.S.A. 77-537(b); K.S.A. 66-118b; K.S.A. 77-529(a)(1).

CERTIFICATE OF SERVICE

18-KGSG-120-GIP

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of first class mail/hand delivered on SEP 14 2017.

STEPHAN SKEPNEK, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604-4027
Fax: 785-271-3354
s.skepnek@kcc.ks.gov

JUDY JENKINS, MANAGING ATTORNEY
KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
7421W 129TH ST
OVERLAND PARK, KS 66213-2713
Fax: 913-319-8622
judy.jenkins@onegas.com

/S/ DeeAnn Shupe
DeeAnn Shupe

Order Mailed Date

SEP 15 2017