

**BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

In the Matter of a General Investigation into)
the Operations of Atmos Energy Regarding a) Docket No. 19-ATMG-181-GIP
Natural Gas Incident that Occurred at 14201)
Linwood in Bonner Springs, Kansas)

MOTION TO OPEN DOCKET

The Staff of the State Corporation Commission of the State of Kansas (“Staff” and “Commission,” respectively) files its Motion to Open Docket to request a general investigation to examine various issues surrounding a natural gas incident involving Atmos Energy (Atmos).

In support of its Motion, Staff states as follows:

1. On July 23, 2018, a natural gas explosion occurred in a small commercial structure located at 14201 Linwood on the outskirts of the city of Bonner Springs. Although there were no injuries associated with the explosion, the preliminary estimate of costs associated with the loss of the structure and its contents have exceeded \$50,000. The pipeline on which the leak occurred is operated by Atmos.

2. The Commission, under the authority of K.S.A. 66-1, 150 et seq., assumed jurisdiction of safety oversight for all intrastate natural gas pipelines and is annually certified by the U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration (PHMSA). As part of the certification, PHMSA requires the Commission 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 by the state agency.

3. Staff has prepared an initial Report and Recommendation providing background information regarding the incident described above, and recommending the Commission open a general investigation regarding the incident. Staff hereby incorporates its October 24, 2018, Report and Recommendation, a copy of which is attached hereto, by reference into its Motion.

4. Based on the facts known at the time and as detailed in Staff's Report and Recommendation, Staff believes an investigation into the abovementioned incident is warranted.

5. The proposed docket will allow Staff to track costs associated with this investigation, report its findings to the Commission, and allow the Commission to rule on any matters pertaining to Staff's investigation and initiate further action as necessary.

WHEREFORE, for the reasons set forth above, Staff respectfully requests the Commission issue an order opening a general investigation docket to investigate the July 23, 2018, natural gas incident, described above.

Respectfully submitted,



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For Commission Staff

VERIFICATION

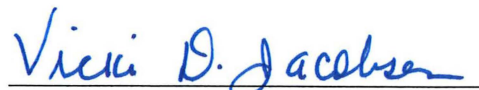
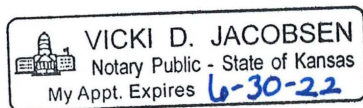
STATE OF KANSAS)
) ss.
COUNTY OF SHAWNEE)

Phoenix Z. Anshutz, of lawful age, being duly sworn upon his oath deposes and states that he is Litigation Counsel for the State Corporation Commission of the State of Kansas; that he has read and is familiar with the foregoing *Motion to Open Docket*, and attests that the statements therein are true and correct to the best of his knowledge, information and belief.



Phoenix Z. Anshutz, S. Ct. #27617
Litigation Counsel
The State Corporation Commission
of the State of Kansas

SUBSCRIBED AND SWORN to before me this 31st day of October,
2018.


Notary Public

My Appointment Expires: June 30, 2022

STATE OF KANSAS



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GOVERNOR JEFF COLYER, M.D.

SHARI FEIST ALBRECHT, CHAIR | JAY SCOTT EMLER, COMMISSIONER | DWIGHT D. KEEN, COMMISSIONER

TO: Chair Shari Feist Albrecht
Commissioner Jay Scott Emler
Commissioner Dwight D. Keen

FROM: Leo Haynos, Chief Engineer
Jeff McClanahan, Director of Utilities

DATE: October 24, 2018

SUBJECT: Recommendation to Open a General Investigation into the Operations of Atmos Energy Regarding a Natural Gas Incident that Occurred at 14201 Linwood in Bonner Springs, Kansas

EXECUTIVE SUMMARY:

On July 23, 2017, a natural gas explosion occurred in a small commercial structure located at 14201 Linwood on the outskirts of the city of Bonner Springs. Although there were no injuries associated with the explosion, the preliminary estimate of costs associated with the loss of the structure and its contents have exceeded \$50,000. The pipeline on which the leak occurred is operated by Atmos Energy (Atmos). In order to fully investigate the cause of the incident, Staff recommends the Commission open a General Investigation into the above captioned matter. The proposed Docket will allow Staff to track costs associated with this investigation, report its findings to the Commission, and allow the Commission to rule on any matters pertaining to the investigation and initiate further action as necessary.

BACKGROUND:

The Natural Gas Pipeline Safety Act (USC 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 allowed to obtain jurisdiction over intrastate natural gas pipelines provided the state pipeline safety program meets PHMSA certification requirements. The Commission, under the authority of K.S.A. 66-1,150, assumed jurisdiction of safety oversight for all intrastate natural gas pipelines and is annually certified by PHMSA in that role. As part of the certification, 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 incidents otherwise considered significant by the state agency. A primary objective of the investigation will be to minimize the possibility of recurrence and to institute enforcement action where noncompliance with the safety standards has occurred.

ANALYSIS:

Staff's preliminary investigation into the above described incident indicates an Atmos gas main failed and allowed natural gas to migrate inside the commercial building until it reached explosive levels. Ignition of the gas accumulation is thought to have been caused by electrical equipment inside the building. The subsequent explosion destroyed the building and its contents. Because the extent of the property damage associated with the explosion exceeded \$50,000, this event meets the definition of a natural gas pipeline reportable incident.

RECOMMENDATION:

Based on the facts as they are known to date, Staff believes an investigation into this incident is warranted. Therefore, Staff recommends the Commission initiate the above-captioned investigation. The Docket will be used as a means of tracking the costs of Staff's investigation and setting a procedural schedule for discovery and the timely investigation into this matter.

CERTIFICATE OF SERVICE

19-ATMG-181-GIP

I, the undersigned, certify that a true and correct copy of the above and foregoing Motion to Open Docket was served via electronic service this 31st day of October, 2018, to the following:

JENNIFER G. RIES, VICE PRESIDENT, RATES AND
REGULATORY AFFAIRS-COLORADO/KANSAS
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Vicki Jacobsen