

BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

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

In the Matter of the General Investigation Into     )  
Operations of Kansas Gas Service, a Division     )  
of ONE Gas, Inc., Regarding the Natural Gas     )     Docket No. 17-KGSG-218-GIP  
Incident that Occurred at 9th Street and         )  
Magnolia Avenue in Salina, Saline 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 December 9, 2016, Commission Staff (Staff) filed its Motion to Open Docket.<sup>1</sup> Staff requested the Commission open a general investigation docket to examine a natural gas release that occurred at the intersection of 9th Street and Magnolia Avenue within the city limits of Salina, Kansas.<sup>2</sup> While no injuries have been associated with this specific incident, the costs associated with the repair exceed \$50,000.<sup>3</sup> Kansas Gas Service, a division of ONE Gas, Inc. (KGS), operates the pipeline associated with this incident.<sup>4</sup> 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 October 16, 2016, and this situation was assigned Incident Report #1161573.<sup>5</sup>

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.<sup>6</sup>

## 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 personal injury requiring hospitalization, a fatality, property damage exceeding \$50,000, the

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<sup>1</sup> Motion to Open Docket (Dec. 9, 2016) (Motion to Open Docket).

<sup>2</sup> *See id.* at p. 2.

<sup>3</sup> *See id.* at p. 4. (Note: Page 4 of the Motion may also be referenced as page 2 of Staff's November 17, 2016, Report and Recommendation attached to Staff's Motion to Open Docket.)

<sup>4</sup> *See id.* at p. 1.

<sup>5</sup> *See id.*

<sup>6</sup> Motion to Open Docket, p. 2.

release of more than 3,000 MCF of natural gas and/or other incidents otherwise considered significant.<sup>7</sup>

6. Staff's Report and Recommendation, filed in this docket on December 9, 2016, 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 December 9, 2016 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.

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<sup>7</sup> 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.<sup>8</sup>

(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.**

Emler, Chairman; Albrecht, Commissioner; Apple, Commissioner

Dated: DEC 22 2016

  
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Amy L. Green  
Secretary to the Commission

REV/vj

Order Mailed Date  
DEC 23 2016

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

**CERTIFICATE OF SERVICE**

17-KGSG-218-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 DEC 22 2016.

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/s/ DeeAnn Shupe  
DeeAnn Shupe

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**Order Mailed Date**  
**DEC 23 2016**