

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

In the Matter of the General Investigation Into)
the Operations of Kansas Gas Service, a)
Division of ONE Gas, Inc., Regarding the)
Natural Gas Incident that Occurred at 9th)
Street and Magnolia Avenue in Salina, Saline)
County, Kansas.)

Docket No. 17-KGSG-218-GIP

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 Kansas Gas Service, a Division of ONE Gas, Inc. (KGS). In support of its Motion, Staff states as follows:

1. On September 26, 2016, a natural gas release occurred at the intersection of 9th Street and Magnolia Avenue within the city limits of Salina, Kansas. While no injuries have been associated with this incident, the costs associated with the repair exceed \$50,000. The pipeline associated with this incident is operated by KGS. The National Response Center was notified of the incident on October 16, 2016, and this situation was assigned Incident Report #1161573.

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 November 17, 2016 Report and Recommendation, a copy of which is attached hereto, by reference into its Motion.

4. Based on the facts known at this time and as detailed in Staff's November 17, 2016 Report and Recommendation, Staff believes an investigation into this 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 stated above, Staff respectfully requests the Commission issue an order opening a general investigation docket to investigate the September 26, 2016, natural gas incident, described above.

Respectfully submitted,

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For Commission Staff

REPORT AND RECOMMENDATION UTILITIES DIVISION

TO: Chairman Jay Emler
Commissioner Shari Feist Albrecht
Commissioner Pat Apple

FROM: Dennis Crupper, Natural Gas Pipeline Safety Engineer
Leo M. Haynos, Chief of Gas Operations & Pipeline Safety
Jeff McClanahan, Director of Utilities

DATE: November 17, 2016

SUBJECT: Recommendation to Open a General Investigation into the Operations of Kansas Gas Service Regarding the Natural Gas Incident that Occurred at 9th Street and Magnolia Avenue in Salina, Saline County, Kansas

EXECUTIVE SUMMARY:

On September 26, 2016, a natural gas release occurred in the street intersection of 9th street and Magnolia Avenue within the city limits of Salina. Although there were no injuries associated with the unintentional release of natural gas, the costs associated with the repair have exceeded \$50,000 and is not yet finalized. This pipeline is operated by Kansas Gas Service. The National Response Center was notified of the incident on October 16, 2016, and this situation was assigned Incident Report #1161573. Commission Staff (Staff) is recommending 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 Staff's 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 other incidents otherwise considered significant by the state agency. A primary objective of the investigation activities is to minimize the possibility of recurrence and to institute enforcement action where noncompliance with the safety standards has occurred.

ANALYSIS:

The investigation of Staff into the above described incident has indicated the cause of the unintentional release of natural gas escaping from a natural gas pipeline traversing a City of Salina street intersection was due to the operation of an underground boring machine operating without marked utilities. Because of the extent of the costs associated with the pipeline repair itself exceeded \$50,000, this incident meets the definition of a natural gas pipeline reportable incident. No injuries were noted.

RECOMMENDATION:

Based on the facts as they are known to date, it appears to Staff that an investigation into this incident is warranted. Therefore, Staff recommends the Commission initiate the above-captioned procedure. 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

17-KGSG-218-GIP

I, the undersigned, certify that a true and correct copy of the above and foregoing Motion to Open Docket was served by electronic service on this 9th day of December, 2016, to the following:

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