

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)
the Operations of Kansas Gas Service, Inc., A)
Division of One Gas, Regarding the Natural) Docket No. 17-KGSG-069-GIP
Gas Incident that Occurred at 918 West 5th)
Street, Newton, 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:

Jurisdictional Statement

1. The Natural Gas Pipeline Safety Act (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. 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. PHMSA requires the Commission to investigate natural gas incidents that have resulted in personal injury requiring hospitalization, a fatality, property damage exceeding \$50,000, and/or other incidents otherwise considered significant.

Background

2. On August 25, 2016, Commission Staff (Staff) filed its Motion to Open Docket. Staff requested the Commission open a general investigation to examine various issues surrounding an incident that occurred on June 2, 2016, involving a natural gas fire in an open trench during a construction operation at 918 West 5th Street, Newton, Kansas. The fire injured a contract employee of KGS, who was working on the piping at that time. The injury suffered by the contract employee required hospitalization. A copy of Staff's Report and Recommendation (R&R) dated August 23, 2016, is attached hereto.

3. Staff's Motion to Open Docket states that the proposed docket will allow Staff to track costs associated with the general 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.

Findings and Conclusions

4. 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, and/or other incidents otherwise considered significant. (K.S.A. 66-1,150.)

5. Staff's request to investigate the incident as described in its motion and its request for the Commission to open a docket for the reasons stated in its motion are considered 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) Any hearings shall be conducted in accordance with the Kansas Administrative Procedures Act. K.S.A. 66-101d.

(C) Kansas Gas Service, A Division of One Gas 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) The parties have fifteen (15) days, plus three (3) days if service of this order is by mail, from the date this order was served in which to petition the Commission for reconsideration of any issue or issues decided herein. K.S.A. 66-118b; K.S.A. 2015 Supp. 77-529(a)(1).

(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: SEP 01 2016



Amy L. Green
Secretary to the Commission

JF/vj

EMAILED

SEP 01 2016

REPORT AND RECOMMENDATION UTILITIES DIVISION

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

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

DATE: August 23, 2016

SUBJECT: Recommendation to Open a General Investigation into the Operations of Kansas Gas Service, Inc., A Division of One Gas, Regarding the Natural Gas Incident that Occurred at 918 W. 5th Street, Newton, Kansas

EXECUTIVE SUMMARY:

On June 2, 2016, a natural gas fire occurred in an open trench during a construction operation at the above listed address. The fire injured a contract employee of Kansas Gas Service (KGS) who was working on the piping at that time. Because the fire is related to natural gas escaping from a pipeline operated by KGS, 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, 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 fire resulted from gas escaping from a piping connection that was being removed from the natural gas main at the time of the fire. Because of the injuries suffered by the KGS contract employee required hospitalization, the accident meets the definition of a natural gas pipeline incident.

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-069-GIP

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of

Electronic Service on SEP 01 2016.

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/S/ DeeAnn Shupe

DeeAnn Shupe

MAILED

SEP 01 2016