

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

In the Matter of a General Investigation Regarding)
the Acceleration of Replacement of Natural Gas)
Pipelines Constructed of Obsolete Materials)
Considered to be a Safety Risk.) Docket No. 15-GIMG-343-GIG

COMMENTS TO STAFF MEMORANDUM

COMES NOW Black Hills/Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy ("Black Hills") and submits the following comments to the Staff Memorandum filed in the above referenced proceeding ("Memorandum").

1. On September 12, 2017, the Kansas Corporation Commission ("Commission") issued its Final Order in the above referenced docket that required Atmos Energy, Black Hills and Kansas Gas Service ("Utilities") to develop plans for the systematic accelerated replacement of certain pipelines ("Final Order"). On December 10, 2018, Commission Staff provided the Commission its Memorandum. The notice of the filing of the Memorandum was issued December 19, 2018. Comments were due within ten (10) days of the notice which was December 31, 2018. Black Hills filed an extension of time to file comments until January 15, 2019.

2. The Final Order directed Commission Staff and the Utilities to prepare a plan for increased leak detection of obsolete plastic piping.¹ The current requirement is that plastic piping be surveyed at least once every five (5) years. The Memorandum recommended the requirement that **all** plastic piping be surveyed for leaks once every three (3) years rather than the current requirement for leak surveys of plastic piping of once every five (5) years. The rationale for the recommendation that all plastic piping be surveyed every three (3) years, and not just obsolete plastic piping, was that

¹ Final Order at p. 51.

creating multiple surveying frequencies can lead to difficulties in tracking and completing all surveys on schedule.²

3. Black Hills currently has a process pursuant to which it surveys its obsolete plastic piping at least once every three (3) years and all other plastic piping at least once every five (5) years consistent with current Kansas pipeline safety regulations. Black Hills does not have an issue tracking and completing the surveys on this schedule even with the distinction between obsolete plastic piping and all other plastic piping. Black Hills' process meets the requirement of the Final Order for increased leak surveys of obsolete plastic piping.

4. In view of the fact that Black Hills (i) has a process that ensures plastic piping is surveyed on a timeline that meets the safety concerns of Commission Staff and (ii) does not have an issue with tracking the obsolete plastic piping separate from other plastic piping there is no need to increase the requirement for Black Hills to survey other than obsolete plastic piping. Further, the increased survey requirement would add costs to Black Hills' customers that are not necessary.

4. Black Hills discussed with Commission Staff its process of surveying all obsolete pipeline at least once every three (3) years. Commission Staff agreed that Black Hills' process met the intended safety requirements and Commission Staff had no objection to Black Hills continuing to survey other than obsolete plastic piping once every five (5) years.

5. Staff also recommended that the "Utilities report plastic pipe failures (leaks) according to the reporting form (Attachment 1 of the Memorandum) created by the American Gas Association Plastic Pipe Database Committee." Black Hills currently utilizes a similar reporting form and has a process in place to capture this data. Black Hills captures this data electronically and non-company

² Memorandum at p. 6.

forms are not supported by its electronic systems. Black Hills is willing to add additional data to its existing forms as directed by Staff if necessary.

WHEREFORE, for the reasons set forth herein, Black Hills respectfully requests that the Commission require Black Hills to survey obsolete plastic piping at least once every three (3) years and all other plastic piping at least once every five (5) years and allow Black Hills to use its current electronic reporting form.

Respectfully submitted,



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CERTIFICATE OF SERVICE
15-GIMG-343-GIG

I, the undersigned, certify that a true and correct copy of the above and foregoing Comments to Staff Memorandum was served via electronic service this 15th day of January, 2019, to the following:

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