

House Concurrent Resolution No. 5022

By Special Committee on Natural Gas Storage Fields and Facilities

3-2

1 A CONCURRENT RESOLUTION urging adoption of federal regulations
2 or policies permitting Kansas to regulate the underground storage of
3 natural gas in interstate transportation.
4

5 WHEREAS, Due to a recent adverse federal court ruling that held 49
6 U.S.C. § 60104(c) precludes a state authority from adopting or enforcing
7 safety standards for interstate pipeline facilities or pipelines transporting
8 gas in interstate transportation, the state of Kansas may not regulate the
9 safety of underground storage of gas in interstate transportation; and

10 WHEREAS, It is vital that the Federal Energy Regulatory Commission
11 and the United States Department of Transportation or the United States
12 Congress allow Kansas to provide the necessary oversight to ensure the
13 safe operation of natural gas storage within the state of Kansas; and

14 WHEREAS, Several significant incidents have occurred where natural
15 gas or hazardous liquids have escaped from storage and resulted in loss of
16 life and property; and

17 WHEREAS, The safe underground storage of natural gas within an
18 interstate transportation system is a vital process to ensure efficient
19 development and production of Kansas natural gas resources; and

20 WHEREAS, The growth of the production, transportation and storage
21 of natural gas is an important element in the preservation and creation of
22 jobs in Kansas; and

23 WHEREAS, For decades, natural gas transportation companies have
24 integrated underground natural gas storage into their interstate pipeline
25 operations to increase deliverability and decrease overall costs; and

26 WHEREAS, The regulation of underground natural gas storage wells
27 have been performed by state agencies and the Federal Energy
28 Regulatory Commission to varying degrees, but not by the United States
29 Department of Transportation; and

30 WHEREAS, Through Advisory Bulletin ADB-97-04, and other
31 correspondence, the Pipeline and Hazardous Materials Safety
32 Administration (PHMSA) or its predecessor agency has noted gas storage
33 facilities are not covered by PHMSA pipeline safety regulations; and

34 WHEREAS, The PHMSA has urged state regulators to develop state-
35 sponsored safety programs of wellbores and underground facilities to
36 make new federal regulations unnecessary; and

1 WHEREAS, Kansas, as well as many other states, has adopted rules
2 and regulations regarding the safe operation of wellbores and
3 underground gas and liquid storage facilities; and

4 WHEREAS, The State Corporation Commission has the experience
5 and technical ability to regulate the safety of underground storage of gas;
6 and

7 WHEREAS, It is imperative that the citizens of the state of Kansas be
8 protected from accidents or mishaps at facilities used for the underground
9 storage of natural gas and that both interstate and intrastate gas storage
10 companies be regulated to assure that facilities are operated in a safe
11 manner: Now, therefore,

12 *Be it resolved by the House of Representatives of the State of Kansas,*
13 *the Senate concurring therein:* That the legislature urges the Federal
14 Energy Regulatory Commission, U.S. Department of Transportation and
15 the Kansas Corporation Commission to adopt legislation or policies that
16 would provide Kansas, and other states, administrative jurisdiction to
17 assure the safe operation of wellbores associated with the underground
18 storage of natural gas that is in interstate transportation; and

19 *Be it further resolved:* That the Secretary of State be directed to send
20 enrolled copies of this resolution to the United States Department of
21 Transportation Secretary, the Commissioners of the Federal Energy
22 Regulatory Commission, members of the National Association of
23 Regulatory Utility Commissioners, members of the Kansas Congressional
24 Delegation, the Chairman of the United States House of Representatives
25 Committee on Transportation and Infrastructure, the Governor of Kansas
26 and the Executive Director of the Interstate Oil and Gas Compact
27 Commission.