

Senate Concurrent Resolution No. 1606

Special Committee on Natural Gas Storage Fields and Facilities

3-3

1 A CONCURRENT RESOLUTION urging the United States Department
2 of Transportation to adopt regulations addressing the safety of vertical,
3 down-hole operations in gas storage fields, thus creating an
4 opportunity for the State Corporation Commission, operating as a
5 designated agent of the Department, to regulate and ensure the safety
6 of all natural gas storage fields in Kansas.

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8 WHEREAS, It is vital to have regulatory oversight to ensure the safe
9 operation of natural gas storage facilities within the State of Kansas; and

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

13 WHEREAS, The growth of the production, transportation and storage
14 of natural gas is an important element in the preservation and creation of
15 jobs in Kansas; and

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

19 WHEREAS, Several significant incidents across the United States
20 have occurred where natural gas or hazardous liquids have escaped from
21 storage and resulted in loss of life and property; and

22 WHEREAS, The Federal Energy Regulatory Commission, which is
23 empowered to establish underground storage sites for interstate gas
24 pipeline companies, and the Department of Transportation, which is
25 empowered to regulate for safety operations of interstate gas pipeline
26 companies, have regulations which do not sufficiently address the safety
27 of vertical, down-hole operations in gas storage fields and do not
28 maintain a physical presence in Kansas, making it difficult to properly
29 regulate and ensure the safety of all natural gas storage facilities in
30 Kansas; and

31 WHEREAS, The State Corporation Commission not only has the
32 experience and technical ability to regulate the safety of underground
33 storage of gas, but is also best positioned to monitor and safeguard
34 natural gas storage facilities in Kansas; and

35 WHEREAS, Due to a recent adverse federal court ruling that held 49
36 U.S.C. § 60104(c) precludes a state authority from adopting or enforcing

1 safety standards for interstate pipeline facilities or pipelines transporting
2 gas in interstate transportation, the State of Kansas may not regulate the
3 safety of underground storage of gas in interstate transportation; and

4 WHEREAS, It is imperative that the citizens of the State of Kansas be
5 protected from accidents or mishaps at facilities used for the underground
6 storage of natural gas that is in interstate transportation and that both
7 interstate and intrastate gas storage companies be regulated to ensure
8 facilities are operated in a safe manner: Now, therefore,

9 *Be it resolved by the Senate of the State of Kansas, the House of*
10 *Representatives concurring therein:* That the legislature urges the United
11 States Department of Transportation to adopt regulations addressing the
12 safety of vertical, down-hole operations in gas storage fields and to
13 facilitate the ability of the Kansas Corporation Commission to act as its
14 agent for the enforcement of the regulations, to assure the safety and
15 security of Kansans is protected through the regulation of all operations
16 of all natural gas storage facilities located in the State of Kansas; and

17 *Be it further resolved:* That the Secretary of State be directed to send
18 enrolled copies of this resolution to the Commissioners of the Federal
19 Energy Regulatory Commission, the United States Secretary of
20 Transportation, members of the Kansas Congressional Delegation, the
21 Governor of Kansas and the Commissioners of the State Corporation
22 Commission.
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