MINUTES OF THE HOUSE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairman Carl D. Holmes at 9:10 a.m. on March 8, 2001 in Room 526-S of the Capitol.

All members were present except: Rep. Ward Loyd		
Committee staff present:	Lynne Holt, Legislative Research Mary Torrence, Revisor of Statutes Jo Cook, Committee Secretary	
Conferees appearing before the committee:		Karl Mueldener, Kansas Department of Health & Environment Lee Allison, Kansas Geological Survey

Others attending: See Attached List

Chairman Holmes welcomed Karl Mueldener from the Kansas Department of Health & Environment's Bureau of Water to the committee. Mr. Mueldener provided information on the Hutchinson natural gas explosions and leaks (Attachment 1). Mr. Mueldener described the Kansas underground facilities used for storage of hydrocarbons; which include propane, butane, natural gas and gasoline. He then outlined the regulatory history of natural gas storage and provided information on the types of injection wells addressed by the Federal Safe Drinking Water Act's program of Underground Injection Control (UIC). Mr. Mueldener sited the specific statutes and regulations that specifically address regulatory authority. Included with his testimony were maps showing: 1) the current natural gas storage facilities located in the United States, 2) the principal flow of natural gas and the areas that hold the most reserves, and 3) locations of methane gas incidents and investigation areas in Hutchinson. Mr. Mueldener provided the committee with diagrams showing a natural gas storage well, a hydrocarbon storage well and a conceptual monitoring system.

Dr. M. Lee Allison, State Geologist and Director of the Kansas Geological Survey (KGS), addressed the committee on the natural gas pathways and accumulations under Hutchinson (Attachment 2). Dr. Allison explained that the KGS is under statute to investigate and report on the natural resources of the state. Dr. Allison then explained the Geological Survey's role in the Hutchinson situation, what steps were taken, what had been discovered so far and what additional investigations needed to be done to return confidence to the people of Hutchinson and ensure that this cannot happen again.

Mr. Mueldener and Dr. Allison responded to questions from the committee. Those questions and responses, in nearly verbatim format, are incorporated into the minutes by attachment <u>(Attachment 3)</u>.

Meeting adjourned at 10:59 a.m.

Next meeting is Friday, March 9, 2001.