



February 19, 2019
Before the Senate Agriculture and Natural Resources
Support testimony on SB 153

Oral Testimony of Michael Gillaspie, Manager Governmental Affairs
ONEOK, Inc.
700 S. Kansas Ave., Suite 607, Topeka, KS
785-424-0424

Good morning Mr. Chairman and members of the committee. My name is Michael Gillaspie and I work for ONEOK, as the manager of government relations in Kansas. ONEOK owns and operates one of the nation's premier natural gas and natural gas liquids (NGL) systems, connecting NGL supply in the Mid-Continent, Permian and Rocky Mountain regions with key market centers and is a leader in the gathering, processing, storage and transportation of natural gas in the U.S. ONEOK has operations in over 18 states, including substantial facilities and pipelines throughout the State of Kansas. ONEOK appreciates the opportunity to provide comments in support of the Kansas Department of Health and Environment (KDHE) proposal to amend the existing Water Supply and Sewage Act (K.S.A. 65-171).

ONEOK's operating commitment to environmental compliance sets the expectation that the company operates responsibly and employs best management practices that help mitigate the potential impacts of our operations on the environment. ONEOK strives to comply with all requirements in the State of Kansas, including those associated with the statutes and regulations related to release reporting. Under current KDHE regulations and guidance, this includes the reporting of releases, regardless of quantity, material, or potential threat to health or the environment. ONEOK agrees with KDHE's stated intent to improve the Act and generally supports the proposed amendments to the Act.

ONEOK agrees with the KDHE's position that the agency is responsible for the protection of human health and the environment from releases of hazardous substances, and other pollutants to the surface or subsurface in the State of Kansas. That includes establishing rules and regulations necessary to respond to and report releases, including establishing minimum reportable quantities. It is important to provide consistent and clear instruction to regulated entities regarding the reporting of releases in the state of Kansas.

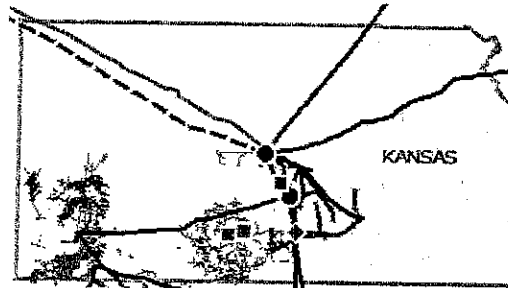
We recognize that the current requirement to report all releases, regardless of quantity, is unnecessary. Small volume releases are typically addressed quickly by ONEOK and do not warrant reporting and follow-up investigations by the agency. As KDHE states, the proposed amendments to the Act are necessary to facilitate regulatory action to establish more appropriate reporting requirements for releases. We support this proposed legislative action.

Thank you for the opportunity to address the committee on this issue contained in SB 153. I will be happy to answer questions or provide clarification at the appropriate time.

Senate Agriculture and Natural
Resource Committee
Date Feb 19
Attachment 6

Construction on the Elk Creek Pipeline

- Natural Gas Gathering & Processing
- ◆ Natural Gas Processing Plants
- Natural Gas Pipelines
- Natural Gas Storage
- Natural Gas Liquids Pipelines
- - - 50-Percent Interest
- Elk Creek Pipeline
- Natural Gas Liquids Fractionator



At a Glance (2018)

Natural Gas

Miles of natural gas pipelines	5,150
Natural gas processing plants	1
Natural gas storage facilities	3

Natural Gas Liquids

Miles of NGL pipelines	2,060
NGL fractionation facilities	3
NGL storage facilities	3

Economic Impact

Employees (as of December)	218
Payroll (federal taxable wages through November)	\$17,888,341
Property tax	\$9,844,864

Community Investments

Contributions:	\$169,113
Volunteerism:	717 hours

Miles of pipe are approximates and include projects under construction

Recent ONEOK Investments

- \$1.4 billion to construct an approximately 900-mile, 20-inch diameter pipeline – the Elk Creek Pipeline – and related infrastructure that will have the capacity to transport up to 240,000 barrels per day (bpd) of unfractionated natural gas liquids (NGLs) from near the company’s Riverview terminal in eastern Montana to Bushton, Kansas. *Expected completion fourth quarter 2019*
- \$90 million to construct an approximately 46-mile, 20-inch diameter pipeline – the Northline 7 Pipeline – and related facilities to transport unfractionated NGLs. *Expected completion third quarter 2019*

All project investment amounts are estimates and represent entire projects. Because some projects listed cross multiple states, investment amounts are not necessarily specific to one state.

For more information:

Michael Gillaspie
 manager of government relations
 785-435-8405 or michael.gillaspie@oneok.com

www.oneok.com | www.oneok.com/careers

