

**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.

7  
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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