May 9, 2011

Ray LaHood
Secretary
U. S. Department of Transportation
1200 New Jersey Avenue, S.E.
Washington, D.C. 20590

Dear Secretary LaHood:

On behalf of the Speaker of the House Michael O’Neal, I am forwarding an enrolled copy of House Resolution 6024, a resolution urging adoption of federal regulations or policies permitting Kansas to regulate the underground storage of natural gas in interstate transportation.

This resolution was adopted unanimously by the House of Representatives on May 5, 2011.

Sincerely,

Susan W. Kannarr, J.D.
Chief Clerk of the House

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Enclosure
A RESOLUTION urging adoption of federal regulations or policies permitting Kansas to regulate the underground storage of natural gas in interstate transportation.

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

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

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

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

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

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

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

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

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

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

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

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

Be it resolved by the House of Representatives of the State of Kansas: That we urge the Federal Energy Regulatory Commission, U.S. Department of Transportation and the Kansas Corporation Commission to adopt legislation or policies that would provide Kansas, and other states, administrative jurisdiction to assure the safe operation of wellbores associated with the underground storage of natural gas that is in interstate transportation.

I hereby certify that the above RESOLUTION originated in the HOUSE, and was adopted by that body

May 5, 2011

Speaker of the House.

Dean W. Garnett
Chief Clerk of the House.