


Citizens' Utility Ratepayer Board		
Board Members: Gene Merry, Chair A.W. Dirks, Vice-Chair Francis X. Thorne, Member Nancy Wilkens, Member Carol I. Faucher, Member David Springe, Consumer Counsel	 State of Kansas <i>Kathleen Sebelius, Governor</i>	1500 S.W. Arrowhead Road Topeka, Kansas 66604-4027 Phone: (785) 271-3200 Fax: (785) 271-3116 http://curb.kcc.state.ks.us/

HOUSE UTILITIES COMMITTEE

H.B. 2530

Testimony on Behalf of the Citizens' Utility Ratepayer Board
By David Springe, Consumer Counsel
March 21, 2005

Chairman Holmes and members of the committee:

Thank you for this opportunity to offer testimony on H.B. 2530. The Citizens' Utility Ratepayer Board supports this bill for the following reasons:

This bill attempts to address a level of uncertainty regarding the Kansas Corporation Commission's jurisdictional authority over end use customers on gathering systems. Given the current issues in southwest Kansas related to hydrogen sulfide in gas gathering systems, and potential health and safety concerns that come with exposing end use customer to hydrogen sulfide, CURB supports this attempt to clarify and grant jurisdiction to the Kansas Corporation Commission for purposes of regulating and supervising curtailments.

CURB does have two concerns with the bill. First, there is no definition of what constitutes an "emergency" in section (c) for shut off purposes. While CURB does not have the expertise to suggest what threshold level of hydrogen sulfide in natural gas going to a residential or commercial structure would endanger the health of the occupants and therefore constitute an emergency, if the Committee, or another conferee on the bill can address this, CURB believes that adding a threshold level of what constitutes an emergency might be useful.

Second, the language in section (c) seems to indicate that notice must be given to each “end use customer” “prior” to the actual curtailment. In an “emergency” situation “notice shall be provided not less than 24 hours before curtailment”. CURB is concerned that for a residential end use customer, requiring that notice be given 24-hours before a shutoff can occur may endanger the customer if there is in fact hydrogen sulfide in the gas going into the residence. While these unexpected curtailments certainly inconvenience and anger the customer, given the magnitude of the health and safety concern with hydrogen sulfide, CURB believes that residential customers should be shut off immediately if there is any chance that the health and safety of the customer is in jeopardy.

CURB suggest the following language revisions to address this issue:

- Change “not less than” to “within”. (Line 36)
- Add “If the end use customer is a residential dwelling, service to the dwelling may be curtailed immediately upon a good faith belief by the person seeking the curtailment that there is an immediate health and safety concern. The person seeking curtailment under this provision shall, within 24 hours, report to the Kansas Corporation Commission the basis for, and evidence supporting the good faith belief that curtailment was necessary under the emergency provisions of this section. In the event that the curtailment of the residential dwelling was unnecessary, as determined by the Kansas Corporation Commission, the person requesting the curtailment shall be held responsible for the cost of the service curtailment, including any reconnection costs and temporary heating costs.”