

MINUTES OF THE HOUSE COMMITTEE ON ENVIRONMENT.

The meeting was called to order by Chairperson Joann Freeborn at 3:30 p.m. on February 7, 2002 in Room 231-N of the Capitol.

All members were present except: Representative Clay Aurand - excused

Committee staff present: Raney Gilliland, Kansas Legislative Research Department
Mary Torrence, Revisor of Statute's Office
Mary Ann Graham, Committee Secretary

Conferees appearing before the committee: Ronald Hammerschmidt, Director, Division of Environment, KS Department Health & Environment, 1000 SW Jackson, Ste 400, Topeka, KS 66612-1367
Mike Cochran, Chief, Geology Section, Bureau of Water, KS Department Health & Environment, 1000 SW Jackson, Ste 420, Topeka, KS 66612

Others attending: See Attached Sheet

Chairperson Joann Freeborn called the meeting to order at 3:30 p.m. She announced that a sub-committee has been appointed to discuss **SB264 - Concerning the equus beds groundwater management district no. 2; relating to the powers, duties and operation of the district;** Chairperson, Rep. Becky Hutchins; Rep. Tom Sloan; Rep. Vaughn Flora; Rep. Jonathan Wells; and Rep. Joann Freeborn. She reviewed the committee agenda for next week and called attention to **HB2710** scheduled for Thursday, February 14, having been stricken from the agenda, but will be rescheduled.

The Chairperson opened **HB2624** for discussion and possible action. She reviewed the Fiscal Note, which will have no fiscal effect on the operations of the Kansas Water Office, local governments or the Kansas Department of Health and Environment.

HB 2624: An act concerning rural water districts and public wholesale water supply districts; relating to the power and duties thereof.

The Chairperson recognized Rep. Tom Sloan, he had distributed a balloon to the bill and reviewed the changes that had been made. Rep. Sloan said those in opposition to the original bill had reached agreement on the changes and no longer objected.

Rep. Tom Sloan made a motion the balloon (See attachment 1) to the bill be adopted. Rep. Becky Hutchins seconded the motion. Motion carried.

Rep. Tom Sloan made a motion the bill be passed favorably. Rep. Don Myers seconded the motion. Motion carried. Rep. Tom Sloan will carry the bill on the House Floor.

Chairperson Freeborn opened **HB2679** for discussion and possible action and reviewed the Fiscal Note, which will have no fiscal effect.

HB2679: Defining "resident" for the purpose of obtaining lifetime hunting, fishing or furharvester licenses.

The Chairperson welcomed Clint Riley, Department Attorney, Kansas Department Wildlife and Parks, to the committee. He made comments concerning changes that had been made to the bill.

The Chairperson welcomed Jamie Corkhill, Attorney, representing the Kansas Department of Social and Rehabilitation Services, to the committee. She reviewed an amendment that SRS had requested.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON ENVIRONMENT, Room 231-N of the Capitol at 3:30 p.m. on February 7, 2002.

Rep. Dan Johnson made a motion the amendments, page 1, in line 14, strike "(b)" and insert "(c)"; in line 40, strike "32-701" and insert "32-701"; page 2, in lines 34 and 35, strike "May 1, 1997" and insert "December 31, 2001"; be adopted. Rep. Ted Powers seconded the motion. Motion carried.

Rep. Ray Merrick made a motion the bill be passed as amended. Rep. Tom Sloan seconded the motion. Motion carried. Rep. Ray Merrick will carry the bill on the House Floor.

The Chairperson opened **HB2680** for discussion and possible action. She reviewed the Fiscal Note, which will have no fiscal effect on the Kansas Department of Wildlife and Parks.

HB2680: Increase in cash bond fees for wildlife and parks violations.

Rep. Ray Merrick made a motion the bill be passed favorably. Rep. Dan Johnson seconded the motion. Motion carried. Rep. Ray Merrick will carry the bill on the House Floor.

Chairperson Freeborn welcomed Ronald Hammerschmidt, Director, Division of Environment, KDHE. He briefed the committee on the Hutchinson Gas Incident of 2001, One Year After, as prepared by Karl Mueldener, Director, Bureau of Water, Kansas Department of Health and Environment. On January 17, 2001, Hutchinson was rocked by an explosion and subsequent persistent fire destroying two downtown businesses and injuring several people. Over the next 24 hours geysers of salt water and gas erupted in the eastern part of the community. An explosion and fire at the Big Chief Mobile Home Park resulted in the death of two citizens. The situation was terrifying and the cause unknown. Local government personnel were all working around the clock to insure public safety, fight the fires, and trying to figure out what was occurring.

The City Fire Department and Police were the front lines in responding to the incident. As the nature of the event unfolded the Local Emergency Preparedness Department became the focal point in coordinating efforts. Literally all city personnel from Fire, Police, Public Works, Emergency Response were involved. Responses included fire fighting and keeping citizens away from dangerous areas, all the while trying to determine what was happening.

As it became apparent natural gas was involved, contacts were made with federal and state agencies and the gas company, Kansas Gas Service. A pipeline leak was initially suspected, but company and agency reviews of the operations showed no evidence of pipeline problems. Kansas Gas was reviewing pipeline and distribution operations and also operations at the Yaggy underground gas storage facility. Pressure anomalies were noted at storage well S-1 prompting further investigation including video logging of the well. The video logging revealed a hole in the well casing at a depth of 600 feet. This is thought to be the source of the gas causing the eruptions in Hutchinson. Kansas Gas Service took steps to reduce leakage by removing gas from the well and setting special plugs to seal the leak. All gas was removed from storage well S-1 and the storage cavern was filled with brine. The state required no more gas be placed in the Yaggy facility as a safety precaution. Kansas Gas Service brought in nearly 200 employees to search for leaks in the community. Public buildings, such as schools, were surveyed with detection equipment. Additionally special sniffer trucks crisscrossed the town and geo-probe units were used to monitor suspect areas. These surveys continue today as a precaution.

Local and state officials and Kansas Gas Service officials agreed it was in the best interest to attempt to drill special wells designed to vent gas from under Hutchinson. The gas was apparently traveling up to seven miles underground and rising to the surface through old salt solution mining wells. The location or potential danger of these old, unplugged brine wells was not known. The geysers in east Hutchinson and the source of the downtown explosion were all from old brine wells. Location and completion of the vent wells required considerable geologic research and expertise. The first 4 wells did not hit gas, but eventually 13 of the 57 (8 of first 30) vent wells drilled were successful in venting gas, thus relieving the danger of further releases. The vent wells also dropped the pressure and volume of gas under the community. Only 3 of these vent wells still show small amounts of natural gas. Plugging of the dry vent wells, i.e., those not hitting gas, has been initiated with two wells being recently plugged. Plugging will continue through the summer. Certain wells are being logged in an effort to learn more about the travel pathways of the gas. Several of the vent wells might remain in place as sentinels or safety relief wells allowing gas to escape without harm to the public.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON ENVIRONMENT, Room 231-N of the Capitol
at 3:30 p.m. on February 7, 2002.

Kansas Gas Service paid the expenses for the installation and operation of the vent wells. Kansas Gas Service paid for the plugging of these two vent wells and will pay for the plugging of the remaining vent wells.

During the early phases of the geologic investigation the Governor asked the Kansas Geological Survey to assist. The Survey quickly dispatched geologists and highly specialized gear to assist. The Survey has played a critical and vital role in resolution of the issue. The Survey brings experts and a trusted point of view to examine the problem. The Survey was able to identify and explain the travel paths of the gas and help focus remedial work and investigations. The Survey was able to help Kansas Gas and Health & Environment officials in formulating the vent well program. Additionally the Survey has completed a significant amount of detailed study in the areas including shallow seismic testing and well logging in working to understand what happened. The Survey role was vital to area citizens and City officials in providing an unbiased technical viewpoint that was trusted.

Location and plugging of old brine wells is a secondary issue that has arisen. The Survey has been very active in helping to identify these old wells. The Survey and City recently signed an agreement to find these old wells. Several have already been identified and are expected to be plugged this summer. Honeywell Corporation has agreed to cover the cost of plugging some of the identified old brine wells. Other unplugged and abandoned wells will likely be found but it is questionable whether responsible parties can be found to plug the wells.

The Kansas Department of Commerce and Housing provided \$400,000 and the Kansas State Fire Marshal gave an additional \$200,000 to the City of Hutchinson to assist. The Kansas Geological Survey is seeking funding through the U.S. Department of Energy to carry out a 3-year geologic and engineering study of what transpired at Hutchinson.

Kansas Gas Service has not placed any additional natural gas in the Yaggy facility since the situation began, but has continued to remove gas to meet winter demands. KDHE has stated the facility can not be put back into service until the public's safety can be assured. (See attachment 2) Discussion followed.

Mike Cochran, Chief, Geology Section, Bureau of Water, KDHE, reviewed a map of Hutchinson showing locations of methane gas incidents and investigation areas. (See attachment 3) He answered committee questions concerning plugging of brine wells in the area. He stated that the minimum cost of plugging one well is approximately \$43,000, with about 140 wells to be plugged. The state does not expect to stand the total cost, other responsible parties will be identified.

The Chairperson thanked the Kansas Department of Health and Environment for their briefing, and guests and committee for their attention.

The meeting adjourned at 4:25 p.m. The next meeting is scheduled for Tuesday, February 12, 2002.

House Environment
2-7-02
Attachment 1

(6) to acquire by purchase or lease, construct, install, and operate reservoirs, pipelines, wells, check dams, pumping stations, water purification plants, and other facilities for the production, wholesale distribution, and utilization of water and to own and hold such real and personal property as may be necessary to carry out the purposes of its organization;

(7) to provide, by contract, to participating public agencies for the construction, installation and operation of pipelines, wells, pumping stations and other facilities and services relating to the distribution of water within the boundaries of the participating public agencies or retail distribution and utilization of water and to own and hold such real and personal property as may be necessary in relation thereto, except that, if the contract amount for such services is \$10,000 or more, the district shall be authorized to provide such services only if the award of the contract is based on competitive bids;

~~(8) to acquire by purchase or lease, construct, install, operate and maintain wastewater treatment works and systems and other facilities relating to the treatment of wastewater and to own and hold such real and personal property as may be necessary to carry out the provisions of this subsection.~~

— strike and renumber remaining subsections

~~(9) to provide, by contract, to participating public agencies for the construction, installation, operation and maintenance of wastewater treatment works, systems and other facilities and services relating to the treatment of wastewater within the boundaries of the participating public agencies and to own and hold such real and personal property as may be necessary in relation thereto, except that, if the contract amount for such services is \$10,000 or more, the district shall be authorized to provide such services only if the award of the contract is based on competitive bids;~~

— state-permitted

~~(9)(10)~~ (10) to have the general management, control, and supervision of all the business, affairs, property, and facilities of the district, and of the construction, installation, operation, and maintenance of district improvements, and to establish regulations relating thereto;

~~(9)(11)~~ (11) to hire and retain agents, employees, engineers and attorneys and to determine their compensation. The governing body shall select and appoint a general manager of the district who shall serve at the pleasure of the governing body. The general manager shall have training and experience in the supervision and administration of water systems and shall manage and control the water system under the general supervision of the governing body. All employees, servants and agents of the district shall be under the immediate control and management of the general manager. The general manager shall perform all such other duties as may be prescribed by the governing body and shall give the governing body a good and sufficient surety company bond in a sum to be set and approved

1-2

the governing body conditioned upon the satisfactory performance of the general manager's duties. The governing body also may require that any other employees be bonded in such amount as it shall determine.

The cost of such bonds shall be paid out of the funds of the district;

~~(10)~~ (12) to adopt and amend rules and regulations not in conflict with the constitution and laws of this state, necessary for the carrying on of the business, objects and affairs of the governing body and of the district; and

~~(11)~~ (13) to have and exercise all rights and powers necessary or incidental to or implied from the specific powers granted herein. Such specific powers shall not be considered as a limitation upon any power necessary or appropriate to carry out the purposes of this act.

Sec. 2. K.S.A. 82a-619 is hereby amended to read as follows: 82a-619. ~~(a)~~ Every district incorporated under this act shall have perpetual succession, subject to dissolution or consolidation pursuant to law and shall have the power to:

~~(1) To~~ (a) Exercise eminent domain within the boundaries of such district; ~~(2) to~~

(b) sue and be sued;

~~(3) to~~ (c) contract;

~~(4) to~~ (d) hold real and personal property acquired by will, gift, purchase, or otherwise, as authorized by law;

and ~~(5) to~~ (e) construct, install, maintain and operate such ponds, reservoirs, pipelines, wells, check dams, pumping installations or other facilities for the storage, transportation or utilization of water and such appurtenant structures and equipment necessary to carry out the purposes of its organization;

~~(b) Each such district shall have the power: (1) To;~~

(f) ~~construct, install, operate and maintain wastewater treatment works, systems and other facilities relating to the treatment of wastewater within and outside the boundaries of the district;~~

contract with cities or counties, or both, to

state-permitted

(g) cooperate with and enter into agreements with the secretary of the United States department of agriculture or the secretary's duly authorized representative necessary to carry out the purposes of its organization; and ~~(2)~~ to accept financial or other aid which the secretary of the United States department of agriculture is empowered to give pursuant to 16 U.S.C.A., secs. 590r, 590s, 590x-1, 590x-a and 590x-3, or and amendments thereto;

~~(c) Each such district shall have the power to;~~

(h) acquire loans for the financing of up to 95% of the cost of the construction or purchase of any project or projects necessary to carry out the purposes for which such district was organized and to execute notes and mortgages in evidence thereof with interest, or combined interest



KANSAS
DEPARTMENT OF HEALTH & ENVIRONMENT
BILL GRAVES, GOVERNOR
Clyde D. Graeber, Secretary

Report on Hutchinson Gas Incident of 2001, One Year After

by
Karl Mueldener, Director
Bureau of Water
January 15, 2002

On January 17, 2001, Hutchinson was rocked by an explosion and subsequent persistent fire destroying two downtown businesses and injuring several people. Over the next 24 hours geysers of salt water and gas erupted in the eastern part of the community. An explosion and fire at the Big Chief Mobile Home Park resulted in the death of two citizens. The situation was terrifying and the cause unknown. Local government personnel were all working around the clock to insure public safety, fight the fires, and trying to figure out what was occurring.

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DIVISION OF ENVIRONMENT
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House Environment
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Attachment 2

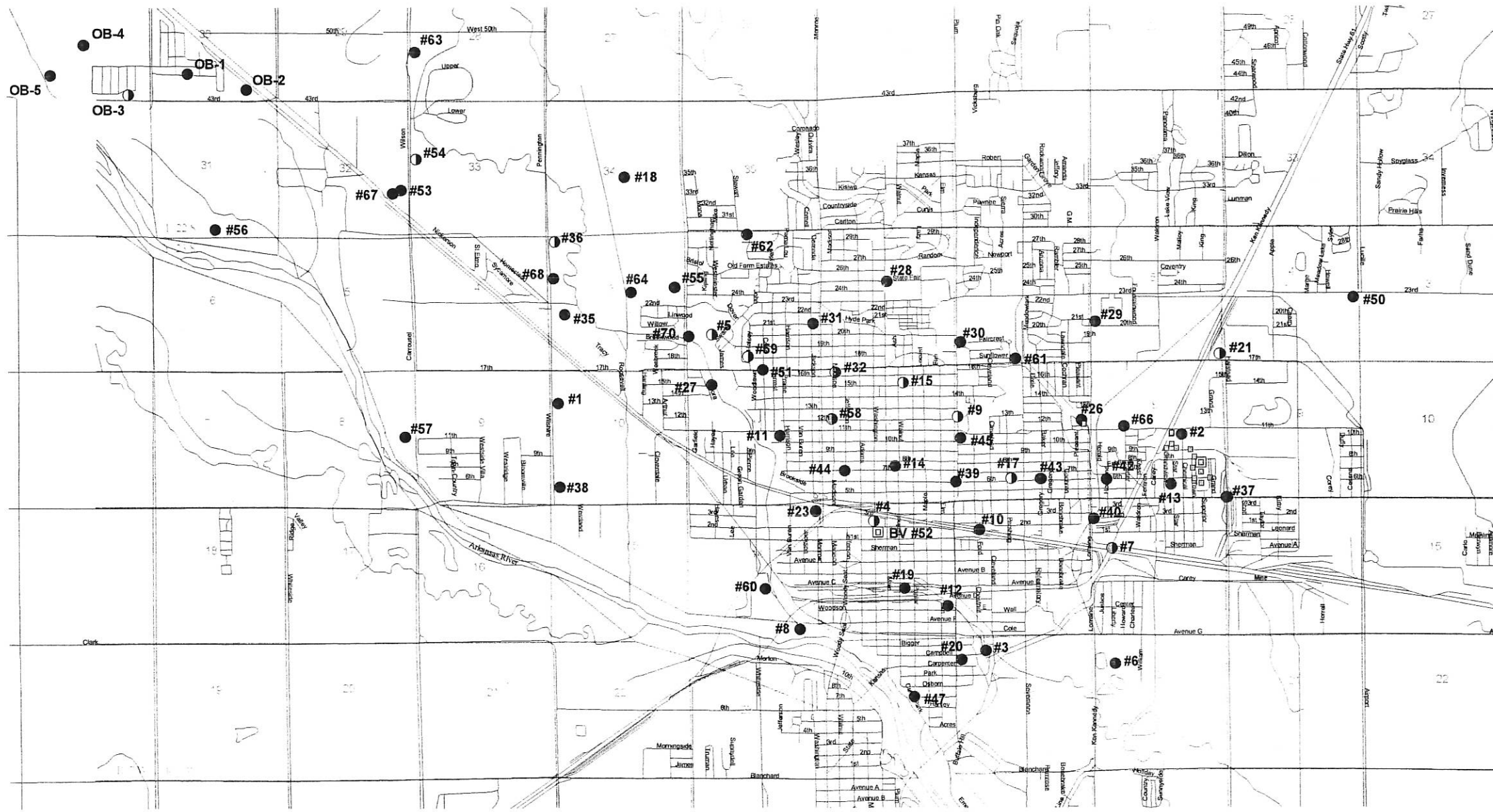
Local and state officials and Kansas Gas Service officials agreed it was in the best interest to attempt to drill special wells designed to vent gas from under Hutchinson. The gas was apparently traveling up to seven miles underground and rising to the surface through old salt solution mining wells. The location or potential danger of these old, unplugged brine wells was not known. The geysers in east Hutchinson and the source of the downtown explosion were all from old brine wells. Location and completion of the vent wells required considerable geologic research and expertise. The first 4 wells did not hit gas, but eventually 13 of the 57 (8 of first 30) vent wells drilled were successful in venting gas, thus relieving the danger of further releases. The vent wells also dropped the pressure and volume of gas under the community. Only 3 of these vent wells still show small amounts of natural gas. Plugging of the dry vent wells, i.e., those not hitting gas, has been initiated with two wells being recently plugged. Plugging will continue through the summer. Certain wells are being logged in an effort to learn more about the travel pathways of the gas. Several of the vent wells might remain in place as sentinels or safety relief wells allowing gas to escape without harm to the public. Kansas Gas Service paid the expenses for the installation and operation of the vent wells. Kansas Gas Service paid for the plugging of these two vent wells and will pay for the plugging of the remaining vent wells.

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4000 0 4000 8000 Feet

Prepared by KDHE Bureau of Environmental Remediation

LEGEND

- Deep Drilled Vent Well - No Gas Detected
- ⊕ Deep Drilled Vent Well - No Longer Venting Gas
- ⊖ Deep Drilled Vent Well - No Longer Being Flared
- ⊘ Deep Drilled Vent Well - Plugged (#7 and #58)
- Explosion Site
- Brine Well
- Railroad
- Stream, River or Ditch
- Incorporated Areas

LOCATIONS OF METHANE GAS INCIDENTS AND INVESTIGATION AREAS - HUTCHINSON

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