

MPSC investigates Consumers' Natural Gas Fire

On January 30th, 2019, record cold across MI set a record for natural gas demand in the state. At 10:30 AM, a fire broke out at the Consumers Energy Ray Compressor Station, which is the largest source of working gas capacity in Michigan and which also supplies a large portion of Consumers' natural gas needs during winter usage. Consumers stopped the flow of natural gas at the station, activated peaking storage fields in Northville and St. Clair, arranged for more natural gas supplies, and began reaching out to large industrial customers asking them to curtail their natural gas usage.



Photo Credit: Todd McInturf, The Detroit News (2019).

MPSC Gas Safety staff were onsite at the compressor station before 1:30 PM and offsite staff, including those at the State Emergency Operations Center, received update calls throughout the day. The fire was extinguished roughly 5 hours after it began.

As information was received throughout the day, it became clear that the viable portions of the compressor station were going to take longer than anticipated to bring back on line and that natural gas demand was higher than had originally been expected. While outages weren't expected, Consumers and the State Police were beginning to prepare for outages along isolated portions of the system.

Between 10:00 and 10:30 PM, an assessment was made that the health and safety of MI residents was at risk if portions of the natural gas distribution system went off line given the record cold. The emergency alert system operated by State Police was determined to be the quickest, most effective way to deliver the message to MI residents to lower their thermostats, thus decreasing demand for natural gas.

Portions of the compressor station were brought back on line throughout the night and Consumers began preparing for Thursday's demand. By 6:00 AM Thursday, Jan. 31, the projected demand had dropped 10% helping to avoid shut-offs to residential gas customers. At 12 AM on Feb. 1, Consumers resumed normal natural gas delivery to customers.

The Commission investigates all natural gas incidents throughout the state. However, given the scope and system-wide impacts involved in the Ray Compressor Station Fire, on February 7, the Commission issued an order for a broader investigation in Docket No. U-20064. The Investigation will examine the following:

- The origin of the fire.
- How Consumers responded to the fire, both at the site and at its corporate office.
- The company's implementation of gas curtailment procedures.
- Whether there is evidence of a failure on the part of Consumers to properly maintain its equipment or any non-compliance with Commission rules.
- Whether the company properly responded to the natural gas shortage.