

Regular Session, 2014

SENATE BILL NO. 525

BY SENATOR ADLEY

UTILITIES. Provides that abandonment of interstate pipeline segments located wholly in Louisiana are considered intrastate pipelines and are handled under the regulations of the Louisiana Public Service Commission. (8/1/14)

1 AN ACT
2 To enact R.S. 45:302.1, relative to the Louisiana Public Service Commission; to provide
3 with respect to abandonment of interstate pipelines located wholly within the state;
4 and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R. S. 45:302.1 is hereby enacted to read as follows:

7 **§302.1. Powers of the commission; abandonment**

8 **If proceedings are filed to abandon an interstate natural gas pipeline**
9 **before the Federal Energy Regulatory Commission, and any segment of pipeline**
10 **proposed to be abandoned in such filing is geographically located wholly within**
11 **the state of Louisiana, such segment shall be considered an intrastate natural**
12 **gas pipeline as of the date such proceeding is filed with the Federal Energy**
13 **Regulatory Commission. As an intrastate natural gas pipeline, the pipeline**
14 **shall be subject to the jurisdiction of the Louisiana Public Service Commission**
15 **as a public utility. All abandonment proceedings for any such pipeline segment,**
16 **beginning on the date of such filing, shall be governed pursuant to applicable**
17 **rules, regulations, and orders of the Louisiana Public Service Commission. Such**

1 **an abandonment shall not be effective until compliance with applicable rules,**
 2 **regulations, and orders of the Louisiana Public Service Commission, and all**
 3 **other applicable state and federal agency regulations. The provisions of this**
 4 **Section shall be in addition to the requirements of R.S. 30:555.**

5 Section 2. This Act shall become effective on August 1, 2014.

6 Section 3. The provisions of this Act shall be given retroactive application.

7 Section 4. The provisions of this Act shall apply to any proceeding to abandon an
 8 interstate pipeline located wholly in the state of Louisiana and filed with the Federal Energy
 9 Regulatory Commission on or after August 1, 2014.

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Sharon F. Lyles.

DIGEST

Adley (SB 525)

Present law prohibits an intrastate natural gas transporter from abandoning all or any portion of its facilities subject to the jurisdiction of the commissioner of conservation, or any service rendered by means of such facilities, without the permission and approval of the commissioner. The commissioner may approve upon his finding that the available supply of natural gas is depleted to the extent that the continuance of service is unwarranted, or that the public interest and energy needs permit such abandonment. The commissioner is authorized to deny abandonment based upon satisfactory evidence that a user of gas located in the state, a majority of which users' employees are Louisiana residents, or which user produces goods or services for Louisiana residents, including gas or electric service, is or will be unable to secure adequate supplies of natural gas to maintain employment, production, or service levels if abandonment is granted.

Proposed law provides that if proceedings are filed to abandon an interstate pipeline before the Federal Energy Regulatory Commission (FERC), and any segment of pipeline proposed to be abandoned in such filing is geographically located wholly within the state of Louisiana, such pipelines shall be considered an intrastate pipeline as of the date of filing such proceeding is filed with FERC and shall be within the jurisdiction of the Louisiana Public Service Commission (PSC). Requires abandonment proceedings for such pipeline segments, beginning as of the date of filing, to be handled pursuant to the rules and regulations of the PSC.

Proposed law provides that it is retroactive and applies to any proceeding to abandon an interstate pipeline located wholly in the state of Louisiana and filed with FERC on or after February 1, 2014.

Effective August 1, 2014.

(Adds R.S. 45:302.1)