
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 defines "interstate natural gas pipeline" as used in proposed law to mean an interstate natural gas pipeline where any portion of such pipeline is geographically located within the state of Louisiana, and when such pipeline portion provides service within the state to one or more local distribution systems which in turn provide service to its customers.

Proposed law provides that on and after March 10, 2014, if the Federal Energy Regulatory Commission (FERC) approves a proposal to abandon an interstate natural gas pipeline, then such pipeline portion within the state shall be considered an intrastate natural gas pipeline and a public utility as of the date of such approval and is subject to the jurisdiction of the Louisiana Public Service Commission (LPSC).

Proposed law requires an applicant who files a proposal with the FERC proposing to abandon an interstate natural gas pipeline subject to the provisions of proposed law to provide written notice and a copy of its application to the LPSC. Further, requires applicant to provide written notice and a copy of any FERC abandonment order upon issuance to the LPSC.

Proposed law provides that after issuance of a FERC order, any abandonment proceeding for such pipeline portion in Louisiana is governed by the applicable rules, regulations, and orders of the LPSC. Provides that no such abandonment is effective until the applicant complies with the LPSC's rules, regulations, and orders, and all other applicable state and federal agency regulations.

Proposed law provides that its provisions are in addition to the requirements of R.S. 30:555.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 45:302.1)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Transportation, Highways, and Public Works to the original bill

1. Defines "interstate natural gas pipeline" to mean an interstate natural gas pipeline where any portion of such pipeline is geographically located within the state of Louisiana, and when such pipeline portion provides service within the state to one or more local distribution systems which in turn provide service to its customers.
2. Requires that on and after March 10, 2014, if the FERC approves a proposal to abandon an interstate natural gas pipeline, then such pipeline portion within the state shall be considered an intrastate natural gas pipeline and a public utility as of the date of such approval and shall be subject to the jurisdiction of the LPSC.
3. Requires an applicant filing a proposal with the FERC which seeks to abandon an interstate natural gas pipeline subject to the provisions of proposed law to provide written notice and a copy of its application to the LPSC. Further, requires applicant to provide written notice and a copy of a FERC abandonment order upon approval and issuance to the LPSC.
4. Provides that after issuance of a FERC abandonment order, any abandonment proceeding for such pipeline portion in Louisiana is governed by the applicable rules, regulations, and orders of the LPSC. Provides that no such abandonment is effective until the applicant complies with the LPSC's rules, regulations, and orders, and all other applicable state and federal agency regulations.
5. Provisions of proposed law are in addition to the requirements of R.S. 30:555.
6. Changes effective date to governor's signature.