

Prior law prohibited 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. Authorized the commissioner to 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. Authorized the commissioner 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.

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

New 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 the pipeline portion within the state is to be considered an intrastate natural gas pipeline and a public utility as of the date of the approval and is subject to the jurisdiction of the Louisiana Public Service Commission (LPSC).

New law requires an applicant who files a proposal with the FERC proposing to abandon an interstate natural gas pipeline subject to new 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.

New 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 abandonment is effective until the applicant complies with the LPSC's rules, regulations, and orders, and all other applicable state and federal agency regulations.

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

New law does not apply if the owner or operator of the interstate pipeline seeking abandonment has done all of the following items:

- (1) Reached a written agreement with the existing customers providing for the continued availability and supply of natural gas from the interstate pipeline or for the supply and delivery of natural gas from alternative sources.
- (2) Filed this agreement as an uncontested settlement with FERC and the commission has issued a final order approving the uncontested settlement without change and the settlement is no longer subject to appeal.
- (3) Provided a copy of the uncontested settlement agreement and the final order of the FERC to the LPSC.

Effective upon signature of the governor (May 28, 2014).

(Adds R.S. 45:302.1)