

SENATE BILL NO. 525

BY SENATORS ADLEY, THOMPSON AND WARD

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 of certain pipelines**

8 **A. As used in this Section, "interstate natural gas pipeline" means an**
9 **interstate natural gas pipeline where any portion of such pipeline is**
10 **geographically located within the state of Louisiana, and when such pipeline**
11 **portion provides service within the state to one or more local distribution**
12 **systems that in turn provide service to their customers.**

13 **B. On and after March 10, 2014, if the Federal Energy Regulatory**
14 **Commission approves a proposal to abandon an interstate natural gas pipeline,**
15 **then such pipeline portion within the state shall be considered an intrastate**
16 **natural gas pipeline and a public utility as of the date of such approval. As an**
17 **intrastate natural gas pipeline, the pipeline shall be subject to the jurisdiction**
18 **of the Louisiana Public Service Commission.**

19 **C. An applicant filing a proposal with the Federal Energy Regulatory**
20 **Commission seeking abandonment of an interstate natural gas pipeline that is**
21 **subject to the provisions of this Section shall provide written notice and a copy**
22 **of the application to the Louisiana Public Service Commission. Upon the**
23 **approval and issuance of an abandonment order by the Federal Energy**
24 **Regulatory Commission, the applicant shall provide written notice and a copy**
25 **of such order to the Louisiana Public Service Commission.**

26 **D. Thereafter, any abandonment proceeding for such pipeline portion**
27 **in Louisiana shall be governed pursuant to applicable rules, regulations, and**
28 **orders of the Louisiana Public Service Commission. No such abandonment**

1 shall be deemed effective until the applicant has complied with the Louisiana
2 Public Service Commission's rules, regulations, and orders, and all other
3 applicable state and federal agency regulations.

4 E. The provisions of this Section shall be in addition to the requirements
5 of R.S. 30:555.

6 F. The provisions of this Section shall not apply if the owner or operator
7 of the interstate pipeline seeking abandonment has done all of the following:

8 (1) Reached a written agreement with the existing customers that
9 provides for the continued availability and supply of natural gas from the
10 interstate pipeline or for the supply and delivery of natural gas from alternative
11 sources.

12 (2) Filed the agreement referenced in Paragraph (1) of this Subsection
13 as an uncontested settlement with the Federal Energy Regulatory Commission
14 and the Federal Energy Regulatory Commission has issued a final order
15 approving such uncontested settlement without change and such settlement is
16 no longer subject to appeal.

17 (3) Provided a copy of the uncontested settlement agreement and the
18 final order of the Federal Energy Regulatory Commission, both referenced in
19 Paragraph (2) of this Subsection, to the Louisiana Public Service Commission.

20 Section 2. This Act shall become effective upon signature by the governor or, if not
21 signed by the governor, upon expiration of the time for bills to become law without signature
22 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
23 vetoed by the governor and subsequently approved by the legislature, this Act shall become
24 effective on the day following such approval.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____