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.

<u>Proposed law</u> 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.

<u>Proposed law</u> 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)