

CP14-125

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COMMITTEE ON ENERGY AND NATURAL RESOURCES

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April 1, 2014

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 OFFICE OF EXTERNAL AFFAIRS

The Honorable Cheryl A. LaFleur
 Chairman
 Federal Energy Regulatory Commission
 888 First Street, NE
 Washington, DC 20426

Dear Chairman LaFleur:

I am writing to express in the strongest possible terms my opposition to the application filed at the Federal Energy Regulatory Commission ("FERC" or "Commission") on March 28, 2014, by American Midstream, LLC to abandon the Midla pipeline and cut off affordable natural gas service to customers in 9 parishes in Louisiana: Franklin, Catahoula, Ouachita, Richland, Tensas, Concordia, West Feliciana, East Feliciana and East Baton Rouge. It is my understanding that the American Midstream abandonment proposal could result in at least a doubling of an average home owner's monthly utility bill. This is simply unacceptable and is an outright violation of the public interest standard of the federal Natural Gas Act as administered by FERC.

To make matters worse, Midla's application proposes a highly compressed process for FERC consideration of this complex and important matter. While I appreciate the urgency to move forward quickly in light of the safety issues Midla raises, running roughshod over the existing Midla customers will only increase the level of conflict and thus the length of time it will take to come up with a solution.

The deadlines Midla proposes for FERC consideration of their application are so tight that they fundamentally compromise the due process rights of the affected communities. To give just one example, Midla proposes that those that want to "intervene" in the Commission proceeding on the Midla application must do so within 10 days of the posting of a notice of the Midla application by FERC. Under this approach, any Louisiana communities and other Midla customers that miss the 10 day deadline for intervention will lose their right to rehearing by FERC and judicial review of the abandonment in the U.S. Court of Appeals. Put simply, they will lose their opportunity to go to court if they are not satisfied with FERC's decision. Midla no doubt understands this and is hoping to keep the number of opponents that fully participate in the FERC process on their application as low as possible.

To put this in perspective, Commission regulations provide a 60 day period for intervention in abandonment proceedings. While it would not be unreasonable to request the full 60 day intervention period, in the interest of moving things forward I respectfully request that the Commission allow for not less than 30 days for interested parties to intervene.

2014-00046

I have no objection to the concept of a "technical conference" meeting of FERC staff with Midla and all other interested communities to discuss a path forward on Midla's application that works for all parties. However, I do object to the proposed timing. Midla requests that the technical conference be conducted no later than 15 days after the application is posted. That simply is not enough time for the Midla customers to prepare. It appears, again, to be an effort by Midla to seek to overwhelm other parties due to the deep pockets Midla's new hedge fund owner has that allow it to hire a phalanx of lawyers and consultants to dominate the FERC proceeding. To prevent this from occurring, any technical conference should be scheduled not sooner than 30 days following posting of the application.

Finally, I request that you deny Midla's proposal that the Commission make a decision on their application by July 1, 2014. That is an arbitrary deadline that very well may not give the Commission and others the time they need to give appropriate consideration to the Midla proposal.

I know that you take very seriously the responsibility of the Commission to protect energy consumers. I am hopeful that you will do all you can to assure continued and affordable gas pipeline service to Louisiana communities.

Thank you for your consideration of this request.

Sincerely,

A handwritten signature in black ink, appearing to read "Mary L. Landrieu". The signature is fluid and cursive, with a large initial "M".

Mary L. Landrieu
Chair

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