

# United States Senate

COMMITTEE ON  
ENERGY AND NATURAL RESOURCES

WASHINGTON, DC 20510-6150

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February 26, 2014

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

Dear Chairman LaFleur:

I am writing to direct your attention to a very troublesome proposal made by the ArcLight Capital Partners LLC hedge fund (ArcLight) under the guise of an “open season” to abandon and replace portions of the Midla natural gas pipeline that serves many cities in nine parishes in Louisiana.

If ArcLight is permitted by the Federal Energy Regulatory Commission (FERC) to proceed with its abandonment plans the negative consequences to many of these small and rural communities would be severe. To give just one example, if approved in its current form, the ArcLight proposal could result in at least a doubling of an average homeowners monthly utility bill. This extraordinary rate increase would wreak economic havoc in an area of Louisiana that is economically depressed.

There is no question that on its face, the ArcLight proposal is a violation of the public interest standard of the Natural Gas Act (NGA). It is also inconsistent with FERC’s interpretation of the NGA public interest standard to give great weight to “continuity and stability of existing service.” Make no mistake; the ArcLight proposal in its current form would have the impact of outright denying continuing service or making the cost of service so prohibitive that it effectively is a denial of service.

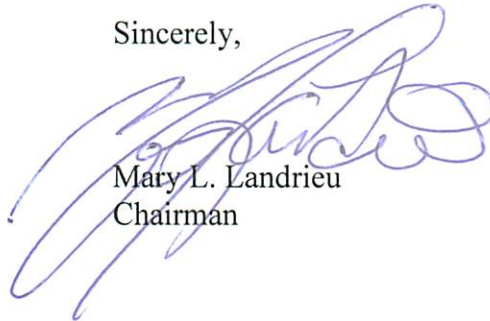
I understand that the ability of the Commission to address the ArcLight problem at this time is limited because ArcLight has yet to file an application for abandonment of Midla. However, it is my understanding that ArcLight intends to file such an application in the next few weeks.

One of the Commission's core responsibilities is to protect energy consumers. I know the Commission will do what it takes to assure continued and affordable gas pipeline service to the Louisiana communities that depend on the Midla pipeline and I urge your immediate and dedicated attention to this matter.

Thank you in advance for your consideration of this request.

With warmest regards, I am,

Sincerely,



Mary L. Landrieu  
Chairman

cc: Commissioner Philip D. Moeller  
Commissioner John R. Norris  
Commissioner Tony Clark