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SAM E. FOWLER, CHIEF COUNSEL
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United States Senate

COMMITTEE ON
ENERGY AND NATURAL RESOURCES

WASHINGTON, DC 20510-6150

WWW.ENERGY.SENATE.GOV

July 14, 2014

The Honorable Cheryl A. LaFleur
Chairman
Federal Energy Regulatory Commission
888 First Street N.E.
Washington, D.C. 20426

Dear Chairman LaFleur:

I have conveyed to you many times my strong opposition to the attempt by the ArcLight hedge fund and American Midstream, LLC to obtain Federal Energy Regulatory Commission (“FERC” or “Commission”) approval of the abandonment of the Midla pipeline. Much is at stake. If ArcLight, American Midstream, and Midla are allowed to go forward with their plan to abandon the Midla pipeline, the result will be a termination of affordable natural gas service to tens of thousands of customers in nine parishes in Louisiana: Franklin, Catahoula, Ouachita, Richland, Tensas, Concordia, West Feliciana, East Feliciana and East Baton Rouge. This would be absolutely devastating to the well-being and economy of these parishes. I will use every tool available to me as the Chair of the Senate Committee on Energy & Natural Resources to assure that the customers of Midla will continue to have affordable natural service.

In light of my concerns, I was pleased to learn that the Commission Office of Energy Projects staff have sent Midla pipeline two sets of detailed data requests concerning the abandonment proposal, one on June 11, 2014, to which Midla responded on July 2, 2014, and one dated June 30, 2014, that a response to is due on July 28, 2014.

After reviewing the information submitted to FERC by Midla in response to its data requests, it is apparent that the company is engaging in blatant regulatory gamesmanship at the expense of its customers.

Drastic Midla Cuts in Pipeline Maintenance Funding

Maintenance is absolutely essential to maintaining pipeline reliability and safety. Yet, Midla maintenance expenditures have fallen from \$310,709 in 2009 to \$15,401 in 2013, a decrease of 95 percent.¹ This appears to be a classic case of a company slowing or suspending maintenance expenditures because they intend to sell or attempt to walk away from an asset. So to the extent Midla pipeline safety risks may be increasing in recent years, this is, at least in part, a problem of Midla’s own making.

¹ June 11, 2014 Letter from the FERC Office of Energy Projects to American Midstream, Appendix A (copy attached)

In their June 11th data request FERC staff asked Midla to explain why pipeline maintenance expenditures have declined in recent years. The June 11th data request includes Appendix A that indicates a precipitous drop in maintenance spending reported by Midla to FERC:²

2009- \$310,709
2010- \$21,366
2011- \$40,861
2012- \$79,568
2013-\$15,401

These numbers are indicative of a strategy by Midla since 2009 to reduce maintenance and allowing the pipeline to deteriorate. In its response to FERC, Midla attempts to sidestep the issue. It claims:

*The decline in total maintenance as disclosed in our Annual Form No. 2-A during 2010 through 2013 as compared to 2009 and prior is a difference in classification in certain operation and maintenance expense by the previous owner.*³

Midla attempts to dodge the question of the steep decline in pipeline maintenance spending since 2009. If there is, as Midla claims, “a difference in classification” in certain years that makes the maintenance costs numbers submitted previously by Midla inaccurate, then Midla must go back and correct the record. Moreover, as requested by FERC staff, Midla must explain “why total maintenance expense on the system has declined... if the system is experiencing more leaks and repairs.”⁴

I strongly urge the FERC staff to reject Midla’s non-answer of the critical maintenance questions and insist on a complete and full response. Midla needs to quit stonewalling and start cooperating so the key facts are known to all stakeholders.

Midla’s Effort to Convince PHMSA to Send a Letter Expressing Safety Concerns

The responses to FERC’s data requests also reveal an attempt by Midla to convince the Pipeline and Hazardous Materials Safety Administration (PHMSA) to send a letter to FERC supporting Midla’s safety claims. Fortunately, PHMSA ultimately decided not to send such a letter to FERC.

A series of Midla emails indicate that Midla had numerous contacts with PHMSA staff trying to convince them to send a letter expressing safety concerns in support of abandonment but not take any safety regulatory action against Midla.

What follows are excerpts of some of these emails⁵:

² Id.

³ July 2, 2014 Letter from American Midstream to the Secretary, FERC (copy attached)

⁴ Id.

⁵ Midla emails appendix (copy attached)

February 24, 2014 1:44 pm Kenneth Knox of American Midstream to Linda Daugherty, PHMSA:

....we spoke back in December about American Midstream's desire to shut down its 87 year old Dresser Coupled pipeline running from Monroe Louisiana to Baton Rouge. It's been an eventful political path thus fare and we are approaching our initial filing at FERC. I'd appreciate an opportunity to speak again and solicit an official response from PHMSA in support of our efforts.⁶

March 18, 2014 12:37pm, Kenneth Knox, American Midstream to Peter Esposito, consultant to Midla:

Today I spoke to Linda Daugherty regarding our request for a letter in support of our Midla Abandonment. Linda said she met with Jeff Wiese (Associate Administrator for Pipeline Safety) last week along with other regional PHMSA directors and they continue to support our position.

April 16, 2014 9:13 pm, Kenneth Knox, American Midstream to Peter Esposito, Midla consultant and Lauren Kaestner, American Midstream:

I spoke to Linda today (she called). She apologized for being slow to return my calls due to travels. PHMSA is working on the letter and plan to have it ready shortly. She did say the political fire storm has been interesting. I asked if we should expect a group of PHMSA inspectors in response to the letters they received. She said no and that PHMSA is confident we were doing everything possible. Very positive conversation, I guess we just have to wait them out.

April 17, 2014, 6:47 am, Lauren Keastner, American Midstream to Peter Esposito, consultant to Midla, Kenneth Knox American Midstream and Thomas Hirsch, counsel:

I also think that this [PHMSA letter] is going to backfire somewhat on PHMSA and possibly us so we need to be ready. The obvious questions will be: How can you say that you are not safe? You have passed EVERY PHMSA audit and inspection. If Midla were not safe to operate PHMSA would have said so long ago. If PHMSA is concerned about the HCA's why did they allow you to continue to operate if Midla is unsafe? So I think we should get with John Jacobi [former PHMSA Regional Director] and prepare our answer to these questions based on his experience as a former PHMSA inspector. Maybe even have him at the technical conference so he can go over what exactly "passing" a PHMSA inspection means...what they look for...and why a pipeline can still pass but not necessarily be safe. Think it should come from John to add credibility and not from a Midla employee.⁷

⁶ Id.

⁷ Id.

These emails speak for themselves and reveal a cynical effort by Midla to use the safety issue as a tool to force the abandonment of the Midla pipeline.

In closing, I respectfully request that you direct the appropriate FERC staff to continue to ask the right questions and insist on answers from Midla that tell the whole story. The outcome is so important to so many people in Louisiana that it is absolutely essential that FERC leave no stone unturned to assure that its decision regarding the future of the Midla pipeline is made based on the true facts of the situation, not regulatory gamesmanship by Midla.

Thank you for your consideration.

Sincerely,



Mary L. Landrieu
Chair

cc: Commissioner Tony Clark, FERC
Commissioner Philip D. Moeller, FERC
Commissioner John R. Norris, FERC
Administrator Cynthia L. Quarterman, PHMSA

Enclosures:

- June 11, 2014 Letter from the FERC Office of Energy Projects to American Midstream, Appendix A
- July 2, 2014 Letter from American Midstream to the Secretary, FERC
- Midla emails

**FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426**

OFFICE OF ENERGY PROJECTS

In Reply Refer To:

OEP/DPC/CB-2

American Midstream (Midla), LLC

Docket Nos. CP14-125-000

CP14-126-000

RP14-638-000

Section 375.308(x)(3)

June 11, 2014

Dennis J. Kelly, Esq.
Senior Counsel
American Midstream (Midla), LLC
1400 16th Street, Suite 310
Denver, CO 80202

Re: Data Request

Dear Mr. Kelly:

Please provide the following requested information in the enclosure to assist in our analysis of the above-referenced filings. File your response in accordance with the provisions of the Commission's Rules of Practice and Procedure. In particular, 18 CFR 385.2010 (Rule 2010) requires that you serve a copy of the response to each person whose name appears on the official service list for this proceeding.

You should file a complete response within 15 business days of the date of this letter. The response must be filed with the Secretary of the Commission at:

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street NE, Room 1A
Washington, DC 20426

If certain information cannot be provided within this time frame, please indicate which items will be delayed and provide a projected filing date. **You should be aware that the information described in the enclosure is necessary for us to continue reviewing these filings.**

When filing documents and maps, be sure to prepare separate volumes, as outlined on the Commission’s website at www.ferc.gov/help/filing-guide/file-ceii/ceii-guidelines.asp. Any Critical Energy Infrastructure Information should be filed as non-public and labeled “Contains Critical Energy Infrastructure Information-Do Not Release” (18 CFR 388.112). Cultural resources material containing location, character, or ownership information should be marked “Contains Privileged Information - Do Not Release” and should be filed separately from the remaining information, which should be marked “Public.”

File all responses under oath (18 CFR 385.2005) by an American Midstream (Midla), LLC representative and include the name, position, and telephone number of the respondent to each item.

Sincerely,

Olubukola Pope
Project Manager
Certificate Branch 2
Office of Energy Projects

cc: Public File - Docket Nos. CP14-125-000
CP14-126-000
RP14-638-000

All Parties

Peter G. Esposito
Crested Butte Catalysts, LLC
P.O. Box 668
1181 Gothic Corridor (CR 317)
Crested Butte, CO 81224

Thomas E. Hirsch III, Esq.
Law Office of Thomas Hirsch, P.C.
4322 Leland Street
Chevy Chase, MD 20815

Enclosure

1. Provide flow diagrams representing the design capacity for both existing and proposed conditions as discussed in Midla's abandonment application including Exhibit V. Please include pressures and volumes at each receipt and delivery point, pipe lengths and size, symbols and labels differentiating facilities, compressor station and horsepower data and Maximum Allowable Operating Pressure (MAOP). Midla must label each point with a location point name in accordance with the "common code" names adopted in section 284.12(c)(2)(vi). The label must, at a minimum, include Field 22, the GISB/PID Data Reference Number, as listed in the GISB/HIS common Code File Layout. If Midla uses other point names in other data responses, please provide a table that cross references the point names.
2. Provide input and output files from the hydraulic models supporting each flow and pressure data shown on the diagrams in the response to Question No. 1. Midla should file the engineering models electronically or in electronic format (CD, DVD, flash memory, etc.) with the Commission.
3. On page 39 and 40 of its application (CP14-125-000), Midla discusses three options presented to its current and prospective customers during its open season held in November and December 2013. Provide the engineering study and construction costs for each option made available to its customers. Provide flow diagrams representing the design capacity for each option. Please include pressures and volumes at each receipt and delivery point, pipe lengths and size, symbols and labels differentiating facilities, compressor station and horsepower data and MAOP.
4. Has Midla voluntarily reduced the operating pressure on its system as a way to reduce the pipeline leaks Midla experiences on its system? If not, under what authority was Midla required to reduce its system operating pressure? For the past ten years, identify each reduction in operating pressure and explain the benefits/impact these actions had on the Midla system.
5. On page 27 of its application (CP14-125-000), Midla states that it injects corrosion inhibitor into the gas stream in order to mitigate internal corrosion caused by liquids accumulating in low points of the pipeline. Discuss how this corrosion mitigation method has worked during the duration of the program.

6. On page 18 of its application (CP14-125-000), Midla reports that officials from PHMSA have expressed support for Midla's desire to abandon its facilities as soon as practicable. Provide any and all documents provided to Midla by PHMSA's regarding its concerns about the condition of the facilities and its support for the abandonment of the Midla facilities. Also provide any internal Midla documents that summarize discussions with PHMSA on these matters.

7. Provide the number, location, type and associated cost of repairs Midla has made to its system for the last ten years. Identify each incident, duration, and location where an interruption of service was necessary in order to repair the pipeline leak or rupture.

8. In April 2013 ArcLight Capital Partners, LLC (ArcLight) acquired an ownership interest in Midla. During the acquisition process, what information, if any, was reviewed by ArcLight regarding the integrity of the pipeline (i.e., age, construction method used, maintenance/ capital costs)?

10. Prior to April 2013, did Midla's management/owners discuss the need for or develop plans for the shutdown or replacement of the Midla mainlines? If so, provide all documents related to these discussions/plans.

11. Provide a reservoir overview and production analysis for the Monroe Field. Provide the production trend analysis for the Monroe Field for the past ten years, and for the next five years.

12. For all other production fields that provide direct gas supplies to the Midla facilities, provide a reservoir overview and production analysis. Provide the production trend analysis for each field for the past ten years, and such projects for the next five years.

13. On page 36 of its application (CP14-125-000), Midla states that it did not seek abandonment of the Midla mainlines earlier because of the prospect that the Tuscaloosa Shale formation in southern Mississippi would be developed but that "the development of the Tuscaloosa Shale turned out to be chimerical." When and on what basis did Midla determine that the development of the Tuscaloosa Shale formation was unrealistic? Provide all documents relating to this matter.

14. Please provide maps that show the proximity of other interstate or intrastate facilities to the Midla System, including those facilities that are directly interconnected. As mentioned above, Midla states that it presented three alternate re-build options to its current and prospective customers during its open season. Discuss the feasibility

(physical and economic) of Midla contracting for service on or leasing other pipeline facilities to continue service to its current and prospective customers.

15. In a table, provide the following information for each firm service agreement (including short term firm and any FT agreement that may have expired) between Midla and its shippers that were in effect between January 1, 2013 and May 31, 2014. Provide any necessary narrative explanations or workpapers outside of the table.

- a. Customer name
- b. Rate Schedule and contract rate(s)
- c. Quantity
- d. Primary receipt point(s)
- e. Primary delivery point(s)
- f. The initial term, including starting and ending dates
- g. The current term (i.e. rollover/evergreen period), including starting and ending dates
- h. State whether contract has evergreen rights
- i. State whether contract is eligible for ROFR
- j. State how much, if any, of the contract capacity utilizes Midla's Mainlines

16. In its prior notice filing in Docket No. CP14-126-000, Midla explains that at the time of the filing it was still seeking the consent of the affected customers whose service would be provided by Midla's intrastate affiliate, Mid Louisiana Gas Transmission, LLC (MLGT), following the abandonment. Provide an update on the status of obtaining the consent of Midla's shippers whose service will be provided by MLGT following the abandonment. Also, explain how MLGT plans to continue service to these customers, including whether MLGT proposes replacement contracts, and/or the assignment of existing contracts, for the T-32 and Baton Rouge Systems?

17. Midla's Operation & Maintenance (O&M) expenses as reported in its annual Form 2-A filings appear in Appendix A to this data request. Provide a detailed breakdown of those O&M expenses for the T-32 System, Midla Mainlines, and the Baton Rouge System for the last ten years. Please be as specific as possible by describing where the expenditure occurred on the system, the amount of the expenditure, the nature of the expenditure, and any other pertinent information for the T-32 System, Midla Mainlines, and the Baton Rouge System. Explain why total maintenance expense on the system has declined for the years 2010 through 2013, to a low of \$15,401 for 2013, if the system is experiencing more leaks and repairs.

18. Provide the amount of capital additions to transmission plant for each of the last 10 years for the Midla Mainlines, the T-32 System, and the Baton Rouge System.
19. Given the integrity issues detailed in the application in Docket No. CP14-125-000, explain to what extent Midla's deteriorating condition is reflected in the Unaccounted For volumes reported in Midla's Form 2-A and highlighted in Appendix B.
20. Midla's throughput data as reported in its Form 2-A is summarized in Appendix B of this data request. Provide a detailed explanation and supporting workpapers for the following issues:
 - a. Provide a breakdown of Midla's total system throughput in Appendix B (shown in Total Receipts column) into monthly throughputs for the T-32 System, Midla Mainlines, and the Baton Rouge System from January 2004 to May 2013.
 - b. Provide monthly throughput data by customer (including 3-day peak) for the Midla Mainlines from January 2009 to May 2014. (in Excel format)
 - c. In Appendix B, please explain why Total Deliveries & Unaccounted For do not equate to Total Receipts from 2010 forward.
 - d. Appendix C to this data request contains Compressor Fuel Usage quantities as reported by Midla in its annual Form 2-A. In Appendix C, please explain why Compressor Fuel Usage becomes negative starting from 2010.
21. Exhibit Z-4 of the application in Docket No. CP14-125-000 referred to four appendices that were not included in the filing. Please provide the appendices.
22. The proposed journal entries included in Exhibit Y of Docket No. CP14-125-000 are for the sale of facilities, however, the application seeks approval to abandon the facilities in place. Please provide the proposed journal entries that will be used to abandon the facilities in place.
23. When did Midla establish an asset retirement obligation (ARO) related to the facilities to be abandoned and why? What were the accounting entries that established the ARO?
24. In its Exhibit Y, Midla proposes to debit Account 230, Asset Retirement Obligations, and credit Account 412, Gain on Disposition of Property to account for the ARO related to the facilities to be abandoned.
 - a. Explain why the abandonment of the facilities does not trigger the performance of the asset retirement activities.

- b. Explain how the proposed journal entry complies with the Commission's requirements for AROs established in Order No. 631 and General Instruction No. 24, Accounting for Asset Retirement Obligations. Specifically explain why the extinguishment of the ARO is not recorded directly to Account 411.6, Gain on Disposition of Utility Plant.

Appendix A: American Midstream (Midla) Annual O&M Expenses¹

	Total Operation	Total Maintenance	Total Transmission Expenses
1996	\$ 2,299,623	\$ 233,424	\$ 2,533,047
1997	\$ 2,154,311	\$ 183,499	\$ 2,337,810
1998	\$ 1,976,982	\$ 146,315	\$ 2,123,297
1999	\$ 2,016,574	\$ 161,734	\$ 2,178,308
2000	\$ 914,235	\$ 188,430	\$ 1,102,665
2001	\$ 989,594	\$ 249,602	\$ 1,239,196
2002	\$ 2,290,679	\$ 208,446	\$ 2,499,125
2003	\$ 1,777,576	\$ 129,363	\$ 1,906,939
2004	\$ 1,711,263	\$ 168,537	\$ 1,879,800
2005	\$ 1,754,843	\$ 166,048	\$ 1,920,891
2006	\$ 2,974,397	\$ 487,854	\$ 3,462,251
2007	\$ 1,531,089	\$ 644,085	\$ 2,175,174
2008	\$ 1,663,203	\$ 314,032	\$ 1,977,235
2009	\$ 1,070,432	\$ 310,709	\$ 1,381,141
2010	\$ 1,799,613	\$ 21,366	\$ 1,820,979
2011	\$ 1,763,499	\$ 40,861	\$ 1,804,360
2012	\$ 2,095,229	\$ 79,568	\$ 2,174,797
2013	\$ 1,935,739	\$ 15,401	\$ 1,951,140

¹ Form 2-A Annual Report (1996-2013), p. 323.

Appendix B: American Midstream (Midla) Annual Throughput² (in Dth)

	Total Receipts	Total Deliveries	Total Unaccounted For	Total Deliveries & Unaccounted For
1996	48,741,475	48,762,885	(21,410)	48,741,475
1997	41,804,287	41,676,499	127,788	41,804,287
1998	41,714,378	41,741,500	(27,122)	41,714,378
1999	55,682,788	55,340,023	342,765	55,682,788
2000	51,532,230	51,537,393	(5,163)	51,532,230
2001	37,157,572	36,984,312	173,260	37,157,572
2002	45,095,164	45,121,663	(26,499)	45,095,164
2003	41,321,475	41,180,793	140,682	41,321,475
2004	38,017,903	37,991,458	26,445	38,017,903
2005	38,731,743	38,726,546	5,197	38,731,743
2006	40,926,381	40,665,325	261,056	40,926,381
2007	42,448,493	42,448,493	-	42,448,493
2008	36,448,006	36,413,799	34,207	36,448,006
2009	27,437,905	27,077,916	359,989	27,437,905
2010	32,083,909	30,666,879	-	30,666,879
2011	33,381,823	32,627,424	(137,829)	32,489,595
2012	44,629,718	44,372,873	(339,343)	44,033,530
2013	53,904,691	53,112,848	(296,520)	52,816,328

² Form 2-A Annual Report (1996-2013), p. 520.

Appendix C: American Midstream (Midla) Annual Compressor Station Fuel³ (in Dth)

1996	Gas Used for Compressor Station Fuel	303,578
1997	Gas Used for Compressor Station Fuel	284,693
1998	Gas Used for Compressor Station Fuel	207,831
1999	Gas Used for Compressor Station Fuel	207,773
2000	Gas Used for Compressor Station Fuel	211,734
2001	Gas Used for Compressor Station Fuel	216,473
2002	Gas Used for Compressor Station Fuel	234,768
2003	Gas Used for Compressor Station Fuel	220,591
2004	Gas Used for Compressor Station Fuel	224,845
2005	Gas Used for Compressor Station Fuel	257,216
2006	Gas Used for Compressor Station Fuel	198,217
2007	Gas Used for Compressor Station Fuel	163,725
2008	Gas Used for Compressor Station Fuel	172,754
2009	Gas Used for Compressor Station Fuel	144,477
2010	Gas Used for Compressor Station Fuel	(238,048)
2011	Gas Used for Compressor Station Fuel	(200,297)
2012	Gas Used for Compressor Station Fuel	(142,137)
2013	Gas Used for Compressor Station Fuel	(152,850)

³ Form 2-A Annual Report (1996-2013), p. 520.

Document Content(s)

cp14-125 and 126 Data request Midla.DOCX.....1-10

July 2, 2014

Via eFiling

Volume I
Public Version

Ms. Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, D.C. 20426 14,

**Re: American Midstream (Midla), LLC
OEP/DPC/CB-2
Docket Nos. CP14-125-000; CP14-126-000;
RP14-638-000
Data Responses**

Dear Ms. Bose:

American Midstream (Midla), LLC ("Midla") hereby submits for filing with the Federal Energy Regulatory Commission ("Commission" or "FERC") its responses to the Staff's June 11, 2014 Data Request in the above-mentioned dockets. The responses submitted herewith are comprised of the following three volumes:

Volume I – Public Information

Transmittal Letter

Data Responses: Nos. 2, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23 & 24.

Volume II – Critical Energy Infrastructure Information (CEII) – DO NOT RELEASE

Data Responses: Nos. 1 (Flow Diagrams), 3 (Engineering Study)

VOLUME III – Privileged and Confidential Information – DO NOT RELEASE

Data Response: No. 3 (Potential Pipeline Rights-of-Way)

Midla respectfully requests that only the information submitted in Volume I be placed on the internet as "**Public Information.**"

Because the information in Data Responses 1 & 3 in Volume II pertains to system flow information, Midla requests that Volume I be accorded Critical Energy Infrastructure Information ("CEII") treatment pursuant to Section 388.112 of the Commission's regulations. See, e.g., Scott R. Smith, 120 FERC ¶62,160, P 4 (2007) (system flow information held to be CEII). Accordingly, Midla has marked Data Responses 1& 3 "CONTAINS CRITICAL ENERGY INFRASTRUCTURE INFORMATION: DO NOT RELEASE."

In addition, because the information in Data Response 3 contains locations of potential needed pipeline rights-of-way, Midla requests that such information in Data Response 3 be accorded privileged treatment also pursuant to Section 388.112 of the Commission's

regulations. Accordingly, Midla has marked Data Response 3 in Volume III "CONTAINS PRIVILEGED INFORMATION: DO NOT RELEASE."

Please contact the undersigned regarding these requests for treatment of Volumes II & III.

In accordance with the Commission's filing requirements, Midla is submitting this filing with the Commission's Secretary through the Commission's eFiling system. Midla is providing two (2) paper copies of its response to the Commission's Office of Energy Projects. All responses to the Data Request were prepared under my direction.

Any questions concerning this filing should be addressed to the undersigned at 720-457-6076.

Respectfully submitted,

/s/ Dennis J. Kelly

Dennis J. Kelly
Senior Attorney
1400 16th Street, Suite 310
Denver, CO 80202
Telephone: 720-457-6076
E-mail: dkelly@americanmidstream.com

CERTIFICATE OF SERVICE

Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000

I hereby certify that I have this day served, in accordance with the provisions of Rule 2012 of the Commission's Rules of Practice and Procedure, the foregoing document upon each person designated on the official service list compiled by the Secretary of the Commission in this proceeding.

Dated at Denver, Colorado this 2nd day of July 2014

/s/ Dennis J. Kelly

Dennis J. Kelly
Telephone No. 720-457-6076
American Midstream (Midla), LLC,
1400 16th Street, Suite 310
Denver, CO 80202

VERIFICATION

Dennis J. Kelly, being first duly sworn, states that he is Senior Counsel for American Midstream (Midla), LLC ("Midla"), that he is authorized to execute this Verification; that he has read the responses to the June 11, 2014 Data Request Nos. 4, 5, 7 and 21 in FERC Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000; that the responses were prepared under his direction and he is familiar with the contents thereof; and that the information provided in such response constitutes a complete and accurate response to the best of his knowledge, information, and belief. Although the responses to Data Request Nos. 4, 5 and 7 were prepared by Mr. Gary Gilbert, I am providing this Verification, as permitted under Rule 2005(b)(2), for those three responses because Mr. Gilbert who works in the field for Midla was unable to find a notary at his location.

AMERICAN MIDSTREAM (MIDLA), LLC

By /s/ Dennis J. Kelly
Dennis J. Kelly
Senior Counsel

Subscribed and sworn to before me this 2nd day of July 2014.

/s/ Mary J. Janiszewski
Mary J. Janiszewski

Notary Public in and for the State of Colorado

My Commission expires: February 23, 2018

Kendall Lanningham, being first duly sworn, states that he is Director Ops Coordinator for American Midstream (Midla), LLC, that he is authorized to execute this Verification; that he has read the responses to the June 11, 2014 Data Request Nos. 1, 2, and 3 in FERC Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000; that the responses were prepared under his direction and he is familiar with the contents thereof; and that the information provided in such response constitutes a complete and accurate response to the best of his knowledge, information, and belief.

AMERICAN MIDSTREAM (MIDLA), LLC

By /s/ Kendall Lanningham
Kendall Lanningham
Director Ops Coordinator

Subscribed and sworn to before me this 2nd day of July 2014.

/s/ Lauren C. Kaestner
Lauren C. Kaestner

Notary Public in and for the State of Texas

My Commission Expires: September 5, 2016

Kenneth Knox, being first duly sworn, states that he is Director, Director, Gas Supply and Marketing Services for American Midstream (Midla), LLC, that he is authorized to execute this Verification; that he has read the responses to the June 11, 2014 Data Request Nos. 6, 10, 12, 16, 19, and 20 in FERC Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000; that the responses were prepared under his direction and he is familiar with the contents thereof; and that the information provided in such response constitutes a complete and accurate response to the best of his knowledge, information, and belief.

AMERICAN MIDSTREAM (MIDLA), LLC

By /s/ Kenneth Knox
Kenneth Knox
Director, Gas Supply and Marketing Services

Subscribed and sworn to before me this 2nd day of July 2014.

/s/ Lauren C. Kaestner
Lauren C. Kaestner

Notary Public in and for the State of Texas

My Commission Expires: September 5, 2016

Matthew W. Rowland, being first duly sworn, states that he is Senior Vice President and Chief Operating Officer for American Midstream (Midla), LLC, that he is authorized to execute this Verification; that he has read the responses to the June 11, 2014 Data Request No. 8 in FERC Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000; that the responses were prepared under his direction and he is familiar with the contents thereof; and that the information provided in such response constitutes a complete and accurate response to the best of his knowledge, information, and belief.

AMERICAN MIDSTREAM (MIDLA), LLC

By /s/ Matthew W. Rowland
Matthew W. Rowland
Senior Vice President and Chief Operating Officer

Subscribed and sworn to before me this 2nd day of July 2014.

 /s/ Lauren C. Kaestner
Lauren C. Kaestner

Notary Public in and for the State of Texas

My Commission Expires: September 5, 2016

Tom Brock, being first duly sworn, states that he is Vice President and Chief Accounting Officer for American Midstream (Midla), LLC, that he is authorized to execute this Verification; that he has read the responses to the June 11, 2014 Data Request No. 17,18, 22, 23, and 24 in FERC Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000; that the responses were prepared under his direction and he is familiar with the contents thereof; and that the information provided in such response constitutes a complete and accurate response to the best of his knowledge, information, and belief.

AMERICAN MIDSTREAM (MIDLA), LLC

By ____/s/ Tom Brock
Tom Brock
Vice President and Chief Accounting Officer

/s/ Mary J. Janiszewski
Mary J. Janiszewski

Notary Public in and for the State of Colorado

My Commission expires: February 23, 2018

Lauren C. Kaestner, being first duly sworn, states that she is Director, Commercial Operations for American Midstream (Midla), LLC, that she is authorized to execute this Verification; that she has read the responses to the June 11, 2014 Data Request Nos. 13, 14 and 15 in FERC Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000; that the responses were prepared under her direction and she is familiar with the contents thereof; and that the information provided in such response constitutes a complete and accurate response to the best of her knowledge, information, and belief.

AMERICAN MIDSTREAM (MIDLA), LLC

By /s/ Lauren C. Kaestner
Lauren C. Kaestner
Director, Commercial Operations

Subscribed and sworn to before me this 2nd day of July 2014.

 /s/ Joan A. W. Schnepf

My Commission expires: April 19, 2016

PUBLIC

American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
Response to June 11, 2014 Data Request
OEP/DPC/CB-2

PUBLIC
American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
FERC Data Request
OEP/DPC/CB-2
Dated June 11, 2014

Request No. 1:

Provide flow diagrams representing the design capacity for both existing and proposed conditions as discussed in Midla's abandonment application including Exhibit V. Please include pressures and volumes at each receipt and delivery point, pipe lengths and size, symbols and labels differentiating facilities, compressor station and horsepower data and Maximum Allowable Operating Pressure (MAOP). Midla must label each point with a location point name in accordance with the "common code" names adopted in section 284.12(c)(2)(vi). The label must, at a minimum, include Field 22, the GISB/PID Data Reference Number, as listed in the GISB/HIS common Code File Layout. If Midla uses other point names in other data responses, please provide a table that cross references the point names.

Response:

Midla is submitting the requested design capacity for both existing and proposed conditions in Midla's abandonment application including Exhibit V to the Midla abandonment application; the pressures and volumes at each receipt and delivery point; the pipe lengths and size, symbols, and labels differentiating facilities, compressor station and horsepower data, and Maximum Allowable Operating Pressure (MAOP). Midla is submitting the requested information herewith as Request No. 1, Attachment A (CEII) in Volume II hereof as Critical Energy Infrastructure Information ("CEII").

The DNR number is listed on all receipt and delivery points except for two (Meter Nos. 8077 and 8166) which have been inactive for many years and remain inactive.

Person Responsible for Preparing Response:

Name: Kendall Lanningham
Title: Director Ops Coordinator
Address: 919 Milam Street, Suite 2450
Houston, TX 77002
Phone No.: 713-815-3900
Date: July 2, 2014

CEII VERSION

Response to Request No. 1, Attachment A

PUBLIC VERSION

Response to Request No. 1, Attachment A

CRITICAL ENERGY INFRASTRUCTURE INFORMATION HAS BEEN REMOVED

PUBLIC

American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
FERC Data Request
OEP/DPC/CB-2
Dated June 11, 2014

Request No. 2:

Provide input and output files from the hydraulic models supporting each flow and pressure data shown on the diagrams in the response to Question No. 1. Midla should file the engineering models electronically or in electronic format (CD, DVD, flash memory, etc.) with the Commission.

Response:

Midla has no flow models for its existing system as requested in Request No. 1. As the system flows such a minimal volume and the Midla system has excess capacity at any given time, Midla has not needed to model the flows against capacity.

Person Responsible for Preparing Response:

Name: Kendall Lanningham
Title: Director Ops Coordinator
Address: 919 Milam Street, Suite 2450
Houston, TX 77002
Phone No.: 713-815-3900
Date: July 2, 2014

PUBLIC
American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
FERC Data Request
Dated June 11, 2014

Request No. 3:

On page 39 and 40 of its application (CP14-125-000), Midla discusses three options presented to its current and prospective customers during its open season held in November and December 2013. Provide the engineering study and construction costs for each option made available to its customers. Provide flow diagrams representing the design capacity for each option. Please include pressures and volumes at each receipt and delivery point, pipe lengths and size, symbols and labels differentiating facilities, compressor station and horsepower data and MAOP.

Response:

Midla is submitting the requested “engineering study and construction costs for each option made available to its customers” as Request No. 3, Attachment A (CEII) in Volume II hereof as Critical Energy Infrastructure Information because it contains flow diagrams of the current pipeline system as well as flow diagrams of the proposed pipeline. The engineering study also contains Privileged and Confidential information with regard to the proposed pipeline route which, if it became public, could have a damaging effect on Midla’s ability to obtain rights of way at reasonable costs.

The information in Request No. 3, Attachment A (CEII) in Volume II contains the basis for the cost estimate for the Winnsboro 8” Line” and the “Winnsboro 16 Line.” Midla based the cost of the “System Full Rebuild” of the Midla mainline system on the per mile costs developed for the Winnsboro to Natchez Line.

Midla did not prepare a separate engineering study for the “System Full Rebuild” option inasmuch as Midla considered that option not to be economically feasible and presented that option in response to customer request that Midla do so.

Upon request and subject to entering into a confidentiality agreement, Midla will provide a copy of the engineering study to its customers.

Person Responsible for Preparing Response:

Name: Kendall Lanningham
Title: Director Ops Coordinator
Address: 919 Milam Street, Suite 2450
Houston, TX 77002
Phone No.: 713-815-3900
Date: July 2, 2014

CEII VERSION

Response to Request No. 3, Attachment A

Volume II

PRIVILEGED AND CONFIDENTIAL VERSION

Response to Request No. 3, Attachment A

Volume III

PUBLIC VERSION

Response to Request No. 3, Attachment A

CRITICAL ENERGY INFRASTRUCTURE INFORMATION HAS BEEN REMOVED

PRIVILEGED AND CONFIDENTIAL INFORMATION HAS BEEN REMOVED

PUBLIC
American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
FERC Data Request
Dated June 11, 2014

Request No. 4:

Has Midla voluntarily reduced the operating pressure on its system as a way to reduce the pipeline leaks Midla experiences on its system? If not, under what authority was Midla required to reduce its system operating pressure? For the past ten years, identify each reduction in operating pressure and explain the benefits/impact these actions had on the Midla system.

Response:

Midla pipeline was built in 1926 using construction standards that existed at the time. In 1968 Congress passed the Natural Gas Pipeline Safety Act of 1968 (90 P.L. 481; 82 Stat. 720). The U.S. Department of Transportation then prescribed safety standards for the transportation of natural gas by pipelines and implemented the pipeline safety program with rules and regulations for any new construction. The pipeline safety program also affected pipelines built prior to that date in different ways. In order for the older pipelines to continue to supply customers with gas, the rules stated that pipelines built prior to the program would be exempted (grandfathered) in regards to some of the regulations, one being MOP (maximum operating pressure).

The Midla Mainlines required a MOP of 350 psig at Fairbanks Desiard compressor station in order to transport the volumes of gas to satisfy customer demands (pressure and load). In later years production and demand declined so that Midla did not require the higher pressures and did not operate the system at those higher pressures. Because corrosion leaks and gas loss were increasing, around 1994 the then-current management decided to lower operating pressure (MOP). Considering the then-existing natural gas pipeline safety rules and regulations, Midla's management decided to voluntarily give up the grandfathered pressure and use CFR 49 Part 192.105 ("Design formula for steel pipe") to revise the MOP. Using this formula, the new MOP of 204 psig was calculated and implemented. The lower pressure reduces the impact radius should an incident occur which makes the pipeline safer and also reduces the number of leaks and the amount of gas loss when leaks occur.

After the T-1 Mainline ruptured in 2001, Midla was required by the Pipeline and Hazardous Material Safety Administration to further reduce the line pressure to eighty percent (80%) of the MOP (approximately 160 psig) on a temporary basis. The T-1 and T-1 Loop Lines have since returned to operating with an MOP of 204 psigma

The tradeoff reduced the amount of gas that could be transported, potential for new business requiring the higher pressure, and overall less future revenue.

Request No. 4, continued

Person Responsible for Preparing Response:

Name: Gary Gilbert
Title: Superintendent
Address: P.O. Box 29
289 Hwy 136
Fairbanks, LA 71240
Phone No. 318-665-4426
Date: July 2, 2104

PUBLIC

American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
FERC Data Request
Dated June 11, 2014

Request No. 5:

On page 27 of its application (CP14-125-000), Midla states that it injects corrosion inhibitor into the gas stream in order to mitigate internal corrosion caused by liquids accumulating in low points of the pipeline. Discuss how this corrosion mitigation method has worked during the duration of the program.

Response:

In 1981, Midla installed steel coupons at five locations inside the pipeline to determine rate of metal loss. Coupons are retrieved semi-annually and sent to third party lab to weigh and calculate metal loss. Results of analysis indicate internal corrosion is minimal, meaning the inhibitor is mitigating internal corrosion.

Person Responsible for Preparing Response:

Name: Gary Gilbert
Title: Superintendent
Address: P.O. Box 29
289 Hwy 136
Fairbanks, LA 71240
Phone No. 318-665-4426
Date: July 2, 2014

PUBLIC
American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
FERC Data Request
Dated June 11, 2014

Request No. 6:

On page 18 of its application (CP14-125-000), Midla reports that officials from PHMSA have expressed support for Midla's desire to abandon its facilities as soon as practicable. Provide any and all documents provided to Midla by PHMSA's regarding its concerns about the condition of the facilities and its support for the abandonment of the Midla facilities. Also provide any internal Midla documents that summarize discussions with PHMSA on these matters.

Response:

Attached hereto as Request No. 6, Attachment A are the documents provided by PHMSA to Midla as well as internal Midla documents that summarize discussions with PHMSA with regard to these matters.

Request No. 6, Attachment A includes:

E-mail dated December 19, 2013 from Kenneth Knox to Lauren Kaestner, Ryan Rupe, and Matt Rowland regarding conversation of John Jacobi with Alan Mayberry and Linda Daugherty.

E-mail dated March 5, 2014 from Linda Daugherty to Kenneth Knox responding to February 24, 2014 e-mail which includes e-mail dated February 24, 2014 from Kenneth Knox to Linda Daugherty requesting meeting with Ms. Daugherty

E-mail dated March 18, 2014 from Kenneth Knox to Peter Esposito relating earlier conversation that day with Linda Daugherty

E-mail dated April 16, 2014 from Kenneth Knox to Peter Esposito and Lauren Kaestner regarding phone call on that same day with Linda Daugherty with PHMSA

E-mail dated April 17, 2014 from Lauren Kaestner to Peter Esposito, Kenneth Knox, and Thom Hirsch regarding meeting of John Jacobi with National Transportation Safety Board on April 17, 2014.

Letter dated May 1, 2014 from Cynthia L. Quarterman, Administrator, US DOT Pipeline and Hazardous Safety Administration to Congressmen Vance McAllister and Bill Cassidy, M.D.

E-mail dated June 23, 2014 from Linda Daugherty to Kenneth Knox regarding PHMSA-related statements of Enervest in filing.

Request No. 6, continued

Person Responsible for Preparing Response:

Name: Kenneth Knox
Title: Director, Gas Supply & Marketing Services
Address: 919 Milam Street, Suite 2450
Houston, TX 77002
Phone No.: 713-815-3900
Date: July 2, 2014

PUBLIC
American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
FERC Data Request
Dated June 11, 2014

Request No. 7:

Provide the number, location, type and associated cost of repairs Midla has made to its system for the last ten years. Identify each incident, duration, and location where an interruption of service was necessary in order to repair the pipeline leak or rupture.

Response:

During the years 2003 to 2013, Midla experienced 397 leaks. The cost of repairing these leaks, based on estimated average cost per leak, was approximately \$1,132,641.

Request Number 7, Attachment A is a summary of leaks for the years 1980 through 2013. This shows the system on which the leak occurred as well as the types of leak.

The location and type of the leaks is shown on the "Leak Graph" appended hereto as Request Number 7, Attachment B. Attachment B tracks the leaks by mile since 1980. The top line is the mile marker of the Midla Mainlines. On the right hand side are the years. 2004 is the last year at the bottom. Years 2005 to 2013 are below years 1980 to 1988. Leaks that occurred between years 2005 and 2013 are circled.

Request Number 7, Attachment C is a summary of major repairs for the years 2003 through 2013. This shows the system on which the leak occurred as well as the types of leak.

Additionally, the following incidents occurred with respect to pipeline leaks and ruptures causing outages.

2005:

Incident: T-1 ML & LL Pipeline - Concordia Parish

Duration of Outage: 48 hours

Construction work was being done to replace mainline and loopline block valves. While working a crossover pipe that was cut to work on main line separated at an unknown coupling.

Cost: \$400,000 plus damages.

Request No. 7, continued

Response to Request No. 7, continued.

Leak: T-1 Loop Line - Adams County, MS

Duration of Outage: No customers affected

Erosion caved off right-of-way into ravine causing 20 feet of pipe to be exposed. This incident had the potential to continue caving which could cause pipeline to rupture.

Cost: \$300,000

Replacement of Valves: T-1 Main Line and Loop Line: Concordia Parish, LA

Duration of Outage: No customers affected

Cost: \$400,000

2010:

Incident: T-17 Pipeline, Richland Parish, LA

Duration of Outage: 6 hours

Response to Request No. 7 continued:

Farmer was breaking ground with chisel plow and hit pipe. Two customers were notified that they may lose supply but did not have to relight pilots because they were isolated by block valves and used line pack.

Cost: \$3,000

Leak: T-1 Loop Line, Ouachita and Richland Parishes, LA

Shut Enervest off for 2 days. Replaced approximately 1000 feet of pipe by HDD under Lafourche canal.

Cost: \$250,000

Person Responsible for Preparing Response:

Name: Gary Gilbert

Title: Superintendent

Address: P.O. Box 29
289 Hwy 136
Fairbanks, LA 71240

Phone No. 318-665-4426

Date: July 2, 2104

Request No. 7, continued

Response to Request No. 7. Attachment A

Request No. 7, continued

Response to Request No. 7. Attachment B

Request No. 7, continued

Request No. 7. Attachment C

PUBLIC

American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
FERC Data Request
Dated June 11, 2014

Request No. 8:

In April 2013 ArcLight Capital Partners, LLC (ArcLight) acquired an ownership interest in Midla. During the acquisition process, what information, if any, was reviewed by ArcLight regarding the integrity of the pipeline (i.e., age, construction method used, maintenance/capital costs)?

Response:

ArcLight Capital Partners, LLC (“ArcLight”) advises and manages private equity funds that invest in the energy industry. In April 2013, a subsidiary of one of the ArcLight funds acquired a majority interest in the general partner (“GP”) of American Midstream Partners, L.P. (“AMID”), a public company, as well as units in AMID. The Midla pipeline was one of many assets owned by AMID in April 2013. ArcLight is not the owner of the Midla pipeline.

As part of a customary due diligence process, AMID and the prior owner of the GP provided ArcLight and its advisors with financial, operational and other relevant information regarding the GP, AMID, and its subsidiaries and the assets of AMID and its subsidiaries. The information reviewed included pipeline integrity information on all pipelines, including Midla, owned by AMID and its subsidiaries.

Person Responsible for Preparing Response:

Name: Matthew W. Rowland
Title: Senior Vice President & Chief Operating Officer
Address: 919 Milam Street, Suite 2450
Houston, TX 77002
Phone No.: 713-815-3900
Date: July 2, 2014

PUBLIC
American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
FERC Data Request
Dated June 11, 2014

Request No. 10:

Prior to April 2013, did Midla's management/owners discuss the need for or develop plans for the shutdown or replacement of the Midla mainlines? If so, provide all documents related to these discussions/plans.

Response:

Attached as "Request No. 10, Attachment A" are the following:

October 4, 2010 e-mail from Kendall Lanningham (Director, OPS Coordinator) with attached "Operational and Maintenance Procedures."

October 13 e-mails between Kendall Lanningham and Nick Noppinger (Director, Business Development).

November 16, 2010 e-mail from Kendall Lanningham with attached "Project Kingfish" Power Point presentation.

January 5, 2011 e-mail from Marty Patterson (Senior Vice President-Operations).

January 11, 2011 from Kenneth Knox (Director Gas Supply and Marketing Services).

September 1, 2011 e-mail from Randy Spence, Manager, Hatch, Mott, Macdonald with attached spreadsheet.

January 4, 2013 e-mail from Karen Lee.

January 8, 2013 draft of letter of understanding with KIOR, Inc.

Person Responsible for Preparing Response:

Name: Kenneth Knox
Title: Director, Gas Supply & Marketing Services
Address: 919 Milam Street, Suite 2450
Houston, TX 77002
Phone No.: 713-815-3900
Date: July 2, 2104

Request No. 10, continued

Response to Request No. 10, Attachment A

PUBLIC
American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
FERC Data Request
Dated June 11, 2014

Request No. 11:

Provide a reservoir overview and production analysis for the Monroe Field. Provide the production trend analysis for the Monroe Field for the past ten years, and for the next five years.

Response:

Midla does not possess the information requested in Request No. 11. It has requested the information sought in Request No. 11 from Enervest, the producer in the Monroe Field that sells gas to American Midstream Marketing, LLC ("AMM"). AMM, in turn, sells the gas to Enbridge Marketing (U.S.) L.P. ("EMUS") from whom Midla receives gas. Enervest has refused to provide it. Inasmuch as Midla has no information on the production by Enervest from the Monroe Field, attached hereto as Request No. 11, Attachment A is a 10 year production history of receipts by Midla from American Midstream Marketing, LLC and its predecessor, Enbridge Marketing (U.S.) L.P.

Attached hereto as Request No. 11, Attachment B is an e-mail dated June 12, 2012. The bottom part of the e-mail is a request from Kenneth Knox to Bryan Ginsberg of Enervest for the production trends for the next five years for the Monroe Field. The top portion of the e-mail is from Kenneth Knox to Gerald Ross. The first paragraph noted the Enervest was unwilling to provide the requested information.

Person Responsible for Preparing Response:

Name: Kenneth Knox
Title: Director, Gas Supply & Marketing Services
Address: 919 Milam Street, Suite 2450
Houston, TX 77002
Phone No.: 713-815-3900
Date: July 2, 2104

Request No. 11, continued

Response to Request No. 11, Attachment A

Request No. 11, continued

Response to Request No. 11, Attachment B

PUBLIC
American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
FERC Data Request
Dated June 11, 2014

Request No. 12:

For all other production fields that provide direct gas supplies to the Midla facilities, provide a reservoir overview and production analysis. Provide the production trend analysis for each field for the past ten years, and such projects for the next five years.

Response:

Midla does not possess the information requested in Request No. 11. It has requested the information as follows:

Attached hereto as Request No. 12, Attachment A is an email and letter from Kenneth Knox to Encana requesting the information sought in Request No. 12. Midla has not received and answer from Encana.

Attached hereto as Request No. 12, Attachment B is an email and letter from Kenneth Knox to Griffin & Griffin Exploration, LLC (“Griffin and Griffin”) requesting the information sought in Request No. 12. Midla has not received an answer from Griffin and Griffin.

Attached hereto as Request No. 12, Attachment C is an email (C-1 email) and letter (C-1 Letter) from Kenneth Knox to John McGowan,(Holly Ridge Field) requesting the information sought in Request No. 12. Attached hereto as Request No. 12, Attachments C-2 and C-3 is the response from Mr. McGowan.

Attached hereto as Request No. 12, Attachment D is an email and letter from Kenneth Knox to Locust Ridge Gas Company, LLC (“Locust Ridge”) requesting the information sought in Request No. 12. Midla has not received an answer from Locust Ridge.

Person Responsible for Preparing Response:

Name: Kenneth Knox
Title: Director, Gas Supply & Marketing Services
Address: 919 Milam Street, Suite 2450
Houston, TX 77002
Phone No.: 713-815-3900
Date: July 2, 2104

Request No. 12, continued

Response to Request No. 12, Attachment A

Request No. 12, continued

Response to Request No. 12, Attachment B

Request No. 12, continued

Response to Request No. 12, Attachment C

Request No. 12, continued

Response to Request No. 12, Attachment D

PUBLIC
American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
FERC Data Request
Dated June 11, 2014

Request No. 13:

On page 36 of its application (CP14-125-000), Midla states that it did not seek abandonment of the Midla mainlines earlier because of the prospect that the Tuscaloosa Shale formation in southern Mississippi would be developed but that “the development of the Tuscaloosa Shale turned out to be chimerical.” When and on what basis did Midla determine that the development of the Tuscaloosa Shale formation was unrealistic? Provide all documents relating to this matter.

Response:

The Tuscaloosa Marine Shale (TMS), located on the border of southwestern Mississippi and northeast Louisiana is primarily an oil play that has had limited drilling and production. According to an article in June of 2011 “The first Tuscaloosa Marine shale well was tested in 1975; to date, five wells have been tested and produced. The TMS has an unproven unconventional resource estimate of 7 billion barrels of oil, according to a report by researchers at Louisiana State University in Baton Rouge.” <http://oil-and-gas-post.blogspot.com/2011/06/operators-look-to-unlock-tuscaloosa.html>

The Tuscaloosa Marine Shale is a particularly deep play, and costs are relatively high to develop it and if the TMS is developed it will result in oil production with very little natural gas production associated with the play. An article titled *Oil Boom: Good Times Elude Shale*

Bonanza’s Next Big Play stated:

Problems standing in the way of developing TMS range from costs to circumstances. Companies complain that per-well drilling costs can be much higher in the Tuscaloosa, due to the formation's greater depth and complexity. There is also little conventional production currently going on to help firm up understanding of the shale's characteristics and the particular production curves companies can expect from tight oil extraction techniques in the TMS. <http://www.eenews.net/stories/1059991783>

In 2010, several producers were leasing in the Wilkinson County Mississippi area with great expectations of the TMS becoming another Eagle Ford. American Midstream met with many producers in the area (BP Energy, Maritech Resources, NuTech, Encana, and Devon) with hopes of developing a gathering strategy around the Midla assets. By 2011, the initial exploration efforts were underway as estimates of recoverable oil were estimated to be 7 billion barrels. (*Louisiana, Mississippi Marine Shale Oil Play Grows*, Oil & Gas Journal, August 1, 2011, p. 58) Scott Angelle, secretary of Louisiana's Department of Natural Resources, said that “the Brown Dense joins the Tuscaloosa marine shale as the

Request 13, continued

second half of a Louisiana dense-rock play duo believed to have production potential similar to Louisiana's Haynesville shale and the Barnett and Eagle Ford shales in Texas." (*Louisiana Official Reports Activity on Third Expansive Play*, Oil & Gas Journal, September 12, 2011, Pg. 18)

By 2012, concerns began to arise (*Jury Still Out on Louisiana's Tuscaloosa Marine Shale Play*, Oil Daily, November 13, 2012) while at the same time, continuing to offer the prospect of being a major source of oil and gas. Bentek analyst Jim Klingsporn probably summed this up best, saying: "For the Tuscaloosa Marine Shale, the oil there is significant, but no producer has produced consistent and economic well results." (*Oil producers focus on Bakken, Eagle Ford*, Platts Oilgram News, December 28, 2012, Vol. 90 No. 257) Unfortunately the production of the TMS was slowed by the sands elastic characteristics and was developing into more of an oil play. The technology and drilling techniques ended up being refined and developed over time and the process is still ongoing. While oil well production has stabilized from 2010, the sands have not produced as much gas as had been originally thought. By 2013, Bernstein Research stated that the "the Tuscaloosa Marine Shale are a far economic cry from prolific plays such as the Bakken and Eagle Ford, in our view." (*Bernstein Analysts Still Bullish on E&P Consolidation Thesis*, SNL Energy Gas Utility Week, June 17, 2013)

Even though more recent wells in the TMS have produced significant quantities of oil, the quantity of gas has remained low. *Optimism Prevails in the Tuscaloosa Marine Shale Play*, Oil Daily, March 10, 2014, "Some wells in the Louisiana- and Mississippi-based trend have produced in excess of 1,000 barrels of oil equivalent per day, with oil cuts above 90%, ..." reporting on a Goodrich Petroleum well that produced at a rate of 530 boe/d, 95% oil; and a later report on another Goodrich Petroleum well that produced 98% oil (*Goodrich Says Latest Tuscaloosa Shale Well Its Best Yet*, Oil Daily, June 3, 2014)

In light of the fact that drilling was slow and the gas previously thought to be in abundance was not going to be produced at the earlier projected levels, Midla did not continue to focus on the TMS as needing a natural gas pipeline such as Midla.

Attached hereto as Request No. 13, Attachment A is a page from a American Midstream Partners, L.P. Board Presentation made on February 12, 2012 which indicated that at that time, Midla considered the Tuscaloosa Marine Shale as a viable project. Attached hereto as Request No. 13, Attachment B is an email from Kenneth Knox to Lauren Kaestner regarding the status of the Tuscaloosa Marine Shale.

Request 13, continued

Person Responsible for Preparing Response:

Name: Lauren C. Kaestner
Title: Director, Commercial Operations
Address: 919 Milam Street, Suite 2450
Houston, TX 77002
Phone No.: 713-815-3900
Date: July 2, 2014

Request 13, continued

Response to Request No. 13. Attachment A

PUBLIC
American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
FERC Data Request
Dated June 11, 2014

Request No. 14:

Please provide maps that show the proximity of other interstate or intrastate facilities to the Midla System, including those facilities that are directly interconnected. As mentioned above, Midla states that it presented three alternate re-build options to its current and prospective customers during its open season. Discuss the feasibility (physical and economic) of Midla contracting for service on or leasing other pipeline facilities to continue service to its current and prospective customers.

Response:

Maps that show the proximity of other interstate or intrastate facilities to the Midla System, including those facilities that are directly interconnected, are attached hereto as Request No. 14, Attachment A-1, A-2, and A-3.

To Midla's knowledge, with the exception of the Baton Rouge area customers that can be served off of Mid Louisiana Gas Transmission (MLGT) utilizing existing facilities, the town of Zachary which can be served utilizing Florida Gas existing facilities, and Frenchman's Bend which can be served via Gulf South, no area can be served by using existing third-party pipelines capacity. Similarly, with the exception of the Baton Rouge area customers that can be served off of Mid Louisiana Gas Transmission (MLGT), City of Zachary utilizing Florida Gas existing facilities and Frenchman's Bend utilizing Gulf South's existing facilities, no area can be served by Midla leasing other pipeline facilities to continue to serve current and prospective customers.

The area of the LMGA Midla Mainline customers is close to a number of pipelines. In order for Midla customers to be served by Midla, however, the physical construction of a line and other facilities would need to be undertaken by either the customers or Midla. Given the relatively minimal amount of gas deliveries, in most cases the unit cost of doing so would be so high that the likelihood that a pipeline connection would be constructed to each of the customers by either the customers or a pipeline is virtually nil.

Sterlington Area:

Trunkline, LIG, ANR, Texas Gas, Gulf South, Regency are in the vicinity of certain customers in the northern part of the Midla Mainline between Atmos Crew Lake and Atmos Alto. The attached map labeled "Sterlington Area" shows the third party lines crossing or in the vicinity of the northern portion of the Midla Mainline.

Midla could serve the Atmos Trans-La T-15 Farm Tap, the Atmos Trans-La Richland Prison Rhymes, Atmos Long Gas Co. Bosco, Lucknow Gas Co. Vixen, and Atmos Louisiana Gas Alto

Request No. 14, continued

through the Midla T-15 line. This would require an interconnect with one of the aforementioned pipelines.

Regarding the remaining customer, Atmos Louisiana Crew Lake, the most economical solution would be for a party to build 10.1 mile line from the T-15 Line to Crew Lake.

The volumes for the Sterlington Area (Crew Lake to Alto) are:

2008-2010 Daily Average Winter:	118 dth
2008-2010 Daily Average Summer:	68 dth
2008-2010 Daily Average Non-Coincident Peak Day:	925 dth

Baton Rouge Area:

Transco, Florida, LIG and TETCO are in the area of the southern part of the Midla Mainline just north of Baton Rouge between Spillman and Slaughter. The attached map labeled "Baton Rouge Area" shows the third party pipeline crossing or in the vicinity of the Southern Portion of the Midla Mainline.

The volumes for the Baton Rouge Area (Spillman to Slaughter) are:

2008-2010 Daily Average Winter:	2007 dth
2008-2010 Daily Average Summer:	698 dth
2008-2010 Daily Average Non-Coincident Peak Day:	6359 dth

Middle Section:

There are very few pipelines in the Natchez Mississippi area. Southern Natural, TETCO, and Columbia Gulf are the closest interstate lines as can be seen on the map labeled "Midla w Third Party." The feasibility of Midla contracting for services on any of these pipelines and then either Midla or the customers building the necessary interconnecting pipelines is low due to the small volumes from Winnsboro to Natchez and then through Mississippi to the border of Mississippi and Louisiana. Midla believes that the cost of new facilities from one of these pipelines to serve even the Natchez market would exceed the cost of Winnsboro to Natchez line that Midla proposed in its open season.

The volumes for the Natchez Area (Winnsboro to Natchez) are:

2008-2010 Daily Average Winter:	7913 dth
2008-2010 Daily Average Summer:	2562 dth
2008-2010 Daily Average Non-Coincident Peak Day:	22,042 dth

Person Responsible for Preparing Response:

Name: Lauren C. Kaestner
Title: Director, Commercial Operations
Address: 919 Milam Street, Suite 2450
Houston, TX 77002
Phone No.: 713-815-3900
Date: July 2, 2014

Request No. 14, continued

Response to Response to Request No. 14, Attachment A

Includes maps designated as Attachments A-1, A-2, and A-3.

PUBLIC
American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
FERC Data Request
Dated June 11, 2014

Request No. 15:

In a table, provide the following information for each firm service agreement (including short term firm and any FT agreement that may have expired) between Midla and its shippers that were in effect between January 1, 2013 and May 31, 2014. Provide any necessary narrative explanations or workpapers outside of the table.

- a. Customer name*
- b. Rate Schedule and contract rate(s)*
- c. Quantity*
- d. Primary receipt point(s)*
- e. Primary delivery point(s)*
- f. The initial term, including starting and ending dates*
- g. The current term (i.e. rollover/evergreen period), including starting and ending dates*
- h. State whether contract has evergreen rights*
- i. State whether contract is eligible for ROFR*

State how much, if any, of the contract capacity utilizes Midla's Mainlines

Response:

With regards to Request Nos. 15(a) through 15(h), please see Excel Spreadsheet "Response to Request No. 15" appended to the Responses to this Data Request.

With regard to Request No. 15(i), Midla does not have a contract ROFR provision in its tariff.

Person Responsible for Preparing Response:

Name: Lauren C. Kaestner
Title: Director, Commercial Operations
Address: 919 Milam Street, Suite 2450
Houston, TX 77002
Phone No.: 713-815-3900
Date: July 2, 2014

Request No. 15, continued

Response to Response to Request No. 15: Excel Spreadsheet

PUBLIC
American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
FERC Data Request
Dated June 11, 2014

Request No. 16:

In its prior notice filing in Docket No. CP14-126-000, Midla explains that at the time of the filing it was still seeking the consent of the affected customers whose service would be provided by Midla's intrastate affiliate, Mid Louisiana Gas Transmission, LLC (MLGT), following the abandonment. Provide an update on the status of obtaining the consent of Midla's shippers whose service will be provided by MLGT following the abandonment. Also, explain how MLGT plans to continue service to these customers, including whether MLGT proposes replacement contracts, and/or the assignment of existing contracts, for the T-32 and Baton Rouge Systems?

Response:

Customer consents are no longer needed inasmuch as the Prior Notice Filing in Docket No. CP14-126-000 has been protested by certain parties that are not customers on the T-32 or Baton Rouge systems. As a result, the Prior Notice Filing will become a Section 7(b) abandonment filing for which no customer consents are necessary. In addition, none of the customers on the T-32 or Baton Rouge systems have protested or objected to the Prior Notice filing.

With regard to the agreements for Entergy and EMUS, the shippers on the T-32 System and the Baton Rouge System, MLGT will replace the existing Midla agreements with its own agreements. The terms and conditions of the agreements will be as agreed to between the parties. The rate paid by the shippers will be no greater than the rate that they are currently paying for service.

Person Responsible for Preparing Response:

Name: Kenneth Knox
Title: Director, Gas Supply & Marketing Services
Address: 919 Milam Street, Suite 2450
Houston, TX 77002
Phone No.: 713-815-3900
Date: July 2, 2014

PUBLIC
American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
FERC Data Request
Dated June 11, 2014

Request No. 17:

Midla's Operation & Maintenance (O&M) expenses as reported in its annual Form 2-A filings appear in Appendix A to this data request. Provide a detailed breakdown of those O&M expenses for the T-32 System, Midla Mainlines, and the Baton Rouge System for the last ten years. Please be as specific as possible by describing where the expenditure occurred on the system, the amount of the expenditure, the nature of the expenditure, and any other pertinent information for the T-32 System, Midla Mainlines, and the Baton Rouge System. Explain why total maintenance expense on the system has declined for the years 2010 through 2013, to a low of \$15,401 for 2013, if the system is experiencing more leaks and repairs.

Response:

American Midstream (Midla), LLC became the legal owner of Midla in November 2009. As such we are unable to make representation to the data requested from 2004 through 2009.

Historically, we have not managed our books and records by T-32 System, Midla Mainlines, and the Baton Rouge System and therefore are unable to provide this level of detail for the periods requested.

The nature and amount of our expenditures are detailed in our Annual Form No. 2-A for each respective year under our ownership (2010-2013).

The decline in total maintenance expense as disclosed in our Annual Form No. 2-A during 2010 through 2013 as compared to 2009 and prior is a difference in classification of certain operation and maintenance expense by the previous owner. Total Transmission Expenses remained relatively consistent over the last four years (\$1.8 million to \$2.2 million) during our ownership.

Person Responsible for Preparing Response:

Name: Tom Brock
Title: Vice President and Chief Accounting Officer
Address: 1400 16th Street, Suite 310
Denver, CO 80202
Phone No.: 720-457-6060
Date: July 2, 2014

PUBLIC
 American Midstream (Midla), LLC,
 Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
 FERC Data Request
 Dated June 11, 2014

Request No. 18:

Provide the amount of capital additions to transmission plant for each of the last 10 years for the Midla Mainlines, the T-32 System, and the Baton Rouge System.

Response:

American Midstream (Midla), LLC became the legal owner of Midla in November 2009, as such we are unable to make representation to the data requested from 2004 through 2009.

Historically, we have not managed our books and records separately for the T-32 System, Midla Mainlines, and the Baton Rouge System; however, we were able to identify by Authorization for Expenditure (“AFE”) the location of capital projects completed during 2010 through 2013 as follows:

AFE Number	AFE Description	Amount	Plant	Line	System
93300-2009-0001	Pipe-Relocate Highland Meter Station	143,557.99	Transmission	Highland Road	Baton Rouge
93300-2009-0002	Pipeline-10", Steel, .34 Miles - Midla - Miss. River Levee Modification	4,004.82	Transmission	MLG T-1 ML-LL	Midla Mainlines
93300-2009-0005	Building-Replace Fairbanks Office Roof	10,880.00	General	n/a	n/a
93300-2010-0001	Pipe-.15 miles, 16" steel - HDD Lafourche Canal	234,064.89	Transmission	T-9	Midla Mainlines
93300-2010-0002	Pipeline-RTU and Measurement Upgrades	14,626.47	Transmission	Desiard Compressor Station	Midla Mainlines
93300-2011-0001	Equipment-Kubota Bushhog	39,650.00	General	n/a	n/a
93300-2011-0002	Pipeline - Transco Zachary 12" Lateral	347,396.78	Transmission	T-24	Midla Mainlines
93300-2011-0003	Equipment - Encana Horseshoe I/C (Fence)	3,800.00	Transmission	MLG T-1 ML	Midla Mainlines
93300-2011-0003	Interconnect - Encana Horseshoe Well	4,621.97	Transmission	MLG T-1 ML	Midla Mainlines
93300-2011-0003	Meter - Encana Horseshoe Interconnect	100,791.12	Transmission	MLG T-1 ML	Midla Mainlines
93300-2011-0004	Vehicle-2011 Chevy Silverado	28,280.36	General	n/a	n/a
93300-2012-0002	Midla-Colonial Pipeline removal and relocation	252,730.96	Transmission	T-24	Midla Mainlines
93300-2012-0003	Pipeline - Jetson IMP testing	336,799.45	Transmission	T-1 Main	Midla Mainlines
93300-2012-0004	Compressor - Compressor Engine #1 O/H	179,794.08	Transmission	Desiard Compressor Station	Midla Mainlines

Request No. 18, continued

93300-2013-0005	Midla - Purchase Vehicles	102,021.17	General	n/a	n/a
93300-2013-0006	Midla - Desiard Compressor Station Engine Catalyst & Monitoring Equipment	62,869.04	Transmission	Desiard Compressor Station	Midla Mainlines

Other than projects which require an AFE, Midla does not maintain records identifying whether or not capital additions were associated with the Midla Mainlines, the T-32 System, or the Baton Rouge System. Moreover, many capital expenditures benefit the system as a whole, such as the purchase of a new truck. Those types of capital expenditures are not allocated by Midla to the Midla Mainlines, the T-32 System, or the Baton Rouge System.

Person Responsible for Preparing Response:

Name: Tom Brock
Title: Vice President and Chief Accounting Officer
Address: 1400 16th Street, Suite 310
Denver, CO 80202
Phone No.: 720-457-6060
Date: July 2, 2014

PUBLIC
American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
FERC Data Request
Dated June 11, 2014

Request No. 19:

Given the integrity issues detailed in the application in Docket No. CP14-125-000, explain to what extent Midla's deteriorating condition is reflected in the Unaccounted For volumes reported in Midla's Form 2-A and highlighted in Appendix B.

Response:

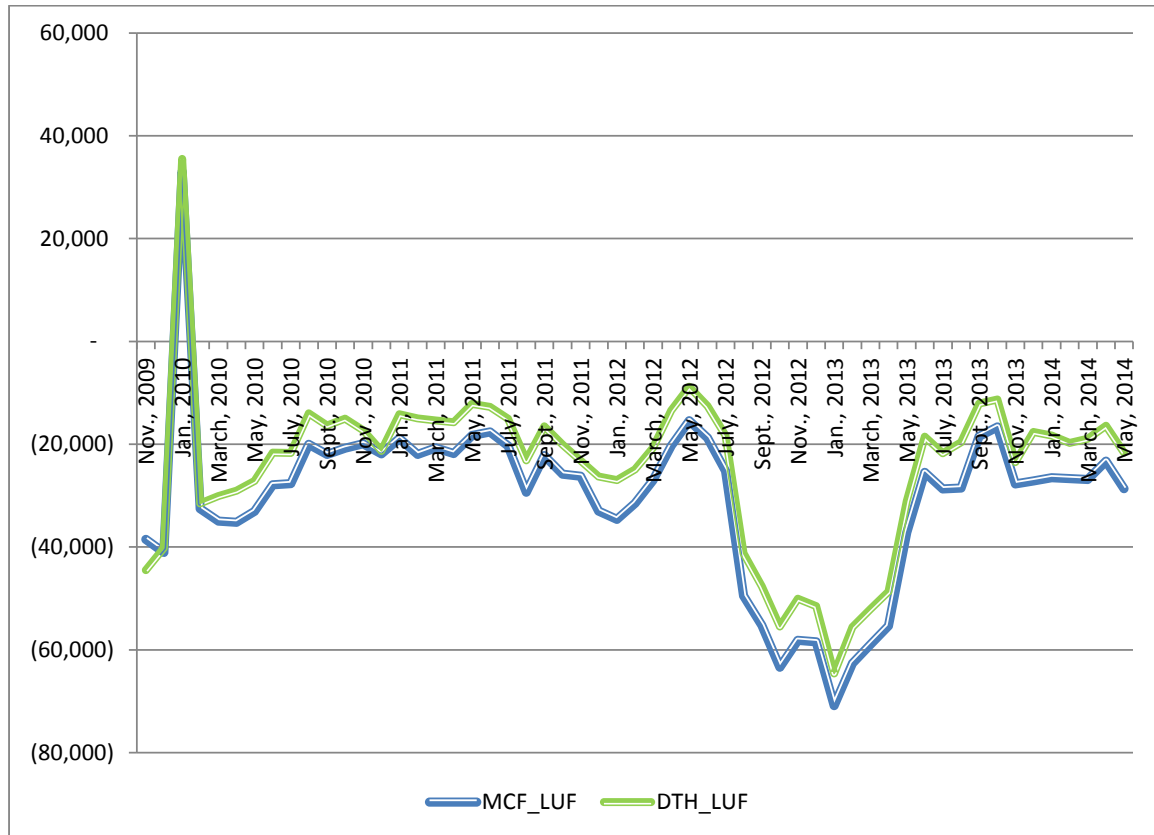
The overall losses on the Midla Mainline System from November 2009, when American Midstream, LLC began to operate Midla, is set forth on the next page.

Request No. 19, continued

Period	Inlet Volume	Outlet Volume	MCF_LUF	Vol %	Inlet Energy	Outlet Energy	DTH_LUF	Ene %
Nov., 2009	700,842	662,341	(38,501)	-5.49%	693,531	649,060	(44,471)	-6.41%
Dec., 2009	1,118,812	1,077,738	(41,074)	-3.67%	1,123,158	1,082,988	(40,170)	-3.58%
Jan., 2010	1,127,693	1,160,702	33,009	2.93%	1,130,596	1,166,073	35,477	3.14%
Feb., 2010	1,171,860	1,139,299	(32,561)	-2.78%	1,174,186	1,142,662	(31,524)	-2.68%
March, 2010	746,221	711,257	(34,964)	-4.69%	737,439	707,368	(30,071)	-4.08%
Apr., 2010	380,955	345,788	(35,167)	-9.23%	361,623	332,580	(29,043)	-8.03%
May, 2010	411,230	378,139	(33,091)	-8.05%	391,448	364,292	(27,156)	-6.94%
June, 2010	400,424	372,548	(27,876)	-6.96%	379,891	358,270	(21,621)	-5.69%
July, 2010	409,154	381,467	(27,687)	-6.77%	387,957	366,268	(21,689)	-5.59%
Aug., 2010	397,790	377,741	(20,049)	-5.04%	375,898	361,914	(13,984)	-3.72%
Sept., 2010	396,931	374,941	(21,990)	-5.54%	375,467	359,083	(16,384)	-4.36%
Oct., 2010	448,249	427,481	(20,768)	-4.63%	426,003	410,978	(15,025)	-3.53%
Nov., 2010	652,836	632,893	(19,943)	-3.05%	637,201	619,946	(17,255)	-2.71%
Dec., 2010	1,193,742	1,171,864	(21,878)	-1.83%	1,188,622	1,167,297	(21,325)	-1.79%
Jan., 2011	1,294,072	1,275,208	(18,864)	-1.46%	1,289,806	1,275,621	(14,185)	-1.10%
Feb., 2011	1,024,689	1,002,704	(21,985)	-2.15%	1,017,883	1,002,897	(14,986)	-1.47%
March, 2011	604,214	583,492	(20,722)	-3.43%	586,569	571,176	(15,393)	-2.62%
Apr., 2011	453,959	432,171	(21,788)	-4.80%	434,725	418,983	(15,742)	-3.62%
May, 2011	444,802	426,506	(18,296)	-4.11%	424,884	412,716	(12,168)	-2.86%
June, 2011	390,228	372,605	(17,623)	-4.52%	370,720	357,991	(12,729)	-3.43%
July, 2011	417,614	397,274	(20,340)	-4.87%	396,760	381,716	(15,044)	-3.79%
Aug., 2011	441,847	412,502	(29,345)	-6.64%	420,894	397,765	(23,129)	-5.50%
Sept., 2011	443,986	421,759	(22,227)	-5.01%	425,219	408,712	(16,507)	-3.88%
Oct., 2011	556,979	531,143	(25,836)	-4.64%	537,273	517,173	(20,100)	-3.74%
Nov., 2011	768,791	742,531	(26,260)	-3.42%	752,551	729,364	(23,187)	-3.08%
Dec., 2011	1,079,949	1,046,936	(33,013)	-3.06%	1,065,359	1,039,065	(26,294)	-2.47%
Jan., 2012	937,697	903,064	(34,633)	-3.69%	921,360	894,406	(26,954)	-2.93%
Feb., 2012	842,193	810,656	(31,537)	-3.74%	828,007	803,069	(24,938)	-3.01%
March, 2012	562,081	535,053	(27,028)	-4.81%	544,870	524,159	(20,711)	-3.80%
Apr., 2012	454,275	433,943	(20,332)	-4.48%	437,393	423,977	(13,416)	-3.07%
May, 2012	425,072	409,643	(15,429)	-3.63%	403,701	394,836	(8,865)	-2.20%
June, 2012	399,319	380,556	(18,763)	-4.70%	378,344	365,767	(12,577)	-3.32%
July, 2012	400,931	375,753	(25,178)	-6.28%	376,943	358,638	(18,305)	-4.86%
Aug., 2012	431,086	381,608	(49,478)	-11.48%	406,268	365,057	(41,211)	-10.14%
Sept., 2012	428,517	373,300	(55,217)	-12.89%	405,657	357,979	(47,678)	-11.75%
Oct., 2012	554,330	490,944	(63,386)	-11.43%	533,007	477,525	(55,482)	-10.41%
Nov., 2012	826,429	768,285	(58,144)	-7.04%	809,166	759,090	(50,076)	-6.19%
Dec., 2012	956,230	897,792	(58,438)	-6.11%	937,910	886,407	(51,503)	-5.49%
Jan., 2013	1,005,765	934,930	(70,835)	-7.04%	989,858	925,246	(64,612)	-6.53%
Feb., 2013	763,253	700,605	(62,648)	-8.21%	748,351	692,759	(55,592)	-7.43%
March, 2013	847,987	789,051	(58,936)	-6.95%	833,104	781,050	(52,054)	-6.25%
Apr., 2013	553,036	497,691	(55,345)	-10.01%	535,997	487,309	(48,688)	-9.08%
May, 2013	432,446	395,231	(37,215)	-8.61%	412,356	381,324	(31,032)	-7.53%
June, 2013	351,895	326,393	(25,502)	-7.25%	329,889	311,358	(18,531)	-5.62%
July, 2013	366,014	337,305	(28,709)	-7.84%	342,009	320,259	(21,750)	-6.36%
Aug., 2013	374,668	346,111	(28,557)	-7.62%	351,036	331,432	(19,604)	-5.58%
Sept., 2013	366,409	347,898	(18,511)	-5.05%	343,014	330,894	(12,120)	-3.53%
Oct., 2013	461,207	444,550	(16,657)	-3.61%	441,363	430,083	(11,280)	-2.56%
Nov., 2013	827,338	799,587	(27,751)	-3.35%	818,283	794,796	(23,487)	-2.87%
Dec., 2013	1,236,018	1,208,878	(27,140)	-2.20%	1,233,907	1,216,260	(17,647)	-1.43%
Jan., 2014	1,559,331	1,532,838	(26,493)	-1.70%	1,568,132	1,549,817	(18,315)	-1.17%
Feb., 2014	1,078,096	1,051,396	(26,700)	-2.48%	1,080,167	1,060,406	(19,761)	-1.83%
March, 2014	913,737	886,869	(26,868)	-2.94%	909,114	890,178	(18,936)	-2.08%
Apr., 2014	520,378	497,055	(23,323)	-4.48%	507,320	490,924	(16,396)	-3.23%
May, 2014	421,449	392,814	(28,635)	-6.79%	405,221	383,563	(21,658)	-5.34%

Request No. 19, continued

The following graph shows the Lost and Unaccounted- for (in MCF and Dth) during the relevant period of time.



Given that typical lost and unaccounted-for volumes on a more modern system are negligible, the typical monthly lost and unaccounted-for gas on the Midla Mainlines can only be attributable to leaks.

Person Responsible for Preparing Response:

Name: Kenneth Knox
Title: Director, Gas Supply & Marketing Services
Address: 919 Milam Street, Suite 2450
Houston, TX 77002
Phone No.: 713-815-3900
Date: July 2, 2014

PUBLIC
American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
FERC Data Request
Dated June 11, 2014

Request No. 20:

Midla's throughput data as reported in its Form 2-A is summarized in Appendix B of this data request. Provide a detailed explanation and supporting workpapers for the following issues:

- a. Provide a breakdown of Midla's total system throughput in Appendix B (shown in Total Receipts column) into monthly throughputs for the T-32 System, Midla Mainlines, and the Baton Rouge System from January 2004 to May 2013.*
- b. Provide monthly throughput data by customer (including 3-day peak) for the Midla Mainlines from January 2009 to May 2014. (in Excel format)*
- c. In Appendix B, please explain why Total Deliveries & Unaccounted For do not equate to Total Receipts from 2010 forward.*
- d. Appendix C to this data request contains Compressor Fuel Usage quantities as reported by Midla in its annual Form 2-A. In Appendix C, please explain why Compressor Fuel Usage becomes negative starting from 2010.*

Response:

(a) Please see Excel Spreadsheet "Response to Request No. 20(a) and (b)" appended to the Responses to this Data Request.

(b) Please see Excel Spreadsheet "Response to Request No. 20(a) and (b)" appended to the Responses to this Data Request.

The Excel spreadsheet provides the information requested in Request No. 20(a) and (b) in one spreadsheet format. However, the information regarding the "3-day peak" is not obtainable through the receipt and delivery and measurements records kept by Midla as those records only contain monthly receipt and delivery information.

(c) For the periods 2010 through 2013, Midla did not include variation in throughput associated with the Operational Balancing Arrangements (OBA) that were in place during those period. Also, we have determined that we have presented our loss and unaccounted for with parenthesis (i.e., "(296,520)") whereas the previous owner presented these activities in a different format. Consequently, the column "Total Unaccounted For" should be reversed for the years 1996 through 2009 in order to be consistent with the way in which Midla is currently recording the data.

(d) For the periods 2010 through 2013, Midla presented annual compressor station fuel as a loss. As such, we present such amount with parenthesis (i.e. "(152,850)") whereas the previous owner presented these activities in a different format. Consequently, the data in Appendix C should be reversed for the years 1996 through 2009 in order to be consistent with the way in which Midla is currently recording the data.

Request 20, continued

Person Responsible for

Preparing Response:

Name: Kenneth Knox
Title: Director, Gas Supply & Marketing Services
Address: 919 Milam Street, Suite 2450
Houston, TX 77002
Phone No.: 713-815-3900
Date: July 2, 2104

PUBLIC
American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
FERC Data Request
Dated June 11, 2014

Request No. 21:

Exhibit Z-4 of the application in Docket No. CP14-125-000 referred to four appendices that were not included in the filing. Please provide the appendices.

Response: The appendix attached to Exhibit A-4 was intended to be "Appendix 2." Attached hereto as "Response to Request No. 21, Attachment A" are Appendix 1 (diagram of "Mother Station") and Appendix 3 ("List of Customers"). Appendix 4, a form of contract, was inadvertently referred to and was not intended to be an appendix to Exhibit Z-4 to the Application in Docket No. CP14-125-000..

Person Responsible for Preparing Response:

Name: Dennis J. Kelly
Title: Senior Counsel
Address: 1400 16th Street, Suite 310
Denver, CO 80202
Phone No.: 720-457-6060
Date: July 2, 2014

Request 20, continued

Response to Request No. 21, Attachment A

PUBLIC

American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
FERC Data Request
Dated June 11, 2014

Request No. 22:

The proposed journal entries included in Exhibit Y of Docket No. CP14-125-000 are for the sale of facilities, however, the application seeks approval to abandon the facilities in place. Please provide the proposed journal entries that will be used to abandon the facilities in place.

Response:

Please see attached Response to Request No. 22, Attachment A.

Person Responsible for Preparing Response:

Name: Tom Brock
Title: Vice President and Chief Accounting Officer
Address: 1400 16th Street, Suite 310
Denver, CO 80202
Phone No.: 720-457-6060
Date: July 2, 2104

Request No. 22, continued

Response to Request No. 22, Attachment A

PUBLIC
American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
FERC Data Request
Dated June 11, 2014

Request No. 23:

When did Midla establish an asset retirement obligation (ARO) related to the facilities to be abandoned and why? What were the accounting entries that established the ARO?

Response:

During 2010, Midla recorded liabilities of \$3.7 million for future asset retirement obligations associated with pipeline assets and an accretion expense of \$0.7 million. The recognition of an asset retirement obligation requires that management make numerous estimates, assumptions and judgments regarding such factors as costs of remediation, timing of settlement to changes in the estimate of the costs of remediation pursuant to Order No. 631. The following represent the account balance at December 31, 2010.

DR 101 (Fixed Assets) \$4,446,130
CR 230 (ARO) \$4,446,130

Person Responsible for Preparing Response:

Name: Tom Brock
Title: Vice President and Chief Accounting Officer
Address: 1400 16th Street, Suite 310
Denver, CO 80202
Phone No.: 720-457-6060
Date: July 2, 20134

PUBLIC
American Midstream (Midla), LLC,
Docket Nos. CP14-125-000, CP14-126-000, and RP14-638-000
FERC Data Request
Dated June 11, 2014

Request No. 24:

24. In its Exhibit Y, Midla proposes to debit Account 230, Asset Retirement Obligations, and credit Account 412, Gain on Disposition of Property to account for the ARO related to the facilities to be abandoned.

- a. Explain why the abandonment of the facilities does not trigger the performance of the asset retirement activities.*
- b. Explain how the proposed journal entry complies with the Commission's requirements for AROs established in Order No. 631 and General Instruction No. 24, Accounting for Asset Retirement Obligations. Specifically explain why the extinguishment of the ARO is not recorded directly to Account 411.6, Gain on Disposition of Utility Plant.*

Response:

Please see Excel Spreadsheet "Response to Request No. 24, Attachment A" appended to the Responses to this Data Request.

Person Responsible for Preparing Response:

Name: Tom Brock
Title: Vice President and Chief Accounting Officer
Address: 1400 16th Street, Suite 310
Denver, CO 80202
Phone No.: 720-457-6060
Date: July 2, 2014

Request No. 24, continued

Response to Request No. 24, Attachment A

From: Kenneth Knox
Sent: Thursday, December 19, 2013 11:41 AM
To: Lauren Kaestner; Ryan Rupe; Matt Rowland
Cc: Kenneth Knox (kknox@americanmidstream.com)
Subject: FW: Update

FYI,

We reached out to PHMSA through a local contact (Former Regional Director at PHMSA) John Jacobi. Below is John's summary of his conversations with Linda who will be on the call today.

From: John Jacobi <john.jacobi@g2partnersllc.com>
Date: Friday, November 22, 2013 at 7:30 AM
To: Kenneth Knox <kknox@americanmidstream.com>, Kendall Lanningham <KLanningham@americanmidstream.com>
Cc: John Jacobi <john.jacobi@g2partnersllc.com>
Subject: Update

I spoke to both Alan Mayberry and Linda Daugherty (separately). Alan was a little more reserved but Linda is definitely anti-Dresser Coupling. Wiese was not here.

At the very least, I believe Linda will provide a letter (PHMSA Letterhead) voicing PHMSA's concerns regarding the safety issues associated with dresser couplings. My guess is that PHMSA will be reluctant to testify but they might do so if the circumstances are just right (no, I did not get any indication about what those circumstances might be – just that it might be a possibility).

The foundation has been laid. When you go to PHMSA HQ, try to get Wiese, Mayberry & Daugherty. It would probably be worth the effort if you can only get Daugherty.

BTW – she is both the Regional Director for the Central Region and serving as Deputy Associate Director for Field Operations (Mayberry & Daugherty swapped when she took the Central Region job) until a replacement can be found at HQ.

I still haven't heard from Nanney and Mary McDaniel is pretty much of the same mentality as Mayberry.

Let me know what else I can do to help.

John A. Jacobi, P.E., J.D.
Vice President
Pipeline Systems Compliance and
Operations Services

G2 Partners, LLC
Direct 713.260.4039 | Cell 832-712-3098

Cc: John Jacobi <john.jacobi@g2partnersllc.com>
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From: linda.daugherty@dot.gov [<mailto:linda.daugherty@dot.gov>]
Sent: Wednesday, March 05, 2014 4:47 PM
To: Kenneth Knox
Cc: Ginger.Roberts.CTR@dot.gov
Subject: RE: Mid Louisiana Gas Pipeline "MidLa" Abandonment

Kenneth ~

I did indeed miss your email but did receive your voicemail today. I am headed out the door at the moment and will be out of the office Thursday and Friday. I will be in the office on Monday and part of Tuesday. Let's try to connect then.

Thanks.

Linda

From: Kenneth Knox [<mailto:kknox@americanmidstream.com>]
Sent: Monday, February 24, 2014 1:44 PM
To: Daugherty, Linda (PHMSA)
Cc: Roberts, Ginger CTR (PHMSA); Kenneth Knox
Subject: Mid Louisiana Gas Pipeline "MidLa" Abandonment

Linda,

Recall, we spoke back in December about American Midstream's desire to shut down its 87 year old Dresser Coupled pipeline running from Monroe Louisiana to Baton Rouge. It's been an eventful political path thus far and we are approaching our initial filing at FERC. I'd appreciate an opportunity to speak again and solicit an official response from PHMSA in support of our efforts. I can either come to Kansas City or we can visit again over the phone. I'm not sure how much information you've received regarding MidLa, other than the information I provided, but I suspect (and hope) the topic has reached you from other sources. While our primary focus is to shut down four HCA areas north of Baton Rouge, our ultimate goal is to take the entire pipeline out of service.

I'm traveling March 4th and 5th and available otherwise.

Looking forward to visiting with you again.

Kenneth Knox

Director, Gas Supply and Market Services
919 Milam Street, Suite 2450
Houston, TX 77002
O: (713) 815-3933 C: (832) 244-1261 F: (713) 815-3998

From: Kenneth Knox
Sent: Tuesday, March 18, 2014 12:37 PM
To: Peter Esposito
Cc: Lauren Kaestner; Dennis Kelly; Matt Rowland; Ryan Rupe; Thomas Hirsch (hirschlaw@verizon.net); Bill Mathews; Kenneth Knox
Subject: FW: PHMSA Call 3_18_14

Today, I spoke to Linda Daugherty regarding our request for a letter in support of our MidLa Abandonment. Linda said she met with Jeff Wiese (Associate Administrator for Pipeline Safety) last week along with other regional PHMSA directors and they continue to support our position.

At this point in time Linda wants to draft the letter to be signed by Jeff and is asking for specifics to include in the letter. I asked if it would help if we took a stab at the first draft and she said that was not necessary, rather she has an idea of what she wants to say and simply need some MidLa specifics.

Specifics to include:

Line Diameter(s)

Line Length

Lines origin and termination.

Historical facts of the line

Construction facts and history

Details on the HCAs

(Copy and paste from our FERC data)

Linda said you will know the type of facts she needs and it can be provided in bullet form and a Map would be helpful. Let me know if you want me to pull this out of our FERC info?

Linda then went into the political side of the conversation. I could tell she was aware of the political side of the issue based on one specific comment. She asked that you specifically respond with some commentary on the opposition. She wants to understand from your (legal) perspective what the opposition is and how it is politically connected. She specifically asked for background on the major players, issue they will raise and if any of their issues will negatively impact PHMSA. She also wants to know MidLa's reasoning for abandonment rather than replacement. I reviewed some of the Open Season history with her.

I reminded her we were about to file our FERC abandonment documents and would appreciate PHMSA's response posthaste. She agreed and said it is a priority.

Call me when you have time and we can discuss further.

Kenneth....

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From: Peter Esposito [<mailto:pesposito@cbcatalysts.com>]
Sent: Wednesday, April 16, 2014 11:58 PM
To: Kenneth Knox; Lauren Kaestner
Cc: Kendall Lanningham; Dennis Kelly; Matt Rowland
Subject: RE: PHMSA

From: Kenneth Knox [<mailto:kknox@americanmidstream.com>]
Sent: Wednesday, April 16, 2014 9:13 PM
To: Peter Esposito; Lauren Kaestner
Cc: Kendall Lanningham; Dennis Kelly; Matt Rowland
Subject: Re: PHMSA

I spoke to Linda today (she called). She apologized for being slow to return my calls due to travels. PHMSA is working on the letter and plan to have it ready shortly. She did say the political fire storm has been interesting. I asked if we should expect a group of PHMSA inspectors in response to the letters they received. She said no and that PHMSA is confident we were doing everything possible. Very positive conversation, I guess we just have to wait them out.
Kenneth...

From: Peter Esposito <pesposito@cbcatalysts.com>
Date: Wednesday, April 16, 2014 at 12:42 PM
To: Lauren Kaestner <LKaestner@americanmidstream.com>, Kenneth Knox <kknox@americanmidstream.com>
Subject: PHMSA

Just wanted to follow up on where we are with Linda Daugherty and John Jacobi's contact in Seattle. We could really use someone to weigh in on our side.

I think the message that even if the pipeline blows up in a swamp, we could be down for a year is gaining traction. The human and economic impact of that could be just as rough.....

Peter G. Esposito, Principal
Crested Butte Catalysts LLC

PO Box 668
1181 Gothic Corridor (CR 317)
Crested Butte, CO 81224
(O) 970.349.2080
(F) 505.715.5551
(C) 970.209.3071
Alternate Landlines:
(TX) 972.803.1103
(AZ) 520.308.5140
pesposito@cbcatalysts.com

Dennis Kelly

From: Lauren Kaestner
Sent: Thursday, April 17, 2014 6:47 AM
To: Peter Esposito; Kenneth Knox; Thomas Hirsch (hirschlaw@verizon.net) (hirschlaw@verizon.net)
Cc: Kendall Lanningham; Dennis Kelly; Matt Rowland; Ryan Rupe; Gary Gilbert
Subject: RE: PHMSA

I emailed back and forth with John Jacobi (Former PHMSA inspector) and this is what he had to say :

I ate lunch with Carl and Charles Koval (NTSB investigator) in DC today. If we do the homework for him, I believe he might very well intervene on behalf of Midla. NTSB does not have a dog in the fight - yet. They, however, do NOT like dresser couplings.

And this :

FYI – I was able to speak to Carl Weimer (National Pipeline Safety Trust) Tuesday. In my opinion, he was generally supportive and, although I did not identify Midla, immediately recognized the system and demonstrated a remarkable and apparently unbiased grasp of the issues. I do not anticipate that the Trust will champion the issue but I would expect them to weigh in on the side of abandonment or replacement with a reasonable rate or return to American Midstream.

I think we should follow up with him and find out the best way to approach these two organizations to gain written support. Peter has given the fact sheet to PHMSA maybe that is all we will need to send to them and hopefully they will be willing to write something down on paper that we can use.

I also think that this is going to backfire somewhat on PHMSA and possibly us so we need to be ready. The obvious questions will be : How can you say you are not safe? You have passed EVERY PHMSA "audit" and inspection. If MIDLA were not safe to operate PHMSA would have said so long ago. If PHMSA is so concerned about the HCA's why did they allow you to continue to operate if MIDLA is unsafe? So I think we should get with John Jacobi and prepare our answer to those questions based on his experience as a former PHMSA inspector. Maybe even have him at the technical conference so he can go over what exactly "passing" a PHMSA inspection means...what they look for...and why a pipeline can still pass but not necessarily be safe. Think it should come from John to add credibility and not from a Midla employee.

Lauren



713-851-9576

Lauren C. Kaestner | Director, Commercial Operations | Direct Line: 713-815-3910 | Cell:

From: "Linda.daugherty@dot.gov" <Linda.daugherty@dot.gov>
Date: Monday, June 23, 2014 at 9:19 PM
To: Kenneth Knox <kknox@americanmidstream.com>
Subject: RE: Response to EnerVest "EV Properties,L.P. ("EVP")"

Kenneth ~

I don't know what we can/cannot do in this situation but I will forward your email to our chief counsel for their review.

Be Safe.

Linda

From: Kenneth Knox [<mailto:kknox@americanmidstream.com>]
Sent: Monday, June 23, 2014 1:59 PM
To: Daugherty, Linda (PHMSA)
Subject: Response to EnerVest "EV Properties,L.P. ("EVP")"

Linda,

As you know, American Midstream (Midla) LLC filed for Tariff revisions requesting authorization of off-system capacity rights under Docket No. RP14-1049-000. EnerVest Properties,L.P. "EVP" has subsequently intervened and their complaint questions MidLa's desire and need to take the 1920's vintage dresser coupled pipeline out of service through the HCA's, using a currently installed and much more modern pipeline ("MLGT"). EVP's complaint also brings PHMSA into the conversation quite frequently.

If you recall, I communicated to you that we are actively trying to shut down the HCA's because of encroachment and current pressure requirements in the market area. We operate Midla at roughly 170 psig into the Baton Rouge market area which requires 150 psig as the minimum. North of Baton Rouge, the city of Zachary is currently constructing a large Master Planned Community adjacent to the Midla right of way. Our concern around the HCA's is that an event anywhere on MidLa or a required pressure reduction could and would leave Baton Rouge without sufficient supply. We are spending roughly \$3.5 million dollars to upgrade the MLGT system and the shippers into the Baton Rouge area have not intervened.

I'm curious and hopeful PHMSA will quickly weigh in on EVP's Motion to Intervene and Protest? Please call me if you have further questions.

Kenneth Knox

Director, Gas Supply and Market Services
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