

*Washington, D.C. – Congressman Ben Ray Luján of New Mexico’s Third District sent the following letters to the Federal Emergency Management Agency (FEMA), the Small Business Administration (SBA), and the New Mexico Gas Company today to seek more information regarding assistance available to New Mexicans impacted by the natural gas outage in February and steps to prevent a future crisis.*

*Congressman Luján recently met with small businesses in Taos and Bernalillo to discuss their efforts to rebuild and recover in the aftermath of the crisis and to listen to the challenges they continue to face.*

*In the letter to FEMA and SBA Luján states:*

“Many of my constituents are underinsured or lack insurance coverage altogether and cannot expect their losses to be covered by private insurance. While I appreciate the response of your offices to the state’s February 23 request, my constituents need additional assistance and I respectfully request that you provide my office with any additional sources of help that could be obtained from your agencies.”

*And in his letter to the New Mexico Gas Company, Luján writes:*

“This crisis highlighted serious problems in the NMGC emergency planning and communications process. For example, slow response times, a lack of coordination with local officials and no early warning system contributed to serious delays in communicating to and assisting communities who lost access to natural gas. Can NMGC comment on how they have improved this process? Also, can NMGC describe its process for determining which community’s pipeline will be shut off and how that process will change in the future? It is critically important that NMGC is committed to the implementation of emergency operating procedures and policies that will prevent a similar crisis from happening again.”

*Below is the text of the two letters:*

April 5, 2011

Hon. Tony Russell  
Regional Administrator, Region VI  
Federal Emergency Management Agency  
Federal Regional Center  
800 North Loop 288  
Denton, TX 76201-3698

Hon. Yolanda Garcia Olivarez  
Regional Administrator, Region VI  
Small Business Administration  
4300 Amon Carter Boulevard  
Suite 108  
Ft. Worth, TX 76155

Dear Administrators Russell and Olivarez,

As you are both aware, my constituents in Northern New Mexico are still struggling with the lingering effects of the extreme winter weather that paralyzed the region in early February. When temperatures fell to historic lows, sometimes below negative 30 degrees Fahrenheit, a disruption in the state's natural gas infrastructure led to 28,000 homes, businesses and public buildings losing their gas supply.

In the absence of natural gas, buildings throughout the region lost their heat supply and suffered extensive damage from frozen pipes bursting and flooding. County and municipal governments managed to open 20 shelters across the state despite their already-stretched budgets and the effects of the cold upon their own resources.

On February 24, 2011, I joined my colleagues in the New Mexico Congressional Delegation to request that President Obama declare a Major Disaster for Public Assistance in the counties of Taos, Bernalillo, Dona Ana, Rio Arriba, Socorro, Otero, Sandoval, Sierra, and Lincoln as well as the Tribal governments of Taos Pueblo, Santa Clara Pueblo, Santa Ana Pueblo, San Felipe Pueblo and the Mescalero Apache Tribe in support of Governor Martinez's request from the preceding day. On March 24, the President granted this request for Lincoln, Otero, Rio Arriba, Sierra, Socorro, and Taos Counties and the Tribal jurisdictions of the Mescalero Apache Tribe, Santa Ana Pueblo, Taos Pueblo, and the portions of Santa Clara Pueblo that lie entirely within Rio Arriba County. The requests for public assistance for Bernalillo, Dona Ana and Sandoval counties remain under review.

While the Governor did not request personal assistance for individuals or small businesses, it has become clear to me that many of my constituents continue to face financial challenges from damaged natural gas infrastructure and water pipes in their homes and businesses. Many of my constituents are underinsured or lack insurance coverage altogether and cannot expect their losses to be covered by private insurance. While I appreciate the response of your offices to the state's February 23 request, my constituents need additional assistance and I respectfully request that you provide my office with any additional sources of help that could be obtained from your agencies.

Further, my constituents have requested clarification regarding the process by which the public assistance will be distributed to eligible beneficiaries. Could you please provide my office with detailed information, including points of contact and required procedures, regarding these funds?

Finally, my office has received a large number of questions regarding the process by which the damage assessments were conducted by your agencies prior to the President's declaration. Please provide copies of the assessments to my office as well as a comparison of the level of impact observed by the assessment teams to the FY11 impact indicators published in the Federal Register. Additionally, please provide me with further explanation as to the status of the review of the request for assistance in Bernalillo, Dona Ana and Sandoval Counties.

I appreciate your attention to these matters and I am grateful for the assistance you have already provided the people of New Mexico. I am hopeful that we can continue to work together for the recovery of my state.

Sincerely,

Ben Ray Luján  
Member of Congress

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April 5, 2011

Annette Gardiner  
President, New Mexico Gas Company  
P.O. Box 97500  
Albuquerque, NM 87199-7500

Dear Ms. Gardiner,

As you know, two months have passed since a severe disruption in New Mexico's natural gas delivery system left thousands of homes without heat during record-breaking freezing temperatures. In my district, natural gas distribution was shut off in Española, Taos, Questa, Red River and other Northern New Mexico towns. I appreciate the efforts of the New Mexico Gas Company (NMGC) in safely reconnecting service to over 28,000 customers and for voluntarily establishing a \$1 million fund to compensate customers for damages and claims arising from this crisis. I am writing today to alert you to several important concerns that my constituents have presented to me in the past several weeks.

After a number of meetings with my constituents, it has become clear to me that many in Northern New Mexico continue to face financial challenges from damaged natural gas infrastructure and water pipes in their homes and businesses. Due to inadequate coverage, many businesses and families cannot expect their losses to be covered by private insurance or government assistance and I respectfully request that, should it be needed to cover losses in excess of \$1 million, you expand upon it.

Regarding this fund, my constituents have expressed that they are unclear on its limitations and process and I would appreciate clarification from NMGC regarding the claims process and fund. For example, does NMGC anticipate that current funds will adequately cover all submitted claims? If current funds are inadequate, will NMGC be considering increasing the relief fund? How are the claims being evaluated and are they being fully paid? For our community to rebuild, it is imperative that communities in New Mexico are able to cover the costs incurred by this crisis. Assistance from NMGC will be necessary in many cases where families or businesses would not otherwise be able to afford such costs. The claims process should be as transparent as possible to ensure fair and efficient payment of funds while preserving the public's trust in the

process. I would appreciate NMGC providing the answers to these questions, as well as the process and procedures for distributing the funds to my office as soon as possible so that I may better provide answers to my constituents. Additionally, in order to obtain additional assistance for my constituents, I respectfully request that you provide my office with information regarding the claims that have been submitted to your company. Please provide accounting of the number of claims received, the amount that has been requested, and the amount that has been paid by the relief fund. I believe that through cooperation, we can better help New Mexicans recover.

This crisis highlighted serious problems in the NMGC emergency planning and communications process. For example, slow response times, a lack of coordination with local officials and no early warning system contributed to serious delays in communicating to and assisting communities who lost access to natural gas. Can NMGC comment on how they have improved this process? Also, can NMGC describe its process for determining which community's pipeline will be shut off and how that process will change in the future? It is critically important that NMGC is committed to the implementation of emergency operating procedures and policies that will prevent a similar crisis from happening again.

Thank you for considering these concerns, I look forward to hearing from you and to continuing our work to help rebuild New Mexico.

Sincerely,

Ben Ray Luján  
Member of Congress

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