



August 14, 2009

Ms. Elizabeth M. Murphy  
 Secretary  
 U.S. Securities and Exchange Commission  
 100 F Street NE  
 Washington, DC 20549-1090

*Re: File No. S7-10-09  
 Release No. 34-60089  
 Facilitating Shareholder Director Nominations*

Dear Ms. Murphy:

This letter represents the Louisiana Propane Gas Association's official comments to the Securities and Exchange Commission's recently published proposed rules ("Proposed Rules") that would require companies to provide proxy access for shareholder nominations of corporate directors. The Proposed Rules were published in the *Federal Register* on June 18, 2009.

The LPGA is the leading nonprofit trade organization representing the interests of nearly 50 dealer and associate members throughout Louisiana. LPGA strives to protect the integrity and growth of the state's propane industry and the health of its members. We are grateful the SEC has provided a public input window to comment on the Proposed Rules, and we praise the SEC for seeking to enhance corporate governance mechanisms. However, on behalf of the interests we represent, we offer our strong opposition to the rule changes.

We are in the unique position of representing both entities that are publicly-traded and entities that are privately-held. These changes will not only affect the groups that are publicly-traded and those private groups that may one day aspire to go public, but they will also have resulting effects on the status of Louisiana's propane gas industry.

In our view, the Proposed Rules, while intended to benefit individual and groups of shareholders, will create costly, divisive and inefficient director elections, undermine the authority of states to regulate corporate governance and pose unintended threats to the quality and efficiency of affected businesses.

**LOUISIANA PROPANE GAS ASSOCIATION**

Since the adoption of the Sarbanes-Oxley Act, we have seen greater board accountability and independence. Directors serving on nominating committees must work together to consider in detail board nominees' qualifications to be valuable and trusted corporate advisors. Through this vetting process, nominees' independence, experience, and expertise are weighed. Only after rigorous evaluation are individuals nominated for consideration by shareholders.

The Proposed Rules, however, would allow for the inclusion of board nominees who have not necessarily undergone stringent and serious review. The nomination and election processes could become dominated by special interests, develop heated political undertones and become costly to the companies. Additionally, the nominees in question could have their own personal agendas that do not correlate with the best interests of the company, and qualified individuals may be discouraged from participating in this process and serving the company.

Current state laws, such as Delaware General Corporate Law, Section 112, already provide reasonable and flexible procedures for allowing shareholders to present their own board nominees. The Proposed Rules would undermine these established procedures and impose federal authority into an area of corporate oversight historically left to the states.

Ultimately, we feel the negative consequences of this proposal would greatly outweigh the benefits, if any, that might emerge. We therefore respectfully ask that the Commission reject the Proposed Rules.

Thank you for your consideration, and please feel free to contact my office should you have any further questions.

Sincerely,



Randy Hayden, Executive Director  
Louisiana Propane Gas Association