

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

October 15, 2004

In Reply Refer To:
GulfTerra Alabama Intrastate, L.L.C.
Docket No. PR04-13-000

GulfTerra Energy Partners, L.P.
Four Greenway Plaza, Suite 604
Houston, Texas 77046

Attention: Delbert Fore, Director
Government and Regulatory Affairs

Reference: Petition for Rate Approval

Ladies and Gentleman:

1. On May 21, 2004, GulfTerra Alabama Intrastate, L.L.C. (GulfTerra) filed a petition for approval to continue its existing maximum system-wide transportation rate of \$0.294 per MMBtu for interruptible services performed under section 311(a)(2) of the Natural Gas Policy Act of 1978. The application only deals with the facilities of GulfTerra in the state of Alabama.
2. Based upon our review of the petition and the supplemental data subsequently filed in response to Staff's discovery request, the Commission finds GulfTerra's proposed transportation rate to be fair and equitable and not in excess of an amount which an interstate pipeline would be permitted to charge for comparable service. Therefore, GulfTerra's rate petition is accepted and approved to become effective May 21, 2004, subject to the condition noted below.
3. On or before May 21, 2007, GulfTerra shall file an application for rate approval under section 284.123(b)(2) of the Commission's regulations to justify its current rate or to establish a new maximum transportation rate. In addition, this letter order does not relieve GulfTerra from complying with the filing requirements under Part 284 of the Commission's regulations, 18 C.F.R. § 284.224 (2004).

4. Notice of the filing was issued June 4, 2004, requiring protests and motions to intervene to be filed on or before June 21, 2004. No protests or adverse comments were filed. Notices of intervention and unopposed timely filed motions to intervene are granted pursuant to the operation of Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214 (2004)).

By direction of the Commission. Commissioner Brownell dissenting in part with a separate statement attached.

Linda Mitry,
Acting Secretary.

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

GulfTerra Alabama Intrastate, L.L.C.

Docket No. PR04-13-000

(Issued October 15, 2004)

Nora Mead BROWNELL, Commissioner *dissenting in part*:

For the reasons set forth in Green Canyon Pipe Line Company, L.P., 98 FERC ¶ 61,041 (2002), I would not impose a triennial rate approval requirement on Section 311 pipelines. Therefore, I dissent from the portion of this order that does so.

Nora Mead Brownell