

FEDERAL ENERGY REGULATORY COMMISSION
Washington, D.C. 20426

April 23, 2004

PanEnergy Louisiana Intrastate, LLC
Docket Nos. PR04-5-000 and
PR04-5-001

PanEnergy Louisiana Intrastate, LLC
370 Seventeenth Street
Suite 2500
Denver, Colorado 80202

Attention: W. J. White
Director, Rates & Technical Services

Reference: Stipulation and Agreement

Ladies and Gentlemen:

1. The Stipulation and Agreement (Settlement) filed by PanEnergy Louisiana Intrastate, LLC (PELICO) on April 9, 2004 reasonably resolves the issues in this proceeding, produces a fair and equitable rate, and therefore, is approved. This order will benefit PELICO's current and potential shippers by affording them with alternative transportation services at a reasonable rate.
2. The following is a summary of the major provisions of the Settlement.
 - a. Effective December 1, 2003, the maximum fair and equitable rate for NGPA section 311 transportation service performed on PELICO's system is a maximum volumetric rate of \$.1965 per MMBtu. PELICO is authorized to recover fuel and lost and unaccounted for gas on a pro rata basis.
 - b. PELICO agrees to revise section XIX of its Statement of Operating Conditions (SOC) to provide for prepayments based on a three-month period. PELICO also agrees to add a new section to its SOC to reflect that it will charge fuel and lost and unaccounted for gas monthly on a pro rata basis. PELICO agrees to file its revised SOC within 30 days of the date the Commission approves the Settlement.

- c. On or before December 1, 2006, PELICO shall file a petition for rate approval pursuant to 18 CFR § 284.123(b)(2) to justify its current rate or to propose a new rate.
3. PELICO represents that it has not charged rates in excess of the rate specified in 2(a) above, subsequent to December 1, 2003, for section 311 transportation service performed on its system. Accordingly, no refunds are due.
4. The provisions of the Settlement shall not become effective unless and until the Commission issues an order accepting and approving all terms and conditions of the Settlement and such order becomes final and no longer subject to rehearing.
5. Initial comments on the Settlement were due by April 15, 2004, and reply comments were due by April 19, 2004. No comments were received.
6. This letter order does not relieve PELICO of its obligations to file the required reports under Part 284 of the Commission's regulations. The Commission's approval of this Settlement does not constitute a precedent regarding any principle or issue in this proceeding.

By direction of the Commission. Commissioner Brownell concurring with a separate statement attached.

Magalie R. Salas
Secretary

cc: All parties

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

PanEnergy Louisiana Intrastate, LLC

Docket Nos. PR04-5-000
PR04-5-001

(Issued April 23, 2004)

BROWNELL, Commissioner, concurring:

For the reasons set forth in Green Canyon Pipe Line Company, L.P. in Docket No. PR01-15-001, I would not impose a triennial rate approval requirement on Section 311 pipelines. Here, PanEnergy Louisiana Intrastate, LLC has agreed to make a triennial rate approval filing as part of an overall settlement. Therefore, I agree with the result of this order which is to approve an uncontested settlement.

Nora Mead Brownell
Commissioner