

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

December 29, 2005

In Reply Refer To:
Bridgeline Gas Distribution LLC
Docket No. PR05-18-000

Bridgeline Gas Distribution LLC
333 Clay Street, Suite 1150
Houston, Texas 77002

Attention: Mr. Richard L. Cain
Vice President, Bridgeline Holdings, L.P.

Reference: Cost and Revenue Study

Dear Mr. Cain:

1. On August 3, 2005, Bridgeline Gas Distribution LLC (Bridgeline) filed a Cost and Revenue Study for the twelve month period ending March 31, 2005 in compliance with the Commission's September 23, 2003 Letter Order approving settlement in Docket No. PR02-14-001 (September 23 Order).¹ Bridgeline states its Cost and Revenue Study supports the continuation of its existing rates for transportation and storage services. We find that the Cost and Revenue Study supports a continuation of Bridgeline's currently effective rates and accept the Cost and Revenue Study as being in compliance with the September 23 Order.

2. As required by the September 23 Order, Bridgeline filed cost, revenue and throughput data, in the form prescribed by Section 154.313 of the Commission's regulations, and is based on Bridgeline's cost-of-service for the twelve months ending March 31, 2005, as adjusted for known and measurable changes.² Schedule J shows a comparison of revenues with the cost-of-service. This schedule shows that Bridgeline's

¹ 104 FERC ¶ 61,313 (2003), P 2(d).

² 18 C.F.R. § 154.313 (2005).

total cost-of-service was \$27,260,535.³ This compares with revenues over the same period of \$22,469,429, resulting in a revenue deficiency of \$4,791,107.⁴

3. Notice of Bridgeline's filing was issued on August 11, 2005. Interventions and protests were due as provided in section 154.210 of the Commission's regulations (18 C.F.R. § 154.210 (2005)). Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214 (2005)), all timely filed motions to intervene and any motions to intervene out-of-time filed before the issuance date of this order are granted. No protests were filed.

4. On or before March 29, 2008, Bridgeline shall file cost and throughput data, in the form specified in Section 154.313 of the Commission's regulations, to allow the Commission to determine whether any change in Bridgeline's transportation rates pursuant to the Section 5 of the Natural Gas Act should be ordered. This letter order does not relieve Bridgeline of its obligation to file the required reports under Section 284 of the Commission's regulations.

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

Magalie R. Salas,
Secretary.

³ Bridgeline's study shows a transmission cost-of-service of \$18,103,987 and a storage cost-of-service of \$9,156,549.

⁴ Transportation revenues for the same period were \$16,660,750, resulting in a revenue deficiency of \$1,443,237. Storage revenues for the same period were \$5,808,679, resulting in a revenue deficiency of \$3,347,870.

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Bridgeline Gas Distribution LLC

Docket No. PR05-18-000

(Issued December 29, 2005)

Nora Mead BROWNELL, Commissioner *dissenting in part*:

I would not impose a triennial rate approval requirement on Section 311 pipelines for the reasons set forth in Green Canyon Pipe Line Company, L.P., 98 FERC ¶ 61,041 (2002).

Nora Mead Brownell

