



U.S. Department  
of Transportation

**Pipeline and Hazardous  
Materials Safety  
Administration**

1200 New Jersey Avenue, SE  
Washington, D.C. 20590

SEP 2 2008

Mr. J. Brent Campbell, PE  
Director of Pipeline Division  
Office of Conservation  
Louisiana Department of Natural Resources  
617 North 3<sup>rd</sup> Street, 11<sup>th</sup> Floor  
Baton Rouge, LA 70802

Dear Mr. Campbell:

The Pipeline and Hazardous Materials Safety Administration (PHMSA) reviewed your letter of July 3, 2008, notifying us that the Commissioner of Conservation, Louisiana Department of Natural Resources, granted Bridgeline Holdings, L.P. (BHLP) a special permit waiving compliance from the regulations in LAC 43:XIII.2711, for one 500-foot segment of an intrastate high pressure natural gas transmission pipeline system located in Lafayette Parish, LA.

The regulations in LAC 43:XIII.2711 are equivalent to the Federal pipeline safety regulations in 49 CFR § 192.611, which require a pipeline operator to confirm or revise the maximum allowable operating pressure (MAOP) of a pipeline segment where the class location has changed. The special permit issued by the Commissioner of Conservation allows BHLP to continue to operate the 500-foot segment of pipeline at or below its existing MAOP of 1210 pounds per square inch gauge (psig) in lieu of reducing the MAOP to 1008 psig.

PHMSA has reviewed BHLP's special permit application along with the special permit analysis, findings, conditions, and limitations prepared by the Office of Conservation and we do not object to this grant of a special permit. If you wish to discuss this special permit or any other pipeline safety matter, my staff would be pleased to assist you. Please call John Gale, Director of Regulations (202-366-0434), for regulatory matters or Alan Mayberry, Director of Engineering and Emergency Support at (202-366-5124) for technical matters.

Sincerely,

Jeffrey D. Wiese  
Associate Administrator for Pipeline Safety



**BOBBY JINDAL**  
GOVERNOR

**State of Louisiana**  
**DEPARTMENT OF NATURAL RESOURCES**  
**OFFICE OF CONSERVATION**

**SCOTT A. ANGELLE**  
SECRETARY  
**JAMES H. WELSH**  
COMMISSIONER OF CONSERVATION

July 3, 2008

Jeffrey Wiese, Associate Administrator  
U.S. DOT/PHMSA/PHP-01  
1200 New Jersey Ave, SE  
Room E22-330  
Washington, D.C. 20590

**Re: Special Permit Request / Bridgeline Holdings, L.P.**

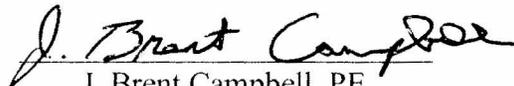
Dear Mr. Wiese:

Enclosed for your review is Bridgeline Holdings, L.P.'s (Bridgeline) application requesting a special permit authorizing them to continue the operation of a pipeline segment without reducing the maximum allowable pressure as a result of a change in class location. Also enclosed is a copy of PL Order No. 6152 issued by the Commissioner of Conservation, after holding a public hearing under Docket No. PL 08-084 on June 19, 2008, granting their special permit request.

Should you have any questions regarding this matter, please contact James Mergist at 225-342-9137.

Very truly yours,

**James H. Welsh**  
Commissioner of Conservation

  
J. Brent Campbell, PE  
Director of Pipeline Division

JBC:jbc

cc: Reading File

**EXHIBIT "A"**

**LOUISIANA DEPARTMENT OF NATURAL RESOURCES**

**OFFICE OF CONSERVATION**

[LA Office of Conservation Docket No.PL 08-084]

Pipeline Safety: Grant of Special Permit; Bridgeline Holdings, L.P.

AGENCY: Louisiana Department of Natural Resources, Office of Conservation

ACTION: Notice; Grant of Special Permit.

SUMMARY: The Louisiana Office of Conservation grants this special permit to Bridgeline Holdings, L.P. (BHLP) waiving compliance from LAC 43:XIII.2711 (49 CFR § 192.611) for one 500-foot segment of a intrastate high pressure natural gas transmission pipeline system located in Lafayette Parish, LA. This special permit allows BHLP to continue to operate the pipeline segment at the current maximum allowable operating pressure (MAOP) of 1,210 pounds per square inch gauge (psig). LA Code Title 43, Part XIII, Subpart 3, Chapter 27, Paragraph 2711 Change in Class Location: Confirmation or Revision of Maximum Allowable Operating Pressure, and the Federal pipeline safety regulations in 49 CFR § 192.611 require natural gas pipeline operators to confirm or revise the MAOP of a pipeline segment after a change in class location.

FOR FURTHER INFORMATION CONTACT: James Mergist, Assistant Director, phone number: 225-342-5585 / e-mail: James.Mergist@LA.Gov

**SUPPLEMENTARY INFORMATION:**

**Special Permit Request**

Pipeline Operator: BHLP petitioned the State of Louisiana on June 19, 2008, for a special permit to waive compliance from the State pipeline safety regulation in LAC Title 43, Part XIII Office of Conservation, Pipeline Safety, Subpart 3 Transportation of Natural or Other Gas by Pipeline, Chapter 27 Operations, Paragraph 2711 Change in Class Location: Confirmation or Revision of Maximum Allowable Operating Pressure (49 CFR Part 192.611).

Pipeline System Affected: This special permit, which is subject to the conditions and limitations set forth below, applies to one 500-foot pipeline segment operated by BHLP in Lafayette Parish, LA. The pipeline segment is located approximately 13.56 miles (mile post 13.56) downstream of the BHLP Henry Compressor Station where the class location on the pipeline has changed from Class 1 to Class 3.

The pipeline “*special permit segment*” is defined as follows:

- Special permit segment: **BHLP Line 2602 special permit segment** - 500-feet, starting at station footage 716+38 and ending at station footage 721+38

A special permit inspection area is defined as an area that extends 220 yards on each side of a pipeline centerline along the entire length of the *special permit segment* and along the pipeline up to 25 miles upstream and downstream of each end of the *special permit segment*. The “*special permit inspection area*” for this special permit request is defined as follows:

- **BHLP Line 2602 Special Permit Inspection Area** - the area that extends 220 yards on each side of the centerline of Line 2602 starting at mile post (MP) 0.0 which is approximately 13.56 miles upstream of the special permit segment, to MP 38.56 which is approximately 25 miles downstream of the special permit segment.

#### Public Notice

On June 06, 2008, Office of Conservation published a notice of the Bridgeline Holdings, L.P. request in the official state journal (Baton Rouge Advocate) inviting interested persons to comment on the request. A public hearing was held on June 19, 2008 in Baton Rouge, Louisiana. We did not receive any public comments for or against this special permit request. The special permit petition, official notice, and all other documents pertinent to this special permit request are available for review by the public in Pipeline Division Docket Number 08-084.

On June 10, 2008, BHLP published a notice of the BHLP request in the official Lafayette Parish journal (The Advertiser) inviting interested persons to comment on the request. We did not receive any public comments for or against this special permit request. The special permit petition, official notice, and all other documents pertinent to this special permit request are available for review by the public in Pipeline Division Docket Number 08-084.

## Special Permit Analysis

Background: On June 29, 2004, PHMSA published in the Federal Register (69 FR 38948) the criteria it uses for the consideration of class location change special permits. First, certain threshold requirements must be met for a pipeline section to be further evaluated for a class location change special permit. Second, the age and manufacturing process of the pipe; system design and construction; environmental, operating and maintenance histories; and integrity management program (IMP) elements are evaluated as significant criteria. These significant criteria are presented in matrix form and can be reviewed in the FDMS, Docket Number PHMSA-RSPA-2004-17401. Third, such special permits will only then be granted when pipe conditions and active integrity management provides a level of safety greater than or equal to a pipe replacement or pressure reduction.

Threshold Requirements: Each of the threshold requirements published by PHMSA in the June 29, 2004 FR notice is discussed below for the BHL P special permit petition.

(1) No pipeline segments in a class location changing to Class 4 location will be considered. This special permit request is for one pipeline segment in a class location that has changed from Class 1 to Class 3. This requirement has been met for the BHL P LINE 2602 special permit segment.

(2) No bare pipe will be considered. The special permit segment of the BHL P LINE 2602 pipeline is coated with tar/glass/felt (TGF -3) coating because fusion bonded epoxy (FBE) coating was not a proven and reliable coating in the early 80's. TGF-3 coating is considered equal to both FBE and Multi-layer Epoxy, meeting this requirement.

(3) No pipe containing wrinkle bends will be considered. There are no wrinkle bends in the special permit segment. This requirement has been met for the BHL P LINE 2602 special permit segment.

(4) No pipe segments operating above 72 percent of the specified minimum yield strength (SMYS) will be considered for a Class 3 special permit. The BHL P LINE 2602 pipeline operates at or below 72 percent SMYS. This requirement has been met for the BHL P LINE 2602 special permit segment.

(5) Records must be produced that show a hydrostatic test to at least 1.25 x MAOP. The BHL P LINE 2602 pipeline has been hydrostatically tested to 1,620 pounds per square inch gauge (psig), 1.34 x MAOP. This requirement has been met for the BHL P LINE 2602 special permit segment.

(6) In-line inspection (ILI) must have been performed with no significant anomalies identified that indicate systemic problems. The BHL P LINE 2602 pipeline has been ILI inspected with no significant anomalies in the special permit segment, thus meeting this requirement.

(7) The special permit inspection area must be inspected according to the operator's IMP and periodically inspected with an in-line inspection technique. This special permit will include conditions requiring BHLP to perform additional inspections in the special permit inspection area on a frequency consistent with the integrity management regulations contained in LAC 43: Part XIII Subpart 3 Chapter 33 (49 CFR Part 192, Subpart O). The special permit conditions will also require BHLP to incorporate the special permit segment in its written IMP as "covered segment" in a "high consequence area (HCA)" per LAC 43:XIII.3103 (49 CFR 192.903).

Criteria Matrix: The original and supplemental data submitted by BHLP for the special permit segment has been compared to the said class location change special permit criteria matrix. The data falls within the "probable acceptance" column of the criteria matrix for all criteria except for: 1) a change, from a Class 1 location to a Class 3 location, which falls within the "possible acceptance" column of the criteria matrix; and 2) the pipe coating which is tar or TGF-3, which also falls within the "possible acceptance" column of the criteria matrix.

(1) Pipe design and construction, including pipe manufacturer, material, design stress and weld radiography: the pipe of the special permit segment was manufactured in 1983 to American Petroleum Institute Specification 5L, Specification for Line Pipe (API 5L), X-70 steel, using a 72 percent SMYS design factor per LAC 43:XIII.911 (CFR 49 192.111), with documented 100 percent of the welds volumetrically tested during construction. The pipe coating is mill-applied tar/glass/felt (TGF-3). All of these factors except the pipe coating fall within the "probable acceptance" column of the said criteria matrix. The TGF-3 pipe coating falls within the "possible acceptance". The TGF-3 pipe coating is in excellent condition with no evidence of disbondment. The cathodic protection current requirement for the pipeline is very low, indicating excellent coating. An ILI tool was run in December of CY 2006, a high resolution metal loss and slope deformation tool was used. There were no required repairs. Regarding the entire 527-mile system that this special permit segment is part of, there have been no leaks, failures or systemic problems. The above data along with required documentation shows justification for allowing this type of coating.

(2) Pressure testing: the special permit segment was pressure tested in 1983 to 1,620 psig corresponding to 134 percent MAOP and 94 percent SMYS. No test failures occurred. These factors fall within the "probable acceptance" column of the criteria matrix.

(3) Environmental considerations: the depth of cover is given as approximately 48 inches for the special permit segment, exceeding the requirements of LAC 43:XIII.1727 (49 CFR 192.327(a)). The special permit segment is located in stable terrain that does not contain any major slopes. These factors fall within the "probable acceptance" column of the criteria matrix.

(4) Operational considerations: According to BHLP, there have been no leaks or failures in the special permit segment of the pipeline, or in the entire 527-mile system that the special permit segment is part of. The pipeline transports only dry gas with light pressure fluctuations. Cathodic protection (CP) was operational in November of 1983 on the

pipeline special permit segment, which was the in-service date of the pipeline. No safety related condition reports (SRCR) have been issued for the special permit segment or the entire 527-mile system that the special permit segment is part of. These factors fall within the “probable acceptance” column of the criteria matrix.

(5) Integrity management program: – The entire special permit segment is in an HCA and additional measures are applied in the inspection area containing the waiver location. Although the special permit segment has historically been a Class 1 location, it has been treated as a Class 3 location since CY 1989. Since its construction, the pipeline has been on a regular pigging program, damage prevention program, and continuing surveillance program. Since 1989, instrumented leakage surveys have been performed twice each calendar year, and the pipeline patrolled once a month. An ILI tool was run in December of CY 2006, a high resolution metal loss and slope deformation tool was used. There were no required repairs.

### Special Permit Findings

Louisiana Department of Natural Resources finds that granting this special permit is not inconsistent with pipeline safety and it will provide a level of safety equal to or greater than pipe replacement or pressure reduction. We do so because the special permit analysis shows the following:

(1) The special permit segment meets all of the threshold requirements. The special permit conditions will also include annual inspection requirements of the special permit inspection area and the special permit segment on a frequency consistent with LAC 43: Part XIII Subpart 3 Chapter 33 (49 CFR 192, Subpart O); the Integrity Management regulations.

(2) The special permit segment falls in the “probable acceptance” column of the criteria matrix for all criteria except for “Class Location Change” and “Pipe Coating”. The class location change for the special permit segment is from a Class 1 location to a Class 3 location, which places this parameter in the “Possible Acceptance” column. The pipe coating is tar (TGF-3) which also falls within the “Possible Acceptance” column.

### Special Permit Grant

Louisiana Department of Natural Resources grants a special permit waiving compliance from LAC 43:XIII.2711 (49 CFR 192.611) to BHLP for the pipeline segment defined below: This special permit, which is subject to the conditions and limitations as set forth, applies to one (1) 500-foot pipeline segment operated by BHLP in Lafayette Parish, LA. The pipeline segment is located approximately 13.56 miles (mile post 13.56) downstream of the BHLP Henry Compressor Station where the class location on the pipeline has changed from Class 1 to Class 3.

- Special permit segment: ***BHLP Line 2602 special permit segment*** - 500-feet, starting at station footage 716+38 and ending at station footage 721+38

A special permit inspection area is defined as the area within 220 yards of each side of a pipeline centerline along the entire length of the special permit segment and along the pipeline up to 25 miles upstream and downstream of the special permit segment. The “special permit inspection area” for this special permit is the area that extends 220 yards on each side of the centerline of the BHLP Line 2602 starting at mile post (MP) 0.0 which is approximately 13.56 miles upstream of the special permit segment, to MP 38.56 which is approximately 25 miles downstream of the special permit segment.

### Special Permit Conditions

This special permit is granted with the following conditions:

- 1) BHLP must continue to operate the Line 2602 special permit segment at or below its existing MAOP of 1,210 psig.
- 2) BHLP must incorporate the Line 2602 special permit segment into its written integrity management plan (IMP) as "covered segments" in a high consequence area (HCA) per LAC 43:XIII.3103 (49 CFR § 192.903), except for the reporting requirements contained in LAC 43:XIII.3345(49 CFR § 192.945). The special permit segment included in this special permit need not be included in BHLP's IMP baseline assessment plan.
- 3) BHLP must perform a close interval survey (CIS) of Line 2602 along the entire length of the special permit inspection area not later than one year after the grant of this special permit and remediate any areas of inadequate cathodic protection (CP). A CIS and remediation need not be performed if a CIS and remediation have been performed on the corresponding special permit inspection area less than 6 years prior to the grant of this special permit. If factors beyond BHLP's control prevent the completion of the CIS and remediation within one year, a CIS and remediation must be completed as soon as practicable and a letter justifying the delay and providing the anticipated date of completion must be submitted to the Commissioner not later than one year after the grant of this special permit.
- 4) BHLP must perform ongoing periodic CIS of the special permit segment at the applicable reassessment interval(s) for a “covered segment” determined in accordance with LAC 43:XIII.3339 (49 CFR § 192.939).

- 5) BHL P must perform a Direct Current Voltage Gradient (DCVG) survey of the special permit segment not later than one year after the grant of this special permit to verify the pipeline coating conditions and to remediate any integrity issues in the special permit inspection area. If factors beyond BHL P's control prevent the completion of the DCVG survey and remediation within one year, a DCVG and remediation must be performed as soon as practicable and a letter justifying the delay and providing the anticipated date of completion must be submitted to the Commissioner not later than one year after the grant of this special permit.
- 6) BHL P must submit the DCVG and CIS findings including remediation actions in a written report to the Commissioner not later than two years after the grant of this special permit.
- 7) BHL P must amend applicable sections of its pipeline integrity management manual(s) to incorporate the inspection and reassessment intervals by ILI of Line 2602 along the entire length of special permit inspection area at a frequency consistent with LAC 43: Part XIII Subpart 3 Chapter 33 (49 CFR Part 192, Subpart O).
- 8) BHL P must amend applicable sections of its pipeline integrity program manual(s) to incorporate the inspection and reassessment intervals by CIS of the special permit segment at a frequency consistent with LAC 43: Part XIII Subpart 3 Chapter 33 (49 CFR Part 192, Subpart O).
- 9) The assessments of Line 2602 along the entire length of each *special permit inspection area* using ILI must conform to the required maximum reassessment intervals specified in LAC 43:XIII.3339 (49CFR § 192.939).
- 10) BHL P must schedule future reassessment dates for Line 2602 along the entire length of the special permit inspection area according to LAC 43:XIII.3339 (49 CFR § 192.939) by adding the required time interval to the previous assessment date.
- 11) BHL P must ensure their damage prevention program incorporates the applicable best practices of the Common Ground Alliance (CGA) within special permit inspection area.
- 12) BHL P must give sufficient notice to the Commissioner to enable him to observe any or all special permit related activities in the special permit inspection area.
- 13) BHL P must determine and provide certification that all inspections and activities associated with this special permit will not impact or defer any assessments for HCAs

under LAC 43: Part XIII Subpart 3 Chapter 33 (49 CFR Part 192, Subpart O), particularly those associated with the most significant 50%.

- 14) Within three months following the grant of this special permit and annually thereafter, BHL P must report the following to the Commissioner:
  - a) The economic benefits of this special permit to BHL P to address both the costs avoided from not replacing the pipe and the added costs of the inspection program (required for the initial report only).
  - b) In the first said annual report, fully describe how the public benefits from energy availability. This should address the benefits of avoided disruptions as a consequence of pipe replacement and the benefits of maintaining system capacity. Subsequent reports must indicate any changes to this initial assessment.
  - c) The number of new residences, other structures intended for human occupancy and public gathering areas built within the special permit segment.
  - d) Any new integrity threats identified during the previous year and the results of any ILI tool runs or direct assessments performed during the previous year in the special permit inspection area.
  - e) Any reportable incident, any leak normally reported on Form PHMSA F 7100.2-1 Annual Report and all repairs on the pipeline that occurred during the previous calendar year in the special permit inspection area.
  - f) Any on-going damage prevention initiatives affecting the special permit inspection area and a discussion of the success of the initiatives.
  - g) Any mergers, acquisitions, transfer of assets, or other events affecting the regulatory responsibility of the company operating the pipeline.
  
- 15) At least one CP pipe-to-soil test station must be located within each HCA with a maximum spacing between test stations of one-half mile within an HCA. In cases where obstructions or restricted areas prevent test station placement, a test station must be placed in the closest practical location. This requirement applies to any HCA within the special permit inspection area.
  
- 16) If any annual CP test station readings within the special permit inspection area fall below LAC 43: Part XIII Subpart 3 Chapter 21 (49 CFR Part 192, Subpart I)

requirements, remediation must occur within 90-days and include a CIS on each side of the affected test station to the next test station and identified corrosion system modifications to ensure corrosion control. If factors beyond BHLP's control prevent the completion of remediation within 90-days, remediation must be completed as soon as practicable and a letter justifying the delay and providing the anticipated date of completion must be submitted to the Commissioner not later than one year after the grant of this special permit.

17) Anomaly Evaluation and Repair:

- a) General: BHLP must account for ILI tool tolerance and corrosion growth rates in scheduled response times and repairs.
- b) Dents: BHLP must repair dents to Line 2602 in the special permit inspection area in accordance with LAC 43:XIII.3333 (49 CFR § 192.933).
- c) Repair Criteria: Repair criteria applies to anomalies located on Line 2602 within the special permit inspection area when they have been excavated and investigated in accordance with LAC 43:XIII.2137 and LAC 43:XIII.3333 (49 CFR §§ 192.485 and 192.933) as follows:
  - i) Special Permit Segment - repair any anomaly with a failure pressure ratio (FPR) less than or equal to 1.39 for pipe operating at greater than 72% of the specified minimum yield strength (SMYS) and any anomaly greater than 50% of pipe wall thickness.
  - ii) Special Permit Inspection Area - the response time must be in accordance with LAC 43: Part XIII Subpart 3 Chapter 33 (49 CFR Part 192, Subpart O), the applicable edition of the American Society of Mechanical Engineers Standard B31.8S, Managing System Integrity of Gas Pipelines (ASME B31.8S) and BHLP's IMP program.
- d) Response Time for ILI Results: The following guidelines provide the required timing for excavation and investigation of anomalies based on ILI results. Reassessment by ILI will "reset" the timing for anomalies not already investigated and/or repaired. BHLP must evaluate ILI data by using either the ASME Standard B31G, Manual for Determining the Remaining Strength of Corroded Pipelines (ASME B31G), or the modified B31G (0.85dL) for calculating the predicted failure pressure ratio to determine anomaly responses.

- i) Special Permit Segment:
  - Immediate response: FPR equal to or less than 1.1 and anomalies equal to and greater than 80% of pipe wall thickness;
  - 1-year response: pipe operating up to 72% of SMYS - FPR equal to or less than 1.39 and anomalies equal to and greater than 60 % of pipe wall thickness;
  - Scheduled response: pipe operating up to 72% of SMYS - FPR greater than 1.39 and anomalies less than 60% of pipe wall thickness.
  
- ii) Special Permit Inspection Area: The response time must be in accordance with LAC 43: Part XIII Subpart 3 Chapter 33 (49 CFR Part 192, Subpart O), ASME B31.8S (applicable edition) and BHLP's IMP plan.

18) The Commissioner may extend the original special permit segment to include contiguous segments of pipeline up to the limits of the special permit inspection areas pursuant to the following conditions. BHLP must:

- a) Provide at least 90 days advanced notice to the Commissioner of a requested extension of the special permit segment based on actual class location change and include a schedule of inspections and of any anticipated remedial actions. If the Commissioner makes a written objection before the effective date of the requested special permit segment extension (90 days from receipt of the above notice), the requested special permit segment extension does not become effective.
- b) Complete all inspections and remediation of the proposed *special permit segment* extension to the extent required of the original special permit segment.
- c) Apply all the special permit conditions and limitations included herein to all future extensions.

#### Special Permit Limitations

The Commissioner has the sole authority to make all determinations on whether BHLP has complied with the specified conditions. Should BHLP fail to comply with any conditions of this special permit, or should the Commissioner determine this special permit is no longer appropriate or that this special permit is inconsistent with pipeline

safety, the Commissioner may revoke this special permit and require BHP to comply with the regulatory requirements of LAC 43: XIII .2711 (49 CFR § 192.611).

**STATE OF LOUISIANA  
OFFICE OF CONSERVATION  
PIPELINE DIVISION**

**PL ORDER NO. 6172**

AN ORDER REVIEWING A SPECIAL PERMIT REQUEST BY **BRIDGELINE HOLDINGS, L.P.** TO AUTHORIZE CONTINUED OPERATION OF A PIPELINE SEGMENT WITHOUT REDUCING THE MAXIMUM ALLOWABLE PRESSURE AS A RESULT OF A CLASS LOCATION CHANGE IN LAFAYETTE PARISH, STATE OF LOUISIANA.

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After a public hearing held under Docket No. PL 08-084 in Baton Rouge, Louisiana, on June 19, 2008, upon the application of **BRIDGELINE HOLDINGS, L.P.**, following legal publication of notice of such hearing, the following order is hereby issued and promulgated by the Commissioner of Conservation as being reasonably necessary to protect the public interest and to carry out the provisions of the laws of this State.

**FINDINGS**

**THE COMMISSIONER OF CONSERVATION FINDS AS FOLLOWS:**

1. That **BRIDGELINE HOLDINGS, L.P.** is a person subject to the jurisdiction of the Commissioner of Conservation (Commissioner).

2. That **BRIDGELINE HOLDINGS, L.P.** has made application with the Commissioner under LAC 43:XIII.etal for review of a special permit to authorize the continued operation of a pipeline segment without reducing the maximum allowable pressure as a result of a class location change in Lafayette Parish, Louisiana. The pipeline segment is BHLP Line 2602 and extends 500 feet starting at station footage 716+38 and ending at station footage 721+38.

3. The Commissioner of Conservation finds that granting this special permit to **BRIDGELINE HOLDINGS, L.P.** is not inconsistent with pipeline safety and it will provide a level of safety equal to or greater than pipe replacement or pressure reduction. We do so because the special permit analysis shows the following:

a. The special permit segment meets all of the threshold requirements. The special permit conditions will also include annual inspection requirements of the special permit inspection area and the special permit segment on a frequency consistent with LAC 43: Part XIII Subpart 3 Chapter 33 (49 CFR 192, Subpart O); the Integrity Management regulations.

b. The special permit segment falls in the "probable acceptance" column of the criteria matrix for all criteria except for "Class Location Change" and "Pipe Coating". The class location change for the special permit segment is from a Class 1 location to a Class 3 location, which places this parameter in the "Possible Acceptance" column. The pipe coating is tar (TGF-3) which also falls within the "Possible Acceptance" column. The criteria matrix is more fully described in Exhibit "A".

**ORDER**

**NOW, THEREFORE, IT IS ORDERED THAT:**

1. Louisiana Department of Natural Resources grants a special permit waiving compliance from LAC 43:XIII.2711 (49 CFR 192.611) to **BRIDGELINE HOLDINGS, L.P.**(BHLP) for the pipeline segment defined below: This special permit, which is subject to the conditions and limitations as set forth, applies to one (1) 500-foot pipeline segment operated by BHLP in Lafayette Parish, LA. The pipeline segment is located approximately 13.56 miles (mile post 13.56) downstream of the BHLP Henry

Compressor Station where the class location on the pipeline has changed from Class 1 to Class 3.

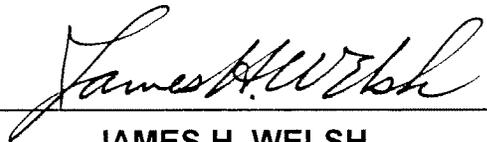
2. A special permit inspection area is defined as the area within 220 yards of each side of a pipeline centerline along the entire length of the special permit segment and along the pipeline up to 25 miles upstream and downstream of the special permit segment. The "special permit inspection area" for this special permit is the area that extends 220 yards on each side of the centerline of the BHLP Line 2602 starting at mile post (MP) 0.0 which is approximately 13.56 miles upstream of the special permit segment, to MP 38.56 which is approximately 25 miles downstream of the special permit segment.

3. This special permit is granted with the following conditions listed in Exhibit "A" attached here to.

4. This Order shall be effective on or after June 19, 2008.

**OFFICE OF CONSERVATION  
PIPELINE DIVISION**

BATON ROUGE, LOUISIANA, THIS  
24th DAY OF JUNE, 2008.



**JAMES H. WELSH  
COMMISSIONER OF CONSERVATION**



MDP:mdp