

TRUNKLINE LNG COMPANY, LLC

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TRUNKLINE LNG COMPANY, LLC  
Statement of Income and Retained Earnings  
Twelve Months Ended March 31, 2009  
(Unaudited)

Line No.	Description	Amount (a)
	Utility Operating Income:	
1	Gas Operating Revenues	\$ 131,257,145
	Operating Expenses	
2	Operation Expenses	27,848,290
3	Maintenance Expenses	2,918,848
4	Depreciation Expense	21,543,993
5	Depreciation Expense for Asset Retirement Costs	-
6	Amortization and Depletion of Utility Plant	174,179
7	Amortization of Utility Plant Acquisition Adj	-
8	Amortization of Prop. Losses, Unrecovered Plant and Reg. Study Costs.	-
9	Amortization of Conversion Expenses	-
10	Regulatory Debits	1,715,117
11	(Less) Regulatory Credits	1,814,292
12	Taxes Other Than Income Taxes	2,086,055
13	Income Taxes - Federal	21,115,450
14	- Other	5,245,684
15	Provision for Deferred Income Taxes	4,470,922
16	(Less) Provision for Deferred Income Taxes-Credit	-
17	Investment Tax Credit Adjustment-Net	-
18	(Less) Gains from Disposition of Utility Plant	-
19	Losses from Disposition of Utility Plant	-
20	(Less) Gains from Disposition of Allowances	-
21	Losses from Disposition of Allowances	-
22	Accretion Expense	-
23	Total Utility Operating Expenses	85,304,246
24	Net Utility Operating Income	45,952,899
	Other Income and Deductions:	
	Other Income	
	Nonutility Operating Income	
25	Revenues from Merchandising, Jobbing and Contract Work	-
26	(Less) Costs and Expenses of Merchandising, Jobbing and Contract Work	-
27	Revenues from Nonutility Operations	-
28	(Less) Expenses of Nonutility Operations	-
29	Nonoperating Rental Income	-
30	Equity in Earnings of Subsidiary Companies	-
31	Interest and Dividend Income	823
32	Allowance for Other Funds Used During Construction	36,833,425
33	Miscellaneous Nonoperating Income	24,863,057
34	Gain on Disposition of Property	-
35	Total Other Income	61,697,305

(See Notes to Financial Statements - Statement L-1)

TRUNKLINE LNG COMPANY, LLC  
Statement of Income and Retained Earnings  
Twelve Months Ended March 31, 2009  
(Unaudited)

Line No.	Description	Amount (a)
	Other Income Deductions	
36	Loss on Disposition of Property	\$ -
37	Miscellaneous Amortization	1,734,922
38	Donations	46,264
39	Life Insurance	-
40	Penalties	-
41	Expenditures for Certain Civic, Political and Related Activities	-
42	Other Deductions	-
43	Total Other Income Deductions	1,781,186
	Taxes Applicable to Other Income and Deductions	
44	Taxes Other Than Income Taxes	-
45	Income Taxes - Federal	(3,220,381)
46	- Other	(800,094)
47	Provision for Deferred Income Taxes	28,108,023
48	(Less) Provision for Deferred Income Taxes - Credit	-
49	Investment Tax Credit Adjustments-Net	-
50	(Less) Investment Tax Credits	-
51	Total Taxes on Other Income and Deductions	24,087,548
52	Net Other Income and Deductions	35,828,571
	Interest Charges:	
53	Interest on Long-Term Debt	-
54	Amortization of Debt Discount and Expense	-
55	Amortization of Loss on Reacquired Debt	-
56	(Less) Amortization of Premium on Debt-Credit	-
57	(Less) Amortization of Gain on Reacquired Debt-Credit	-
58	Interest on Debt to Associated Companies	-
59	Other Interest Expense	-
60	(Less) Allowance for Borrowed Funds Used During Construction - Credit	-
61	Net Interest Charges	-
62	Income Before Extraordinary Items	81,781,470
	Extraordinary Items:	
63	Extraordinary Income	-
64	(Less) Extraordinary Deductions	-
65	Net Extraordinary Items	-
66	Income Taxes - Federal and Other	-
67	Extraordinary Items After Taxes	-
68	Net Income	\$ 81,781,470
69	Retained Earnings at Beginning of Period 1/	-
70	Dividends Declared	-
71	Retained Earnings at End of Period	\$ -

1/ Trunkline LNG has no retained earnings as an LLC.

(See Notes to Financial Statements - Statement L-1)

PANHANDLE EASTERN PIPE LINE COMPANY, LP  
Statement of Income and Retained Earnings  
Twelve Months Ended March 31, 2009  
(Unaudited)

Line No.	Description	Amount (a)
	Utility Operating Income:	
1	Gas Operating Revenues	\$ 375,493,013
	Operating Expenses	
2	Operation Expenses	135,361,195
3	Maintenance Expenses	17,302,233
4	Depreciation Expense	26,751,116
5	Depreciation Expense for Asset Retirement Costs	20,358
6	Amortization and Depletion of Utility Plant	7,756,996
7	Amortization of Utility Plant Acquisition Adj	-
8	Amortization of Prop. Losses, Unrecovered Plant and Reg. Study Costs.	-
9	Amortization of Conversion Expenses	-
10	Regulatory Debits	34,666,872
11	(Less) Regulatory Credits	1,416,638
12	Taxes Other Than Income Taxes	17,217,970
13	Income Taxes - Federal	18,481,456
14	- Other	3,099,228
15	Provision for Deferred Income Taxes	17,689,954
16	(Less) Provision for Deferred Income Taxes-Credit	-
17	Investment Tax Credit Adjustment-Net	-
18	(Less) Gains from Disposition of Utility Plant	-
19	Losses from Disposition of Utility Plant	-
20	(Less) Gains from Disposition of Allowances	-
21	Losses from Disposition of Allowances	-
22	Accretion Expense	31,504
23	Total Utility Operating Expenses	276,962,244
24	Net Utility Operating Income	98,530,769
	Other Income and Deductions:	
	Other Income	
	Nonutility Operating Income	
25	Revenues from Merchandising, Jobbing and Contract Work	-
26	(Less) Costs and Expenses of Merchandising, Jobbing and Contract Work	-
27	Revenues from Nonutility Operations	-
28	(Less) Expenses of Nonutility Operations	-
29	Nonoperating Rental Income	-
30	Equity in Earnings of Subsidiary Companies	128,870,768
31	Interest and Dividend Income	11,056,372
32	Allowance for Other Funds Used During Construction	3,247,917
33	Miscellaneous Nonoperating Income	3,199,089
34	Gain on Disposition of Property	95,000
35	Total Other Income	146,469,146

PANHANDLE EASTERN PIPE LINE COMPANY, LP  
Statement of Income and Retained Earnings  
Twelve Months Ended March 31, 2009  
(Unaudited)

Line No.	Description	Amount (a)
	Other Income Deductions	
36	Loss on Disposition of Property	\$ 5,700
37	Miscellaneous Amortization	7,787,725
38	Donations	212,472
39	Life Insurance	-
40	Penalties	49
41	Expenditures for Certain Civic, Political and Related Activities	-
42	Other Deductions	(7,546,824)
43	Total Other Income Deductions	459,122
	Taxes Applicable to Other Income and Deductions	
44	Taxes Other Than Income Taxes	-
45	Income Taxes - Federal	(8,249,380)
46	- Other	(1,383,369)
47	Provision for Deferred Income Taxes	127,815
48	(Less) Provision for Deferred Income Taxes - Credit	-
49	Investment Tax Credit Adjustments-Net	-
50	(Less) Investment Tax Credits	-
51	Total Taxes on Other Income and Deductions	(9,504,934)
52	Net Other Income and Deductions	155,514,958
	Interest Charges:	
53	Interest on Long-Term Debt	73,689,026
54	Amortization of Debt Discount and Expense	1,534,726
55	Amortization of Loss on Reacquired Debt	3,442,043
56	(Less) Amortization of Premium on Debt-Credit	-
57	(Less) Amortization of Gain on Reacquired Debt-Credit	-
58	Interest on Debt to Associated Companies	-
59	Other Interest Expense	(474,877)
60	(Less) Allowance for Borrowed Funds Used During Construction - Credit	1,292,555
61	Net Interest Charges	76,898,363
62	Income Before Extraordinary Items	177,147,364
	Extraordinary Items:	
63	Extraordinary Income	-
64	(Less) Extraordinary Deductions	-
65	Net Extraordinary Items	-
66	Income Taxes - Federal and Other	-
67	Extraordinary Items After Taxes	-
68	Net Income	\$ 177,147,364
69	Retained Earnings at Beginning of Period 1/	-
70	Dividends Declared	-
71	Retained Earnings at End of Period	\$ -

1/ Panhandle Eastern Pipe Line Company, LP has no retained earnings as an LP.