

FEDERAL ENERGY REGULATORY COMMISSION
Washington, D.C. 20426

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To:
Letter Order Pursuant to § 375.307
Energy Transfer Fuel, LP
Docket Nos. PR08-15-000 and
PR08-15-001
7/11/08

Lemle & Kelleher, L.L.P.
700 Louisiana Street, Suite 2060
Houston, Texas 77002

Attention: Amy L. Baird
Attorney for Energy Transfer Fuel, LP

Reference: Stipulation and Agreement

Dear Ms. Baird:

1. On July 3, 2008, Energy Transfer Fuel, LP (ET Fuel), filed a Stipulation and Agreement (Settlement) pursuant to Rule 602 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.602 (2008). The Settlement resolves all issues with regard to the rate petition filed by ET Fuel on February 15, 2008, pursuant to section 284.123(b)(2) of the Commission's regulations.¹
2. The following is a summary of the major provisions of the Settlement.
 - a. Effective February 15, 2008, the maximum fair and equitable rates that ET Fuel is authorized to charge for NGPA section 311 services shall be: (a) a maximum interruptible transportation rate of \$0.3100 per MMBtu; and (b) a maximum firm transportation rate made up of a monthly reservation charge of \$6.0833 per MMBtu (a daily demand rate of \$0.2000 per MMBtu) and a firm usage charge of \$0.1100 per MMBtu. In addition ET Fuel is authorized to retain 1.58 percent of the quantity of gas delivered for compressor fuel, company use, and lost and unaccounted-for gas.

¹ 18 C.F.R. § 284.123(b)(2) (2008).

Docket Nos. PR08-15-000 and PR08-15-001

2

- b. Within 30 days of the effective date of the Settlement, ET Fuel shall refund to each affected shipper all amounts, if any, collected beginning February 15, 2008, in excess of the Settlement rates, together with interest calculated in accordance with 18 C.F.R. § 154.501 of the Commission's regulations.²
- c. Within 60 days of the effective date of the Settlement, ET Fuel shall file an original and two copies of a refund report providing: (1) the principal amount and interest, if any, to be refunded as determined under the Settlement; and (2) the dates on which any refunds were paid.
- d. On or before February 15, 2011, ET Fuel will file a rate petition, pursuant to section 284.123(b) of the Commission's regulations to justify its current rates or to propose a new rate applicable to its NGPA section 311 service.
- e. Within 30 days of the effective date of the Settlement, ET Fuel will file a revised Statement of Operating Conditions to limit the document to sections pertaining to NGPA section 311 interstate services.
- f. The provisions of the Settlement shall not become effective unless and until the Commission enters an order accepting and approving all terms and conditions of the Settlement without modification or condition, and such order becomes final and no longer subject to further proceeding before the Commission.
- g. The Settlement represents a negotiated agreement of the issues in this proceeding. Neither ET Fuel, the Commission, its Staff, or any other party shall be deemed to have approved, accepted, agreed, or otherwise consented to any principle or issue in this proceeding.

3. The parties requested, and the Commission granted, a shortened comment period for the Settlement, with initial comments to be filed on or before July 9, 2008, and reply comments to be filed on or before July 11, 2008. No adverse comments or protests were filed. Pursuant to sections 375.307(a)(9)(iii) and 385.602(g)(3) of the Commission's regulations,³ the uncontested Settlement is found to be fair and reasonable and in the public interest and therefore, the Settlement is approved.

4. This letter order does not relieve ET Fuel of its obligations to file the required reports under Part 284 of the Commission's regulations. The approval of the Settlement does not constitute approval of, or precedent regarding any principle or issue in this proceeding.

² 18 C.F.R. § 154.501 (2008).

³ 18 C.F.R. § 375.307 (2008) and 18 C.F.R. § 385.602 (2008).

Docket Nos. PR08-15-000 and PR08-15-001

3

5. This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713 (2008).

Sincerely,

Larry D. Gasteiger, Director
Division of Tariffs and Market
Development – East

cc: All Parties
Public File

Document Content(s)

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118 FERC ¶ 61,008
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

January 5, 2007

In Reply Refer To:
ETC Katy Pipeline, Ltd.
Docket No. PR06-21-000

ETC Katy Pipeline, Ltd.
c/o Lemle & Kelleher L.L.P.
10th Floor, Louisiana Tower
401 Edwards Street
Shreveport, Louisiana 71101

Attention: Michael B. Donald,
Counsel for ETC Katy Pipeline, Ltd

Reference: Petition for Rate Approval

Dear Mr. Donald:

1. On August 11, 2006, as supplemented September 19, 2006, you submitted for filing, on behalf of ETC Katy Pipeline, Ltd. (ETC Katy), an application pursuant to section 311(a)(2) of the Natural Gas Policy Act of 1978 (NGPA)¹ to initiate firm transportation service with (a) a maximum reservation rate of \$4.410 per MMBtu; (b) a maximum usage rate of \$0.055 per MMBtu; and (c) a fuel retainage charge of 1.5 percent for compressor fuel, company use, and lost unaccounted-for gas. ETC Katy is a Texas intrastate natural gas pipeline company with approximately 148 miles of pipe.
2. ETC Katy states that the firm transportation service rates are derived from its interruptible transportation service rate of \$0.20 per MMBtu that was approved by the Commission on May 3, 2006, in Docket No. PR06-7-000.² ETC Katy states that subsequent to the May 3, 2006 Order, ETC Katy's management approved entry into the

¹ 15 U.S.C. 3371(a)(2) (2000).

² *ETC Katy Pipeline, Ltd.*, 115 FERC ¶ 61,138 (2006) (May 3, 2006 Order).

Docket No. PR06-21-000

-2-

firm NGPA section 311 transportation market. ETC Katy further states that its management made this decision in response to shippers on the system expressing interest in firm transportation service.

3. Public notice of ETC Katy's filing was issued August 24, 2006, providing for interventions and protests to be filed by September 8, 2006. Pursuant to Rule 214 (18 C.F.R. § 385.214 (2006)), all timely filed motions to intervene and any motion to intervene out-of-time filed before the issuance date of this order are granted. Granting late intervention at this stage of the proceeding will not disrupt the proceeding or place additional burdens on existing parties. No protests or adverse comments were filed.

4. Based on our review of the petition and the supplemental information, we find ETC Katy's proposed firm transportation reservation rate, usage rate, and fuel retainage charge to be fair and equitable. This is because the firm transportation rates are reasonably derived from ETC Katy's currently effective interruptible transportation service rate and the fuel retainage charge is the same as the currently effective fuel retainage charge. Both of the interruptible transportation rate and fuel retainage charge were recently approved by the Commission in Docket No. PR06-7-000.³ Therefore, the Commission accepts ETC Katy's rate petition to become effective August 11, 2006, subject to the conditions noted below.

5. This letter order does not relieve ETC Katy of its obligations to file the required reports under Part 284 of the Commission's regulations. In addition, ETC Katy is required to re-justify its firm transportation rates and fuel retainage charge as part of a rate petition to be filed by ETC Katy on or before December 8, 2008, as required by the May 3, 2006 Order.

By direction of the Commission.

Magalie R. Salas,
Secretary.

³ *Id.*



A Leader in the Transportation of America's Natural Gas

Barclays Capital 2010 Investment Grade Energy and Pipeline Conference

March 10, 2010

Intrastate Transportation and Storage

- Largest intrastate pipeline system in the United States with nearly 8,000 miles of transportation pipelines and 3 natural gas storage facilities
- Objective of the pipeline system is to move natural gas from major producing basins such as:
 - Barnett Shale
 - Bossier Sands
 - Texas Gulf Coast
 - Austin Chalk
 - Permian Basin
 - East Texas Haynesville
 - South Texas Eagle Ford Shale

And deliver it to major consumption areas, market hubs, and interconnects with interstate pipelines throughout Texas including:

- Houston Ship Channel, Katy Hub, Waha Hub, Agua Dulce Hub and Carthage Hub
- The city gates of Houston, Austin, Dallas – Fort Worth and San Antonio
- The vast majority of the power plants in the state
- Over 30 interconnects with interstate pipelines that provide supply to the Southeast, Northeast, Midwest, and Western markets



Intrastate Transportation and Storage - cont'd

- Bi-directional flow capabilities across the state
- Integrated with our gathering and processing assets providing full midstream services to our customers in addition to commercial and operational flexibility:
 - Provides blending opportunities for shippers
 - By-pass capabilities mitigate commodity price risks
- Principally supported by long-term fee-based contracts
 - 75%-80% of transportation capacity subscribed
 - Of these contracts, a significant portion of revenue is derived from “demand charges” that are fees charged regardless of actual transportation usage
 - Of these contracts, we generally charge an additional transportation fee and fuel based on actual usage
 - Customers include XTO, CHK, KWK, ECA, EOG, and other large natural gas producers and marketing companies
- Natural gas storage with working gas capacity of 74.4 Bcf
 - Storage facilities: Bammel (62 Bcf), Bethel (6.4 Bcf), and Bryson (6.0 Bcf)
 - As of December 31, 2009, all storage capacity at Bethel and Bryson and 25 Bcf of storage capacity at Bammel was leased to third parties under fee-based arrangements
 - Remaining capacity at Bammel is managed for our own account by injecting natural gas and hedging expected sales with forward contracts



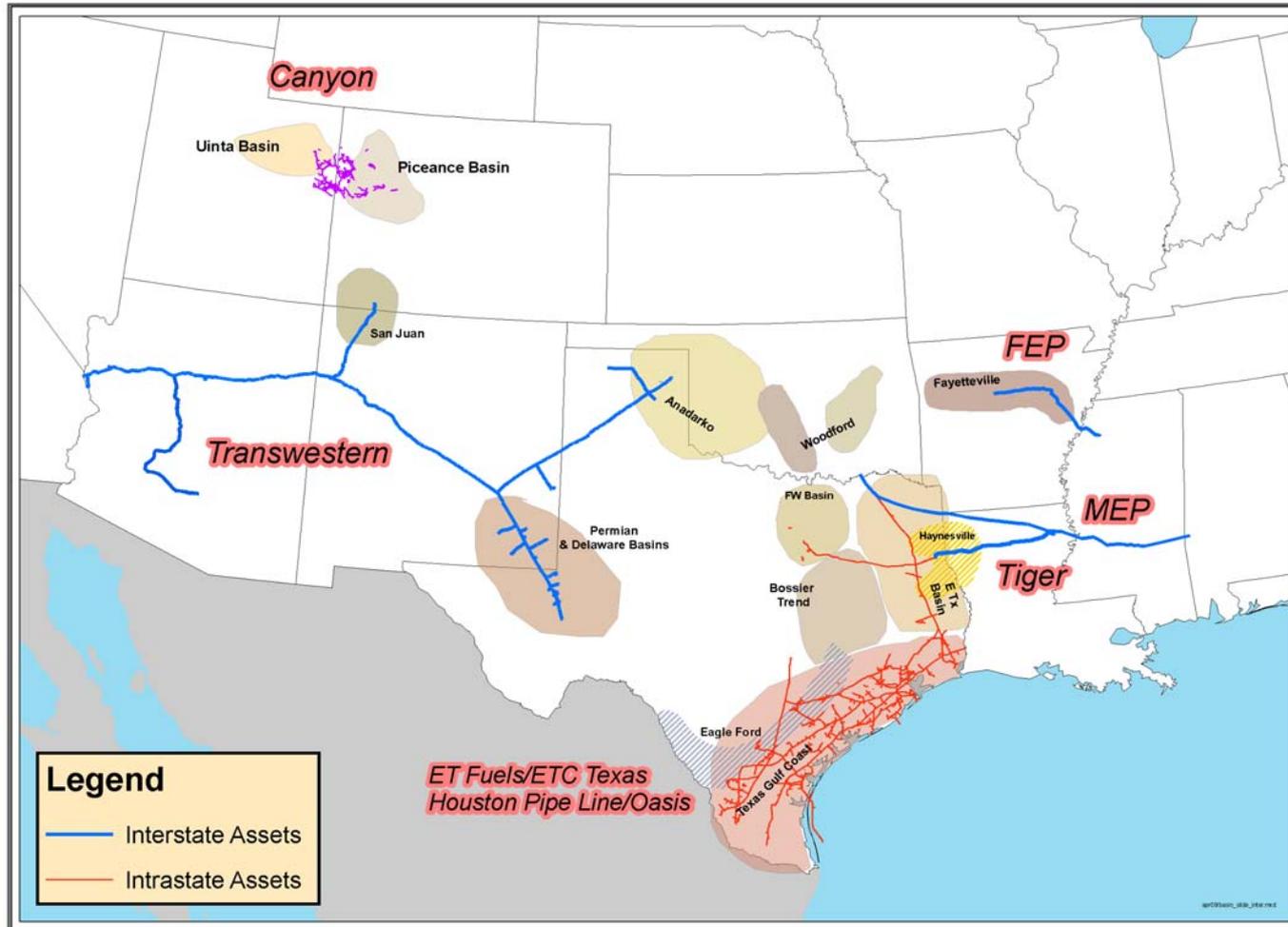
Major Intrastate Projects

- Since the beginning of 2008, we have completed more than 600 miles of large-diameter pipeline projects with an aggregate capacity of more than 6.45 Bcf/d.

<u>Project</u>	<u>Capacity</u>	<u>Miles</u>	<u>Completion Date</u>	<u>Project Cost (\$millions)</u>
42" Southeast Bossier	1.25 Bcf/d	157	2Q 2008	\$470
36" Paris Loop	900 MMcf/d	135	3Q 2008	\$392
36" Maypearl to Malone	600 MMcf/d	25	3Q 2008	\$70
42" Carthage Loop	1.1 Bcf/d	32	3Q 2008	\$100
36" Southern Shale	700 MMcf/d	31	1Q 2009	\$120
36" Cleburne to Tolar	400 MMcf/d	20	1Q 2009	\$54
36" Katy Expansion	400 MMcf/d	56	1Q 2009	\$167
42" Texas Independence	1.1 Bcf/d	160	3Q 2009	\$483



Interstate Operations



Interstate Pipelines – In Operation

Transwestern Pipeline (“TW”)



- Approximately 2,700 miles with a capacity of 2.1 Bcf/d
- Provides access to Permian, San Juan and Anadarko production basins
- Bi-directional system can flow natural gas either west to CA and AZ or east to TX and Mid-Continent markets
- Phoenix lateral completed in February 2009
 - 260 mile 42-inch connecting Phoenix area to TW's existing mainline in Ash Fork, AZ

Midcontinent Express Pipeline (“MEP”)



- 50/50 joint venture with KMP
 - KMP managed construction and operates
- 500 miles of 42-inch, 36-inch, and 30-inch pipeline
- Initial capacity and expansions – fully subscribed
- Zone 1 – 1.4 Bcf/d of initial capacity
 - Placed into service in April 2009
- Zone 2 – 1.0 Bcf/d of initial capacity
 - Placed into service in August 2009
- Expansions to be completed in Q2/Q3 2010 to bring capacity on Zone 1 to 1.8 Bcf/d and Zone 2 to 1.2 Bcf/d



Interstate Pipeline Projects – Under Development

Fayetteville Express Pipeline (“FEP”)



Tiger Pipeline



- 50/50 joint venture with KMP
 - ETP managing construction and will operate
- 185 mile 42-inch interstate pipeline originating in the Fayetteville Shale and extending through Arkansas and into Mississippi
- Initial capacity of 2.0 Bcf/d
 - 1.85 Bcf/d of capacity sold under 10-12 year agreements
- \$1.1 billion credit facility in place at FEP to fund construction
- Full in-service anticipated by end of Q4 2010

- 100% owned and operated by ETP
- 180 mile 42-inch interstate pipeline originating near Carthage, Texas and extending to Perryville, Louisiana
- 2.4 Bcf/d of capacity sold under 10-15 year agreements
 - Includes 0.4 Bcf/d of capacity sold under planned expansion; ultimate expansion capacity to be based on results of open season
- Construction costs expected to be funded principally under ETP's credit facility
- Initial capacity of 2.0 Bcf/d expected in service in Q1/Q2 2011; expansion capacity expected in service by end of Q4 2011



Interstate Pipeline Projects

- We have completed (or participated in the completion of) approximately 790 miles of interstate pipeline subsequent to our acquisition of the Transwestern Pipeline in 2006 and have an additional 365 miles of interstate pipeline under development.

<u>Project</u>	<u>Capacity</u>	<u>Miles</u>	<u>Completion Date</u>	<u>Project Cost (\$ millions)</u>
San Juan Loop	375 MMcf/d	25	Q2 2008	\$105
Phoenix Lateral	500 MMcf/d	260	Q1 2009	\$850
Midcontinent Express	Zone 1/Zone 2 – 1.4/1.0 Bcf/d (1.8/1.2 Bcf/d with expansions)	500 ⁽¹⁾	Q3 2009 (Q2/Q3 2010 for expansions)	\$1,150 ⁽²⁾
Fayetteville Express	2.0 Bcf/d	185 ⁽¹⁾	Q4 2010	\$625 ⁽²⁾
Tiger Pipeline	2.0 Bcf/d (Expansion capacity of at least 0.4 Bcf/d) ⁽³⁾	180	Q1/Q2 2011 (Q4 2011 for expansion)	\$1,165 (Plus an additional \$225-\$350 for expansion) ⁽³⁾

(1) Represents 100% of total pipeline miles of which our interest is 50%.

(2) Represents our 50% share of the total project costs.

(3) Conducting an open season for expansion capacity through March 18, 2010; ultimate capacity to be based upon results of open season.





A Leader in the Transportation of America's Natural Gas

Credit Suisse Energy Summit

February 3, 2010

Intrastate Transportation and Storage

- Largest intrastate pipeline system in the United States with nearly 8,000 miles of transportation pipelines and 3 natural gas storage facilities.
- Objective of the pipeline system is to move natural gas from major producing basins such as:
 - Barnett Shale
 - Bossier Sands
 - Texas Gulf Coast
 - Austin Chalk
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 - South Texas Eagle Ford Shale

And deliver it to major consumption areas, market hubs, and interconnects with interstate pipelines throughout Texas including:

- Houston Ship Channel, Katy Hub, Waha Hub, Agua Dulce Hub and Carthage Hub
- The city gates of Houston, Austin, Dallas – Fort Worth and San Antonio
- To the vast majority of the power plants in the state
- Over 30 interconnects with interstate pipelines that provide supply to the Southeast, Northeast, Midwest, and Western markets



Intrastate Transportation and Storage - cont'd

- Bi-directional flow capabilities across the state
- Integrated with our gathering and processing assets providing full midstream services to our customers in addition to commercial and operational flexibility:
 - Provides blending opportunities for shippers
 - By-pass capabilities mitigate commodity risks
- Principally supported by long-term fee-based contracts.
 - 75%-80% of transportation capacity subscribed
 - Of these contracts, a significant portion of the revenue is derived from “demand charges” that are fees charged regardless of actual transportation usage
 - Of these contracts, we generally charge an additional transportation fee and fuel based on actual usage
 - Customers include XTO, CHK, KWK, ECA, EOG, and other large natural gas producers and marketing companies
- 74 Bcf of natural gas storage capacity.
 - Storage Facilities: Bammel (62 Bcf), Bethel (6.4 Bcf), and Bryson (6.0 Bcf)
 - 47% of all storage capacity is contracted under fee-based arrangements
 - Remaining capacity at Bammel is managed for our own account by injecting natural gas and hedging expected sales with forward contracts



Major Intrastate Projects

- Since the beginning of 2008, we have completed more than 600 miles of large-diameter pipeline projects with an aggregate capacity of more than 6.45 Bcf/d.

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Interstate Operations

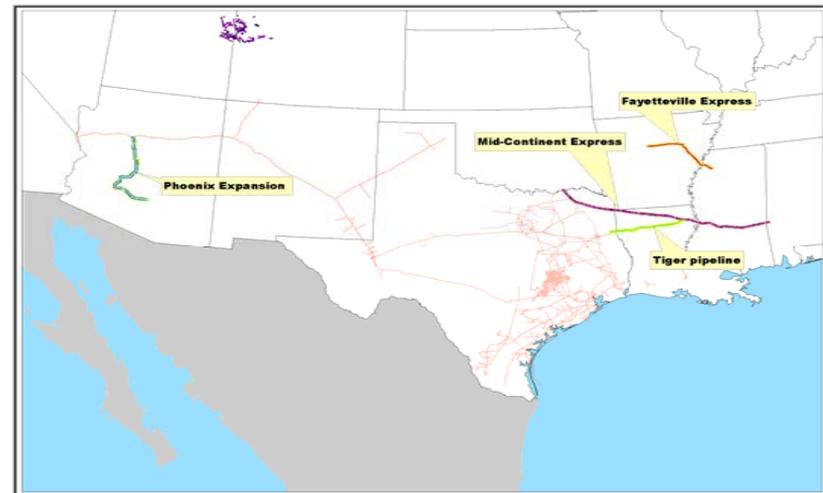
- Two FERC regulated pipelines in operation, two FERC regulated pipelines under development
- Demand-based revenues from high-quality customers with strong credit profiles
 - Provides cash flow stability
 - Supported principally by long-term contracts ranging from 5 to 15 years

Operational

- Transwestern Pipeline: ~2,700 miles, 2.1 Bcf/d of capacity
- Midcontinent Express Pipeline⁽¹⁾: ~500 miles, 1.4 Bcf/d of capacity on Zone 1 and 1.0 Bcf/d on Zone 2

Under Development

- Fayetteville Express Pipeline⁽²⁾: 185 miles, initial capacity of 2.0 Bcf/d
- Tiger Pipeline: 180 miles, 2.0 Bcf/d of initial capacity



(1) 50/50 JV with Kinder Morgan Energy Partners, LP (“KMP”) – KMP is operator.

(2) 50/50 JV with KMP – ETP is operator.



Interstate Pipelines

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Midcontinent Express Pipeline (“MEP”)



- 50/50 joint venture with KMP
 - KMP managed construction and operates
- ~500 miles
- Initial Capacity & Planned Expansions – fully subscribed
- Zone 1 has 1.4 Bcf/d of capacity
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- Zone 2 has 1.0 Bcf/d of capacity
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Tiger Pipeline



- 100% owned and operated by ETP
- 180 mile 42” interstate pipeline originating near Carthage, Texas and extending to Perryville, Louisiana
 - Initial capacity of 2.0 Bcf/d
- 100% of capacity contracted for under 10-15 year agreements
- Construction costs expected to be funded principally with existing revolving credit facility
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Tiger Pipeline	2.0 Bcf/d (may be increased to 2.4 Bcf/d by adding compression)	180	Q1/Q2 2011	\$1,165

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A Leader in the Transportation of America's Natural Gas

Wells Fargo Annual Pipeline & MLP Symposium

December 8, 2009

Transportation and Storage

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42" Texas Independence	1.1 Bcf/d	160	3Q 2009	\$483

- These projects are expected to contribute approximately \$280 - \$320 million of annual EBITDA in the aggregate.



Interstate Operations



About Transwestern

- Pipeline capacity has grown from 350 million cubic feet per day (MMcf/d) in 1960 to over 2,000 MMcf/d (West 1,225 MMcf/d, East approximately 900 MMcf/d).
- Geographically positioned to access markets in the Mid-Continent and Texas, as well as markets in California, Arizona, New Mexico, and southern Nevada.
- Bi-directional system can flow natural gas either west to California and Arizona or east to the Texas and Mid-Continent pipeline markets.

Mainline

1. West 1,225 MMcf/d
2. Bi-directional 725 MMcf/d East, 750 MMcf/d West

Phoenix Lateral

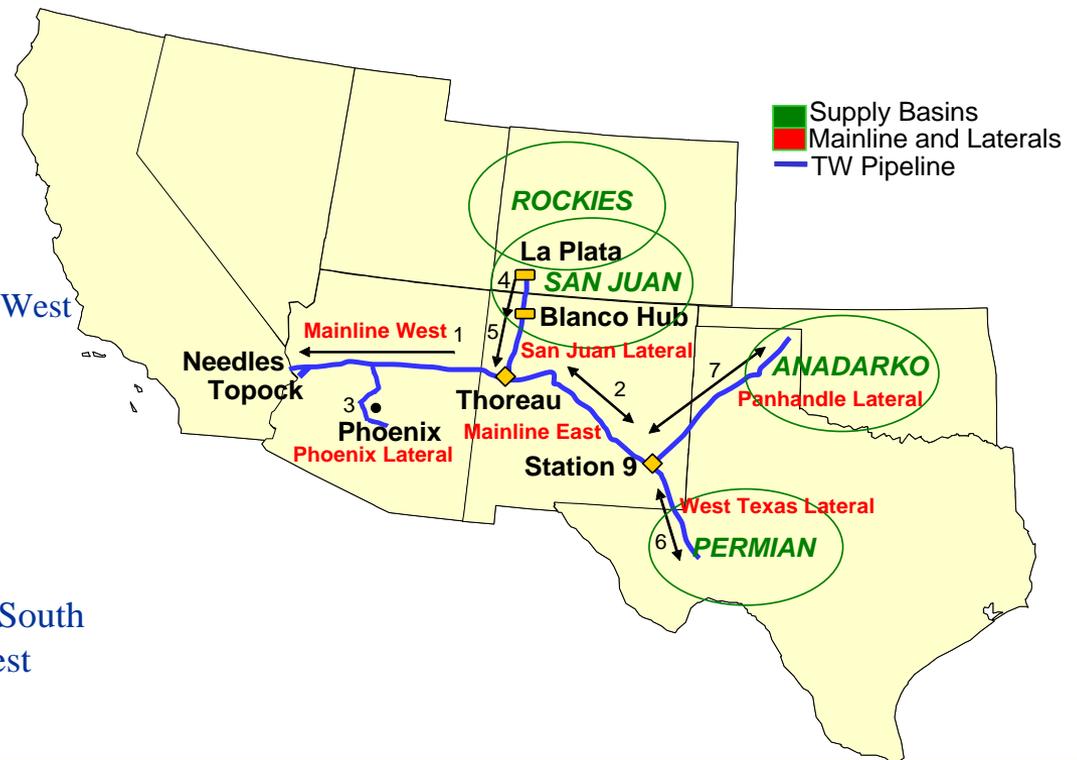
3. 500 MMcf/d

San Juan Lateral

4. La Plata to Blanco 476 MMcf/d
5. Blanco to Thoreau 1,610 MMcf/d

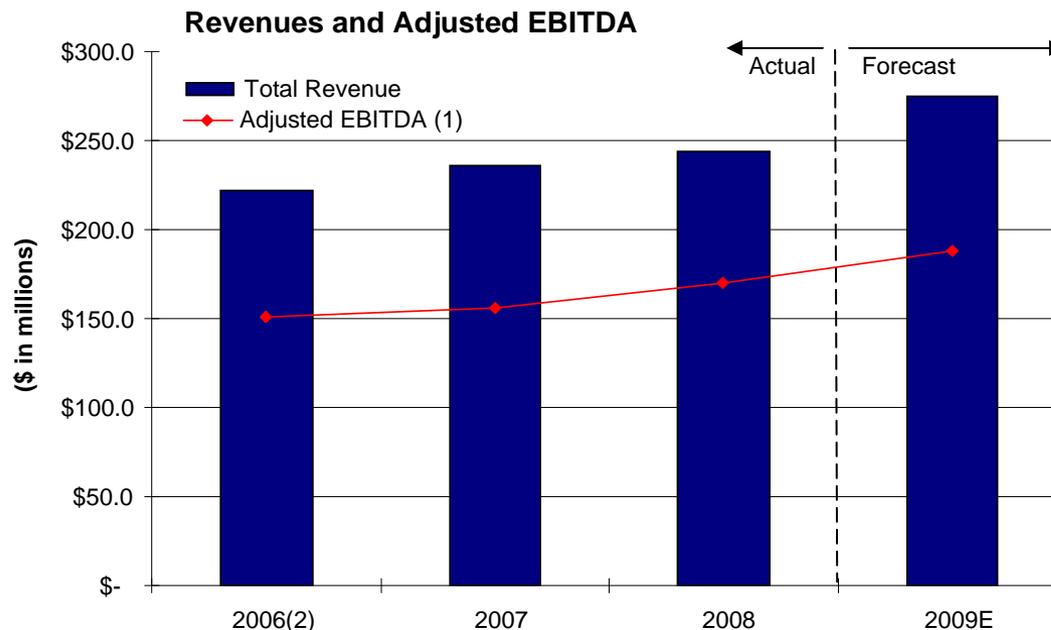
East Laterals (Bi-directional)

6. West Texas 585 MMcf/d North, 550 MMcf/d South
7. Panhandle 273 MMcf/d East, 250 MMcf/d West



Transwestern - Predictable Revenue Stream

- In 2009, a projected 88% of total revenues will be derived from reservation fees pursuant to firm contracts, which fees are paid whether or not the reserved capacity is utilized.
- Other revenues include usage fees (throughput dependent), interruptible service revenues and operational gas sales.

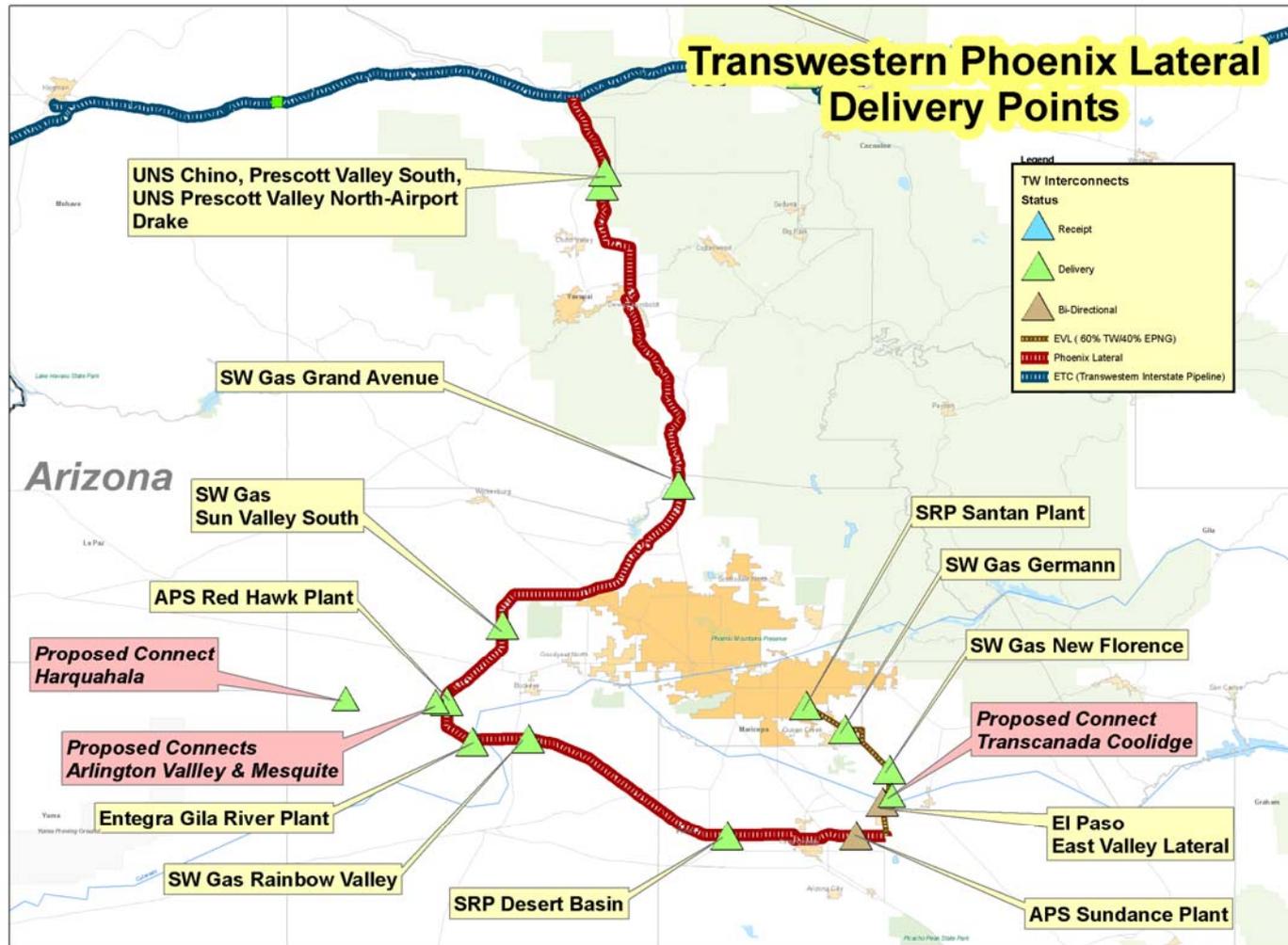


(1) Excludes non cash revenues and expenses.

(2) Transwestern was acquired by ETP on December 1, 2006. The financial results prior to this date are for the predecessor company. Successor and predecessor periods have been combined for the year-ended December 31, 2006 for this presentation.



Phoenix Lateral

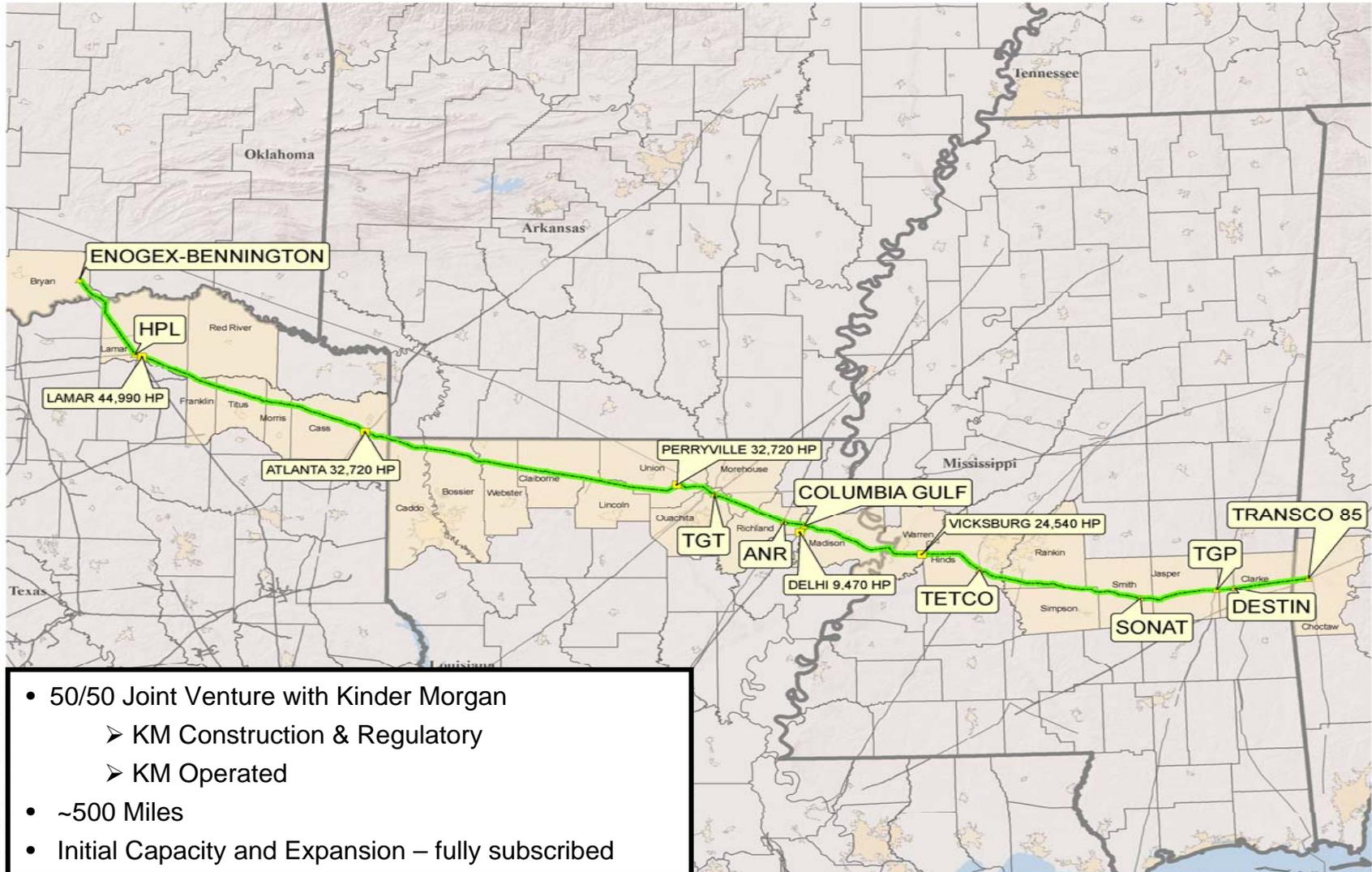


Phoenix Expansion Project

- Phoenix project rationale was to attach TWP's system to additional high-growth markets and to diversify customer base.
- Project segments:
 - San Juan Loop - 25 miles of 36" pipeline looping on the San Juan lateral, added 375 MMcf/d Blanco to Thoreau capacity, in-service July 2008.
 - Phoenix Lateral – 259 miles (95 miles of 42" and 164 miles of 36"), with capacity of 500 MMcf/d, in-service March 2009.
 - Santan Lateral Ownership Interest. TWP & EPNG joint owners (EPNG is operator), serving deliveries to SWGas & SRP.
- Shippers: Southwest Gas, Arizona Public Service, Salt River Project, Unisource and Gila River.
- 74% of capacity committed on year-round basis. Opportunities to sell additional capacity by attaching additional loads.
- \$74 million/yr guaranteed revenues from Phoenix shippers, under primarily 15-year contracts at \$0.55 reservation charge.
- Project also responsible for improved mainline west capacity margins.



Midcontinent Express Pipeline (MEP)



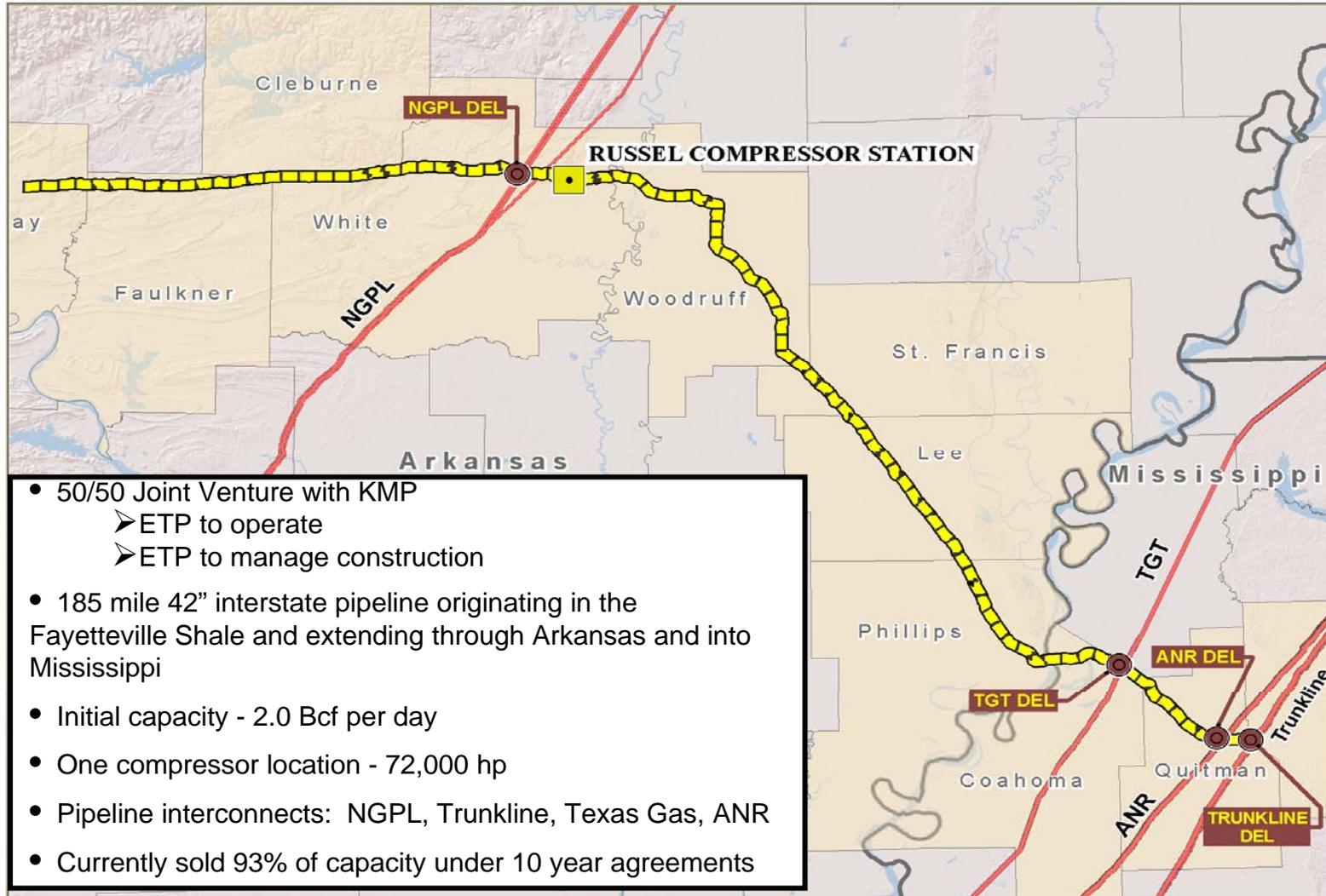
- 50/50 Joint Venture with Kinder Morgan
 - KM Construction & Regulatory
 - KM Operated
- ~500 Miles
- Initial Capacity and Expansion – fully subscribed

MEP - Project Update

- In-Service
 - Zone 1 = April, 2009
 - Zone 2 = August, 2009
 - PHMSA .8 design rating = October, 2009
- Phase 1:
 - Zone 1 capacity – 1.432 Bcf/d
 - Zone 2 capacity – 1 Bcf/d
- Phase 2 Expansion: Anticipated completion June, 2010
 - Additional 100,000/d Zone 1
 - Additional 200,000/d Zone 2
- Phase 3 Expansion: Anticipated completion December, 2010
 - Additional 300,000/d Zone 1 only



Fayetteville Express Pipeline (FEP)



FEP - Project Update

- FERC application filed June 15, 2009
- FERC confirmed EA October, 2009
- Issuance of certificate from FERC expected in December, 2009
- ROW acquisition continues
- Construction contracts (see next slide)
- Interim Service anticipated – October 2010
- Full in-service anticipated by the end of Q4 2010

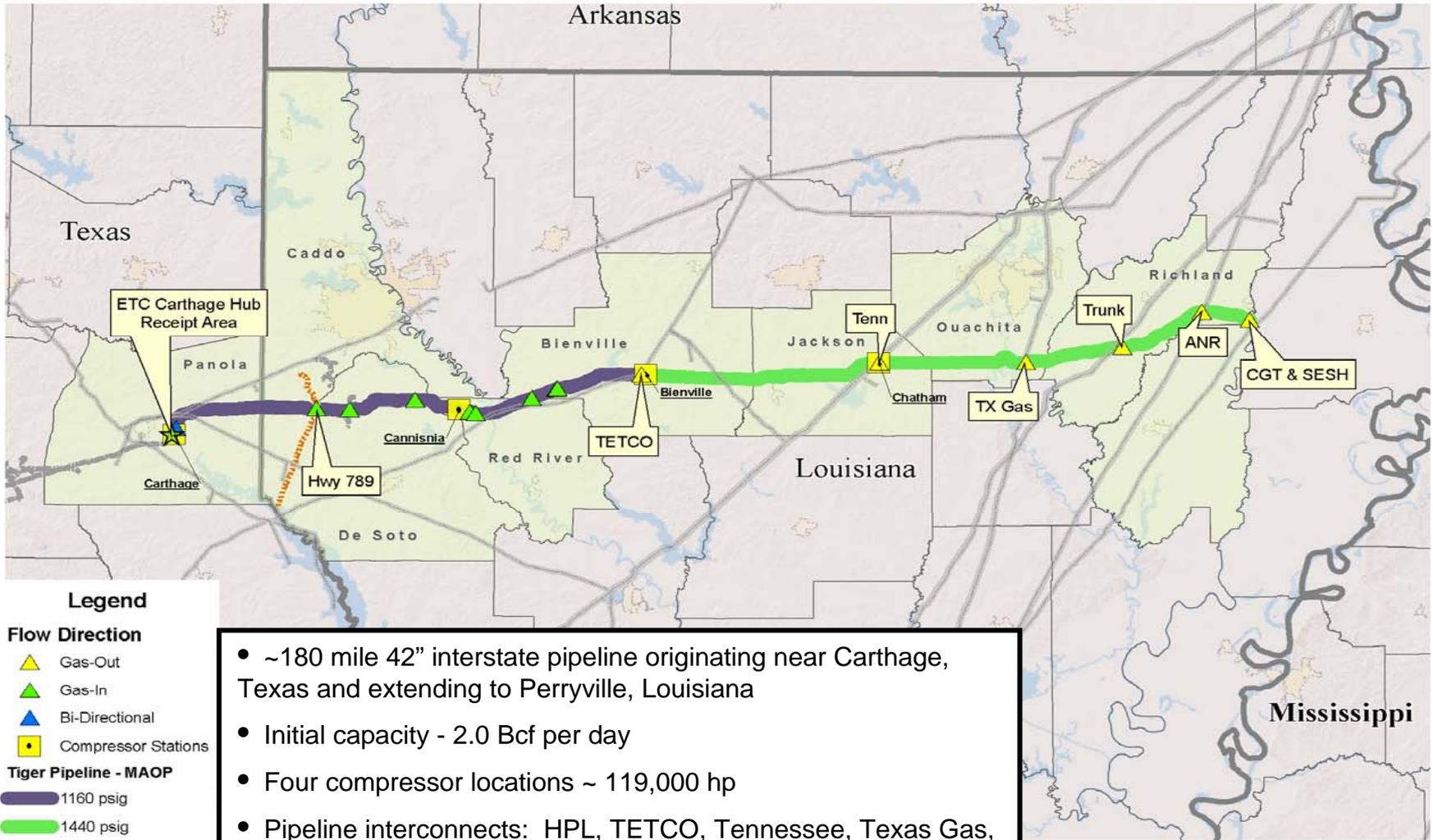


FEP – Construction Status

- Right-of-Way (ROW): Approximately 4% of project costs
 - 92% of route follows existing pipeline
- Materials: Approximately 33% of project costs
 - Pipe, compressors and the vast majority of other materials have been secured
- Construction: Approximately 44% of project costs
 - FEP has executed construction contract for approximately 2/3rds of the project
 - FEP is finalizing construction contract on remaining 1/3rd of project
- Other: Approximately 19% of project costs
 - Line pack, G&A, overhead and AFUDC



Tiger Pipeline – Haynesville Shale



- ~180 mile 42" interstate pipeline originating near Carthage, Texas and extending to Perryville, Louisiana
- Initial capacity - 2.0 Bcf per day
- Four compressor locations ~ 119,000 hp
- Pipeline interconnects: HPL, TETCO, Tennessee, Texas Gas, Trunkline, ANR, CGT, SESH



Tiger – Project Update

- FERC application filed August, 2009
- FERC has indicated preliminary confirmation of EA
- Issuance of certificate from FERC expected in February, 2010
- Pipe, compression and all major materials have been procured
- ROW acquisition continues
- Construction scheduled to begin June 2010
- Full In-Service anticipated – Q1/Q2 2011



Tiger – Construction Status

- Right-of-Way (ROW): Estimated to be ~6% of project costs
 - 98% of route will abut existing pipelines
- Materials: Approximately 31% of project costs
 - Pipe, compressors and the vast majority of other materials have been secured
- Construction: Estimated to be ~50% of project costs
 - Tiger expects to use contract templates that mirror the FEP agreements
 - Tiger expects to finalize these contracts in February, 2010
- Other: Approximately 13% of project costs
 - Line pack, G&A, office, overhead and AFUDC



Interstate Projects

- We have completed (or participated in the completion of) approximately 790 miles of interstate pipeline subsequent to our acquisition of the Transwestern Pipeline in 2006 and have an additional 365 miles of interstate pipeline under development.

Project	Capacity	Miles	Completion Date	Project Cost (\$ millions)
San Juan Loop	375 MMcf/d	25	Q2 2008	\$105
Phoenix Lateral	500 MMcf/d	260	Q1 2009	\$850
Midcontinent Express	Zone 1/Zone 2 – 1.4/1.0 Bcf/d (1.8/1.2 Bcf/d with expansions)	505 ⁽¹⁾	Q3 2009 (Q2 2010 & Q4 2010 for expansions)	\$1,150 ⁽²⁾
Fayetteville Express	2.0 Bcf/d	185 ⁽¹⁾	Q4 2010	\$625 ⁽²⁾
Tiger Pipeline	2.0 Bcf/d (may be increased to 2.4 Bcf/d by adding compression)	180	Q1/Q2 2011	\$1,165

- These projects are expected to contribute approximately \$420 - \$460 million (including our 50% share of MEP and FEP) of incremental annual EBITDA in the aggregate subsequent to their completion dates.

(1) Represents 100% of total pipeline miles of which our interest is 50%.

(2) Represents our 50% share of the total project costs.



Growth Opportunities

- Expansion out of Perryville or Transco Station 85
- Perryville Hub
- Tiger Expansion
- FEP Expansion
- West Expansion



Investment Considerations



Investment Considerations

- Strategically positioned and well diversified asset base serving many of the major North American natural gas producing basins:
 - North Texas (Barnett Shale)
 - East Texas (Bossier)
 - West Texas (Permian Basin)
 - Texas Gulf Coast
 - Rockies (Piceance / Uinta / San Juan)
 - Arkansas (Fayetteville Shale)
 - Louisiana (Haynesville Shale)
 - Texas Panhandle/Oklahoma (Anadarko Basin)
- Proven track record of successfully combining strategic acquisitions with organic growth projects to provide unparalleled transportation and midstream services to our customers.
- Attractive end markets provide multiple options for producers, giving us a significant competitive advantage in securing new volume and recontracting with existing customers.



Investment Considerations, continued

- **Stable asset base and cash flow profile**
 - Significant fee-based operating income
 - High-quality customer base with strong credit profile
- **Strong financial performance**
 - 2008 EBITDA of \$1.4 billion, an increase of 23% over LTM 12/2007
- **Strong liquidity position**
 - Demonstrated ability to raise capital with over \$1.4 billion of common equity and \$3.1 billion of senior notes issued since December 2007, despite challenging capital market conditions
 - Available capacity under \$2.0 billion credit facility was \$1.79 billion as of September 30, 2009, pro forma for the October 2009 equity offering
 - Low refinancing risks with no significant maturities until 2012
 - Appropriately managed distribution growth
 - At-the-market equity distribution program established to provide flexibility for additional liquidity



Investment Considerations, continued

- Well-managed organic growth projects
 - Low risk, high return projects supported by long-term contracts
 - Demonstrated ability to construct and place into service pipelines on-time and on-budget
 - \$1.9 billion of growth capital expenditures in 2008
 - \$1.3 - \$1.4 billion of expected growth capital expenditures and capital contributions to joint ventures in 2009
 - \$495 - \$525 million of incremental annual EBITDA expected from material projects placed in service in 2009 through 2011 subsequent to their completion dates⁽¹⁾
- Committed to maintaining investment grade metrics

(1) Projects include the Phoenix Lateral, Texas Independence Pipeline, Tiger Pipeline, and ETP's 50% share of EBITDA from MEP and FEP.





ENERGY TRANSFER

A Leader in the Transportation of America's Natural Gas

Energy Transfer 2009 Analyst Presentation

November 18, 2009

Transportation and Storage

- Largest intrastate pipeline system in the United States with nearly 8,000 miles of transportation pipelines and 3 natural gas storage facilities.
- Objective of the pipeline system is to move natural gas from major producing basins such as:
 - Barnett Shale
 - Bossier Sands
 - Texas Gulf Coast
 - Austin Chalk
 - Permian Basin
 - East Texas Haynesville
 - South Texas Eagleford Shale

And deliver it to major consumption areas, market hubs, and interconnects with interstate pipelines throughout Texas including:

- Houston Ship Channel, Katy Hub, Waha Hub, Agua Dulce Hub and Carthage Hub
- The city gates of Houston, Austin, Dallas – Fort Worth and San Antonio
- To the vast majority of the power plants in the state
- Over 30 interconnects with interstate pipelines that provide supply to the Southeast, Northeast, Midwest, and Western markets



Transportation and Storage - cont'd

- Bi-directional flow capabilities across the state
- Integrated with our gathering and processing assets providing full midstream services to our customers in addition to commercial and operational flexibility:
 - Provides blending opportunities for shippers
 - By-pass capabilities mitigate commodity risks
- Principally supported by long-term fee-based contracts.
 - 75%-80% of transportation capacity subscribed
 - Of these contracts, a significant portion of the revenue is derived from “demand charges” that are fees charged regardless of actual transportation usage
 - Of these contracts, we generally charge an additional transportation fee and fuel based on actual usage
 - Customers include XTO, CHK, KWK, ECA, EOG, and other large natural gas producers and marketing companies
- 74 Bcf of natural gas storage capacity.
 - Storage Facilities: Bammel (62 Bcf), Bethel (6.4 Bcf), and Bryson (6.0 Bcf)
 - 47% of all storage capacity is contracted under fee-based arrangements
 - Remaining capacity at Bammel is managed for our own account by injecting natural gas and hedging expected sales with forward contracts



Major Intrastate Projects

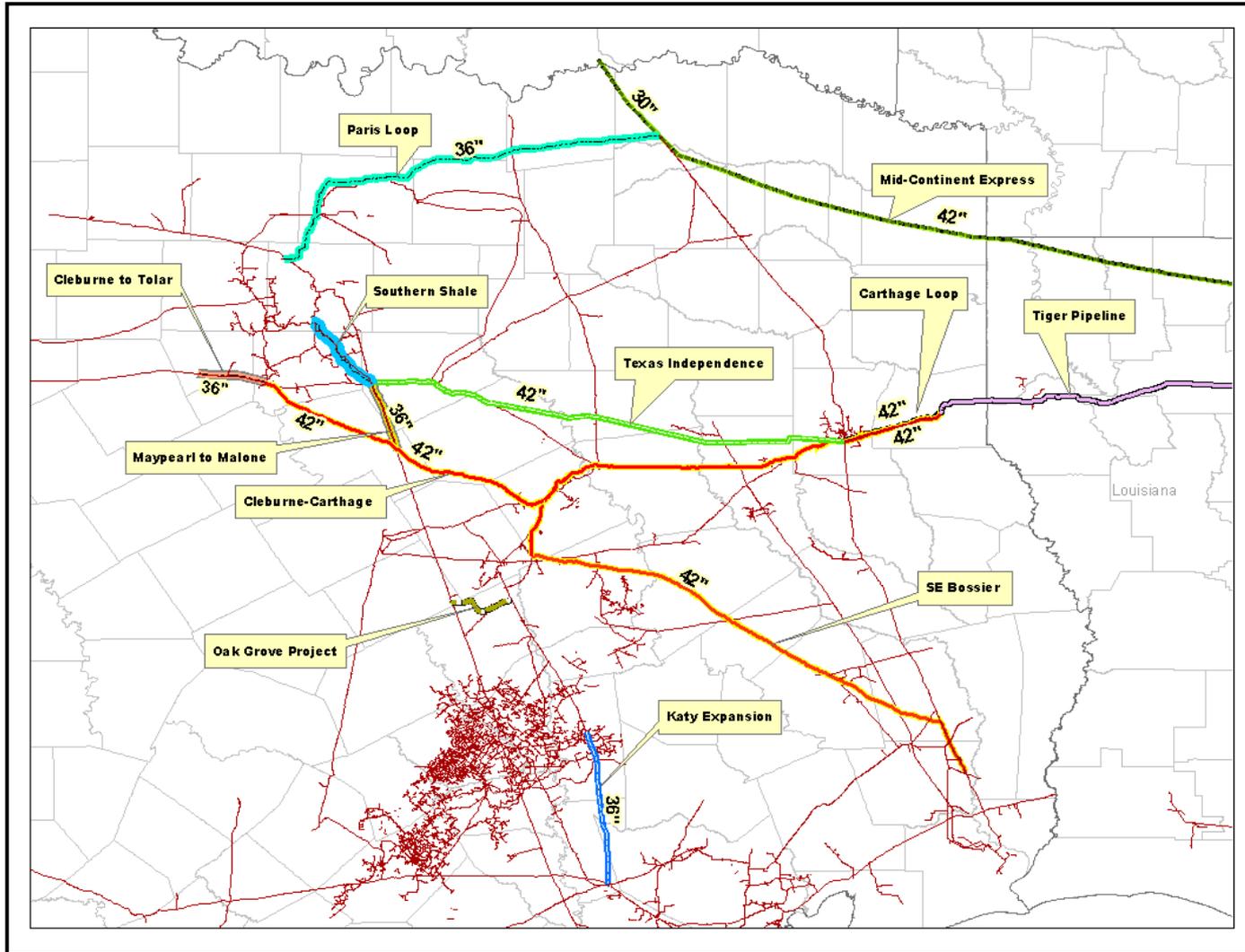
- Since the beginning of 2008, we have completed more than 600 miles of large-diameter pipeline projects with an aggregate capacity of more than 6.45 Bcf/d.

<u>Project</u>	<u>Capacity</u>	<u>Miles</u>	<u>Completion Date</u>	<u>Project Cost (\$millions)</u>
42" Southeast Bossier	1.25 Bcf/d	157	2Q 2008	\$470
36" Paris Loop	900 MMcf/d	135	3Q 2008	\$392
36" Maypearl to Malone	600 MMcf/d	25	3Q 2008	\$70
42" Carthage Loop	1.1 Bcf/d	32	3Q 2008	\$100
36" Southern Shale	700 MMcf/d	31	1Q 2009	\$120
36" Cleburne to Tolar	400 MMcf/d	20	1Q 2009	\$54
36" Katy Expansion	400 MMcf/d	56	1Q 2009	\$167
42" Texas Independence	1.1 Bcf/d	160	3Q 2009	\$483

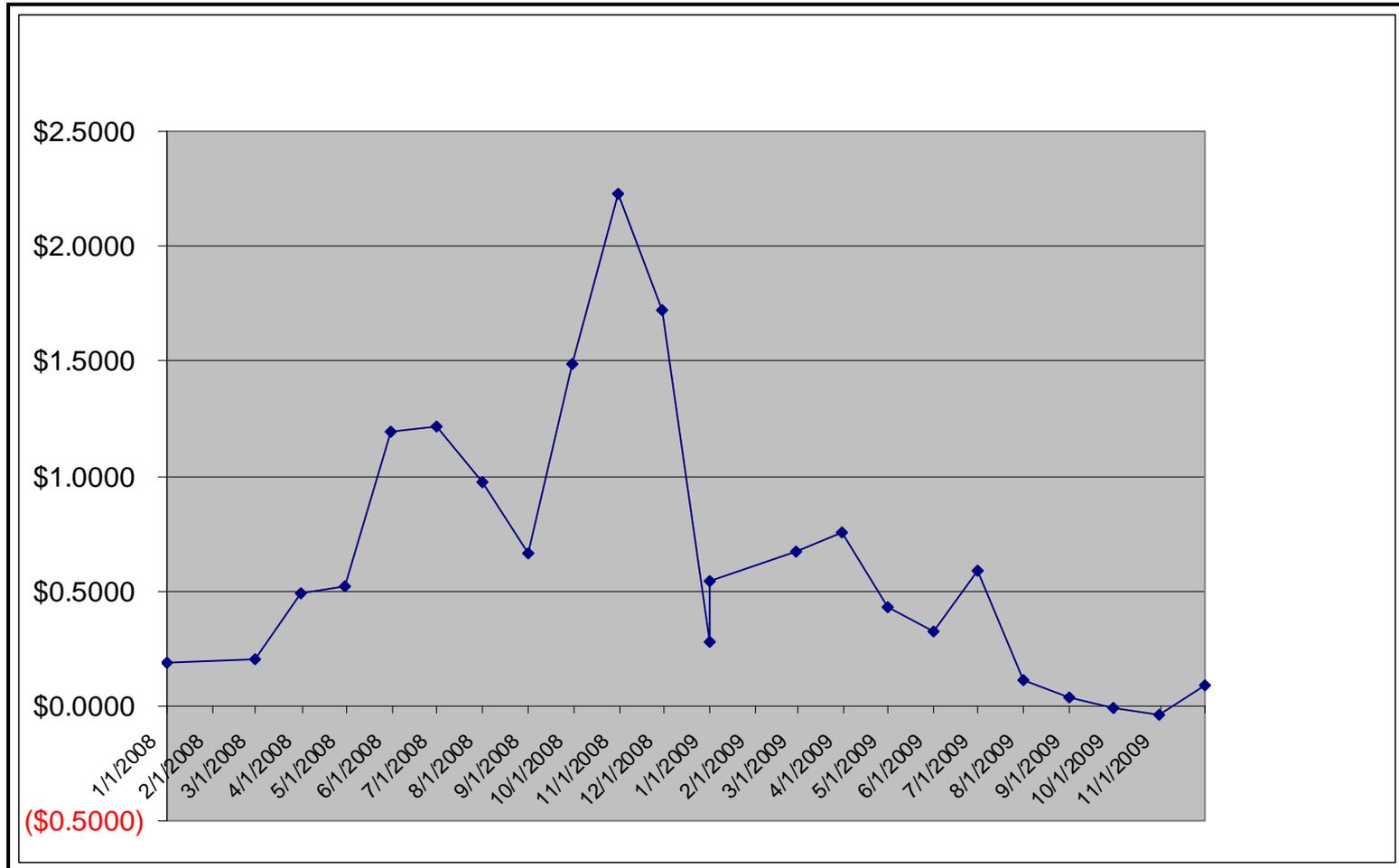
- These projects are expected to contribute approximately \$280 - \$320 million of annual EBITDA in the aggregate.



Texas Pipeline Growth Projects



2008-2009 Waha to Katy Spread – Gas Daily Average



FEDERAL ENERGY REGULATORY COMMISSION
Washington, D.C. 20426

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To:
Letter Order Pursuant to § 375.307
Houston Pipe Line Company, L.P.
Docket Nos. PR08-13-000 and
PR08-13-001

Issued: 6/18/08

Lemle & Kelleher, L.L.P.
700 Louisiana Street, Suite 2060
Houston, Texas 77002

Attention: Amy L. Baird
Attorney for Houston Pipe Line Company, L.P.

Reference: Stipulation and Agreement

Dear Ms. Baird:

1. On June 9, 2008, Houston Pipe Line Company, L.P. (HPL), filed a Stipulation and Agreement (Settlement) pursuant to Rule 602 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.602 (2007). The Settlement resolves all issues with regard to the rate petition filed by HPL on January 22, 2008 pursuant to section 284.123(b)(2) of the Commission's regulations.¹

2. The following is a summary of the major provisions of the Settlement.

- a. Effective January 22, 2008, the maximum fair and equitable rates that HPL is authorized to charge for NGPA section 311 services shall be: (a) a maximum interruptible transportation rate of \$0.3125 per MMBtu; and (b) a maximum fuel retention percentage cap of 0.83 percent for zone 1, 0.19 percent for zone 2, 0.01 percent for zone 3, and 0.27 percent for zone 4.
- b. Within 30 days of the effective date of the Settlement, HPL shall refund to each affected shipper all amounts, if any, collected beginning

¹ 18 C.F.R. § 284.123(b)(2) (2007).

Docket Nos. PR08-13-000 and PR08-13-001

2

January 22, 2008, in excess of the Settlement rates, together with interest calculated in accordance with 18 C.F.R. § 154.501 of the Commission's regulations.

- c. Within 60 days of the effective date of the Settlement, HPL shall file an original and two copies of a refund report providing: (1) the principal amount and interest, if any, to be refunded as determined under the Settlement; and (2) the dates on which any refunds were paid.
- d. Within 30 days of the effective date of the Settlement, HPL will file a revised Statement of Operating Conditions to incorporate language that sets forth the geographic zone approach to fuel reimbursement and to limit the document to sections pertaining to NGPA section 311 interstate services.
- e. On or before January 22, 2011, HPL will file a rate petition, pursuant to section 284.123(b) of the Commission's regulations to justify its current rates or to propose a new rate applicable to NGPA section 311 service.
- f. The provisions of the Settlement shall not become effective unless and until the Commission enters an order accepting and approving all terms and conditions of the Settlement without modification or condition, and such order becomes final and no longer subject to further proceeding before the Commission.
- g. The Settlement represents a negotiated agreement of the issues in this proceeding. Neither HPL, the Commission, its Staff, or any other party shall be deemed to have approved, accepted, agreed, or otherwise consented to any principle or issue in this proceeding.

3. The parties requested, and the Commission granted, a shortened comment period for the Settlement, with initial comments to be filed on or before June 12, 2008, and reply comments to be filed on or before June 16, 2008. No adverse comments or protests were filed. Pursuant to sections 375.307(a)(10)(iii)² and 385.602(g)(3) of the Commission's regulations, the uncontested Settlement is found to be fair and reasonable and in the public interest and therefore, the Settlement is approved.

4. This letter order does not relieve HPL of its obligations to file the required reports under Part 284 of the Commission's regulations. The approval of the Settlement does not constitute approval of, or precedent regarding any principle or issue in this proceeding.

² *Conforming Changes*, Order No. 699, 72 Fed. Reg. 45,320 (August 14, 2007), FERC Stats. & Regs. ¶ 31,254 (2007).

Docket Nos. PR08-13-000 and PR08-13-001

3

5. This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713 (2007).

Sincerely,

Larry D. Gasteiger, Director
Division of Tariffs and Market
Development – East

cc: All Parties
Public File

Document Content(s)

19345601.DOC.....1-3

126 FERC ¶ 61,188
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

February 27, 2009

In Reply Refer To:
Oasis Pipeline, L.P.
Oasis Pipeline Company Texas, L.P.
ETC Texas Pipeline Ltd., Oasis Division
Docket No. IN06-3-004

Skadden, Arps, Slate, Meagher & Flom LLP
1440 New York Avenue, NW
Washington, DC 20005

Federal Energy Regulatory Commission
Office of Enforcement
888 First Street, NE
Washington, DC 20426

Attention: William S. Scherman
Attorney for Oasis Pipeline, L.P., *et al.*

Anna V. Cochrane
Deputy Director
Office of Enforcement, Federal Energy Regulatory Commission

Reference: Joint Offer of Settlement

Dear Mr. Scherman and Ms. Cochrane:

1. On December 22, 2008, the Participants in the above-referenced proceeding – (a) Enforcement Litigation Staff and (b) Oasis Pipeline, L.P., Oasis Pipe Line Company Texas L.P., and ETC Texas Pipeline, Ltd., Oasis Division (Oasis Pipeline) jointly submitted a Stipulation and Consent Agreement (Agreement), a Joint Offer of Settlement, and a Joint Explanatory Statement (collectively, the Settlement). Enforcement Litigation Staff and Oasis Pipeline are collectively referred to herein as the Participants. If

approved by the Commission in its entirety and without modification, the Agreement will resolve all issues in the above-referenced proceeding.¹

2. The above-referenced proceeding arose from an Order to Show Cause and Notice of Proposed Penalties (Order to Show Cause) issued by the Commission on July 26, 2007 that directed Oasis Pipeline to respond to alleged violations of Commission requirements. *Energy Transfer Partners, L.P.*, 120 FERC ¶ 61,086 (2007). The Order to Show Cause alleged that Oasis Pipeline (1) unduly discriminated against non-affiliated shippers and unduly preferred affiliated shippers; (2) charged rates in excess of the maximum lawful rate for service under section 311 of the Natural Gas Policy Act of 1978 (NGPA); and (3) failed to file an amended operating statement.

3. On October 9, 2007, Oasis Pipeline filed a response to the Order to Show Cause in which the company denied that it had unduly discriminated against non-affiliate shippers or violated any of the Commission's regulations. On December 20, 2007, the Commission issued an order finding, among other things, that an administrative hearing was appropriate with respect to the charges against Oasis Pipeline under the NGPA. *Energy Transfer Partners, L.P.*, 121 FERC ¶ 61,282, at PP 25-34 (2007). On February 14, 2008 and March 31, 2008, respectively, Enforcement Litigation Staff and Oasis Pipeline filed briefs. On May 15, 2008, the Commission issued an order setting the matters with respect to Oasis Pipeline for a trial-type evidentiary hearing. *Energy Transfer Partners, L.P.*, 123 FERC ¶ 61,168 (2008). On August 11, 2008, Oasis Pipeline filed a petition for review of the Commission's May 15, 2008 Order in the United States Court of Appeals for the Fifth Circuit. Prehearing matters commenced before Presiding Judge Bruce L. Birchman. Enforcement Litigation Staff filed direct prepared testimony on August 1, 2008 and rebuttal testimony on October 29, 2008. Oasis Pipeline filed answering testimony on September 17, 2008 and September 19, 2008. On November 18, 2008, the presiding judge issued a Partial Initial Decision granting Oasis Pipeline's motion for summary determination with respect to the principal allegation against Oasis Pipeline in the Order to Show Cause: the undue discrimination claim. *Oasis Pipeline, L.P.*, 125 FERC ¶ 63,019 (2008). Trial in this matter on the two remaining claims was scheduled to commence on December 10, 2008 and then on December 15, 2008. These dates were suspended to allow the preparation and submission of the Agreement.

¹All matters in Docket No. IN06-3-003, pertaining to alleged violations of Energy Transfer Partners, *et al.*, of section 284.403(a) of the Commission's regulations, 18 C.F.R. § 284.403(a) (2005), are not covered by, and are expressly excluded from, the Agreement and the Settlement.

4. Paragraph 1 of the Agreement provides that Enforcement Litigation Staff and Oasis Pipeline enter into Agreement to resolve all matters in the above-captioned proceeding against Oasis Pipeline.
5. Paragraphs 2 through 7 of the Agreement contain stipulated facts relative to the background of Oasis Pipeline.
6. Paragraphs 8 through 10 of the Agreement contain the procedural history of the above-captioned proceeding with regard to Oasis Pipeline.
7. Paragraph 11 of the Agreement provides that Oasis Pipeline neither admits nor denies any of the allegations set forth in the Commission's Order to Show Cause, Enforcement Staff's February 2008 Brief, or Enforcement Litigation Staff's witness testimony filed in this proceeding. However, in view of costs and risks of litigation and in the interest of resolving all matters, Oasis Pipeline and Enforcement Litigation Staff enter into the Agreement. This settlement does not constitute any admission of liability or wrongdoing by Oasis Pipeline to any third party. For purposes of settling all claims, disputes or Commission referrals with respect to Oasis Pipeline arising from the Order to Show Cause, Enforcement Litigation Staff and Oasis Pipeline agree that Oasis Pipeline shall take the following actions and be subject to the following obligations.
8. Paragraph 12 of the Agreement provides that no later than the Effective Date of the Agreement,² Oasis Pipeline will administer its dual contract arrangements as follows:
 - (a) Service provided under NGPA section 311(a)(2) on its system will be allocated on a first-come, first-served basis regardless of whether the customer has a dual contract arrangement or is a stand alone customer.
 - (b) In determining first-come, first-served priority, a shipper submitting a nomination for interstate interruptible transportation with the earlier confirmation date will have priority over competing nominations for interstate service using the same path with a later in time confirmation. This priority will exist regardless of whether the nomination is for stand alone interstate interruptible transportation or interstate interruptible transportation that is part of a dual contract arrangement. For the purposes of the Agreement, "confirmation" means an effective and unexpired affirmative agreement documented by written means,

²Paragraph 28 of the Agreement provides that the Effective Date of the Agreement shall be 20 days after the date that the Commission issues an order approving the Agreement in its entirety without modification and that order is no longer subject to appeal.

including but not limited to facsimile, email or other electronic means evidencing an agreement between Oasis Pipeline and a shipper on all key terms and conditions for a particular arrangement under a service agreement or transportation agreement. Accordingly, the shipper that first reached agreement on the key terms and conditions of the interstate interruptible transaction with the transporter would have priority with respect to the interstate interruptible service.

- (c) Oasis Pipeline's determination of the shipper with whom it first reaches an agreement on the key terms and conditions of the interstate interruptible transaction that establishes priority under Paragraph 12(b) of the Agreement shall not be based in any respect upon whether that shipper is a stand alone shipper or a dual contract shipper (whether affiliated or not affiliated with Oasis Pipeline).
- (d) A stand alone shipper may obtain interstate interruptible transportation on Oasis Pipeline on a monthly basis or for any future period on a not unduly discriminatory basis relative to a dual contract shipper's interstate interruptible transportation (whether affiliated or not affiliated with Oasis Pipeline).
- (e) Oasis Pipeline will allocate capacity among interruptible intrastate transportation customers and NGPA section 311 interruptible interstate transportation customers such that the shipper with the earliest effective date of a confirmation shall be the last to be curtailed. In the event that one or more of these customers have the same effective date and time of a confirmation, then the available capacity, if any, will be awarded to the customer whose transaction provides the greatest economic benefit to Oasis Pipeline, in Oasis Pipeline's judgment. As described in Paragraph 14 of the Agreement, Oasis will amend its Statement of Operating Conditions by the Effective Date of the Agreement to clarify that the determination referred to in the preceding sentence will be made by Oasis Pipeline without regard to whether the customer is an affiliated entity.
- (f) Subject to the provisions of Paragraph 12(a) and Paragraph 12(b) of the Agreement, dual contract customers will be charged a commodity charge for transportation provided pursuant to NGPA section 311(a)(2) on a not unduly discriminatory basis relative to the commodity charge that Oasis Pipeline charges stand alone customers for such transportation.
- (g) Subject to the provisions of Paragraph 12(a) and Paragraph 12(b) of the

Agreement, Oasis Pipeline will not provide a dual contract customer with priority on an unduly discriminatory basis with respect to interstate interruptible transportation over a stand alone customer seeking interstate interruptible transportation. Subject to the foregoing terms and the terms of Oasis Pipeline's Statement of Operating Conditions, the sole advantage accruing to a dual contract holder from Oasis Pipeline's perspective with respect to interstate interruptible service will be the flexibility to use its interstate interruptible contract to fill in capacity under its parallel firm intrastate contract.

9. Paragraph 13 of the Agreement provides that available "cross-haul" transportation, if any, for the next day's service, will be posted by 4:00 p.m. Central Time of the prior business day, and such information will be accessible by shippers on Oasis Pipeline's electronic bulletin board (EBB). Oasis Pipeline commits to post such information as soon as reasonably practical, but in no event later than 150 days from the Effective Date of the Agreement.³

10. Paragraph 14 of the Agreement provides that no later than the Effective Date of the Agreement, Oasis Pipeline will amend its Statement of Operating Conditions to provide that in the event one or more customers have the same effective date of confirmation, then the available capacity, if any, will be awarded to the customer whose transaction Oasis Pipeline agreed to first as determined by the date of the confirmation and, in the event that the date of confirmation is the same, the time of confirmation. In the event that the date and time are the same, the available capacity, if any, will be awarded to the customer whose transaction provides Oasis Pipeline the greatest economic benefit, in Oasis Pipeline's judgment, without regard to whether the shipper is an affiliated entity.

11. Paragraph 15 of the Agreement provides that no later than the Effective Date of the Agreement, Oasis Pipeline will file with the Commission all agreements to lease fifty percent or more of the capacity on its pipeline that post-date its September 21, 2007 filing with the Commission pursuant to section 284.123(e) of the Commission's regulations. Prospectively, Oasis Pipeline agrees to file with the Commission pursuant to section 284.123(e) of the Commission's regulations all such leases and amendments that result in a change in the operations of Oasis Pipeline; provided, however, that all such filings shall be accorded confidential treatment, as applicable, under section 388.112 of the Commission's regulations.

³Cross-haul transportation is transportation from all meter points upstream of Oasis Pipelines' Prairie Lea compressor station in Caldwell County, Texas, that is delivered to meters downstream of Oasis Pipeline's Prairie Lea compressor station.

12. Paragraph 16 of the Agreement provides that no later than the Effective Date of this Agreement, Oasis Pipeline will file with the Commission an amended Statement of Operating Conditions that explicitly describes the availability of dual contract arrangements as specified in the Agreement. Among other things, the amended Statement of Operating Conditions will state that a dual contract arrangement is not a precondition to a stand alone customer receiving non-unduly discriminatory interstate interruptible transportation

13. Paragraph 17 of the Agreement states that, currently, Oasis Pipeline has an EBB known as “i-PVMS” that is available to customers who submit on-line nominations and for operators to confirm on-line nominations and flow reports. Invoices are also available on-line. Paragraph 17 further provides that Oasis Pipeline commits to enhancing its EBB to ensure that customers have access to general pipeline-related information that Oasis Pipeline posts. Oasis Pipeline’s EBB will have the ability to post, and a customer will have the ability to view, such customer’s nominated, scheduled, actual and historical volumes for the preceding two years specific to the particular customer. Oasis Pipeline will post information regarding the availability of dual contract arrangements. As stated in Paragraph 13 of the Agreement, Oasis Pipeline will also enhance its EBB to ensure that available cross-haul service, if any, for the next-day’s flow will be posted and accessible by shippers by 4:00 p.m. Central Time of the preceding business day.

14. Paragraph 18 of the Agreement provides that Oasis Pipeline commits to enhancing (within 150 days of the Effective Date of the Agreement) and maintaining its EBB to include posting by 4:00 p.m. Central Time each business day the following categories of information with respect to interstate interruptible cross-haul transportation:

- (a) A shipper code;
- (b) The rate charged;
- (c) The receipt and delivery point(s);
- (d) The quantity of interstate interruptible natural gas nominated, confirmed by the customer and confirmed by Oasis Pipeline; and
- (e) Whether the shipper is an affiliate of Oasis Pipeline.

15. Paragraph 18 of the Agreement further provides that in the event that the Commission adopts posting requirements in Docket No. RM09-2 or any related or successor docket that do not require one or more of the categories of information enumerated in subparts (a) through (e) of Paragraph 18 to be posted based on a determination that such posting would be inconsistent with, or not in the interests of, well-functioning or competitive natural gas markets, Oasis Pipeline shall not be required to continue to post such categories of information; *provided* that while committing to full and complete compliance with the Agreement, Oasis Pipeline reserves all rights with respect to any arguments it may raise on rehearing of (or judicial challenge to) Order No. 720, *Pipeline Posting Requirements under Section 23 of the Natural Gas Act*, FERC

Stats. & Regs. ¶ 31,283 (2008), or in the proceeding instituted by the Commission in *Contract Reporting Requirements of Intrastate Natural Gas Companies*, FERC Stats. & Regs. ¶ 35,559 (2008) (Notice of Inquiry), or any related or successor proceeding; *provided further*, absent a Commission order to the contrary, any and all Oasis Pipeline obligations in Paragraphs 17 and 18 of the Agreement shall terminate four (4) years after the completion of the enhancements listed in those paragraphs. Oasis Pipeline will provide Enforcement Litigation Staff written notice of the date its enhancements become effective no later than seven days after that date.

16. Paragraph 19 of the Agreement provides that subject to Paragraph 32 of the Agreement (*see infra*), Oasis Pipeline will bear all costs of enhancing and maintaining its EBB. Oasis Pipeline anticipates that this could entail significant costs and commits to providing any and all upgrades of resources, staffing and information technology as reasonably appropriate to implement the terms and conditions set forth in the Agreement and continued compliance with existing rules.

17. Paragraph 20 of the Agreement provides that Oasis Pipeline will retain an independent, outside auditor to audit the company's compliance with Paragraph 12 of the Agreement. The audit shall cover a one year period beginning on the Effective Date of this Agreement. The auditor will prepare a report that contains, among other things, the following information:

- (a) The scope and methods of the audit;
- (b) The auditors and company personnel that participated in the audit;
- (c) Practices Oasis Pipeline undertook, and resources Oasis Pipeline devoted, to comply with the terms in Paragraph 12 of the Agreement;
- (d) A thorough description of how the dual contract arrangements were administered by Oasis Pipeline;
- (e) Specification of instances of non-compliance, if any, the circumstances thereof and the reasons therefore; and
- (f) An assessment of the degree of Oasis Pipeline's compliance with the terms of Paragraph 12 of the Agreement.

18. Paragraph 20 of the Agreement also provides that a copy of the audit report will be provided simultaneously to Enforcement Litigation Staff and Oasis Pipeline within 60 days of the close of the audit period.

19. Paragraph 21 of the Agreement provides that Oasis Pipeline's Chief Compliance Officer (CCO) will explicitly supervise, for a period co-extensive with the audit period set forth in Paragraph 20 of this Agreement, a compliance monitoring program. This program shall consist of measures calculated to assure non-discriminatory access to interstate transportation on Oasis Pipeline. Oasis Pipeline will provide the CCO a weekly report detailing how the dual contract arrangements are being administered. The CCO

will ensure that Oasis Pipeline provides annual compliance training with respect to all aspects of transportation that Oasis Pipeline provides under NGPA section 311(a)(2). The CCO currently has and will retain direct access to the Board of Oasis Pipeline's parent company, Energy Transfer Partners, L.P.

20. Paragraph 22 of the Agreement provides that Oasis Pipeline will record all telephone conversations of its dispatchers for a period of four years from the Effective Date of the Agreement and maintain for two years on a rolling basis all such voice recordings.

21. Paragraph 23 of the Agreement provides that subject to Paragraph 32 of the Agreement (*see infra*), Oasis Pipeline will bear all costs of enhancing and maintaining its compliance monitoring program. Oasis Pipeline anticipates that this could entail significant costs and commits to providing any and all upgrades or resources, staffing and information technology as reasonably appropriate to implement the terms and conditions of its compliance monitoring plan and to comply with applicable Commission requirements.

22. Paragraph 24 of the Agreement provides that absent a Commission order to the contrary, any and all Oasis Pipeline obligations in Paragraphs 20 through 23 of the Agreement (other than recording and maintaining the voice recordings) shall terminate within 60 days of the close of the audit period.

23. Paragraph 25 of the Agreement provides that with respect to gas delivered to Oasis Pipeline meter 0728/1265, Oasis Pipeline shall be entitled to rely on all shipper warranties with respect to whether the natural gas subject to a contract is subject to the jurisdiction of the Commission, *provided*, that if Oasis Pipeline has information that calls into question the validity of any shipper warranty of natural gas delivered to Oasis Pipeline at meter 0728/1265, Oasis Pipeline shall take reasonable steps under the circumstances to investigate the validity of the shipper warranty.

24. Paragraph 26 of the Agreement provides that no later than five days from the Effective Date of this Agreement, Oasis Pipeline will cause to be filed a motion with the United States Court of Appeals for the Fifth Circuit dismissing its petition for review in Case Nos. 08-60730 and 08-60810 solely with respect to challenges to the Commission's procedural disposition of the NGPA issues in this proceeding.

25. Paragraph 27 of the Agreement provides that Enforcement Litigation Staff and Oasis Pipeline will jointly request that, upon issuance of a final and non-appealable order approving the Agreement, the Commission vacate the Partial Initial Decision that the presiding judge issued in this proceeding on November 18, 2008.

26. Paragraph 30 of the Agreement provides that Commission approval of this Agreement in its entirety without modification shall release Oasis Pipeline from, and

Docket No. IN06-3-004

9

forever bar the Commission from bringing against it (or making referrals with respect to) any and all claims arising out of, or related to, matters referenced in the Order to Show Cause or asserted by Enforcement Litigation Staff in this proceeding.

27. Paragraph 32 of the Agreement provides that neither Oasis Pipeline nor its affiliates shall seek to recover through any administrative rate proceeding money to compensate it for expenditures it makes solely to comply with this Agreement; *provided, however*, that Paragraph 32 of the Agreement further states that this provision does not preclude Oasis Pipeline from recovering any costs arising from its compliance with any other regulatory requirements imposed by the Commission separately and apart from this Agreement, in other proceedings, such as Order No. 720, *Pipeline Posting Requirements under Section 23 of the Natural Gas Act*, FERC Stats. & Regs. ¶ 31,283 (2008), the proceeding instituted by the Commission in *Contract Reporting Requirements of Intrastate Natural Gas Companies*, FERC Stats. & Regs. ¶ 35,559 (2008), or any related or successor proceeding.

28. The Commission finds that the Stipulation and Consent Agreement is fair, reasonable, and in the public interest and the Stipulation and Consent Agreement is hereby approved, under Rule 602(g)(3) of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.602 (2008)).

29. This letter order terminates Docket No. IN06-3-004. The Presiding ALJ's November 28, 2008 certified question and Enforcement Litigation Staff's December 10, 2008 interlocutory appeal, which were held in abeyance pending the outcome of settlement negotiations, are dismissed as moot.

30. The non-public versions of the following submission are hereby made public: the Stipulation and Consent Agreement, the Joint Offer of Settlement, the Joint Explanatory Statement, the Joint Statement of Information to be Provided with Settlement Agreements, and the Presiding Administrative Law Judge's Certification of Uncontested Settlement.

31. This letter is an order of the Commission. Effective on the date that this order becomes final and non-appealable, the Commission vacates the Partial Initial Decision that the presiding judge issued in this proceeding on November 18, 2008.

By direction of the Commission. Commissioner Kelliher is not participating.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

Docket No. IN06-3-004

10

cc:

Ms. Lee Ann Watson
Deputy Director
Division of Investigations
Office of Enforcement
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Mr. John R. Kroeger
Mr. Robert C. Crowe
Mr. David N. Tobenkin
Ms. Nicole L. Brisker
Mr. Andrej S. Bajuk
Mr. Wesley J. Heath
Division of Investigations
Office of Enforcement
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Mr. John N. Estes III
Mr. David J. Hill
Mr. Gerald L. Richman
Skadden, Arps, Slate, Meagher & Flom LLP
1440 New York Avenue, NW
Washington, DC 20005

Mr. William L. Massey
Mr. Robert S. Fleishman
Covington & Burling LLP
1201 Pennsylvania Avenue, NW
Washington, DC 20004

Document Content(s)

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TABLE 8 - GAS UTILITY PLANT IN SERVICE (DOLLARS) CALENDAR YEAR 2007

COMPANY NAME	INTANG. PROD. & STORAGE PLANT	TRANSMISSION PLANT-TEXAS	DISTRIBUTION PLANT-TEXAS	GENERAL PLANT-TEXAS	TOT. PLANT TEXAS	TOTAL PLANT ALL STATES
ACACIA NATURAL GAS CORPORATION	39,548,086	57,585,290		926,894	98,060,270	98,060,270
AMARILLO NATURAL GAS, INC.				483,928	483,928	483,928
ARANSAS NATURAL GAS CO.	15,308		2,559,607	638,079	3,212,994	3,212,994
ATMOS ENERGY CORP., MID-TEX DIVISION	3,617,320		2,063,210,831	72,334,160	2,139,162,311	5,985,321,912
ATMOS ENERGY, WEST TEXAS DIVISION	4,264	13,925,473	383,960,335	22,921,412	420,811,484	420,811,484
ATMOS PIPELINE - TEXAS	126,266,907	769,004,967		32,113,676	927,385,550	927,385,550
BRAZORIA INTERCONNECTOR GAS P/L LLC		148,967,431			148,967,431	148,967,431
BROWN INDUSTRIAL GAS, INC.	1,130,793	1,144,099			2,274,892	2,274,892
CALPINE TEXAS PIPELINE, L.P.		23,285,278			23,285,278	23,285,278
CAPITAL GAS DISTRIBUTION, INC.			726,450	216,950	943,400	943,400
CENTANA INTRASTATE PIPELINE, LLC	143,186,681	77,411,493		966,126	221,564,300	221,564,300
CENTERPOINT ENERGY ARKLA	791,707		19,754,796	819,904	21,366,407	1,064,264,685
CENTERPOINT ENERGY ENTEX	39,835,040		1,264,480,622	55,630,874	1,359,946,536	1,613,886,080
CENTERPOINT ENERGY INTRA P/L, INC	25,374,124	22,998,646	445,876		48,818,646	50,255,575
CHEVRON KEYSTONE GAS STORAGE, LLC	67,653,398				67,653,398	67,653,398
COKINOS GAS TRANSMISSION COMPANY	75,022				75,022	75,022
COMMERCE PIPELINE, L.P.		353,325			353,325	353,325
CONSUMERS GAS COMPANY, INC.			96,582		96,582	96,582
COPANO PIPELINES/UP GULFCOAST, LP		28,562,307			28,562,307	28,562,307
COSERV GAS	22,686		60,624,013	1,108,696	61,755,395	61,755,395
COWTOWN PIPELINE L.P.	93,286,056				93,286,056	93,286,056
COWTOWN PIPELINE PARTNERS L.P.	87,635,495				87,635,495	87,635,495
CROSSTEX CCNG GATHERING, LTD.	32,508,850			416,546	32,925,396	32,925,396
CROSSTEX CCNG TRANSMISSION, LTD.		71,594,014		983,704	72,577,718	72,577,718
CROSSTEX GULF COAST TRANS., LTD.		86,870,216		1,363,987	88,234,203	88,234,203
CROSSTEX N TEXAS GATHERING, L.P.	302,046,128			2,581,645	304,627,773	304,627,773
CROSSTEX N TEXAS PIPELINE, L.P.		135,182,983		806,971	135,989,954	135,989,954
D & H GAS COMPANY, INC.			48,877		48,877	48,877
DAL-MAR ENERGY, INC.			109,611	103,325	212,936	212,936
DCP GUADALUPE PIPELINE, LLC	1,413,793	53,946,102		334,166	55,694,061	55,694,061
DCP HINSHAW PIPELINE, LLC		3,702,043			3,702,043	3,702,043
DCP INTRASTATE NETWORK, LLC	69,365,923	58,541,275		30,028	127,937,226	127,937,226
DCP TEXAS INTRASTATE PL, LLC	3,549,587	1,870,889			5,420,476	5,420,476
DCP TOLAR PIPELINE, LP	3,408,000				3,408,000	3,408,000
DOW PIPE LINE COMPANY		18,667,752			18,667,752	18,667,752
EASTRANS LIMITED PARTNERSHIP	39,887	26,789,808			26,829,695	26,829,695
EL PASO CGP GAS TRANSMISSION CO.		6,009,052			6,009,052	6,233,381
ENBRIDGE PIPELINES (E. TX) L.P.	948,656,457	225,869,135		22,007,591	1,196,533,183	1,197,209,850
ENBRIDGE PIPELINES (NE TEXAS) LP	78,233,791	1,028,109		733,106	79,995,006	79,995,006
ENBRIDGE PIPELINES (NORTH TX) LP	1,508,507	31,060,963			32,569,470	32,569,470
ENBRIDGE PIPELINES (TX INTRA) LP		18,465,010		107,826	18,572,836	18,572,836
ENCINAL GATHERING, LTD.	7,898,299				7,898,299	7,898,299

TABLE 8 - GAS UTILITY PLANT IN SERVICE (DOLLARS) CALENDAR YEAR 2007

COMPANY NAME	INTANG. PROD. & STORAGE PLANT	TRANSMISSION PLANT-TEXAS	DISTRIBUTION PLANT-TEXAS	GENERAL PLANT-TEXAS	TOT. PLANT TEXAS	TOTAL PLANT ALL STATES
ENERGY TRANSFER FUEL, LP	129,097,829	1,149,202,694		6,736,429	1,285,036,952	1,285,036,952
ENSTOR KATY STORAGE & TRANSP LP	78,290,220	29,808,062		287,194	108,385,476	108,385,476
ENTERPRISE INTRASTATE L.P.	1,465,638	59,862,233		1,406,860	62,734,731	62,734,731
ENTERPRISE TEXAS PIPELINE LLC	1,191,976	996,246,946		68,051,003	1,065,489,925	1,065,515,271
ETC KATY PIPELINE, LTD		132,559,017		209,442	132,768,459	132,768,459
ETC TEXAS P/L, LTD.	339,837,103			3,121,764	342,958,867	342,958,867
FROST BROTHERS PIPELINE, LLC	1,170,740				1,170,740	1,170,740
FUELS COTTON VALLEY GATHERING, LP	11,724,288	20,875		11,824	11,756,987	11,756,987
GATEWAY PIPELINE COMPANY	49,652	4,606,001			4,655,653	4,655,653
GAYLYN, INC.	576,175			102,355	678,530	678,530
GREENLIGHT GAS	12,330	2,468,112	2,086,196	583,307	5,149,947	5,149,947
HESCO PIPELINE COMPANY, L.L.C.		22,765,746			22,765,746	22,765,746
HILL-LAKE GAS STORAGE, L.P.	54,908,539			132,582	55,041,122	55,041,122
HOUSTON PIPE LINE COMPANY LP	99,729,528	474,819,401		15,768,689	590,317,618	590,317,618
HUGHES NATURAL GAS, INC.	300		4,487,581	134,275	4,622,156	4,622,156
HUMBLE GAS PIPELINE COMPANY		20,214,530			20,214,530	20,214,530
KINDER MORGAN BORDER PIPELINE LLC		42,756,020		28,274	42,784,294	42,784,294
KINDER MORGAN NORTH TEXAS PL LLC	868,774	66,485,144			67,353,918	67,353,918
KINDER MORGAN TEJAS PIPELINE LLC	134,630,946	799,565,896		18,221,035	952,417,877	952,417,877
KINDER MORGAN TEXAS PIPELINE LLC	178,849,116	827,776,707		29,533,188	1,036,159,011	1,036,159,011
LASER GAS COMPANY II LLC		482,335			482,335	482,335
LAVACA PIPE LINE COMPANY		1,469,940			1,469,940	1,469,940
LDC, LLC			2,014,939	243,956	2,258,895	2,258,895
LOBO PIPELINE COMPANY, L.P.		18,617,933			18,617,933	18,617,933
MAGIC VALLEY PIPELINE COMPANY, L.P.		11,736,797			11,736,797	11,736,797
MARKHAM GAS CORPORATION			183,272	224,904	408,176	408,176
MARKWEST JAVELINA PIPELINE CO.		1,240,468			1,240,468	1,240,468
MARKWEST PNG UTILITY L.P.		13,110,386			13,110,386	13,110,386
MARKWEST POWER TEX L.P.		12,809,990			12,809,990	12,809,990
MARKWEST TEXAS PNG UTILITY L.P.		12,805,795			12,805,795	12,805,795
MISSION PIPELINE COMPANY		11,128,370			11,128,370	11,128,370
MISSION VALLEY PIPELINE CO., LP		545,472			545,472	545,472
MITCHELL COUNTY UTILITY CO.			224,878	231,849	456,727	456,727
MME DESOTO PIPELINE, L.P.		114,782,894			114,782,894	114,782,894
MONTGOMERY GAS TRANSMISSION, INC.		575,587		6,014	581,601	581,601
MOSS BLUFF HUB PARTNERS, L.P.	124,360,793			66,283	124,427,076	124,427,076
MOUNTAIN CREEK JOINT VENTURE		3,417,635			3,417,635	3,417,635
NATGAS INC.			557,028	247,259	804,287	804,287
NATURAL GAS COMPANY LLC, THE			108,403	11,250	119,653	119,653
NORTH TEXAS GAS CO., INC.	13,699,999		10,926,128	1,433,317	26,059,444	26,164,929
OASIS PIPE LINE COMPANY TX L.P.	476,568	196,609,318		1,557,423	198,643,309	198,643,309
ONALASKA WATER & GAS SUPPLY			576,242		576,242	576,242

TABLE 8 - GAS UTILITY PLANT IN SERVICE (DOLLARS) CALENDAR YEAR 2007

COMPANY NAME	INTANG. PROD. & STORAGE PLANT	TRANSMISSION PLANT-TEXAS	DISTRIBUTION PLANT-TEXAS	GENERAL PLANT-TEXAS	TOT. PLANT TEXAS	TOTAL PLANT ALL STATES
ONEOK TEXAS GAS STORAGE, L.P.	48,648,551			428,516	49,077,067	49,077,067
ONEOK TRANSMISSION COMPANY	15,642	5,840,959			5,856,601	5,856,601
ONEOK WESTEX TRANSMISSION, L.P.	856	139,497,891		3,851,566	143,350,313	143,351,169
ONYX PIPELINE COMPANY	26,311	3,523,488			3,549,799	3,549,799
OZONA RESIDUE SYSTEMS CO.		398,420			398,420	398,420
PANTHER NATURAL GAS COMPANY				35,327	35,327	35,327
PANTHER PIPELINE, LTD.	4,020,653	5,064,700		20,485	9,105,838	9,105,838
PETROLEUM FUELS COMPANY, INC.		1,305,223		28,189	1,333,413	1,333,413
PURE UTILITIES, L.C.			1,241,613	58,517	1,300,130	1,300,130
RICHARDSON FUELS, INC.		881,793			881,793	881,793
SAN JACINTO GAS TRANSMISSION CO.	2,970,249	22,287,775		584,828	25,842,852	25,842,852
SEADRIFT PIPELINE CORPORATION		2,860,149			2,860,149	2,860,149
SI'ENERGY, LP	14,490		9,102,256	245,426	9,362,172	9,362,172
SIPCO GAS TRANSMISSION CORPORATION		553,284			553,284	553,284
SOUTH SHORE PIPELINE L.P.		14,123,863			14,123,863	14,123,863
SOUTHERN UNION INTRAS GAS PL, LTD.	59,315,480				59,315,480	59,315,480
SOUTHWESTERN GAS PIPELINE, INC.	308,484,854			1,215,551	309,700,405	309,700,405
STERLING NATURAL GAS, INC.			25,566	25,562	51,128	51,128
T & L GAS CO.			688,719	18,723	707,442	707,442
T-FUELS, LLC		7,304,811			7,304,811	7,304,811
TARGA INTRASTATE PIPELINE LLC		2,765,800			2,765,800	2,765,800
TEXANA GAS UTILITY COMPANY LP		1,841,931			1,841,931	1,841,931
TEXAS GAS SERVICE COMPANY	2,689,610	5,713,666	548,381,976	23,206,880	579,992,132	579,992,132
TEXAS STATE NATURAL GAS, INC.	112,442		2,343,790	127,154	2,583,386	2,583,386
TEXAS, KANSAS, OKLAHOMA GAS LLC			30,000		30,000	907,462
TGG PIPELINE, LTD.	17,292,288	7,328,745	353,687		24,974,720	24,974,720
TOTAL GAS PIPELINE USA, INC.	155,356	2,465,470			2,620,826	2,620,826
UNIVERSAL NATURAL GAS, INC.			3,996,211	232,621	4,228,832	4,228,832
VINTON PIPELINE, LLC		90,000			90,000	90,000
WEST TEXAS GAS, INC.	30,234,035	21,753,537	66,387,166	5,655,400	124,030,138	137,302,501
WESTERN GAS RESOURCES-TEXAS, INC.	32,180,900				32,180,900	32,180,900
WFS-PIPELINE COMPANY		134,351			134,351	134,351
WISE-FUELS PIPELINE, INC.		12,285,290			12,285,290	12,285,290
WOODSBORO NATURAL GAS CORP.			366,536	10,648	377,184	377,184
WORSHAM-STEED GAS STORAGE, L.P.	3,255,747			237,003	3,492,751	3,492,751
WTG GAS TRANSMISSION COMPANY	301,000	8,710,265		26,045	9,037,310	9,037,310
XTX PIPELINE COMPANY, LLC	495	208,796			209,291	209,291
ZIA NATURAL GAS COMPANY			91,751		91,751	40,488,087
TOTAL	3,757,731,582	4,450,191,538	7,178,266,171	401,988,511	15,788,177,807	20,988,191,003

TABLE 8 - GAS UTILITY PLANT IN SERVICE (DOLLARS) CALENDAR YEAR 2008

COMPANY NAME	INTANG. PROD. & STORAGE PLANT	TRANSMISSION PLANT-TEXAS	DISTRIBUTION PLANT-TEXAS	GENERAL PLANT-TEXAS	TOT. PLANT TEXAS	TOTAL PLANT ALL STATES
ACACIA NATURAL GAS CORPORATION	41,371,055	59,796,624		1,015,050	102,182,729	102,182,729
AMARILLO NATURAL GAS, INC.				520,572	520,572	520,572
ARANSAS NATURAL GAS CO.	15,308		2,591,937	638,079	3,245,324	3,245,324
ATMOS ENERGY CORP., MID-TEX DIVISION	3,617,320		2,200,007,337	78,116,424	2,281,741,081	6,287,098,360
ATMOS ENERGY, WEST TEXAS DIVISION	4,264	17,006,233	372,890,034	25,305,909	415,206,440	6,287,098,361
ATMOS PIPELINE - TEXAS	125,384,502	814,729,553		36,032,983	976,147,038	6,287,098,361
BLUEBONNET NATURAL GAS LLC			940,754	261,194	1,201,948	1,201,948
BRAZORIA INTERCONNECTOR GAS P/L LLC		154,176,227			154,176,227	154,176,227
BROWN INDUSTRIAL GAS, INC.	1,135,726	1,139,167			2,274,893	2,274,893
CALPINE TEXAS PIPELINE, L.P.		23,285,278			23,285,278	23,285,278
CEI PIPELINE, L.L.C.		2,582,995			2,582,995	2,582,995
CENTANA INTRASTATE PIPELINE, LLC	151,180,189	78,586,313		1,054,063	230,820,565	230,820,565
CENTERPOINT ENERGY ARKLA	791,936		20,106,874	819,905	21,718,715	1,071,234,822
CENTERPOINT ENERGY ENTEX	40,281,787		1,304,736,946	55,309,347	1,400,328,080	1,659,212,854
CENTERPOINT ENERGY INTRA P/L, INC	25,374,124	23,900,827	639,192	9,663	49,923,806	51,368,084
CHEVRON KEYSTONE GAS STORAGE, LLC	72,410,654				72,410,654	72,410,654
COKINOS GAS TRANSMISSION COMPANY	75,022				75,022	75,022
COMMERCE PIPELINE, L.P.		353,325			353,325	353,325
CONSUMERS GAS COMPANY, INC.			150,687		150,687	150,687
COPANO PIPELINES/UP GULFCOAST, LP		36,012,423		421,938	36,434,361	36,434,361
COSERV GAS	22,686		79,510,520	1,458,841	80,992,047	80,992,047
COWTOWN PIPELINE L.P.	160,226,916				160,226,916	160,226,916
COWTOWN PIPELINE PARTNERS L.P.	169,290,272				169,290,272	169,290,272
CPR PIPELINE LLC		149,614			149,614	149,614
CROSSTEX CCNG GATHERING, LTD.	36,420,113			416,546	36,836,659	36,836,659
CROSSTEX CCNG TRANSMISSION, LTD.		71,894,100		983,704	72,877,804	72,877,804
CROSSTEX GULF COAST TRANS., LTD.		88,411,229		1,363,987	89,775,216	89,775,216
CROSSTEX N TEXAS GATHERING, L.P.	480,133,678			2,581,645	482,715,323	482,715,323
CROSSTEX N TEXAS PIPELINE, L.P.		135,008,461		806,971	135,815,432	135,815,432
D & H GAS COMPANY, INC.			52,477		52,477	52,477
DAL-MAR ENERGY, INC.			109,611	103,325	212,936	212,936
DCP GUADALUPE PIPELINE, LLC	1,413,794	55,227,673		348,108	56,989,575	56,989,575
DCP HINSHAW PIPELINE, LLC		3,811,988			3,811,988	3,811,988
DCP INTRASTATE NETWORK, LLC	70,749,371	58,541,276		30,028	129,320,675	129,320,675
DCP TEXAS INTRASTATE PL, LLC	3,631,163	1,894,355			5,525,518	5,525,518

TABLE 8 - GAS UTILITY PLANT IN SERVICE (DOLLARS) CALENDAR YEAR 2008

COMPANY NAME	INTANG. PROD. & STORAGE PLANT	TRANSMISSION PLANT-TEXAS	DISTRIBUTION PLANT-TEXAS	GENERAL PLANT-TEXAS	TOT. PLANT TEXAS	TOTAL PLANT ALL STATES
DCP TOLAR PIPELINE, LLC	9,865,275				9,865,275	9,865,275
DOW PIPE LINE COMPANY		19,731,131			19,731,131	19,731,131
EAGLE ROCK DESOTO PIPELINE, L.P.	23,413,369	124,900,047			148,313,416	148,313,416
EASTRANS, LLC	39,887	39,352,806			39,392,693	39,392,693
EL PASO CGP GAS TRANSMISSION CO.		5,763,052			5,763,052	5,987,381
ENBRIDGE PIPELINES (E. TX) L.P.	781,891,393	749,602,626		23,769,588	1,555,263,607	1,555,940,274
ENBRIDGE PIPELINES (NE TEXAS) LP	81,212,105	1,028,109		877,096	83,117,310	83,117,310
ENBRIDGE PIPELINES (NORTH TX) LP	1,508,507	36,170,782			37,679,289	37,679,289
ENBRIDGE PIPELINES (TX INTRA) LP		18,406,494		107,826	18,514,320	18,514,320
ENCINAL GATHERING, LTD.	7,976,932				7,976,932	7,976,932
ENERGY TRANSFER FUEL, LP	131,186,867	1,760,413,389		13,325,438	1,904,925,694	1,904,925,694
ENSTOR KATY STORAGE & TRANSP LP	78,952,279	30,167,290		287,194	109,406,763	109,406,763
ENTERPRISE INTRASTATE L.P.	1,465,638	63,300,549		1,662,345	66,428,532	66,428,532
ENTERPRISE TEXAS PIPELINE LLC	2,034,225	1,285,276,290		69,223,100	1,356,533,615	1,357,863,044
ETC KATY PIPELINE, LTD		618,692,237		661,752	619,353,989	619,353,989
ETC TEXAS P/L, LTD.	477,947,286			3,738,037	481,685,323	481,685,323
FUELS COTTON VALLEY GATHERING, LLC	14,186,507	20,875		11,824	14,219,206	14,219,206
GAS ENERGY, LLC			731,712		731,712	731,712
GATEWAY PIPELINE COMPANY	-155,918	4,606,001			4,450,083	4,450,083
GAYLYN, INC.	584,383			102,355	686,738	686,738
GREENLIGHT GAS	12,330	2,468,112	2,086,196	580,807	5,147,447	5,147,447
HESCO PIPELINE COMPANY, L.L.C.		22,271,336			22,271,336	22,271,336
HILL-LAKE GAS STORAGE, L.P.	99,705,043			242,970	99,948,013	99,948,013
HOOKS GAS PIPELINE, LLC	11,910	225,583			237,493	237,493
HOUSTON PIPE LINE COMPANY LP	87,030,798	630,364,835			733,830,901	733,830,901
HUGHES NATURAL GAS, INC.	300		8,680,865	303,458	8,984,624	8,984,624
HUMBLE GAS PIPELINE COMPANY		21,170,938			21,170,938	21,170,938
KINDER MORGAN BORDER PIPELINE LLC		43,894,470		52,743	43,947,213	43,947,213
KINDER MORGAN NORTH TEXAS PL LLC	868,774	66,494,616		22,401	67,385,791	67,385,791
KINDER MORGAN TEJAS PIPELINE LLC	135,792,984	890,256,362		19,733,354	1,045,782,700	1,045,782,700
KINDER MORGAN TEXAS PIPELINE LLC	189,936,261	838,765,858		29,998,946	1,058,701,065	1,058,701,065
LA SALLE PIPELINE, LP		1,902,674			1,902,674	1,902,674
LASER GAS COMPANY II LLC		450,179			450,179	1,297,570
LAVACA PIPE LINE COMPANY		1,464,699			1,464,699	1,464,699
LDC, LLC			2,238,192	333,670	2,571,862	2,571,862

TABLE 8 - GAS UTILITY PLANT IN SERVICE (DOLLARS) CALENDAR YEAR 2008

COMPANY NAME	INTANG. PROD. & STORAGE PLANT	TRANSMISSION PLANT-TEXAS	DISTRIBUTION PLANT-TEXAS	GENERAL PLANT-TEXAS	TOT. PLANT TEXAS	TOTAL PLANT ALL STATES
LOBO PIPELINE COMPANY, L.P.		21,898,683			21,898,683	21,898,683
MAGIC VALLEY PIPELINE COMPANY, L.P.		11,736,797			11,736,797	11,736,797
MARKHAM GAS CORPORATION			183,814	231,407	415,221	415,221
MARKWEST JAVELINA PIPELINE CO.		12,086,557			12,086,557	12,086,557
MARKWEST PNG UTILITY L.P.		15,975,668			15,975,668	15,975,668
MARKWEST POWER TEX L.P.	1,335,169	9,234,806			10,569,975	10,569,975
MARKWEST TEXAS PNG UTILITY L.P.	14,925,087				14,925,087	14,925,087
MISSION PIPELINE, LLC		11,465,263			11,465,263	11,465,263
MISSION VALLEY PIPELINE CO., LP		766,036			766,036	766,036
MITCHELL COUNTY UTILITY CO.			224,878	275,063	499,941	499,941
MME DESOTO PIPELINE, L.P.	10,372,000	121,324,399			131,696,399	131,696,399
MONTGOMERY GAS TRANSMISSION, INC.		579,342		6,014	585,357	585,357
MOSS BLUFF HUB, LLC	127,861,549			55,901	127,917,450	127,917,450
NATGAS INC.			595,174	254,600	849,774	849,774
NATURAL GAS COMPANY LLC, THE			132,696	11,250	143,946	143,946
OASIS PIPE LINE COMPANY TX L.P.	476,568	200,982,982		1,594,790	203,054,340	203,054,340
ONALASKA WATER & GAS SUPPLY			584,830		584,830	584,830
ONEOK TEXAS GAS STORAGE, L.P.	49,061,559			41,339	49,102,898	49,102,898
ONEOK TRANSMISSION COMPANY	17,168	4,932,605		15,747	4,965,520	4,965,520
ONEOK WESTEX TRANSMISSION, L.L.C.	17,414	141,181,812		4,249,283	145,448,509	145,448,509
ONYX PIPELINE COMPANY	26,311	2,960,097			2,986,408	2,986,408
OZONA RESIDUE SYSTEMS CO.		398,420			398,420	398,420
PANTHER PIPELINE, LTD.	4,020,653	5,193,575		47,071	9,261,299	9,261,299
PETROLEUM FUELS COMPANY, INC.	2,365,223			28,189	2,393,413	2,393,413
PLAINS GAS FARMERS-COOP.			294,483	14,309	308,792	308,792
PURE UTILITIES, L.C.			1,241,613	58,517	1,300,130	1,300,130
RANGER PIPELINE, L.P.		3,431,108			3,431,108	3,431,108
RICHARDSON FUELS, INC.		881,793			881,793	881,793
SAN JACINTO GAS TRANSMISSION CO.	4,578,694	22,287,775		615,404	27,481,873	27,481,873
SEADRIFT PIPELINE CORPORATION		2,860,149			2,860,149	2,860,149
SI'ENERGY, LP	14,490		10,321,805	305,228	10,641,523	10,641,523
SIPCO GAS TRANSMISSION CORPORATION		553,284			553,284	553,284
SOUTH SHORE PIPELINE L.P.		14,601,994			14,601,994	14,601,994
SOUTHERN UNION INTRAS GAS PL, LTD.	59,321,371				59,321,371	59,321,371
SOUTHWESTERN GAS PIPELINE, INC.	492,761,474			1,688,336	494,449,810	494,449,810

TABLE 8 - GAS UTILITY PLANT IN SERVICE (DOLLARS) CALENDAR YEAR 2008

COMPANY NAME	INTANG. PROD. & STORAGE PLANT	TRANSMISSION PLANT-TEXAS	DISTRIBUTION PLANT-TEXAS	GENERAL PLANT-TEXAS	TOT. PLANT TEXAS	TOTAL PLANT ALL STATES
STERLING NATURAL GAS, INC.			25,566	25,561	51,127	51,127
T & L GAS CO.			699,230	51,523	750,754	750,754
T-FUELS, LLC		7,304,811			7,304,811	7,304,811
TARGA INTRASTATE PIPELINE LLC		2,765,800			2,765,800	2,765,800
TEXANA GAS UTILITY COMPANY LP		2,444,872			2,444,872	2,444,872
TEXAS GAS SERVICE COMPANY	2,689,610	5,764,828	588,420,369	26,171,721	623,046,528	623,046,528
TEXAS MIDSTREAM GAS SVCS, LLC	964,919,267				964,919,267	964,919,267
TEXAS STATE NATURAL GAS, INC.	112,442		2,370,996	154,887	2,638,325	2,638,325
TEXAS, KANSAS, OKLAHOMA GAS LLC			30,000		30,000	999,021
TGG PIPELINE, LTD.	27,126,137	36,693,642		381,183	64,200,962	64,200,962
TOTAL GAS PIPELINE USA, INC.	155,356	2,566,632			2,721,988	2,721,988
UNIVERSAL NATURAL GAS, INC.			4,651,977	274,009	4,925,986	4,925,986
VINTON PIPELINE, LLC		90,000			90,000	90,000
WEST TEXAS GAS, INC.	31,110,266	23,834,998	72,238,230	6,153,079	133,336,573	146,608,936
WFS-PIPELINE COMPANY		289,972			289,972	289,972
WISE-FUELS PIPELINE, INC.		12,285,290			12,285,290	12,285,290
WOODSBORO NATURAL GAS CORP.			372,170	2,069	374,239	374,239
WORSHAM-STEED GAS STORAGE, L.P.	254,250,440			1,120,372	255,370,813	255,370,813
WTG GAS TRANSMISSION COMPANY	301,000	9,925,399		41,027	10,267,426	10,267,426
XTX PIPELINE COMPANY, LLC	495	209,820			210,315	210,315
ZIA NATURAL GAS COMPANY			103,093		103,093	43,244,089
TOTAL	5,556,816,758	9,613,178,210	4,677,964,258	432,936,333	20,280,895,566	36,839,401,444