

Construction Begins on Fayetteville Express Pipeline

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Pipeline Expected to be in Service by Late 2010

DALLAS & HOUSTON, Mar 08, 2010 (BUSINESS WIRE) -- Fayetteville Express Pipeline, L.L.C., today announced that construction has begun on the Fayetteville Express Pipeline (FEP), a 50/50 joint venture between Energy Transfer Partners, L.P. (NYSE:ETP) and Kinder Morgan Energy Partners, L.P. (NYSE:KMP). The approximately 185-mile, 42-inch natural gas pipeline will serve the Fayetteville Shale producing region in Arkansas with an initial capacity to transport up to 2 billion cubic feet per day.

FEP will originate in Conway County, Ark., continue eastward through White County, Ark, and terminate at an interconnection with Trunkline Gas Company in Panola County, Miss. Contracts have been awarded to Houston-based Willbros Group, Inc. (NYSE:WG) and Tulsa-based Sheehan Pipe Line Construction Company for the construction of the pipeline. Additionally, Houston-based EMS-USA, Inc. is constructing the Russell Compressor Station near Russell, Ark. Energy Transfer Partners is managing the construction of FEP and will operate the pipeline. The approximately \$1.25 billion pipeline project is expected to be in service by late 2010.

"The start of construction on FEP marks an exciting milestone for us as this project will ensure that our customers have strategic takeaway capacity out of the Fayetteville Shale," said Luke Fletcher, vice president, Energy Transfer Partners Interstate Pipeline Division. "Now that construction has begun on the pipeline, we look forward to its timely completion, demonstrating our commitment to providing the necessary infrastructure to efficiently move natural gas from producing areas to those who need it."

"We are excited construction has kicked off for this much needed pipeline infrastructure for the Fayetteville producers," said Kimberly Watson, vice president of business development for Kinder Morgan. "FEP has limited the construction risks on the project by executing fixed price lump sum construction contracts with the third party contractors. We look forward to providing our customers the opportunity to move their product to desired markets."

If you are interested in capacity in FEP, please contact Luke Fletcher (210)-403-6492 or Laura Heckman (713)-369-9436. More information on the FEP project is available at www.fepipeline.com.

Energy Transfer Partners, L.P. (NYSE:ETP) is a publicly traded partnership owning and operating a diversified portfolio of energy assets. ETP has pipeline operations in Arizona, Colorado, Louisiana, New Mexico, and Utah, and owns the largest intrastate pipeline system in Texas. ETP's natural gas operations include gathering and transportation pipelines, treating and processing assets, and three storage facilities located in Texas. ETP currently has more than 17,500 miles of pipeline in service and has a 50% interest in joint ventures that have approximately 500 miles of interstate pipeline in service. ETP is also one of the three largest retail marketers of propane in the United States, serving more than one million customers across the country. For more information visit www.energytransfer.com.

Energy Transfer Equity, L.P. (NYSE:ETE) is a publicly traded partnership, which owns the general partner of Energy Transfer Partners, L.P. and approximately 62.5 million ETP limited partner units.

Kinder Morgan Energy Partners, L.P. (NYSE:KMP) is a leading pipeline transportation and energy storage company in North America. KMP owns an interest in or operates more than 28,000 miles of pipelines and 180 terminals. Its pipelines transport natural gas, gasoline, crude oil, CO₂ and other products, and its terminals store petroleum products and chemicals and handle bulk materials like coal and petroleum coke. KMP is also the leading provider of CO₂ for enhanced oil recovery projects in North America. One of the largest publicly traded pipeline limited partnerships in America, KMP has an enterprise value of over \$29 billion. The general partner of KMP is owned by Kinder Morgan, Inc., a private company, www.kindermorgan.com.

SOURCE: Energy Transfer

Energy Transfer Partners
Media Relations:
Granado Communications Group

Vicki Granado or Meredith Hargrove, 214-361-0400

or

Investor Relations:

Energy Transfer

Brent Ratliff, 214-981-0700

www.energytransfer.com

or

Kinder Morgan Energy Partners

Media Relations:

Joe Hollier, 713-369-9176

or

Investor Relations:

Mindy Mills, 713-369-9490

www.kindermorgan.com