

## **Energy Transfer Partners, L.P. Completes First Step in the Acquisition of the Transwestern Pipeline**

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DALLAS--(BUSINESS WIRE)--Nov. 1, 2006--Energy Transfer Partners, L.P. (NYSE:ETP) announces that it has completed the first step of its previously announced acquisition of the Transwestern Pipeline. In a transaction that closed on November 1, 2006, ETP acquired a 50% interest in CCE Holdings, LLC (CCEH) from GE Energy Financial Services and certain other investors. The purchase price of \$1.0 billion was funded by ETP's issuance of additional equity interests, consisting of approximately 26.1 million Class G Units issued to Energy Transfer Equity, L.P.

In a second transaction, expected to be completed during ETP's second fiscal quarter, CCEH will redeem ETP's 50% ownership in CCEH in exchange for 100% ownership of Transwestern Pipeline Company, LLC, the entity owning the Transwestern Pipeline. The Transwestern Pipeline is a 2,500 mile interstate natural gas pipeline system that connects supply areas in the San Juan Basin in southern Colorado and northern New Mexico, the Anadarko Basin in the Mid-continent and the Permian Basin in west Texas to markets in the Midwest, Texas, Arizona, New Mexico and California. The Transwestern Pipeline interconnects with ETP's existing intrastate pipelines in west Texas.

Energy Transfer Partners, L.P. is a publicly traded partnership owning and operating a diversified portfolio of energy assets. The Partnership's natural gas transportation and storage operations include intrastate natural gas gathering and transportation pipelines, natural gas treating and processing assets located in Texas and Louisiana, and three natural gas storage facilities located in Texas. These assets include approximately 12,000 miles of intrastate pipeline in service, with an additional 600 miles of intrastate pipeline under construction. The Partnership currently owns 50% of the interests of CCEH, an entity operating interstate pipelines. The Partnership is one of the three largest retail marketers of propane in the United States, serving more than one million customers from approximately 442 customer service locations in 41 states extending from coast to coast.

Energy Transfer Equity, L.P. (NYSE:ETE) owns the general partner interest, 100% of the incentive distribution rights in the general partner, and approximately 36.4 million Common Units and 26.1 million Class G Units of Energy Transfer Partners, L.P.

This press release may include certain statements concerning expectations for the future that are forward-looking statements as defined by federal law. Such forward-looking statements are subject to a variety of known and unknown risks, uncertainties, and other factors that are difficult to predict and many of which are beyond management's control. An extensive list of factors that can affect future results are discussed in the Partnership's Annual Report on Form 10-K and other documents filed from time to time with the Securities and Exchange Commission. The Partnership undertakes no obligation to update or revise any forward-looking statement to reflect new information or events.

The information contained in this press release is available on the Partnership's website at [www.energytransfer.com](http://www.energytransfer.com).

CONTACT: Energy Transfer Partners, L.P.  
Investor Relations:  
Renee Lorenz, 214-981-0700  
or  
Media Relations:  
Gittins & Granado  
Vicki Granado, 214-361-0400

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