
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): January 10, 2014

PANHANDLE EASTERN PIPE LINE COMPANY, LP
(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-2921
(Commission
File Number)

44-0382470
(IRS Employer
Identification Number)

3738 Oak Lawn Avenue
Dallas, TX 75219
(Address of principal executive offices, including zip code)

(214) 981-0700
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement.

On January 10, 2014, Panhandle Eastern Pipe Line Company, LP (the “Partnership”) entered into an Agreement and Plan of Merger (the “Merger Agreement”) with Southern Union Company, a Delaware corporation and the indirect parent of the Partnership (“Southern Union”), and PEPL Holdings, LLC, a Delaware limited liability company and the sole limited partner of the Partnership (“PEPL Holdings”), pursuant to which each of Southern Union and PEPL Holdings were merged with and into the Partnership (the “Merger”), with the Partnership surviving the Merger.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

In connection with the consummation of the Merger, on January 10, 2014, the Partnership, Southern Union and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.) (“BNY Mellon”) entered into (i) Supplemental Indenture No. 5 (“Supplemental Indenture No. 5”) to the Indenture, dated as of January 31, 1994, between Southern Union and BNY Mellon, as trustee, as supplemented by the Officers’ Certificate, dated January 31, 1994, the Officers’ Certificate, dated November 3, 1999, the Supplemental Indenture No. 3, dated as of June 24, 2013, and the Supplemental Indenture No. 4, dated as of June 24, 2013 (as so supplemented and amended, the “Senior Indenture”), and (ii) the Fourth Supplemental Indenture (“Fourth Supplemental Indenture” and, together with Supplemental Indenture No. 5, the “Supplemental Indentures”) to the Indenture, dated as of May 10, 1995, between Southern Union and BNY Mellon, as trustee, as supplemented by the First Supplemental Indenture, dated as of May 10, 1995, the Second Supplemental Indenture, dated as of October 23, 2006, and the Third Supplemental Indenture, dated as of June 24, 2013 (as so supplemented and amended, the “Junior Indenture” and, together with the Senior Indenture, the “Southern Union Indentures”). Pursuant to the Supplemental Indentures, the Partnership assumed Southern Union’s obligations under its 7.60% Senior Notes due 2024 (the “2024 Notes”), 8.25% Senior Notes due 2029 (the “2029 Notes” and, together with the 2024 Notes, the “Senior Notes”) and Floating Rate Junior Subordinated Notes due 2066 (the “Junior Notes” and, together with the Senior Notes, the “Southern Union Notes”).

There is currently outstanding \$82,514,000 in aggregate principal amount of the 2024 Notes, \$33,325,000 in aggregate principal amount of the 2029 Notes and \$54,469,000 in aggregate principal amount of the Junior Notes. The Southern Union Notes will be the Partnership’s unsecured and unsubordinated obligations, ranking equally in right of payment with the Partnership’s existing and future unsubordinated debt.

Interest on the 2024 Notes is payable semi-annually on February 1 and August 1, while interest on the 2029 Notes is payable semi-annually on May 15 and November 15. Subject to the Partnership’s right to defer interest payments on the Junior Notes on one or more occasions for up to 10 consecutive years, interest on the Junior Notes is payable quarterly. Beginning on November 1, 2011, the interest rate is a floating rate based on three-month LIBOR plus 301.75 basis points, and is reset quarterly. Any deferred interest payments will accumulate additional interest at a rate equal to the interest rate then applicable to the Junior Notes, to the extent permitted by law. The Partnership may redeem the Junior Notes, in whole or in part, at any time at par, plus accrued and unpaid interest, if any, to the redemption date.

The foregoing description of the Southern Union Notes, the Southern Union Indentures and the Supplemental Indentures does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Southern Union Indentures and Supplemental Indentures, which are included as Exhibits 4.1 through 4.10 hereto.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On January 10, 2014, the sole general partner and sole limited partner of the Partnership adopted Amendment No. 1 (the “LP Agreement Amendment”) to the Agreement of Limited Partnership of the Partnership, dated as of June 29, 2004, to reflect the ownership in the Partnership following the Merger.

The above description of the LP Agreement Amendment does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the LP Agreement Amendment, which is attached as Exhibit 3.1 hereto.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description of the Exhibit</u>
3.1	Amendment No. 1, dated January 10, 2014, to Agreement of Limited Partnership of Panhandle Eastern Pipe Line Company, LP.
4.1	Senior Debt Securities Indenture between Southern Union Company and The Bank of New York Mellon Trust Company N.A. (as successor to JP Morgan Chase Bank, N.A.), as trustee. (Filed as Exhibit 4.1 to Southern Union Company's Current Report on Form 8-K filed on February 15, 1994 and incorporated herein by reference.)
4.2	Officers' Certificate dated January 31, 1994. (Filed as Exhibit 4.2 to Southern Union Company's Current Report on Form 8-K filed on February 15, 1994 and incorporated herein by reference.)
4.3	Officers' Certificate dated November 3, 1999. (Filed as Exhibit 99.1 to Southern Union Company's Current Report on Form 8-K filed on November 19, 1999 and incorporated herein by reference.)
4.4	Supplemental Indenture No. 3, dated June 24, 2013, between Southern Union Company and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.), as trustee. (Filed as Exhibit 4.1 to Southern Union Company's Current Report on Form 8-K filed on June 26, 2013 and incorporated herein by reference.)
4.5	Supplemental Indenture No. 4, dated June 24, 2013, between Southern Union Company and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.), as trustee. (Filed as Exhibit 4.2 to Southern Union Company's Current Report on Form 8-K filed on June 26, 2013 and incorporated herein by reference.)
4.6	Supplemental Indenture No. 5, dated January 10, 2014, among Southern Union Company, Panhandle Eastern Pipe Line, LP and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.), as trustee.
4.7	Subordinated Debt Securities Indenture, dated May 10, 1995, between Southern Union Company and The Chase Manhattan Bank (National Association), which changed its name to JP Morgan Chase Bank and then to JP Morgan Chase Bank, N.A., which was then succeeded to by The Bank of New York Trust Company, N.A., which changed its name to The Bank of New York Mellon Trust Company, N.A., as trustee. (Filed as Exhibit 4-G to Southern Union Company's Registration Statement on Form S-3 (No. 33-58297) filed on May 5, 1995 and incorporated herein by reference.)
4.8	Second Supplemental Indenture, dated October 23, 2006, between Southern Union Company and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.), as trustee. (Filed as Exhibit 4.1 to Southern Union Company's Current Report on Form 8-K/A filed on October 24, 2006 and incorporated herein by reference.)
4.9	Third Supplemental Indenture, dated June 24, 2013, between Southern Union Company and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.), as trustee. (Filed as Exhibit 4.3 to Southern Union Company's Current Report on Form 8-K filed on June 26, 2013 and incorporated herein by reference.)
4.10	Fourth Supplemental Indenture, dated January 10, 2014, among Southern Union Company, Panhandle Eastern Pipe Line Company, LP and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.), as trustee.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PANHANDLE EASTERN PIPE LINE COMPANY, LP
(Registrant)

Date: January 14, 2014

By: /s/ Martin Salinas, Jr.
Martin Salinas, Jr.
Chief Financial Officer

EXHIBIT INDEX

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4.10	Fourth Supplemental Indenture, dated January 10, 2014, among Southern Union Company, Panhandle Eastern Pipe Line Company, LP and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.), as trustee.

**Amendment No. 1 to
Agreement of Limited Partnership of
Panhandle Eastern Pipe Line Company, LP**

This Amendment No. 1 (this "**Amendment**") to the Agreement of Limited Partnership of Panhandle Eastern Pipe Line Company, LP, a Delaware limited partnership (the "**Partnership**"), dated as of the 29th day of June, 2004 (the "**Partnership Agreement**"), is entered into effective as of the 10th day of January, 2014, by and between Southern Union Panhandle LLC, a Delaware limited liability company (the "**General Partner**"), as general partner of the Partnership, and SUG Holding Company, a Delaware corporation ("**SUG Holding**"), as limited partner of the Partnership. Capitalized terms used but not defined herein have the meanings given such terms in the Partnership Agreement.

RECITALS:

WHEREAS, Section 13.12 of the Partnership Agreement provides that the parties to the Partnership Agreement may amend any provision of the Partnership Agreement;

WHEREAS, pursuant to that certain Agreement and Plan of Merger, dated as of January 10, 2014, by and among Southern Union Company, a Delaware corporation ("**Southern Union**"), PEPL Holdings, LLC, a Delaware limited liability company ("**PEPL Holdings**"), and the Partnership, each of Southern Union and PEPL Holdings merged with and into the Partnership (the "**Merger**"), with the Partnership surviving the Merger;

WHEREAS, in accordance with the Merger Agreement, upon the effective time of the Merger (the "**Effective Time**"), (a) the 1% partnership interest in the Partnership outstanding immediately prior to the Effective Time and owned by the General Partner remained unchanged and continued to remain outstanding as a 1% partnership interest in the Partnership and the General Partner continued as the sole general partner of the Partnership; (b) the 99% partnership interest in the Partnership outstanding immediately prior to the Effective Time and owned by PEPL Holdings was cancelled and (c) the common stock, par value \$0.01 per share, of Southern Union outstanding immediately prior to the Effective Time and owned by SUG Holding, was converted into and became a 99% partnership interest in the Partnership; and

WHEREAS, the General Partner and SUG Holding desire to amend the Partnership Agreement to reflect the ownership of the partnership interests in the Partnership following the Merger.

NOW, THEREFORE, the parties do hereby amend the Partnership Agreement as follows:

**Article I
Amendments to the Partnership Agreement**

Section 1. Amendment to Section 1.1. The definition of "Limited Partner" in Section 1.1 of the Partnership Agreement is hereby amended and restated as follows:

“*Limited Partner*” means SUG Holding Company, a Delaware corporation, and its successors and permitted assigns as Limited Partner of the Partnership.

Section 2. Amendments to Article III. Section 3.1 and Section 3.2 of the Partnership Agreement are hereby amended and restated as follows:

Section 3.1 General Partner. The name and mailing address of the General Partner is Southern Union Panhandle LLC, 3738 Oak Lawn Avenue, Dallas, Texas 75219.

Section 3.2 Limited Partner. The name and mailing address of the Limited Partner is SUG Holding Company, 3738 Oak Lawn Avenue, Dallas, Texas 75219.

Article II Miscellaneous

Section 1. Effect of Amendment. All other provisions of the Partnership Agreement shall remain in full force and effect in their entirety.

Section 2. Counterparts. This Amendment may be executed in counterparts, all of which together shall constitute an agreement binding on all the parties hereto, notwithstanding that all such parties are not signatories to the original or the same counterpart.

Section 3. Governing Law. This Amendment shall be construed in accordance with and governed by the laws of the State of Delaware, without regard to the principles of conflicts of law.

Section 4. Severability. The invalidity or unenforceability of any particular provision of this Amendment shall not affect the other provisions hereof, and this Amendment shall be construed in all respects as if such invalid or unenforceable provision was omitted.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties hereto have adopted this Amendment as of the date first written above.

GENERAL PARTNER:

SOUTHERN UNION PANHANDLE LLC

By: SUG Holding Company,
its Sole Member

By: /s/ Martin Salinas, Jr.
Name: Martin Salinas, Jr.
Title: Chief Financial Officer

LIMITED PARTNER:

SUG HOLDING COMPANY

By: /s/ Martin Salinas, Jr.
Name: Martin Salinas, Jr.
Title: Chief Financial Officer

*Signature Page to Amendment No. 1
to Agreement of Limited Partnership*

SUPPLEMENTAL INDENTURE NO. 5

This Fifth Supplemental Indenture (this “**Supplemental Indenture**”), dated as of January 10, 2014, is by and among Southern Union Company, a Delaware corporation (the “**Original Company**”), Panhandle Eastern Pipe Line Company, LP, a Delaware limited partnership (the “**Successor Company**”), and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.), a national banking association, as trustee under the Indenture referred to below (the “**Trustee**”).

WITNESSETH

WHEREAS, the Original Company has duly issued its 7.60% Senior Notes due 2024 (the “**2024 Notes**”), in the original aggregate principal amount of \$475,000,000, and its 8.25% Senior Notes due 2029 (the “**2029 Notes**” and, together with the 2024 Notes, the “**Notes**”) in the original aggregate principal amount of \$300,000,000, pursuant to an Indenture, dated as of January 31, 1994, between the Original Company and the Trustee, as supplemented and amended by that certain Officers’ Certificate, dated January 31, 1994, relating to the 2024 Notes, that certain Officers’ Certificate, dated November 3, 1999, relating to the 2029 Notes, that certain Supplemental Indenture No. 3, dated as of June 24, 2013, and that certain Supplemental Indenture No. 4, dated as of June 24, 2013 (as so supplemented and amended, the “**Indenture**”);

WHEREAS, the Notes are the only series of Securities Outstanding under the Indenture on the date hereof;

WHEREAS, the Original Company has entered into that certain Agreement and Plan of Merger, dated as of January 10, 2014, by and among the Original Company, PEPL Holdings, LLC, a Delaware limited liability company, and the Successor Company, pursuant to which the Original Company will merge with and into the Successor Company (the “**Merger**”), with the Successor Company surviving the Merger;

WHEREAS, Section 801 of the Indenture provides that the Original Company may merge into any other corporation (as defined in the Indenture) if, among other things, the corporation into which the Original Company is merged expressly assumes, by an indenture supplemental to the Indenture, executed and delivered to the Trustee, the Original Company’s obligation for the due and punctual payment of the principal of (and premium, if any, on) and interest on all the Securities and the performance and observance of every covenant of the Indenture on the part of the Original Company to be performed or observed;

WHEREAS, Section 901(1) of the Indenture provides that, without the consent of any Holders, the Original Company, when authorized by or pursuant to a Board Resolution, and the Trustee, may enter into an indenture supplemental to the Indenture to evidence the succession of another Person to the Original Company and the assumption by any such successor of the covenants of the Original Company contained in the Indenture and in the Securities;

WHEREAS, the Original Company desires and has requested the Trustee to join with the Original Company and the Successor Company in entering into this Supplemental Indenture for the purpose of evidencing the succession of the Successor Company to the Original Company and the assumption by the Successor Company of the covenants of the Original Company contained in the Indenture and in the Securities;

WHEREAS, the Original Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that the Merger and this Supplemental Indenture comply with Article Eight of the Indenture and that all conditions precedent provided in the Indenture relating to the Merger and the execution and delivery of this Supplemental Indenture have been complied with;

WHEREAS, the Original Company and Successor Company have been authorized by Board Resolutions to enter into this Supplemental Indenture;

WHEREAS, pursuant to Section 901 of the Indenture, the Trustee is authorized to execute and deliver this Supplemental Indenture; and

WHEREAS, all conditions necessary to authorize the execution and delivery of this Supplemental Indenture by the Original Company and the Successor Company and to make this Supplemental Indenture valid and binding on the Original Company and the Successor Company have been complied with or have been done or performed.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Original Company, the Successor Company and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Securities or of any series thereof as follows:

ARTICLE ONE

Section 1.01. CAPITALIZED TERMS. Terms used herein and not defined herein shall have the meanings assigned to them in the Indenture.

ARTICLE TWO

Section 2.01. EFFECTIVENESS OF SUPPLEMENTAL INDENTURE. This Supplemental Indenture shall become effective as of the date hereof upon its execution by the Original Company, the Successor Company and the Trustee.

Section 2.02. ASSUMPTION OF OBLIGATIONS. The Successor Company hereby expressly assumes the Original Company's obligation for the due and punctual payment of the principal of (and premium, if any, on) and interest on all the Securities and the performance and observance of every covenant of the Indenture on the part of the Original Company to be performed or observed.

Section 2.03. NOTICES. All notices or other communications to the Successor Company shall be given as provided in the Indenture addressed as follows:

Panhandle Eastern Pipe Line Company, LP
3738 Oak Lawn Avenue
Dallas, Texas 75219
Attn: Chief Financial Officer

ARTICLE THREE

Section 3.01. RATIFICATION OF INDENTURE; SUPPLEMENTAL INDENTURE. The Indenture, as supplemented by this Supplemental Indenture, is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. Upon the execution and delivery of this Supplemental Indenture by the Original Company, the Successor Company and the Trustee, this Supplemental Indenture shall form a part of the Indenture for all purposes, and the Original Company, the Successor Company, the Trustee and every Holder of Securities heretofore or hereafter authenticated and delivered shall be bound hereby. Any and all references to the Indenture, whether within the Indenture or in any notice, certificate or other instrument or document, shall be deemed to include a reference to this Supplemental Indenture (whether or not made), unless the context shall require otherwise.

Section 3.02. GOVERNING LAW. THIS SUPPLEMENTAL INDENTURE WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

Section 3.03. THE TRUSTEE. The Trustee shall not be responsible in any manner for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals or statements contained herein, all of which are made by the Original Company and the Successor Company and the Trustee assumes no responsibility for their correctness.

Section 3.04. SUCCESSORS. All covenants and agreements of the Trustee in this Supplemental Indenture shall bind its successors and assigns. All covenants and agreements of the Original Company and Successor Company in this Supplemental Indenture shall bind their successors and assigns.

Section 3.05. COUNTERPARTS. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. The exchange of copies of this Supplemental Indenture and of signature pages by facsimile or electronic format (*i.e.* “pdf” or “tif”) transmission shall constitute effective execution and delivery of this Supplemental Indenture as to the parties hereto and may be used in lieu of the original Supplemental Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or electronic format (*i.e.* “pdf” or “tif”) shall be deemed to be their original signatures for all purposes.

Section 3.06. EFFECT OF HEADINGS. The Section headings herein are for convenience only and shall not affect the construction hereof.

Section 3.07. SEVERABILITY. If any provision in this Supplemental Indenture shall be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions of this Supplemental Indenture or the Indenture shall not in any way be affected or impaired thereby. This Supplemental Indenture is subject to the provisions of the Trust Indenture Act that are required to be part of the Indenture and shall, to the extent applicable, be governed by such provisions. If any provision of this Supplemental Indenture limits, qualifies or conflicts with another provision hereof which is required to be included herein by any provisions of the Trust Indenture Act, such required provision shall control.

[Signature Pages Follow]

IN WITNESS WHEREOF, each of the undersigned has caused this Supplemental Indenture to be duly executed as of the date first above written.

SOUTHERN UNION COMPANY

By: /s/ Marshall S. McCrea III

Name: Marshall S. McCrea III

Title: President and Chief Operating Officer

PANHANDLE EASTERN PIPE LINE COMPANY, LP

By: Southern Union Panhandle, LLC, its general partner

By: /s/ Martin Salinas, Jr.

Name: Martin Salinas, Jr.

Title: Chief Financial Officer

Signature Page to Supplemental Indenture No. 5

**THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.,**
as Trustee

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Vice President

Signature Page to Supplemental Indenture No. 5

FOURTH SUPPLEMENTAL INDENTURE

This Fourth Supplemental Indenture (this “**Supplemental Indenture**”), dated as of January 10, 2014, is by and among Southern Union Company, a Delaware corporation (the “**Original Company**”), Panhandle Eastern Pipe Line Company, LP, a Delaware limited partnership (the “**Successor Company**”), and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.), a national banking association, as trustee under the Indenture referred to below (the “**Trustee**”).

WITNESSETH

WHEREAS, the Original Company has duly issued its Floating Rate Junior Subordinated Notes due 2066 (the “**Notes**”), in the original aggregate principal amount of \$600,000,000, pursuant to an Indenture, dated as of May 10, 1995, between the Original Company and the Trustee, as supplemented and amended by that certain First Supplemental Indenture, dated as of May 10, 1995, and that certain Second Supplemental Indenture, dated as of October 23, 2006, and that certain Third Supplemental Indenture, dated as of June 24, 2013 (as so supplemented and amended, the “**Indenture**”);

WHEREAS, the Notes are the only series of Securities Outstanding under the Indenture on the date hereof;

WHEREAS, the Original Company has entered into that certain Agreement and Plan of Merger, dated as of January 10, 2014, by and among the Original Company, PEPL Holdings, LLC, a Delaware limited liability company, and the Successor Company, pursuant to which the Original Company will merge with and into the Successor Company (the “**Merger**”), with the Successor Company surviving the Merger;

WHEREAS, Section 801 of the Indenture provides that the Original Company may merge into any other corporation (as defined in the Indenture) if, among other things, the corporation into which the Original Company is merged expressly assumes, by an indenture supplemental to the Indenture, executed and delivered to the Trustee, the Original Company’s obligation for the due and punctual payment of the principal of (and premium, if any, on) and interest on all the Securities and the performance and observance of every covenant of the Indenture on the part of the Original Company to be performed or observed;

WHEREAS, Section 901(1) of the Indenture provides that, without the consent of any Holders, the Original Company, when authorized by or pursuant to a Board Resolution, and the Trustee, may enter into an indenture supplemental to the Indenture to evidence the succession of another Person to the Original Company and the assumption by any such successor of the covenants of the Original Company contained in the Indenture and in the Securities;

WHEREAS, the Original Company desires and has requested the Trustee to join with the Original Company and the Successor Company in entering into this Supplemental Indenture for the purpose of evidencing the succession of the Successor Company to the Original Company and the assumption by the Successor Company of the covenants of the Original Company contained in the Indenture and in the Securities;

WHEREAS, the Original Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that the Merger and this Supplemental Indenture comply with Article Eight of the Indenture and that all conditions precedent provided in the Indenture relating to the Merger and the execution and delivery of this Supplemental Indenture have been complied with;

WHEREAS, the Original Company and Successor Company have been authorized by Board Resolutions to enter into this Supplemental Indenture;

WHEREAS, pursuant to Section 901 of the Indenture, the Trustee is authorized to execute and deliver this Supplemental Indenture; and

WHEREAS, all conditions necessary to authorize the execution and delivery of this Supplemental Indenture by the Original Company and the Successor Company and to make this Supplemental Indenture valid and binding on the Original Company and the Successor Company have been complied with or have been done or performed.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Original Company, the Successor Company and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Securities or of any series thereof as follows:

ARTICLE ONE

Section 1.01. CAPITALIZED TERMS. Terms used herein and not defined herein shall have the meanings assigned to them in the Indenture.

ARTICLE TWO

Section 2.01. EFFECTIVENESS OF SUPPLEMENTAL INDENTURE. This Supplemental Indenture shall become effective as of the date hereof upon its execution by the Original Company, the Successor Company and the Trustee.

Section 2.02. ASSUMPTION OF OBLIGATIONS. The Successor Company hereby expressly assumes the Original Company's obligation for the due and punctual payment of the principal of (and premium, if any, on) and interest on all the Securities and the performance and observance of every covenant of the Indenture on the part of the Original Company to be performed or observed.

Section 2.03. NOTICES. All notices or other communications to the Successor Company shall be given as provided in the Indenture addressed as follows:

Panhandle Eastern Pipe Line Company, LP
3738 Oak Lawn Avenue
Dallas, Texas 75219
Attn: Chief Financial Officer

ARTICLE THREE

Section 3.01. RATIFICATION OF INDENTURE; SUPPLEMENTAL INDENTURE. The Indenture, as supplemented by this Supplemental Indenture, is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. Upon the execution and delivery of this Supplemental Indenture by the Original Company, the Successor Company and the Trustee, this Supplemental Indenture shall form a part of the Indenture for all purposes, and the Original Company, the Successor Company, the Trustee and every Holder of Securities heretofore or hereafter authenticated and delivered shall be bound hereby. Any and all references to the Indenture, whether within the Indenture or in any notice, certificate or other instrument or document, shall be deemed to include a reference to this Supplemental Indenture (whether or not made), unless the context shall require otherwise.

Section 3.02. GOVERNING LAW. THIS SUPPLEMENTAL INDENTURE WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

Section 3.03. THE TRUSTEE. The Trustee shall not be responsible in any manner for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals or statements contained herein, all of which are made by the Original Company and the Successor Company and the Trustee assumes no responsibility for their correctness.

Section 3.04. SUCCESSORS. All covenants and agreements of the Trustee in this Supplemental Indenture shall bind its successors and assigns. All covenants and agreements of the Original Company and Successor Company in this Supplemental Indenture shall bind their successors and assigns.

Section 3.05. COUNTERPARTS. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. The exchange of copies of this Supplemental Indenture and of signature pages by facsimile or electronic format (*i.e.* “pdf” or “tif”) transmission shall constitute effective execution and delivery of this Supplemental Indenture as to the parties hereto and may be used in lieu of the original Supplemental Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or electronic format (*i.e.* “pdf” or “tif”) shall be deemed to be their original signatures for all purposes.

Section 3.06. EFFECT OF HEADINGS. The Section headings herein are for convenience only and shall not affect the construction hereof.

Section 3.07. SEVERABILITY. If any provision in this Supplemental Indenture shall be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions of this Supplemental Indenture or the Indenture shall not in any way be affected or impaired thereby. This Supplemental Indenture is subject to the provisions of the Trust Indenture Act that are required to be part of the Indenture and shall, to the extent applicable, be governed by such provisions. If any provision of this Supplemental Indenture limits, qualifies or conflicts with another provision hereof which is required to be included herein by any provisions of the Trust Indenture Act, such required provision shall control.

[Signature Pages Follow]

IN WITNESS WHEREOF, each of the undersigned has caused this Supplemental Indenture to be duly executed as of the date first above written.

SOUTHERN UNION COMPANY

By: /s/ Marshall S. McCrea III

Name: Marshall S. McCrea III

Title: President and Chief Operating Officer

PANHANDLE EASTERN PIPE LINE COMPANY, LP

By: Southern Union Panhandle, LLC, its general partner

By: /s/ Martin Salinas, Jr.

Name: Martin Salinas, Jr.

Title: Chief Financial Officer

Signature Page to Fourth Supplemental Indenture

**THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.,**
as Trustee

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Vice President

Signature Page to Fourth Supplemental Indenture