

Boardwalk Pipelines and Energy Transfer Partners to Develop New Pipelines to Transport Natural Gas from Central and East Texas

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HOUSTON AND DALLAS, TEXAS — June 2nd, 2005 — Boardwalk Pipelines, LLC announces that its pipeline subsidiaries Gulf South Pipeline Company, LP and Texas Gas Transmission, LLC and Energy Transfer Partners, L.P. have commenced to jointly develop two new independently owned and operated pipelines that will interconnect near Carthage, Texas. The two pipeline projects integrate the Gulf South and Texas Gas systems with Energy Transfer's existing pipeline systems.

These new pipeline projects, in combination with Energy Transfer's extensive 11,700 mile intrastate pipeline system, will provide access to all the major supply basins in Texas. In addition, Gulf South and Energy Transfer will provide customers with seamless transportation to numerous market centers on Gulf South, including Perryville, Louisiana and the Henry Hub, to Midwest markets on Texas Gas, and to industrial and pipeline markets located east of the Mississippi River, including the Baton Rouge to New Orleans industrial corridor, Florida Gas Transmission Zone 3, and Transco Zone 4, and Texas Eastern M1.

"Our previously announced multi-phase pipeline expansion was designed to provide producers with the needed pipeline capacity out of Central and East Texas to our Texoma pipeline which interconnects certain interstate pipelines. This project enhances our expansion through the development of a pipeline from Texoma to Carthage accessing the new Gulf South interstate pipeline and the additional markets Gulf South provides," said Roy Patton, Senior Vice President of Energy Transfer.

Gulf South Senior Vice President, John Boone said "The alliance with Energy Transfer will provide transportation for the increasing Texas natural gas production to large market centers serving the Midwest, Northeast, and Southeast U.S. As more production comes into the Carthage area new pipeline capacity beyond the Texas-Louisiana border becomes critical for the producers to access higher priced markets. This was evidenced by the results of a joint open season that Texas Gas and Gulf South conducted earlier this year."

Gulf South is proposing to construct a 36-mile interstate pipeline with an initial capacity of 1 billion cubic feet per day that will originate in Carthage, where it will interconnect with Energy Transfer's pipelines, and then be connected to Gulf South's existing high pressure mainline pipeline system in Louisiana and Mississippi and with Texas Gas's high pressure mainlines in Louisiana. In addition to its previously announced pipeline construction projects, Energy Transfer anticipates developing a 36-mile pipeline from its Texoma pipeline east to Carthage.

The joint development of the new pipelines is subject to completion of the multi-year development process including obtaining customer commitments, necessary regulatory approvals and the execution of definitive agreements among other things.

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Energy Transfer Partners, L.P ([NYSE:ETP](http://www.nyse.com/quote/NYSE:ETP)), is a publicly traded partnership owning and operating a diversified portfolio of energy assets. Its natural gas operations include 11,700 miles of natural gas gathering and transportation pipelines in Texas and Louisiana.

Gulf South Pipeline Company, LP owns and operates a 7570 mile interstate natural gas pipeline system in Texas, Louisiana, Mississippi, Alabama and Florida. Texas Gas Transmission, LLC owns and operates a 5900 mile interstate natural gas system in Texas, Louisiana, Mississippi, Tennessee, Kentucky, Indiana and Ohio. Boardwalk Pipelines, LLC is an indirect, wholly owned subsidiary of Loews Corporation (NYSE:LTR).

Statements in this press release contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements include, but are not limited to, statements concerning customer commitments for construction, regulatory approvals, future transportation revenues, and the completion of these pipeline projects. Such statements are inherently subject to a variety of risks and uncertainties that could cause actual results to differ materially from those anticipated or projected, including, among others, the risk that a customer support will be inadequate to support the project, failure to gain the necessary regulatory approvals, the risk that the markets for the services will not continue to improve, or other risk factors that are outside of the parties control may adversely impact the construction of these pipeline projects. A discussion of additional risk factors that could impact these areas and Boardwalk's

overall business and financial performance can be found in Boardwalk's reports and other filings with the Securities and Exchange Commission. These factors include, among others, general economic and business conditions, casualty losses, changes in domestic gas exploration and production activity, competition, regulatory initiatives and various other matters, many of which are beyond the parties' control. Given these concerns, investors and analysts should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of this press release. Boardwalk expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement to reflect any change in the expectations with regard thereto or any change in events, conditions or circumstances on which any forward-looking statement is based.