



Trans-Pecos Pipeline Project

April 2015

 ENERGY TRANSFER

Trans-Pecos Pipeline Project



The Trans-Pecos Pipeline is an intrastate pipeline⁽¹⁾ designed to transport 1.4 billion cubic feet per day of clean-burning natural gas as part of an agreement with Comisión Federal de Electricidad, Mexico's federal electricity commission.

The pipeline will provide new market outlets for domestically produced natural gas, thereby encouraging continued production in the U.S. energy sector.

The 143-mile, 42-inch pipeline project to be constructed and operated by Texas-based Energy Transfer Partners.

⁽¹⁾ The pipeline will be an intrastate pipeline as defined in Section 2(16) of the Natural Gas Policy Act of 1978 ("NGPA") and 15 U.S.C. §3301(16).



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- The approximately 143-mile, 42” pipeline will originate at the existing Waha Hub outside Fort Stockton, Texas in northern Pecos County crossing through Pecos, Brewster and Presidio counties.
- The pipeline will include delivery locations with local towns and utilities in south Texas.
- Energy Transfer will terminate custody at the international boundary in the Rio Grande River.
- The pipeline will then interconnect with a pipeline near Ojinaga, Chihuahua, Mexico.



Trans-Pecos Pipeline Project Timeline



March 2015	Sent letters to approximately 300 landowners along the proposed route introducing the project and the company
April 2015	Trans-Pecos project team begins outreach to elected officials and community leaders along the proposed route corridor
	Right-of-Way agents begin outreach to individual landowners to answer questions and discuss permission to survey property
	Trans-Pecos Pipeline receives T4 permit from The Texas Railroad Commission granting status as a gas utility
	Initiate permitting process
May 2015	Continue outreach and continue surveys to solidify safest route with the least environmental impact
	Begin securing easements
Q1 2016	Construction begins (may be as early as late Q4 2015)
Q1 2017	Trans-Pecos Pipeline begins transporting natural gas

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THE FACTS:

- The preliminary pipeline corridor will follow existing power lines and railroads where feasible in order to reduce the pipeline's impact on the surrounding areas.
- Approximate mileage per county:
 - Pecos: 47 miles
 - Brewster: 33 miles
 - Presidio: 63 miles
- Permanent easements of 50 feet with temporary easements of an additional 75 feet during construction
- Landowners will be compensated for both permanent and temporary easements
- Initial plans do not include compression beyond the point of origination, resulting in no noise or odors along the route
- All safety lighting along the route will comply with outdoor lighting ordinances



Route Selection and Securing Easements



ROUTE SELECTION AND SECURING EASEMENTS:

To determine the safest, most reliable route for the pipeline, we must conduct civil, environmental and archeological surveys of the area.

The Trans-Pecos Pipeline survey team has begun surveying the area as part of its process to identify the desired route - a critical step in the planning process of the project.

It is the policy of Energy Transfer Partners to work with individual landowners to secure voluntary land easements. The use of eminent domain is a last resort.

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ECONOMIC BENEFITS

The Trans-Pecos Pipeline will provide a direct tax benefit to the counties traversed by the project. The following represents the approximate projected ad valorem taxes that will be paid annually to each county:

• Pecos:	\$1.4 million
• Brewster:	\$1.0 million
• Presidio:	\$1.9 million
• Addnl. costs to be allocated:	<u>\$2.8 million</u>
Total:	\$7.1 million



The Construction Process

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THE CONSTRUCTION PROCESS:

1) Surveying and Staking Many months ahead of construction, field surveys are conducted along the proposed pipeline route, or right-of-way, to better understand environmental, development, and local issues. A final route is then selected. The specific location of the selected route is then marked with stakes.

2) Front-End Clearing Once weather conditions permit, crews begin to prepare for construction by grading the right-of-way and temporary work space to remove trees and prepare the working space.

3) Right-of-Way Grading In cultivated areas, the topsoil along the right-of-way is stripped by bulldozers and stored in piles for careful replacement later.

4) Stringing Pipe Crews then re-stake the center of the trench, lay out or "string" sections of the pipe along the right-of-way.

5) Bending Pipe Crews bend and weld the pipe into one long piece.

6) Line-up Initial Weld The pipeline will follow the contours of the land.

7a) Trenching These pipes are already coated to prevent corrosion. The integrity of the weld is inspected, and the weld joint is coated.

7b) Trenching Once this process is complete, backhoes are used to dig a trench. The trench is coated.

Note: These illustrations are conceptual and general in nature. Specific construction and restoration techniques could vary depending on circumstances.

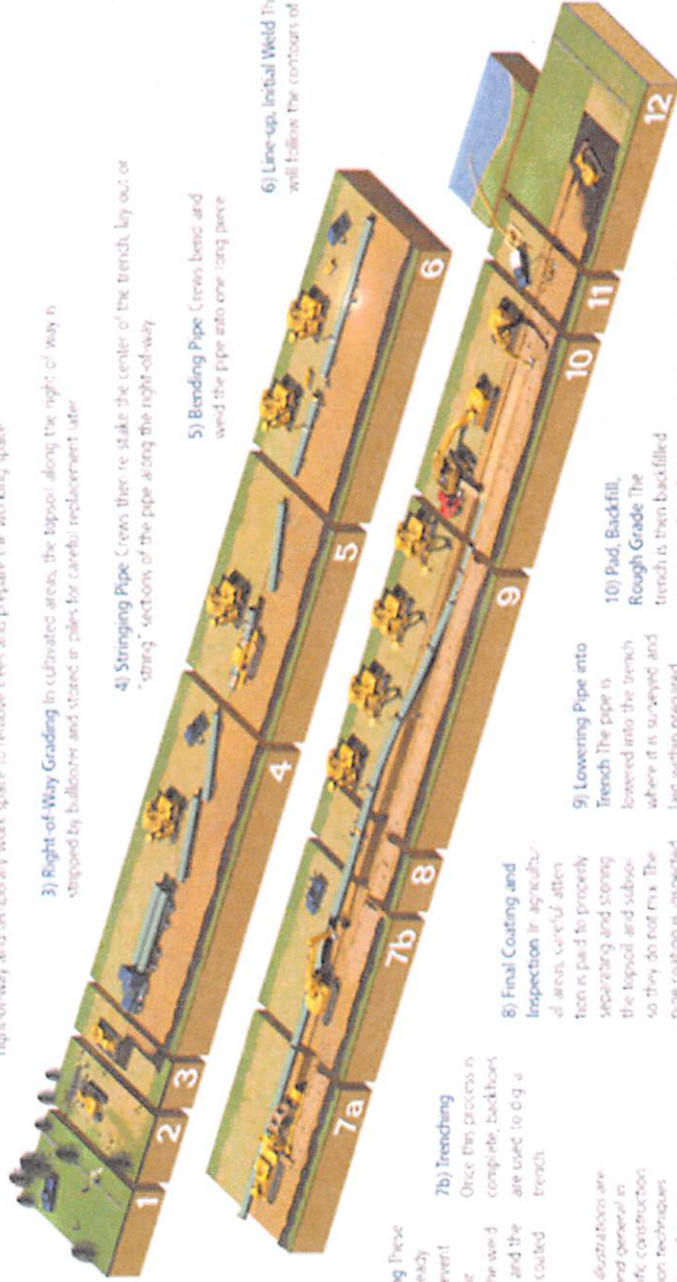
8) Final Coating and Inspection In agricultural areas, careful attention is paid to properly separating and storing the topsoil and subsoil so they do not mix. The pipe coating is inspected one more time.

9) Lowering Pipe into Trench The pipe is lowered into the trench where it is surveyed and laid within prepared trench bottom.

10) Pad, Backfill, Rough Grade The trench is then backfilled with subsoil (and separated topsoil set aside in many areas).

11) Testing Final Tie-In Before operation, water is used to test the pressure of the line and ensure the structural integrity of the pipe and welds.

12) Final Clean-up, Full Restoration Final grading is performed and topsoil spread over work area using a bulldozer.



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CONSTRUCTION NOTES:

- The pipeline will be buried a minimum of 48" -- deeper in some areas
- The thickness of the pipe is 0.600" and 0.864"
- River/road crossings will be bored below ground – no roads will be closed
- Remote-controlled shut-off valves positioned along the route for added safety
- No mainline construction activities performed at night





Our Commitment to Safety

Trans-Pecos Pipeline Project



SAFETY:

- At Energy Transfer, safety is our top priority – the safety of the community, the safety of the environment and the safety of our employees. This commitment is held as a fundamental core value of our company and as a good business partner in your community.
- The Trans-Pecos Pipeline will be regulated by the Texas Railroad Commission with delegated authority by the U.S. Department of Transportation’s Pipeline and Hazardous Materials Safety Administration (PHMSA).
- It also will be governed by state/federal environmental laws including the Clean Water Act, the Clean Air Act, the Rivers and Harbor Act, the Endangered Species Act and the Historical Preservation Act.
- The pipeline has/will be filing for permits with, provided information to, or engaged in required consultations with the U.S. Army Corps of Engineers, the U.S. Fish and Wildlife Service, the U.S. Department of Energy, the Texas Parks and Wildlife Department, the Texas Historical Commission, and numerous state entities.

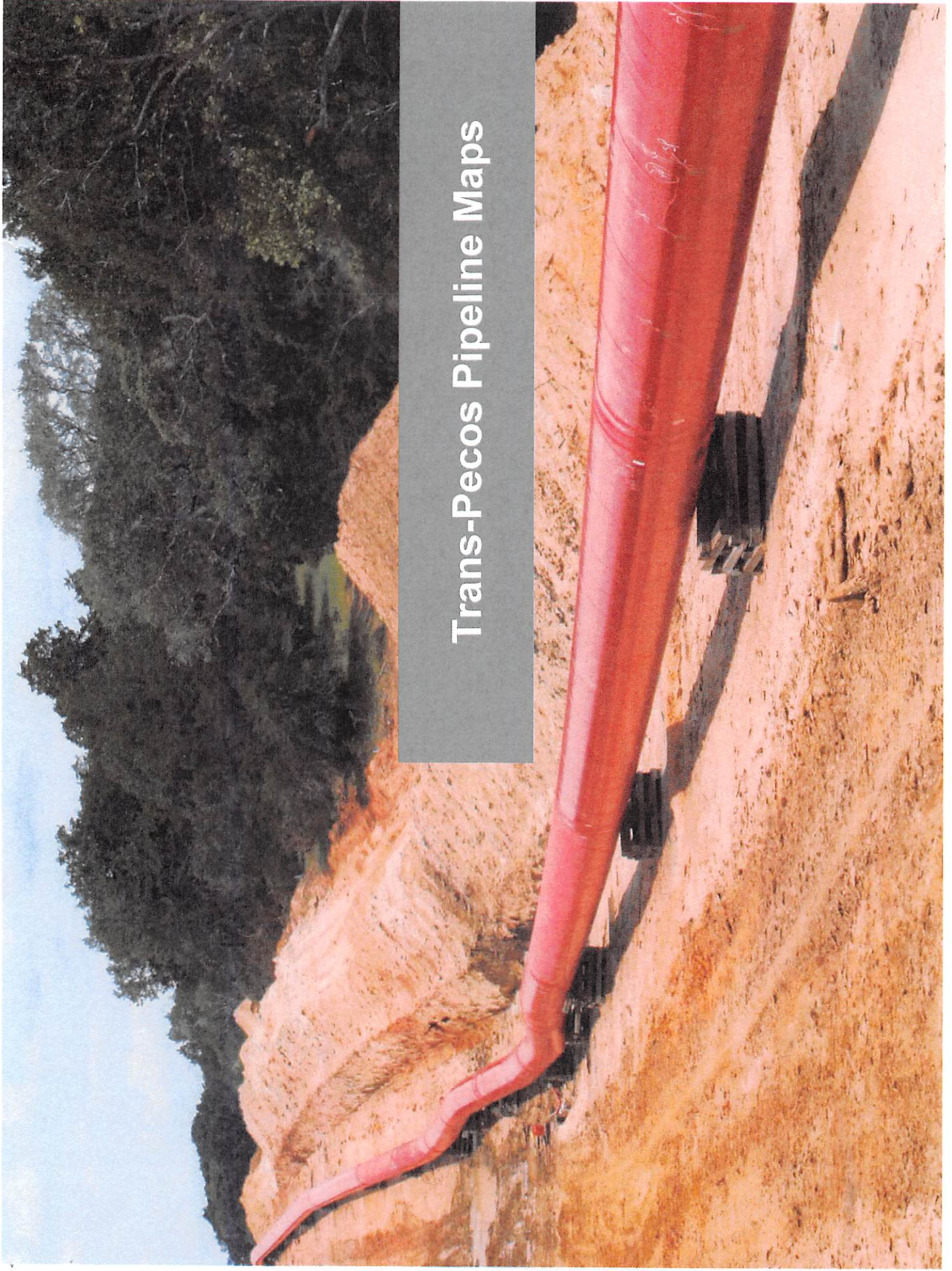




SAFETY (CONT.)

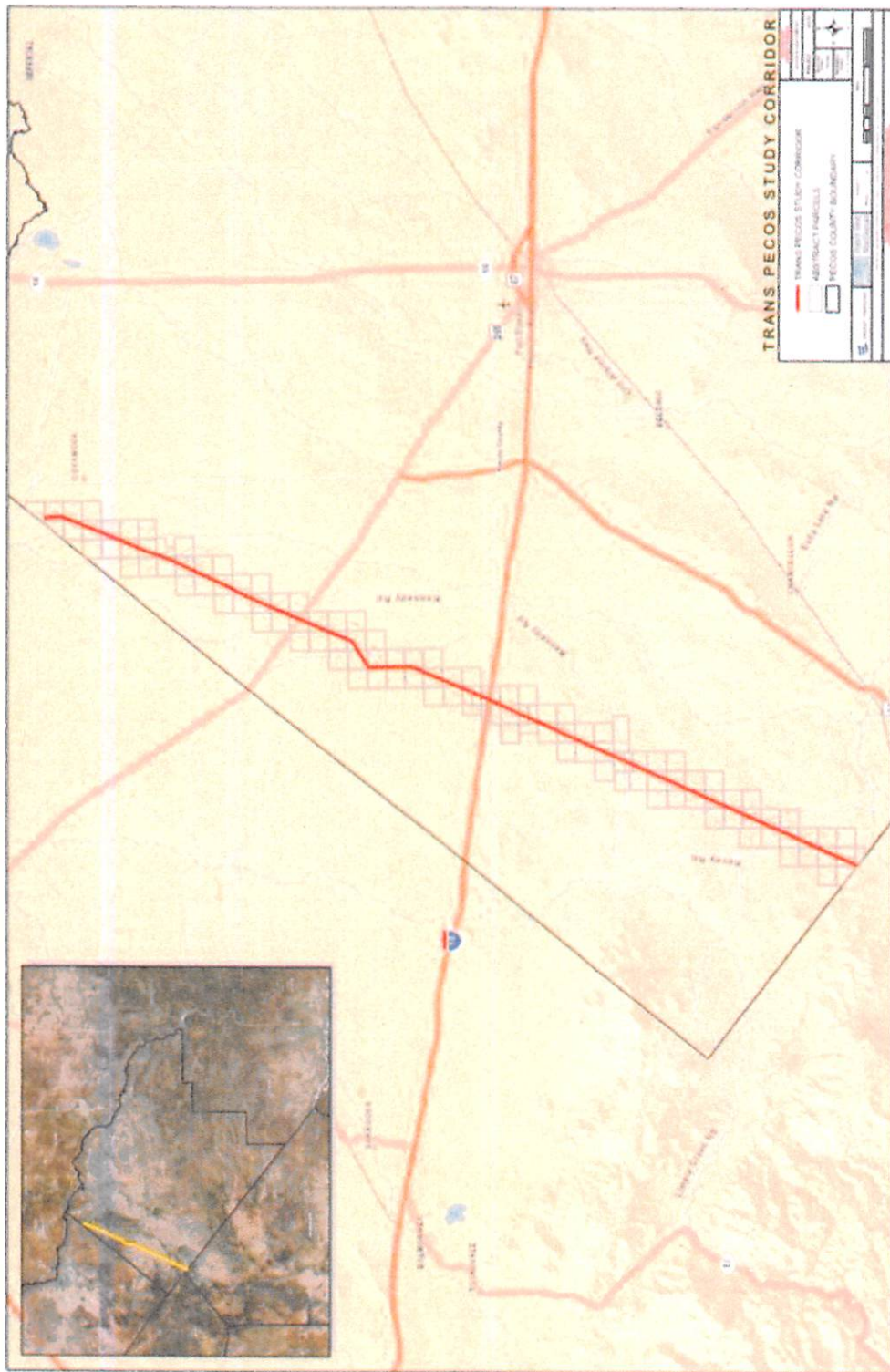
- Design, construct, operate and maintain the pipeline to meet or exceed federal safety requirements and use equipment and materials that meet or exceed industry standards.
- Inspect every joint weld visually and with x-ray technology.
- Install pressure temperature sensors at mainline valves and meter stations to automatically shut off the flow of gas through pipeline sections in emergencies.
- Hydrotest at higher than normal operating pressure before placing pipeline in service
- Monitor gas flows 24/7 from a centralized gas control center.
- Ongoing aerial and on-the-ground inspections.





Trans-Pecos Pipeline Maps

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