

Phoenix Expansion Project Completed and Available for Service

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Pipeline will Provide Much Needed Capacity to Transport Natural Gas to Arizona

DALLAS--(BUSINESS WIRE)--Feb. 23, 2009-- **Energy Transfer Partners (NYSE: ETP)** today announced that Transwestern Pipeline Company's Phoenix Expansion Project has been completed and is available for service. The Phoenix lateral adds 500 million cubic feet per day of capacity to deliver natural gas to meet the needs of Phoenix and surrounding areas. Transwestern Pipeline Company is a subsidiary of Energy Transfer Partners.

The Phoenix lateral consists of approximately 260 miles of 42-inch and 36-inch pipeline. The capacity of the Phoenix lateral is 500 million cubic feet per day, with the capability to expand up to 1 billion cubic feet per day. The pipeline follows a route that begins at Transwestern's mainline near Ash Fork in Yavapai County, Arizona, proceeds south through Prescott Valley, Arizona, southwest around the west side of Phoenix, east to Casa Grande, Arizona and ends near Coolidge in Pinal County, Arizona. The supply segment of the project, a 25-mile, 36-inch pipeline loop along Transwestern's existing San Juan Lateral in San Juan and McKinley Counties in New Mexico, was placed in service in July 2008, and increased Transwestern's ability to transport San Juan basin gas to 1.6 billion cubic feet per day.

"We look forward to supplying much needed supplies of natural gas to the growing population in Arizona. This project will supply enough natural gas to fuel the equivalent of more than 4,000 megawatts per day of power generation plants. To put this into perspective, one megawatt generally provides enough electricity for 1,000 average American homes," said Shelley Corman, senior vice president of Marketing and Regulatory for Transwestern Pipeline Company.

Transwestern Pipeline Company is owned by Energy Transfer Partners, L.P. ([NYSE:ETP](#)), which 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 intrastate natural gas gathering and transportation pipelines, natural gas treating and processing assets and three natural gas storage facilities located in Texas. These assets include approximately 14,600 miles of intrastate pipeline in service, with approximately 250 miles of intrastate pipeline under construction. In addition, ETP owns 2,700 miles of interstate pipeline in service and has a 50% interest in a joint venture that has approximately 500 miles of interstate pipeline under construction. 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.

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.

The information contained in this press release is available on our website at www.energytransfer.com.

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