As filed with the Securities and Exchange Commission on November 5, 2009

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM S-3
REGISTRATION STATEMENT UNDER
THE SECURITIES ACT OF 1933

SOUTHERN UNION COMPANY **PANHANDLE EASTERN PIPE LINE COMPANY, LP** *(Exact name of Registrant as specified in its charter)*	**Delaware** **Delaware** *(State or other jurisdiction of incorporation or organization)*	**75-0571592** **44-0382470** *(I.R.S. Employer Identification No.)*

5444 Westheimer Road
Houston, Texas 77056
(713) 989-2000
(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Robert M. Kerrigan, III
Vice President, Assistant General Counsel & Secretary
Southern Union Company
5444 Westheimer Road
Houston, Texas 77056
(713) 989-7816
(Name, address, including zip code, and telephone number, including area code, of agent for service)

with copies to:

Seth M. Warner, Esq.
Locke Lord Bissell & Liddell LLP
401 9th Street, N.W., Suite 400 South
Washington, DC 20004
(202) 220-6900

DC1 25673v.1

Approximate Date of Commencement of Proposed Sale to Public: From time to time after the effective date of the Registration Statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box: £

If any securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended, other than securities offered only in connection with dividend or interest reinvestment plans, please check the following box: S

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: £

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: £

If this form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, please check the following box: S

If this form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box: £

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Southern Union Company

Large accelerated filer S	Accelerated filer £	Non-accelerated filer £	Smaller reporting company £ (Do not check if a smaller reporting company)

Panhandle Eastern Pipe Line Company, LP

Large accelerated filer £	Accelerated filer £	Non-accelerated filer S	Smaller reporting company £ (Do not check if a smaller reporting company)

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered (1)	Proposed maximum offering price per share (1)	Proposed maximum aggregate offering price (1)	Amount of registration fee (1)(2)
Securities of Southern Union Company				
Debt securities;				-0-
Common stock, par value $1.00 per share;				-0-
Preferred stock, no par value,				-0-
Warrants to purchase debt securities, common stock and preferred stock;				-0-
Securities purchase contracts; securities purchase units; and				-0-
Depositary shares				-0-
Securities of Panhandle Eastern Pipe Line Company, LP				
Debt securities				-0-

(1) An indeterminate amount or number of the securities of each indentified class is being registered or may from time to time be offered by Southern Union Company or Panhandle Eastern Pipe Line Company, LP at indeterminate prices, along with an indeterminate number of securities that may be issued upon exercise, settlement, exchange or conversion of securities offered hereunder. Separate consideration may or may not be received for securities that are issuable upon exercise, settlement, conversion or exchange of other securities or that are issued in units.

(2) In reliance on and in accordance with Rules 456(b) and 457(r) under the Securities Act of 1933 (the “Securities Act”), the registrants are deferring payment of all of the registration fees.

EXPLANATORY NOTE

This registration statement contains two separate prospectuses:

1. The first prospectus relates to the offering by Southern Union Company of debt securities, common securities, preferred securities, warrants to purchase debt securities, common securities and preferred securities, securities purchase contracts, securities purchase units and depository shares.

2. The second prospectus relates to the offering by Panhandle Eastern Pipe Line Company, LP, a wholly-owned subsidiary of Southern Union Company, of debt securities.

PROSPECTUS

SOUTHERN UNION COMPANY

Debt Securities; Common Stock; Preferred Stock;
Warrants to Purchase Debt Securities, Common Stock and Preferred Stock;
Securities Purchase Contracts; Securities Purchase Units; and Depositary Shares

We may offer and sell the securities from time to time in one or more offerings. This prospectus provides you with a general description of the securities we may offer. Each time we sell securities, we will provide a prospectus supplement to this prospectus that contains specific information about the offering and the terms of the securities. The prospectus supplement may also add, update or change information contained in this prospectus. You should carefully read this prospectus and the accompanying prospectus supplement before you invest in any of our securities. This prospectus may not be used to sell securities unless accompanied by a prospectus supplement and any applicable pricing supplement.

Southern Union Company may offer and sell the following securities:

- debt securities;
- common stock;
- preferred stock;
- warrants to purchase debt securities, common stock and preferred stock;
- securities purchase contracts and securities purchase units; and
- depositary shares.

Our common stock is traded on the New York Stock Exchange (the "NYSE") under the symbol "SUG." On November 3, 2009, the closing price of our common stock on the NYSE was $19.47 per share. You are urged to obtain current market quotations of our common stock.

Our principal executive offices are located at 5444 Westheimer Road, Houston, Texas 77056, and our telephone number is (713) 989-2000. Our Internet address is http://www.sug.com

Investing in these securities involves risks. You should carefully consider the information referred to under the heading "Risk Factors" beginning on page 6.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

We may offer and sell these securities to or through one or more underwriters, dealers or agents, or directly to purchasers, on an immediate, continuous or delayed basis. We will set forth in the related prospectus supplement the name of the underwriters or agents, the discount or commission received by them from us as compensation, our other expenses for the offering and sale of these securities and the net proceeds we receive from the sale. See "Plan of Distribution."

This prospectus is dated November 5, 2009

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement on Form S-3 that we filed with the Securities and Exchange Commission, or the SEC, using a "shelf" registration process. Under this shelf process, we may, from time to time, sell any combination of the securities described in this prospectus in one or more offerings. The exhibits to our registration statement contain the full text of certain contracts and other important documents that we have summarized in this prospectus. Since these summaries may not contain all the information that you may find important in deciding whether to purchase the securities we offer, you should review the full text of these documents. The registration statement and the exhibits can be obtained from the SEC as indicated under the heading "Where You Can Find More Information."

This prospectus provides you with a general description of the securities we may offer. Each time we sell securities pursuant to the registration statement, we will provide a prospectus supplement and, if applicable, a pricing supplement, that will contain specific information about the securities offered and the terms of that offering. We may also prepare free writing prospectus that describe particular securities. Any free writing prospectus should also be read in connection with this prospectus and with any other prospectus supplement or pricing supplement referred to therein. For purposes of this prospectus, any reference to an applicable prospectus supplement may also refer to a pricing supplement or a free writing prospectus unless the context otherwise requires. The prospectus supplement may also add to, update or change information contained in this prospectus and, accordingly, to the extent inconsistent, information in this prospectus is superseded by the information in the prospectus supplement.

The prospectus supplement to be attached to the front of this prospectus may describe, as applicable:

- the terms of the securities offered;
- the initial public offering price;
- the price paid for the securities;
- the net offering proceeds; and
- the other specific terms related to the offering of the offered securities.

When acquiring any securities discussed in this prospectus, you should rely only on the information provided in this prospectus and the accompanying prospectus supplement, including the information incorporated by reference herein and therein. We have not, and the underwriters have not, authorized anyone to provide you with different information. We are not, and the underwriters are not, making an offer to sell these securities in any state or jurisdiction where the offer or sale is not permitted. You should not assume that the information in this prospectus, any accompanying prospectus supplement or any document incorporated by reference herein or therein is accurate and complete as of any date other than the date on the front cover page of those documents. Our business, financial condition, results of operations and prospects may have changed materially since those dates.

Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus to "we," "us," "our" or similar references mean Southern Union Company and its subsidiaries, and all references in this prospectus to "our common stock," "our stock" or "Company stock" refer only to the common stock, references to "our preferred stock" refer only to the preferred stock, and references to "our securities" refer only to the securities, of Southern Union Company. References to "Southern Union" refer only to Southern Union Company and not any of its subsidiaries.

A WARNING ABOUT FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated by reference herein contain statements that are considered "forward looking statements" within the meaning of United States securities law. From time to time, we also may provide forward-looking statements in other materials we release to the public as well as oral forward-looking statements. Such statements give our current expectations or forecasts of future events; they do not relate strictly to historical or current facts. We have tried, wherever possible, to identify such statements by using words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "will" and similar expressions in connection with any discussion of future operating or financial performance. In particular, these include statements relating to future actions, future performance or results of current and anticipated products, expenses, interest rates, the outcome of contingencies, such as legal proceedings, and financial results.

We cannot guarantee that any forward-looking statement will be realized, although our management believes that we have been prudent in our plans and assumptions. Achievement of future results is subject to risks, uncertainties and potentially inaccurate assumptions. If known or unknown risks or uncertainties should materialize, or if underlying assumptions should prove inaccurate, actual results could differ materially from past results and those anticipated, estimated or projected. You should bear this in mind as you consider forward-looking statements.

We undertake no obligation publicly to update forward-looking statements, whether as a result of new information, future events or otherwise. You are advised, however, to consult any further disclosures we make on related subjects in our Form 10-K, 10-Q and 8-K reports to the SEC. Also note that we provide cautionary discussion of risks, uncertainties and possibly inaccurate assumptions relevant to our businesses in our reports to the SEC on Forms 10-K, 10-Q and 8-K incorporated by reference herein and in prospectus supplements and other offering materials. These are factors that, individually or in the aggregate, management believes could cause our actual results to differ materially from expected and historical results. We note these factors for investors as permitted by the Private Securities Litigation Reform Act of 1995. You should understand that it is not possible to predict or identify all such factors. Consequently, you should not consider such disclosures to be a complete discussion of all potential risks or uncertainties.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. Our SEC filings are available to the public from the SEC's Internet site at http://www.sec.gov or from our Internet site at http://www.sug.com. You also may read and copy any document we file at the SEC's public reference room in Washington, D.C., located at 100 F Street, N.E., Washington D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Our stock is listed and traded on the NYSE. You may also inspect the information we file with the SEC at the NYSE's offices at 20 Broad Street, New York, New York 10005. Information about us is also available at our Internet site at http://www.sug.com . However, the information on our Internet site is not a part of, and is not incorporated into, this prospectus.

The SEC allows us to "incorporate by reference" into this prospectus the information in the documents that we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be a part of this prospectus, and information in documents that we subsequently file with the SEC will automatically update and supersede information contained in documents filed earlier with the SEC or contained in this prospectus.

We incorporate by reference in this prospectus the documents listed below and any future filings that we may make with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act"), until we sell all of the securities that may be offered by this prospectus; provided, however, that we are not incorporating any information deemed "furnished" in accordance with SEC rules.

- Annual Report on Form 10-K for the fiscal year ended December 31, 2008, filed on February 26, 2009.
- Definitive Proxy Statement for the 2009 annual meeting of shareholders, filed April 16, 2009;
- Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2009, June 30, 2009, and September 30, 2009, filed on May 11, 2009, August 6, 2009, and November 5, 2009, respectively;
- Current Reports on Form 8-K filed on March 5, 2009, March 30, 2009, May 5, 2009 and August 31, 2009; and
- The description of our common stock and our preferred stock contained in our registration statement filed under the Exchange Act, including all amendments and reports updating that description.

You may request a copy of these filings (other than exhibits to such filings, unless the exhibits are specifically incorporated by reference in such filings) at no cost to you by calling (713) 989-2000 or writing to the following address:

Southern Union Company
5444 Westheimer Road
Houston, Texas 77056
Attn: Investor Relations

ABOUT SOUTHERN UNION

We own and operate assets in the regulated and unregulated natural gas industry and are primarily engaged in the gathering, processing, transportation, storage and distribution of natural gas in the United States. Through our wholly-owned subsidiary, Panhandle Eastern Pipe Line Company, LP, and its subsidiaries, we own and operate approximately 10,000 miles of interstate pipelines that transport up to 5.5 billion cubic feet per day (Bcf/d) of natural gas from the Gulf of Mexico, south Texas and the Panhandle regions of Texas and Oklahoma to major U.S. markets in the Midwest and Great Lakes regions.

Through Citrus Corp., we own a 50% interest in and operate Florida Gas Transmission Company, which has an open-access interstate pipeline system with a mainline capacity of 2.1 Bcf/d extending approximately 4,900 miles from south Texas through the Gulf Coast region to south Florida.

Through Southern Union Gas Services, with approximately 4,900 miles of pipelines, we are engaged in the gathering, treating, processing and redelivery of natural gas and natural gas liquids in Texas and New Mexico.

Through our local distribution companies, Missouri Gas Energy and New England Gas Company, we also serve more than half a million natural gas end-user customers in Missouri and Massachusetts, respectively.

Southern Union was incorporated in 1932 in the state of Delaware. Our principal offices are located at 5444 Westheimer Road, Houston, Texas 77056, and our telephone number is (713) 989-2000. Our website can be accessed at http://www.sug.com. Information contained in our website does not constitute a part of, and is not incorporated into, this prospectus.

RISK FACTORS

Investing in our securities involves risks. You should carefully consider the information under the heading “Risk Factors” in the following documents before investing in any of our securities:

- any prospectus supplement relating to any securities we are offering;
- our annual report on Form 10-K for the fiscal year ended December 31, 2008, which is incorporated by reference into this prospectus;
- our quarterly reports on Form 10-Q for the quarterly periods ending on March 31, 2009, June 30, 2009, and September 30, 2009, which are incorporated by reference into this prospectus; and
- documents we file with the SEC after the date of this prospectus and which are deemed incorporated by reference into this prospectus.

USE OF PROCEEDS

Unless otherwise indicated in the prospectus supplement, the net proceeds we receive from the sale of securities offered by this prospectus will be used to repay debt, to fund acquisitions and for general corporate purposes. Net proceeds may be temporarily invested prior to use.

DESCRIPTION OF THE SECURITIES

The following is a general description of the terms and provisions of the securities we may offer and sell by this prospectus. These summaries are not meant to be a complete description of each security. This prospectus and any accompanying prospectus supplement will contain the material terms and conditions for each security being offered by the respective prospectus supplement. The accompanying prospectus supplement may add, update or change the terms and conditions of the securities as described in this prospectus. For more information about the securities offered by us, please refer to the following:

- the indenture between Southern Union and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to the issuance of each series of senior debt securities by Southern Union (the "senior indenture"); and

- the indenture between Southern Union and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to the issuance of each series of subordinated debt securities by Southern Union (the "subordinated indenture").

Forms of these documents are filed as exhibits to the registration statement. The indentures listed above are sometimes collectively referred to as the "indentures" and individually referred to as an "indenture." The indentures are subject to and governed by the Trust Indenture Act of 1939, as amended, and may be supplemented or amended from time to time following their execution.

DESCRIPTION OF DEBT SECURITIES

General

This section describes the general terms of the debt securities that we may offer and sell by this prospectus. This prospectus and any accompanying prospectus supplement will contain the material terms and conditions for each class of debt security. The accompanying prospectus supplement may add, update or change the terms and conditions of the debt securities as described in this prospectus. In addition, we refer you to the description under the caption "Description of Subordinated Debt Securities" for additional details regarding the terms and conditions that may apply to any subordinated debt securities that we may offer.

The debt securities may be issued as either senior debt securities or subordinated debt securities. The senior debt securities will be governed by the senior indenture, and the subordinated debt securities will be governed by the subordinated indenture. Each indenture gives Southern Union Company broad authority to set the particular terms of each series of debt securities, including the right to modify certain of the terms contained in the applicable indenture. The particular terms of a series of debt securities and the extent, if any, to which the particular terms of the issue modify the terms of the applicable indenture will be described in the prospectus supplement relating to such series of debt securities.

Each indenture contains the full legal text of the matters described in this section. Because this section is a summary, it does not describe every aspect of the debt securities or the applicable indenture. This summary is subject to and qualified in its entirety by reference to all of the provisions of the applicable indenture, including definitions of terms used in such indenture. Whenever we refer to defined terms of the indentures in this prospectus or in a prospectus supplement, these sections or defined terms are incorporated by reference into this prospectus or into the prospectus supplement. This summary also is subject to and qualified by reference to the description of the particular terms of a particular series of debt securities described in the applicable prospectus supplement or supplements. Keep in mind that it is the indenture pursuant to which the debt securities you purchase are issued and not this summary that defines your rights. There may be other provisions that are not described in this summary which also are important to you. Each indenture is filed as an exhibit to the registration statement that includes this prospectus. See "Where You Can Find More Information" for information on how to obtain a copy of the indentures.

Issuance in Series

Southern Union may issue an unlimited amount of debt securities under the indentures in one or more series. Southern Union is not required to issue all debt securities of one series at the same time and, unless otherwise provided in a prospectus supplement, may reopen a series, without the consent of the holders of the debt securities of that series, for issuances of additional debt securities of that series. The debt securities of Southern Union will be unsecured obligations of the Company.

Prior to the issuance of each series of debt securities, the terms of the particular securities will be specified in either a supplemental indenture (including any pricing supplement) and a board resolution of Southern Union or in one or more officers' certificates of Southern Union pursuant to a supplemental indenture or a board resolution, both of which will be made publicly available in a filing we will make with the SEC with respect to any offering of debt securities.

Ranking

The senior debt securities will be the Company's unsecured and unsubordinated obligations. The indebtedness represented by the senior debt securities will rank equally with all of the Company's other unsecured and unsubordinated debt, except that the senior debt securities will be senior in right of payment to any subordinated indebtedness of the Company which states in its terms that it is subordinate to the senior debt securities. As a result, holders of senior debt securities have priority over holders of subordinated indebtedness with respect to the right to payment by the Company. The indebtedness represented by the subordinated debt securities will rank junior and subordinate in right of payment to our prior payment in full of our senior debt, to the extent and in the manner set forth under the caption "—Subordination" below and as may be set forth in a prospectus supplement from time to time. The debt securities are obligations of Southern Union exclusively, and are not the obligations of any of our subsidiaries.

Denominations

The prospectus supplement for each issuance of debt securities will state whether the securities will be issued in registered form of $1,000 each or in multiples of $1,000 or such lesser amount as may be indicated in a prospectus supplement for a specific series of debt securities, or in bearer form of $5,000 each, or in global form.

Covenants

Under the indentures, we will:

- pay the principal of, and interest and any premium on, the debt securities when due;
- maintain a place of payment;
- deliver a report to the trustee at the end of each fiscal year reviewing our obligations under the indenture;
- maintain our properties in good condition,
- preserve our corporate existence;
- pay our taxes and other claims; and
- deposit sufficient funds with any paying agent on or before the due date for any principal, interest or premium.

Consolidations, Mergers and Sales

The indentures provide that Southern Union will not consolidate with or merge with or into any other entity, or convey, transfer or lease, or permit one or more of its subsidiaries to convey, transfer or lease, all or substantially all of our properties and assets on a consolidated basis to any entity, unless Southern Union is the continuing corporation or:

- such corporation or entity assumes by supplemental indenture all of Southern Union's obligations under the debt securities and the respective indentures;
- no default or event of default is existing immediately after the transaction;

- the surviving entity is a corporation, partnership or trust organized and validly existing under the laws of the United States of America, any state of the United States or the District of Columbia; and

- certain other conditions are met.

Liens

Pursuant to the indentures, Southern Union will not, and will not permit any subsidiary to, create, incur, issue or assume any debt secured by any lien on any property or assets owned by Southern Union or any of its subsidiaries, and Southern Union will not permit any of its subsidiaries to, create, incur, issue or assume any debt secured by any lien on any shares of stock or debt of any subsidiary (such shares of stock or debt of any subsidiary being called "restricted securities"), unless:

- in the case of new debt that is expressly by its terms subordinate or junior in right of payment to the applicable series of debt securities, the applicable series of debt securities are secured by a lien on such property or assets that is senior to the new lien with the same relative priority as such subordinated debt has with respect to the applicable series of debt securities; or

- in the case of liens securing new debt that is ranked equally with the applicable series of debt securities, the applicable series of debt securities are secured by a lien on such property or assets that is equal and ratable with the new lien, except that any lien securing such debt securities may be junior to any lien on our accounts receivable, inventory and related contract rights securing debt under our revolving credit facility.

These restrictions do not prohibit Southern Union from creating any of the following liens:

(1) liens on any of our property, assets or restricted securities or those of any subsidiary existing as of the date of the first issuance by us of the debt securities issued pursuant to the indenture, or such other date as may be specified in a prospectus supplement for an applicable series of debt securities issued pursuant to the indenture, subject to the provisions of subsection (8) below;

(2) liens on any property or assets or restricted securities of any corporation existing at the time such corporation becomes a subsidiary, or arising after such time (a) otherwise than in connection with the borrowing of money arranged after the corporation became a subsidiary and (b) pursuant to contractual commitments entered into prior to and not in contemplation of such corporation becoming a subsidiary;

(3) liens on any of our property, assets or restricted securities or those of any subsidiary existing at the time of acquisition of such property, assets or securing the payment of all or any part of the purchase price or construction cost of such property, assets or restricted securities, or securing any debt incurred prior to, at the time of or within 120 days after the later of the date of the acquisition of such property, assets or restricted securities or the completion of any such construction, for the purpose of financing all or any part of the purchase price or construction cost (subject to certain limitations);

(4) liens on any property or assets to secure all or any part of the cost of development, operation, construction, alteration, repair or improvement of all or any part of such property or assets or to secure debt incurred by us or any of our subsidiaries prior to, at the time of or within 120 days after, the completion of such development, operation,

construction, alteration, repair or improvement, whichever is later, for the purpose of financing all or any related costs;

(5) liens in favor of the trustee for the benefit of the holders and subsequent holders of the debt securities securing the debt securities;

(6) liens secured by any of our property or assets or those of any subsidiary that comprise no more than 20 percent of our Consolidated Net Tangible Assets (as defined under "Terms Described in the Indentures" below);

(7) liens that secure debt owing by a subsidiary to Southern Union or another subsidiary;

(8) liens that secure senior indebtedness or any part thereof; and

(9) any extension, renewal, substitution or replacement, in whole or in part, of any of the liens referred to above or the debt secured by the liens; provided that:

(a) such extension, renewal, substitution or replacement lien will be limited to all or any part of the same property, assets or restricted securities that secured the prior lien plus improvements on such property and plus any other property or assets not then owned by us or one of our subsidiaries or constituting restricted securities; and

(b) in the case of items (1) through (3) above, the debt secured by such lien at such time is not increased.

If we give a guarantee that is secured by a lien on any property or assets or restricted securities, or we create a lien on any property or assets or restricted securities to secure debt that existed prior to the creation of such lien, the indenture will deem that we have created debt in an amount equal to the principal amount guaranteed or secured by such lien. The amount of debt secured by liens on property, assets and restricted securities will be computed without cumulating the indebtedness with any guarantee or lien securing the same indebtedness.

Limitation on Sale and Leaseback Transactions

The indentures also provide that we will not, nor will we permit any of our subsidiaries to, engage in a sale-leaseback transaction, unless:

(1) the sale-leaseback transaction involves a lease for a period, including renewals, of not more than three years;

(2) Southern Union or any of its subsidiaries, within 180 days after such sale-leaseback transaction, apply or cause to be applied an amount equal to the greater of the net sale proceeds from such sale-leaseback transaction or the fair market value of the property sold and leased back at the time of the transaction to the repayment, redemption or retirement of its short-term funded debt or funded debt of any such subsidiary (which amount may be reduced under certain circumstances); or

(3) the Attributable Debt (as defined below under "Terms Described in the Indentures") from such sale-leaseback transaction (after giving pro forma effect thereto), together with all other sale and leaseback transactions entered into after the date of the first issuance by us of debt securities pursuant to the indenture other than sale-leaseback transactions permitted by

clauses (1) and (2) above does not exceed 20 percent of our Consolidated Net Tangible Assets (as defined below under “Terms Described in the Indentures” below).

Events of Default

The indentures provide that any one of the following events is an event of default:

- failure to pay any interest or any additional amounts due on any debt security, or of any coupon, for 30 days;
- failure to pay the principal of or any premium on any debt security when due, whether at maturity, upon redemption, by declaration or otherwise;
- failure to make any sinking fund payment when due (if applicable);
- failure to perform any other covenant or agreement in the indenture which continues for 60 days after written notice is given to us by the trustee or the holders of at least 25 percent of the outstanding debt securities of that series;
- cross-acceleration of our other debt in excess of ten percent of our consolidated net worth;
- certain events in any bankruptcy, insolvency or reorganization of Southern Union or its assets; or
- any other event of default listed in the indenture for debt securities of that series.

We are required to file annually with the trustee an officer’s certificate as to Southern Union’s compliance with all conditions and covenants under the indentures. The indentures permit the trustee to withhold notice to the holders of debt securities of any default, except in the case of a failure to pay the principal of (or premium, if any), or interest on, any debt securities or the payment of any sinking fund installment with respect to such securities, if the trustee considers it in the interest of the holders of debt securities to do so.

If an event of default, other than events with respect to Southern Union’s bankruptcy, insolvency and reorganization, occurs and is continuing with respect to debt securities, the trustee or the holders of at least 25 percent in principal amount of outstanding debt securities of that series may declare the outstanding debt securities of that series due and payable immediately. If our bankruptcy, insolvency or reorganization causes an event of default for debt securities of a particular series, then the principal of all the outstanding debt securities of that series, and accrued and unpaid interest thereon, will automatically be due and payable without any act on the part of the trustee or any holder.

If an event of default with respect to debt securities of a particular series occurs and is continuing, the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request or direction of any of the holders of debt securities of such series (other than duties listed in the indenture), unless such holders offer to the trustee reasonable indemnity and security against the costs, expenses and liabilities that might be incurred by the trustee to comply with the holders’ request. If they provide this indemnity to the trustee, the holders of a majority in principal amount of the outstanding debt securities of such series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee under the indenture, or exercising any trust or power given to the trustee with respect to the debt securities of that series. The trustee may refuse to follow directions in conflict with law or the indenture that may subject the trustee to personal liability or may be unduly prejudicial to holders not joining in such directions.

The holders of not less than a majority in principal amount of the outstanding debt securities of any series may, on behalf of the holders of all the debt securities of such series and any related coupons (or in the case of an event of default related to Southern Union's bankruptcy, insolvency or reorganization, the holders of not less than a majority in principal amount of all debt securities may), waive any past default under the indenture with respect to such series and its consequences, except a default:

- in the payment of the principal of (or premium, if any) or interest on or additional amounts payable in respect of any debt security of such series unless such default has been cured and a sum sufficient to pay all matured installments of interest and principal due otherwise than by acceleration and any applicable premium has been deposited with the trustee; or

- in respect of a covenant or provision that cannot be modified or amended without the consent of the holder of each outstanding debt security of such series affected by the modification or amendment.

Modification or Waiver

We and the trustees generally may modify and amend the indentures with the consent of the holders of not less than a majority in principal amount of all outstanding indenture securities of any series that is affected by such modification or amendment. However, the consent of the holder of each outstanding debt security of a series is required in order to undertake the following actions:

- change the stated maturity of the principal of (or premium, if any), or any installment of principal or interest on any debt security of such series;

- reduce the principal amount or the rate of interest on or any additional amounts payable, or any premium payable upon the redemption of such series;

- change our obligation to pay additional amounts in respect of any debt security of such series;

- reduce the amount of principal of a debt security that is an original issue discount security and would be due and payable upon a declaration of acceleration of the maturity of that debt security;

- adversely affect any right of repayment at the option of the holder of any debt security of such series;

- change the place or currency of payment of principal of, or any premium or interest on, any debt security of such series;

- impair the right to institute suit for the enforcement of any such payment on or after the stated maturity of the debt securities of such series or any redemption date or repayment date for such debt securities;

- reduce the percentage in principal amount of outstanding debt securities of such series necessary to modify or amend the indenture or to consent to any waiver under the indenture or reduce the requirements for voting or quorum described below; or

- modify the requirements for waiver of past defaults or modify any of the above requirements, except to increase any percentage required or to provide that other provisions of the indenture that affect such series cannot be modified or waived without the consent of the holder of each outstanding debt security of such series.

We and the trustees may modify and amend the indentures without the consent of any holder for the following purposes:

- to evidence the succession of another entity to us as obligor under an indenture;
- to add to our covenants for the benefit of the holders of all or any series of debt securities;
- to add events of default for the benefit of the holders of all or any series of debt securities;
- to add or change any provisions of the indentures to facilitate the issuance of bearer securities;
- to change or eliminate any provisions of the indentures but only if any such change or elimination will become effective only when there are no outstanding debt securities of any series created prior to the change or elimination that is entitled to the benefit of such provision;
- to establish the form or terms of debt securities of any series and any related coupons;
- to secure any series of debt securities;
- to provide for the acceptance of appointment by a successor trustee or facilitate the administration of the trusts under the indentures by more than one trustee;
- to change the indentures with respect to the authentication and delivery of additional series of debt securities, in order to cure any ambiguity, defect or inconsistency in the indentures, but only if such action does not adversely affect the interest of holders of debt securities of any series in any material respect; and
- to supplement any of the provisions of the indenture to permit or facilitate satisfaction and discharge or defeasance of any series, but only if any such action does not adversely affect the interests of holders of that series or any other series in any material respect.

The indentures contain provisions for convening meetings of the holders of debt securities of a series if debt securities of that series are issuable as bearer securities. A meeting may be called at any time by the trustee and also by such trustee pursuant to a request made to the trustee by us or the holders of at least ten percent in principal amount of the debt securities of such series outstanding. In any case, notice must be given as provided in the indentures. Any resolution presented at a meeting or duly reconvened adjourned meeting at which a quorum is present may be adopted by the affirmative vote of the holders of a majority in principal amount of the debt securities of that series, except for any consent that must be given by the holder of each debt security affected, as described above in this section. Any resolution passed or decision made in accordance with the indentures at any duly held meeting of holders of debt securities of any series will be binding on all holders of the debt securities of that series and any related coupons. The quorum at any meeting called to adopt a resolution, and at any reconvened meeting, will consist of persons entitled to vote a majority in principal amount of the debt securities of a series outstanding, unless a specified percentage in principal amount of the debt securities of a series outstanding is required for the consent or waiver, then the persons entitled to vote such specified percentage in principal amount of the outstanding debt securities of such series will constitute a quorum. If, however, any action is to be taken at a meeting of holders of debt securities of any series with respect to any request, demand, authorization, direction, notice, consent, waiver or other action that the indentures expressly provide may be made, given or taken by the holders of a specified percentage in principal amount of all outstanding debt securities affected, or of the holders of such series of debt securities and one or more additional series, then:

- there will be no minimum quorum requirement for such meeting; and
- the principal amount of the outstanding debt securities of such series that vote in favor of such request, demand, authorization, direction, notice, consent, waiver or other action will

be taken into account in determining whether such request, demand, authorization, direction, notice, consent, waiver or other action has been made, given or taken under the indentures.

Defeasance

We will be discharged from our obligations on the debt securities of any series at any time if we deposit with the trustee sufficient cash or government securities to pay the principal, interest, any premium and any other sums due to the stated maturity date or a redemption date of the debt securities of the series. If this happens, the holders of the debt securities of the series will not be entitled to the benefits of the indenture except for registration of transfer and exchange of debt securities and replacement of lost, stolen or mutilated debt securities.

Under U.S. federal income tax laws as of the date of this prospectus, a discharge may be treated as an exchange of the related debt securities. Each holder might be required to recognize gain or loss equal to the difference between the holder's cost or other tax basis for the debt securities and the value of the holder's interest in the trust. Holders might be required to include as income a different amount than would be includable without the discharge. Prospective investors should seek tax advice to determine their particular consequences of a discharge, including the applicability and effect of tax laws other than the U.S. federal income tax laws.

Financial Information

While the debt securities are outstanding, we will file with the SEC, to the extent permitted under the Exchange Act, the annual reports, quarterly reports and other documents otherwise required to be filed with the SEC pursuant to Section 13(a) or 15(d) of the Exchange Act even if we stop being subject to those sections, and we will also provide to all holders and file with the trustee copies of such reports and documents within 15 days after filing them with the SEC or, if our filing such reports and documents with the SEC is not permitted under the Exchange Act, within 15 days after we would have been required to file such reports and documents if permitted, in each case at our cost.

Terms Described in the Indentures

"Attributable Debt" means, with respect to a lease under which any entity is liable for a term of more than 12 months, the total net amount of rent required to be paid by the entity under such lease during the remaining term (excluding any subsequent renewal or other extension options held by the lessee), discounted from the respective due dates of the rent to the date that the Attributable Debt is being determined at a rate equal to the weighted average of the interest rates borne by the outstanding debt securities, compounded monthly. The net amount of rent required to be paid under any lease for any such period will be the aggregate amount of the rent payable by the lessee with respect to such period after excluding any amounts required to be paid on account of maintenance and repairs, services, insurance, taxes, assessments, water rates and similar charges and contingent rents (such as those based on sales). In the case of any lease that is terminable by the lessee upon the payment of a penalty, such net amount of rent will include the lesser of:

- the total discounted net amount of rent required to be paid from the later of the first date upon which such lease may be so terminated or the date of the determination of such net amount of rent, and
- the amount of such penalty (in which event no rent shall be considered as required to be paid under such lease subsequent to the first date upon which it may be so terminated).

"Consolidated Net Tangible Assets" means the total amount of our assets and those of our consolidated subsidiaries (less applicable reserves and other properly deductible items) after deducting the following:

- all current liabilities (excluding any current liabilities that are by their terms extendible or renewable at the option of the obligor to a time more than 12 months after the time as of which the amount of the Consolidated Net Tangible Assets is being computed); and

- all goodwill, trade names, trademarks, patents, unamortized debt discount and expense and other like intangibles, all as set forth on our most recent consolidated balance sheet and computed in accordance with generally accepted accounting principles.

Payment, Registration and Transfer

Unless we specify otherwise in a prospectus supplement, we will pay principal, interest and any premium on the debt securities, and they may be surrendered for payment or transferred, at the offices of the trustee. We will make payment on registered securities by checks to the persons in whose names the debt securities are registered or by transfer to an account maintained by the registered holder on days specified in the indenture or any prospectus supplement. If we make debt securities payments in other forms, we will specify the form and place in a prospectus supplement.

We will maintain a corporate trust office of the trustee or another office or agency for the purpose of transferring or exchanging fully registered securities, without the payment of any service charge except for any tax or governmental charge.

The debt securities may be issued as registered securities or bearer securities. Registered securities will be securities recorded in the securities register kept at the corporate office of the trustee for the trust that issued that series of securities. A bearer security is any debt security other than a registered security. Registered securities will be exchangeable for other registered securities of the same series and of a like aggregate principal amount and tenor in different authorized denominations. If (but only if) provided for in any prospectus supplement, bearer securities (with all unmatured coupons, except as provided below, and all matured coupons in default) of any series may be exchanged for registered securities of the same series of any authorized denominations and of a like aggregate principal amount and tenor. In such event, bearer securities surrendered in a permitted exchange for registered securities between a regular record date and the relevant date for payment of interest will be surrendered without the coupon relating to such date for payment of interest. Interest will not be payable on such date on the registered security issued in exchange for such bearer security but will be payable only to the holder of such coupon when due, in accordance with the terms of the indenture. Unless otherwise specified in any prospectus supplement, bearer securities will not be issued in exchange for registered securities.

In the event of any redemption of debt securities, we will not be required to take any of the following actions:

- issue, register the transfer of or exchange debt securities of any series during a period beginning at the opening of business 15 days before any selection of debt securities of that series to be redeemed and ending at the close of business on (a) the day of mailing of the relevant notice of redemption if debt securities of the series are issuable only as registered securities, (b) the day of mailing of the relevant notice of redemption if the debt securities of the series are also issuable as registered securities and there is no publication, and (c) the day of the first publication of the relevant notice of redemption if the debt securities are issuable as bearer securities;

- register the transfer of or exchange any registered security, or portion thereof, called for redemption, except the unredeemed portion of any registered security being redeemed in part;
- exchange any bearer security selected for redemption, except to exchange such bearer security for a registered security of that series and like tenor that simultaneously is surrendered for redemption; or
- issue, register the transfer of or exchange any debt securities that have been surrendered for repayment at the option of the holder, except any portion not to be repaid.

Subordination

Unless indicated differently in a prospectus supplement, Southern Union's subordinated debt securities will be subordinated in right of payment to the prior payment in full of all of Southern Union's senior debt. This means that, upon:

(a) any distribution of the assets of Southern Union upon its dissolution, winding-up, liquidation or reorganization in bankruptcy, insolvency, receivership or other proceedings;

(b) acceleration of the maturity of the subordinated debt securities;

(c) a failure to pay any senior debt or interest thereon when due and continuance of that default beyond any applicable grace period; or

(d) acceleration of the maturity of any senior debt as a result of a default, the holders of all of Southern Union's senior debt will be entitled to receive:

- in the case of clauses (a) and (b) above, payment of all amounts due or to become due on all senior debt;
- and in the case of clauses (c) and (d) above, payment of all amounts due on all senior debt,

before the holders of any of the subordinated debt securities are entitled to receive any payment. So long as any of the events in clauses (a), (b), (c) or (d) above has occurred and is continuing, any amounts payable on the subordinated debt securities will instead be paid directly to the holders of all senior debt to the extent necessary to pay the senior debt in full and, if any payment is received by the subordinated indenture trustee under the subordinated indenture or the holders of any of the subordinated debt securities before all senior debt is paid in full, the payment or distribution must be paid over to the holders of the unpaid senior debt. Subject to paying the senior debt in full, the holders of the subordinated debt securities will be subrogated to the rights of the holders of the senior debt to the extent that payments are made to the holders of senior debt out of the distributive share of the subordinated debt securities.

"Senior debt" means with respect to the subordinated debt securities, the principal of, and premium, if any, and interest on and any other payment in respect of indebtedness due pursuant to any of the following, whether outstanding on the date the subordinated debt securities are issued or thereafter incurred, created or assumed:

- indebtedness of Southern Union for money borrowed by Southern Union or evidenced by securities, debentures (other than the subordinated debt securities), bonds or similar instruments issued by Southern Union, including any of Southern Union's mortgage bonds;

- capital lease obligations of Southern Union;

- obligations of Southern Union incurred for deferring the purchase price of property, with respect to conditional sales, or under any title retention agreement (but excluding trade accounts payable arising in the ordinary course of business);

- obligations of Southern Union with respect to letters of credit, banker's acceptances, security purchase facilities or similar credit transitions; and

- all indebtedness of others of the type referred to in the four preceding clauses assumed by or guaranteed in any manner by Southern Union or in effect guaranteed by Southern Union.

Due to the subordination, if assets of Southern Union are distributed upon insolvency, certain of its general creditors may recover more, ratably, than holders of subordinated debt securities. The subordination provisions will not apply to money and securities held in trust under the satisfaction and discharge and the defeasance provisions of the applicable subordinated indenture.

The subordinated debt securities and the subordinated indenture do not limit Southern Union's ability to incur additional indebtedness, including indebtedness that will rank senior to subordinated debt securities. Southern Union expects that it will incur substantial additional amounts of indebtedness in the future.

The terms and conditions of any series of debt securities being offered that are convertible into common stock of Southern Union will be set forth in a prospectus supplement. These terms will include the conversion price, the conversion period, provisions as to whether conversion will be at the option of the holder or the company issuing the debt securities, the events requiring an adjustment of the conversion price and provisions affecting conversion in the event that such series of debt securities are redeemed.

Governing Law

Each indenture and the related debt securities will be governed by and construed in accordance with the laws of the State of New York, without regard to the conflict of laws provisions thereunder.

DESCRIPTION OF COMMON STOCK AND PREFERRED STOCK

General

Unless indicated differently in a prospectus supplement, this section describes the terms of Southern Union's common stock and preferred stock. The following description of Southern Union's common stock and preferred stock is only a summary. The descriptions of Southern Union's common stock and preferred stock are qualified in their entirety by reference to Southern Union's certificate of incorporation and bylaws. Keep in mind that it is Southern Union's certificate of incorporation and bylaws, along with the Delaware General Corporation Law (the "DGCL"), that will define your rights as a holder of Southern Union's common stock or preferred stock. Therefore, you should read carefully the more detailed provisions of Southern Union's certificate of incorporation and bylaws, copies of which are incorporated by reference as exhibits to the registration statement of which this prospectus is a part.

Southern Union's authorized capital stock consists of (1) 200,000,000 shares of common stock, par value $1 per share, and (2) 6,000,000 shares of preferred stock, no par value. As of September 30, 2009, 125,188,000 shares of our common stock and 460,000 shares of our preferred stock were issued and outstanding. No other classes of capital stock currently are authorized under our certificate of incorporation. All issued and outstanding shares of our common stock and preferred stock are duly authorized, validly issued, fully paid, nonassessable and free of preemptive rights.

Common Stock

The holders of our common stock are entitled to one vote for each share held of record on all matters submitted to a vote of stockholders.

The holders of our common stock are entitled to receive dividends as and when declared by the Southern Union board out of funds legally available for such payment, subject to any preferential dividend rights of holders of outstanding shares of our preferred stock.

Subject to any preferential rights of holders of outstanding shares of our preferred stock, upon liquidation, dissolution or winding up of Southern Union, the holders of our common stock are entitled to receive ratably the net assets of Southern Union available after the payment of all debts and other liabilities.

Holders of our common stock have no preemptive, subscription, redemption or conversion rights.

The registrar and transfer agent for the Southern Union common stock is Computershare Trust Company, N.A.

Section 203 of the Delaware General Corporation Law

Section 203 of the Delaware General Corporation Law generally prohibits a business combination between a corporation and a stockholder who owns more than 15% of the outstanding voting shares of that corporation (an "*interested stockholder*"). This provision restricts such combinations for a period of three years after the time when the stockholder became an interested stockholder, unless:

(1) Prior to such time, the board of directors of the corporation approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;

(2) The interested stockholder acquired at least 85% of the voting stock of the corporation, other than stock held by qualified employee stock plans or directors who are also officers, in the transaction in which it became an interested stockholder; or

(3) The business combination is approved by a majority of the board of directors of the corporation and by the affirmative vote of at least two thirds of the outstanding voting stock which is not owned by the interested stockholder.

Other Considerations Relating to Southern Union Common Stock

As a natural gas utility operating in Massachusetts, Southern Union is subject to the provisions of Chapter 164 of the Massachusetts General Law (the "MGL"), which governs the rates and terms of service provided by gas and electric utilities operating in Massachusetts. Southern Union is exempt from the provisions of the Massachusetts business law (Chapter 156B), except to the extent that any of its provisions are incorporated into Chapter 164 of the MGL. Chapter 164 incorporates only minor aspects of the corporate governance provisions of Chapter 156B. Except for a limited exception discussed below, there are no material differences between those provisions and the corresponding provisions of the DGCL.

With respect to Southern Union, the single material difference between the provisions of Chapter 164 of the MGL and the DGCL pertains to the requirements of stockholder approval in the limited circumstance where there is a purchase, sale, consolidation, or merger involving Southern Union and another gas utility operating in Massachusetts. This type of transaction would require approval by the Massachusetts Department of Public Utilities. The applicable provision of Chapter 164 also would require that such a merger be approved by the vote of the holders of two-thirds of the Company's common stock. In contrast, the DGCL would require that such a merger be approved by the vote of the holders of a majority of the Company's common stock.

Preferred Stock

Southern Union, by resolution of the Southern Union board and without any further vote or action by the holders of Southern Union common stock, has the authority, subject to certain limitations, to issue up to an aggregate of 6,000,000 shares of preferred stock in one or more classes or series, and to determine the designation and the number of shares of any class or series and to fix the designation, powers, preferences and rights of each such series and the qualifications, limitations or restrictions thereof. As of September 30, 2009, 460,000 shares of our preferred stock were issued and outstanding.

Prior to the issuance of shares of each series of our preferred stock, our board must adopt resolutions and file a certificate of designation with the Secretary of State of the State of Delaware with respect to such series of preferred stock, both of which we will make publicly available in a filing we will make with the SEC with respect to any offering of preferred stock. The certificate of designation will fix for each series the designation and number of shares and the rights, preferences, privileges and restrictions of the shares including, but not limited to, the following:

- the number of shares constituting that series and the distinctive designation of each such series;

- the dividend rate on the shares of that series, whether dividends shall be cumulative, and, if so, from which date or dates, and the relative rights of priority, if any, of payment of dividends on shares of each series;

- whether each series shall have voting rights, in addition to the voting rights provided by law, and if so, the terms of such voting rights;
- whether each series shall have conversion privileges, and, if so, the terms and conditions of such conversion, including provision for adjustment of the conversion rate in such events as our board shall determine;
- whether or not the shares of each series shall be redeemable, and, if so, the terms and conditions of such redemption, including the date or date upon or after which they shall be redeemable, and the amount per share payable in case of redemption, which amount may vary under different conditions and at different redemption dates;
- whether each series shall have a sinking fund for the redemption or purchase of shares of each such series, and if so, the terms and amount of such sinking fund;
- the rights of the shares of each series in the event of voluntary or involuntary liquidation, dissolution or winding up of Southern Union, and the relative rights of priority, if any, of payment of shares of each series; and
- any other relative rights, preferences and limitations of each series.

All shares of our preferred stock, when issued, will be fully paid and nonassessable and will not have any preemptive or similar rights.

In addition to the terms listed above, we will set forth in a prospectus supplement the following terms relating to the class or series of Southern Union preferred stock being offered:

- the number of shares of Southern Union preferred stock offered, the liquidation preference per share and the offering price of the Southern Union preferred stock;
- the procedures for any auction and remarketing, if any, for the Southern Union preferred stock;
- any listing of the preferred stock on any securities exchange; and
- a discussion of any material and/or special United States federal income tax considerations applicable to the Southern Union preferred stock.

Rank

Our preferred stock will rank, with respect to dividends and upon our liquidation, dissolution or winding up:

- senior to all classes or series of our common stock and to all of our equity securities ranking junior to our preferred stock;
- on a parity with all of our equity securities the terms of which specifically provide that the equity securities rank on a parity with our preferred stock; and
- junior to all of our equity securities the terms of which specifically provide that the equity securities rank senior to our preferred stock.

DESCRIPTION OF WARRANTS

General

This section describes the general terms of the warrants that we may offer and sell by this prospectus. This prospectus and any accompanying prospectus supplement will contain the material terms and conditions for each warrant. The accompanying prospectus supplement may add, update or change the terms and conditions of the warrants as described in this prospectus.

We may issue warrants to purchase debt securities, preferred stock or common stock. Warrants may be issued independently or together with any securities and may be attached to or separate from those securities. The warrants will be issued under warrant agreements to be entered into between us and a bank or trust company, as warrant agent, all of which will be described in the prospectus supplement relating to the warrants we are offering. The warrant agent will act solely as our agent in connection with the warrants and will not have any obligation or relationship of agency or trust for or with any holders or beneficial owners of warrants. A copy of the warrant agreement will be made publicly available in a filing we will make with the SEC with respect to any offering of warrants.

Equity Warrants

We may issue warrants for the purchase of our equity securities such as our preferred stock or common stock. As explained below, each equity warrant will entitle its holder to purchase equity securities at an exercise price set forth in, or to be determinable as set forth in, the related prospectus supplement. Equity warrants may be issued separately or together with equity securities.

The equity warrants are to be issued under equity warrant agreements to be entered into between us and one or more banks or trust companies, as equity warrant agent, as will be set forth in the prospectus supplement relating to the equity warrants being offered by the prospectus supplement and this prospectus. A copy of the equity warrant agreement, including a form of equity warrant certificate representing the equity warranty, will be made publicly available in a filing we will make with the SEC with respect to any offering of equity warrants.

The particular terms of each issue of equity warrants, the equity warrant agreement relating to the equity warrants and the equity warrant certificates representing equity warrants will be described in the applicable prospectus supplement.

Holders of equity warrants will not be entitled, solely by virtue of being holders, to vote, to consent, to receive dividends, to receive notice as stockholders with respect to any meeting of stockholders for the election of directors or any other matter, or to exercise any rights whatsoever as a holder of the equity securities purchasable upon exercise of the equity warrants.

Debt Warrants

We also may issue warrants for the purchase of our debt securities. As explained below, each debt warrant will entitle its holder to purchase debt securities at an exercise price set forth in, or to be determinable as set forth in, the related prospectus supplement. Debt warrants may be issued separately or together with debt securities.

The debt warrants are to be issued under debt warrant agreements to be entered into between us and one or more banks or trust companies, as debt warrant agent, as will be set forth in the prospectus

supplement relating to the debt warrants being offered by the prospectus supplement and this prospectus. A copy of the debt warrant agreement, including a form of debt warrant certificate representing the debt warrants, will be made publicly available in a filing we will make with the SEC with respect to any offering of debt warrants.

The particular terms of each issue of debt warrants, the debt warrant agreement relating to the debt warrants and the debt warrant certificates representing debt warrants will be described in the applicable prospectus supplement.

Debt warrant certificates will be exchangeable for new debt warrant certificates of different denominations and, if in registered form, may be presented for registration of transfer and debt warrants may be exercised at the corporate trust office of the debt warrant agent or any other office indicated in the related prospectus supplement. Before the exercise of debt warrants, holders of debt warrants will not be entitled to payments of principal, premium, if any, or interest, if any on the debt securities purchasable upon exercise of the debt warrants, or to enforce any of the covenants in the applicable indenture.

DESCRIPTION OF SECURITIES PURCHASE CONTRACTS AND SECURITIES PURCHASE UNITS

General

This section describes the general terms of the securities purchase contracts and securities purchase units that we may offer and sell by this prospectus. This prospectus and any accompanying prospectus supplement will contain the material terms and conditions for each securities purchase contract and securities purchase unit. The accompanying prospectus supplement may add, update or change the terms and conditions of the securities purchase contracts and securities purchase units as described in this prospectus.

Stock Purchase Contracts and Stock Purchase Units

We may issue stock purchase contracts, representing contracts obligating holders to purchase from us, and obligating us to sell to the holders, a specified number of shares of common stock or preferred stock at a future date or dates, or a variable number of shares of common stock or preferred stock for a stated amount of consideration. The price per share and the number of shares of common stock or preferred stock may be fixed at the time the stock purchase contracts are issued or may be determined by reference to a specific formula set forth in the stock purchase contracts. Any such formula may include anti-dilution provisions to adjust the number of shares of common stock or preferred stock issuable pursuant to the stock purchase contracts upon certain events.

The stock purchase contracts may be issued separately or as a part of units consisting of a stock purchase contract and, as security for the holder's obligations to purchase the shares under the stock purchase contracts, either:

- our senior debt securities or subordinated debt securities, or
- the debt obligations of third parties, including U.S. Treasury securities.

The stock purchase contracts may require us to make periodic payments to the holders of the stock purchase units or vice versa, and such payments may be unsecured or prefunded on some basis. The stock purchase contracts may require holders to secure their obligations in a specified manner, and in certain circumstances we may deliver newly issued prepaid stock purchase contracts upon release to a holder of any collateral securing such holder's obligations under the original stock purchase contract.

The applicable prospectus supplement will describe the general terms of any purchase contracts or purchase units and, if applicable, prepaid purchase contracts. The stock purchase contract will be made publicly available in a filing that we will make with the SEC with respect to any issuance of stock purchase contracts or stock purchase units.

Debt Purchase Contracts and Debt Purchase Units

We may issue debt purchase contracts, representing contracts obligating holders to purchase from us, and obligating us to sell to the holders, a specified principal amount of debt securities at a future date or dates. The purchase price and the interest rate may be fixed at the time the debt purchase contracts are issued or may be determined by reference to a specific formula set forth in the debt purchase contracts.

The debt purchase contracts may be issued separately or as a part of units consisting of debt purchase contracts and, as security for the holder's obligations to purchase the securities under the debt purchase contracts, either:

- our senior debt securities or subordinated debt securities, or
- the debt obligations of third parties, including U.S. Treasury securities.

The debt purchase contracts may require us to make periodic payments to the holders of the debt purchase units or vice versa, and such payments may be unsecured or prefunded on some basis. The debt purchase contracts may require holders to secure their obligations in a specified manner and in certain circumstances we may deliver newly issued prepaid debt purchase contracts upon release to a holder of any collateral securing such holder's obligations under the original debt purchase contract.

The applicable prospectus supplement will describe the general terms of any purchase contracts or purchase units and, if applicable, prepaid purchase contracts. The purchase contracts, the collateral arrangements and depositary arrangements, if applicable, relating to such purchase contracts or purchase units and, if applicable, the prepaid purchase contracts and the document pursuant to which such prepaid purchase contracts will be issued, all will be made publicly available in a filing we will make with the SEC with respect to any issuance of debt purchase contracts and debt purchase units.

DESCRIPTION OF DEPOSITARY SHARES

General

This section describes the general terms of the depositary shares that we may offer and sell by this prospectus. This prospectus and any accompanying prospectus supplement will contain the material terms and conditions for the depositary shares. The accompanying prospectus supplement may add, update or change the terms and conditions of the depositary shares as described in this prospectus.

We may, at our option, elect to offer depositary shares, each representing a fraction (to be set forth in the prospectus supplement relating to a particular series of preferred stock) of a share of a particular class or series of preferred stock as described below. If we elect to do so, depositary receipts evidencing depositary shares will be issued to the public. The shares of any class or series of preferred stock represented by depositary shares will be deposited under a deposit agreement among us, a depositary selected by us and the holders of the depositary receipts. The depositary will be a bank or trust company having its principal office in the United States and having a combined capital and surplus of at least $50,000,000. Subject to the terms of the deposit agreement, each owner of a depositary share will be entitled, in proportion to the applicable fraction of a share of preferred stock represented by such depositary share, to all the rights and preferences of the shares of preferred stock represented by the depositary share, including dividend, voting, redemption and liquidation rights.

The depositary shares will be evidenced by depositary receipts issued pursuant to the deposit agreement. Depositary receipts will be distributed to those persons purchasing the fractional shares of the related class or series of preferred shares in accordance with the terms of the offering described in the related prospectus supplement.

Pending the preparation of definitive depositary receipts, the depositary may, upon our written order, issue temporary depositary receipts substantially identical to, and entitling the holders thereof to all the rights pertaining to, the definitive depositary receipts but not in definitive form. Definitive depositary receipts will be prepared without unreasonable delay, and temporary depositary receipts will be exchangeable for definitive depositary receipts without charge to the holder.

Dividends and Other Distributions

The depositary will distribute all cash dividends or other cash distributions received for the preferred stock to the entitled record holders of depositary shares in proportion to the number of depositary shares that the holder owns on the relevant record date, provided, however, that if we or the depositary are required by law to withhold an amount on account of taxes, then the amount distributed to the holders of depositary shares shall be reduced accordingly. The depositary will distribute only an amount that can be distributed without attributing to any holder of depositary shares a fraction of one cent. The depositary will add the undistributed balance to and treat it as part of the next sum received by the depositary for distribution to holders of the depositary shares.

If there is a non-cash distribution, the depositary will distribute property received by it to the entitled record holders of depositary shares, in proportion, insofar as possible, to the number of depositary shares owned by the holders, unless the depositary determines, after consultation with us, that it is not feasible to make such distribution. If this occurs, the depositary may, with our approval, sell such property and distribute the net proceeds from such sale to the holders. The deposit agreement also will contain provisions relating to how any subscription or similar rights that we may offer to holders of the preferred stock will be available to the holders of the depositary shares.

Withdrawal of Shares

Upon surrender of the depositary receipts at the corporate trust office of the depositary, unless the related depositary shares have previously been called for redemption, converted or exchanged into our other securities, the holder of the depositary shares evidenced thereby is entitled to delivery of the number of whole shares of the related class or series of preferred stock and any money or other property represented by such depositary shares. Holders of depositary receipts will be entitled to receive whole shares of the related class or series of preferred stock on the basis set forth in the prospectus supplement for such class or series of preferred stock, but holders of such whole shares of preferred stock will not thereafter be entitled to exchange them for depositary shares. If the depositary receipts delivered by the holder evidence a number of depositary shares in excess of the number of depositary shares representing the number of whole shares of preferred stock to be withdrawn, the depositary will deliver to such holder at the same time a new depositary receipt evidencing such excess number of depositary shares. In no event will fractional shares of preferred stock be delivered upon surrender of depositary receipts to the depositary.

Conversion, Exchange and Redemption

If any class or series of preferred stock underlying the depositary shares may be converted or exchanged, each record holder of depositary receipts representing the shares of preferred stock being converted or exchanged will have the right or obligation to convert or exchange the depositary shares represented by the depositary receipts.

Whenever we redeem or convert shares of preferred stock held by the depositary, the depositary will redeem or convert, at the same time, the number of depositary shares representing the preferred stock to be redeemed or converted. The depositary will redeem the depositary shares from the proceeds it receives from the corresponding redemption of the applicable series of preferred stock. The depositary will mail notice of redemption or conversion to the record holders of the depositary shares that are to be redeemed between 30 and 60 days before the date fixed for redemption or conversion. The redemption price per depositary share will be equal to the applicable fraction of the redemption price per share on the applicable class or series of preferred stock. If less than all the depositary shares are to be redeemed, the depositary will select which shares are to be redeemed by lot on a pro rata basis or by any other equitable method as the depositary may decide. After the redemption or conversion date, the depositary shares called for redemption or conversion will no longer be outstanding. When the depositary shares are no longer outstanding, all rights of the holders will end, except the right to receive money, securities or other property payable upon redemption or conversion.

Voting the Preferred Stock

When the depositary receives notice of a meeting at which the holders of the particular class or series of preferred stock are entitled to vote, the depositary will mail the particulars of the meeting to the record holders of the depositary shares. Each record holder of depositary shares on the record date may instruct the depositary on how to vote the shares of preferred stock underlying the holder’s depositary shares. The depositary will try, if practical, to vote the number of shares of preferred stock underlying the depositary shares according to the instructions. We will agree to take all reasonable action requested by the depositary to enable it to vote as instructed.

Amendment and Termination of the Deposit Agreement

We and the depositary may agree at any time to amend the deposit agreement and the depositary receipt evidencing the depositary shares. Any amendment that imposes or increases certain fees, taxes or

other charges payable by the holders of the depositary shares as described in the deposit agreement, or otherwise materially adversely affects any substantial existing rights of holders of depositary shares, will not take effect until such amendment is approved by the holders of at least a majority of the depositary shares then outstanding. Any holder of depositary shares that continue to hold its shares after such amendment has become effective will be deemed to have agreed to the amendment.

We may direct the depositary to terminate the deposit agreement by mailing a notice of termination of holders of depositary shares at least 30 days prior to termination. The depositary may terminate the deposit agreement if 90 days have elapsed after the depositary delivered written notice of its election to resign and a successor depositary is not appointed. In addition, the deposit agreement will automatically terminate if:

- the depositary has redeemed all related outstanding depositary shares;
- all outstanding shares of preferred stock have been converted into or exchanged for common stock; or
- we have liquidated, terminated or wound up our business and the depositary has distributed the preferred stock of the relevant series to the holders of the related depositary shares.

Reports and Obligations

The depositary will forward to the holders of depositary shares all reports and communications from us that are delivered to the depositary and that we are required by law, the rules of an applicable securities exchange or our amended and restated certificate of incorporation to furnish to the holders of the preferred stock. Neither we nor the depositary will be liable if the depositary is prevented or delayed by law or any circumstances beyond its control in performing its obligations under the deposit agreement. The deposit agreement limits our obligations to performance in good faith of the duties stated in the deposit agreement. The depositary assumes no obligation and will not be subject to liability under the deposit agreement except to perform such obligations as are set forth in the deposit agreement without negligence or bad faith. Neither we nor the depositary will be obligated to prosecute or defend any legal proceeding connected with any depositary shares or class or series of preferred stock unless the holders of depositary shares requesting us to do so furnish us with a satisfactory indemnity. In performing our obligations, we and the depositary may rely and act upon the advice of our counsel or accountants, on any information provided to us by a person presenting shares for deposit, any holder of a receipt, or any other document believed by us or the depositary to be genuine and to have been signed or presented by the proper party or parties.

Payment of Fees and Expenses

We will pay all fees, charges and expenses of the depositary, including the initial deposit of the preferred stock and any redemption of the preferred stock. Holders of depositary shares will pay taxes and governmental charges and any other charges as are stated in the deposit agreement for their accounts.

Resignation and Removal of Depositary

At any time, the depositary may resign by delivering notice to us, and we may remove the depositary at any time. Resignations or removals will take effect upon the appointment of a successor depositary and its acceptance of the appointment. The successor depositary must be appointed within 90 days after the delivery of the notice of resignation or removal and must be a bank or trust company having its principal office in the United States and having a combined capital and surplus of at least $50,000,000.

DESCRIPTION OF SUBORDINATED DEBT SECURITIES

General

Each series of subordinated debt securities will be issued under the subordinated indenture, as supplemented by a supplemental indenture for such series. The following is a summary of the material terms and provisions of the subordinated debt securities and the subordinated indenture. It summarizes only those portions of the subordinated debt securities and subordinated indenture that we believe will be most important to your decision to invest in the subordinated debt. You should keep in mind, however, that it is the subordinated indenture, and not this summary, that defines your rights. There may be other provisions in the subordinated indenture that are not described in this summary, which also are important to you. You should read the subordinated indenture itself for a full description of its terms. Both the subordinated indenture and a form of the supplemental indenture will be made publicly available in a filing we make with the SEC with respect to any offering we make of subordinated debt securities. See “Where You Can Find More Information” for information on how to obtain a copy of the form of the subordinated indenture and form of supplemental indenture.

Each series of subordinated debt securities will be our direct, unsecured obligations. The subordinated debt securities will be subordinated to all of our senior debt securities.

The prospectus supplement with respect to the issuance of subordinated securities will include a description of the specific terms of the subordinated debt securities. For a description of the terms of any series of the subordinated debt securities, you should refer to the applicable prospectus supplement.

The subordinated indenture does not limit the aggregate principal amount of subordinated debt securities that we may issue pursuant to that indenture. The subordinated indenture does not contain any provisions that would limit our ability to incur debt. The subordinated indenture also does not contain any provisions that protect the holders of the subordinated debt securities in the event that we engage in a highly leveraged transaction or other transaction in connection with a takeover attempt. Such a transaction could result in a decline in the credit rating of the subordinated debt securities.

Under the subordinated indenture, we have the ability to issue subordinated debt securities with terms different from any debt securities we have already issued, without the consent of the holders of any previously issued series of debt securities.

Denominations

Subordinated debt securities will be issued as registered securities in denominations and multiples thereof, as will be set forth in the applicable prospectus supplement.

Subordination

Our subordinated debt securities will be subordinated and junior in right of payment and upon liquidation to the following indebtedness, whether outstanding on the date of execution of the subordinated debt indenture or thereafter incurred, created or assumed:

- our indebtedness for money borrowed by us or evidenced by securities, debentures (other than the subordinated debt securities), bonds or similar instruments issued by us, including any of our mortgage bonds;
- our capital lease obligations;

- our obligations incurred for deferring the purchase price of property, with respect to conditional sales, or under any title retention agreement (but excluding trade accounts payable arising in the ordinary course of business);
- our obligations with respect to letters of credit, banker's acceptances, security purchase facilities or similar credit transitions; and
- all indebtedness of others of the type referred to in the four preceding clauses assumed by or guaranteed in any manner by us or in effect guaranteed by us.

Covenants

Under the subordinated indenture, we will:

- pay the principal of, and interest and any premium on, the subordinated debt securities when due;
- maintain a place of payment;
- deliver a report to the subordinated debt securities trustee at the end of each fiscal year reviewing our obligations under the indenture;
- maintain our properties in good condition,
- preserve our corporate existence;
- pay our taxes and other claims; and
- deposit sufficient funds with any paying agent on or before the due date for any principal, interest or premium.

Consolidations, Mergers and Sales

The subordinated indenture provides that we will not consolidate with, or merge with or into, any other entity, or convey, transfer or lease, or permit one or more of our subsidiaries to convey, transfer or lease, all or substantially all of their properties and assets on a consolidated basis to any other entity, unless we are the surviving corporation or:

- such other entity assumes by supplemental indenture all of our obligations under the indenture and the subordinated debt securities;
- no default or event of default is existing immediately after the transaction;
- the surviving entity is a corporation, partnership or trust organized and validly existing under the laws of the United States of America, any state of the United States of America or the District of Columbia; and
- certain other conditions are met.

Liens

Pursuant to the indenture, we will not, and will not permit any of our subsidiaries to, create, incur, issue or assume any debt secured by any lien on any property or assets owned by us or any of our subsidiaries, and we will not, and will not permit any of our subsidiaries to, create, incur, issue or assume any debt secured by any lien on any shares of stock or debt of any subsidiary (such shares of stock or debt of any subsidiary being called "restricted securities"), unless:

- in the case of new debt which is expressly by its terms subordinate or junior in right of payment to the subordinated debt securities, the subordinated debt securities are secured by a lien on such property or assets that is senior to the new lien with the same relative priority as such subordinated debt has with respect to the subordinated debt securities; or

- in the case of liens securing new debt that is ranked equally with the subordinated debt securities, the subordinated debt securities are secured by a lien on such property or assets that is equal and ratable with the new lien, except that any lien securing such subordinated debt securities may be junior to any lien on our accounts receivable, inventory and related contract rights securing debt under our revolving credit facility.

These restrictions do not prohibit us from creating any of the following liens:

(1) any liens on any of our property, assets or restricted securities or those of any subsidiary existing as of the date of the first issuance by us of the debt securities issued pursuant to the indenture, or such other date as may be specified in a prospectus supplement for any applicable series of debt securities issued pursuant to the indenture, subject to the provisions of subsection (8) below;

(2) liens on any property or assets or restricted securities of any corporation existing at the time such corporation becomes a subsidiary, or arising after such time (a) otherwise than in connection with the borrowing of money arranged after the corporation became a subsidiary and (b) pursuant to contractual commitments entered into prior to and not in contemplation of such corporation becoming a subsidiary;

(3) liens on any of our property, assets or restricted securities or those of any subsidiary existing at the time of acquisition of such property, assets or securing the payment of all or any part of the purchase price or construction cost of such property, assets or restricted securities, or securing any debt incurred prior to, at the time of or within 120 days after the later of the date of the acquisition of such property, assets or restricted securities or the completion of any such construction, for the purpose of financing all or any part of the purchase price or construction cost (subject to certain limitations);

(4) liens on any property or assets to secure all or any part of the cost of development, operation, construction, alteration, repair or improvement of all or any part of such property or assets or to secure debt incurred by us or any of our subsidiaries prior to, at the time of or within 120 days after, the completion of such development, operation, construction, alteration, repair or improvement, whichever is later, for the purpose of financing all or any related costs;

(5) liens in favor of the trustee for the benefit of the holders and subsequent holders of the debt securities securing the debt securities;

(6) liens secured by any of our property or assets or those of any subsidiary that comprise no more than 20 percent of Consolidated Net Tangible Assets (as defined under “Terms Described in the Indenture” below);

(7) liens that secure debt owing by a subsidiary to us or to another subsidiary;

(8) liens that secure senior indebtedness owing or any part thereof; and

(9) any extension, renewal, substitution or replacement in whole or in part, of any of the liens referred to above or the debt secured by the liens; provided that:

(a) such extension, renewal, substitution or replacement lien will be limited to all or any part of the same property, assets or restricted securities that secured the prior lien plus improvements on such property and plus any other property or assets not then owned by us or one of our subsidiaries or constituting restricted securities; and

(b) in the case of items (1) through (3) above, the debt secured by such lien at such time is not increased.

If we give a guarantee that is secured by a lien on any property or assets or restricted securities, or create a lien on any property or assets or restricted securities to secure debt that existed prior to the creation of such lien, the indenture will deem that we have created debt in an amount equal to the principal amount guaranteed or secured by such lien. The amount of debt secured by liens on property, assets and restricted securities will be computed without cumulating the indebtedness with any guarantee or lien securing the same indebtedness.

Election to Defer Payments of Interest

We have the right, at any time during the term of subordinated debt securities, to defer payment of interest by extending the interest payment period of the subordinated debt securities. If we have given notice of our election to defer payments or interest on subordinated debt securities issued to a trust or a related subordinated debt securities trustee by extending the interest payment period as provided in the indenture, then:

(1) We will not, and will cause any subsidiary that is our wholly-owned subsidiary not to, declare or pay dividends on, or make a distribution with respect to or redeem, purchase or acquire, or make a liquidation payment with respect to, any of our capital stock or the capital stock of any such subsidiary; and

(2) We will not make any payment of interest, principal or premium, on or repay, repurchase or redeem any subordinated debt securities issued by us that rank equally with or junior to such subordinated debt securities.

The restriction in paragraph (1) above does not apply to any stock dividends paid by us, or any of our subsidiaries, where the dividend stock is the same as the stock on which the dividend is being paid.

Events of Default

The subordinated indenture provides that any one of the following events is an event of default:

- failure to pay any interest due on any subordinated debt security for thirty days;
- failure to pay the principal of, or any premium on, any subordinated debt security when due, whether at maturity, upon redemption, by declaration or otherwise;
- failure to make any sinking fund payment (if applicable);
- failure to perform any other covenant or agreement in the indenture, which continues for 60 days after written notice is given to us by the subordinated debt securities trustee or the holders of at least 25 percent of the outstanding subordinated debt securities of that series;

- failure to pay principal of, or premium on, any of our indebtedness or indebtedness of any of our subsidiaries in excess of ten percent of our consolidated net worth (the sum of stockholder's equity, preferred stock and minority interests), provided that (i) the indebtedness has already become due and payable at its stated maturity or (ii) the failure results in the acceleration of the maturity of the indebtedness;

- certain events in any bankruptcy, insolvency or reorganization of us or any of our assets; or

- any other event of default listed in the supplemental indenture for a series of subordinated debt securities.

We are required to file annually with the subordinated debt securities trustee an officer's certificate as to our compliance with all conditions and covenants under the indenture. The indenture permits the subordinated debt securities trustee to withhold notice to the holders of subordinated debt securities of any default, except in the case of a failure to pay the principal of (or premium, if any), or interest on, such subordinated debt securities, or the payment of any sinking fund installment with respect to such securities if the subordinated debt securities trustee considers it in the interest of the holders of subordinated debt securities to do so.

If an event of default, other than certain events with respect to our bankruptcy, insolvency and reorganization, or the dissolution, winding-up or termination of the applicable trust, occurs and is continuing with respect to the subordinated debt securities, the subordinated debt securities trustee or the holders of at least 25 percent in principal amount of the outstanding subordinated debt securities of that series may declare the outstanding subordinated debt securities of that series due and payable immediately. If our bankruptcy, insolvency or reorganization, or the dissolution, winding-up or termination of the applicable trust, causes an event of default for subordinated debt securities of a particular series, then the principal of all the outstanding subordinated debt securities of that series, and accrued and unpaid interest thereon, will automatically be due and payable without any act on the part of the subordinated debt securities trustee or any holder.

If an event of default with respect to a particular series of subordinated debt securities occurs and is continuing, the subordinated debt securities trustee will be under no obligation to exercise any of its rights or powers under the subordinated debt securities indenture at the request or direction of any of the holders of subordinated debt securities of such series (other than certain duties listed in the indenture), unless such holders offer to the subordinated debt securities trustee reasonable indemnity and security against the costs, expenses and liabilities that might be incurred by the subordinated debt securities trustee to comply with the holders' request. If they provide this indemnity to the subordinated debt securities trustee, the holders of a majority in principal amount of the outstanding subordinated debt securities of such series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the subordinated debt securities trustee under the indenture, or exercising any trust or power given to the subordinated debt securities trustee with respect to the subordinated debt securities of that series. The subordinated debt securities trustee may refuse to follow directions in conflict with law or the indenture that may subject the subordinated debt securities trustee to personal liability or may be unduly prejudicial to holders not joining in such directions.

The holders of not less than a majority in principal amount of any series of the outstanding subordinated debt securities may, on behalf of the holders of all the subordinated debt securities of such series waive any past default under the indenture with respect to such series and its consequences (other than defaults resulting from our bankruptcy, insolvency or reorganization, or the dissolution, winding-up or termination of the applicable trust, which may be waived by the holders of not less than a majority in principal amount of all securities outstanding under the indenture), except a default:

- in the payment of the principal of (or premium, if any) or interest on or additional amounts payable in respect of any subordinated debt security of any series unless such default has been cured and a sum sufficient to pay all matured installments of interest and principal due otherwise than by acceleration and any subordinated debt securities premium has been deposited with the subordinated debt securities trustee; or

- in respect of a covenant or provision that cannot be modified or amended without the consent of the holder of each outstanding subordinated debt security of such series affected by the modification or amendment.

Modification or Waiver

We and the subordinated debt securities trustee may modify and amend the subordinated indenture with the consent of the holders of not less than a majority in principal amount of all outstanding subordinated debt securities of any series of subordinated debt securities that is affected by such modification or amendment. The consent of the holder of each outstanding subordinated debt security of a series is required in order to:

- change the stated maturity of the principal of (or premium, if any), or any installment of principal or interest on, any subordinated debt security of such series;

- reduce the principal amount or the rate of interest on or any additional amounts payable, or any premium payable upon the redemption of such series;

- change our obligation to pay additional amounts in respect of any subordinated debt security of such series;

- reduce the amount of principal of a subordinated debt security that is an original issue discount security and would be due and payable upon a declaration of acceleration of the maturity of that subordinated debt security;

- adversely affect any right of repayment at the option of the holder of any subordinated debt security of such series;

- change the place or currency of payment of principal of, or any premium or interest on, any subordinated debt security of such series;

- impair the right to institute suit for the enforcement of any such payment on or after the stated maturity of the subordinated debt security or any redemption date or repayment date for the subordinated debt security;

- reduce the percentage in principal amount of outstanding subordinated debt securities of such series necessary to modify or amend the indenture or to consent to any waiver under the subordinated indenture or reduce the requirements for voting or quorum described below; or

- modify the requirements for waiver of past default or modify any of the above requirements, except to increase any percentage required or to provide that other provisions of the indenture that affect such series cannot be modified or waived without the consent of the holder of each outstanding debt security of such series.

We and the subordinated debt securities trustee may modify and amend the subordinated indenture without the consent of any holder for the following purposes:

- to evidence the succession of another entity to us as obligor under the subordinated indenture;

- to add to our covenants for the benefit of the holders of all or any series of subordinated debt securities;
- to add events of default for the benefit of the holders of all or any series of subordinated debt securities;
- to add or change any provisions of the subordinated indenture to facilitate the issuance of bearer securities;
- to change or eliminate any provisions of the subordinated indenture but only if any such change or elimination will become effective only when there are no outstanding subordinated debt securities of any series created prior to the change or elimination that is entitled to the benefit of such provision;
- to establish the form or terms of subordinated debt securities of any other series;
- secure the subordinated debt securities;
- to provide for the acceptance of appointment by a successor trustee or facilitate the administration of the trust under the subordinated indenture by more than one trustee; or
- to change the subordinated indenture with respect to the authentication and delivery of additional series of subordinated debt securities, in order to cure any ambiguity, defect or inconsistency in the subordinated indenture, but only if such action does not adversely affect the interest of holders of subordinated debt securities of any series in any material respect.

The subordinated indenture contains provisions for convening meetings of the holders of subordinated debt securities of a series if subordinated debt securities of that series are issuable as bearer securities. A meeting may be called at any time by the subordinated debt securities trustee, by us or by the holders of at least ten percent in principal amount of the subordinated debt securities of such series outstanding. In any case, notice must be given as provided in the indenture. Any resolution presented at a meeting or duly reconvened adjourned meeting at which a quorum is present may be adopted by the affirmative vote of the holders of a majority in principal amount of the subordinated debt securities of that series, except for any consent that must be given by the holder of each subordinated debt security affected, as described above in this section. Any resolution passed or decision made in accordance with the subordinated indenture at any duly held meeting of holders of subordinated debt securities of that series will be binding on all holders of the subordinated debt securities of that series. The quorum at any meeting called to adopt a resolution, and at any reconvened meeting, will consist of persons entitled to vote a majority in principal amount of the subordinated debt securities of a series outstanding, unless a specified percentage in principal amount of the subordinated debt securities of a series outstanding is required for the consent or waiver, then the persons entitled to vote such specified percentage in principal amount of the outstanding subordinated debt securities of such series will constitute a quorum. If, however, any action is to be taken at a meeting of holders of subordinated debt securities of any series with respect to any request, demand, authorization, direction, notice, consent, waiver or other action that the indenture expressly provides may be made, given or taken by the holders of a specified percentage in principal amount of all outstanding subordinated debt securities affected, or of the holders of such series of subordinated debt securities and one or more additional series, then:

- there will be no minimum quorum requirement for such meeting; and
- the principal amount of the outstanding subordinated debt securities of such series that vote in favor of such request, demand, authorization, direction, notice, consent, waiver or other action will be taken into account in determining whether such request, demand,

authorization, direction, notice, consent, waiver or other action has been made, given or taken under the subordinated indenture.

Defeasance and Covenant Defeasance

We may elect either (i) to defease and be discharged from any and all obligations with respect to the subordinated debt securities (except as otherwise provided in the subordinated indenture) ("defeasance") or (ii) to be released from our obligations with respect to certain covenants that are described in the subordinated indenture ("covenant defeasance"), upon the deposit with the subordinated debt securities trustee, in trust for such purpose, of money and/or specified government obligations that through the payment of principal, premium, if any, and interest in accordance with their terms will provide money in an amount sufficient, without reinvestment, to pay the principal of, premium, if any, and interest on the subordinated debt securities of such series to maturity or redemption, as the case may be, and any mandatory sinking fund or analogous payments thereon. As a condition to defeasance or covenant defeasance, we must deliver to the subordinated debt securities trustee an opinion of counsel to the effect that the holders of the subordinated debt securities of such series will not recognize income, gain or loss for United States federal income tax purposes as a result of such defeasance or covenant defeasance and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such defeasance or covenant defeasance had not occurred. Such opinion of counsel, in the case of defeasance under clause (i) above, must refer to and be based upon a ruling of the Internal Revenue Service or a change in applicable United States federal income tax law occurring after the date of the applicable prospectus supplement.

We may exercise our defeasance option with respect to the subordinated debt securities of any series notwithstanding our prior exercise of our covenant defeasance option. If we exercise our defeasance option, payment of the subordinated debt securities of such series may not be accelerated because of an event of default. If we exercise our covenant defeasance option, payment of the subordinated debt securities of such series may not be accelerated by reference to any covenant from which we are released as described under clause (ii) above. However, if acceleration were to occur for other reasons, the realizable value at the acceleration date of the money and government obligations in the defeasance trust could be less than the principal and interest then due on the subordinated debt securities of such series, in that the required deposit in the defeasance trust is based upon scheduled cash flow rather than market value, which will vary depending upon interest rates and other factors.

Financial Information

While any of the subordinated debt securities are outstanding, we will file with the SEC, to the extent permitted under the Exchange Act, the annual reports, quarterly reports and other documents otherwise required to be filed with the SEC pursuant to Section 13(a) or 15(d) of the Exchange Act even if we stop being subject to those sections, and we will also provide to all holders and file with the trustees copies of such reports and documents within 15 days after filing them with the SEC or, if our filing such reports and documents with the SEC is not permitted under the Exchange Act, within 15 days after we would have been required to file such reports and documents if permitted, in each case at our cost.

Payment, Registration and Transfer

Unless we specify otherwise in a prospectus supplement, we will pay principal, interest and any premium on the subordinated debt securities, and they may be surrendered for payment or transferred, at the offices of the subordinated debt securities trustee. We will make payment on registered subordinated debt securities by checks mailed to the persons in whose names the subordinated debt securities are registered or by transfer to an account maintained by the registered holder on days specified in the

subordinated indenture or any prospectus supplement. If we make subordinated debt securities payments in other forms, we will specify the form and place in a prospectus supplement.

We will maintain a corporate trust office of the trustee or another office or agency for the purpose of transferring or exchanging fully registered subordinated debt securities, without the payment of any service charge except for any tax or governmental charge.

In the event of any redemption of subordinated debt securities, we will not be required to:

- issue, register the transfer of or exchange subordinated debt securities of any series during a period beginning at the opening of business 15 days before any selection of subordinated debt securities of that series to be redeemed and ending at the close of business on (a) the day of mailing of the relevant notice of redemption if subordinated debt securities of the series are issuable only as registered subordinated debt securities, (b) the day of mailing of the relevant notice of redemption if the subordinated debt securities of the series are also issuable as registered subordinated debt securities and there is no publication, and (c) the day of the first publication of the relevant notice of redemption if the subordinated debt securities are issuable as bearer securities;

- register the transfer of or exchange any registered security, or portion thereof, called for redemption, except the unredeemed portion of any registered security being redeemed in part; or

- issue, register the transfer of or exchange any subordinated debt securities that have been surrendered for repayment at the option of the holder, except any portion not to be repaid.

Governing Law

The subordinated debt securities and the subordinated indenture will be governed by, and construed in accordance with, the laws of the State of New York, without regard to the conflict of laws provisions thereunder.

Information Concerning the Subordinated Debt Securities Trustee

Prior to the occurrence of a default with respect to the subordinated indenture and after the curing or waiving of all events of default with respect to the subordinated indenture, the subordinated debt securities trustee undertakes to perform only those duties as are specifically set forth in the subordinated indenture. In case an event of default has occurred and has not been cured or waived, the trustee will exercise the same degree of care and skill as a prudent individual would exercise or use in the conduct of his or her own affairs. Subject to these provisions, the subordinated debt securities trustee is under no obligation to exercise any of the powers vested in it by the subordinated indenture at the request of any holder of subordinated debt securities unless it is offered reasonable indemnity against the costs, expenses and liabilities which might be incurred through the exercise of those powers.

We and certain of our affiliates may, from time to time, maintain a banking relationship with the subordinated debt securities trustee.

Miscellaneous

We will have the right at all times to assign any of our rights or obligations under the subordinated indenture to one of our direct or indirect wholly-owned subsidiaries. In the event of such an assignment, we will remain liable for all of its obligations. The subordinated indenture otherwise will be binding upon and exist for the benefit of the parties to the subordinated debt securities indenture and their successors and assigns. The subordinated indenture provides that it may not otherwise be assigned by the parties thereto.

DESCRIPTION OF GLOBAL SECURITIES

Book-Entry, Delivery and Form

Unless we indicate differently in a supplemental prospectus, when we issue the debt securities, warrants, common stock, preferred stock, stock purchase contracts, stock purchase units or depositary shares (the "securities"), the securities initially will be issued in book-entry form and represented by one or more global notes or global securities (collectively, "global securities"). The global securities will be deposited with, or on behalf of, The Depositary Trust Company, New York, New York, as depositary ("DTC"), and registered in the name of Cede & Co., the nominee of DTC. Unless and until it is exchanged for individual certificates evidencing securities under the limited circumstances described below, a global security may not be transferred except as a whole by the depositary to its nominee or by the nominee to the depositary, or by the depositary or its nominee to a successor depositary or to a nominee of the successor depositary.

DTC has advised each of the issuing companies that it is:

- a limited-purpose trust company organized under the New York Banking Law;
- a "banking organization" within the meaning of the New York Banking Law;
- a member of the Federal Reserve System; and
- a "clearing corporation" within the meaning of the New York Uniform Commercial Code; and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act.

DTC holds securities that its participants deposit with DTC. DTC also facilitates the settlement among its participants of securities transactions, including transfers and pledges, in deposited securities through electronic computerized book-entry changes in participants' accounts, which eliminates the need for physical movement of securities certificates. "Direct participants" in DTC include securities brokers and dealers, including underwriters, banks, trust companies, clearing corporations and other organizations. DTC is owned by a number of its direct participants and by the New York Stock Exchange, Inc., the American Stock Exchange LLC and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others, which we sometimes refer to as "indirect participants," that clear transactions through or maintain a custodial relationship with a direct participant either directly or indirectly. The rules applicable to DTC and its participants are on file with the SEC.

Purchases of securities within the DTC system must be made by or through direct participants, which will receive a credit for those securities on DTC's records. The ownership interest of the actual purchaser of a security, which we sometimes refer to as a "beneficial owner," is in turn recorded on the direct and indirect participants' records. Beneficial owners of securities will not receive written confirmation from DTC of their purchases. However, beneficial owners are expected to receive written confirmations providing details of their transactions, as well as periodic statements of their holdings, from the direct or indirect participants through whom they purchased securities. Transfers of ownership interests in global securities are to be accomplished by entries made on the books of participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interests in the global securities except under the limited circumstances described below.

To facilitate subsequent transfers, all global securities deposited with DTC will be registered in the name of DTC's nominee, Cede & Co. The deposit of securities with DTC and their registration in the

name of Cede & Co. will not change the beneficial ownership of the securities. DTC has no knowledge of the actual beneficial owners of the securities. DTC's records reflect only the identity of the direct participants to whose accounts the securities are credited, which may or may not be the beneficial owners. The participants are responsible for keeping account of their holdings on behalf of their customers.

So long as the securities are in book-entry form, you will receive payments and may transfer securities only through the facilities of the depositary and its direct and indirect participants. The company issuing the securities shall maintain in the Borough of Manhattan, the City of New York, an office or agency (which may be an office of the Trustee or an affiliate of the Trustee, registrar or co-registrar) where the securities may be surrendered for registration of transfer or for exchange and where notices and demands to or upon the company issuing the securities may be served. The address for Trustee's affiliate is The Bank of New York Mellon, N.A., 101 Barclay Street, 7 East, New York, New York 10286.

Conveyance of notices and other communications by DTC to direct participants, by direct participants to indirect participants and by direct participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any legal requirements in effect from time to time.

Redemption notices will be sent to DTC or its nominee. If less than all of the securities of a particular series are being redeemed, DTC will determine the amount of the interest of each direct participant in the securities of such series to be redeemed in accordance with DTC's procedures.

In any case where a vote may be required with respect to securities of a particular series, neither DTC nor Cede & Co. will give consents for or vote the global securities. Under its usual procedures, DTC will mail an omnibus proxy to us as soon as possible after the record date. The omnibus proxy assigns the consenting or voting rights of Cede & Co. to those direct participants to whose accounts the securities of such series are credited on the record date identified in a listing attached to the omnibus proxy.

So long as securities are in book-entry form, the company issuing such securities will make payments on those securities to the depositary or its nominee, as the registered owner of such securities, by wire transfer of immediately available funds. If securities are issued in definitive certificated form under the limited circumstances described below, the company issuing the securities will have the option of paying interest by check mailed to the addresses of the persons entitled to payment or by wire transfer to bank accounts in the United States designated in writing to the applicable trustee at least 15 days before the applicable payment date by the persons entitled to payment.

Principal and interest payments on the securities will be made to Cede & Co., as nominee of DTC. DTC's practice is to credit direct participants' accounts on the relevant payment date unless DTC has reason to believe that it will not receive payment on the payment date. Payments by direct and indirect participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with securities held for the account of customers in bearer form or registered in "street name." Those payments will be the responsibility of participants and not of DTC or us, subject to any legal requirements in effect from time to time. Payment of principal and interest to Cede & Co. is our responsibility, disbursement of payments to direct participants is the responsibility of DTC and disbursement of payments to the beneficial owners is the responsibility of direct and indirect participants.

Except under the limited circumstances described below, purchasers of securities will not be entitled to have securities registered in their names and will not receive physical delivery of securities. Accordingly, each beneficial owner must rely on the procedures of DTC and its participants to exercise any rights under the securities and the applicable indenture.

The laws of some jurisdictions may require that some purchasers of securities take physical delivery of securities in definitive form. Those laws may impair the ability to transfer or pledge beneficial interests in securities.

DTC is under no obligation to provide its services as depositary for the securities and may discontinue providing its services at any time. Neither the company issuing the securities nor the applicable trustee will have any responsibility for the performance by DTC or its direct participants or indirect participants under the rules and procedures governing DTC. As noted above, beneficial owners of a particular series of securities generally will not receive certificates representing their ownership interests in those securities. However, if DTC notifies the company issuing such securities that it is unwilling or unable to continue as a depositary for the global security or securities representing such series of securities or if DTC ceases to be a clearing agency registered under the Exchange Act at a time when it is required to be registered and a successor depositary is not appointed within 90 days of the notification to us or of our becoming aware of DTC's ceasing to be so registered, as the case may be; the company issuing such securities determines, in its sole discretion, not to have such securities represented by one or more global securities; or an Event of Default under the applicable indenture has occurred and is continuing with respect to such series of securities, the company issuing such securities will prepare and deliver certificates for such securities in exchange for beneficial interests in the global securities. Any beneficial interest in a global security that is exchangeable under the circumstances described in the preceding sentence will be exchangeable for securities in definitive certificated form registered in the names that the depositary directs. We expect that these directions will be based upon directions received by the depositary from its participants with respect to ownership of beneficial interests in the global securities.

PLAN OF DISTRIBUTION

We may sell the securities in one or more of the following ways from time to time: (i) to underwriters for resale to the public or to institutional investors; (ii) directly to institutional investors; or (iii) through agents to the public or to institutional investors. The prospectus supplement with respect to each series of securities will set forth the terms of the offering of such securities, including the name or names of any underwriters or agents, the purchase price of such securities, and the proceeds to us from such sale, any underwriting discounts or agency fees and other items constituting underwriters' or agents' compensation, any initial public offering price, any discounts or concessions allowed or reallowed or paid to dealers and any securities exchange on which such securities may be listed.

If underwriters participate in the sale, such securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The securities may be offered to the public either through underwriting syndicates represented by one or more managing underwriters or directly by one or more of those firms. The specific managing underwriter or underwriters, if any, will be named in the prospectus supplement relating to the particular securities together with the members of the underwriting syndicate, if any.

Unless otherwise set forth in the applicable prospectus supplement, the obligations of the underwriters to purchase any series of securities will be subject to certain conditions precedent and the underwriters will be obligated to purchase all of such securities being offered, if any are purchased.

We may sell the securities directly or through agents we designate from time to time. The applicable prospectus supplement will set forth the name of any agent involved in the offer or sale of the securities in respect of which such prospectus supplement is delivered and any commissions payable by us to such agent. Unless otherwise indicated in the applicable prospectus supplement, any agent will be acting on a best efforts basis for the period of its appointment.

Underwriters and agents may be entitled under agreements entered into with us to indemnification against certain civil liabilities, including liabilities under the Securities Act of 1933 (the "Securities Act"). Underwriters and agents may engage in transactions with, or perform services for, us in the ordinary course of business.

Each series of securities will be a new issue of securities and will have no established trading market. Any underwriters to whom securities are sold for public offering and sale may make a market in such securities, but such underwriters will not be obligated to do so and may discontinue any market making at any time without notice. The securities may or may not be listed on a national securities exchange.

LEGAL MATTERS

Legal matters with respect to the securities offered under this prospectus will be passed upon for us by Locke Lord Bissell & Liddell LLP, Washington, D.C. Legal counsel to any underwriters, dealers or agents may pass upon legal matters for such underwriters, dealers or agents.

EXPERTS

The financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated into this Registration Statement on Form S-3 by reference to the Annual Report on Form 10-K of Southern Union Company for the year ended December 31, 2008 have been so

incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

The financial statements of Citrus Corp. incorporated into this Registration Statement on Form S-3 by reference to the Annual Report on Form 10-K of Southern Union Company for the year ended December 31, 2008 have been so incorporated in reliance on the reports of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

PROSPECTUS

PANHANDLE EASTERN PIPE LINE COMPANY, LP

DEBT SECURITIES

Panhandle Eastern Pipe Line Company, LP may offer from time to time to sell debt securities consisting of debentures, notes or other evidence of indebtedness in one or more offerings.

This prospectus provides you with a general description of the securities we may offer. Each time we sell securities, we will provide a prospectus supplement to this prospectus that contains specific information about the offering and the terms of the securities. The prospectus supplement may also add, update or change information contained in this prospectus. You should carefully read this prospectus and any accompanying prospectus supplement before you invest in any of our securities. This prospectus may not be used to sell securities unless accompanied by a prospectus supplement that describes the method and terms of the related offering.

Investing in these securities involves risks. You should carefully consider the information referred to under the heading "Risk Factors" beginning on page 6.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

This prospectus may not be used to sell securities unless accompanied by a prospectus supplement.

We may offer and sell these securities to or through one or more underwriters, dealers or agents, or directly to purchasers, on an immediate, continuous or delayed basis. We will set forth in the related prospectus supplement the name of the underwriters, dealers or agents, the discount or commission received by them from us as compensation, our other expenses for the offering and sale of these securities and the net proceeds we receive from the sale.

This prospectus is dated November 5, 2009

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement on Form S-3 that we filed with the Securities and Exchange Commission, or SEC, using a "shelf" registration process. Under this shelf registration process, we may sell any combination of the securities described in this prospectus in one or more offerings. The exhibits to our registration statement contain the full text of certain contracts and other important documents that we have summarized in this prospectus. Since these summaries may not contain all the information that you may find important in deciding whether to purchase the securities we offer, you should review the full text of these documents. The registration statement and the exhibits can be obtained from the SEC as indicated under the heading "Where You Can Find More Information."

Each time we sell securities, we will provide a prospectus supplement that will contain specific information about the securities offered and the terms of that offering. The prospectus supplement may also add to, update or change information contained in this prospectus and, accordingly, to the extent inconsistent, information in this prospectus is superseded by the information in the prospectus supplement.

The prospectus supplement to be attached to the front of this prospectus may describe, as applicable:

- the terms of the securities offered;
- the initial public offering price;
- the price paid for the securities;
- the net offering proceeds; and
- the other specific terms related to the offering of the offered securities.

When acquiring any securities discussed in this prospectus, you should rely only on the information provided in this prospectus and the accompanying prospectus supplement, including the information incorporated by reference herein and therein. We have not authorized anyone to provide you with different information. We are not offering the securities in any state or jurisdiction where the offer is not permitted. You should not assume that the information in this prospectus, any accompanying prospectus supplement or any document incorporated by reference herein or therein is accurate and complete as of any date other than the date on the front cover page of those documents.

As described in more detail below under "Where You Can Find More Information," we and Southern Union, our parent company, separately file annual, quarterly and current reports with the SEC. However, only the information related to Panhandle and its consolidated subsidiaries is incorporated by reference in this prospectus. You should not rely on any information relating to Southern Union or its subsidiaries (other than the information provided separately by Panhandle or the subsidiaries of Panhandle) in determining whether to invest in any securities offered hereby. The securities are not guaranteed by Southern Union or any of its or our subsidiaries. None of those entities has any obligation to make any capital contribution or to advance funds to us for the purpose of paying the principal of, or premium, if any, and interest on the securities or any other amount that may be required to be paid under any indenture, preventing or curing an event of default under the terms of any indenture, complying with any other obligation under any indenture or the securities or otherwise.

Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus to "we," "us," "our" or similar references mean Panhandle Eastern Pipe Line Company, LP (*Panhandle* or the *Company*). References to "Southern Union" refer only to Southern Union Company and not any of its subsidiaries unless otherwise specified or the context requires otherwise.

WHERE YOU CAN FIND MORE INFORMATION

We file, and as required under the terms of the indenture will continue to file, annual, quarterly and current reports and other information with the SEC. Our SEC filings are available to the public from the SEC's Internet site at http://www.sec.gov or from our Internet site at http://www.sug.com. You also may read and copy any document we file at the SEC's public reference room in Washington, D.C., located at 100 F Street, N.E., Washington D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. The SEC also maintains a website that contains reports and other information regarding registrants that file electronically with the SEC (http://www.sec.gov). Information about us is also available at our Internet site at http://www.panhandleenergy.com. However, the information on our Internet site is not a part of, and is not incorporated into, this prospectus.

The SEC allows us to "incorporate by reference" in this prospectus the information in the documents that we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be a part of this prospectus, and information in documents that we subsequently file with the SEC will automatically update and supersede information contained in documents filed earlier with the SEC or contained in this prospectus. We incorporate by reference in this prospectus the documents listed below and any future filings that we may make with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), until we sell all of the securities that may be offered by this prospectus; provided, however, that we are not incorporating any information furnished under either Item 2.02 or Item 7.01 of any Current Report on Form 8-K.

- Panhandle's annual report on Form 10-K for the fiscal year ended December 31, 2008.
- Panhandle's quarterly reports on Form 10-Q for the quarterly periods ended March 31, 2009, June 30, 2009, and September 30, 2009.
- Panhandle's current report on Form 8-K filed on May 28, 2009.

You may request a copy of these filings (other than exhibits to such filings, unless the exhibits are specifically incorporated by reference in such filings) at no cost to you by calling (713) 989-2000 or writing to the following address:

Panhandle Eastern Pipe Line Company, LP
5444 Westheimer Road
Houston, Texas 77056
Attn: Investor Relations

A WARNING ABOUT FORWARD-LOOKING STATEMENTS

This prospectus contains some forward-looking statements that set forth anticipated results based on our management's plans and assumptions. From time to time, we also provide forward-looking statements in other materials we release to the public as well as oral forward-looking statements. Such statements give our current expectations or forecasts of future events; they do not relate strictly to historical or current facts. We have tried, wherever possible, to identify such statements by using words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "will" and similar expressions in connection with any discussion of future operating or financial performance. In particular, these include statements relating to future actions, future performance or results of current and anticipated products, expenses, interest rates, the outcome of contingencies, such as legal proceedings, and financial results.

We cannot guarantee that any forward-looking statement will be realized, although our management believes that we have been prudent in our plans and assumptions. Achievement of future results is subject to risks, uncertainties and potentially inaccurate assumptions. If known or unknown risks or uncertainties should materialize, or if underlying assumptions should prove inaccurate, actual results could differ materially from past results and those anticipated, estimated or projected. You should bear this in mind as you consider forward-looking statements.

We undertake no obligation publicly to update forward-looking statements, whether as a result of new information, future events or otherwise. You are advised, however, to consult any further disclosures we make on related subjects in our Form 10-K, 10-Q and 8-K reports to the SEC. Also note that we provide cautionary discussion of risks, uncertainties and possibly inaccurate assumptions relevant to our businesses in our reports to the SEC on Forms 10-K, 10-Q and 8-K incorporated by reference herein and in prospectus supplements and other offering materials. These are factors that, individually or in the aggregate, management believes could cause our actual results to differ materially from expected and historical results. We note these factors for investors as permitted by the Private Securities Litigation Reform Act of 1995. You should understand that it is not possible to predict or identify all such factors. Consequently, you should not consider such disclosures to be a complete discussion of all potential risks or uncertainties.

ABOUT PANHANDLE

We own and operate a large natural gas open-access interstate pipeline network, consisting of approximately 10,000 miles of interstate pipeline and a liquefied natural gas (LNG) regasification plant. The pipeline network, consisting of the Panhandle transmission system, the Trunkline Gas Company transmission system and the Sea Robin transmission system, serves customers in the Midwest and Southwest with a comprehensive array of transportation and storage services.

Our Panhandle transmission system consists of four large diameter pipelines, extending approximately 1,300 miles from producing areas in the Anadarko Basin of Texas, Oklahoma and Kansas through Missouri, Illinois, Indiana, Ohio and into Michigan. This system is comprised of approximately 6,000 miles of pipeline.

Our Trunkline Gas Company transmission system consists of two large diameter pipelines, extending approximately 1,400 miles from the Gulf Coast areas of Texas and Louisiana through Arkansas, Mississippi, Tennessee, Kentucky, Illinois and Indiana to a point on the Indiana-Michigan border. This system is comprised of approximately 3,500 miles of pipeline.

Our Sea Robin transmission system consists of two offshore Louisiana natural gas supply systems extending approximately 81 miles into the Gulf of Mexico. This system is comprised of approximately 400 miles of pipeline.

In connection with our gas transmission and storage systems, we have five gas storage fields located in Illinois, Kansas, Louisiana, Michigan and Oklahoma. Southwest Gas Storage operates four of these fields and Trunkline operates one.

Our pipelines have a combined peak day delivery capacity of 5.5 billion cubic feet (Bcf) per day and approximately 68.1 Bcf of owned underground storage capacity.

We own and operate an LNG import terminal located on Louisiana's Gulf Coast, which has current sustainable send out capacity of approximately 1.8 Bcf per day and has 9 Bcf of above-ground LNG storage capacity.

Most of our operations, including our rates and other terms for the services that we provide, are primarily regulated by the Federal Energy Regulatory Commission. We began operation in 1929 and are a Delaware limited partnership. Our principal executive offices are located at 5444 Westheimer Road, Houston, Texas 77056-5306, and our telephone number is (713) 989-7000.

ABOUT SOUTHERN UNION COMPANY

We were acquired in June 2003 by Southern Union, one of the nation's leading diversified natural gas companies. In addition to owning us, Southern Union, through Citrus Corp., also owns a 50% interest in and operates Florida Gas Transmission Company, which has an open-access interstate pipeline system with a mainline capacity of 2.1 Bcf per day extending approximately 4,900 miles from south Texas through the Gulf Coast region to south Florida. Through Southern Union Gas Services, with approximately 4,900 miles of pipelines, Southern Union is engaged in the gathering, treating, processing and redelivery of natural gas and natural gas liquids in Texas and New Mexico. Through Southern Union's local distribution companies, Missouri Gas Energy and New England Gas Company, Southern Union also serves more than half a million natural gas end-user customers in Missouri and Massachusetts.

RISK FACTORS

Investing in our securities involves risks. You should carefully consider the information under the heading “Risk Factors” in the following documents before investing in any of our securities:

- any prospectus supplement relating to any securities we are offering;
- our annual report on Form 10-K for the fiscal year ended December 31, 2008, which is incorporated by reference into this prospectus;
- our quarterly reports on Form 10-Q for the quarterly periods ending on March 31, 2009, June 30, 2009, and September 30, 2009, which are incorporated by reference into this prospectus; and
- documents we file with the SEC after the date of this prospectus and which are deemed incorporated by reference into this prospectus.

DESCRIPTION OF THE DEBT SECURITIES

General

The debt securities will be issued under the indenture between Panhandle and The Bank of New York Mellon Trust Company, N.A. (as successor to The Bank of New York Trust Company, N.A., J.P. Morgan Trust Company, National Association, Bank One Trust Company, National Association, and NBD Bank), as trustee, dated as of March 29, 1999 (the “indenture”). Because this section is a summary, it does not describe every aspect of the indenture. This summary is subject to, and qualified in its entirety by reference to, all of the provisions of the indenture, including definitions of certain terms. You may obtain a copy of the indenture by requesting one from us or the trustee.

There is no limit on the aggregate principal amount of debt securities that may be issued under the indenture and we may issue debt securities under the indenture, from time to time, in one or more series. We may “reopen’ any series of debt securities and issue additional debt securities at any time.

Each time that we issue a new series of debt securities, the prospectus supplement or term sheet relating to that new series will describe the particular amount, price and other terms of those debt securities. These terms may include:

- the title of the debt securities;
- any limit on the total principal amount of the debt securities;
- the date or dates on which the principal of the debt securities will be payable;
- the rate or rates at which the debt securities will bear interest, if any, or the method by which such rate or rates will be determined, and the date or dates from which any such interest will accrue;
- the date or dates on which any such interest will be payable and the record dates, if any, for any such interest payments;
- if applicable, whether we may extend the interest payment periods and, if so, the permitted duration of any such extensions;
- any obligation we may have to redeem or purchase the debt securities pursuant to any sinking fund, purchase fund or similar provision or at the option of the holder and the terms and

conditions on which the debt securities may be redeemed or purchased pursuant to an obligation;

- any subordination of the debt securities to any of our other indebtedness;
- the form of the debt securities and the form of the certificate of authentication for the debt securities;
- other terms of the debt securities not inconsistent with the terms of the indenture, including terms required by or advisable under U.S. law or regulations or advisable in connection with the marketing of the debt securities;
- whether the debt securities can be represented by global notes and the identity of a depositary for the debt securities;
- whether the debt securities will be convertible into shares of common stock or other securities of Panhandle and, if so, the terms and conditions of such conversion, including the conversion price and the conversion period;
- if other than the principal amount thereof, the portion of the principal amount of debt securities which shall be payable upon declaration of acceleration of the maturity thereof;
- any additional or different events of default or restrictive covenants provided for with respect to the debt securities;
- whether the debt securities will vote as a class with one or more series of outstanding debt securities under the indenture with respect to the waiver of certain defaults and certain supplemental indentures;
- any provisions granting special rights to holders when a specified event occurs; and
- any special tax implications of the debt securities, including original issue discount debt securities, if offered.

Unless the prospectus supplement or term sheet relating to the issuance of a series of debt securities indicates otherwise, we will issue debt securities only in fully registered form, without coupons and in denominations of $1,000 or multiples of $1,000.

Ranking

The debt securities will be our unsecured obligations. Unless indicated otherwise in the applicable prospectus supplement or term sheet, the debt securities will rank equally with all of our other unsecured and unsubordinated indebtedness from time to time outstanding and will rank senior to all of our subordinated debt from time to time outstanding.

Issuance of Additional Debt Securities

We may, without the consent of the holders of debt securities, increase the principal amount of the debt securities by issuing additional debt securities in the future on the same terms and conditions, except for any differences in the issue price and interest accrued prior to the issue date of the additional debt securities. The indenture provides that no additional debt securities of a series may be issued if any event of default has occurred with respect to that series of debt securities.

Payment

Unless the prospectus supplement or term sheet relating to the issuance of a series of debt securities indicates otherwise, all outstanding debt securities will be exchangeable, transfers of debt securities will

be registrable, and principal of and interest on all debt securities will be payable, at the corporate trust office of the trustee at The Bank of New York Mellon Trust Company, N.A., provided that payment of interest may, at our option, be made by check mailed to the address of the person entitled thereto as it appears in the security register or by transfer to an account maintained by the payee with a bank located in the United States. Neither we nor the trustee will impose any service charge for any transfer or exchange of a debt security; however, we may ask you to pay any taxes or other governmental charges in connection with a transfer or exchange of debt securities.

Redemption

Notice of any redemption will be mailed at least 30 days but not more than 90 days before the redemption date to each holder of debt securities to be redeemed.

Unless the Company defaults in payment of the redemption price, on and after the redemption date interest will cease to accrue on the debt securities or portions thereof called for redemption.

Certain Covenants

Under the indenture, we will:

- pay the principal of, and interest and any premium on, the debt securities when due;
- maintain a place of payment;
- deliver a report to the trustee at the end of each fiscal year reviewing our obligations under the indenture; and
- deposit sufficient funds with any paying agent on or before the due date for any principal, interest or premium.

Consolidation, Merger and Sale of Assets

Without the consent of the holders of any of the outstanding debt securities, we may consolidate with or merge into, or convey, transfer or lease our assets substantially as an entirety to, any person which is a corporation, partnership or trust organized and validly existing under the laws of the United States of America, any state or the District of Columbia, provided that:

(1) any successor person assumes our obligations on the debt securities and under the indenture;

(2) after giving effect to the transaction no Event of Default (as defined below), and no event which, after notice or lapse of time, would become an Event of Default, shall have occurred and be continuing; and

(3) that other specified conditions are met.

Events of Default

Any one of the following events constitutes an “Event of Default” under the indenture with respect to the debt securities:

(1) our failure to pay the principal of, or premium, if any, on any debt security at its maturity;

(2) our failure to pay any interest on any debt security when it becomes due and payable and continuance of such default for a period of 60 days;

(3) our failure to perform, or breach of, any term, covenant or warranty contained in the indenture with respect to the debt securities for a period of 90 days upon giving written notice as provided in the indenture; or

(4) the occurrence of certain events of our bankruptcy, insolvency or reorganization.

If an Event of Default with respect to such debt securities occurs and is continuing, either the trustee or the holders of at least 33% in aggregate principal amount of such outstanding debt securities by notice as provided in the indenture may declare the principal amount of all such debt securities to be due and payable immediately. At any time after a declaration of acceleration with respect to such debt securities has been made, but before a judgment or decree for payment of money has been obtained by the trustee, the holders of a majority in aggregate principal amount of such outstanding debt securities, under certain circumstances, may rescind and annul such acceleration.

The indenture provides that, subject to the duty of the trustee during default to act with the required standard of care, the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request or direction of any of the holders, unless such holders have offered to the trustee reasonable indemnity. Subject to such provisions for the indemnification of the trustee, the holders of a majority in aggregate principal amount of the outstanding debt securities of any series have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or power conferred on the trustee, with respect to the debt securities of such series; provided, however, that:

(1) such direction shall not be in conflict with any rule of law or with the indenture;

(2) the trustee may take any other action deemed proper by the trustee which is not inconsistent with such direction; and

(3) the trustee shall not be obligated to take any action unduly prejudicial to holders not joining in such direction or involving the trustee in personal liability.

The holders of a majority in aggregate principal amount of the outstanding debt securities of all affected series, considered as one class, may, on behalf of the holders of all the debt securities of such series, waive any past default under the indenture with respect to the debt securities of such series, except a default:

(1) in the payment of principal of, or premium, if any, or any interest on any debt security; or

(2) in respect of a covenant or provision of the indenture which cannot be modified or amended without the consent of the holder of each outstanding debt security affected.

We will be required to furnish to the trustee annually a statement as to the performance of our obligations under the indenture and as to any default in our performance.

Legal and Covenant Defeasance

The indenture provides that we will be discharged from any and all obligations in respect of the outstanding debt securities (excluding, however, certain obligations, such as the obligation to register the

transfer or exchange of such outstanding debt securities, to replace stolen, lost, mutilated or destroyed certificates, and to maintain paying agencies) on the 123rd day following the deposit referred to in the following clause (1), subject to the following conditions:

(1) the irrevocable deposit, in trust, of cash or U.S. Government Obligations (or a combination thereof) which through the payment of interest and principal thereof in accordance with their terms will provide cash in an amount sufficient to pay the principal and interest and premium, if any, on the outstanding debt securities and any mandatory sinking fund payments, in each case, on the stated maturity of such payments in accordance with the terms of the indenture and the outstanding debt securities or on any redemption date established pursuant to clause (3) below;

(2) the trustee's receipt of an opinion of counsel based on the fact that (A) we have received from, or there has been published by, the IRS a ruling, or (B) since the date of the indenture, there has been a change in the applicable federal income tax law, in either case, to the effect that, and confirming that, the holders of the debt securities will not recognize income, gain or loss for federal income tax purposes as a result of such deposit and defeasance and will be subject to federal income tax on the same amount and in the same manner and at the same times, as would have been the case if such deposit and defeasance had not occurred;

(3) if any debt securities are to be redeemed prior to stated maturity, notice of the redemption shall have been duly given pursuant to the indenture or provision therefor satisfactory to the trustee shall have been made;

(4) no default or Event of Default shall have occurred and be continuing on the date of such deposit; and

(5) our delivery to the trustee of an officers' certificate and an opinion of counsel, each stating that the conditions precedent under the indenture have been complied with.

Under the indenture, we also may discharge our obligations referred to above under "—Consolidation, Merger and Sale of Assets," as well as certain other designated covenants or provisions under the indenture, in respect of the debt securities on the 123rd day following the deposit referred to in clause (1) in the immediately preceding paragraph, subject to satisfaction of the conditions described in clauses (1), (3), (4) and (5) in the immediately preceding paragraph with respect to the debt securities and the delivery of an opinion of counsel confirming that the holders of the debt securities will not recognize income, gain or loss for federal income tax purposes as a result of such deposit and covenant defeasance and will be subject to federal income tax on the same amount and in the same manner and at the same times, as would have been the case if such deposit and covenant defeasance had not occurred.

Modification and Waiver

We and the trustee may make modifications and amendments of the indenture that relate to the debt securities with the consent of the holders of at least a majority in aggregate principal amount of the affected debt securities of all series affected by such supplemental indenture(s) at the time outstanding, considered as one class, provided, however, that no such modification or amendment may, without consent of the holders of each outstanding debt security affected thereby:

(1) change the stated maturity of the principal of, or any installment of principal of or interest on, any debt security;

(2) reduce the principal amount of, or premium or interest on, any debt security;

(3) change the coin or currency in which any debt security or any premium or interest thereon is payable;

(4) reduce the percentage in principal amount of outstanding debt securities, the consent of whose holders is required for modification or amendment of the indenture or for waiver of compliance with certain provisions of the indenture or for waiver of certain defaults;

(5) change our obligation to maintain an office or agency for payment as specified in the indenture; or

(6) modify any of the above provisions.

Governing Law

The indenture is, and the debt securities will be, governed by, and construed in accordance with, the laws of the State of New York.

Regarding the Trustee

We and certain of our affiliates from time to time borrow money from, and maintain deposit accounts and conduct certain banking transactions with, the trustee or its affiliates in the ordinary course of business.

Global Securities

If we decide to issue debt securities in the form of one or more global securities, then we will register the global securities in the name of the depositary for the global securities or the nominee of the depositary and the global securities will be delivered by the trustee to the depositary for credit to the accounts of the holders of beneficial interests in the debt securities.

The prospectus supplement or term sheet will describe the specific terms of the depositary arrangement for debt securities of a series that are issued in global form. None of our company, the trustee, any payment agent or the security registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a global debt security or for maintaining, supervising or reviewing any records relating to these beneficial ownership interests.

USE OF PROCEEDS

Unless otherwise indicated in the prospectus supplement, the net proceeds received by Panhandle from the sale of securities offered by this prospectus will be used to repay debt, to fund acquisitions and for general corporate purposes. Net proceeds may be temporarily invested prior to use.

PLAN OF DISTRIBUTION

We may sell the debt securities in one or more of the following ways from time to time: (i) to underwriters for resale to the public or to institutional investors; (ii) directly to institutional investors; or (iii) through agents to the public or to institutional investors. The prospectus supplement with respect to each series of debt securities will set forth the terms of the offering of such debt securities, including the name or names of any underwriters or agents, the purchase price of such debt securities, and the proceeds to us from such sale, any underwriting discounts or agency fees and other items constituting underwriters'

or agents' compensation, any initial public offering price, any discounts or concessions allowed or reallowed or paid to dealers and any debt securities exchange on which such debt securities may be listed.

If underwriters participate in the sale, such debt securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The debt securities may be offered to the public either through underwriting syndicates represented by one or more managing underwriters or directly by one or more of those firms. The specific managing underwriter or underwriters, if any, will be named in the prospectus supplement relating to the particular debt securities together with the members of the underwriting syndicate, if any.

Unless otherwise set forth in the applicable prospectus supplement, the obligations of the underwriters to purchase any series of debt securities will be subject to certain conditions precedent and the underwriters will be obligated to purchase all of such debt securities being offered, if any are purchased.

We may sell the debt securities directly or through agents we designate from time to time. The applicable prospectus supplement will set forth the name of any agent involved in the offer or sale of the debt securities in respect of which such prospectus supplement is delivered and any commissions payable by us to such agent. Unless otherwise indicated in the applicable prospectus supplement, any agent will be acting on a best efforts basis for the period of its appointment.

Underwriters and agents may be entitled under agreements entered into with us to indemnification against certain civil liabilities, including liabilities under the Securities Act of 1933. Underwriters and agents may engage in transactions with, or perform services for, us in the ordinary course of business.

Each series of debt securities will be a new issue of securities and will have no established trading market. Any underwriters to whom debt securities are sold for public offering and sale may make a market in such securities, but such underwriters will not be obligated to do so and may discontinue any market making at any time without notice. The debt securities may or may not be listed on a national securities exchange.

LEGAL MATTERS

Legal matters with respect to the securities offered under this prospectus will be passed upon for us by Locke Lord Bissell & Liddell LLP, Washington, D.C. Legal counsel to any underwriters, dealers or agents may pass upon legal matters for such underwriters, dealers or agents.

EXPERTS

The consolidated financial statements of Panhandle Eastern Pipe Line Company, LP incorporated into this Registration Statement on Form S-3 by reference to the Annual Report on Form 10-K of Panhandle Eastern Pipe Line Company, LP for the year ended December 31, 2008 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution.

Securities and Exchange Commission-Registration Fee	$*
Legal Fees and Expenses	$**
Printing Expenses	$**
Accounting Fees and Expenses	$**
Trustee Fees and Expenses	$**
Miscellaneous	$**
Total Expenses	$**

* The payment of any filing fee is deferred pursuant to Rules 456(b) and 457(r).

** Because an indeterminate amount of securities are covered by this registration statement and the number of offerings is indeterminate, the expenses in connection with the issuance and distribution of the securities are currently not determinable.

Item 15. Indemnification of Directors and Officers.

Southern Union Company

Section 102(b)(7) of the Delaware General Corporation Law (the "DGCL") provides, generally, that the certificate of incorporation may contain a provision eliminating or limiting the personal liability of a director to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, *provided* that such provision may not eliminate or limit the liability of a director (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under section 174 of the DGCL, or (iv) for any transaction from which the director derived an improper personal benefit. No such provision may eliminate or limit the liability of a director for any act or omission occurring prior to the date when such provision became effective.

Article Twelfth of our amended and restated certificate of incorporation provides as follows:

TWELFTH: To the fullest extent permitted by the Delaware General Corporation Law, as it now exists or may hereafter be amended, a director of the Corporation shall not be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. Any repeal or modification of this section by the stockholders of the Corporation shall be prospective only and shall not adversely affect any limitation on the personal liability of a director of the Corporation existing at the time of such repeal or modification.

Section 145 of the DGCL provides, generally, that a corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other

enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the person's conduct was unlawful. A corporation may similarly indemnify such person for expenses (including attorney's fees) actually and reasonably incurred by such person in connection with the defense or settlement of any action or suit by or in the right of the corporation, *provided* that such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation, and, in the case of claims, issues and matters as to which such person shall have been adjudged liable to the corporation, *provided* that a court shall have determined, upon application, that, despite the adjudication of liability but in view of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

Article XI of our bylaws provides as follows:

Section 1. Power to Indemnify in Actions, Suits or Proceedings Other Than Those by or in the Right of the Company. Subject to Section 3 of this Article XI, the Company shall indemnify, to the fullest extent permitted by the DGCL, as now or hereafter in effect, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Company) by reason of the fact that such person (or the legal representative of such person) is or was a director or officer of the Company or any predecessor of the Company, or is or was a director or officer of the Company serving at the request of the Company as a director or officer, employee or agent of another company, partnership, joint venture, trust, employee benefit plan or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe that such person's conduct was unlawful.

Section 2. Power to Indemnify in Actions, Suits or Proceedings by or in the Right of the Company. Subject to Section 3 of this Article XI, the Company shall indemnify, to the fullest extent permitted by the DGCL, as now or hereafter in effect, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Company to procure a judgment in its favor by reason of the fact that such person (or the legal representative of such person) is or was a director or officer of the Company or any predecessor of the Company, or is or was a director or officer of the Company serving at the request of the Company as a director, officer, employee or agent of another company, partnership, joint venture, trust, employee benefit plan or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Company; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Company unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly

and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

Section 3. Authorization of Indemnification. Any indemnification under this Article XI (unless ordered by a court) shall be made by the Company only as authorized in the specific case upon a determination that indemnification of the director or officer is proper in the circumstances because such person has met the applicable standard of conduct set forth in Section 1 or Section 2 of this Article XI, as the case may be. Such determination shall be made, with respect to a person who is a director or officer at the time of such determination, (i) by a majority vote of the directors who are not parties to such action, suit or proceeding, even though less than a quorum, or (ii) by a committee of such directors designated by a majority vote of such directors, even though less than a quorum, or (iii) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion or (iv) by the stockholders (but only if a majority of the directors who are not parties to such action, suit or proceeding, if they constitute a quorum of the board of directors, presents the issue of entitlement to indemnification to the stockholders for their determination). Such determination shall be made, with respect to former directors and officers, by any person or persons authorized by the Board to act on the matter on behalf of the Company. To the extent, however, that a present or former director or officer of the Company has been successful on the merits or otherwise in defense of any action, suit or proceeding described above, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith, without the necessity of authorization in the specific case.

Section 4. Good Faith Defined. For purposes of any determination under Section 3 of this Article XI, to the fullest extent permitted by applicable law, a person shall be deemed to have acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Company, or, with respect to any criminal action or proceeding, to have had no reasonable cause to believe such person's conduct was unlawful, if such person's action is based on the records or books of account of the Company or another enterprise, or on information supplied to such person by the officers of the Company or another enterprise in the course of their duties, or on the advice of legal counsel for the Company or another enterprise or on information or records given or reports made to the Company or another enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Company or another enterprise. The term "another enterprise" as used in this Section 4 shall mean any other Company or any partnership, joint venture, trust, employee benefit plan or other enterprise of which such person is or was serving at the request of the Company as a director, officer, employee or agent. The provisions of this Section 4 shall not be deemed to be exclusive or to limit in any way the circumstances in which a person may be deemed to have met the applicable standard of conduct set forth in Section 1 or 2 of this Article XI, as the case may be.

Section 5. Indemnification by a Court. Notwithstanding any contrary determination in the specific case under Section 3 of this Article XI, and notwithstanding the absence of any determination thereunder, any director or officer may apply to the Court of Chancery in the State of Delaware for indemnification to the extent otherwise permissible under Sections 1 and 2 of this Article XI. The basis of such indemnification by a court shall be a determination by such court that indemnification of the director or officer is proper in the circumstances because such person has met the applicable standards of conduct set forth in Section 1 or 2 of this Article XI, as the case may be. Neither a contrary determination in the specific case under Section 3 of this Article XI nor the absence of any determination thereunder shall be a defense to such application or create a presumption that the director or officer seeking indemnification has not met any applicable standard of conduct. Notice of any application for indemnification pursuant to this Section 5 shall be given to the Company promptly upon the filing of such application. If successful, in whole or in part, the director or officer seeking indemnification shall also be entitled to be paid the expense of prosecuting such application.

Section 6. Expenses Payable in Advance. To the fullest extent not prohibited by the DGCL, or by any other applicable law, expenses incurred by a person who is or was a director in defending any civil, criminal, administrative or investigative action, suit or proceeding shall be paid by the Company in advance of the final disposition of such action, suit or proceeding; provided, however, that if the DGCL requires, an advance of expenses incurred by any person in his or her capacity as a director or officer (and not in any other capacity) shall be made only upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Company as authorized in this Article XI.

Section 7. Nonexclusivity of Indemnification. The indemnification provided by or granted pursuant to this Article XI shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the Certificate of Incorporation, any bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office, it being the policy of the Company that indemnification of the persons specified in Sections 1 and 2 of this Article XI shall be made to the fullest extent permitted by law. The provisions of this Article XI shall not be deemed to preclude the indemnification of any person who is not specified in Section 1 or 2 of this Article XI but whom the Company has the power or obligation to indemnify under the provisions of the DGCL, or otherwise. The Company is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advances, to the fullest extent not prohibited by the DGCL, or by any other applicable law.

Section 8. Insurance. To the fullest extent permitted by the DGCL or any other applicable law, the Company shall undertake its best efforts to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Company, or is or was a director, officer, employee or agent of the Company serving at the request of the Company as a director, officer, employee or agent of another company, partnership, joint venture, trust, employee benefit plan or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Company would have the power or the obligation to indemnify such person against such liability under the provisions of this Article XI. Such insurance shall be in such coverage amounts, and on such terms, as from time to time approved by a majority of the directors.

Section 9. Certain Definitions. For purposes of this Article XI, references to "the Company" shall include, in addition to the resulting company, any constituent company (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors or officers, so that any person who is or was a director or officer of such constituent company, or is or was a director or officer of such constituent company serving at the request of such constituent company as a director, officer, employee or agent of another company, partnership, joint venture, trust, employee benefit plan or other enterprise, shall stand in the same position under the provisions of this Article XI with respect to the resulting or surviving company as such person would have with respect to such constituent company if its separate existence had continued. For purposes of this Article XI, references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the Company" shall include any service as a director, officer, employee or agent of the Company which imposes duties on, or involves services by, such director or officer with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Company" as referred to in this Article XI.

Section 10. Survival of Indemnification. The rights to indemnification conferred by this Article XI shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors, administrators and other personal and legal representatives of such a person.

Section 11. Limitation on Indemnification. Notwithstanding anything contained in this Article XI to the contrary, except for proceedings to enforce rights to indemnification (which shall be governed by Section 5 hereof), the Company shall not be obligated to indemnify any director or officer in connection with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors of the Company.

Section 12. Indemnification of Employees and Agents. The Company may, to the extent authorized from time to time by the Board of Directors, provide rights to indemnification to employees and agents of the Company similar to those conferred in this Article XI to directors and officers of the Company.

Section 13. Effect of Amendment or Repeal. Neither any amendment or repeal of any Section of this Article XI, nor the adoption of any provision of the Certificate or the bylaws inconsistent with this Article X *I* , shall adversely affect any right or protection of any director, officer, employee or other agent established pursuant to this Article XI existing at the time of such amendment, repeal or adoption of an inconsistent provision, including without limitation by eliminating or reducing the effect of this Article XI, for or in respect of any act, omission or other matter occurring, or any action or proceeding accruing or arising (or that, but for this Article XI, would accrue or arise), prior to such amendment, repeal or adoption of an inconsistent provision.

Panhandle Eastern Pipe Line Company, LP

Subject to any terms, conditions or restrictions set forth in the Agreement of Limited Partnership (the "LP Agreement") of Panhandle Eastern Pipe Line Company, LP ("Panhandle"), Section 17-108 of the Delaware Revised Uniform Limited Partnership Act empowers a Delaware limited partnership to indemnify and hold harmless any partner or other person from and against any and all claims and demands whatsoever.

Accordingly, Section 6.2(a)(ii) of the LP Agreement (filed as Exhibit 4.4 to this Registration Statement) provides that the general partner of Panhandle has full power and authority to indemnify any Person against liabilities and contingencies to the extent permitted by law. For purposes of the LP Agreement and as used herein, "Person" means an individual or corporation, limited liability company, partnership (general or limited), joint venture, trust, unincorporated organization, association, government agency or political subdivision thereof or other entity. The general partner and Panhandle may purchase and maintain insurance, to the extent and in such amounts as the general partner shall, in its sole discretion, deem reasonable to cover the potential liabilities of the Indemnified Persons and such other Persons as the general partner determines. For purposes of the LP Agreement and as used herein, "Indemnified Persons" means general partner, its affiliates and all directors, officers, shareholders, partners, employees, representatives and agents of the general partner and its affiliates and all officers, employees, representatives and agents of Panhandle and its affiliates.

The directors and officers of Southern Union and Panhandle are covered by insurance policies indemnifying against certain liabilities, including certain liabilities arising under the Securities Act, which might be incurred by them in such capacities and against which they cannot be indemnified by Southern Union or Panhandle. Southern Union has entered into an Indemnification Agreement with each member of its Board of Directors. The Indemnification Agreement provides the Directors with the contractual

right to indemnification for any acts taken in their capacity as a director of Southern Union to the fullest extent permitted under Delaware law.

Item 16. Exhibits

Reference is being made to the exhibit index of Southern Union and the exhibit index of Panhandle, which appear immediately following the signature pages hereof and which are incorporated herein by reference.

Item 17. Undertakings.

(a) The undersigned Registrant hereby undertakes as follows:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) to include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the SEC pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii) to include any material information with respect to the plan of distribution not previously disclosed in this registration statement or any material change to such information in the registration statement;

provided, *however*, that paragraphs (a)(1)(i), (a)(1)(ii) and (a)(1)(iii) of this section do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the SEC by the Registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the Registration Statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement; and

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof;

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering;

(4) That, for the purpose of determining liability under the Securities Act to any purchaser:

(A) Each prospectus filed by the Registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(B) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii) or (x) for the purpose of providing the information required by Section 10(a) of the Securities Act shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof; provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is a part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date; or

(5) That, for the purpose of determining liability of any of a registrant under the Securities Act to any purchaser in the initial distribution of the securities, each undersigned registrant undertakes that in a primary offering of securities of an undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, an undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) any preliminary prospectus or prospectus of an undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) any free writing prospectus relating to the offering prepared by or on behalf of an undersigned registrant or used or referred to by an undersigned registrant;

(iii) the portion of any other free writing prospectus relating to the offering containing material information about an undersigned registrant or its securities provided by or on behalf of an undersigned registrant; and

(iv) any other communication that is an offer in the offering made by an undersigned registrant to the purchaser.

(b) Each undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrants pursuant to the provisions referred to in Item 15 hereof, or otherwise, each registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by a registrant of expenses incurred or paid by a director, officer or controlling person of a registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(d) Each undersigned registrant hereby undertakes to file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of section 310 of the Trust Indenture Act (the "Act") in accordance with the rules and regulations prescribed by the SEC under section 305(b)(2) of the Act.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Southern Union certifies that it has reasonable grounds to believe that it meets the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on November 5, 2009.

SOUTHERN UNION COMPANY

/s/ George L. Lindemann*	Chairman of the Board and
George L. Lindemann	Chief Executive Officer
	(Principal Executive Officer)

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement on Form S-3 has been signed by the following persons in the capacities indicated on November 5, 2009

Signature/Name	Title
/s/ George L. Lindemann*	Chairman of the Board and
George L. Lindemann	Chief Executive Officer
	(Principal Executive Officer)
/s/ Richard N. Marshall*	Senior Vice President and Chief Financial Officer
Richard N. Marshall	(Principal Financial Officer)
/s/ George E. Aldrich*	Senior Vice President and Controller
George E. Aldrich	(Chief Accounting Officer)
/s/ Michal Barzuza*	Director
Michal Barzuza	
/s/ David Brodsky*	Director
David Brodsky	
/s/ Frank W. Denius*	Director
Frank W. Denius	
/s/ Kurt A. Gitter, M.D.*	Director
Kurt A. Gitter, M.D.	
/s/ Eric D. Herschmann*	Director
Eric D. Herschmann	
/s/ Herbert H. Jacobi*	Director
Herbert H. Jacobi	
/s/ Thomas N. McCarter, III *	Director
Thomas N. McCarter, III	
/s/ George Rountree, III *	Director
George Rountree, III	

/s/ Allan D. Scherer * Allan D. Scherer	Director
*By: /s/ Robert M. Kerrigan, III Robert M. Kerrigan, III	Vice President, Assistant General Counsel & Secretary Attorney-in-fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Panhandle certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on November 5, 2009.

PANHANDLE EASTERN PIPE LINE COMPANY, LP

By: /s/ Robert O. Bond*
Robert O. Bond
President and Chief Operating Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement on Form S-3 has been signed by the following persons in the capacities indicated on November 5, 2009.

Signature/Name	Title
/s/ Robert O. Bond* Robert O. Bond	President and Chief Operating Officer (Principal Executive Officer)
/s/ Richard N. Marshall* Richard N. Marshall	Senior Vice President and Chief Financial Officer (Principal Financial Officer)
/s/ Gary W. Lefelar* Gary W. Lefelar	Senior Vice President and Chief Accounting Officer (Chief Accounting Officer)

A majority of the Board of Directors of Southern Union Company, Sole Member of Southern Union Panhandle, LLC, General Partner of Panhandle Eastern Pipe Line Company, LP

/s/ George L. Lindemann* George L. Lindemann	Chairman
/s/ Michal Barzuza* Michal Barzuza	Director
/s/ David Brodsky* David Brodsky	Director

/s/ Frank W. Denius* Frank W. Denius	Director
/s/ Kurt A. Gitter, M.D.* Kurt A. Gitter, M.D.	Director
/s/ Eric D. Herschmann* Eric D. Herschmann	Director
/s/ Herbert H. Jacobi* Herbert H. Jacobi	Director
/s/ Thomas N. McCarter, III* Thomas N. McCarter, III	Director
/s/ George Rountree, III* George Rountree, III	Director
/s/ Allan D. Scherer* Allan D. Scherer	Director
*By: /s/ Robert M. Kerrigan, III Robert M. Kerrigan, III	Attorney-in-fact

Southern Union Exhibits

Exhibit No.	Description
1.1	Form of Underwriting Agreement for debt securities.*
1.2	Form of Underwriting Agreement for common stock.*
1.3	Form of Underwriting Agreement for preferred stock.*
1.4	Form of Underwriting Agreement for warrants.*
1.5	Form of Underwriting Agreement for securities purchase contracts.*
1.6	Form of Underwriting Agreement for securities purchase units.*
1.7	Form of Underwriting Agreement for depositary shares.*
3.1	Amended and Restated Certificate of Incorporation of Southern Union. (Filed as Exhibit 3(a) to Southern Union's Annual Report on Form 10-K for the fiscal year ended December 31, 2005 and incorporated herein by reference.)
3.2	Bylaws of Southern Union, as amended. (Filed as Exhibit 3.1 to Southern Union's Current Report on Form 8-K filed on January 3, 2007 and incorporated herein by reference).
3.3	Certificate of Designations, Preferences and Rights re: Southern Union Company's 7.55% Noncumulative Preferred Stock, Series A (Filed as Exhibit 4.1 to Southern Union's Form 8-A/A dated October 17, 2003 and incorporated herein by reference.)
4.1	Senior Debt Securities Indenture between Southern Union 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 4.1 to Southern Union's Current Report on Form 8-K dated February 15, 1994 and incorporated herein by reference.)
4.2	Officers' Certificate dated January 31, 1994 setting forth the terms of the 7.60% Senior Debt Securities due 2024 (Filed as Exhibit 4.2 to Southern Union's Current Report on Form 8-K dated February 15, 1994 and incorporated herein by reference.)
4.3	Officer's Certificate of Southern Union Company dated November 3, 1999 with respect to 8.25% Senior Notes due 2029. (Filed as Exhibit 99.1 to Southern Union's Current Report on Form 8-K filed on November 19, 1999 and incorporated herein by reference.)
4.4	Form of Supplemental Indenture No. 1, dated June 11, 2003, between Southern Union Company and JP Morgan Chase Bank, which changed its name to JP Morgan Chase Bank, N.A., the predecessor to The Bank of New York Trust Company, N.A., which changed its name to The Bank of New York Mellon Trust Company, N.A. (Filed as Exhibit 4.5 to Southern Union's Form 8-A/A dated June 20, 2003 and incorporated herein by reference.)
4.5	Supplemental Indenture No. 2, dated February 11, 2005, between Southern Union Company and JP Morgan Chase Bank, N.A., the predecessor to The Bank of New York Trust Company, N.A., which changed its name to The Bank of New York Mellon Trust Company, N.A. (Filed as Exhibit 4.4 to Southern Union's Form 8-A/A dated February 22, 2005 and incorporated herein by reference.)
4.6	Subordinated Debt Securities Indenture between Southern Union 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's Registration Statement on Form S-3 (No. 33-58297) and incorporated herein by reference.)
4.7	Second Supplemental Indenture, dated October 23, 2006, between Southern Union Company and The Bank of New York Trust Company, N.A., now known as The Bank of

	New York Mellon Trust Company, N.A. (Filed as Exhibit 4.1 to Southern Union's Form 8-K/A dated October 24, 2006 and incorporated herein by reference.)
4.8	Replacement Capital Covenant, dated as of October 23, 2006, between Southern Union Company, a Delaware corporation with its successors and assigns, in favor of and for the benefit of each Covered Debtor (as defined in the Covenant). (Filed as Exhibit 4.3 to Southern Union's Current Report on Form 8-K/A filed on October 24, 2006 and incorporated herein by reference.)
4.9	Specimen Common Stock Certificate (filed as Exhibit 4(a) to Southern Union's Annual Report on Form 10-K for the year ended December 31, 1989 and incorporated herein by reference).
4.10	Form of Senior Debt Security.*
4.11	Form of Subordinated Debt Security.*
4.12	Form of Warrant Agreement.*
4.13	Form of Warrant Certificate.*
4.14	Form of Deposit Agreement.*
4.15	Form of Depositary Receipt.*
4.16	Form of Purchase Contract.*
4.17	Form of Purchase Unit.*
5.1	Opinion of Locke Lord Bissell & Liddell LLP, including the consent of such firm.
8.1	Opinion of special tax counsel to Southern Union as to certain federal income taxation matters, including the consent of such firm.*
12.1	Computation of Ratio of Earnings to Fixed Charges of Southern Union. (Filed as Exhibit 12.1 to Southern Union's Quarterly Report on Form 10-Q for the quarter ended September 30, 2009 and incorporated herein by reference.)
23.1	Consent of PricewaterhouseCoopers LLP
23.2	Consent of PricewaterhouseCoopers LLP
23.3	Consent of Locke Lord Bissell & Liddell LLP (contained in the opinion of counsel filed as Exhibit 5.1).
23.4	Consent of special tax counsel to Southern Union (will be contained in the opinion of counsel filed as Exhibit 8.1).*
24.1	Power of Attorney.
25.1	Form T-1 statement of eligibility of the trustee for the senior debt securities.
25.2	Form T-1 statement of eligibility of the trustee for the subordinated debt securities.

* To be filed by amendment or by Issuer as part of a current report on Form 8-K.

Panhandle Eastern Pipe Line Company, LP Exhibits

Exhibit No.	Description
1.1	Form of Underwriting Agreement for debt securities.*
3.1	Certificate of Formation of Panhandle Eastern Pipe Line Company, LP. (Filed as Exhibit 3.A to the Form 10-K for the year ended December 31, 2004 and incorporated herein by reference.)
3.2	Limited Partnership Agreement of Panhandle Eastern Pipe Line Company, LP, dated as of June 29, 2004, between Southern Union Company and Southern Union Panhandle LLC. (Filed as Exhibit 3.B to the Form 10-K for the year ended December 31, 2004 and incorporated herein by reference.)
4.1	Indenture dated as of March 29, 1999, among CMS Panhandle Holding Company, Panhandle Eastern Pipe Line Company and NBD Bank (the predecessor to Bank One Trust Company, National Association, J.P. Morgan Trust Company, National Association, The Bank of New York Trust Company, N.A. and The Bank of New York Mellon Trust Company, N.A.), as Trustee. (Filed as Exhibit 4(a) to the Form 10-Q for the quarter ended March 31, 1999, and incorporated herein by reference.)
4.2	First Supplemental Indenture dated as of March 29, 1999, among CMS Panhandle Holding Company, Panhandle Eastern Pipe Line Company and NBD Bank (the predecessor to Bank One Trust Company, National Association, J.P. Morgan Trust Company, National Association, The Bank of New York Trust Company, N.A. and The Bank of New York Mellon Trust Company, N.A.), as Trustee, including a form of Guarantee by Panhandle Eastern Pipe Line Company of the obligations of CMS Panhandle Holding Company. (Filed as Exhibit 4(b) to the Form 10-Q for the quarter ended March 31, 1999, and incorporated herein by reference.)
4.3	Second Supplemental Indenture dated as of March 27, 2000, between Panhandle and Bank One Trust Company, National Association (succeeded to by The Bank of New York Mellon 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(e) to the Form S-4 (File No. 333-39850) filed on June 22, 2000, and incorporated herein by reference.)
4.4	Third Supplemental Indenture dated as of August 18, 2003, between Panhandle and Bank One Trust Company, National Association (succeeded to by The Bank of New York Mellon 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(d) to the Form 10-Q for the quarter ended September 30, 2003, and incorporated herein by reference.)
4.5	Fourth Supplemental Indenture dated as of March 12, 2004, between Panhandle and J.P. Morgan Trust Company, National Association (succeeded to by The Bank of New York Mellon 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.E to the Form 10-K for the year ended December 31, 2004 and incorporated herein by reference.)
4.6	Fifth Supplemental Indenture dated as of October 26, 2007, between Panhandle and The Bank of New York Trust Company, N.A. (now known as The Bank of New York Mellon Trust Company, N.A.), as Trustee (Filed as Exhibit 4.1 to Panhandle's Current Report on Form 8-K filed on October 29, 2007 and incorporated herein by reference.)
4.7	Form of Sixth Supplemental Indenture, dated as of June 12, 2008, between Panhandle and The Bank of New York Trust Company, N.A. (now known as The Bank of New York Mellon Trust Company, N.A.), as Trustee (Filed as Exhibit 4.1 to Panhandle's Current Report on Form 8-K filed on June 11, 2008 and incorporated herein by reference.)

4.8	Form of Seventh Supplemental Indenture, to be dated as of June 2, 2009, between Panhandle and The Bank of New York Mellon Trust Company, N.A. (Filed as Exhibit 4.1 to Panhandle's Current Report on Form 8-K filed on May 28, 2009 and incorporated herein by reference).
4.9	Form of supplemental indenture or other instrument establishing the issuance of one or more series of debt securities (including the form of debt security.)*
5.1	Opinion of Locke Lord Bissell & Liddell LLP, including the consent of such firm.
8.1	Opinion of special tax counsel to Panhandle as to certain federal income taxation matters, including the consent of such firm.*
12.1	Computation of Ratio of Earnings to Fixed Charges of Panhandle Eastern Pipe Line Company, LP. (Filed as Exhibit 12.1 to Panhandle's Quarterly Report on Form 10-Q for the quarter ended June 30, 2009 and incorporated herein by reference).
23.1	Consent of Pricewaterhouse Coopers LLP
23.2	Consent of Locke Lord Bissell & Liddell LLP (contained in the opinion of counsel filed as Exhibit 5.1).
24.1	Power of Attorney for Panhandle.
25.1	Form T-1 statement of eligibility of the trustee for the debt securities.

* To be filed by amendment or by Issuer as part of a Current Report on Form 8-K.

Exhibit 5.1

401 9th Street NW, Suite 400 South
Washington, DC 20004
Telephone: 202-220-6900
Fax: 202-220-6945
www.lockelord.com

November 5, 2009

Southern Union Company
5444 Westheimer Road
Houston, Texas 77056

Ladies and Gentlemen:

We have acted as counsel to Southern Union Company, a Delaware corporation (the "*Company*"), in connection with the automatic shelf registration statement on Form S-3 (the "*Registration Statement*") being filed by the Company and its wholly owned subsidiary, Panhandle Eastern Pipe Line Company, LP, with the Securities and Exchange Commission (the "*Commission*") pursuant to the Securities Act of 1933, as amended (the "Securities Act"), for the registration of the sale from time to time of the following securities:

- Common stock, $1.00 par value, of the Company ("*Common Stock*");
- Preferred stock, no par value, of the Company ("*Preferred Stock*" and, together with the Common Stock, the "*Equity Securities*");
- Senior debt securities of the Company ("*Senior Debt Securities*");
- Subordinated debt securities of the Company ("*Subordinated Debt Securities*" and, together with the Senior Debt Securities, the "*Debt Securities*");
- Securities purchase contracts of the Company for the purchase of either Common Stock or Preferred Stock ("*Securities Purchase Contracts*");
- Common Securities and Preferred Securities that may be issued upon exercise of the Securities Purchase Contracts;
- Securities purchase units of the Company, consisting of a Securities Purchase Contract and either (1) Debt Securities, or (2) debt obligations of third parties, including U.S. Treasury securities ("*Securities Purchase Units*");
- Debt purchase contracts of the Company for the purchase of Debt Securities ("*Debt Purchase Contracts*" and, together with the Securities Purchase Contracts, the "*Securities Purchase Contracts*");
- Debt Securities that may be issued upon exercise of the Debt Purchase Contracts;

- Debt purchase units of the Company, consisting of a Debt Purchase Contract and either (1) Debt Securities, or (2) debt obligations of third parties, including U.S. Treasury securities ("*Debt Purchase Units*" and, together with the Securities Purchase Units, the "*Securities Purchase Units*");

- Warrants of the Company to purchase Common Securities, Preferred Securities, or Debt Securities ("*Warrants*");

- Common Securities, Preferred Securities and Debt Securities that may be issued upon exercise of the Warrants; and

- Depositary shares of the Company, each representing a fraction of a share of a particular class of Preferred Securities (the "*Depositary Shares*").

The Common Securities, Preferred Securities, Debt Securities, Securities Purchase Contracts, Securities Purchase Units, Warrants and Depositary Shares are hereinafter referred to collectively as the "*Securities*."

We have reviewed the Registration Statement, including the prospectus that is part of the Registration Statement (the "*Prospectus*"). The Prospectus provides that it will be supplemented in the future by one or more supplements to the Prospectus (each, a "*Prospectus Supplement*"). The Prospectus, as supplemented by one or more Prospectus Supplements will provide for the issuance and sale by Panhandle of the Securities.

The Senior Debt Securities will be issued pursuant to the Indenture, dated January 31, 1994, between the Company and The Bank of New York Mellon Trust Company, N.A., as trustee (in such capacity, the "*Senior Trustee*"), as amended and supplemented by one or more supplemental indentures (the "*Senior Indenture*").

The Subordinated Debt Securities will be issued pursuant to the Subordinated Debt Securities Indenture, dated May 10, 1995, between the Company and The Bank of New York Mellon Trust Company, N.A., as trustee (in such capacity, the "*Subordinated Trustee*"), as amended and supplemented by one or more supplemental indentures (the "*Subordinated Indenture*" and, together with the Senior Indenture, the "*Indentures*").

The Securities Purchase Contracts will be issued pursuant to one or more securities contract purchase agreements (each, a "*Securities Contract Purchase Agreement*") between the Company and the agent named therein.

The Securities Purchase Units will be issued pursuant to one or more securities unit purchase agreements (each, a "*Securities Unit Purchase Agreement*") between the Company and the agent named therein.

The Warrants will be issued pursuant to one or more warrant agreements (each, a "*Warrant Agreement*") between the Company and the warrant agent named therein.

The Depositary Shares will be evidenced by depositary receipts issued pursuant to one or more deposit agreements (each, a "*Deposit Agreement*") between the Company and the depositary named therein.

We have examined the Registration Statement and the documents filed as exhibits thereto with the Commission. We have also examined and relied upon the originals, or duplicates or certified or conformed copies, of such records, agreements, instruments and other documents and have made such other and further investigations as we have deemed relevant and necessary in connection with the opinions expressed herein. As to questions of fact material to this opinion, we have relied upon

certificates of public officials and of officers and representatives of the Company and have not sought to independently verify such matters.

In rendering the opinions set forth below, we have assumed the genuineness and authenticity of all signatures, the legal capacity of natural persons, the authenticity of all documents submitted to us as originals, and the conformity to original documents of all documents submitted to us as duplicates or certified or conformed copies and the authenticity of the originals of such latter documents. We have also assumed that:

A. at any time the Company issues Securities, such entity will be validly existing and in good standing under the laws of the State of Delaware, the Registration Statement shall be effective and such effectiveness shall not have been terminated or rescinded, and there shall not have occurred any change in law affecting the validity or enforceability of such Securities from the date hereof until the time of their issuance;

B. at any time the Company issues Securities, the Board of Directors of the Company shall have duly established the terms of such Securities and duly authorized the issuance and sale of such Securities, and such authorization shall not have been modified or rescinded;

C. none of the terms of any Security to be established subsequent to the date hereof, nor the issuance and delivery of such Security, nor the compliance by the issuer thereof with the terms of such Security, will violate any applicable law or will result in a violation of any provision of any instrument or agreement then binding upon such issuer, or any restriction imposed by any court or governmental body having jurisdiction over such issuer;

D. the Senior Indenture is now, and at the time of execution, authentication, issuance and delivery of any Senior Debt Securities will be, the valid and legally binding obligation of the Senior Trustee;

E. the Subordinated Indenture is now, and at the time of execution, authentication, issuance and delivery of any Subordinated Debt Securities will be, the valid and legally binding obligation of the Subordinated Trustee;

F. at the time of execution, authentication, issuance and delivery of any Securities Purchase Contracts, the applicable Securities Contract Purchase Agreement will be the valid and legally binding obligation of the agent named therein;

G. at the time of execution, issuance and delivery of any Securities Purchase Units, the applicable Securities Unit Purchase Agreement will be the valid and legally binding obligation of the agent named therein;

H. at the time of execution, issuance and delivery of any Warrant, the applicable Warrant Agreement will be the valid and legally binding obligation of the warrant agent named therein; and

I. at the time of execution, issuance and delivery of any Depositary Shares, the applicable Deposit Agreement will be the valid and legally binding obligation of the depositary named therein.

We, as your counsel, have examined originals or copies, certified or otherwise identified to our satisfaction, of such documents, corporate records, certificates of public officials and other instruments as we have deemed necessary or advisable for the purposes of rendering this opinion.

Based upon the foregoing, in reliance thereon, and subject to the qualifications and limitations herein stated, we are of the opinion that:

1. With respect to the Common Securities, when the Common Securities has been duly issued and delivered upon payment therefore in accordance with the applicable underwriting or other agreement, and upon compliance with applicable regulatory requirements, the Common Securities will be validly issued, fully paid and nonassessable.

2. With respect to the Preferred Securities, when the Preferred Securities has been duly issued and delivered upon payment therefore in accordance with the applicable underwriting or other agreement, and upon compliance with applicable regulatory requirements, the Preferred Securities will be validly issued, fully paid and nonassessable.

3. With respect to the Debt Securities, when a particular series of Debt Securities has been duly authorized, executed, authenticated, issued and delivered upon payment therefore in accordance with the applicable Indenture and the applicable underwriting or other agreement, and upon compliance with applicable regulatory requirements, such Debt Securities will constitute valid and legally binding obligations of the Company, enforceable in accordance with their terms.

4. With respect to the Securities Purchase Contracts, when the Securities Contract Purchase Agreement to be entered into in connection with the issuance of any Securities Purchase Contracts has been duly authorized, executed and delivered by the agent named therein and the Company; the specific terms of the Securities Purchase Contracts have been duly authorized and established in accordance with such Securities Contract Purchase Agreement; the issuance of any Common Securities underlying such Securities Purchase Contracts has been authorized in the manner contemplated by paragraph 1 above; the issuance of any Preferred Securities underlying such Securities Purchase Contracts has been authorized in the manner contemplated by paragraph 2 above; the issuance of any Debt Securities underlying such Securities Purchase Contracts has been authorized in the manner contemplated by paragraph 3 above; and such Securities Purchase Contracts have been duly authorized, executed, issued and delivered upon payment therefore in accordance with such Securities Contract Purchase Agreement and the applicable underwriting or other agreement, and upon compliance with applicable regulatory requirements, such Securities Purchase Contracts will constitute valid and legally binding obligations of the Company, enforceable in accordance with their terms.

5. With respect to the Securities Purchase Units, when the Securities Unit Purchase Agreement to be entered into in connection with the issuance of any Securities Purchase Units has been duly authorized, executed and delivered by the agent named therein and the Company; the specific terms of the Securities Purchase Units have been duly authorized and established in accordance with such Securities Unit Purchase Agreement; any Securities Purchase Contracts comprising a part of such Securities Purchase Units have been authorized, executed, issued and delivered in the manner contemplated by paragraph 4 above; the issuance of any Common Securities underlying such Securities Purchase Contracts has been authorized in the manner contemplated by paragraph 1 above; the issuance of any Preferred Securities underlying such Securities Purchase Contracts has been authorized in the manner contemplated by paragraph 2 above; the issuance of any Debt Securities underlying such Securities Purchase Contracts has been authorized in the manner contemplated by paragraph 3 above; any Debt Securities comprising a part of such Securities Purchase Units have been authorized, executed, issued and delivered in the manner contemplated by paragraph 3 above; any debt securities of other issuers comprising a part of such Securities Purchase Units have been delivered in accordance with such Securities Unit Purchase Agreement; and such Securities Purchase Units have been duly authorized, executed, issued and delivered upon payment therefore in accordance with such Securities Unit Purchase Agreement and the applicable underwriting or other agreement, and upon compliance with applicable regulatory requirements, such Securities Purchase Units will constitute valid and legally binding obligations of the Company, enforceable in accordance with their terms.

6. With respect to the Warrants, when the Warrant Agreement to be entered into in connection with the issuance of any Warrants has been duly authorized, executed and delivered by the agent named

therein and the Company; the specific terms of the Warrants have been duly authorized and established in accordance with such Warrant Agreement; the issuance of any Common Securities underlying such Warrants has been authorized in the manner contemplated by paragraph 1 above; the issuance of any Preferred Securities underlying such Warrants has been authorized in the manner contemplated by paragraph 2 above; the issuance of any Debt Securities underlying such Warrants has been authorized in the manner contemplated by paragraph 3 above; and such Warrants have been duly authorized, executed, issued and delivered upon payment therefore in accordance with such Warrant Agreement and the applicable underwriting or other agreement, and upon compliance with applicable regulatory requirements, such Warrants will constitute valid and legally binding obligations of the Company, enforceable in accordance with their terms.

7. With respect to the Depositary Shares, when the Deposit Agreement to be entered into in connection with the issuance of any Depositary Shares has been duly authorized, executed and delivered by the agent named therein and the Company; the specific terms of a particular series of Depositary Shares have been duly authorized and established in accordance with the Deposit Agreement; the Preferred Securities underlying such Depositary Shares have been authorized, executed, issued and delivered to the agent in the manner contemplated by paragraph 2 above and in accordance with such Deposit Agreement; and such Depositary Shares have been duly authorized, executed, authenticated, issued and delivered upon payment therefore in accordance with such Deposit Agreement and the applicable underwriting or other agreement, and upon compliance with applicable regulatory requirements, such Depositary Shares will constitute valid and legally binding obligations of the Company, enforceable in accordance with their terms.

The opinions set forth above are subject to the following exceptions, limitations and qualifications: (i) the effect of bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar laws now or hereafter in effect relating to or affecting the rights and remedies of creditors; (ii) the effect of general principles of equity, including without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether enforcement is considered in a proceeding in equity or at law and the discretion of the court before which any proceeding therefore may be brought; (iii) the unenforceability under certain circumstances under law or court decisions of provisions providing for the indemnification of, or contribution to, a party with respect to a liability where such indemnification or contribution is contrary to public policy; (iv) the unenforceability of any waiver of rights or defenses with respect to stay, extension or usury laws; and (v) the effect of acceleration of Securities on the collectibility of any portion of the stated principal amount thereof that might be determined to constitute unearned interest thereon.

***

Please note that we are opining only as to the matters expressly set forth herein, and no opinion should be inferred as to any other matters. This opinion is based upon currently existing statutes, rules, regulations and judicial decisions, and we disclaim any obligation to advise you of any change in any of these sources of law or subsequent legal or factual developments which might affect any matters or opinions set forth herein.

The opinions rendered herein are limited to the internal law of the State of New York, the General Corporation Law of the State of Delaware and the federal laws of the United States.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement. We also hereby consent to the reference to our name under the heading “Legal Matters” in the prospectus constituting part of the Registration Statement. In giving such consent, we do not admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or of the rules and regulations of the Commission relating thereto.

This opinion is rendered solely to you in connection with the above matter. This opinion may not be relied upon by you for any other purpose or relied upon by or furnished to any other person without our prior written consent.

Very truly yours,

/s/ Locke Lord Bissell & Liddell LLP

LOCKE LORD BISSELL & LIDDELL LLP

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-3 of Southern Union Company of our report dated February 26, 2009 relating to the consolidated financial statements and the effectiveness of internal control over financial reporting of Southern Union Company, which appears in Southern Union Company's Annual Report on Form 10-K for the year ended December 31, 2008. We also consent to the references to us under the heading "Experts" in such Registration Statement.

/s/ PricewaterhouseCoopers LLP

Houston, Texas
November 5, 2009

Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-3 of Southern Union Company of our report dated February 26, 2009, relating to the consolidated financial statements of Citrus Corp., which appears in Southern Union Company's Annual Report on Form 10-K for the year ended December 31, 2008. We also consent to the references to us under the heading "Experts" in such Registration Statement.

/s/ PricewaterhouseCoopers LLP

Houston, Texas
November 5, 2009

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS that each person whose signature appears below hereby constitutes and appoints Monica M. Gaudiosi and Robert M. Kerrigan, III and each of them, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign the Registration Statement of Southern Union Company on Form S-3 and any and all amendments (including any pre- and post-effective amendments) and supplements thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, for the purpose of registering the securities offered pursuant thereto, and hereby grants to such attorneys-in-fact and agents, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or either of them, or their or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Dated: September 30, 2009

/s/ George L. Lindemann
George L. Lindemann

/s/ Richard N. Marshall
Richard N. Marshall

/s/ George E. Aldrich
George E. Aldrich

/s/ Michal Barzuza
Michal Barzuza

/s/ David Brodsky
David Brodsky

/s/ Frank W. Denius
Frank W. Denius

/s/ Kurt A. Gitter, M.D.
Kurt A. Gitter, M.D.

/s/ Eric D. Herschmann
Eric D. Herschmann

/s/ Herbert H. Jacobi
Herbert H. Jacobi

/s/ Thomas N. McCarter, III
Thomas N. McCarter, III

/s/ George Rountree, III
George Rountree, III

/s/ Allan D. Scherer
Allan D. Scherer

Exhibit 25.1

Form T-1 Statement of Eligibility of the Trustee
for the Senior Debt Securities

= =

FORM T-1

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE
ELIGIBILITY OF A TRUSTEE PURSUANT TO
SECTION 305(b)(2) |__|

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

(Exact name of trustee as specified in its charter)

(State of incorporation if not a U.S. national bank)	95-3571558 (I.R.S. employer identification no.)
700 South Flower Street Suite 500 Los Angeles, California (Address of principal executive offices)	90017 (Zip code)

Southern Union Company

(Exact name of obligor as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	75-0571592 (I.R.S. employer identification no.)
5444 Westheimer Road Houston, Texas (Address of principal executive offices)	77056 (Zip Code)

Senior Debt Securities
(Title of the Indenture Securities)

1. General information. Furnish the following information as to the trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Comptroller of the Currency United States Department of the Treasury	Washington, D.C. 20219
Federal Reserve Bank	San Francisco, California 94105
Federal Deposit Insurance Corporation	Washington, D.C. 20429

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

3-15. Not applicable.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the "Act") and 17 C.F.R. 229.10(d).

1. A copy of the articles of association of The Bank of New York Mellon Trust Company, N.A. (Exhibit 1 to Form T-1 filed with Registration Statement No. 333-152875).

2. A copy of certificate of authority of the trustee to commence business. (Exhibit 2 to Form T-1 filed with Registration Statement No. 333-121948).

3. A copy of the authorization of the trustee to exercise corporate trust powers. (Exhibit 3 to Form T-1 filed with Registration Statement No. 333-152875).

4. A copy of the existing by-laws of the trustee. (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-152875).

6. The consent of the trustee required by Section 321(b) of the Act (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-152875).

7. A copy of the latest report of condition of the trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the trustee, The Bank of New York Mellon Trust Company, N.A., a banking association organized and existing under the laws of the United States of America, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of Houston, and State of Texas, on the 5th day of November, 2009.

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

By: /s/ Julie Hoffman-Ramos
Julie Hoffman-Ramos
Senior Associate

EXHIBIT 6

CONSENT OF THE TRUSTEE

Pursuant to the requirements of Section 321 (b) of the Trust Indenture Act of 1939, and in connection with the proposed issue of Southern Union Company, The Bank of New York Mellon Trust Company, N.A. hereby consents that reports of examinations by Federal, State, Territorial or District authorities may be furnished by such authorities to the Securities and Exchange Commission upon request therefore.

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

By: /s/ Julie Hoffman-Ramos
Julie Hoffman-Ramos
&# 160; Senior Associate

Houston, Texas
November 5, 2009

REPORT OF CONDITION (Continued)

LIABILITIES

	Dollar Amounts in Thousands	
Deposits:		
In domestic offices		599
Noninterest-bearing	599	
Interest-bearing	0	
Federal funds purchased and securities sold under agreements to repurchase:		
Federal funds purchased		0
Securities sold under agreements to repurchase		0
Trading liabilities		0
Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases)		268,691
Subordinated notes and debentures		0
Other liabilities		195,831
Total liabilities		465,121

EQUITY CAPITAL

Bank Equity Capital	
Perpetual preferred stock and related surplus	0
Common stock	1,000
Surplus (exclude all surplus related to preferred stock)	1,121,520
Retained earnings	321,726
Accumulated other comprehensive income	2,591
Other equity capital components	0
Total bank equity capital	1,446,837
Minority interest in consolidated subsidiaries	0
Total equity capital	1,446,837
Total liabilities, minority interest, and equity capital	1,911,958

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Director #1 Troy Kilpatrick, Managing Director

Director #2 Frank Sulzberger, Managing Director

Director #3 William LindelofManagingDirector

I, Karen Bayz, Managing Director Karen A Bayz
(Name, Title)

of the above named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

REPORT OF CONDITION

Consolidating domestic subsidiaries of
The Bank of New York Mellon Trust Company N.A.
In the state of CA at close of business on June 30, 2009
published in response to call made by (Enter additional information below)

Statement of Resources and Liabilities

		Dollar Amounts in Thousands
ASSETS		
Cash and balances due from depository institutions:		
Noninterest-bearing balances and currency and coin		4,627
Interest-bearing balances		111,263
Securities:		
Held-to-maturity securities		22
Available-for-sale securities		492,259
Federal funds sold and securities purchased under agreements to resell:		
Federal funds sold		0
Securities purchased under agreements to resell		0
Loans and lease financing receivables:		
Loans and leases held for sale		0
Loans and leases, net of unearned income	0	
LESS: Allowance for loan and lease losses	0	
Loans and leases, net of unearned income and allowance		0
Trading Assets		0
Premises and fixed assets (including capitalized leases)		11,783
Other real estate owned		0
Investments in unconsolidated subsidiaries and associated companies		1
Direct and indirect investments in real estate ventures		0
Intangible assets:		
Goodwill		878,153
Other intangible assets		258,262
Other assets		157,538
Total assets		1,911,958

Exhibit 25.2

Form T-1 Statement of Eligibility of the Trustee
for the Subordinated Debt Securities

= =

FORM T-1

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE
ELIGIBILITY OF A TRUSTEE PURSUANT TO
SECTION 305(b)(2) |__|

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

(Exact name of trustee as specified in its charter)

(State of incorporation if not a U.S. national bank)	95-3571558 (I.R.S. employer identification no.)
700 South Flower Street Suite 500 Los Angeles, California (Address of principal executive offices)	90017 (Zip code)

Southern Union Company

(Exact name of obligor as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	75-0571592 (I.R.S. employer identification no.)
5444 Westheimer Road Houston, Texas (Address of principal executive offices)	77056 (Zip Code)

Subordinated Debt Securities
(Title of the Indenture Securities)

1. General information. Furnish the following information as to the trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Comptroller of the Currency United States Department of the Treasury	Washington, D.C. 20219
Federal Reserve Bank	San Francisco, California 94105
Federal Deposit Insurance Corporation	Washington, D.C. 20429

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

3-15. Not applicable.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the "Act") and 17 C.F.R. 229.10(d).

1. A copy of the articles of association of The Bank of New York Mellon Trust Company, N.A. (Exhibit 1 to Form T-1 filed with Registration Statement No. 333-152875).

2. A copy of certificate of authority of the trustee to commence business. (Exhibit 2 to Form T-1 filed with Registration Statement No. 333-121948).

3. A copy of the authorization of the trustee to exercise corporate trust powers. (Exhibit 3 to Form T-1 filed with Registration Statement No. 333-152875).

4. A copy of the existing by-laws of the trustee. (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-152875).

6. The consent of the trustee required by Section 321(b) of the Act (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-152875).

7. A copy of the latest report of condition of the trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the trustee, The Bank of New York Mellon Trust Company, N.A., a banking association organized and existing under the laws of the United States of America, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of Houston, and State of Texas, on the 5th day of November, 2009.

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

By: /s/ Julie Hoffman-Ramos
Julie Hoffman-Ramos
Senior Associate

CONSENT OF THE TRUSTEE

Pursuant to the requirements of Section 321 (b) of the Trust Indenture Act of 1939, and in connection with the proposed issue of Southern Union Company, The Bank of New York Mellon Trust Company, N.A. hereby consents that reports of examinations by Federal, State, Territorial or District authorities may be furnished by such authorities to the Securities and Exchange Commission upon request therefore.

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

By: /s/ Julie Hoffman-Ramos
Julie Hoffman-Ramos
Senior Associate

Houston, Texas
November 5, 2009

REPORT OF CONDITION (Continued)

LIABILITIES

	Dollar Amounts In Thousands	
Deposits:		
In domestic offices		599
Noninterest-bearing	599	
Interest-bearing	0	
Federal funds purchased and securities sold under agreements to repurchase:		
Federal funds purchased		0
Securities sold under agreements to repurchase		0
Trading liabilities		0
Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases)		268,691
Subordinated notes and debentures		0
Other liabilities		196,831
Total liabilities		465,121

EQUITY CAPITAL

Bank Equity Capital	
Perpetual preferred stock and related surplus	0
Common stock	1,000
Surplus (exclude all surplus related to preferred stock)	1,121,620
Retained earnings	321,726
Accumulated other comprehensive income	2,691
Other equity capital components	0
Total bank equity capital	1,446,837
Minority interest in consolidated subsidiaries	0
Total equity capital	1,446,837
Total liabilities, minority interest, and equity capital	1,911,958

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Director #1 Troy Kilpatrick, Managing Director

Director #2 Frank Sulzberger, Managing Director

Director #3 William LindelofManagingDirector

I, Karen Bayz, Managing Director Karen A Bayz
(Name, Title)

of the above named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

REPORT OF CONDITION

Consolidating domestic subsidiaries of
The Bank of New York Mellon Trust Company N.A.
In the state of CA at close of business on June 30, 2009
published in response to call made by (Enter additional information below)

Statement of Resources and Liabilities

	Dollar Amounts in Thousands	
ASSETS		
Cash and balances due from depository institutions:		
Noninterest-bearing balances and currency and coin		4,627
Interest-bearing balances		111,283
Securities:		
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Available-for-sale securities		492,259
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Securities purchased under agreements to resell		0
Loans and lease financing receivables:		
Loans and leases held for sale		0
Loans and leases, net of unearned income	0	
LESS: Allowance for loan and lease losses	0	
Loans and leases, net of unearned income and allowance		0
Trading Assets		0
Premises and fixed assets (including capitalized leases)		11,783
Other real estate owned		0
Investments in unconsolidated subsidiaries and associated companies		1
Direct and indirect investments in real estate ventures		0
Intangible assets:		
Goodwill		876,153
Other intangible assets		268,282
Other assets		157,586
Total assets		1,911,968

Exhibit 5.1

401 9th Street NW, Suite 400 South
Washington, DC 20004
Telephone: 202-220-6900
Fax: 202-220-6945
www.lockelord.com

November 5, 2009

Panhandle Eastern Pipe Line Company, LP
5444 Westheimer Road
Houston, Texas 77056

Ladies and Gentlemen:

We have acted as counsel to Panhandle Eastern Pipe Line Company, LP, a Delaware limited partnership ("*Panhandle*"), in connection with the automatic shelf registration statement on Form S-3 (the "*Registration Statement*") being filed by Panhandle and Southern Union Company ("*Southern Union*") (Panhandle's parent company) with the Securities and Exchange Commission (the "*Commission*") pursuant to the Securities Act of 1933, as amended (the "*Securities Act*"), for the registration of the sale from time to time of debt securities of Panhandle (the "*Debt Securities*").

We have reviewed the Registration Statement, including the prospectus that is part of the Registration Statement (the "*Prospectus*"). The Prospectus provides that it will be supplemented in the future by one or more supplements to the Prospectus (each, a "*Prospectus Supplement*"). The Prospectus, as supplemented by one or more Prospectus Supplements will provide for the issuance and sale by Panhandle of the Securities.

The Debt Securities will be issued pursuant to the Indenture, dated March 29, 1999, between Panhandle and The Bank of New York Mellon Trust Company, N.A. (as successor to The Bank of New York Trust Company, N.A., J.P. Morgan Trust Company, National Association, Bank One Trust Company, National Association and NBD Bank), as trustee (the "*Trustee*"), as amended and supplemented by one or more supplemental indentures with respect to the Debt Securities (collectively, the "*Indentures*").

We have examined the Registration Statement and the documents filed as exhibits thereto with the Commission. We have also examined and relied upon the originals, or duplicates or certified or conformed copies, of such records, agreements, instruments and other documents and have made such other and further investigations as we have deemed relevant and necessary in connection with the opinions expressed herein. As to questions of fact material to this opinion, we have relied upon certificates of public officials and of officers and representatives of Panhandle and Southern Union and have not sought to independently verify such matters.

In rendering the opinions set forth below, we have assumed the genuineness and authenticity of all signatures, the legal capacity of natural persons, the authenticity of all documents submitted to us as originals, and the conformity to original documents of all documents submitted to us as duplicates or certified or conformed copies and the authenticity of the originals of such latter documents. We have also assumed that:

A. at any time Panhandle issues Debt Securities, Panhandle will be validly existing and in good standing under the laws of the State of Delaware, the Registration Statement will be effective and such effectiveness shall not have been terminated or rescinded, and there shall not have occurred any change in law affecting the validity or enforceability of such Debt Securities from the date hereof until the time of their issuance;

B. at any time Panhandle issues Debt Securities, the Board of Directors of Southern Union (as sole member of Southern Union Panhandle LLC, acting as the general partner of Panhandle) shall have duly established the terms of such Debt Securities and duly authorized the issuance and sale of such Debt Securities, and such authorization shall not have been modified or rescinded;

C. none of the terms of the Debt Securities to be established subsequent to the date hereof, nor the issuance and delivery of such Debt Securities, nor the compliance by Panhandle thereof with the terms of such Debt Securities, will violate any applicable law or will result in a violation of any provision of any instrument or agreement then binding upon Panhandle, or any restriction imposed by any court or governmental body having jurisdiction over Panhandle; and

D. to the extent the obligations of Panhandle under the Indenture may be dependent thereon, the Indenture has been duly authorized, executed and delivered by the Trustee and the Indenture is now, and at the time of execution, authentication, issuance and delivery of any Debt Securities will be, the valid and legally binding obligation of the Trustee; the Trustee for the Indenture is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization; the Trustee is duly qualified to engage in the activities contemplated by the Indenture; the Trustee is in compliance, generally and with respect to acting as Trustee under the Indenture, with all applicable laws and regulations; and the Trustee has the requisite organizational and legal power and authority to perform its obligations under the applicable Indenture.

We, as your counsel, have examined originals or copies, certified or otherwise identified to our satisfaction, of such documents, corporate records, certificates of public officials and other instruments as we have deemed necessary or advisable for the purposes of rendering this opinion.

Based upon the foregoing, in reliance thereon, and subject to the qualifications and limitations herein stated, we are of the opinion that:

1. When (i) the Board of Directors of Southern Union (as sole member of Southern Union Panhandle LLC, acting as the general partner of Panhandle) adopts resolutions authorizing the issuance of particular Debt Securities and (ii) Panhandle and the Trustee duly execute and deliver the supplemental indenture that establishes the specific terms of such Debt Securities, and such Debt Securities have been duly authenticated by the Trustee and duly executed and delivered on behalf of Panhandle against payment therefore in accordance with the terms and provisions of the Indenture as contemplated by the Registration Statement, the Prospectus, and the related Prospectus Supplement(s), and assuming that (a) the terms of the Debt Securities as executed and delivered are as described in the Registration Statement, the

Prospectus, and the related Prospectus Supplement(s) and (b) the Debt Securities are then issued and sold as contemplated in the Registration Statement, the Prospectus, and the Prospectus Supplement(s), the Debt Securities will constitute valid and legally binding obligations of Panhandle.

The opinion set forth above is subject to the following exceptions, limitations and qualifications: (i) the effect of bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar laws now or hereafter in effect relating to or affecting the rights and remedies of creditors; (ii) the effect of general principles of equity, including without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether enforcement is considered in a proceeding in equity or at law and the discretion of the court before which any proceeding therefore may be brought; (iii) the unenforceability under certain circumstances under law or court decisions of provisions providing for the indemnification of, or contribution to, a party with respect to a liability where such indemnification or contribution is contrary to public policy; (iv) the unenforceability of any waiver of rights or defenses with respect to stay, extension or usury laws; and (v) the effect of acceleration of Debt Securities on the collectibility of any portion of the stated principal amount thereof that might be determined to constitute unearned interest thereon.

Please note that we are opining only as to the matters expressly set forth herein, and no opinion should be inferred as to any other matters. This opinion is based upon currently existing statutes, rules, regulations and judicial decisions, and we disclaim any obligation to advise you of any change in any of these sources of law or subsequent legal or factual developments which might affect any matters or opinions set forth herein.

The opinions rendered herein are limited to the internal law of the State of New York, the General Corporation Law of the State of Delaware, the Delaware Revised Uniform Limited Partnership Act and the federal laws of the United States.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement. We also hereby consent to the reference to our name under the heading “Legal Matters” in the prospectus constituting part of the Registration Statement. In giving such consent, we do not admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or of the rules and regulations of the Commission relating thereto.

This opinion is rendered solely to you in connection with the above matter. This opinion may not be relied upon by you for any other purpose or relied upon by or furnished to any other person without our prior written consent.

Very truly yours,

/s/ Locke Lord Bissell & Liddell LLP

LOCKE LORD BISSELL & LIDDELL LLP

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-3 of Panhandle Eastern Pipe Line Company, LP of our report dated February 26, 2009 relating to the consolidated financial statements of Panhandle Eastern Pipe Line Company, LP, which appears in Panhandle Eastern Pipe Line Company LP's Annual Report on Form 10-K for the year ended December 31, 2008. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

/s/ PricewaterhouseCoopers LLP

Houston, Texas
November 5, 2009

Exhibit 24.1

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS that each person whose signature appears below hereby constitutes and appoints Monica M. Gaudiosi and Robert M. Kerrigan, III and each of them, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign the Registration Statement of Panhandle Eastern Pipe Line Company, LP on Form S-3 and any and all amendments (including any pre- and post-effective amendments) and supplements thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, for the purpose of registering the securities offered pursuant thereto, and hereby grants to such attorneys-in-fact and agents, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or either of them, or their or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Dated: September 30, 2009

/s/ Robert O. Bond
Robert O. Bond

/s/ Richard N. Marshall
Richard N. Marshall

/s/ Gary W. Lefelar
Gary W. Lefelar

/s/ Michal Barzuza
Michal Barzuza

/s/ David Brodsky
David Brodsky

/s/ Frank W. Denius
Frank W. Denius

/s/ Kurt A. Gitter, M.D.
Kurt A. Gitter, M.D.

/s/ Eric D. Herschmann
Eric. D. Herschmann

/s/ Herbert H. Jacobi
Herbert H. Jacobi

/s/ Thomas N. McCarter, III
Thomas N. McCarter, III

/s/ George Rountree, III
George Rountree, III

/s/ Allan D. Scherer
Allan D. Scherer

Exhibit 25.1

Form T-1 Statement of Eligibility of the Trustee
for the Panhandle Eastern Pipe Line Debt Securities

= =

FORM T-1

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE
ELIGIBILITY OF A TRUSTEE PURSUANT TO
SECTION 305(b)(2) |__|

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

(Exact name of trustee as specified in its charter)

(State of incorporation if not a U.S. national bank)	95-3571558 (I.R.S. employer identification no.)
700 South Flower Street Suite 500 Los Angeles, California (Address of principal executive offices)	90017 (Zip code)

Panhandle Eastern Pipe Line Company, LP

(Exact name of obligor as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	44-0382470 (I.R.S. employer identification no.)
5444 Westheimer Road Houston, Texas (Address of principal executive offices)	77056 (Zip Code)

Debt Securities
(Title of the Indenture Securities)

1. General information. Furnish the following information as to the trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Comptroller of the Currency United States Department of the Treasury	Washington, D.C. 20219
Federal Reserve Bank	San Francisco, California 94105
Federal Deposit Insurance Corporation	Washington, D.C. 20429

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

3-15. Not applicable.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the "Act") and 17 C.F.R. 229.10(d).

1. A copy of the articles of association of The Bank of New York Mellon Trust Company, N.A. (Exhibit 1 to Form T-1 filed with Registration Statement No. 333-152875).

2. A copy of certificate of authority of the trustee to commence business. (Exhibit 2 to Form T-1 filed with Registration Statement No. 333-121948).

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4. A copy of the existing by-laws of the trustee. (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-152875).

6. The consent of the trustee required by Section 321(b) of the Act (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-152875).

7. A copy of the latest report of condition of the trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the trustee, The Bank of New York Mellon Trust Company, N.A., a banking association organized and existing under the laws of the United States of America, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of Houston, and State of Texas, on the 5th day of November, 2009.

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

By: /s/ Julie Hoffman-Ramos
Julie Hoffman-Ramos
Senior Associate

EXHIBIT 6

CONSENT OF THE TRUSTEE

Pursuant to the requirements of Section 321 (b) of the Trust Indenture Act of 1939, and in connection with the proposed issue of Panhandle Eastern Pipe Line Company, LP, The Bank of New York Mellon Trust Company, N.A. hereby consents that reports of examinations by Federal, State, Territorial or District authorities may be furnished by such authorities to the Securities and Exchange Commission upon request therefore.

&# 160; THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

By: /s/ Julie Hoffman-Ramos
Julie Hoffman-Ramos
Senior Associate

Houston, Texas
November 5, 2009

REPORT OF CONDITION (Continued)

LIABILITIES

	Dollar Amounts In Thousands	
Deposits:		
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We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Director #1 Troy Kilpatrick, Managing Director

Director #2 Frank Sulzberger, Managing Director

Director #3 William LindelofManagingDirector

I, Karen Bayz, Managing Director Karen A Bayz
(Name, Title)

of the above named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

REPORT OF CONDITION

Consolidating domestic subsidiaries of
The Bank of New York Mellon Trust Company N.A.
In the state of CA at close of business on June 30, 2009
published in response to call made by (Enter additional information below)

Statement of Resources and Liabilities

		Dollar Amounts In Thousands
ASSETS		
Cash and balances due from depository institutions:		
Noninterest-bearing balances and currency and coin		4,627
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Loans and leases, net of unearned income and allowance		0
Trading Assets		0
Premises and fixed assets (including capitalized leases)		11,783
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