



ENERGY TRANSFER

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September 17, 2013

Ms. Linda Daugherty
Director, Central Region
Pipeline and Hazardous Materials Safety Administration
U.S. Department of Transportation
901 Locust Street, Suite 462
Kansas City, MO 64106-2641

Dear Ms. Daugherty:

RE: Panhandle Eastern Pipe Line Company, LP, Meter & Regulator (M&R) stations and associated pipeline segments in Centertown, Missouri, and Auburn, Illinois. (CPF No. 3-2013-1015)

On July 10, 2012, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code inspected records of Energy Transfer Partners' Panhandle Eastern Pipe Line Company's (PEPL) Meter & Regulator (M&R) stations and associated pipeline segments in Centertown, Missouri, and Auburn, Illinois.

On August 20, 2013, PHMSA issued a Notice of Probable Violation and Proposed Civil Penalty to PEPL (received by PEPL on August 26, 2013), containing two probable violations and assessing a total proposed civil penalty of \$92,400. PEPL acknowledges the allegations and agrees to resolve the matter as proposed in the Notice. The wire transfer payment is scheduled for 09/17/13. The Company has already taken action to address the probable violations noted, and instituted new procedures to ensure there is no recurrence of these issues.

Please let me know if you need any further information regarding these Items.

Thank you.

Jeff Whippo
Energy Transfer – Panhandle Eastern Pipe Line Company, LP
VP Operations Support
Office: (713) 989-7150
Cell: (505) 250-6279

5051 Westheimer Road
Houston, Texas 77056