

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Energy Transfer Partners, L.P.)
Energy Transfer Company) Docket No. IN06-3-003
ETC Marketing, Ltd.)
Houston Pipeline Company)

PUBLIC NOTICE OF SETTLEMENT

(September 21, 2009)

Take notice that on September 21, 2009, pursuant to Rule 602 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.602 (2009), the Commission accepted and approved the Stipulation and Consent Agreement ("Agreement") entered into by Energy Transfer Partners, L.P., *et al.* ("ETP") and Enforcement Litigation Staff regarding settlement of Docket No. IN06-3-003.¹ Concurrently with this Notice, the Agreement is being filed as a public document with the Secretary of the Commission.

ETP and Enforcement Litigation Staff jointly state that the Agreement resolves all Claims alleged or asserted in this Proceeding by the Commission and Enforcement Litigation Staff against ETP, including the named respondents, any other ETP Entity, and any of its current or former directors, officers, employees, agents, or other representatives, relating to manipulation or attempted manipulation of natural gas prices in alleged violation of the Commission's former Market Behavior Rule 2.²

By resolving all Claims through the Agreement, ETP and Enforcement Litigation Staff agree that the Commission shall dismiss all Claims against ETP with prejudice, terminate all investigations in this Proceeding, and forever release ETP and the ETP Entities and their current or former directors, officers, employees, agents, and other

¹ Capitalized terms in this Public Notice have the meaning provided in the Agreement and the Agreement constitutes the complete agreement of the Settling Parties. All matters in this docket that pertained to ETP's affiliate, Oasis Pipeline, L.P., were resolved by a prior settlement approved by the Commission in *Oasis Pipeline, L.P.*, 126 FERC ¶ 61,188 (2009).

² See Order No. 644, 105 FERC ¶ 61,217 (2003), *formerly codified at* 18 C.F.R. § 284.403(a) (2005). Market Behavior Rule 2 was rescinded in Order No. 673, 114 FERC ¶ 61,166 (2006).

representatives, and any successor to ETP or the ETP Entities, from any and all administrative or civil claims for civil penalties and legal and equitable relief, including disgorgement of profits and restitution, under any and all theories of alleged liability based on or arising under in whole or part, the Claims.

Under the terms of the Agreement, ETP will pay Five Million Dollars (\$5,000,000.00) in civil monetary penalties to the United States Treasury.

In addition, under the terms of the Agreement, ETP will establish a Fund in the amount of Twenty-Five Million Dollars (\$25,000,000.00) for the purpose of disgorging to Final Opt-In Fund Participants alleged unjust profits based on or arising from ETP's Alleged Conduct. Third Parties that have asserted claims against ETP in private litigation or arbitration may become Fund Participants. If, after the allocation of money to Final Opt-In Fund Participants, there is any Remaining Fund Amount, such amount shall be available for the purpose of compensating Third Parties, in whole or part, in connection with the Private Settlement of Pending Claims or Future Claims.

For purposes of this Proceeding, ETP neither admits nor denies the Claims. As specified in the Agreement, ETP does not admit or concede to any Third Party actual or potential fault, wrongdoing, or liability in connection with any facts or claims that have been or could have been alleged against it with respect to ETP's Alleged Conduct.

No later than sixty (60) days from the date of the publication of this Notice in the *Federal Register* (the "Fund Notice Period"), any individual, business entity, or putative class that believes it may have a claim against any ETP Entity, with respect to the allegations covered by the Agreement, and elects to become a Conditional Opt-In Fund Participant, shall cause to be filed with the Commission and served upon ETP and Enforcement Litigation Staff a written, verified Conditional Notice as attached.³ No claims filed after expiration of the sixty-day Fund Notice Period shall be considered or eligible for participation in the Fund. Such submissions shall be treated as subject to the terms of the Protective Order entered in this Proceeding on February 11, 2008, *Energy Transfer Partners, L.P.*, 122 FERC ¶ 61,122 (2008), as such Protective Order may be modified by the Commission or by an administrative law judge.

³ The following forms are attached to this notice: (1) Conditional Notice to Participate in Settlement Fund, along with associated Declaration of Authorized Representative and Affidavit forms; and (2) Declaration of Final Opt-in Fund Participant and Waiver and Release of Claims, along with an associated Declaration of Authorized Representative form.

Within one hundred twenty (120) days after the close of the Fund Notice Period, the Fund Administrator shall certify to the Commission and simultaneously serve the Settling Parties and each Conditional Opt-In Fund Participant an Initial Fund Allocation Report. This report shall describe the data submitted by each Conditional Fund Participant, the basis for its claim, its total claim, if any, supported by the data submitted, the initial allocation of the Fund, and the methodology employed in reaching the initial allocation of the Fund. The Agreement provides for Commission review and approval of the report. Within thirty (30) days after the Initial Fund Allocation Report becomes final, each Conditional Opt-In Fund Participant shall declare in writing whether or not it accepts the allocated amount to become a Final Opt-In Fund Participant. As a condition of accepting the allocated amount, each Final Opt-In Participant must agree to forever waive and release all claims against ETP based on or arising, in whole or part, from ETP's Alleged Conduct as specified in the Agreement. No individual, business entity, or putative class that becomes a Conditional Opt-In Fund Participant or a Final Opt-In Fund Participant shall become a Party to this Proceeding.

No portion of the Fund shall be withdrawn by, recouped by, or revert to ETP. If, at the close of the allocation process set forth in the Agreement, there is any amount of money remaining in the fund, that amount shall be paid to the United States Treasury.

For additional information regarding the Agreement, please contact:

Enforcement Litigation Staff

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Office of Enforcement
Federal Energy Regulatory Commission
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Washington, DC 20426
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Energy Transfer Partners, L.P., *et al.*

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Conditional Notices are due no later than sixty (60) days after publication of this Notice in the *Federal Register*.

Kimberly D. Bose,
Secretary.

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Energy Transfer Partners, L.P.)	
Energy Transfer Company)	Docket No. IN06-3-003
ETC Marketing, Ltd.)	
Houston Pipeline Company)	

CONDITIONAL NOTICE
TO PARTICIPATE IN SETTLEMENT FUND

Pursuant to the Federal Energy Regulatory Commission's _____, 2009 Order Approving Settlement, ___ FERC ¶ _____ (2009), and Public Notice, ___ Fed. Reg. ____ **[date of notice]**, and in accordance with the Stipulation and Consent Agreement (the "Agreement") dated August 26, 2009 by ETP¹ and Enforcement Litigation Staff, the undersigned, a duly authorized representative of **[company or other entity]**, hereby gives notice that **[company or other entity]** on behalf of itself and _____ **[identify each affiliate, subsidiary or other entity that may have a Fund Claim]**, believes it may have a Fund Claim against one or more ETP Entities arising from ETP's Alleged Conduct and elects to become a Conditional Opt-In Fund Participant under the terms of the Agreement.

[The company or other entity] hereby states and acknowledges that, should it accept that ultimate allocation of the Fund by the Fund Administrator and elect to become a Final Opt-In Fund Participant, it and each of its affiliates, subsidiaries, or other entities shall forever waive and release all claims against ETP based on or arising from, in whole or in part, the Claims and ETP's Alleged Conduct as provided in Paragraph 64 of the Agreement.

¹ Capitalized terms in this Conditional Notice have the meaning provided in the Agreement.

[The company or other entity] further states and acknowledges that by such election, it shall not be a party to the Agreement or a party to the Proceeding.

The basis for the Fund Claim of **[company or other entity]**, together with its affiliates and related legal entities, is as follows:

[Statement of how the Conditional Opt-In Fund Participant was purportedly injured by the Claims or ETP's Alleged Conduct]

Attached hereto are the following verified documents and data that support the Fund Claim and accompanying affidavits of the following individuals:

[Description of verified documentation and other data showing sufficient information to support the Fund Claim and a statement of how the Conditional Opt-In Fund Participant was purportedly injured by the Claims or ETP's Alleged Conduct. Such information for physical transactions shall include, for example, all monthly sales and purchases made by the Third Party and its affiliates or other related entities based on, in whole or part, the IFERC HSC Index for any or all of the months of September 2003 through December 2006 inclusive; whether the transaction was a sale or purchase; the counter-party for each sale or purchase; the execution date of the transaction; the applicable sales or purchase price per MMBtu; all related positions; and all other information necessary to establish that the Third Party allegedly suffered a loss. Such information for derivative financial transactions shall include, for example, all instruments owned by the Third Party or its affiliates or other related entities based on, in whole or part, the IFERC HSC Index for any or all of the months of September 2003 through December 2006 inclusive; whether the instrument had a long or short exposure to the IFERC HSC Index; the counter-party for each instrument; the execution date of the transaction; the applicable price for each instrument; all related positions; and all other information necessary to establish that the Third Party allegedly suffered a loss. The Conditional Notice may include any other information on which a Fund Claim is based.]

Attached hereto and described below as necessary is any other information upon which a Fund Claim is based:

[Description of attached documentation or statement of additional information.]

This submission is subject to the Commission's February 11, 2008 Order Adopting Protective Order and Appendix thereto, *Energy Transfer Partners, L.P.*, 122 FERC ¶ 61,122 (2008), as it may be modified by the Commission or the Fund Administrator.

Electronic copies of this notice, including all attachments, are being served on each person designated as a receiving representative of the Settling Parties to the Agreement.

Respectfully submitted,

**[Authorized Representative]
[Name, title, company or other entity,
business address, telephone and email]**

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Energy Transfer Partners, L.P.)
Energy Transfer Company) Docket No. IN06-3-003
ETC Marketing, Ltd.)
Houston Pipeline Company)

COUNTY OF _____)
STATE OF _____) ss.:

DECLARATION OF **[Authorized Representative]***

I, **[Authorized Representative]**, declare under penalty of perjury that I am the authorized representative of **[company or other entity]**, its affiliates and related legal entities, with the authority to bind **[company or other entity]**, its affiliates and related legal entities, and that the foregoing Conditional Notice to Participate in Settlement Fund, together with all attachments, is true, correct, and complete to the best of my information, knowledge, and belief.

Executed on this ____ day of _____ 2009.

[Authorized Representative]
[Name, title, company or other entity]

Subscribed and Sworn to before me
This ____ day of _____ 2009.

Notary Public
My Commission Expires:

* **[To be submitted by the duly authorized representative.]**

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Energy Transfer Partners, L.P.)
Energy Transfer Company) Docket No. IN06-3-003
ETC Marketing, Ltd.)
Houston Pipeline Company)

COUNTY OF _____)
STATE OF _____) ss.:

AFFIDAVIT OF **[Affiant]***

I, **[Affiant]**, declare under penalty of perjury that I am **[title]** of **[company or other entity]** doing business at **[business address]** and that the attached documents and data entitled **[identify attached documents and data]** submitted in support of the claim of **[company or other entity]** on behalf of itself, its affiliates and all related legal entities, is true, correct, and complete to the best of my information, knowledge, and belief.

Executed on this ___ day of _____ 2009.

[Affiant]
[Name, business address, telephone]

Subscribed and Sworn to before me
This ___ day of _____ 2009.

Notary Public
My Commission Expires:

* [To be submitted for each affiant necessary to verify the documents and data submitted.]

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Energy Transfer Partners, L.P.)	
Energy Transfer Company)	Docket No. IN06-3-003
ETC Marketing, Ltd.)	
Houston Pipeline Company)	

DECLARATION OF
FINAL OPT-IN FUND PARTICIPANT
AND
WAIVER AND RELEASE OF CLAIMS

Pursuant to the Federal Energy Regulatory Commission’s _____, 2009 Order Approving Settlement, ___ FERC ¶ ___ (2009), and Public Notice, ___ Fed. Reg. ___[**date of notice**], and in accordance with the terms of the Stipulation and Consent Agreement (the “Agreement”) dated August 26, 2009 by and among ETP¹ and Enforcement Litigation Staff, the undersigned, a duly authorized representative of [**company or other entity and each subsidiary, affiliate, or other legal entity**], hereby states that [**company or other entity**] accepts the amount of \$[**amount of allocation**] allocated to it by the Final Fund Allocation Report of [**date of Final Fund Allocation Report**], 2010 and elects to become a Final Opt-In Fund Participant pursuant to the terms and conditions specified in the Agreement.

[**The company or other entity**] hereby states and acknowledges that, by such election for itself, its affiliates and all other related legal entities, it forever waives and releases each and every ETP Entity, and each of their respective, current and former directors, officers, employees, agents or other representatives, from each and every past, existing and future claim for civil damages and/or penalties and/or equitable relief, including but not limited to disgorgement and

¹ Capitalized terms in this Final Notice have the meaning provided in the Agreement.

restitution, whether known or unknown, suspected or unsuspected, based on or arising from, in whole or part, the Claims or ETP's Alleged Conduct. Such claims include, but are not limited to any claims relating to ETP's Alleged Conduct arising under the Natural Gas Act, the Natural Gas Policy Act of 1978, the Energy Policy Act of 2005, the Commodity Exchange Act, and any regulation thereunder, any federal or state antitrust law or consumer protection law, however denominated, and any state or common law tort theory, contract theory or equitable theory.

This declaration is final and binding and may not be qualified or withdrawn.

Electronic copies of this notice are being served on each person designated as a receiving representative of the Settling Parties to the agreement.

Respectfully submitted,

**[Authorized Representative]
[Name, title, company or other entity,
business address, telephone and email]**

Attachment(s)

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Energy Transfer Partners, L.P.)	
Energy Transfer Company)	Docket No. IN06-3-003
ETC Marketing, Ltd.)	
Houston Pipeline Company)	

COUNTY OF _____)	
)	ss.:
STATE OF _____)	

DECLARATION OF [Authorized Representative]

I, **[Authorized Representative]**, declare under penalty of perjury that I am an authorized representative of **[company or other entity]**, its affiliates and related legal entities, with the authority to bind **[company or other entity]**, its affiliates and related legal entities. Under penalty of perjury, the foregoing Declaration of Final Opt-In Fund Participant and Waiver and Release of Claims is true, correct, and complete to the best of my information, knowledge, and belief.

Executed on this ____ day of _____ 2010.

[Authorized Representative]
[Name, title, company or other entity]

Subscribed and Sworn to before me
This ____ day of _____ 2010.

Notary Public
My Commission Expires: