



Florida Gas Transmission Company

A Southern Union/El Paso Affiliate

5444 Westheimer Road
Houston, TX 77056-5306

P.O. Box 4967
Houston, TX 77210-4967
713.989.7000

January 16, 2008

Dear Sir or Madam:

Florida Gas Transmission Company is proposing an expansion of its existing interstate natural gas pipeline. The proposed expansion would provide additional natural gas to the State of Florida in order to meet the increasing energy demands from the growing population.

You are receiving this letter because Florida Gas Transmission Company has sent a letter to residents in your area requesting permission to conduct surveys on their property. While the company has identified a general route, the specific route has not been selected, which is why we have asked for survey permission.

This potential expansion would include construction of a new pipeline along Florida Gas Transmission Company's existing right of way, as well as in some new areas. The project would include proposed construction of approximately 520 miles of pipeline that would provide 800 million cubic feet per day of additional natural gas to its customers.

Florida Gas Transmission Company is an interstate natural gas pipeline that is part of the nation's energy infrastructure. As such, the company is regulated by the Federal Energy Regulatory Commission (FERC). If Florida Gas Transmission Company continues with this project, a formal application will be filed with FERC so it can review the project and apply the appropriate conditions prior to issuing a permit that would allow the company to move forward with construction.

Florida Gas Transmission Company plans to initiate a request to participate in FERC's Pre-Filing Process in February. The first step in this process was a pre-filing conference with FERC Commission staff which was held on December 13, 2007. The company then plans to hold open house meetings to provide information and answer questions about the proposed project. You will be notified about a meeting in your area.

Florida Gas Transmission Company operates a 5,000-mile pipeline system from south Texas to Florida with service to over 250 delivery points with connections to more than 50 natural gas fueled electric generation plants. The Florida customer base includes electric utilities, independent power producers, industrial customers and local natural gas distribution companies serving residential customers. You can find more information about Florida Gas Transmission at www.panhandleenergy.com

Sincerely,

Rick Craig
Vice President