

Panhandle Eastern Pipe Line Company, LP
Pricing Term Sheet
\$150,000,000 8.125% Senior Notes due 2019

The following information supplements the Preliminary Prospectus Supplement dated May 21, 2009, and is filed pursuant to Rule 433, under Registration No. 333-137998

Issuer:	Panhandle Eastern Pipe Line Company, LP
Security Type:	Senior Unsecured Notes
Ratings (Moody's / S&P / Fitch):	Baa3(Stable)/ BBB-(Stable)/ BBB(Negative)
Pricing Date:	May 21, 2009
Settlement Date:	June 2, 2009
Maturity Date:	June 1, 2019
Principal Amount:	\$150,000,000
Benchmark:	T 3.125% due May 15, 2019
Benchmark Price/Yield	98-26+ / 3.263%
Re-offer Spread to Benchmark:	+486.2 bps
Yield to Maturity:	8.125%
Coupon:	8.125%
Public Offering Price:	100%
Optional Redemption:	T +50 bps
Interest Payment Dates:	June 1 and December 1, beginning December 1, 2009
CUSIP / ISIN:	698455 AC6/ US 698455AC64
T+7 Settlement Cycle	We expect that delivery of the notes will be made against payment on or about the settlement date specified above, which will be the seventh business day following the pricing date (this settlement cycle being referred to as "T+7"). Pursuant to Rule 15c6-1 under the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers of notes who wish to trade notes more than four business days prior to the settlement date will be required to specify an alternate settlement cycle at the time of such trade to prevent a failed settlement.
Joint Bookrunning Managers:	Wachovia Capital Markets, LLC RBC Capital Markets Corporation

The issuer and its parent, Southern Union Company, have filed a registration statement (including a base prospectus), and the issuer has filed a prospectus supplement, with the U.S. Securities and Exchange Commission (SEC) for the offering to which this communication relates. Before you invest, you should read the prospectus supplement for this offering, the issuer's prospectus in that registration statement and any other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by searching the SEC online data base (EDGAR) on the SEC web site at <http://www.sec.gov>. Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus supplement and prospectus if you request it by calling Wachovia Capital Markets, LLC toll free at 1-800-326-5897 or RBC Capital Markets Corporation toll free at 1-866-375-6829.
