
The Commission conducted its investigation of the combination of the natural gas liquids storage businesses of Enterprise and TEPPCO under common ownership on the basis of those statutory criteria. The investigation indicated in particular that the acquisition significantly increased concentration in the Mont Belvieu market for salt dome storage for natural gas liquids. To address that circumstance, the Consent Order requires Duncan to sell TEPPCO's interests in Mont Belvieu Storage Partners, L.P. -- the 50/50 joint venture with Louis Dreyfus Energy Services L.P. that operates TEPPCO's Mont Belvieu salt dome storage facility -- and certain related pipeline, land, and other assets no later than December 31, 2006, to a buyer approved by the Commission. The Consent Order also contains a number of other provisions that are together intended to maintain the viability of the Mont Belvieu Storage Partners natural gas liquids storage facility, by ensuring that Duncan cannot disadvantage shippers that originate product movements from the Mont Belvieu Storage Partners facility in favor of shippers that originate product movements from the Enterprise storage facility.

With respect to your concern that Enterprise "wants to develop a monopoly of the pipelines in the area . . . ," our investigation did not uncover any credible evidence that Enterprise has or will develop a "monopoly of the pipelines" in Mont Belvieu. With respect to your concern that any condemnation proceedings that may be conducted should follow a market value approach, rather than an eminent domain approach, I should note that the jurisdiction of the Commission to address and prevent unfair methods of competition does not encompass the methods used by federal, state and local governmental entities to carry out condemnation proceedings. For these and other reasons, and after appropriate consideration of your comments, the Commission has determined that the public interest would best be served by issuing the Decision and Order in final form without modification. A copy of the final Decision and Order is enclosed for your information. Relevant materials also are available from the Commission's Website at <http://www.ftc.gov>.

It helps the Commission's analysis to hear from a variety of sources in its work on antitrust and consumer protection issues. We appreciate your interest in this matter.

By direction of the Commission, Commissioner Rosch recused.

Donald S. Clark
Secretary