

Announcement of Winning Bidder - RFP Waha San Elizario

Dear All,

We refer to the Third Amended and Restated Request for Proposals for the Development of a Natural Gas Pipeline from the Waha Hub to San Elizario, Texas (“RFP”) released on December 22nd, 2014. Comisión Federal de Electricidad (“CFE”) completed all steps considered in the RFP Schedule (Section 3. of the RFP) and on January 13th, 2015, CFE received proposals from: 1. Sempra U.S. Gas and Power, LLC, 2. TC Continental Pipelines Holdings, Inc., 3. Consortium Energy Transfer Partners, L.P. / MasTec, Inc. / Carso Energy, S.A. de C.V., 4. Operadora Mexicana de Gasoductos, S.A. de C.V. and 5. Kinder Morgan Texas Pipeline LLC.

After reviewing all proposal CFE has selected the consortium comprised of Energy Transfer Partners, L.P., MasTec, Inc. and Carso Energy, S.A. de C.V. (“ETP Consortium”) as the winning bidder for the construction and operation of the San Elizario Pipeline (as such terms are defined in the RFP). The ETP Consortium offered \$596,260,221.95 as net present value (which includes the present value of fuel), which represents the lowest net present value complying with the RFP requirements and the best value – meaning the most advantageous balance of price, quality and performance as stated in Section 6 (h) of the RFP. A team of CFE evaluation personnel reviewed the proposals and observers from Transparencia Mexicana oversaw the review process to ensure an efficient, impartial and transparent selection process.

CFE also has selected as back-up winning bidders Operadora Mexicana de Gasoductos, S.A. de C.V. (“First Back-Up Winner”) and Sempra U.S. Gas & Power, LLC (“Second Back-Up Winner”, together with the First Back-Up Winner “Back-Up Winners”). If CFE and the ETP Consortium do not reach an agreement regarding the corresponding transportation service agreement (“TSA”), CFE will select First Back-Up Winner or Second Back-Up Winner to replace the ETP Consortium as the winning bidder. Pursuant to the terms of the RFP, the ETP Consortium and Back-Up Winners must keep their Commitment Bonds open for sixty calendar days after the date proposed for the execution of the TSAs (March 15, 2015). CFE will return the original Commitment Bonds to the other two bidders.

Thank you for participating in the RFP process for the San Elizario Pipeline.

Best regards,

CFE