

I. THE PARTIES

A. Respondents Dan L. Duncan and EPCO, Inc.

1. Dan L. Duncan is a natural person whose office and principal place of business is located at 1100 Louisiana Street, Suite 1800, Houston, Texas 77002.

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C. Market Structure

20. The market for salt dome storage for natural gas liquids in Mont Belvieu was highly concentrated prior to the Acquisition and is significantly more concentrated as a result of the Acquisition.
21. Enterprise and TEPPCO compete in the market for salt dome storage for natural gas liquids in Mont Belvieu.
22. The Acquisition combined two of four providers of commercial salt dome storage for natural gas liquids in Mont Belvieu.
23. The pre-Acquisition Herfindahl-Hirschman Index was more than 3,400, and increased post-Acquisition by more than 3,000 points to a level exceeding 6,400.

D. Entry Conditions

24. Entry into the market for salt dome storage for natural gas liquids in Mont Belvieu would not be timely, likely, or sufficient to prevent the anticompetitive effects that are likely to result from the Acquisition.
25. Construction of a salt dome storage facility and its necessary infrastructure, including pipelines and brine storage and handling facilities, is subject to significant regulatory and other legal constraints, and requires significant sunk costs and substantial time to accomplish.

IV. ANTICOMPETITIVE EFFECTS

26. The Acquisition may substantially lessen competition in the following ways, among others:
 - a. by eliminating competition between Enterprise and TEPPCO;
 - b. by enhancing Enterprise's ability unilaterally to exercise market power; and
 - c. by increasing the likelihood of, or facilitating, collusion or coordinated interaction between or among the remaining firms;

each of which increases the likelihood that customers would be forced to pay higher prices for or would experience degradations in service for salt dome storage for natural gas liquids in Mont Belvieu.

V. VIOLATIONS CHARGED

27. The effect of the Acquisition may be substantially to lessen competition or tend to create a monopoly in violation of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45.

WHEREFORE, THE PREMISES CONSIDERED, the Federal Trade Commission on this _____ day of _____, 2006, issues its complaint against Respondents.

By the Commission.

Donald S. Clark
Secretary

SEAL: