

EPCO, Inc.
1100 Louisiana Street
Houston, Texas 77002



LETTER OF COMMENT NO. 180

VIA E-MAIL

August 8, 2008

Mr. Russell G. Golden
Technical Director
File Reference No. 1600-100
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, Connecticut 06856-5116

Re: Proposed Statement of Financial Accounting Standards - Disclosure of Certain Loss Contingencies - an amendment of FASB Statements No. 5 and 141(R)

Dear Mr. Golden:

EPCO, Inc. ("EPCO") appreciates the opportunity to respond to the Financial Accounting Standards Board ("FASB" or the "Board") regarding the Proposed Statement of Financial Accounting Standards, *Disclosure of Certain Loss Contingencies, an amendment of FASB Statements No. 5 and 141 (R)* (the "Proposed Statement"). EPCO is a privately owned company located in Houston, Texas that, among other responsibilities, oversees the financial accounting and reporting matters for four publicly traded midstream energy partnerships: Enterprise GP Holdings L.P., Enterprise Products Partners L.P., TEPPCO Partners, L.P. and Duncan Energy Partners L.P.

The Proposed Statement requires disclosure about loss contingencies if they are "expected to be resolved in the near term" and could have a "severe impact" on the company's financial position, cash flows, or results of operations. Both quantitative and qualitative information about the loss contingency would be disclosed, including (i) the nature of the litigation, (ii) the amount of the claim or assessment, or, the best estimate of the maximum exposure, (iii) a qualitative assessment of the most likely outcome, and (iv) the significant assumptions underlying a company's disclosed estimates.

While we support the efforts of the Board to establish and improve standards of financial accounting and reporting, we do not support the Proposed Statement as currently drafted for the following reasons:

- In litigation where no claim amount has been stated, the reporting entity would be required to provide its "best estimate" of its maximum exposure. This requirement forces a reporting entity to quantify and disclose its potential

maximum exposure in an adversarial proceeding where the claimant itself has been unwilling or unable to quantify the maximum loss.

- Reporting entities would be exposed to the risk that the required disclosures would be found to constitute a waiver of attorney-client privilege and/or work product immunity.
- The qualitative nature of the required disclosures would expose reporting entities to the risk that their litigation strategy would be revealed, which traditionally is carefully protected in adversarial proceedings.
- The required estimates and disclosures could be found admissible in court evidence against the reporting entity in the proceeding itself or could alter the outcome of the proceeding by changing the course of the settlement negotiations and/or result in higher settlement amounts or jury awards.
- We believe that FASB Statement No. 5, as currently adopted and in practice, is a prime example of a principles-based accounting standard and is adequate in its existing disclosure requirements.

Thank you for your consideration.

Respectfully,

EPCO, Inc.

/s/ Michael Hanson

Name: Michael Hanson
Title: Assistant Controller, Financial Reporting

cc: Mike Creel
Hank Bachmann
Mike Knesek
Tom Reece