

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Energy Transfer Partners, L.P.		2 Issuer's employer identification number (EIN) 73-1493906	
3 Name of contact for additional information Brent Ratliff	4 Telephone No. of contact 214-981-0700	5 Email address of contact investorrelations@energytransfer.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 8111 Westchester Drive		7 City, town, or post office, state, and Zip code of contact Dallas, TX 75225	
8 Date of action April 28, 2017		9 Classification and description Common, Class E, Class G, Class I, Class K, and Class H Units	
10 CUSIP number 29273R109	11 Serial number(s)	12 Ticker symbol ETP	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On April 28, 2017, Sunoco Logistics Partners L.P. ("SXL") and Energy Transfer Partners, L.P. ("ETP") completed the previously announced merger of ETP into a wholly owned subsidiary of SXL with ETP continuing as the surviving entity and becoming a wholly owned subsidiary of SXL (the "merger"). Concurrently with the merger, Sunoco Partner LLC, the general partner of SXL ("SXL GP"), merged with Energy Transfer Partners GP, L.P., the general partner of ETP ("ETP GP"), with ETP GP continuing as the surviving entity and becoming the general partner of SXL (the "GP merger" and, together with the merger, the "mergers"). Under the terms of the merger agreement, subject to certain adjustments, holders of common units representing limited partner interests in ETP will receive, for each ETP common unit held, 1.5 common units representing limited partner interests in SXL. Additionally, the Class E units, Class G units, Class I units, and Class K units of ETP issued and outstanding immediately prior to the effective time will be cancelled and converted automatically into an equal number of newly created classes of units representing limited partner interests in SXL, with the same rights, preferences, privileges, duties and obligations as such classes of ETP units had immediately prior to the closing of the merger. Under the terms of the merger agreement, ETP's Class H units and incentive distribution rights will be cancelled for no consideration.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The merger is intended to be a merger of SXL and ETP within the meaning of Treasury Regulations promulgated under Section 708 of the Code, with ETP being treated as the continuing partnership and SXL being treated as the terminated partnership. As a result, each holder of SXL common units, including SXL common unitholders and the ETP common unitholders that will receive SXL common units in the merger, will be treated as a partner of ETP for U.S. federal income tax purposes following the merger. Further, the allocable share of nonrecourse liabilities allocated to existing ETP common unitholders will be recalculated to take into account the combination of SXL and ETP into a single partnership for U.S. federal income tax purposes. Therefore, the merger may cause a net reduction in the allocable share of nonrecourse liabilities of an existing ETP common unitholder, which is referred to as a "reducing debt shift." If an existing ETP common unitholder experiences a net reduction in such unitholder's share of nonrecourse liabilities as a result of the merger, such unitholder will be deemed to have received a cash distribution equal to the amount of the reduction and a corresponding basis reduction in such unitholder's units.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ Following the merger, each ETP common unitholder's share of ETP's nonrecourse liabilities will be recalculated. Any resulting increase or decrease in an ETP common unitholder's nonrecourse liabilities will result in a corresponding increase or decrease in such unitholder's adjusted tax basis in its ETP common units. A reducing debt shift and the resulting deemed cash distribution may, under certain circumstances, result in the recognition of taxable gain by an ETP common unitholder to the extent the amount of the resulting deemed cash distribution exceeds such unitholder's tax basis in his or her ETP common units. However, an ETP common unitholder would not recognize taxable gain if such unitholder's tax basis in his or her ETP common units is positive without regard to any amount of basis associated with the unitholder's share of nonrecourse liabilities.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ The merger is intended to be a merger of SXL and ETP within the meaning of Treasury Regulations promulgated under Section 708 of the Code, with ETP being treated as the continuing partnership and SXL being treated as the terminated partnership. As a result of ETP surviving the merger for U.S. federal income tax purposes, the following transactions will be deemed to occur for U.S. federal income tax purposes: (1) SXL will be deemed to contribute its assets to ETP in exchange for (i) the issuance to SXL of ETP units and (ii) the assumption of SXL's liabilities and (2) SXL will be deemed to liquidate, distributing ETP units to the SXL unitholders in exchange for such SXL units.

18 Can any resulting loss be recognized? ▶ For U.S. federal income tax purposes, ETP (rather than SXL) will be treated as the continuing partnership following the merger pursuant to Treasury Regulations promulgated under Section 708 of the Code. As a result, ETP should not recognize any income, gain or loss for U.S. federal income tax purposes as a result of the merger, and ETP common unitholders should not recognize any income, gain or loss with respect to the SXL common units that they receive as part of the exchange. However, ETP common unitholders may recognize income, gain or loss as a result of a net reduction in the share of nonrecourse liabilities allocated to such unitholder as a result of the merger.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ 2017

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ *Troy Sturrock* Date ▶ 5/15/2017
Print your name ▶ Troy Sturrock Title ▶ Senior Vice President

Paid Preparer Use Only

Print/Type preparer's name <u>Joseph McLaughlan</u>	Preparer's signature <u><i>Jo</i></u>	Date <u>5/15/2017</u>	Check <input type="checkbox"/> if self-employed	PTIN <u>P01219334</u>
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