
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934
Date of Report (date of earliest event reported): August 1, 2018

ENERGY TRANSFER PARTNERS, L.P.
(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

1-31219
(Commission
File Number)

73-1493906
(I.R.S. Employer
Identification No.)

8111 Westchester Drive, Suite 600
Dallas, Texas 75225
(Address of principal executive office) (Zip Code)

(214) 981-0700
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

On August 1, 2018, Energy Transfer Partners, L.P. (“ETP”) and Energy Transfer Equity, L.P. (“ETE”) issued a press release announcing their entry into a definitive merger agreement pursuant to which a wholly owned subsidiary of ETE will merge with and into ETP, with ETP continuing as the surviving entity and a subsidiary of ETE. Under the terms of the definitive merger agreement, holders of ETP common units (other than ETE and its subsidiaries) will receive 1.28 common units of ETE in exchange for each ETP common unit and ETE’s incentive distribution rights in ETP will be cancelled. The full text of the press release is included as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated into this Item 7.01 by reference.

ETP has posted to its corporate website an investor presentation related to the transactions contemplated by the merger agreement, which is included as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated into this Item 7.01 by reference.

In accordance with General Instruction B.2 of Form 8-K, the information set forth in this Item 7.01 and the attached Exhibit 99.1 shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

Item 8.01 Other Events.

To the extent required, the information included in Item 7.01 of this Form 8-K is incorporated into this Item 8.01.

Cautionary Statement Regarding Forward-Looking Statements

This report includes “forward-looking” statements. Forward-looking statements are identified as any statement that does not relate strictly to historical or current facts. Statements using words such as “anticipate,” “believe,” “intend,” “project,” “plan,” “expect,” “continue,” “estimate,” “goal,” “forecast,” “may” or similar expressions help identify forward-looking statements. ETE and ETP cannot give any assurance that expectations and projections about future events will prove to be correct. Forward-looking statements are subject to a variety of risks, uncertainties and assumptions. These risks and uncertainties include the risks that the proposed transaction may not be consummated or the benefits contemplated therefrom may not be realized. Additional risks include: the ability to obtain requisite regulatory and unitholder approval and the satisfaction of the other conditions to the consummation of the proposed transaction, the potential impact of the announcement or consummation of the proposed transaction on relationships, including with employees, suppliers, customers, competitors and credit rating agencies, and the ability to achieve revenue, DCF and EBITDA growth, and volatility in the price of oil, natural gas, and natural gas liquids. Actual results and outcomes may differ materially from those expressed in such forward-looking statements. These and other risks and uncertainties are discussed in more detail in filings made by ETE and ETP with the Securities and Exchange Commission (the “SEC”), which are available to the public. ETE and ETP undertake no obligation to update publicly or to revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Additional Information and Where to Find It

SECURITY HOLDERS ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS AND THE REGISTRATION STATEMENT REGARDING THE TRANSACTION CAREFULLY WHEN IT BECOMES AVAILABLE. These documents (when they become available), and any other documents filed by ETE or ETP with the SEC, may be obtained free of charge at the SEC’s website, at www.sec.gov. In addition, investors and security holders will be able to obtain free copies of the registration statement and the proxy statement/prospectus by phone, e-mail or written request by contacting the investor relations department of ETE or ETP at: 8111 Westchester Drive, Dallas, TX 75225, Attention: Investor Relations, Email: InvestorRelations@energytransfer.com.

Participants in the Solicitation

ETE, ETP and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies in connection with the proposed merger. Information regarding the directors and executive officers of ETE is contained in ETE’s Form 10-K for the year ended December 31, 2017, which was filed with the SEC on February 23, 2018. Information regarding the directors and executive officers of ETP is contained in ETP’s Form 10-K for the year ended December 31, 2017, which was filed with the SEC on February 23, 2018. Additional information regarding the interests of participants in the solicitation of proxies in connection with the proposed merger will be included in the proxy statement/prospectus.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

| <u>Exhibit Number</u> | <u>Description of the Exhibit</u> |
|---------------------------|--|
| 99.1 | Press Release, dated as of August 1, 2018. |
| 99.2 | Investor Presentation, dated as of August 2, 2018. |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ENERGY TRANSFER PARTNERS, L.P.

By: Energy Transfer Partners GP, L.P.
its general partner

By: Energy Transfer Partners, L.L.C.,
its general partner

Date: August 2, 2018

By: /s/ James M. Wright
Name: James M. Wright
Title: General Counsel



Energy Transfer Equity to Acquire Energy Transfer Partners in Simplification Transaction

Streamlines organizational structure and eliminates IDR burden

DALLAS—August 1, 2018—**Energy Transfer Equity, L.P. (NYSE: ETE)** and **Energy Transfer Partners, L.P. (NYSE: ETP)** today announced that they have entered into a definitive agreement providing for the merger of ETP with a wholly-owned subsidiary of ETE in a unit-for-unit exchange. In connection with the transaction, ETE's incentive distribution rights (IDRs) in ETP will be cancelled. The transaction, which was approved by the boards of directors and conflicts committees of both partnerships, is expected to close in the fourth quarter of 2018, subject to the approval by a majority of the unaffiliated unitholders of ETP and other customary closing conditions. ETE currently owns the general partner of ETP.

Under the terms of the transaction, ETP unitholders (other than ETE and its subsidiaries) will receive 1.28 common units of ETE for each common unit of ETP they own.

The transaction is expected to provide significant benefits for the partnerships, including:

- providing a premium to the current ETP common unit trading price while being immediately accretive to ETE's distributable cash flow per unit;
- improving the combined partnership's equity cost of capital through the elimination of ETE's IDRs in ETP, which in turn is expected to enhance the combined partnership's cash accretion from investments in organic growth projects and strategic M&A following the closing of the transaction;
- further aligning the economic interests within the Energy Transfer family;
- simplifying the overall structure, which reduces complexity and improves transparency for investors; and
- increasing cash distribution coverage and retained cash flow, which will allow the combined partnership to reduce its leverage ratio as well as reduce the need for equity issuances to fund organic growth.

The transaction is expected to strengthen the balance sheet of the combined organization by utilizing cash distribution savings to reduce debt and to fund a portion of ETP's robust growth capital expenditure program. The completion of major capital projects currently in progress is expected to continue to generate strong distributable cash flow growth for the combined partnership following the transaction. The partnerships expect to maintain investment grade credit ratings for the combined partnership.

In connection with the simplification transaction, ETE's general partner has agreed to waive its existing contractual preemptive right with respect to the issuance of ETE common units in the merger that, if otherwise exercised, would entitle ETE's general partner to purchase additional ETE common units to maintain its and its affiliates' percentage ownership interest in ETE. In partial consideration for that waiver, ETE's general partner will be issued a newly created series of Class A units that will result in ETE's general partner and its affiliates maintaining the same relative voting interest in ETE that the general partner and its affiliates had prior to the merger.

ETE and ETP will hold a joint conference call to discuss the transaction details on Thursday, August 2, 2018 at 9:00 a.m. Central Time (10:00 a.m. Eastern Time). An investor presentation will be posted to the partnerships' websites and filed with the SEC on a Form 8-K.

The dial-in number for the call is 877-709-8150 or 201-689-8354. To participate by telephone, please call approximately 15 minutes before the 9:00 a.m. Central Time (10:00 a.m. Eastern Time) start time and ask for the Energy Transfer call. The investor presentation and a live webcast of the call may be accessed on the investor relations page of ETE's and ETP's website at www.energytransfer.com. The call will be available for replay for a limited time by dialing 877-660-6853 or 201-612-7415. A replay of the broadcast will also be available on ETE's and ETP's website for a limited time.

A more detailed description of the merger agreement and the terms of the Class A units will be set forth in a Current Report on Form 8-K that ETE expects to file with the Securities and Exchange Commission on August 2, 2018.

Advisors

Latham & Watkins LLP acted as legal counsel to ETE. Vinson & Elkins LLP acted as legal counsel to ETP. Citi acted as financial advisor and Potter Anderson & Corroon LLP acted as legal counsel to ETE's conflicts committee. Barclays acted as financial advisor and Richards Layton & Finger, P.A. acted as legal counsel to ETP's conflicts committee.

About Energy Transfer

Energy Transfer Equity, L.P. (NYSE:ETE) is a master limited partnership that owns the general partner and 100% of the incentive distribution rights (IDRs) of Energy Transfer Partners, L.P. (NYSE: ETP) and Sunoco LP (NYSE: SUN). ETE also owns Lake Charles LNG Company and the general partner of USA Compression Partners, LP (NYSE: USAC). On a consolidated basis, ETE's family of companies owns and operates a diverse portfolio of natural gas, natural gas liquids, crude oil and refined products assets, as well as retail and wholesale motor fuel operations and LNG terminalling.

Energy Transfer Partners, L.P. (NYSE: ETP) is a master limited partnership that owns and operates one of the largest and most diversified portfolios of energy assets in the United States. Strategically positioned in all of the major U.S. production basins, ETP's operations include complementary natural gas midstream, intrastate and interstate transportation and storage assets; crude oil, natural gas liquids (NGL) and refined product transportation and terminalling assets; NGL fractionation; and various acquisition and marketing assets. ETP's general partner is owned by Energy Transfer Equity, L.P. (NYSE: ETE).

Forward-Looking Statements

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The information contained in this press release is available on ETE’s and ETP’s website at www.energytransfer.com.

Additional Information and Where to Find It

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Participants in the Solicitation

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No Offer or Solicitation

This communication is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, in any jurisdiction, pursuant to the proposed merger or otherwise, nor shall there be any sale, issuance, exchange or transfer of the securities referred to in this document in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

Energy Transfer

Investor Relations:

Lyndsay Hannah, 214-981-0795

or


Brent Ratliff, 214-981-0795

or

Vicki Granado, 214-840-5820

ENERGY TRANSFER EQUITY & ENERGY TRANSFER PARTNERS

ETE Acquisition of ETP
August 2, 2018

The background of the slide features a large, curved white graphic element that frames the text. Below this, a photograph shows three men in white hard hats and work shirts standing in an industrial setting, possibly a power plant or refinery. The man on the left is wearing sunglasses. The man in the middle is wearing a white polo shirt. The man on the right is wearing a white polo shirt and a white hard hat. The text "ENERGY TRANSFER" is overlaid on the bottom left of the photograph.

ENERGY TRANSFER



LEGAL DISCLAIMER

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Energy Transfer Partners, L.P.
8111 Westchester Drive, Suite 600
Dallas, TX 75225
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TRANSACTION OVERVIEW

- **Energy Transfer Equity, LP (“ETE”) and Energy Transfer Partners, LP (“ETP”) have entered into a merger agreement providing for the acquisition of ETP by ETE for \$27 billion in ETE stock**
 - 1.280x ETE common units for each public ETP common unit, implying a price of \$23.59 per unit based on ETE’s closing price immediately prior to the announcement of the transaction
 - Represents an 11% premium to the previous day’s ETP closing price and a 15% premium to 10-day VWAP
- Transaction expected to be immediately accretive to ETE’s distributable cash flow per unit
- Expect to maintain ETE distribution per unit and significantly increase cash coverage and retained cash flow
- ETP unitholders to benefit from stronger pro forma cash distribution coverage and reduced cost of capital
- Expect the pro forma partnership to receive investment-grade credit ratings
- ETP’s incentive distribution rights will be eliminated
- Transaction subject to customary approvals, including the approval by a majority of the unaffiliated ETP unitholders
 - The transaction is expected to close in Q4 2018

TRANSACTION CREATES ~\$90 BILLION ENTERPRISE UNDER A SIMPLIFIED STRUCTURE WITH ENHANCED FINANCIAL FLEXIBILITY AND LOWER COST OF CAPITAL



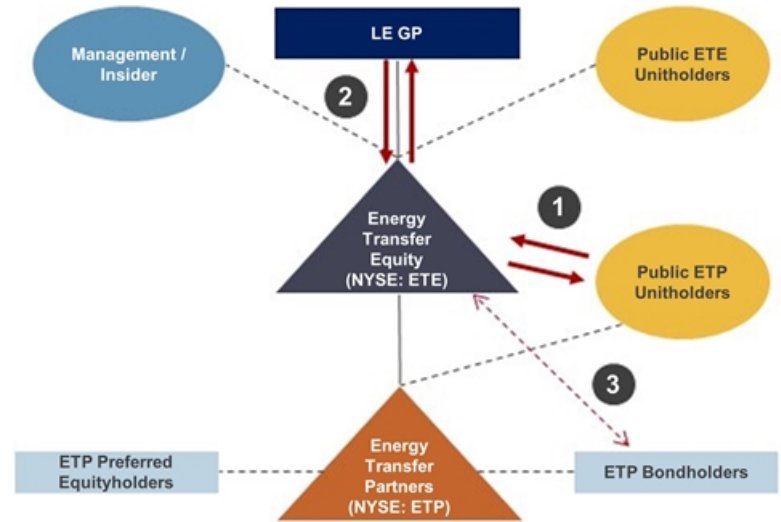
STRATEGIC RATIONALE

| | |
|---|--|
| SIMPLIFIES OWNERSHIP STRUCTURE | <ul style="list-style-type: none">• Transaction will simplify Energy Transfer's corporate structure• Further aligns economic interests within the Energy Transfer family• Responsive to investor sentiment regarding structural evolution of midstream sector |
| ELIMINATES IDR BURDEN AND IMPROVES COST OF CAPITAL | <ul style="list-style-type: none">• Removing the growing IDR burden for ETP will reduce the cost of equity for the combined entity• Improved cost of capital promotes the ability to compete for organic growth and strategic opportunities |
| INCREASES RETAINED CASH FLOW AND ENHANCES CREDIT PROFILE | <ul style="list-style-type: none">• Increases retained cash flow to accelerate deleveraging<ul style="list-style-type: none">– ETE pro forma expected to generate \$2.5 – \$3.0 billion of excess retained cash flow per annum– Reduces common and preferred equity funding needs• Expect the pro forma partnership to receive investment-grade credit ratings |
| LONGER-TERM DISTRIBUTION SUSTAINABILITY | <ul style="list-style-type: none">• Increased distribution coverage provides distribution stability and long-term growth prospects<ul style="list-style-type: none">– ~1.6x – 1.9x pro forma distribution coverage ratio enhances funding optionality and reduces reliance on capital markets |



ILLUSTRATIVE TRANSACTION STRUCTURE

- 1** ETE acquires all of the outstanding public LP units in ETP in a unit-for-unit exchange at a fixed exchange ratio of 1.280x
 - ETP debt and preferred equity remain in place
- 2** The general partner of ETE will be issued new Class A units of ETE such that the general partner and its affiliates will retain their current voting interest in ETE
 - The Class A units will not be entitled to cash distributions and otherwise have no economic attributes
 - The Class A units are not convertible or exchangeable for ETE common units
- 3** ETE expects to refinance its term loan and revolver at which point its senior notes become unsecured
 - No change of control triggered in ETE's existing notes



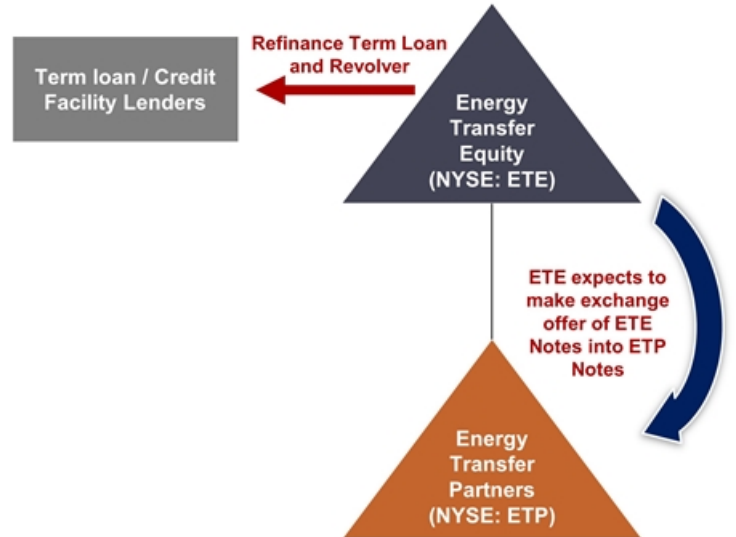


ENHANCED PRO FORMA BALANCE SHEET AND LIQUIDITY POSITION

CONSERVATIVE AND FLEXIBLE FINANCIAL POLICY

- Expect to maintain ETE distribution per unit at current level
- Meaningfully higher retained cash flow to drive further deleveraging
 - ~\$2.5 – \$3.0 billion per year of distribution coverage expected
 - ~1.6x – 1.9x expected coverage ratio
- Expect to fund majority of growth capex with retained cash flow
- Target leverage metrics consistent with strong investment grade ratings
- Ample liquidity through \$5 billion credit facility to provide balance sheet flexibility

DEBT EXCHANGE OVERVIEW



SIMPLIFIED FINANCIAL STRUCTURE STRENGTHENS BALANCE SHEET AND CREDIT PROFILE AND POSITIONS THE COMPANY FOR FUTURE GROWTH



ETE CLASS A UNIT OVERVIEW

- Under the ETE partnership agreement, the general partner of ETE, LE GP, has a contractual right to purchase common units from ETE whenever ETE issues common units so that LE GP can maintain its and its affiliates' collective equity interest percentage in ETE
- LE GP and its affiliates currently own approximately 31.0% of the outstanding ETE common units, and following the merger, would own approximately 13.5% of the outstanding ETE common units if it did not exercise its preemptive rights
- In connection with the ETP merger, LE GP will agree to waive its preemptive right to purchase additional ETE common units as partial consideration for the issuance of a new series of Class A units to LE GP
- Summary terms of Class A units
 - Represent limited partner interest in ETE that will not be entitled to any cash distributions and will have no other economic attributes
 - Class A units will be entitled to one vote per Class A unit and will vote together with ETE common units as a single class
 - The number of Class A Units issued to LE GP will be such that LE GP and its affiliates will maintain their combined current voting interest in ETE following the issuance of ETE common units in the merger
 - For as long as Kelcy Warren continues as a director or officer of LE GP, upon issuance of additional common units following the closing of the merger, ETE will issue additional Class A Units to LE GP such that the Class A Units will continue to represent, in the aggregate, the same voting interest as they represent upon the closing of the merger