

---

---

**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**

**February 22, 2012  
Date of Report (Date of earliest event reported)**

---

**ENERGY TRANSFER EQUITY, L.P.**  
**(Exact name of Registrant as specified in its charter)**

---

**Delaware**  
**(State or other jurisdiction  
of incorporation)**

**1-32740**  
**(Commission  
File Number)**

**30-0108820**  
**(IRS Employer  
Identification Number)**

**3738 Oak Lawn Avenue**  
**Dallas, TX 75219**  
**(Address of principal executive offices)**

**(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))
- 
-

**Item 7.01. Regulation FD Disclosure.**

On February 22, 2012, Energy Transfer Equity, L.P. (the "Partnership") made a presentation to potential lenders in connection with the syndication of a new senior secured credit facility. A copy of this presentation is furnished as Exhibit 99.1 to this report and is incorporated herein by reference.

In accordance with General Instruction B.2 of Form 8-K, the information set forth in this Item 7.01 and in the attached exhibit shall be deemed to be "furnished" and not be deemed to be "filed" for purposes of the Securities Exchange Act of 1934, as amended (the "Exchange Act").

**Item 8.01. Other Events.**

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

**Item 9.01. Financial Statements and Exhibits.**

(d) **Exhibits.** In accordance with General Instruction B.2 of Form 8-K, the information set forth in the attached Exhibit 99.1 is deemed to be "furnished" and shall not be deemed to be "filed" for purposes of Section 18 of the Exchange Act.

<u>Exhibit Number</u>	<u>Description of the Exhibit</u>
Exhibit 99.1	Energy Transfer Equity, L.P. Lender Presentation dated February 22, 2012

**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 Equity, L.P.**

By: LE GP, LLC,  
its general partner

Date: February 22, 2012

/s/ John W. McReynolds

John W. McReynolds  
President and Chief Financial Officer

---

**Exhibit Index**

<u>Exhibit Number</u>	<u>Description of the Exhibit</u>
Exhibit 99.1	Energy Transfer Equity, L.P. Lender Presentation dated February 22, 2012



**Energy Transfer Equity, L.P.**  
*Lenders Presentation*  
*Up to \$2.25 billion Senior Secured Term Loan*

February 2012



## Disclaimer



This presentation contains highly confidential, sensitive or proprietary information. By accepting this presentation, the recipient agrees to use any such information in accordance with the recipient's contractual obligations, the undertakings set forth in the Confidential Information Memorandum and applicable laws, including United States federal and state securities laws.

The information contained herein does not purport to be all-inclusive or contain all of the information that a prospective investor may desire. In addition, this Lenders Presentation includes certain forward-looking statements, estimates and projections provided by the Borrower with respect to the anticipated future performance of the Borrower. Words such as "expects," "anticipates," "intends," "could," "may," "believes," "estimates," "projected" or similar language identify forward-looking statements. Such forward-looking statements, estimates and projections reflect various assumptions by the Borrower concerning anticipated results and are subject to significant business, economic, and competitive uncertainties and contingencies. There can be no assurance that such forward-looking statements, estimates or projections will be realized.

The Borrower, its affiliates and the Borrower's and its affiliates' officers, directors, principals, agents and employees do not make, and hereby expressly disclaim, any representation or warranty, express or implied, as to the accuracy or completeness of this Lenders Presentation, including the accuracy or reasonableness of any forward-looking statements, estimates or projections contained herein or any written or oral communication transmitted or made to a recipient hereof, and the Borrower hereby further disclaims all warranties and conditions with regard to such information and materials, including all implied warranties. In no event shall the Borrower, its affiliates, or the Borrower's or its affiliates' officers, directors, principals, agents and employees be liable for any representations (expressed or implied) contained in, or for any omissions from, this Lenders Presentation or any other written or oral communication transmitted to the recipient in the course of the recipient's evaluation of the Borrower, or for any claims, liabilities, losses, costs or damages arising out of or in any way connected with any information or materials provided herein. Neither the Borrower, nor its affiliates, and none of the Borrower's or their affiliates' officers, directors, principals, agents or employees have any obligation to update any information contained in this Lenders Presentation. In all cases, interested parties should conduct their own investigation and analysis of the Borrower and the data set forth in this Lenders Presentation.





## 1 Introduction

- Jim Finch  
*Credit Suisse*

## 2 Partnership Overview and Key Investment Highlights

- Martin Salinas  
*Chief Financial Officer*  
*Energy Transfer Partners, L.P.*

## 3 Syndication Timetable & Summary Terms

- Jim Finch

## 4 Q&A



# Introduction





## Background

- Energy Transfer Equity, L.P. ("ETE") is in the process of completing its previously announced acquisition of Southern Union Company ("SUG") for \$9.4 billion (the "SUG Acquisition") consisting of \$5.7 billion<sup>1</sup> of cash and equity consideration and \$3.7 billion of assumed debt
  - SUG shareholders may elect \$44.25 of cash or 1.000 ETE common unit per SUG share with a maximum total cash consideration of 60%, subject to proration
  - 98% of voting SUG shareholders elected to approve the merger on December 9, 2011
- In conjunction with the closing of the SUG Acquisition, ETE has also announced a drop down of SUG's 50% interest in Citrus Corp. ("Citrus") to Energy Transfer Partners, L.P. ("ETP") for \$2.0 billion (the "Citrus Transaction")
  - Consideration in the form of \$105 million of ETP common units and \$1.895 billion of cash; of the cash consideration, \$1.45 billion will be used to fund the cash portion of the SUG Acquisition and \$445 million will be utilized to repay borrowings at SUG
  - ETP will utilize proceeds from its \$2.0 billion senior notes offering completed in January 2012 to finance the cash portion

## Senior Secured Term Loan

- ETE is planning to raise up to a \$2.25 billion, 5-year senior secured term loan (the "Term Loan") to partially fund the cash portion of the consideration for the previously announced SUG acquisition, pay related fees and expenses, repay its revolving credit facility and for general partnership purposes
- The final cash consideration for the merger is subject to ultimate shareholder election and may range from 50 - 60% of the total merger consideration
  - ETE distributed the election forms to SUG shareholders on February 17<sup>th</sup> and shareholders will have until March 19<sup>th</sup> to make their cash election
- The total cash consideration, assuming a 60% cash election by shareholders, will be \$3.4 billion
  - Of the \$3.4 billion, \$1.45 billion will be funded through the drop down of Citrus to ETP
    - ETP obligations financed through \$2.0 billion senior notes offering in January 2012
  - The remaining ~\$2.0 billion of cash consideration, transaction costs and revolver repayment will be funded by ETE with the proposed Term Loan
  - The final size of the Term Loan will be determined immediately after the election period expires and will range from \$1.67 billion - \$2.25 billion

## Timing

- The SUG Acquisition is on track to close in the 1st quarter of 2012
- The transaction remains subject to approval from the Missouri Public Service Commission ("MPSC")
  - On February 17<sup>th</sup>, staff recommended approval to the MPSC
  - Once MPSC approval is received, closing is expected to take place within 18 business days
  - Term Loan syndication expected to close concurrent with SUG Acquisition

<sup>1</sup> As of 2/17/2012.

## Sources and Uses



- The table below illustrates the SUG Acquisition sources and uses including transaction expenses and revolver repayment
- Assuming a 60% cash election by SUG shareholders, the cash portion of the SUG Acquisition consideration is \$3.4 billion, funded with a portion of:
  - \$1.45 billion of the cash proceeds from the Citrus Transaction
  - \$2.25 billion Term Loan
- The ultimate size of the Term Loan will be determined once the shareholder election is finalized and will range from \$1.67 - \$2.25 billion
  - Syndication will launch with the \$2.25 billion sizing – allocations will be reduced pro rata dependent upon ultimate shareholder election to be received on March 19, 2012

(\$ in millions)

Sources of funds	
New Senior Secured Term Loan	\$2,250
Cash proceeds from Citrus Transaction	1,450
New ETE common units	2,249
<b>Total sources</b>	<b>\$5,949</b>

(\$ in millions)

Uses of funds	
SUG equity purchase price <sup>(1)</sup>	\$5,653
Repay ETE revolver	72
Transaction expenses	225
<b>Total uses</b>	<b>\$5,949</b>

<sup>(1)</sup> \$5.653 billion purchase price assumes 128.2 million fully diluted SUG shares outstanding as of 12/31/2011 and an implied SUG purchase price of \$44.09 per share based on the closing ETE unit price of \$43.86 as of 2/17/2012.

# ETE Stand-Alone Pro Forma Capitalization



- The following table illustrates the stand-alone capitalization of ETE pro forma for the SUG Acquisition (\$ in millions)

	As of		Pro forma
	12/31/2011	Adjustments	12/31/2011
Cash and cash equivalents	\$18	–	\$18
Revolving credit facility due 2015 <sup>(1)</sup>	72	(72)	–
New Senior Secured Term Loan	–	2,250	2,250
Existing 7.50% Senior Notes due 2020	1,800	–	1,800
<b>Total debt</b>	<b>\$1,872</b>		<b>\$4,050</b>
Series A convertible preferred units	323	–	323
Total partners' capital	53	2,249	2,303
<b>Total capitalization</b>	<b>\$2,248</b>		<b>\$6,676</b>
Selected data			
2011 stand-alone adjusted EBITDA <sup>(2)</sup>	\$672	\$361	\$1,033
2011 stand-alone interest expense <sup>(3)</sup>	161	101	262
Selected credit statistics			
Total debt /			
2011 adjusted EBITDA	2.8x		3.9x
Book capitalization	83%		61%
2011 EBITDA / interest expense	4.2x		3.9x

•The Term Loan will be secured on a pari passu basis with the Senior Notes and Revolving Credit Facility

Note: SUG figures LTM as of 9/30/11.

(1) \$200 million total availability.

(2) Stand-alone adjusted ETE EBITDA includes ETP LP, GP and IDR distributions, RGP LP, GP and IDR distributions, illustrative LTM 9/30/11 SUG distribution (1.35x coverage ratio), less SG&A. SG&A excludes \$21.4 million of one-time SUG Acquisition transaction expenses. See page 14 for illustrative SUG distributions calculation.

(3) Includes Series A Preferred distributions.





# Partnership Overview and Key Investment Highlights

# Energy Transfer Equity Asset Overview



Upon closing, ETE's cash generating assets will be its Incentive Distribution Rights ("IDRs") and General Partner ("GP") and Limited Partner interests in ETP and RGP and its wholly-owned subsidiary, SUG:

- **ETP:** A large-cap, investment grade MLP with intrastate transportation and storage, interstate transportation, midstream operations and fractionation and liquids transportation operations
  - Owns over 17,500 miles of natural gas gathering and transportation pipelines, 3 natural gas storage facilities with 74 Bcf of working capacity
  - 2011 adjusted EBITDA of \$1.7 billion
  - Enterprise value of \$26.0 billion <sup>1</sup>
  - Currently rated Baa3 / BBB- / BBB-
- **SUG:** Upon closing, a wholly-owned subsidiary of ETE with transportation, storage, gathering and processing and distribution operations
  - Owns over 20,000 miles of natural gas gathering and transportation pipelines and one of North America's largest liquefied natural gas import terminals
  - LTM adjusted EBITDA of \$704 million as of 9/30/2011 <sup>2</sup>
  - Currently rated Baa3 / BBB- / BBB-
- **Regency Energy Partners LP ("RGP"):** A mid-cap MLP with gathering and processing, transportation, contract compression, contract treating, fractionation and liquids transportation operations
  - Owns over 6,200 miles of natural gas gathering and transportation pipelines including its interests in the Midcontinent Express Pipeline and the Haynesville Joint Venture
  - 2011 adjusted EBITDA of \$422 million
  - Enterprise value of \$6.1 billion <sup>1</sup>
  - Currently rated Ba3 / BB / NR

<sup>1</sup> As of 2/17/2012. Includes implied GP value based on current GP cash flows capitalized at the current LP distribution yield.  
<sup>2</sup> SUG Adjusted EBITDA represents reported EBT plus reported interest expense and depreciation and amortization expense; excludes SUG's 50% interest in Citrus accounted for under the equity method of accounting.





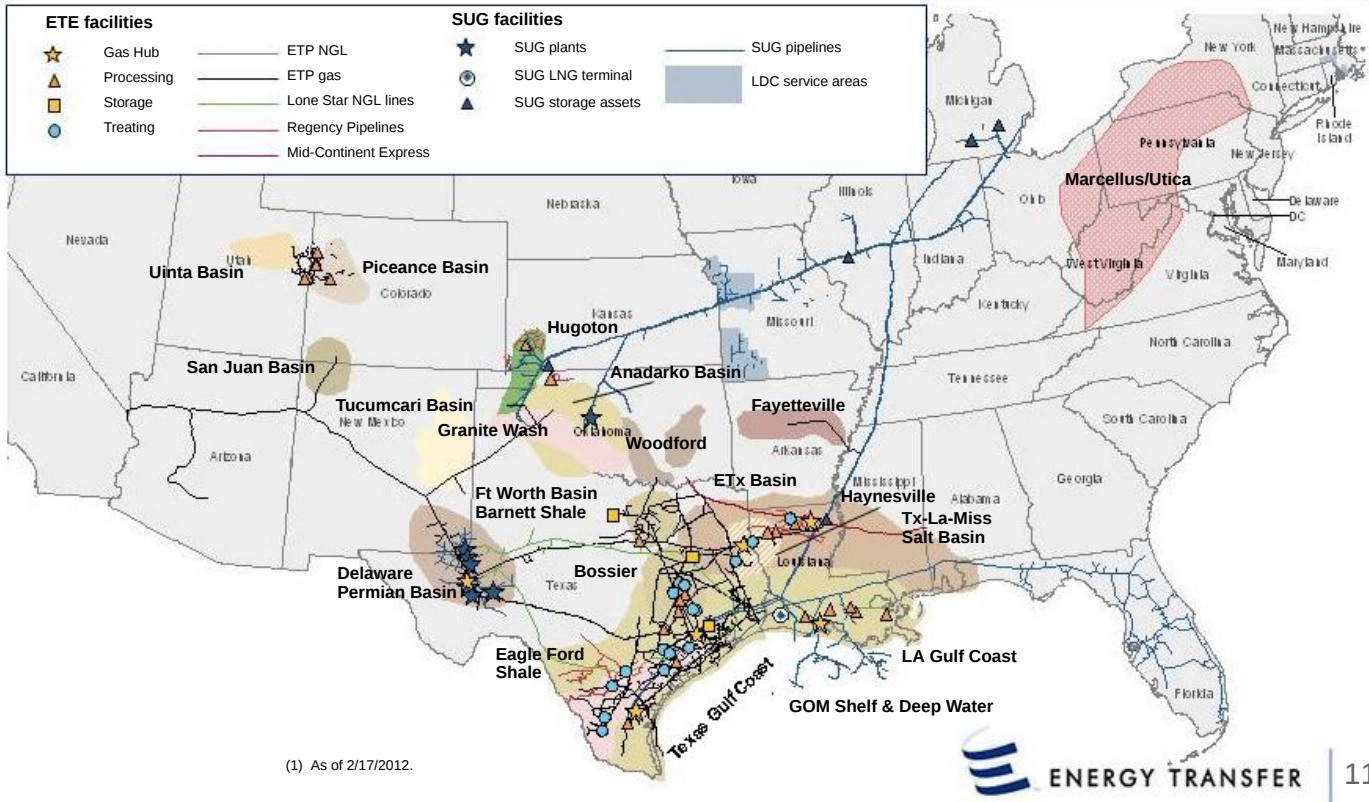
- Diversifies ETE's cash flow profile, resulting in a significant portion of pro forma cash flow sourced from large scale, regulated and investment grade operations
- Significantly increases fee-based revenues from long-term contracts with strong credit quality customers
- Attractive, complementary assets aligned with ETE's growth strategy
  - Provides larger, more competitive interstate and midstream platform with significantly enhanced and expanded geographic diversity
  - Adds considerable demand-side market-centric pipelines to Energy Transfer's asset portfolio
  - Provides additional organic growth opportunities in strategic geographical locations across the United States
- Strong commercial and operational fit with existing natural gas and natural gas liquids operations
- Potential for additional asset drop downs or asset sales over time will further enhance value and decrease leverage
- Ability to realize immediate meaningful operational and commercial synergies



# Combined Asset Footprint



Upon closing, the Energy Transfer family will have a combined enterprise value of ~\$42 billion <sup>(1)</sup> and one of the largest pipeline networks in the United States



## ETE's Current Cash Generating Assets



- ETE's current cash generating assets are its direct and indirect investments in ETP and RGP
  - Interests in ETP:
    - Approximately 50.2 million ETP Common Units (market value of \$2.4 billion<sup>(1)</sup>)
    - 1.5% GP interest
    - 100% of the IDRs
  - Interests in RGP:
    - Approximately 26.3 million RGP Common Units (market value of \$702 million<sup>(1)</sup>)
    - 1.8% GP interest
    - 100% of the IDRs
  - Assuming the most recent quarterly distributions on an annualized basis, ETE's cash flow from its interest in ETP and RGP would be approximately \$707 million

(\$ and units in millions)

	GP interest <sup>(1)</sup>	IDRs	LP interest <sup>(2)</sup>	Common units	Market value of units owned <sup>(3)</sup>	FY 2011 Cash flow to ETE <sup>(4)</sup>
ETP	1.5%	100%	22%	50.2	\$2,408	\$621
RGP	1.8%	100%	17%	26.3	702	59
<b>Total</b>					<b>\$3,110</b>	<b>\$680</b>

(1) Percentage of total partnership interest.

(2) Percentage of LP interest.

(3) As of 2/17/2012.

(4) Includes distributions on LP, GP and IDR interests.

**Pro forma for the acquisition, ETE will also receive cash distributions from SUG, a wholly-owned subsidiary**



ENERGY TRANSFER



# ETE's Pro Forma Organizational Structure



**Energy Transfer Equity, L.P.**  
(NYSE: ETE)  
Market Value<sup>(4)</sup>: \$12.0 billion  
Enterprise Value<sup>(2)(3)</sup>: \$19.2 billion  
BB- / Ba1 / BB-

- Up to \$2.25 billion new Term Loan
- \$1.8 billion of 7.50% Senior Notes due 2020

**Ownership in RGP**  
100% RGP IDRs  
1.8% General Partner Interest  
26.3mm LP units (17% of LP)  
LP Unit Market Value: \$702mm

**Regency Energy Partners LP**  
(NYSE: RGP)  
Market Value<sup>(4)</sup>: \$4.4 billion  
Enterprise Value<sup>(3)</sup>: \$6.1 billion  
Ba3 / BB / NR

**Ownership in ETP**  
100% ETP IDRs  
1.5% General Partner Interest  
50.2mm LP units (22% of LP)  
LP Unit Market Value: \$2,408mm

**Energy Transfer Partners, L.P.**  
(NYSE: ETP)  
Market Value<sup>(4)</sup>: \$16.7 billion  
Enterprise Value<sup>(3)</sup>: \$26.0 billion  
Baa3 / BBB- / BBB-

**Ownership in SUG**  
100% SUG Shares

**Southern Union Co.**  
Baa3 / BBB- / BBB-

- Gathering & Processing
- Transportation
- Contract Compression

30%

70%

Lone Star NGL LLC

50%

- Intrastate Transportation & Storage
- Interstate Transportation
- Midstream
- Citrus

- SUGS
- Panhandle Companies
- LDCs

Note: Corporate family ratings shown. ETE shown pro forma for SUG Acquisition.

- (1) As of 2/17/12.
- (2) Includes net debt as of 12/31/11.
- (3) Corporate adjustment includes \$3,242 million of SUG debt as of 9/30/2011 pro forma for debt paydown from proceeds from the Citrus Transaction.
- (4) Includes implied GP value based on current GP cash flows capitalized at the current LP distribution yield.
- (5) Includes net debt as of 9/30/11.



# Illustrative Distributions to ETE



- The table below illustrates the cash distributions estimated to be received by ETE from its LP, GP and IDR interests in ETP and RGP and its ownership in SUG
  - Analysis assumes distributions based on 4Q 2012 annualized distributions for ETP and RGP of \$3.58 and \$1.84 per unit, respectively
- The MLP structure aligns ETE's interest in maintaining and increasing distributions at ETP, RGP and SUG over time
  - Cash distribution increases to ETP and RGP unitholders, as well as cash distributions paid on newly issued ETP and RGP common units, result in increased cash flow to ETE through its ownership of the IDRs
  - ETP and RGP are currently in the 50% (i.e., "high splits") and the 25% splits, respectively (see page 29 for a description of IDR mechanics)

	Ownership %	4Q 2011 Annualized distribution	% of total distributions received
ETP GP interest	1.5%	\$20	1.9%
ETP IDRs	100.0%	447	42.5%
50.2 million ETP common units	22%	180	17.1%
Distributions from ETP interests		\$646	61.5%
RGP GP interest	1.8%	\$5	0.5%
RGP IDRs	100.0%	8	0.7%
26.3 million RGP common units	17%	48	4.6%
Distributions from RGP interests		\$61	5.8%
<b>Total distributions from ETP and RGP</b>		<b>\$707</b>	<b>67.4%</b>
SUG adjusted EBITDA <sup>(1)</sup>		\$680	
Interest expense		(220)	
Cash taxes <sup>(2)</sup>		4	
Changes in working capital <sup>(3)</sup>		(1)	
Illustrative distributable cash flow		\$463	
Illustrative coverage ratio		1.35x	
Illustrative distributions from SUG		\$343	32.6%
<b>Total Illustrative distributions received from ETP, RGP and SUG</b>		<b>\$1,050</b>	

Note: SUG figures represent 3Q11 annualized data as disclosed in 9/30/2011 10-Q. SUG does not disclose maintenance capex and it is not included. Maintenance capex would reduce distributable cash flow.

- (1) Adjusted EBITDA represents reported EBT plus reported interest expense and depreciation and amortization expense. Adjusted EBITDA excludes SUG's 50% interest in Citrus accounted for under the equity method of accounting.
- (2) Cash taxes represent reported income tax expense less deferred income taxes.
- (3) Equal to LTM change in working capital to adjust for seasonal volatility.

# Key Investment Highlights



## Significant Scale and Strategically Well Positioned Asset Base Further Enhanced by SUG

- Upon closing, the consolidated ETE family will have an enterprise value of ~\$42 billion<sup>(1)</sup> and one of the largest pipeline networks in the United States
- RGP, SUG and ETP offer attractive, complementary assets aligned with ETE's growth strategy
- Focused on low-risk, high-return projects supported by long-term customer contracts
- Significant near-term expansion projects across ETP, RGP and SUG

## Diversified Revenue Stream with Consistent and Growing Distributions

- Majority of revenue derived from fee-based cash flows with high proportion of interstate capacity contracted
- Significant proportion of pro forma cash flow derived from large-scale, regulated and investment grade operations
- Pro forma for the SUG Acquisition, ETE will receive stable, growing distributions through its LP interests, GP interests and the IDRs in ETP and RGP and its wholly-owned interest in SUG
- The MLP structure aligns ETE's interest in maintaining and increasing LP distributions at ETP and RGP over time

## Conservative Financial Philosophy

- Management committed to maintaining investment grade credit metrics at ETP and SUG
  - Drop downs and asset sales have potential to further delever ETE and SUG
- Commitment to investment grade profile evidenced by \$3.5 billion of equity raised at the Energy Transfer family since 2009

## Experienced Management Team with Significant Ownership

- Experienced management team with a combined 150 years of Energy experience
- Management and directors own ~31% of ETE common units
  - Motivated to effectively and efficiently manage business operations
  - Management benefits from incentive distribution payments ETP and RGP make to ETE
- Management team has a proven track record of successfully integrating acquisitions and delivering on its commitments

Note: (1) Ratings prior to launch and subject to change pending a release from the agencies. As of 2/17/2012.



ENERGY TRANSFER

## Significant Scale and Strategically Well Positioned Asset Base Further Enhanced by SUG



### Significant Scale

- Upon closing, the consolidated ETE family will have an enterprise value of ~\$42 billion<sup>(1)</sup> and one of the largest pipeline networks in the United States
- Pro forma 44,758 mile pipeline network is one of the largest in the US
  - Largest intrastate pipeline network in Texas, the state with the largest “hub” of natural gas transportation given the locally sourced production and the pipeline / processing infrastructure
- Pro forma, the ETE family will transport ~31 Bcf of natural gas per day across its intrastate and interstate pipelines

### SUG Acquisition Further Diversifies Asset Base

- SUG enhances interstate and gathering and processing businesses providing geographic diversity and access to multiple end use markets for customers
  - Provides larger, more competitive interstate and midstream platform with significantly enhanced and expanded geographic diversity
  - Adds considerable demand-side market-centric pipelines to the ETE family asset portfolio

### Well Managed Growth Profile

- The ETE family possesses a well managed growth profile focused on low-risk, high-return projects supported by long-term customer contracts, which will continue to increase distributions from ETP, RGP and SUG
  - Demonstrated ability to construct and place into service pipelines on-time / on-budget
  - Seeks growth projects that integrate with existing asset platform, creating additional efficiencies

(1) As of 2/17/2012.



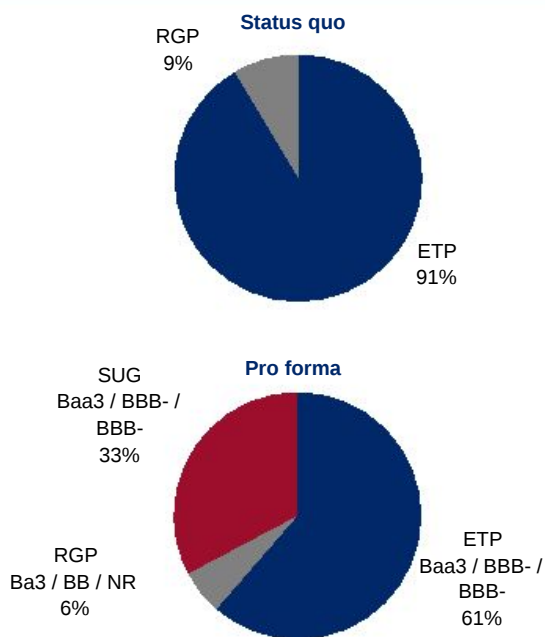
ENERGY TRANSFER

## Diversified Revenue Stream...



- The SUG Acquisition will enhance and further diversify ETE's asset base and cash flow profile while reducing ETE's overall risk profile
  - ETE will own operating assets as well as its cash generating assets in ETP and RGP
  - SUG assets provide the ETE family with additional geographic diversity
- The quality of ETE's future cash flows will further improve due to the nature of SUG's assets
  - Approximately 77% of SUG's current EBITDA is from interstate pipelines and storage facilities that primarily operate under long-term fee-based contracts
  - ETE's consolidated adjusted EBITDA from investment grade entities increases from 91% to 94% in 2011
- ETE's existing subsidiaries, ETP and RGP, generate the majority of their cash flows under fee-based contract structures

### ETE illustrative consolidated adjusted EBITDA by entity



Note: RGP and ETP figures based on 4Q11 annualized data; SUG figures based on 3Q11 annualized data. SUG distributions assume a 1.35x coverage ratio. See page 14 for illustrative calculation.

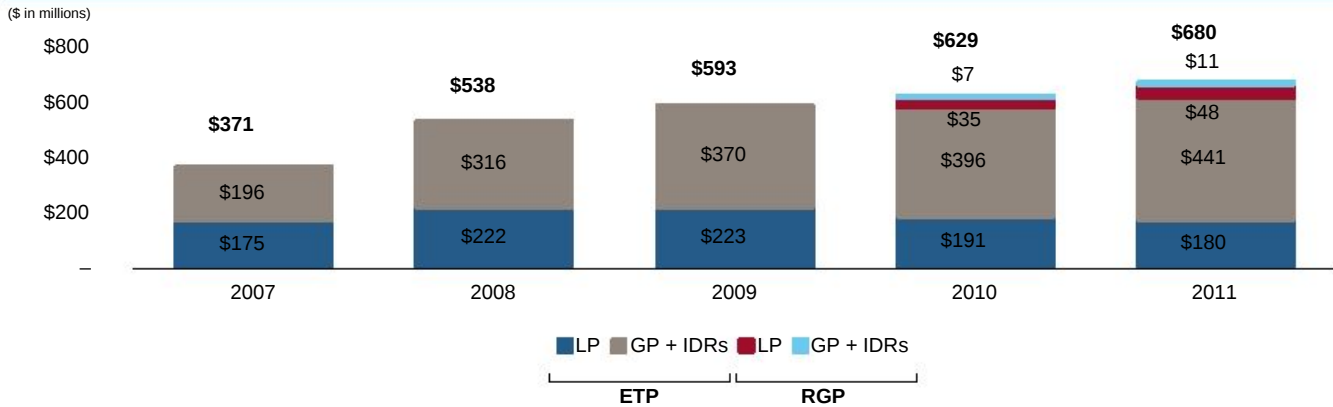


## ...with Consistent and Growing Distributions



- ETE has strategic control over ETP and RGP's operations as the GP and over its wholly-owned subsidiary, SUG
- ETE receives stable, growing distributions through its LP interests, GP interests and IDRs in ETP and RGP and its wholly-owned interest in SUG
  - Distributions will be derived from ETP, RGP and SUG's stable long-life assets and fee-based cash flows
- The MLP structure aligns ETE's interest in maintaining and increasing LP distributions at ETP and RGP over time
  - Cash distribution increases to ETP and RGP unitholders, as well as cash distributions paid on newly issued ETP and RGP common units, result in increased cash flow to ETE through its ownership of IDRs

### ETE currently receives significant cash flow through its GP interests, IDRs, ETP LP units and RGP LP units



Note: ETP distributions in 2007 are for the fiscal year ended 8/31/2007; all successive fiscal years end 12/31. During 2010, ETP redeemed 12.3 million ETP common units previously held by ETE in connection with its acquisition of the general partner of RGP. During 2Q10, ETE acquired its equity interest in RGP through a series of transactions completed May 26, 2010. Figures exclude ETE SG&A.



# Conservative Financial Philosophy



- Management is committed to maintaining investment grade credit metrics at ETP and SUG
- ETE is rated Ba1 / BB- / BB-
  - Holding company structure limits ratings benefit from strength of underlying operating partnerships
    - SUG Acquisition benefits credit profile given operating assets at ETE level and cash flow diversity
  - SUG is rated Baa3 / BBB- / BBB-
- ETP is rated Baa3 / BBB- / BBB-
  - ETP is anchor partnership with investment grade ratings
  - Commitment to ratings evidenced by \$2.25 billion of equity raised by ETP since 2009
- RGP is rated Ba3 / BB / NR

	Moody's	S&P	Fitch
<b>ETE</b>			
Corporate Rating	Ba1	BB-	BB-
Senior Unsecured <sup>(1)</sup>	Ba2	BB-	BB
<b>ETP</b>			
Senior Unsecured	Baa3	BBB-	BBB-
<b>RGP</b>			
Corporate Rating	Ba3	BB	NR
Senior Unsecured	B1	BB-	NR
<b>SUG</b>			
Senior Unsecured	Baa3	BBB-	BBB-
Junior Subordinated	Ba1	BB	BB

(1) Management expects new senior secured Term Loan to be rated at the senior secured level.

Note: Ratings prior to launch and subject to change pending a release from the agencies.



ENERGY TRANSFER

## Experienced Management Team with Significant Ownership



- Experienced management team with strong track record in the industry
  - Over 150 years of combined Energy experience
- Management and Directors own ~31% of ETE common units
  - Motivated to effectively and efficiently manage business operations through substantial equity position in ETE
    - Management benefits from incentive distribution payments ETP and RGP make to ETE
- Management team has a proven track record of successfully integrating acquisitions and delivering on its commitments
  - LDH Energy (2011), Regency (2010), Canyon (2007), Transwestern (2006), HPL (2005), ET Fuel (2004)



## ETE Well Positioned for 2012 and Beyond



- Post-closing, ETE will be well positioned for 2012 and beyond
  - SUG Acquisition adds additional fee-based revenue from high credit quality customers and enhances the Energy Transfer family's interstate and midstream platform through greater geographic diversity
  - The Energy Transfer family is now one of the largest pure-play natural gas / NGL operators with a focus on long-term, fee-based businesses as a result of the contribution of ETP's propane operations to AmeriGas Partners, L.P.
  - The consolidated ETE family will operate one of the largest pipeline networks in the United States
  - Significant near-term expansion projects across ETP, SUG and RGP coming on line in 2012 - 2014
- ETE's management team has a proven track record of successfully integrating acquisitions and delivering on its commitments
  - ETE and SUG employees have been working diligently to insure a seamless integration of operations

**The Energy Transfer management team has a proven track record of delivering on its commitments**



## Syndication Timetable & Summary Terms

# Summary Syndication Timetable



February 2012						
M	T	W	T	F	S	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29				

March 2012						
M	T	W	T	F	S	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Holiday:  Key transaction date:

Date	Details
February 22 <sup>nd</sup> :	<i>Bank Meeting</i> 9:30 AM: Registration 10:00 AM: Lenders Presentation
Week of February 27 <sup>th</sup> :	Legal documentation posted
Week of March 5 <sup>th</sup> :	Lender commitments due
Week of March 19 <sup>th</sup> :	Expected Closing and Funding



# Indicative Terms



<b>Borrower:</b>	Energy Transfer Equity, L.P. (the "Borrower")
<b>Lead Arranger:</b>	Credit Suisse ("CS" and "Administrative Agent"), Wells Fargo, BNP Paribas, Royal Bank of Scotland and SunTrust Robinson Humphrey (together, the "Lead Arrangers")
<b>Facility:</b>	Up to \$2.25 billion Senior Secured Term Loan (the "Term Loan")
<b>Tenor:</b>	5 years
<b>Ranking:</b>	Pari passu with all existing and future senior indebtedness, including the \$1.8 billion 7.5% Senior Notes due 2020 (the "Notes")
<b>Use of proceeds:</b>	The proceeds of the Term Loan will be used to partially fund the cash portion of the consideration for the previously announced acquisition of Southern Union Company ("SUG"), to repay the Borrower's revolving credit facility and pay related fees and expenses and for general partnership purposes.
<b>Corporate Ratings:</b>	Ba1/BB-
<b>Indicative pricing:</b>	TBD
<b>OID:</b>	TBD
<b>LIBOR Floor</b>	TBD
<b>Mandatory amortization:</b>	1% per annum, with balance due at maturity
<b>Guarantors:</b>	Each of the Borrower's existing and subsequently acquired or organized subsidiaries that is a guarantor under the Existing Revolving Credit Facility
<b>Security:</b>	<ul style="list-style-type: none"> <li>■ First priority perfected security interest in the same collateral that secures the Existing Revolving Credit Facility</li> <li>■ The collateral documents will contain a "waterfall" that will secure the Term Loan, Notes and Existing Revolving Credit Facility on a pari passu basis, albeit subject to a priority payment right in favor of the Existing Revolving Credit Facility</li> </ul>
<b>Mandatory repayments:</b>	Customary for facilities of this type: <ul style="list-style-type: none"> <li>■ 100% of the next cash proceeds in excess of \$25.0 million of asset sales in excess of \$50.0 million in the aggregate, subject to customary exceptions</li> <li>■ No cash flow sweep</li> </ul>
<b>Voluntary repayments:</b>	Prepayable at the option of the Borrower subject to a specified prepayment premium: <ul style="list-style-type: none"> <li>■ 101 soft call during year 1, par thereafter</li> </ul>
<b>Affirmative covenants:</b>	<ul style="list-style-type: none"> <li>■ Customary for facilities of this type</li> </ul>
<b>Negative covenants:</b>	<ul style="list-style-type: none"> <li>■ Customary for facilities of this type, including, but not limited to, Limitation on Indebtedness, Limitation on Liens, Limitation on Restricted Payments (other than usual and customary distributions for an MLP), Limitation on Transactions with Affiliates, Limitation on Mergers and Limitation on Asset Sales</li> </ul>
<b>Financial covenants:</b>	Customary for facilities of this type, including the items listed below: <ol style="list-style-type: none"> <li>(i) Leverage Ratio of the Borrower: 5.5 to 1.0; 6.0 to 1.0 during a Specified Acquisition Period</li> <li>(ii) Fixed Charge Coverage Ratio: 1.5 to 1.0</li> </ol>
<b>Events of default:</b>	Customary for facilities of this type

Note: Ratings prior to launch and subject to change pending a release from the agencies.



ENERGY TRANSFER



# Q&A



# Appendix

# SUG Primary Operating Segments



Southern Union owns and operates assets in the regulated and unregulated natural gas industry and is primarily engaged in the gathering, treating, processing, transportation, storage and distribution of natural gas

- Transportation and Storage segment is primarily engaged in the interstate transportation and storage of natural gas in the Midwest and from the Gulf Coast to Florida, and also provides LNG terminalling and regasification services
- Gathering and Processing segment is primarily engaged in connecting wells of natural gas producers to its gathering system, treating natural gas to remove impurities to meet pipeline quality specifications, processing natural gas for the removal of NGL, and redelivering natural gas and NGL to a variety of markets
- Distribution segment is primarily engaged in the local distribution of natural gas in Missouri and Massachusetts

## Transportation and Storage

- ~12,950 mi of interstate gas pipelines with 7.1 Bcf/d capacity and 100 Bcf of storage<sup>(1)</sup>
- **Panhandle**
  - PEPL (6,200 mi, 4-line system)
  - Trunkline (3,600 mi, 2-line system)
  - Sea Robin (400 mi offshore gathering system)
- **Citrus (50% interest)**
  - Primary operating asset is Florida Gas Transmission (~5,500 mi, 3.2 Bcf/d)
  - Phase VIII expansion placed in service on April 1, 2011
  - To be dropped down to ETP at the closing of the SUG Acquisition
- **Trunkline LNG**
  - One of the largest LNG import terminals in U.S. located in Lake Charles, LA
  - 2.1 Bcf/d capacity, 9 Bcf storage and 1 Bcf/d processing capacity
  - Fully contracted to BG for 20 years
- **Storage assets**
  - ~100 Bcf of storage capacity in IL, KS, LA, MI, and OK

## Gathering and Processing

- ~5,500 mi of gas and liquid pipelines covering 16 counties in Texas and New Mexico
- 4 cryogenic processing plants with combined capacity of 475 MMcf/d
- 5 natural gas treating plants with combined capacity of 585 MMcf/d; expecting an additional 50 MMcf/d in 2012
- 2010 contract mix: 13% fee based, 68% percent of proceeds and 19% margin sharing contracts
- **North System**
  - Large diameter / low pressure pipelines
  - Processed volumes of 200 MMcf/d
  - 285 MMcf/d cryogenic processing capacity
  - 22,000 bbls/d NGL capacity
  - 40 tons/d sulfur plant capacity
- **South System**
  - High pressure integrated
  - Processed volume of 170 MMcf/d
  - 190 MMcf/d cryogenic processing capacity
  - 11,000 bbls/d NGL capacity
  - 250 MMcf/d sour gas treating capacity

## Distribution

- Local distribution of natural gas in Missouri and Massachusetts
- 9,182 mi of mains, 5,928 miles of service lines and 45 miles of transmission lines
- **Missouri Gas Energy**
  - Covers western Missouri
  - ~500,000 customers
  - ~13,000 mi of main and service lines
  - Received a \$16.2 million base rate increase premised on a 10% ROE effective 2/10/10
- **New England Gas Company**
  - Covers southeastern Massachusetts
  - ~50,000 customers
  - ~2,000 mi of main and service lines
  - Filed a rate case on 9/16/10 for a \$6.2 million base revenue increase representing 9.5% increase in annual revenues
  - \$5.1 million annual increase in base rate effective April 1, 2011

Source: Company filings.

(1) Figures include only proportional share of partially-owned assets.



ENERGY TRANSFER

# ETP / RGP Segments Overview



## Energy Transfer Partners, L.P.

- More than 17,500 mi of natural gas gathering and transportation pipelines, 3 natural gas storage facilities with 74 Bcf of working capacity
- **Intrastate Transportation and Storage**
  - Oasis Pipeline (600 mi, 1.2 Bcf/d capacity west-to-east, 750 MMcf/d capacity east-to-west)
  - East Texas Pipeline (370 mi)
  - Energy Transfer Fuel System (2,600 mi, total capacity of 5.2 Bcf/d)
    - Bethel storage facility (6.4 Bcf working capacity), Bryson storage facility (6.0 Bcf working capacity), Godley plant
  - HPL System (4,100 mi, total capacity of 5.5 Bcf/d)
    - Bammel storage facility (62 Bcf working capacity)
- **Interstate Transportation**
  - Transwestern Pipeline: 2,700 mi; total capacity of 2.1 Bcf/d
  - Tiger Pipeline: 175 mi, 42-inch pipeline; 2.4 Bcf/d of capacity sold under 10-15 year agreements
    - Expansion completed in August 2011
  - FEP Pipeline Joint Venture
    - 50/50 joint venture with KMP
    - 185 mi, 42-inch pipeline; initial capacity of 2.0 Bcf/d with 1.85 Bcf/d sold under 10-12 year agreements
- **Midstream**
  - ~7,000 mi of natural gas gathering pipelines
  - 3 natural gas processing plants
  - 17 natural gas treating facilities
  - 10 natural gas conditioning plants
  - Eagle Ford Shale Expansion, part of \$3.5+ billion of announced new growth opportunities over the past year with a focus on liquids rich opportunities in the Eagleford, Permian, and Woodford areas, will significantly increase ETP's Eagle Ford footprint

## Regency Energy Partners LP

- **Gathering and Processing**
  - North Louisiana (442 mi, 5 plants)
  - Mid-Continent (3,470 mi, 1 plant)
  - South Texas (541 mi, 2 plants)
  - West Texas (806 mi, 1 plant)
- **Transportation**
  - 49.99% of RIGS (450 mi)
  - 49.9% of MEP (500 mi, 1.8 Bcf/d capacity in Zone 1 and 1.2 Bcf/d capacity in Zone 2)
- **Contract Compression**
  - Fleet of compressors used to provide turn-key natural gas compression services for customer specific systems
- **Contract Treating**
  - Fleet of equipment used to provide treating services, such as carbon dioxide and hydrogen sulfide removal, natural gas cooling, dehydration and BTU management, to natural gas producers and midstream pipeline companies

## Lone Star NGL LLC Joint Venture

- Joint venture owned 70% by ETP and 30% by RGP; ETP operates on behalf of the joint venture
  - Stand-alone entity with equal board representation
- **NGL Storage**
  - Mont Belvieu storage facility (43 million Bbls working capacity)
  - Hattiesburg storage facility (3.9 million Bbls of working capacity)
- **NGL Pipeline Transportation**
  - West Texas NGL Pipeline (1,066 mi, 144,000 Bbls/d working capacity)
  - West Texas Gateway Pipeline (570 mi, 209,000 Bbls/d working capacity)
  - 2 Mont Belvieu fractionators (100,000 Bbls/d working capacity) under development
- **NGL Fractionation & Processing**
  - 2 cryogenic processing plants
  - 25,000 Bbls/d fractionator
  - Sea Robin gas processing plant

Source: Company filings.



## Illustrative IDR Impact to ETE



- ETE owns IDRs in ETP and RGP which provide the GP an increasing share of incremental cash flow as distributions to the LPs increase
  - The IDRs align the interests of the GP and the common unitholders by incentivizing the GP to grow LP distributions
  - IDR payments increase due to both an increase in the per unit distribution to the limited partners and the payment of LP distributions on any future equity issued
  - The IDRs result in ETP and RGP having a tiered structure for sharing available cash between the GP and the LP unit holders, with the GP initially receiving 1.5% increasing to 50% of incremental cash flow
    - ETE currently receives 48% and 23% of incremental cash distributions from RGP and ETP, respectively, due to its IDRs in addition to its LP and GP interests
- The table below provides an illustrative example of the impact of ETP distributions to ETE

(\$ in millions except per unit data)

	Annualized 4Q 2011		Cash flow sharing			Total LP distributions	LP distributions to ETE <sup>(1)</sup>	GP distributions to ETE	IDR distributions to ETE	Total distributions to ETE	% of total distributions
	LP distribution		percentage								
	Low	High	LP	GP	IDR						
Minimum distribution	\$1.00		98.5%	1.5%	–	\$235	\$50	\$4	–	\$54	
1st tier	\$1.00	–	\$1.10	98.5%	1.5%	–	23	5	0	–	5
2nd tier	1.10	–	1.27	85.5%	1.5%	13.0%	40	9	1	\$6	15
3rd tier	1.27	–	1.65	75.5%	1.5%	23.0%	87	19	2	27	47
Thereafter	>	1.65		50.5%	1.5%	48.0%	435	97	13	414	524
<b>Total distributions</b>	<b>\$3.58</b>					<b>\$821</b>	<b>\$180</b>	<b>\$20</b>	<b>\$447</b>	<b>\$646</b>	
Total GP distributions to ETE										\$20	3.1%
Total IDRs distributions to ETE										447	69.1%
Total LP distributions to ETE <sup>(1)</sup>										180	27.8%
<b>Total distributions to ETE</b>										<b>\$646</b>	<b>100.0%</b>

(1) Based on 50.2 million units as of 12/31/2011.



## Distribution Sensitivity



- The following table illustrates the impact to ETE of a change in distributions from its respective partnership interests

(\$ in millions except per unit amounts)

	Illustrative cash flow impact to changes in LP distributions						
	-15%	-10%	-5%	Current	+5%	+10%	+15%
<b>ETP cash flow to ETE</b>							
ETP LP distributions per unit	\$3.04	\$3.22	\$3.40	\$3.58	\$3.75	\$3.93	\$4.11
Total ETP distributions to ETE <sup>(1)</sup>	482	528	575	621	667	714	760
Change	(139)	(93)	(46)	–	46	93	139
% change	(22%)	(15%)	(7%)	–	7%	15%	22%
<b>RGP cash flow to ETE</b>							
RGP LP distributions per unit	\$1.54	\$1.63	\$1.72	\$1.81	\$1.90	\$1.99	\$2.08
Total RGP distributions to ETE <sup>(2)</sup>	45	48	53	59	66	73	80
Change	(14)	(11)	(6)	–	7	14	21
% change	(24%)	(18%)	(10%)	–	12%	24%	36%

Note: Based on ETE's ownership of 50.2 million ETP LP units and 26.3 million RGP LP units as of 12/31/2011.

(1) Includes ETP LP, GP and IDR distributions.

(2) Includes RGP LP, GP and IDR distributions.

# Non-GAAP Reconciliations



(\$ in thousands)

## Energy Transfer Equity, L.P.

	FY 2010	FY 2011
ETP GP distributions <sup>(1)</sup>	\$395,503	\$441,491
ETP LP distributions	190,531	179,561
RGP GP distributions <sup>(1)</sup>	6,656	11,242
RGP LP distributions	35,066	47,543
SG&A <sup>(2)</sup>	(9,029)	(8,177)
Adjusted EBITDA	\$618,727	\$671,660

(1) Includes distributions from both GP and IDR interests.

(2) Excludes ~\$12.8 million of professional fees in 2010 associated with the Regency transactions. Excludes \$21.4 of one-time transaction expenses in 2011 associated with the SUG Acquisition.

(\$ in thousands)

## Energy Transfer Partners, L.P.

	FY 2010	FY 2011
Net income	\$617,222	\$697,162
Interest expense, net of interest capitalized	412,553	474,113
Income tax expense	15,536	18,815
Depreciation and amortization	343,011	430,904
Non-cash unit-based compensation expense	27,180	37,457
Losses on disposals of assets	5,043	3,188
Gains on non-hedged interest rate derivatives	(4,616)	77,409
Allowance for equity funds used during construction	(28,942)	(957)
Unrealized (gains) losses on commodity risk management activities	78,300	11,407
Impairment of investment in affiliate	52,620	5,355
Proportionate share of joint ventures' interest, depreciation and allowance for equity funds used during construction	22,499	29,994
Adjusted EBITDA attributable to noncontrolling interest	-	(37,842)
Other, net	482	(4,442)
Adjusted EBITDA	\$1,540,888	\$1,742,563



ENERGY TRANSFER

# Non-GAAP Reconciliations



(\\$ in thousands)

<b>Regency Energy Partners LP</b>	<b>FY 2010</b>	<b>FY 2011</b>
Net income (loss)	(\$10,918)	\$73,619
Interest expense, net	82,971	102,474
Depreciation and amortization	122,725	168,684
Income tax benefit	956	465
Non-cash loss (gain) from derivatives	42,613	(17,919)
Non-cash unit based compensation	13,727	3,610
Loss on asset sales, net	591	(2,372)
Income from unconsolidated subsidiaries	(69,365)	(119,540)
Partnership's ownership interest in Haynesville Joint Venture's adjusted EBITDA	67,014	72,672
Partnership's ownership interest in MEP Joint Venture's adjusted EBITDA	55,682	103,059
Venture's adjusted EBITDA	-	37,841
Loss on debt refinancing, net	17,528	-
Other expense, net	3,432	(224)
<b>Adjusted EBITDA</b>	<b>\$326,956</b>	<b>\$422,369</b>

(\\$ in thousands)

<b>Southern Union Company</b>	<b>FY 2010</b>	<b>Nine months ended</b>		<b>LTM 9/30/11</b>
		<b>9/30/2011</b>	<b>9/30/2010</b>	
Net earnings available for common stockholders	\$216,213	\$178,467	\$160,345	\$234,335
Preferred stock dividends	5,040	-	5,040	-
Earnings from unconsolidated investments	(105,415)	(\$78,435)	(78,456)	(105,394)
Loss on extinguishment of preferred stock	3,295	-	3,295	-
Loss from discontinued operations	18,100	-	-	18,100
Federal and state income tax expense	107,029	68,676	75,943	99,762
Interest expense	216,665	165,429	161,551	220,543
Depreciation and amortization	228,637	177,949	170,058	236,528
<b>Adjusted EBITDA</b>	<b>\$689,564</b>	<b>\$512,086</b>	<b>\$497,776</b>	<b>\$703,874</b>

---

**Additional Information**

In connection with the transaction, ETE and SUG have filed a proxy statement / prospectus and other documents with the SEC. Investors and security holders are urged to carefully read the definitive proxy statement/prospectus filed with the SEC because it contains important information regarding ETE, SUG and the transaction.

A definitive proxy statement/prospectus has been sent to stockholders of SUG seeking their approval of the transaction. Investors and security holders may obtain a free copy of the definitive proxy statement/prospectus and other documents filed by ETE and SUG with the SEC at the SEC's website, [www.sec.gov](http://www.sec.gov)<<http://www.sec.gov>>. The definitive proxy statement/prospectus and such other documents relating to ETE may also be obtained free of charge by directing a request to Energy Transfer Equity, L.P., Attn: Investor Relations, 3738 Oak Lawn Avenue, Dallas, Texas 75219, or from ETE's website, [www.energytransfer.com](http://www.energytransfer.com) <<http://www.energytransfer.com>>. The definitive proxy statement/prospectus and such other documents relating to SUG may also be obtained free of charge by directing a request to Southern Union Company, Attn: Investor Relations, 5051 Westheimer Road, Houston, Texas 77056, or from SUG's website, [www.sug.com](http://www.sug.com)<<http://www.sug.com>>.

ETE, SUG and their respective directors and executive officers may, under the rules of the SEC, be deemed to be "participants" in the solicitation of proxies in connection with the proposed transaction. Information concerning the interests of the persons who may be "participants" in the solicitation is set forth in the definitive proxy statement/prospectus.