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

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**Form 8-K**

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**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): November 1, 2006

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**ENERGY TRANSFER EQUITY, L.P.**

(Exact name of registrant as specified in its charter)

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

**001-32740**  
(Commission File Number)

**30-0108820**  
(IRS. Employer  
Identification No.)

**2828 Woodside Street**  
**Dallas, Texas 75204**  
(Address of principal executive offices, including zip code)

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

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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))
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**Item 1.01 Entry into a Material Definitive Agreement.**

(a) On November 1, 2006, Energy Transfer Equity (“ETE”) entered into a Contribution and Conveyance Agreement, dated November 1, 2006, between ETE and Energy Transfer Partners, L.P. (“ETP”) pursuant to which ETE agreed to contribute \$1.2 billion to ETP in exchange for 26,086,957 Class G Units of ETP. The Class G Units are not immediately convertible into Common Units of ETP but, upon receipt of unitholder approval by ETP’s unitholders, will become convertible into Common Units of ETP on a one-for-one basis. In connection with this transaction, ETE also entered into a Registration Rights Agreement, dated November 1, 2006, between ETE and ETP pursuant to which ETP agreed to provide ETE with rights to require ETP to register the Common Units issuable upon conversion of the Class G Units of ETP issued to ETE.

(b) On November 1, 2006, ETE entered into a Contribution, Assumption and Conveyance Agreement, dated November 1, 2006, between ETE and Energy Transfer Investments, L.P. (“ETI”) pursuant to which ETI agreed to contribute its 50% Class B limited partner interest in Energy Transfer Partners GP, L.P. (“ETP GP”) to ETE in exchange for the issuance by ETE to ETI of 83,148,900 Class C Units of ETE and the assumption by ETE of approximately \$70.5 million of ETI’s indebtedness. The Class C Units are not immediately convertible into Common Units of ETE but, upon receipt of unitholder approval by ETE’s unitholders, will become convertible into Common Units of ETE on a one-for-one basis. In connection with this transaction, ETE also entered into a Registration Rights Agreement, dated November 1, 2006, between ETE and ETI pursuant to which ETE agreed to provide ETI with rights to require ETE to register the Common Units issuable upon conversion of the Class C Units of ETE issued to ETI.

(c) On November 1, 2006, ETE entered into a First Amendment to Amended and Restated Credit Agreement, dated November 1, 2006, among ETE, as the borrower, Wachovia Bank, National Association, as administrative agent, UBS Loan Finance LLC, as syndication agent, BNP Paribas, Citicorp North America, Inc. and JPMorgan Chase Bank, N.A., as co-documentation agents, and UBS Securities LLC and Wachovia Capital Markets, LLC, as joint lead arrangers and joint book managers (the “First Amendment”). Pursuant to the First Amendment, the existing credit facility of ETE was modified to provide for an additional term loan of \$1.3 billion from the lenders under this facility, which term loan was funded by the lenders on November 1, 2006.

**Item 2.01 Completion of Acquisition or Disposition of Assets.**

(a) On November 1, 2006, ETE acquired 26,086,957 Class G Units from ETP pursuant to the Contribution and Conveyance Agreement described in Item 1.01(a). Prior to this transaction, ETE owned, directly or indirectly, 100% of the general partner interest in ETP, 50% of the Class B limited partner interests in ETP GP (the general partner of ETP) and approximately 36.4 million Common Units of ETP.

(b) On November 1, 2006, ETE acquired a 50% Class B limited partner interest in ETP GP pursuant to the Contribution, Assumption and Conveyance Agreement described in Item 1.01(b). Prior to this transaction, ETE owned a 50% Class B limited partner interest in ETP GP but did not own any interest in ETI; however, both ETE and ETI were directly or indirectly controlled by LE GP, LLC.

**Item 2.03 Creation of a Direct Financial Obligation or an obligation under an Off-Balance Sheet Arrangement of a Registrant.**

On November 1, 2006, ETE entered into the First Amendment and, pursuant thereto, borrowed \$1.3 billion on such date as described in Item 1.01(c).

**Item 3.02 Unregistered Sales of Equity Securities.**

On November 1, 2006, ETE issued 83,148,900 Class C Units as described in Item 1.01(b).

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**Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year**

On November 1, 2006, ETE amended its partnership agreement to provide for the terms of the Class C Units issued on such date as described in Item 1.01(b).

**Item 8.01 Other Events.**

On November 1, 2006, ETE issued a press release announcing the transactions described in Item 1.01. A copy of this press release is being furnished as Exhibit 99.1 to this report and is incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.**

(a) The following exhibit is being furnished herewith:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release of Energy Transfer Equity, L.P., dated November 1, 2006, announcing the purchase of Class G Units from Energy Transfer Partners, L.P., the purchase of 50% of the Class B limited partner interests of Energy Transfer Partners GP, L.P. and the entry of an amendment to ETE's credit facility.

**SIGNATURES**

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

**ENERGY TRANSFER EQUITY, L.P.**

By: LE GP, LLC, its general partner

By: /s/ John W. McReynolds  
John W. McReynolds,  
President and Chief Financial Officer

Dated: November 2, 2006



ENERGY TRANSFER

**For Immediate Release****ENERGY TRANSFER EQUITY, L.P. ANNOUNCES ACQUISITION OF  
ENERGY TRANSFER PARTNERS, L.P. CLASS G UNITS ALONG WITH REMAINING  
GENERAL PARTNER INCENTIVE DISTRIBUTION RIGHTS**

**Dallas, Texas – November 1, 2006** – Energy Transfer Equity, L.P. (NYSE:ETE) announced today that it has acquired about 26.1 million new Class G units of Energy Transfer Partners, L.P. (ETP). The Class G Units have terms substantially similar to the Class F Units previously purchased by ETE in February 2006. The Class F Units were retired and converted to ETP Common Units upon the approval of ETP's common unitholders on August 15, 2006. The acquisition of \$1.2 billion of Class G Units was initially funded by borrowings from a group of financial institutions.

In a separate but related transaction, ETE acquired from Energy Transfer Investments, L.P. (ETI), a private entity, the remaining 50% general partner Incentive Distribution Rights ("IDR's") of ETP, which will result in ETE now owning 100% of the IDR's. The acquisition was effected through an exchange of 83.15 million new ETE Class C units for all ETI interests. This exchange of interests results in ETE now owning 100% of the IDR's of ETP.

All transactions were approved by a Special Conflicts Committee of ETE's board of directors. The Committee was advised by Merrill Lynch, as financial advisor, and Andrews Kurth LLP, as legal advisor. The combination of additional ETP limited partner units and the remaining 50% of the IDR's in ETP's general partner is expected to enhance the future growth profile of Energy Transfer Equity, L.P.

Energy Transfer Equity, L.P. (NYSE:ETE), is a publicly traded partnership that, upon completing these transactions, now owns all the general partner interests in ETP, including 100% of the incentive distribution rights, and approximately 36.4 million common units, together with 26.1 million Class G units, of ETP.

Energy Transfer Partners, L.P. (NYSE:ETP) is a publicly traded partnership owning and operating a diversified portfolio of energy assets. ETP's natural gas transportation and storage operations include intrastate natural gas gathering and transportation pipelines, natural gas treating and processing assets located in Texas and Louisiana, and three natural gas storage facilities located in Texas. This includes approximately 12,000 miles of intrastate pipeline in service, with an additional 600 miles of intrastate pipeline under construction. ETP also currently owns 50% of CCE Holdings, LLC, an entity operating interstate pipelines. Additionally, ETP is one of the three largest retail marketers of propane in the United States, serving more than one million customers from approximately 442 customer service locations in 41 states extending from coast to coast.

This press release may include certain statements concerning expectations for the future that are forward-looking statements as defined by federal law. Such forward-looking statements include the projected annual cash distribution rate and are subject to a variety of known and unknown risks, uncertainties, and other factors that are difficult to predict and many of which are beyond management's control. An extensive list of factors that can affect future results are discussed in the Partnership's prospectus dated February 3, 2006, and other documents filed from time to time with the Securities and Exchange Commission. The Partnership undertakes no obligation to update or revise any forward-looking statement to reflect new information or events.

The information contained in this press release is available on our website at [www.energytransfer.com](http://www.energytransfer.com). For more information, please contact John W. McReynolds, president and chief financial officer, at 214-981-0700.