Energy Transfer Partners, L.P.
Form 424B5
January 10, 2012
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Filed pursuant to Rule 424(b)(5)
Registration No. 333-171697

Class of securities registered	Maximum Aggregate Offering Price	Amount of Registration Fee (1)
5.20% Senior Notes due 2022	$ 1,000,000,000	$ 114,600
6.50% Senior Notes due 2042	$ 1,000,000,000	$ 114,600
Total	$ 2,000,000,000	$ 229,200

(1) The filing fee, calculated in accordance with Rule 457(r), has been transmitted to the SEC in connection with the securities offered from Registration Statement File No. 333-171697 by means of this prospectus supplement.

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Prospectus supplement

(To Prospectus dated January 13, 2011)

$2,000,000,000

Energy Transfer Partners, L.P.

5.20% Senior notes due 2022

6.50% Senior notes due 2042

We are offering $1,000,000,000 aggregate principal amount of our 5.20% Senior Notes due 2022, or 2022 notes, and $1,000,000,000 aggregate principal amount of our 6.50% Senior Notes due 2042, or 2042 notes. We refer to the 2022 notes and 2042 notes, collectively, as the notes.

Interest on the notes will accrue from January 17, 2012 and will be payable semiannually on February 1 and August 1 of each year, beginning on August 1, 2012. The 2022 notes will mature on February 1, 2022 and the 2042 notes will mature on February 1, 2042.

We may redeem some or all of the notes at our option at any time and from time to time prior to their maturity at the redemption prices set forth in this prospectus supplement, plus accrued and unpaid interest. See the section entitled Description of notes Optional redemption.

If we do not consummate the acquisition of the 50% interest in Citrus Corp. currently owned by Southern Union Company on or before April 17, 2012, or the merger agreement related to such acquisition is terminated on or before such date, we must redeem the notes at a redemption price equal to 101% of the aggregate principal amount of the notes, plus accrued and unpaid interest. See Description of notes Special mandatory redemption.

The notes are our unsecured senior obligations. If we default, your right to payment under the notes will rank equally with the right to payment of the holders of our other current and future unsecured senior debt and senior in right of payment to all of our future subordinated debt. The notes will not initially be guaranteed by our subsidiaries. The notes will not be listed on any national securities exchange or quoted on any automated quotation system. Currently, there is no public market for the notes.

None of the Securities and Exchange Commission, any state securities commission or any other U.S. regulatory authority has approved or disapproved of the securities nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

Investing in the notes involves risks. See Risk factors beginning on page S-15 of this prospectus supplement and page 4 of the accompanying prospectus and the other risks identified in the documents incorporated by reference herein for information regarding risks you should consider before investing in the notes.

	Per 2022 note	Total 2022 notes	Per 2042 note	Total 2042 notes
Price to public(1)	99.758%	$ 997,580,000	99.642%	$ 996,420,000
Underwriting discount	0.650%	$ 6,500,000	0.875%	$ 8,750,000
Proceeds to Energy Transfer Partners, L.P. (before expenses)	99.108%	$ 991,080,000	98.767%	$ 987,670,000

(1) Plus accrued interest from January 17, 2012, if settlement occurs after that date.

The underwriters expect to deliver the notes in book-entry form only through The Depository Trust Company on or about January 17, 2012.

Joint Book-Running Managers

J.P. Morgan

UBS Investment Bank

Credit Suisse

Wells Fargo Securities

Senior Co-Managers

BofA Merrill Lynch

BNP PARIBAS

RBS

Mitsubishi UFJ Securities

SunTrust Robinson Humphrey

Junior Co-Managers

DnB NOR Markets **US Bancorp** **PNC Capital Markets LLC**

The date of this prospectus supplement is January 9, 2012.

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Prospectus supplement

Prospectus

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About this prospectus supplement

We provide information to you about the notes in two separate documents that offer varying levels of detail:

- the accompanying prospectus, which provides general information, some of which may not apply to the notes; and

- this prospectus supplement, which provides a summary of the specific terms of the notes.

Generally, when we refer to this prospectus, we are referring to both documents combined.

You should rely only on the information contained in this prospectus supplement, the accompanying prospectus, any free writing prospectus prepared by us or on our behalf and the documents we have incorporated by reference. We have not, and the underwriters have not, authorized anyone else to give you different information. We are not, and the underwriters are not, offering the notes in any state where the offer is not permitted. You should not assume that the information in this prospectus supplement or in the accompanying prospectus is accurate as of any date other than the date on the front of those documents. If the description of this offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement. You should not assume that any information contained in the documents incorporated by reference in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the respective dates of those documents. Our business, financial condition, results of operations and prospects may have changed since those dates.

None of Energy Transfer Partners, L.P., the underwriters or any of their respective representatives is making any representation to you regarding the legality of an investment in the notes by you under applicable laws. You should consult with your own advisors as to the legal, tax, business, financial and related aspects of an investment in the notes.

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Prospectus supplement summary

This summary highlights information included or incorporated by reference in this prospectus supplement. It does not contain all of the information that you should consider before making an investment decision. You should read carefully the entire prospectus supplement, the accompanying prospectus, the documents incorporated by reference and the other documents to which we refer herein for a more complete understanding of this offering.

Unless the context otherwise requires, references to (1) Energy Transfer, ETP, we, us, our and similar terms, as well as references to the Partnership, are to Energy Transfer Partners, L.P. and all of its operating limited partnerships and subsidiaries and (2) ETE are to Energy Transfer Equity, L.P., the owner of our general partner. With respect to the cover page and in the sections entitled Prospectus supplement summary The offering, Description of notes and Underwriting, we, our and us refer only to Energy Transfer Partners, L.P. and not to any of its operating limited partnerships or subsidiaries.

Energy Transfer Partners, L.P.

Overview

We are a publicly traded limited partnership that owns and operates a diversified portfolio of energy assets. Our natural gas operations include intrastate natural gas gathering and transportation pipelines, two interstate pipelines, natural gas gathering, processing and treating assets located in Texas, New Mexico, Arizona, Louisiana, Arkansas, Mississippi, West Virginia, Colorado and Utah, and three natural gas storage facilities located in Texas. These assets include more than 17,500 miles of pipeline in service and a 50% interest in a joint venture that has approximately 185 miles of interstate pipeline in service. Our intrastate and interstate pipeline systems transport natural gas from several significant natural gas producing areas, including the Barnett Shale in the Fort Worth Basin in north Texas, the Bossier Sands in east Texas, the Permian Basin in west Texas and New Mexico, the Eagle Ford Shale in south and central Texas, the San Juan Basin in New Mexico, the Fayetteville Shale in Arkansas, and the Haynesville Shale in north Louisiana. Our gathering and processing operations are conducted in many of these same producing areas as well as in the Piceance and Uinta Basins in Colorado and Utah. We also hold a 70% interest in a joint venture that owns and operates natural gas liquids, or NGL, storage, fractionation and transportation assets in Texas, Louisiana and Mississippi.

We have experienced substantial growth over the last several years through a combination of internal growth projects and strategic acquisitions. Our internal growth projects consist primarily of the construction of both intrastate and interstate natural gas transmission pipelines. From September 1, 2003 through September 30, 2011, we made growth capital expenditures, excluding capital contributions made in connection with the Midcontinent Express Pipeline (which was sold to ETE and then to Regency Energy Partners LP, or Regency, in May 2010) and Fayetteville Express Pipeline joint ventures, of approximately $7.2 billion, approximately $5.3 billion of which was related to natural gas transmission pipelines.

We have increased our cash flow from operating activities from $162.7 million for the twelve months ended August 31, 2004 to $1.2 billion for the year ended December 31, 2010 primarily as a result of these internal growth projects and acquisitions. We have also increased our cash

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distributions from $0.325 per common unit for the quarter ended November 30, 2003 ($1.30 per common unit on an annualized basis) to $0.89375 per common unit for the quarter ended September 30, 2011 ($3.575 per common unit on an annualized basis).

Our business

Intrastate transportation and storage operations

We own and operate approximately 7,700 miles of intrastate natural gas transportation pipelines and three natural gas storage facilities. We own the largest intrastate pipeline system in the United States. Our intrastate pipeline system interconnects to many major consumption areas in the United States. Our intrastate transportation and storage segment focuses on the transportation of natural gas from various natural gas producing areas to major natural gas consuming markets through connections with other pipeline systems. Our intrastate natural gas pipeline system has an aggregate throughput capacity of approximately 14.3 billion cubic feet per day, or Bcf/d, of natural gas. For the year ended December 31, 2010, we transported an average of 12.3 Bcf/d of natural gas through our intrastate natural gas pipeline system.

We also provide natural gas storage services for third parties for which we charge storage fees as well as injection and withdrawal fees from the use of our three natural gas storage facilities. Our storage facilities have an aggregate working gas capacity of approximately 74.4 Bcf. In addition to our natural gas storage services, we utilize our Bammel gas storage facility to engage in natural gas storage transactions in which we seek to find and profit from pricing differences that occur over time. These transactions typically involve a purchase of physical natural gas that is injected into our storage facilities and a related sale of natural gas pursuant to financial futures contracts at a price sufficient to cover our natural gas purchase price and related carrying costs and provide for a gross profit margin.

Our intrastate transportation and storage operations accounted for approximately 49% and 56% of our total consolidated operating income for the years ended December 31, 2010 and December 31, 2009, respectively.

Interstate transportation operations

We own and operate the Transwestern pipeline, an open-access natural gas interstate pipeline extending from the gas producing regions of west Texas, eastern and northwest New Mexico, and southern Colorado primarily to pipeline interconnects off the east end of its system and to pipeline interconnects at the California border. Transwestern comprises approximately 2,700 miles of pipeline with a capacity of 2.1 Bcf/d. The Transwestern pipeline has access to three significant gas basins: the Permian Basin in west Texas and eastern New Mexico, the San Juan Basin in northwest New Mexico and southern Colorado, and the Anadarko Basin in the Texas and Oklahoma panhandle. Natural gas sources from the San Juan Basin and surrounding producing areas can be delivered eastward to Texas intrastate and mid-continent connecting pipelines and natural gas market hubs as well as westward to markets like Arizona, Nevada and California. Transwestern s customers include local distribution companies, producers, marketers, electric power generators and industrial end-users.

We are a 50/50 joint venture partner with Kinder Morgan Energy Partners, L.P. on the Fayetteville Express Pipeline, an approximately 185-mile 42-inch pipeline that originates in Arkansas,

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continues eastward and terminates at an interconnect with Trunkline Gas Company in Mississippi. The pipeline, which has an initial capacity of 2.0 Bcf/d, was placed in service in December 2010. Fayetteville Express Pipeline, LLC, or FEP, the entity formed to own and operate the pipeline, has secured binding 10-year commitments for transportation of gas volumes with energy equivalents totaling 1.8 Bcf/d.

We also own and operate a 175-mile 42-inch interstate natural gas pipeline, which we refer to as the Tiger Pipeline. The Tiger Pipeline connects to our dual 42-inch pipeline system near Carthage, Texas, extends through the heart of the Haynesville Shale and ends near Delhi, Louisiana, with interconnects to at least seven interstate pipelines at various points in Louisiana. The Tiger Pipeline was placed in service in December 2010 with an initial capacity of 2.0 Bcf/d. The Tiger Pipeline was expanded in August 2011, bringing the total capacity to 2.4 Bcf/d.

Our interstate transportation segment accounted for approximately 13% and 12% of our total consolidated operating income for the years ended December 31, 2010 and December 31, 2009, respectively.

Midstream operations

We own and operate approximately 7,000 miles of in-service natural gas gathering pipelines, three natural gas processing plants, 17 natural gas treating facilities, and ten natural gas conditioning facilities. Our midstream segment focuses on the gathering, compression, treating, blending, processing and marketing of natural gas, and our operations are currently concentrated in major producing basins, including the Barnett Shale in north Texas, the Bossier Sands in east Texas, the Austin Chalk trend and Eagle Ford Shale in south and southeast Texas, the Permian Basin in west Texas, the Piceance and Uinta Basins in Colorado and Utah and the Haynesville Shale in north Louisiana. Many of our midstream assets are integrated with our intrastate transportation and storage assets.

In February 2011, we announced that we had entered into multiple long-term agreements with shippers to provide additional transportation services from the Eagle Ford Shale located in south Texas. We completed the initial phase of the Rich Eagle Ford Mainline pipeline, or REM pipeline, in October 2011. The initial phase consists of 160 miles of 30-inch pipeline and has an initial capacity of 400 MMcf/d, with the ability to expand capacity to 800 MMcf/d. This rich gas gathering system originates in Dimmitt County, Texas and extends to our Chisholm Pipeline for ultimate deliveries to our existing processing plants and to a new 120 MMcf/d processing plant, which we also announced in connection with the REM pipeline. We expect the new processing plant to be in service in the first quarter 2012. In April 2011, we announced that we had entered into long-term fee-based agreements with multiple producers to provide natural gas gathering, processing and liquids services from the Eagle Ford Shale. To facilitate these agreements, we will expand the REM pipeline and construct a new gas processing facility in Jackson County, Texas. The Jackson County processing facility, which will have approximately 600 MMcf/d of capacity and can be expanded to 800 MMcf/d, is scheduled for completion in the first quarter of 2013.

Our midstream segment accounted for approximately 21% and 12% of our total consolidated operating income for the years ended December 31, 2010 and December 31, 2009, respectively.

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NGL Transportation and services operations

In May 2011, we and Regency announced that ETP-Regency Midstream Holdings, LLC, or ETP-Regency LLC, a joint venture owned 70% by us and 30% by Regency, completed the acquisition of all of the membership interests in LDH Energy Asset Holdings LLC for $1.98 billion in cash. Following the closing of this transaction, which we refer to as the LDH Acquisition, ETP-Regency LLC was renamed Lone Star NGL LLC, or Lone Star. We and Regency have each made an initial capital contribution to Lone Star in proportion to our respective equity interests to fund the purchase price for the LDH Acquisition. Lone Star is managed by a two-person board of directors, with us and Regency each having the right to appoint one director.

Lone Star owns and operates a diverse set of midstream energy assets that represent critical infrastructure connecting high-growth production areas to end-markets. The Lone Star assets include NGL and refined products storage facilities located in Mont Belvieu, Texas and Hattiesburg, Mississippi; a 12-inch long-haul intrastate NGL pipeline, which we refer to as the West Texas Pipeline, originating in the Permian Basin in west Texas, passing through the Barnett Shale production area and terminating at Mont Belvieu; NGL fractionation and natural gas processing facilities near Baton Rouge and New Orleans, Louisiana; and a 20% equity interest in the Sea Robin wet gas processing plant near Henry Hub, Louisiana. The Mont Belvieu storage facility has approximately 43 million barrels, or MMBbls, of capacity in 24 underground salt dome caverns. The Hattiesburg facility has 3.9 MMBbls of usable capacity in three salt dome caverns, with 9.6 MMBbls of total cavern capacity, and two brine ponds with combined capacity of over 75 thousand barrels, or MBbls. The intrastate pipeline assets include the 1,066-mile West Texas Pipeline with144 MBbls per day, or MBPD, of capacity, 12 pump stations providing 21,500 horsepower of compression, and over 20 injection points. The NGL fractionation and processing facilities consist of one fractionation unit with 25 MBPD of capacity, two cryogenic processing plants with combined capacity of 82 MMcf/d. The Sea Robin wet gas processing plant has 850 MMcf/d of natural gas capacity and 26 MBPD of NGL capacity.

On May 5, 2011, we announced that Lone Star will construct a 100 MBPD NGL fractionation facility at Mont Belvieu. We will utilize a substantial amount of this fractionation capacity to handle NGL barrels we will deliver from the new processing facility we plan to build in Jackson County, Texas, a facility supported by multiple 10-year contracts with producers as part of our Eagle Ford Shale projects. Lone Star expects to have the fractionation facilities completed by the first quarter of 2013. Additionally, Regency plans to provide NGL barrels to this facility for fractionation. As part of this project, Lone Star will also develop additional storage facilities for NGLs and other liquids. The project will also include interconnectivity infrastructure to provide NGL suppliers with significant access to storage, other fractionators, pipelines and multiple markets along the Texas and Louisiana Gulf Coast.

On June 22, 2011, we announced that Lone Star will construct an approximately 530-mile NGL pipeline that extends from Winkler County in west Texas to the Jackson County processing plant in Jackson County, Texas. In addition, Lone Star has secured capacity on our proposed 20-inch NGL pipeline from Jackson County to Mont Belvieu. Lone Star s new pipeline will have a minimum capacity of approximately 130 MBPD with the potential to upsize the pipeline capacity depending on ongoing negotiations. The project currently has over 65% of the capacity subscribed with key producers and processors under 15-year agreements, and is expected to be completed by the first quarter of 2013.

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Retail propane operations

We are one of the three largest retail propane marketers in the United States, serving more than one million customers across the country. Our propane operations extend from coast to coast with concentrations in the western, upper midwestern, northeastern and southeastern regions of the United States. Our propane business has grown primarily through acquisitions of retail propane operations and, to a lesser extent, through internal growth. Our retail propane operations accounted for approximately 17% and 20% of our total consolidated operating income for the years ended December 31, 2010 and December 31, 2009, respectively.

In October 2011, we entered into an agreement with AmeriGas Partners, L.P., or AmeriGas, to contribute our propane business to AmeriGas in exchange for consideration of approximately $2.9 billion, as discussed in Recent developments Propane business contribution below.

Business strategy

Our business strategy is to increase unitholder distributions and the value of our common units. We believe we have engaged, and will continue to engage, in a well-balanced plan for growth through strategic acquisitions, internally generated expansion, and measures aimed at increasing the profitability of our existing assets. We intend to continue to operate as a diversified, growth-oriented master limited partnership with a focus on increasing the amount of cash available for distribution on each common unit. Historically, we have pursued independent operating and growth strategies for our natural gas operations to provide the best positioning to achieve our objectives.

We believe that we are well-positioned to compete in all of the natural gas and NGL industries in which we operate, based on the following strengths:

- We believe that the size and scope of our operations, our stable asset base and cash flow profile, and our investment grade status will be significant positive factors in our efforts to obtain new debt or equity financing in light of current market conditions.

- Our experienced management team has an established reputation as highly-effective, strategic operators within our operating segments. In addition, our management team is motivated to effectively and efficiently manage our business operations through performance-based incentive compensation programs and through ownership of a substantial equity position in ETE, which is the entity that indirectly owns our general partner and therefore benefits from incentive distribution payments we make to our general partner.

The following is a summary of the strategies of our core natural gas and NGL-related businesses:

Enhance profitability of existing assets. We intend to increase the profitability of our existing asset base by adding new volumes under long-term producer commitments, undertaking additional initiatives to enhance utilization and reducing costs by improving operations.

Engage in construction and expansion opportunities. We intend to leverage our existing infrastructure and customer relationships by constructing and expanding systems to meet new or increased demand for midstream and transportation services.

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Increase cash flow from fee-based businesses. We intend to seek to increase the percentage of our midstream business conducted with third parties under fee-based arrangements in order to reduce our exposure to changes in the prices of natural gas and natural gas liquids.

Growth through acquisitions. We intend to continue to make strategic acquisitions of midstream, transportation and storage assets in our current areas of operation that offer the opportunity for operational efficiencies and the potential for increased utilization and expansion of our existing and acquired assets.

Recent developments

Citrus Acquisition

On July 19, 2011, ETE entered into a second amended and restated agreement and plan of merger, which we refer to as the SUG Merger Agreement, with Sigma Acquisition Corporation, a wholly owned subsidiary of ETE, which we refer to as Merger Sub, and Southern Union Company, or SUG. Under the terms of the SUG Merger Agreement, Merger Sub will merge with and into SUG, with SUG continuing as the surviving entity and becoming a wholly owned subsidiary of ETE, subject to certain conditions to closing. We refer to such transactions as the SUG Merger.

Consummation of the SUG Merger is subject to customary conditions, including, without limitation: (i) the adoption of the SUG Merger Agreement by the stockholders of SUG, which was obtained on December 9, 2011, (ii) the receipt of required approvals from the FERC, the Missouri Public Service Commission and, if required, the Massachusetts Department of Public Utilities, (iii) the effectiveness of a registration statement on Form S-4 relating to the common units of ETE to be issued in the SUG Merger, which occurred on October 27, 2011, and (iv) the absence of any law, injunction, judgment or ruling prohibiting or restraining the SUG Merger or making the consummation of the SUG Merger illegal. ETE and SUG have made filings with the Missouri Public Service Commission and expect to receive its approval of the SUG Merger in the first quarter of 2012.

Also on July 19, 2011, we entered into an amended and restated agreement and plan of merger, which we refer to as the Citrus Merger Agreement, with ETE, SUG and certain of their respective subsidiaries. Under the Citrus Merger Agreement, it is anticipated that SUG will cause the contribution to us of a 50% interest in Citrus Corp., which owns 100% of the Florida Gas Transmission pipeline system and is currently jointly owned by SUG and El Paso Corporation, or El Paso, which transaction we refer to as the Citrus Acquisition. The Citrus Acquisition will be effected through the merger of our wholly owned subsidiary with and into a wholly owned subsidiary of SUG that indirectly owns a 50% interest in Citrus Corp. In exchange for the interest in Citrus Corp., SUG will receive approximately $2.0 billion, consisting of $1.895 billion in cash and $105 million of our common units. We expect to fund the cash portion of the purchase price initially through the issuance of the notes offered hereby. In connection with this transaction, ETE has agreed to relinquish its rights to approximately $220 million of the incentive distributions that ETE would otherwise be entitled to receive from us over 16 consecutive quarters following the closing of the Citrus Acquisition.

Consummation of the Citrus Acquisition is subject to customary conditions, including, without limitation: (i) satisfaction or waiver of the closing conditions set forth in the SUG Merger Agreement, (ii) the receipt by us of any necessary waivers or amendments to the credit agreement governing our amended and restated revolving credit facility, (iii) the amendment of our partnership agreement to reflect the agreed upon relinquishment by ETE of the incentive distributions discussed above, and (iv) the absence of any order, decree, injunction or law prohibiting or making the consummation of the transactions contemplated by the Citrus Merger Agreement illegal. The Citrus Merger Agreement contains certain termination rights for both us and ETE, including among others, the right to terminate if the Citrus Acquisition is not completed by December 31, 2012 or if the SUG Merger Agreement is terminated.

The Citrus Acquisition is subject to certain risks, which include, but are not limited to: (i) risks related to the integration of the acquired assets with our current operations and (ii) risks related to the offering of the notes to which this prospectus supplement relates. For a discussion of these risks, please see Risk factors beginning on page S-15. We will use the proceeds of this offering to fund the cash portion of the purchase price of the Citrus Acquisition. If we do not consummate the Citrus Acquisition on or before April 17, 2012, or the Citrus Merger Agreement is terminated on or before such date, we must redeem the notes at a redemption price equal to 101% of the aggregate principal amount of the notes, plus accrued and unpaid interest. See Description of notes Special mandatory redemption.

Pursuant to the Citrus Merger Agreement, ETE has granted us a right of first offer with respect to any disposition by ETE or SUG of Southern Union Gas Services, a subsidiary of SUG that owns and operates a natural gas gathering and processing system serving the Permian Basin in west Texas and New Mexico.

On November 17, 2011, CrossCountry Energy LLC, or CrossCountry, a wholly owned subsidiary of SUG, filed a petition in the Court of Chancery in the State of Delaware seeking a declaratory judgment against El Paso that El Paso s right of first refusal under a Capital Stock Agreement, or CSA, governing the Citrus Corp. joint venture between CrossCountry and El Paso would not be triggered by the Citrus Acquisition. This petition was filed by CrossCountry following an exchange of letters between El Paso and SUG in which El Paso stated that it believed the Citrus Acquisition violated the provisions of the CSA related to transfers of equity interests with respect to Citrus Corp. On December 27, 2011, El Paso filed its answer to CrossCountry s petition and, in addition, El Paso brought third-party claims against us, ETE and SUG. El Paso s third-party complaint against us seeks declaratory relief regarding El Paso s rights under the CSA. Specifically, El Paso claims that the Citrus Acquisition violates its right of first refusal and seeks rescission of the Citrus Acquisition or, alternatively, damages. The parties are currently engaged in discovery and the case is scheduled to go to trial on April 26, 2012. We believe that El Paso s assertions related to the Citrus Acquisition under the CSA are without merit.

Propane Business Contribution

On October 15, 2011, we entered into a contribution agreement with AmeriGas to contribute our propane operations, consisting of Heritage Operating, L.P. and Titan Energy Partners, L.P., which we refer to collectively as the Propane Business, to AmeriGas in exchange for consideration of approximately $2.9 billion. The initial consideration consisted of $1.5 billion in cash and common units of AmeriGas valued at $1.32 billion at the time of the execution of the agreement, plus the assumption of certain liabilities of the Propane Business. We collectively refer to the contribution of the Propane Business to AmeriGas and the receipt of the cash and equity consideration as the Propane Business Contribution.

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On December 29, 2011, we and AmeriGas submitted to the Federal Trade Commission, or the FTC, an agreement in principle pursuant to which we and AmeriGas agreed to amend the contribution agreement. This amendment, which remains subject to FTC approval, provides that, immediately prior to closing the Propane Business Contribution, we will cause Heritage Operating, L.P., or HOLP, to transfer HOLP s interest in the assets of HOLP s 20-pound propane cylinder exchange business to a wholly-owned subsidiary of ours. The amendment also contemplates that, promptly after the execution of the amendment, we will use our best efforts to sell the cylinder exchange business to a third party. Under the terms of the amendment to the contribution agreement, the purchase price of the Propane Business Contribution will be reduced by an amount equal to $40 million, subject to a customary post-closing adjustment. For additional detail on the carve-out of the cylinder exchange business, please read our Current Report on Form 8-K filed with the SEC on January 4, 2012, which is incorporated herein by reference.

Consummation of the Propane Business Contribution is subject to customary conditions, including, without limitation, (i) the expiration or early termination of the waiting period applicable to the consummation of the Propane Business Contribution under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended; (ii) the absence of any law, order or injunction prohibiting the Propane Business Contribution; and (iii) the increase in the amount of loan commitments under AmeriGas s credit facility to a maximum aggregate amount of $500 million and the approval of certain other amendments to its revolving credit agreement. AmeriGas s obligation to consummate the Propane Business Contribution is also conditioned on AmeriGas obtaining debt financing in an amount not less than the cash portion of the contribution consideration on certain agreed upon terms. On January 5, 2012, AmeriGas announced the pricing by its finance subsidiaries of a public offering of $550.0 million of 6.75% senior notes due 2020 and $1.0 billion of 7.0% senior notes due 2022. AmeriGas s ability to consummate the debt financing will be subject to customary closing conditions and, should AmeriGas be unable to consummate its pending notes offering, there can be no assurance that AmeriGas will be able to secure other debt financing in accordance with terms at least as favorable to AmeriGas as such agreed upon terms or at all. Subject to such conditions, the Propane Business Contribution is expected to close in January 2012.

One of our closing deliverables under the contribution agreement is that we enter into and deliver a support agreement with AmeriGas to provide contingent, residual support of intercompany debt that mirrors the terms of the AmeriGas senior notes priced on January 5, 2012 (with maturity terms not to exceed 12 months) to finance the cash portion of the purchase price. The support agreement will provide a limited, indirect guarantee of the senior notes. The support agreement will incorporate by reference certain covenants for our benefit contained in the indenture governing outstanding series of AmeriGas senior notes, which include items limiting liens, additional indebtedness, sale and leaseback transactions, and asset sales, among other restrictions.

Amendment and restatement of revolving credit facility

On October 27, 2011, we amended and restated our revolving credit facility to, among other things, (i) allow for borrowings of up to $2.5 billion; (ii) extend the maturity date from July 20, 2012 to October 27, 2016 (which may be extended by one year with lender approval); (iii) allow for an increase in the size of the revolving credit facility to $3.75 billion (subject to obtaining lender commitments for the additional borrowing capacity); and (iv) to adjust the interest rates and commitment fees to current market rates. Under the amended and restated revolving credit facility and based on our current ratings, the interest margin for LIBOR rate loans is 1.50% and the commitment fee is 0.25%.

Common unit offering

On November 14, 2011, we completed a public offering of 13,250,000 common units, and on December 13, 2011, we completed a public offering of an additional 1,987,500 common units issued pursuant to the exercise of the underwriters overallotment option. We used the aggregate net proceeds of approximately $659.7 million to repay amounts outstanding under our revolving credit facility, to fund capital expenditures related to pipeline construction projects and for general partnership purposes.

Concurrent tender offers

On January 9, 2012, we announced that we had commenced cash tender offers, which we refer to as the tender offers, to purchase up to $750 million in aggregate principal amount of certain series of our outstanding notes, as set forth below. The tender offers consist of two separate offers: an Any and All Offer and a Maximum Tender Offer, both made pursuant to an Offer to Purchase distributed to the holders of the affected notes on January 9, 2012.

In the Any and All Offer, we are offering to purchase any and all of the $400 million aggregate principal amount currently outstanding of our 5.650% Senior Notes due 2012, which we refer to as our 5.650% notes. In the Maximum Tender Offer, we are offering to purchase, under certain conditions, our 9.700% Senior Notes due 2019, which we refer to as our 9.700% notes, of which $600 million aggregate principal amount is currently outstanding, our 9.000% Senior Notes due 2019, which we refer to as our 9.000% notes, of which $650 million aggregate principal amount is currently outstanding, our 8.500% Senior Notes due 2014, which we refer to as our 8.500% notes, of which $350 million aggregate principal amount is currently outstanding and our 6.000% Senior Notes due 2013, which we refer to as our 6.000% notes, of which $350 million aggregate principal amount is currently outstanding.

The principal amount of notes to be purchased in the Maximum Tender Offer will be equal to the difference between $750 million and the principal amount of notes purchased through the Any and All Offer, provided that we will not purchase more than $200 million in aggregate principal amount of either the 9.700% or 9.000% notes. The amounts of each series of notes that are purchased in the Maximum Tender Offer will be prioritized in the following order: our 9.700% notes, our 9.000% notes, our 8.500% notes and our 6.000% notes. The Any and All Offer is scheduled to expire at 5:00 p.m. New York City time, on January 18, 2012, unless extended. The Maximum Tender Offer is scheduled to expire at 11:59 p.m. New York City Time, on February 6, 2012, unless extended. Holders of notes subject to the Maximum Tender Offer must tender and not withdraw their notes before the early tender date, which is 5:00 p.m. New York City Time, on January 23, 2012, unless extended, to receive the total consideration. Holders of notes subject to the Maximum Tender Offer who tender their notes after the early tender date will receive the tender offer consideration, which is the total consideration minus $30 per $1,000 principal amount of notes tendered by such holder that are accepted for purchase.

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The total consideration for notes tendered and accepted for payment pursuant to the Any and All Offer will be $1,028.40 per $1,000 principal amount of such notes. The total consideration for each $1,000 principal amount of notes tendered and accepted for payment pursuant to the Maximum Tender Offer will be determined by reference to a fixed spread specified for each series of notes over the yield based on the bid side price of the applicable reference U.S. Treasury security indicated in the Offer to Purchase, as calculated by the dealer managers at 2:00 p.m. New York City time, on the early tender date. In addition to the total consideration or the tender offer consideration, as applicable, accrued and unpaid interest up to, but not including, the applicable settlement date will be paid in cash on all validly tendered notes accepted in the tender offers.

The completion of each tender offer is subject to the satisfaction of certain conditions, including completion of the Propane Business Contribution, on terms satisfactory to us. Completion of the tender offers is not conditioned on completion of this offering, and completion of this offering is not conditioned upon any minimum level of acceptance in the tender offers.

We expect to fund the tender offers with the net proceeds from the Propane Business Contribution. If any condition of the tender offers is not satisfied, we are not obligated to accept for purchase, or to pay for, any of the notes tendered and may delay the acceptance for payment of any tendered notes, in each event subject to applicable laws. We also may terminate, extend or amend the tender offers and may postpone the acceptance for purchase of, and payment for, the notes tendered. We cannot give any assurance that we will purchase any notes in the tender offers.

This prospectus supplement and the accompanying prospectus are not an offer to purchase the notes subject to the tender offers. The tender offers are made only by and pursuant to the terms of the Offer to Purchase and the related Letter of Transmittal, each dated January 9, 2012, as it may be amended or supplemented.

Our principal executive offices

We are a limited partnership formed under the laws of the State of Delaware. Our executive offices are located at 3738 Oak Lawn Avenue, Dallas, Texas 75219. Our telephone number is (214) 981-0700. We maintain a website at http://www.energytransfer.com that provides information about our business and operations. Information contained on this website, however, is not incorporated into or otherwise a part of this prospectus supplement or the accompanying prospectus.

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The offering

We provide the following summary solely for your convenience. This summary is not a complete description of the notes. You should read the full text of, and more specific details contained elsewhere in, this prospectus supplement and the accompanying prospectus. For a more detailed description of the notes, see the section entitled Description of notes in this prospectus supplement and the section entitled Description of the Debt Securities in the accompanying prospectus.

Issuer	Energy Transfer Partners, L.P.
Notes Offered	We are offering $2,000,000,000 aggregate principal amount of notes of the following series: $1,000,000,000 5.20% Senior Notes due 2022; and $1,000,000,000 6.50% Senior Notes due 2042.
Maturity	Unless redeemed prior to maturity as described below, the 2022 notes will mature on February 1, 2022 and the 2042 notes will mature on February 1, 2042.
Interest Rate	Interest on the 2022 notes will accrue at the per annum rate of 5.20% and interest on the 2042 notes will accrue at the per annum rate of 6.50%.
Interest Payment Dates	Interest on the notes will accrue from the issue date of the notes and be payable semiannually on February 1 and August 1 of each year, beginning on August 1, 2012.
Ranking	The notes will be our unsecured and unsubordinated obligations. The notes will rank equally with all of our other existing and future unsubordinated indebtedness and junior to the indebtedness and other obligations, including trade payables, of our subsidiaries. As of September 30, 2011, the notes would have been effectively subordinated to approximately $954.5 million of indebtedness of our subsidiaries. See Description of notes Ranking. Prior to the consummation of the Citrus Acquisition, we will form a wholly owned subsidiary that will provide a limited contingent guarantee of our obligations to pay the principal of the notes. This guarantor is not expected to have significant assets, but will have the benefit of limited contingent credit support from a subsidiary of SUG, which after consummation of the Citrus Acquisition will be owned by ETE. See Description of notes Subsidiary guarantees.
Optional Redemption	We may redeem the notes for cash, in whole or in part at any time and from time to time, at our option at the applicable redemption price set forth under the heading Description of notes Optional redemption.

Special Mandatory Redemption	The offering of the notes will be consummated prior to the closing of the Citrus Acquisition. If we do not consummate the Citrus Acquisition on or before April 17, 2012, or the Citrus Merger Agreement is terminated at any time on or before such time, we must redeem the notes at a redemption price equal to 101% of the aggregate principal amount of the notes, plus accrued and unpaid interest, if any, to, but excluding, the redemption date. See Description of notes Special mandatory redemption. There can be no assurance that the Citrus Acquisition will be consummated. See Risk factors Risks related to the Citrus Acquisition.
Certain Covenants	We will issue the notes under a supplement to an indenture with U.S. Bank National Association, as trustee. The covenants in the indenture supplement include a limitation on liens and a restriction on sale-leaseback transactions. Each covenant is subject to a number of important exceptions, limitations and qualifications that are described in Description of notes Certain covenants.
Use of Proceeds	We anticipate using the net proceeds of this offering to fund the cash portion of the purchase price of the Citrus Acquisition and for general partnership purposes. Pending such use, we will invest the net proceeds of this offering in short term liquid investments. If the Citrus Acquisition is not completed on or before April 17, 2012, we will be required to redeem the notes as provided under Description of notes Special mandatory redemption. See Use of proceeds.
Further Issuances	We may create and issue additional notes ranking equally and ratably with any series of notes offered by this prospectus supplement in all respects, except for the issue price and in some cases, the first interest payment date, so that such additional notes will form a single series with the series of notes offered by this prospectus supplement and will have substantially identical terms as the series of notes offered hereby, including with respect to ranking, redemption and otherwise.
Risk Factors	Investing in the notes involves risks. See Risk factors beginning on page S-15 of this prospectus supplement and the risk factors set forth on page 4 of the accompanying prospectus and on page 26 of our Annual Report on Form 10-K for the year ended December 31, 2010, as well as the other risks identified in the documents incorporated by reference herein, for information regarding risks you should consider before investing in the notes.

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Ratio of earnings to fixed charges

The following table sets forth our historical consolidated ratio of earnings to fixed charges for the periods indicated therein:

	Year ended December 31, 2010	Nine months ended September 30, 2011
Ratio of earnings to fixed charges	2.31	2.27

For this ratio earnings is the amount resulting from adding the following items:

- pre-tax income from continuing operations, before minority interest and equity in earnings of affiliates;
- amortization of capitalized interest;
- distributed income of equity investees; and
- fixed charges.

The term fixed charges means the sum of the following:

- interest expensed;
- interest capitalized;
- amortized debt issuance costs; and
- estimated interest element of rentals.

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Risk factors

An investment in the notes involves risks. You should consider carefully the risk factors included below and those set forth beginning on page 4 of the accompanying prospectus, in our Annual Report on Form 10-K for the year ended December 31, 2010, and in our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2011 and June 30, 2011, together with all of the other information included in, or incorporated by reference into, this prospectus supplement and the accompanying prospectus, when evaluating an investment in the notes.

Risks related to an investment in the notes

We have a holding company structure in which our subsidiaries conduct our operations and own our operating assets.

We are a holding company, and our subsidiaries conduct all of our operations and own all of our operating assets. We do not have significant assets other than the partnership interests and the equity in our subsidiaries. As a result, our ability to make required payments on the notes depends on the performance of our subsidiaries and their ability to distribute funds to us. The ability of our subsidiaries to make distributions to us may be restricted by, among other things, credit facilities and applicable state partnership laws and other laws and regulations. If we are unable to obtain the funds necessary to pay the principal amount at maturity of the notes, we may be required to adopt one or more alternatives, such as a refinancing of the notes. We cannot assure you that we would be able to refinance the notes.

The notes will be effectively subordinated to liabilities and indebtedness of our subsidiaries and subordinated to any of our future secured indebtedness to the extent of the assets securing such indebtedness.

Our subsidiaries own all of our operating assets. However, initially, none of our subsidiaries will guarantee our obligations with respect to the notes. Creditors of our subsidiaries that do not guarantee the notes will have claims, with respect to the assets of those subsidiaries, that rank effectively senior to the notes. In the event of any distribution or payment of assets of such subsidiaries in any dissolution, winding up, liquidation, reorganization or other bankruptcy proceeding, the claims of those creditors must be satisfied prior to making any such distribution or payment to us in respect of our direct or indirect equity interests in such subsidiaries. Accordingly, after satisfaction of the claims of such creditors, there may be little or no amounts left available to make payments in respect of the notes. Also, there are federal and state laws that could invalidate any guarantee of our subsidiary or subsidiaries that guarantee the notes in the future. If that were to occur, the claims of creditors of a guaranteeing subsidiary would also rank effectively senior to the notes, to the extent of the assets of that subsidiary. As of September 30, 2011, the notes would have been effectively subordinated to approximately $954.5 million of outstanding indebtedness of our subsidiaries. Furthermore, such subsidiaries will not be prohibited under the indenture from incurring additional indebtedness.

In addition, holders of any future secured indebtedness of Energy Transfer Partners, L.P. would have claims with respect to the assets constituting collateral for such indebtedness that are prior to the claims of the holders of the notes. Energy Transfer Partners, L.P. (excluding its subsidiaries) does not currently have any secured indebtedness, but may have secured indebtedness in the future. In the event of a default on any secured indebtedness or our bankruptcy, liquidation or

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reorganization, our assets would be used to satisfy obligations with respect to the indebtedness secured thereby before any payment could be made on the notes. Accordingly, any such secured indebtedness would effectively rank senior to the notes to the extent of the value of the collateral securing the indebtedness. While the indenture governing the notes will place some limitations on our ability to create liens, there are significant exceptions to these limitations that will allow us to secure certain indebtedness without equally and ratably securing the notes. To the extent the value of the collateral is not sufficient to satisfy the secured indebtedness, the holders of that indebtedness would be entitled to share with the holders of the notes and the holders of other claims against us with respect to our other assets.

We do not have the same flexibility as other types of organizations to accumulate cash, which may limit cash available to service the notes or to repay them at maturity.

Unlike a corporation, our partnership agreement requires us to distribute, on a quarterly basis, 100% of our available cash to our unitholders of record and our general partner. Available cash is generally all of our cash on hand as of the end of a quarter, adjusted for cash distributions and net changes to reserves. Our general partner will determine the amount and timing of such distributions and has broad discretion to establish and make additions to our reserves or the reserves of our operating subsidiaries in amounts it determines in its reasonable discretion to be necessary or appropriate:

- to provide for the proper conduct of our business and the businesses of our operating subsidiaries (including reserves for future capital expenditures and for our anticipated future credit needs);

- to provide funds for distributions to our unitholders and our general partner for any one or more of the next four calendar quarters; or

- to comply with applicable law or any of our loan or other agreements.

Although our payment obligations to our unitholders are subordinate to our payment obligations to you, the value of our units may decrease with decreases in the amount we distribute per unit. Accordingly, if we experience a liquidity problem in the future, the value of our units may decrease and we may not be able to issue equity to recapitalize.

Your ability to transfer the notes at a time or price you desire may be limited by the absence of an active trading market, which may not develop.

The notes are a new issue of securities for which there is no established public market. Although we have registered the offer and sale of the notes under the Securities Act of 1933, as amended, or the Securities Act, we do not intend to apply for the listing of the notes on any securities exchange or for the quotation of the notes in any automated dealer quotation system. In addition, although the underwriters have informed us that they intend to make a market in the notes, as permitted by applicable laws and regulations, they are not obligated to make a market in the notes, and they may discontinue their market making activities at any time without notice. An active market for the notes may not develop or, if developed, may not continue. In the absence of an active trading market, you may not be able to transfer the notes within the time or at the price you desire.

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Risks related to the Citrus Acquisition

Our acquisition of the 50% interest in Citrus Corp. is subject to the satisfaction of certain conditions to closing, one of which is the completion of the merger of SUG and a subsidiary of ETE.

Our acquisition of the 50% interest in Citrus Corp. currently owned by SUG is subject to the satisfaction of certain conditions to closing, including the absence of a material adverse change to the business or results of operations of Citrus Corp. subsequent to January 1, 2011, the receipt of necessary governmental approvals and the completion of the merger of SUG and a wholly-owned subsidiary of ETE. The completion of the merger of SUG and the subsidiary of ETE is subject to the absence of a material adverse change to the business or results of operation of ETE and SUG, the receipt of necessary regulatory approvals and the satisfaction or waiver of other conditions specified in the SUG Merger Agreement. In the event those conditions to closing are not satisfied or waived, we would not complete the acquisition of the 50% interest in Citrus Corp. currently owned by SUG.

Any acquisition we complete, including the Citrus Acquisition, is subject to substantial risks that could adversely affect our financial condition and results of operations.

Any acquisition we complete, including the proposed Citrus Acquisition, involves potential risks, including, among other things:

- the validity of our assumptions about revenues, capital expenditures and operating costs of the acquired business or assets, as well as assumptions about achieving synergies with our existing businesses;

- a significant increase in our interest expense and financial leverage resulting from any additional debt incurred to finance the acquisition consideration, including from this offering, which could offset the expected accretion to our unitholders from such acquisition and could be exacerbated by volatility in the credit or debt capital markets;

- a failure to realize anticipated benefits, such as increased distributable cash flow per unit, enhanced competitive position or new customer relationships;