
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report: **March 3, 2008**

Date of earliest event reported: **February 27, 2008**

Energy Transfer Partners, L.P.

(Exact name of Registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

1-11727

(Commission File Number)

73-1493906

(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))
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Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(e) Adoption of Cash Bonus Plan

On February 27, 2008, Energy Transfer Partners, L.P. (the “Partnership”) adopted the Energy Transfer Partners, L.P. Midstream Bonus Plan (the “Plan”). The Plan provides for annual cash awards to eligible employees based on achievement of certain pre-established performance goals during a specified performance period (which under the Plan is generally a one-year period commencing on January 1 and concluding December 31). Eligible employees generally include the salaried employees of the Partnership’s midstream business segment. Certain of the Partnership’s named executive officers, as that term is defined in Item 402(a)(3) of Regulation S-K, are eligible to participate in the Plan. The Plan is administered by the Compensation Committee of the Partnership’s general partner.

For each performance period, the Partnership will determine the annual target bonus for each eligible employee. An eligible employee’s annual target bonus may range from 0% to 100% of base salary and is dependent on a number of factors, including employee title, job responsibilities and reporting level. The bonus pool from which annual bonuses are paid to eligible employees will equal the summation of the annual target bonuses of all eligible employees, multiplied by a payout factor. The payout factor is determined by the comparison of the budgeted target financial measure for the business segment to the amount of such performance measure actually achieved by the business segment for a given performance period. The management of the Partnership’s midstream business segment will determine the amount of the annual bonus for each eligible employee from the bonus pool based on employee performance, length of employment and other factors as determined by midstream management in its sole discretion, provided that the aggregate amount of annual bonus payments for the midstream segment relating to a performance period shall not exceed, in total, the bonus pool for such performance period.

In addition to annual bonuses, pursuant to the Plan the Partnership’s Chief Executive Officer will have the discretion to make other bonus payments to one or more eligible employees of up to \$1.0 million in the aggregate in any calendar year.

The above description of the Plan does not purport to be complete and is qualified in its entirety by reference to the Plan that is attached hereto as Exhibit 10.1 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits. Exhibit 10.1 below is being filed herewith.

10.1 Energy Transfer Partners, L.P. Midstream Bonus Plan.

Signatures

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

Energy Transfer Partners, L.P.

By: Energy Transfer Partners GP, L.P.,
General Partner

By: Energy Transfer Partners, L.L.C.,
General Partner

Date: March 3, 2008

/s/ Brian J. Jennings

Brian J. Jennings

Chief Financial Officer and officer duly authorized to sign
on behalf of the registrant

Exhibit Index

<u>Exhibits</u>	
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10.1	Energy Transfer Partners, L.P. Midstream Bonus Plan.
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ENERGY TRANSFER PARTNERS, L.P.
MIDSTREAM BONUS PLAN
Energy Transfer Company
Transwestern Pipeline

1. PURPOSE OF THE PLAN

The purpose of Energy Transfer Partners Midstream Bonus Plan (as amended from time to time, the "Plan") is to provide an opportunity for Eligible Employees of Energy Transfer Partners, L.P. (the "Partnership") to earn annual cash awards through the achievement of pre-established performance goals.

2. DEFINITIONS

- A. Actual Results** means the dollar amount of EBITDA or other applicable financial measure specified for the Budget Target for a Business Unit for a Performance Period actually achieved for such Performance Period as determined by the Partnership following the end of such Performance Period.
- B. Annual Bonus** is the cash bonus paid to an Eligible Employee for the Performance Period.
- C. Annual Target Bonus** for an Eligible Employee is a percentage of the Employee's Base Salary and may range from 0% to 100% of base salary and is dependent on a number of factors which may include, but are not limited to, employee title, job responsibilities and reporting level. The Partnership may, but is not required to, specify a specific range for an Eligible Employee at any time prior to or during a Performance Period and may adjust any such range so established at any time in its discretion. To the extent the Performance Period is less than, or more than, one year, then the Annual Target Bonus for an Eligible Employee will be prorated.
- D. Annual Target Bonus Pool** for a Business Unit for a Performance Period is the aggregate Annual Target Bonus of the Eligible Employees of such Business Unit for such Performance Period.
- E. Bonus Pool Payout Factor** for a Business Unit means the multiplier factor applied to the Annual Target Bonus Pool for such Business Unit to determine the Funded Bonus Pool for such Business Unit for the applicable Performance Period. The payout is determined by the comparison of Budget Target for such Business Unit for a Performance Period to Actual Results for such Business Unit for such Performance Period as set forth below:

% of Budget Target	Bonus Pool Payout Factor
>= 110.0	1.20 x
109.9 - 105.0	1.10 x
104.9 - 95.0	1.00 x
94.9 - 90.0	.90 x
89.9 - 80.0	.80 x
79.9 - 70.0	.70 x
69.9 - 50.0	.50 x
< 50.0	.0 x

- F. Budget Target** for a Business Unit means the specific dollar amount of EBITDA or other financial measure specified by the Partnership for such Business Unit for such Performance Period.
- G. Funded Bonus Pool** for a Business Unit means the Annual Target Bonus Pool for such Business Unit for a Performance Period multiplied by the Bonus Pool Payout Factor for such Business Unit for such Performance Period.
- H. Employee Base Salary** means the salary of the Eligible Employee at the conclusion of the Performance Period.
- I. Performance Period** means the measurement period for determination of Budget Target and the calculation of Actual Results. Each Performance Period shall be, in general, a one year period commencing January 1 and concluding December 31st, but may be a shorter or longer period as determined by the Partnership.
- J. EBITDA** means earnings before interest, taxes, depreciation and amortization.
- K. Eligible Employee** is an employee of a Business Unit eligible to participate in the Plan as determined in the sole discretion of management of such Business Unit.
- L. Business Unit** for purposes of the Plan shall mean the Energy Transfer Company, Transwestern Pipeline or any other business unit of the Partnership designated by the Partnership to be included for participation in the Plan.

3. ANNUAL BONUS PAYMENT

As soon as reasonably practicable following the end of each Performance Period, the Partnership will determine the Annual Target Bonus for each Eligible Employee. The Funded Bonus Pool from which Annual Bonuses are paid to Eligible Employees of such Business Unit shall equal the summation of Annual Target Bonuses of all Eligible Employees of such Business Unit multiplied by the Bonus Pool Payout Factor for such Business Unit. Management of each Business Unit shall determine the amount of the Annual Bonus for each Eligible Employee of such Business Unit from the Funded Bonus Pool for such Business Unit based on employee performance, length of employment and other factors as determined by management of such Business Unit in its sole discretion, provided that the aggregate amount of Annual Bonus payments for such Business Unit relating to a Performance Period shall not exceed, in total, the Funded Bonus Pool for such Business Unit for such Performance Period. Notwithstanding any provision herein, funds allocated under this bonus plan for distribution to employees is 100% discretionary, subject to the final approval of Chief Executive Officer of the Partnership.

4. OTHER BONUS PAYMENTS

In addition to Annual Bonuses, the Chief Executive Officer will have the discretion to make other bonus payments to one or more Eligible Employees of up to \$1.0 million in the aggregate in any calendar year.