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

FORM 10-K/A
Amendment No. 1

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2010

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number 1-32740

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

Delaware
(State or other jurisdiction of
incorporation or organization)

30-0108820
(I.R.S. Employer
Identification No.)

3738 Oak Lawn Avenue, Dallas, Texas 75219
(Address of principal executive offices) (zip code)

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class
Common Units

Name of each exchange on which registered
New York Stock Exchange

Securities registered pursuant to section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value as of June 30, 2010, of the registrant’s Common Units held by non-affiliates of the registrant, based on the reported closing price of such Common Units on the New York Stock Exchange on such date, was \$3.83 billion. Common Units held by each executive officer and director and by each person who owns 5% or more of the outstanding Common Units have been excluded in that such persons may be deemed to be affiliates. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

At February 22, 2011, the registrant had 222,942,708 Common Units outstanding.

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EXPLANATORY NOTE

Energy Transfer Equity, L.P. (“Energy Transfer Equity,” “the Partnership” or “ETE”) is filing this Amendment No.1 to the Annual Report on Form 10-K (the “Form 10-K/A”) to amend its Annual Report on Form 10-K for the year ended December 31, 2010, which was filed with the Securities and Exchange Commission (“SEC”) on February 28, 2011 (the “Original Report” and together with the Form 10-K/A, the “Form 10-K”). As amended by this Form 10-K/A, the Form 10-K reflects updates to “Part III — Item 11. Executive Compensation” including (i) the actual target internal EBITDA budget amount used to determine the 2010 annual bonuses for Messrs. McCrea, Salinas, Mason and Powers, and (ii) individual performances considered by the ETP Compensation Committee in the determination of 2010 cash bonuses for named executive officers and updates to “Part III — Item 13. Certain Relationships and Related Transactions, and Director Independence” including descriptions of the review policies and procedures relevant to related party transactions.

This Amendment No. 1 is being filed in response to comments received from the staff of the Division of Corporation Finance of the SEC in connection with the staff’s review of the Original Report. We have made no attempt in this Amendment No. 1 to modify or update the disclosures presented in the Original Report other than as noted above. Also, this Amendment No. 1 does not reflect events occurring after the filing of the Original Report. Accordingly, this Amendment No. 1 should be read in conjunction with the Original Report and our other filings with the SEC subsequent to the filing of the Original Report.

PART III

ITEM 11. EXECUTIVE COMPENSATION

Overview

Since we are a limited partnership, we are managed by our General Partner. Our General Partner is owned by Mr. Kelcy Warren (81.2%) and Mr. Ray Davis (18.8%). Enterprise GP Holdings previously held a 40.6% interest in our General Partner, which it sold entirely to Mr. Kelcy Warren in December 2010. Our limited partner interests are owned approximately 31% by affiliates and approximately 69% by the public.

We own 100% of Energy Transfer Partners GP, L.P. (“ETP GP”) and its general partner, Energy Transfer Partners, L.L.C. (“ETP LLC”). We refer to ETP GP and ETP LLC together as the “ETP GP Entities.” ETP GP is the general partner of Energy Transfer Partners, L.P. (“ETP”). All of ETP’s employees receive employee benefits from the operating companies of ETP.

We own 100% of Regency GP LP and its general partner, Regency GP LLC. We refer to Regency GP LP and Regency GP LLC together as the “Regency GP Entities.” Regency GP is the general partner of Regency Energy Partners LP (“Regency”). All of Regency’s employees receive employee benefits from the operating companies of Regency.

Pursuant to a shared services agreement, we receive from ETP administrative and other services in connection with their management of the Parent Company for which we pay approximately \$0.5 million per year to ETP. Pursuant to a shared service agreement with Regency, ETE provides administrative and other services to Regency for which we receive approximately \$10.0 million per year; many of these administrative and other services are provided by ETP personnel and accordingly fees from Regency are remitted to ETP.

Compensation Discussion and Analysis

Named Executive Officers

We do not have officers or directors. Instead, we are managed by the board of directors of our General Partner, and the President of our General Partner performs all of our management functions. The compensation of our President is administered by our General Partner. This Compensation Discussion and Analysis is, therefore, focused on the total compensation of the President of our General Partner. To provide comprehensive disclosure of our executive compensation, we are also providing information as to the executive compensation of the ETP GP Entities, since the shared service agreement with ETP allows for ETP’s executives to perform policy making functions for ETE, even though none of these persons is an executive officer of the Parent Company. Accordingly, the persons we refer to in this discussion as our “named executive officers” are the following:

ETE Executive Officer

- John W. McReynolds, President and Chief Financial Officer of our General Partner.

ETP GP Entities Executive Officers

- Kelcy L. Warren, Chief Executive Officer;
- Marshall S. (Mackie) McCrea, III, President and Chief Operating Officer;
- Martin Salinas, Jr., Chief Financial Officer;
- Thomas P. Mason, Vice President, General Counsel and Secretary; and
- William G. Powers, Jr., President of Propane Operations.

Our Philosophy for Compensation of Executives

Our General Partner. In general, our General Partner’s philosophy for executive compensation is based on the premise that a significant portion of the executive’s compensation should be incentive-based and that the base salary levels should be competitive in the marketplace for executive talent and abilities. Our General Partner also believes the incentives should be competitive in the marketplace and balanced between short and long-term performance. Our General Partner believes this balance is achieved by the payment of annual discretionary cash bonuses and grants of restricted unit awards. Our General Partner believes the performance of our operating subsidiaries and the contribution of our management toward the achievement of the financial targets and other goals of those subsidiaries should be considered in determining annual discretionary cash bonuses.

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ETP GP Entities. The ETP GP Entities also believe that a significant portion of their executives' compensation should be incentive-based and have instituted an annual discretionary cash bonus that considers the achievement of the Partnership's financial performance objectives for a fiscal year set at the beginning of such fiscal year, and the annual grant of restricted unit awards under ETP's equity incentive plans, which are intended to provide a longer term incentive to their key employees to focus their efforts to increase the market price of ETP's publicly traded units and to increase the cash distribution ETP pays to its Unitholders. Since 2008, ETP's equity awards have been primarily in the form of restricted unit awards that vest over a specified time period, with substantially all of these types of unit awards vesting over a five-year period at 20% per year based on continued employment through each specified vesting date. The ETP GP Entities believe that these equity-based incentive arrangements are important in attracting and retaining executive officers and key employees as well as motivating these individuals to achieve ETP's business objectives. The equity-based compensation reflects the importance ETP places on aligning the interests of the executive officers with those of ETP's Unitholders.

While ETE is responsible for the direct payment of the compensation of our named executive officer as an employee of ETE, ETE does not participate or have any input in any decisions as to the compensation levels or policies of our General Partner, the ETP GP Entities or the Regency GP Entities. As discussed below, ETE has a Compensation Committee (the "ETE Compensation Committee"), which is responsible for the compensation policies and compensation level of the executive officer of our General Partner.

ETP also does not participate or have any input in any decisions as to the compensation policies of the ETP GP Entities or the compensation levels of the executive officers of the ETP GP Entities. The compensation committee of the board of directors of the ETP GP Entities (the "ETP Compensation Committee") is responsible for the approval of the compensation policies and the compensation levels of the executive officers of the ETP GP Entities.

ETE and ETP directly incur the payment to our respective executive officers in lieu of receiving an allocation of overhead related to executive compensation from their respective general partner. For the year ended December 31, 2010, ETE and ETP paid 100% of the compensation of the executive officers of their respective general partner as each entity represents the only business managed by such general partner.

Distributions to Our General Partner

Our General Partner is partially-owned by certain of our current and prior named executive officers. We pay quarterly distributions to our General Partner in accordance with our partnership agreement with respect to its ownership of its general partner interest as specified in our partnership agreement. The amount of each quarterly distribution that we must pay to our General Partner is based solely on the provisions of our partnership agreement, which agreement specifies the amount of cash we distribute to our General Partner based on the amount of cash that we distribute to our limited partners each quarter. Accordingly, the cash distributions we make to our General Partner bear no relationship to the level or components of compensation of our General Partner's executive officer. Distributions to our General Partner are described in detail in Note 8 to our consolidated financial statements. Our named executive officer also owns directly and indirectly certain of our limited partner interests and, accordingly, receives quarterly distributions. Such per unit distributions equal the per unit distributions made to all our limited partners and bear no relationship to the level of compensation of the named executive officer.

For a more detailed description of the compensation of our named executive officers, please see "Compensation Tables" below.

Compensation Committee of ETE and ETP

We are a limited partnership and our units are listed on the NYSE. ETP is also a limited partnership whose units are listed on the NYSE. Although the rules of the NYSE do not require publicly traded limited partnerships to have a compensation committee, the board of directors of ETP's general partner has established a compensation committee. The board of directors of our General Partner established the ETE Compensation Committee in October of 2008. Paul E. Glaske serves as the chair of the ETE Compensation Committee.

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The responsibilities of the ETE Compensation Committee include, among other duties, the following:

- annually review and approve goals and objectives relevant to compensation of our President and CFO;
- annually evaluate the President and CFO's performance in light of these goals and objectives, and make recommendations to the board of directors of our General Partner with respect to the President and CFO's compensation levels based on this evaluation;
- make determinations with respect to the grant of equity-based awards to executive officers under ETE's equity incentive plans;
- periodically evaluate the terms and administration of ETE's long-term incentive plans to assure that they are structured and administered in a manner consistent with ETE's goals and objectives;
- periodically evaluate incentive compensation and equity-related plans and consider amendments if appropriate;
- periodically evaluate the compensation of the directors;
- retain and terminate any compensation consultant to be used to assist in the evaluation of director, President and CFO or executive officer compensation; and
- perform other duties as deemed appropriate by the board of directors of our General Partner.

The responsibilities of the ETP Compensation Committee include, among other duties, the following:

- annually review and approve goals and objectives relevant to compensation of the Chief Executive Officer, or the CEO;
- annually evaluate the CEO's performance in light of these goals and objectives, and make recommendations to the board of directors of ETP's general partner with respect to the CEO's compensation levels based on this evaluation;
- based on input from, and discussion with, the CEO, make recommendations to the board of directors of ETP's general partner with respect to non-CEO executive officer compensation, including incentive compensation and compensation under equity based plans;
- make determinations with respect to the grant of equity-based awards to executive officers under ETP's equity incentive plans;
- periodically evaluate the terms and administration of ETP's short-term and long-term incentive plans to assure that they are structured and administered in a manner consistent with ETP's goals and objectives;
- periodically evaluate incentive compensation and equity-related plans and consider amendments if appropriate;
- periodically evaluate the compensation of the directors;
- retain and terminate any compensation consultant to be used to assist in the evaluation of director, CEO or executive officer compensation; and
- perform other duties as deemed appropriate by the board of directors of ETP's general partner.

Compensation Philosophy

Each of ETE's and ETP's compensation programs is structured to provide the following benefits:

- attract, retain and reward talented executive officers and key management employees by providing total compensation competitive with that of other executive officers and key management employees employed by publicly traded limited partnerships of similar size and in similar lines of business;
- motivate executive officers and key employees to achieve strong financial and operational performance;
- emphasize performance-based compensation; and
- reward individual performance.

Methodology

Presently, the compensation committees of ETE and ETP consider relevant data available to them to assess the competitive position with respect to base salary, annual short-term incentives and long-term incentive compensation for our executive officer. The boards of directors and compensation committees of ETE and ETP also consider individual performance, levels of responsibility, skills and experience.

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Components of Executive Compensation

For the year ended December 31, 2010, the compensation paid to ETE's named executive officer consisted of the following components:

- annual base salary;
- non-equity incentive plan compensation consisting solely of discretionary cash bonuses; and
- equity incentive plan compensation.

Mr. Warren, ETP's CEO, has voluntarily elected not to accept any salary, bonus or equity incentive compensation (other than a salary of \$1.00 per year plus an amount sufficient to cover his allocated payroll deductions for health and welfare benefits). The compensation paid to the named executive officers of the ETP GP Entities, other than ETP's CEO, consisted of the following components:

- annual base salary;
- non-equity incentive plan compensation consisting solely of cash bonuses;
- vesting of previously issued equity-based awards issued pursuant to ETP's equity incentive plans;
- compensation resulting from the vesting of equity issuances made by an affiliate; and
- 401(k) plan contributions.

Periodically, the ETP Compensation Committee engages a third-party consultant to provide master information for compensation levels at peer companies in order to assist the ETP Compensation Committee in its determination of compensation levels for ETP's executive officers. Most recently, the ETP Compensation Committee engaged Mercer Consulting Services ("Mercer") during the year ended December 31, 2010 to assist in the determination of ETP's compensation levels for its senior management. The results of this study were utilized to determine long-term incentive awards and bonuses during 2010 and will also be used to determine other elements of compensation in 2011. The consultant provided an analysis of compensation for senior executives of the following 15 companies in the energy industry, comprised primarily of midstream and exploration and production companies:

- Enterprise Products Partners L.P.
- Plains All American Pipeline, L.P.
- CenterPoint Energy, Inc.
- The Williams Companies, Inc.
- Sempra Energy
- Kinder Morgan Energy Partners, L.P.
- ONEOK Partners, L.P.
- Enbridge Energy Partners, L.P.
- Sunoco Logistics Partners L.P.
- Atmos Energy Corporation
- El Paso Corporation
- Spectra Energy Partners, LP
- Targa Resources Partners LP
- NuStar Energy L.P.
- Southern Union Company

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The compensation analysis provided by Mercer covered annual salary, annual cash bonus and long-term incentive arrangements for the senior executives of these companies. The ETP Compensation Committee utilized the information provided by Mercer to compare the levels of base salary, annual bonus and long-term equity incentives at these other companies with those of ETP's named executive officers to ensure that compensation of ETP's named executive officers is competitive with the compensation for executive officers of these other companies. The ETP Compensation Committee did not attempt to benchmark the base salary, annual bonus or long-term equity incentives to any percentage of, or numerical average of, the compensation levels at these other companies. Mercer did not provide any non-executive compensation services for ETP during 2010.

The ETE compensation Committee has not engaged a compensation consultant during the periods presented herein.

Base Salary. For the year ended December 31, 2010, the base salary level, equity incentive compensation and the non-equity incentive compensation of Mr. McReynolds, the President and Chief Financial Officer of ETE's General Partner, was determined by the board of directors of our General Partner based on recommendations from the ETE Compensation Committee after taking into account the compensation for senior executives at comparable companies with respect to annual salary, annual cash bonus and long-term incentive arrangements, and the total compensation for similarly situated senior executives at ETP.

The base salaries of ETP's named executive officers are determined by ETP's board of directors based on recommendations from the ETP Compensation Committee, which take into account the recommendations of Mr. Warren. For 2009, the ETP Compensation Committee determined to freeze base salaries for ETP's named executive officers at the same levels as for 2008 due to the uncertainties related to the economy and the natural gas markets that existed at that time. In 2010, the Compensation Committee approved increases in the annual base salaries of Messrs. McCrea, Salinas and Mason of 3% each, from their prior annual base salaries. The Compensation Committee determined that such increases in annual base salary were warranted in light of their individual performance and levels of responsibility related to the management of the Partnership.

Annual Bonus. In February 2011, the ETE Compensation Committee approved a cash bonus relating to the 2010 calendar year to Mr. McReynolds in the amount of \$550,000. In approving this cash bonus, the ETE Compensation Committee took into account the achievements of ETE with respect to acquiring the general partner of Regency in connection with the Regency Transactions as described below under "Item.13 Certain Relationships and Related Transactions, and Director Independence" and restructuring of ETE's credit facilities through the issuance of \$1.8 billion of 10-year notes. The ETE Compensation Committee also took into account the individual performance of Mr. McReynolds with respect to promoting ETE's financial, strategic and operating objectives for 2010.

The ETE Compensation Committee determined not to award any cash bonus to Mr. McReynolds for the year ended December 31, 2009 due to the failure of ETP to achieve 100% of its internal EBITDA budget for 2009, as well as the desire of management of ETE, including Mr. McReynolds, to improve the financial performance of ETE by avoiding the compensation expense otherwise associated with annual bonuses.

In addition to base salary, the ETP Compensation Committee makes a determination whether to award named executive officers of the ETP GP Entities, other than ETP's CEO (who has voluntarily elected to forego any annual bonuses), discretionary annual cash bonuses following the end of the year. These discretionary bonuses, if awarded, are intended to reward the named executive officers of the ETP GP Entities for the achievement of financial performance objectives during the year for which the bonuses are awarded in light of the contribution of each individual to ETP's profitability and success during such year. In this regard, the ETP Compensation Committee takes into account whether ETP achieved or exceeded its internal EBITDA budget for the year approved by the board of directors of our General Partner as discussed below, as an important element in making its determinations with respect to annual bonuses. The ETP Compensation Committee also considers the recommendation of ETP's CEO in determining specific cash bonus amounts for each of the other named executive officers of the ETP GP Entities. The ETP Compensation Committee does not establish its own financial performance objectives in advance for purposes of determining whether to approve any annual bonuses, and the ETP Compensation Committee does not utilize any formulaic approach to determining annual bonuses. The ETP Compensation Committee also considers the recommendation of ETP's CEO in determining the specific cash bonus amounts for each of ETP's other named executive officers.

ETP's internal financial budgets are generally developed for each of its operations, and then aggregated with appropriate corporate level adjustments to reflect an overall performance objective that is reasonable in light of market conditions and opportunities based on a high level of effort and dedication across all operations of ETP's

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business. The evaluation of ETP's performance versus its internal financial budget is based on the Partnership's EBITDA for a calendar year. In general, the ETP Compensation Committee believes that ETP's performance at or above the internal EBITDA budget would support bonuses to named executive officers of the ETP GP Entities ranging from 100% to 150% of their annual salary. The individual bonus amounts for each named executive officer of the ETP GP Entities, other than ETP's CEO, also reflect the ETP Compensation Committee's view of the impact of such individual's efforts and contributions towards achievement of ETP's success in exceeding its internal financial budget and developing new projects as well as towards the overall management of ETP's business.

In February 2011, the ETP Compensation Committee approved cash bonuses relating to the 2010 calendar year to Messrs. McCrea, Salinas, Mason and Powers of \$675,000, \$430,000, \$430,000, and \$425,000, respectively. In approving the cash bonuses for Messrs. McCrea, Salinas, Mason and Powers, the ETP Compensation Committee took into account the achievement by the Partnership of 100% of its internal EBITDA budget for 2010 of \$1.5 billion as well as the individual performances of these individuals with respect to promoting ETP's financial, strategic and operating objectives for 2010. With respect to individual performances of these four executive officers, the ETP Compensation Committee noted the extraordinary individual performance of Mr. McCrea with respect to the successful development of several significant internal growth projects as described in more detail below under the caption "—Equity Awards." With respect to Mr. Salinas, the ETP Compensation Committee took note of his key roles during 2010 in (i) coordinating the successful offerings of ETP Common Units that collectively raised approximately \$1.15 billion in net proceeds during 2010, (ii) orchestrating the successful offering of \$1.8 billion of senior notes by ETE in the connection with a refinancing of ETE's existing debt and (iii) effectively managing the financial reporting function for ETE and ETP. With respect to Mr. Mason, the ETP Compensation Committee took note of his key roles in (i) structuring and negotiating the sale of a 49.9% interest in Midcontinent Express from ETP to ETE and then from ETE to Regency and the acquisition of a natural gas gathering company in North Louisiana, (ii) providing astute legal support to facilitate ETE's \$1.8 billion senior notes offering and ETP's issuance of \$1.15 billion of its common units and (iii) effectively managing the legal functions for ETE and ETP. With respect to Mr. Powers, the Compensation Committee took note of his effective management of the retail propane segment, which accounted for approximately 17% of our total consolidated operating income for 2010, despite challenges faced relating to unusual weather patterns and customer conservation measures.

The ETP Compensation Committee determined not to award any cash bonuses to the named executive officers for the year ended December 31, 2009, based in part upon the recommendations of Mr. Warren, due to the failure of ETP to achieve 100% of its internal EBITDA budget for 2009, as well as the desire of management of ETP, including Mr. Warren, to improve the financial performance of ETP by avoiding the compensation expense otherwise associated with these annual bonuses.

ETE Equity Awards. The Energy Transfer Equity Long-Term Incentive Plan authorizes the ETE Compensation Committee, in its discretion, to grant awards of restricted units, unit options and other rights related to ETE units at such times and upon such terms and conditions as it may determine in accordance with each such plan. The ETE Compensation Committee determined and/or approved the terms of the unit grants awarded to the named executive officer of ETE, including the number of ETE Common Units subject to the unit award and the vesting structure of those unit awards. All of the awards granted to the named executive officer under this equity incentive plan have consisted of restricted unit awards, which are subject to vesting over a specified time period. ETE Common Units are issued upon grant of the award, subject to forfeiture of unvested units upon termination of employment during the vesting period.

In December 2009 and 2008 and in February 2011, unit awards of 30,000 units, 50,000 units and 25,000 units, respectively, were granted to Mr. McReynolds. These grants were approved by the ETE Compensation Committee. All of these unit awards provided for vesting over a five-year period at 20% per year, subject to continued employment through each specified vesting date. In approving the grant of such unit awards, the ETE Compensation Committee took into account the long-term objective of retaining Mr. McReynolds as a key driver of ETE's future success and his previous equity unit awards subject to vesting.

The issuance of ETE Common Units pursuant to ETE's equity incentive plan is intended to serve as a means of incentive compensation; therefore, no consideration will be payable by the plan participants upon vesting and issuance of the ETE Common Units.

ETP Equity Awards. Each of ETP's 2004 Unit Plan and 2008 Incentive Plan authorizes the ETP Compensation Committee, in its discretion, to grant awards of restricted units, unit options and other rights related to ETP units at such times and upon such terms and conditions as it may determine in accordance with each such plan. The ETP Compensation Committee determined and/or approved the terms of the unit grants awarded to the named executive officers of the ETP GP Entities, including the number of Common Units subject to the unit award and the vesting structure of those unit awards. All of the awards granted to ETP's named executive officers under these equity

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incentive plans have consisted of restricted unit awards, which have required the achievement of performance objectives in order for the awards to become vested or restricted unit awards that are subject to vesting over a specified time period. Upon vesting of any unit award, ETP Common Units are issued.

Commencing in 2008, all of the new ETP unit awards granted have provided for vesting over a specified time period, with vesting based on continued employment as of each applicable vesting date, rather than vesting based on the satisfaction of any performance objectives. This change resulted from the Compensation Committee's determination that vesting based on continued employment, rather than the satisfaction of performance objectives, was more generally prevalent with companies in the energy industry. In December 2010 and January 2011, the ETP Compensation Committee approved grants of unit awards to Messrs. McCrea, Salinas, Mason and Powers of 250,000 units, 20,000 units, 20,000 units and 10,000 units, respectively. All of these unit awards provide for vesting over a five-year period at 20% per year, subject to continued employment through each specified vesting date. These unit awards entitle the recipients of the unit awards to receive, with respect to each ETP Common Unit subject to such award that has not either vested or been forfeited, a cash payment equal to each cash distribution per ETP Common Unit made by ETP on ETP Common Units promptly following each such distribution by ETP to its Unitholders.

In approving the grant of such unit awards, the ETP Compensation Committee took into account the same factors as discussed above under the caption "Annual Bonus," the long-term objective of retaining such individuals as key drivers of ETP's future success, the existing level of equity ownership of such individuals and the previous awards to such individuals of equity unit awards subject to vesting. In taking into account these factors with respect to Mr. McCrea, the ETP Compensation Committee took into account Mr. McCrea's unique role in the development of substantially all of the ETP's internal growth projects over the last several years, particularly with respect to the commercial development of the Tiger pipeline, the Fayetteville Express pipeline and several intrastate natural gas pipeline projects that, based on the construction costs for these projects and the fees expected to be realized from these projects pursuant to long-term customer contracts, are expected to generate attractive rates of return for ETP for significant periods, mostly in the range of 10-15 years. In this regard, the ETP Compensation Committee also took into account Mr. McCrea's current and expected continued future role in leading ETP's development of internal growth projects. The magnitude of the unit award to Mr. McCrea, along with the five-year vesting of this unit award, was also intended by the ETP Compensation Committee to provide a significant incentive to Mr. McCrea to remain with ETP and continue to develop successful commercial projects.

The issuance of ETP Common Units pursuant to ETP's equity incentive plans is intended to serve as a means of incentive compensation; therefore, no consideration will be payable by the plan participants upon vesting and issuance of the ETP Common Units.

The unit awards under ETP's equity incentive plans generally require the continued employment of the recipient during the vesting period. The ETP Compensation Committee has in the past and may in the future, but is not required to, accelerate the vesting of unvested unit awards in the event of the termination or retirement of an executive officer. The ETP Compensation Committee did not accelerate the vesting of unit awards in 2010.

Affiliate Equity Awards. McReynolds Energy Partners, L.P., the general partner of which is owned and controlled by the President of our General Partner, has awarded to certain officers of ETP certain rights related to units of ETE previously issued by ETE to such officer. These rights include the economic benefits of ownership of these ETE units based on a five-year vesting schedule whereby the officer will vest in the ETE units at a rate of 20% per year. As these ETE units are conveyed to the recipients of these awards upon vesting from a partnership that is not owned or managed by ETE or ETP, none of the costs related to such awards are paid by ETE or ETP unless this partnership defaults under its obligations pursuant to these unit awards. We are recognizing non-cash compensation expense over the vesting period based on the grant date fair value of the ETE units awarded the ETP employees assuming no forfeitures.

Messrs. McCrea, Salinas and Mason vested in rights related to ETE units of 42,000, 48,000, and 55,000, respectively, during 2010 and had unvested rights related to ETE units of 126,000, 144,000, and 55,000, respectively, as of December 31, 2010.

Qualified Retirement Plan Benefits. We have established a defined contribution 401(k) plan, which covers substantially all employees of ETE and ETP, including named executive officers. These plans are subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). Employees who have completed one hour of service and have attained age 18 years of age (age 21 for certain union workers) are eligible to participate. Employees may elect to defer up to 100% of defined eligible compensation after applicable taxes, as limited under the Internal Revenue Code. We shall make a matching contribution that satisfies the requirements of Section 401(k)(12)(B) and 401(m)(11)

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of the Internal Revenue Code. The rate of match shall not be less than the aggregate amount of matching contributions that would be credited to a participant's account based on a rate of match equal to 100% of each participant's elective deferrals up to 5% of covered compensation. The entire amount credited to the participant's account shall be fully vested and non-forfeitable at all times. Prior to 2009, our 401(k) plan matching contributions were discretionary, based on a percentage of compensation, and participants vested in matching contributions upon completion of one year of service. Prior to 2009, our 401(k) plan also required the attainment of age 21 for all employees.

Health and Welfare Benefits. All full-time employees, including our and ETP's named executive officers, may participate in our health and welfare benefit programs including medical, dental, vision, flexible spending, life insurance and disability insurance.

Termination Benefits. ETE's and ETP's named executive officers do not have any employment agreements that call for payments of termination or severance benefits or that provide for any payments in the event of a change in control of our General Partner. Each of ETE's and ETP's long-term incentive plans provides for immediate vesting of all unvested unit awards in the event of a change in control. A change in control as defined under the Energy Transfer Equity Long-Term Incentive Plan means any of (i) the date on which any person or group other than an affiliate of ETE becomes the beneficial owner of 50% or more of the voting power of the voting securities of ETE or its general partner; (ii) the date on which ETE or one of its affiliates ceases to be the general partner of ETE; or (iii) the date of a sale or disposition of all or substantially all of the assets of ETE to other than an affiliate of ETE. A change of control as defined under each of ETP's plans means any of (i) the date on which Energy Transfer Partners GP, L.P. ceases to be the general partner of the Partnership; (ii) the date that ETE ceases to own, directly or indirectly through wholly-owned subsidiaries, in the aggregate at least 51% of the capital stock or equity interests of Energy Transfer Partners GP, L.P.; (iii) the sale of all or substantially all of ETP's assets (other than to any Affiliate (as defined therein) of ETE); or (iv) a liquidation or dissolution of ETP. No such accelerated vesting occurred during the year ended December 31, 2010.

Deferred Compensation Plan. ETE does not have a deferred compensation plan. Effective January 1, 2010, ETP adopted a deferred compensation plan ("DC Plan"). The DC Plan permits eligible highly compensated ETP employees to defer a portion of their salary and/or bonus until retirement or termination of employment or other designated distribution.

Under the DC Plan, each year eligible ETP employees are permitted to make an irrevocable election to defer up to 50% of their salary, 50% of their quarterly non-vested unit distribution income, and/or 50% of their discretionary bonus compensation to be earned for services performed during the following year. Pursuant to the DC Plan, ETP may make annual discretionary matching contributions to participants' accounts; however, ETP has made no discretionary contributions to participants' accounts and currently has no plans to make any discretionary contributions to participants' accounts. All amounts credited under the DC Plan (other than discretionary credits) are immediately 100% vested. Participant accounts are credited with earnings (or losses) based on investment fund choices made by the participants among available funds.

Participants may also elect to have their accounts distributed in one lump sum payment or in annual installments over a period of 3 or 5 years upon retirement, and in a lump sum upon other termination. Upon a change in control (as defined in the DC Plan) of ETP, all DC Plan accounts are immediately vested in full. However, distributions are not accelerated and, instead, are made in accordance with the DC Plan's normal distribution provisions.

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Risk Assessment Related to our Compensation Structure. We believe that the compensation plans and programs for named executive officers of ETE and ETP, as well as our other employees, are appropriately structured and are not reasonably likely to result in material risk to ETE or ETP. We believe these compensation plans and programs are structured in a manner that does not promote excessive risk-taking that could harm the value of ETE or ETP or reward poor judgment. We also believe ETE and ETP have allocated compensation among base salary and short and long-term compensation in such a way as to not encourage excessive risk-taking. In particular, ETE and ETP generally do not adjust base annual salaries for executive officers and other employees significantly from year to year, and therefore the annual base salary of our employees is not generally impacted by our overall financial performance or the financial performance of a portion of our operations. ETE and ETP generally determine whether, and to what extent, their respective named executive officers receive a cash bonus based on achievement of specified financial performance objectives as well as the individual contributions of our named executive officers to the Partnership's success. ETE and ETP use restricted units rather than unit options for equity awards because restricted units retain value even in a depressed market so that employees are less likely to take unreasonable risks to get, or keep, options "in-the-money." Finally, the time-based vesting over five years for ETE's and ETP's long-term incentive awards ensures that the interests of employees align with those of the respective unitholders of ETE and ETP for the long-term performance of ETE and ETP.

Director Compensation

Directors of LE GP, LLC who are employees of LE GP, LLC, ETP GP or any of their subsidiaries are not eligible for director compensation. The compensation arrangements for outside directors include a \$30,000 annual retainer for services on the board and an annual retainer (\$7,500 or \$10,000 in the case of the chairman) and meeting attendance fees (\$1,200) for services on the Audit Committee.

The outside directors of LE GP, LLC are also entitled to an annual award under the Energy Transfer Equity, L.P. Long-Term Incentive Plan equal to \$15,000 divided by (a) the closing price of the Common Units of ETE on the New York Stock Exchange on such grant-date or (b) the Fair Market Value of a common unit as otherwise determined by the Board of Directors. Each Award shall be subject to a Restricted Period of three (3) years and shall vest and be payable $\frac{1}{3}$ per year beginning on the first anniversary date of the Award, provided that all unvested Awards shall fully vest upon the occurrence of a change of control. The compensation expense recorded is based on the grant-date market value of the ETE Common Units and is recognized over the vesting period. Distributions are paid during the vesting period.

The ETP Compensation Committee periodically reviews and makes recommendations regarding the compensation of the directors of ETP's General Partner. In 2010, non-employee directors of ETP's General Partner received an annual fee of \$40,000 plus \$1,200 for each committee meeting attended. Additionally, the Chairman of ETP's audit committee receives an annual fee of \$15,000 and the members of ETP's Audit Committee receive an annual fee of \$10,000. The Chairman of the ETP Compensation Committee receives an annual fee of \$7,500 and the members of the ETP Compensation Committee receive an annual fee of \$5,000. ETP's employee directors, including Messrs. Warren and McCrea, do not receive any fees for service as directors. In addition, the non-employee directors participate in ETP's 2004 Unit Plan and 2008 Incentive Plan. Each director of ETP's General Partner who is not also (i) a shareholder or a direct or indirect employee of any parent, or (ii) a direct or indirect employee of ETP LLC, ETP, or a subsidiary, who is elected or appointed to the board of ETP's General Partner for the first time shall automatically receive, on the date of his or her election or appointment, an award of 2,500 ETP Common Units. Under ETP's 2004 Unit Plan and 2008 Incentive Plan, the non-employee directors of ETP's General Partner each receive annual grants of unvested ETP Common Units equal to an aggregate of approximately \$50,000 divided by the fair market value of ETP's Common Units. These ETP Common Units vest over three years at one-third per year.

Tax and Accounting Implications of Equity-Based Compensation Arrangements

Deductibility of Executive Compensation

We are a limited partnership and not a corporation for U.S. federal income tax purposes. Therefore, we believe that the compensation paid to the named executive officer is generally fully deductible for federal income tax purposes.

Accounting for Unit-Based Compensation

For unit-based compensation arrangements, including equity-based awards issued to certain of ETP's named executive officers by Mr. McReynolds (as discussed above), we record compensation expense over the vesting period of the awards, as discussed further in Note 9 to our consolidated financial statements.

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Compensation Committee Interlocks and Insider Participation

Messrs. Glaske and Byrne served on the ETE Compensation Committee during 2010. During 2010, none of the members of the committee was an officer or employee of ETE or any of its subsidiaries or served as an officer of any company with respect to which any of its executive officers served on such company's board of directors. In addition, neither Mr. Glaske nor Mr. Byrne are former employees of ETE or any of its subsidiaries.

Report of Compensation Committee

The Compensation Committee of the board of directors of our General Partner has reviewed and discussed the section entitled "Compensation Discussion and Analysis" with the management of Energy Transfer Equity, L.P. Based on this review and discussion, we have recommended to the board of directors of our General Partner that the Compensation Discussion and Analysis be included in this annual report on Form 10-K.

The Compensation Committee of the
Board of Directors of LE GP, LLC,
general partner of Energy Transfer Equity, L.P.

Paul E. Glaske
Bill W. Byrne

The foregoing report shall not be deemed to be incorporated by reference by any general statement or reference to this annual report on Form 10-K into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent that we specifically incorporate this information by reference, and shall not otherwise be deemed filed under those Acts.

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Compensation Tables

Summary Compensation Table

<u>Name and Principal Position</u>	<u>Year</u>	<u>Salary (\$)</u>	<u>Bonus (\$ (1))</u>	<u>Equity Awards (\$ (2))</u>	<u>Option Awards (\$)</u>	<u>Non-Equity Incentive Plan Compensation (\$)</u>	<u>Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$)</u>	<u>All Other Compensation (\$ (3))</u>	<u>Total (\$)</u>
ETE Officer:									
John W. McReynolds President and Chief Financial Officer	2010	\$550,000	\$550,000	\$ 995,500	\$ —	\$ —	\$ —	\$ 8,462	\$ 2,103,962
	2009	500,000	—	922,800	—	—	—	12,250	1,435,050
	2008	406,923	600,000	832,000	—	—	—	9,346	1,848,269
ETP Officers:									
Kelcy L. Warren (4) Chief Executive Officer	2010	\$ 2,766	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,766
	2009	2,289	—	—	—	—	—	—	2,289
	2008	2,272	—	—	—	—	—	—	2,272
Martin Salinas, Jr. (5) Chief Financial Officer	2010	356,058	480,000	999,600	—	—	7,648	27,250	1,870,556
	2009	350,000	—	847,062	—	—	—	31,293	1,228,355
	2008	261,539	550,000	727,265	—	—	—	6,922,369	8,461,173
Marshall S. (Mackie) McCrea, III President and Chief Operating Officer	2010	538,077	729,500	13,455,000	—	—	—	12,250	14,734,827
	2009	500,000	—	883,000	—	—	—	12,250	1,395,250
	2008	444,154	750,000	825,678	—	—	—	3,427,408	5,447,240
Thomas P. Mason Vice President, General Counsel and Secretary	2010	427,513	482,530	999,600	—	—	—	34,990	1,944,633
	2009	420,240	—	802,912	—	—	—	41,005	1,264,157
	2008	410,410	630,000	2,332,800	—	—	—	32,347	3,405,557
William G. Powers, Jr. (6) President of Propane Operations	2010	400,000	425,000	499,800	—	—	—	20,004	1,344,804
	2009	407,692	500,000	441,500	—	—	—	22,000	1,371,192
	2008	336,925	300,000	1,353,827	—	—	—	20,488	2,011,240

- (1) The discretionary cash bonus amounts for named executive officers for 2010 include (i) cash bonuses approved by the Compensation Committee in April 2010 and paid in April 2010, and (ii) cash bonuses approved by the Compensation Committee in February 2011 that are expected to be paid in March 2011.
- (2) Equity award amounts reflect the aggregate grant date fair value of unit awards granted for the periods presented.
- (3) The amounts in this column include (i) the aggregate grant date fair value related to grant of equity-based awards of units in ETE from an affiliate to certain of our named executive officers during the periods presented (\$3,412,500 for Mr. McCrea in 2008 and \$6,906,600 for Mr. Salinas in 2008), as discussed above and in Note 9 to our consolidated financial statements, (ii) contributions to the 401(k) plan made on behalf of the named executive officers and (iii) expenses paid by us for housing for Messrs. Mason and Salinas near our executive office in Dallas. Vesting in 401(k) contributions occurs immediately.
- (4) Mr. Warren voluntarily determined that his salary would be reduced to \$1.00 per year (plus an amount sufficient to cover his allocated payroll deductions for health and welfare benefits). He does not accept a cash bonus or any equity awards under the equity incentive plans.
- (5) Mr. Salinas was promoted to Chief Financial Officer effective June 2008. The 2008 amounts reflect his compensation for the entire year.
- (6) Mr. Powers was promoted to President of Propane Operations in May 2008. The 2008 amounts reflect his compensation for the entire year.

The named executive officers' life insurance premiums are paid on the same basis as all other employees. Since this represents non-discriminatory group life insurance available to all salaried employees, the premiums paid are not included in the table above. Amounts presented do not include the value of unvested unit awards under equity incentive plans that would fully vest upon a change of control as defined in our plans, which amounts are reflected in the "Outstanding Equity Awards at Year-End"

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Table” below. Amounts presented do not include the value of unvested affiliate equity awards granted to Messrs. McCrea, Salinas and Mason that would fully vest upon a change of control as defined in the equity incentive plans, which value was \$4,922,820 for Mr. McCrea, \$5,626,080 for Mr. Salinas, and \$2,148,850 for Mr. Mason, based on the closing price of ETE’s Common Units on December 31, 2010.

Grants of Plan-Based Awards Table

Name	Grant Date	Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Unit Awards: Number of Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards (\$ / Sh)	Grant Date Fair Value of Unit Awards (1)
		Threshold (#)	Target (#)	Maximum (#)				
ETE Officer:								
John W. McReynolds	2/24/11	—	—	—	25,000	—	\$ —	\$ 995,500
ETP Officers:								
Kelcy L. Warren	N/A	—	—	—	—	—	\$ —	\$ —
Martin Salinas, Jr.	12/15/10	—	—	—	20,000	—	—	999,600
Marshall S. (Mackie) McCrea, III	1/14/11	—	—	—	250,000	—	—	13,455,000
Thomas P. Mason	12/15/10	—	—	—	20,000	—	—	999,600
William G. Powers, Jr.	12/15/10	—	—	—	10,000	—	—	499,800

(1) We have computed the grant date fair value of unit awards in accordance with generally accepted accounting principles, as further described above and in Note 9 to our consolidated financial statements.

We do not have any non-equity incentive plans.

The amounts above do not include the equity awards granted to certain of ETP’s named executive officers in equity of ETE held by a partnership controlled by Mr. McReynolds. These awards are not issued pursuant to the ETP 2004 Unit Plan or the ETP 2008 Incentive Plan, and such awards are in the sole discretion of Mr. McReynolds. The grant date fair value of these awards is detailed above in the “Summary Compensation Table” and related footnotes.

Outstanding Equity Awards at Year-End Table

<u>Name</u>	<u>Grant Date (1)</u>	<u>Unit Awards</u>	
		<u>Equity Incentive Plan Awards: Number of Units That Have Not Vested (#) (1)</u>	<u>Equity Incentive Plan Awards: Market or Payout Value of Units That Have Not Vested (\$) (2)</u>
ETE Officer:			
John W. McReynolds	2/24/11	25,000	\$ 976,750
	12/29/09	24,000	937,680
	12/19/08	30,000	1,172,100
ETP Officers:			
Kelcy L. Warren	N/A	—	\$ —
Martin Salinas, Jr.	12/15/10	20,000	1,036,400
	12/15/09	15,349	795,385
	12/22/08	12,000	621,840
	12/5/07	2,400	124,368
Marshall S. (Mackie) McCrea, III	1/14/11	250,000	12,955,000
	12/15/09	16,000	829,120
	12/22/08	12,000	621,840
	12/5/07	8,800	456,016
Thomas P. Mason	12/15/10	20,000	1,036,400
	12/15/09	14,549	753,929
	12/22/08	12,000	621,840
	10/17/08	30,000	1,554,600
	12/5/07	7,200	373,104
William G. Powers, Jr.	12/15/10	10,000	518,200
	12/15/09	8,000	414,560
	12/22/08	6,000	310,920
	2/28/08	12,000	621,840
	12/5/07	2,400	124,368

- (1) Unit awards outstanding as of December 31, 2010 reflected in the table above ratably vest on each anniversary of the grant date through 2015 for awards granted in 2010, through 2014 for awards granted in 2009, and through 2013 for awards granted in 2008.
- (2) Market value was computed as the number of unvested awards as of December 31, 2010 multiplied by the closing price of our Common Units on December 31, 2010.

The amounts above do not include the equity awards granted to certain of ETP's named executive officers in equity of ETE held by a partnership controlled by Mr. McReynolds. These awards are not issued pursuant to the 2004 Unit Plan or the 2008 Incentive Plan, and such awards are in the sole discretion of Mr. McReynolds.

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Option Exercises and Units Vested Table

<u>Name</u>	<u>Unit Awards</u>	
	<u>Number of Units Acquired on Vesting (#) (1)</u>	<u>Value Realized on Vesting (\$) (1)</u>
ETE Officer:		
John W. McReynolds	16,000	\$ 624,000
ETP Officers:		
Kelcy L. Warren	—	\$ —
Martin Salinas, Jr.	9,037	460,958
Marshall S. (Mackie) McCrea, III	12,400	632,003
Thomas P. Mason	21,237	1,068,627
William G. Powers, Jr.	9,200	488,506

(1) Amounts presented represent the number of unit awards vested during 2010 and the value realized upon vesting of these awards, which is calculated as the number of units vested multiplied by the applicable closing market price per unit upon the vesting date.

We have not issued option awards.

Nonqualified Deferred Compensation Table

<u>Name</u>	<u>Executive Contributions in Last FY (\$)</u>	<u>Registrant Contributions in Last FY (\$)</u>	<u>Aggregate Earnings in Last FY (\$)</u>	<u>Aggregate Withdrawals/Distributions (\$)</u>	<u>Aggregate Balance At December 31, 2010 (\$)</u>
ETE Officer:					
John W. McReynolds	\$ —	\$ —	\$ —	\$ —	\$ —
ETP Officers:					
Kelcy L. Warren	\$ —	\$ —	\$ —	\$ —	\$ —
Martin Salinas, Jr.	48,867	—	7,648	—	56,515
Marshall S. (Mackie) McCrea, III	—	—	—	—	—
Thomas P. Mason	—	—	—	—	—
William G. Powers, Jr.	—	—	—	—	—

The aggregate earnings reflected above for Mr. Salinas are included in his total compensation in the “Summary Compensation Table.”

[Table of Contents](#)**Director Compensation, Including Unit Grants**

The following table reflects compensation paid during 2010 to the non-employee directors of our General Partner, as well as any compensation paid during the period to those individuals as directors of our subsidiaries, ETP and Regency.

Director Compensation Table

<u>Name</u>	<u>Fees Paid in Cash (\$)(1)</u>	<u>Unit Awards (\$)(2)</u>	<u>All Other Compensation (\$)</u>	<u>Total (\$)</u>
K. Rick Turner				
As ETE Director	\$ 30,000	\$ 14,998	\$ —	\$ 44,998
As ETP Director	40,000	39,986	—	79,986
Bill W. Byrne				
As ETE Director	47,100	14,998	—	62,098
As ETP Director	73,000	39,986	—	112,986
Paul E. Glaske				
As ETE Director	47,100	14,998	—	62,098
As ETP Director	71,800	39,986	—	111,786
John D. Harkey, Jr.				
As ETE Director	49,600	14,998	—	64,598
As ETP Director ⁽³⁾	41,071	27,155	—	68,226
As Regency Director	12,000	—	—	12,000
Ray C. Davis				
As ETE Director	—	—	—	—
As ETP Director	46,200	39,986	—	86,186

- (1) Fees paid in cash for ETE Directors are based on amounts earned during 2010, a portion of which were paid in 2011.
- (2) Unit award amounts reflect the aggregate grant date fair value of awards granted based on the market price as of the grant date. For ETP unit awards, the grant date market price is reduced by the expected distributions during the vesting period to determine the grant date fair value.
- (3) Mr. Harkey ceased to serve on ETP's Board of Directors in May 2010, at which time all of his outstanding ETP unit awards vested. Mr. Harkey's compensation reflects an incremental amount related to the vesting of those unit awards.

As of December 31, 2010, Messrs. Turner, Byrne, Glaske and Harkey each had 1,029 ETE unit awards outstanding and Messrs. Byrne, Glaske, Turner and Davis each had 2,234 ETP unit awards outstanding. As of December 31, 2010, Mr. Harkey had no Regency unit awards outstanding.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The Parent Company owns 100% of the Class A and Class B Limited Partner interests, and 100% of the General Partner interests, in Energy Transfer Partners GP, L.P., and the general partner of ETP. The Parent Company also owns interest in Regency Energy Partner GP LP, the general partner of Regency. The Parent Company's cash flows currently consist of distributions from ETP and Regency related to the following partnership interests, including IDRs in ETP and Regency:

- our ownership of the general partner interest in ETP, which we hold through our ownership interests in ETP GP;
- 50.2 million ETP Common Units, representing approximately 26% of the total outstanding ETP Common Units, which we hold directly;
- 100% of the IDRs in ETP, which we likewise hold through our ownership interests in ETP GP and which entitle us to receive specified percentages of the cash distributed by ETP as ETP's per unit distribution increases;
- our ownership of the general partner interest in Regency, which we hold through our ownership interests in Regency GP;
- 26.3 million Regency Common Units, representing approximately 19% of the total outstanding Regency Common Units; and
- 100% of the IDRs in Regency, which we likewise hold through our ownership interests in Regency GP and which entitle us to receive specified percentages of the cash distributed by Regency as Regency's per unit distribution increases.

ETP and Regency are required by their respective partnership agreements to distribute all cash on hand at the end of each quarter, less appropriate reserves determined by the board of directors of their respective general partners.

Seven of the nine current directors of LE GP, LLC, the Parent Company's general partner, are also directors of the general partner of ETP. In addition, Mr. Warren is also an executive officer of the general partner of ETP.

As a policy matter, our Conflicts Committee generally reviews any proposed related-party transaction that may be material to the Partnership to determine whether the transaction is fair and reasonable to the Partnership. The Partnership's board of directors makes the determinations as to whether there exists a related-party transaction in the normal course of reviewing transactions for approval as the Partnership's board of directors is advised by its management of the parties involved in each material transaction as to which the board of directors' approval is sought by the Partnership's management. In addition, the Partnership's board of directors makes inquiries to independently ascertain whether related parties may have an interest in the proposed transaction. While there are no written policies or procedures for the board of directors to follow in making these determinations, the Partnership's board makes those determinations in light of its fiduciary duties to the Unitholders. The partnership agreement of ETE provides that any matter approved by the Conflicts Committee will be conclusively deemed to be fair and reasonable to ETE, approved by all the partners of ETE and not a breach by the General Partner or its Board of Directors of any duties they may owe ETE or the Unitholders.

Under the terms of a shared services agreement, the Parent Company has agreements with subsidiaries to provide or receive various general and administrative services. For the year ended December 31, 2010 the Parent Company received \$5.8 million from Regency related to these services. For the years ended December 31, 2010, 2009 and 2008 the Parent Company paid \$6.3 million, \$0.5 million and \$0.5 million, respectively, to ETP related to these services.

ETP has an operating lease agreement with the former owners of Energy Transfer Group, L.L.C. ("ETG"), which ETP acquired in 2009. These former owners include Mr. Warren and Mr. Davis. See discussion in Note 13 to our consolidated financial statements.

With respect to the related party transaction with ETG, the Conflicts Committee of ETP met numerous times prior to the consummation of the transaction to discuss the terms of the transaction. The committee made the determination that the sale of ETG to ETP was fair and reasonable to ETP and that the terms of the operating lease between ETP and the former owners of ETG are fair and reasonable to ETP.

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Enterprise Products Partners L.P., or (“Enterprise,”) owns approximately 17.6% of our outstanding Common Units. Enterprise acquired these Common Units in connection with its merger with Enterprise GP Holdings, L.P. (“EPE”) in November 2010. Following the merger, Mr. Warren acquired from Enterprise the 40.6% interest in LE GP, LLC, the general partner of ETE, that had been owned by EPE prior to the merger. In December 2009, Dan L. Duncan and Ralph S. Cunningham were appointed as directors of LE GP, LLC. At the time of their appointment, Mr. Duncan was Chairman and a director of EPE Holdings, LLC, the general partner of EPE; Chairman and a director of EPE, LLC, the general partner of Enterprise; and Group Co-Chairman of EPCO, Inc. Dr. Cunningham was the President and Chief Executive Officer of EPE Holdings, LLC, the general partner of EPE. In March 2010, Mr. Duncan passed away and in November 2010, Mr. Cunningham resigned from the board of directors of LE GP, LLC. See discussion of our transactions with Enterprise and its subsidiaries in Note 13 to our consolidated financial statements.

Enterprise became a related party in May 2007 when its general partner acquired approximately 17.6% of ETE’s outstanding common units and a 40.6% interest in LE GP, LLC. At the time of that acquisition, the conflicts committees of both ETE and the Partnership reviewed the transaction and made the determination that it was fair and reasonable to the Partnership. In addition, the conflicts committees adopted a statement of policy relating to the relationship with Enterprise in order to address potential conflicts of interest with Enterprise following the acquisition. Under this policy, any material transaction between Enterprise Entity (as defined in the policy) and any Energy Transfer Entity (as defined in the policy) requires the prior approval by the conflicts committee of ETP if such transaction relates to ETP or the conflicts committee of ETE if such transaction relates to ETE. The policy also provides that Energy Transfer Entities will take precautions to ensure that the commercially sensitive information is not shared with Enterprise personnel.

From time to time, ETP’s natural gas operations purchase from, and sell to, the Enterprise Entities natural gas and natural gas liquids (NGLs), in the ordinary course of business. An ETP operating unit has a monthly natural gas storage contract with TEPPCO Partners, L.P., a former affiliate of Enterprise’s general partner. ETP’s natural gas operations and the Enterprise Entities transport natural gas on each other’s pipelines and share operating expenses on jointly-owned pipelines. All commercial agreements with Enterprise were negotiated at arm’s-length and the terms of each agreement were, in the opinion of the relevant conflicts committee, fair and reasonable to the Partnership. The Partnership’s propane operations routinely enter into purchases and sales of propane with certain of the Enterprise Entities, including purchases under a long-term contract of Titan Energy Partners, L.P., a subsidiary of ETP (Titan), to purchase substantially all of its propane requirements through certain of the Enterprise Entities. This agreement was in effect prior to ETP’s acquisition of Titan in 2006.

Effective May 26, 2010, we acquired our equity interests in Regency in a series of transactions, which we refer to as the Regency Transactions. In the Regency Transactions, we:

- acquired the general partner interest and IDRs in Regency in exchange for 3,000,000 Series A Convertible Preferred Units (the “Preferred Units”) having an aggregate liquidation preference of \$300.0 million,
- acquired from ETP an indirect 49.9% interest in Midcontinent Express Pipeline LLC (“MEP”) (see Note 4), and an option to acquire an additional 0.1% interest in MEP, in exchange for the redemption by ETP of approximately 12.3 million ETP Common Units we previously owned, and
- acquired 26.3 million Regency Common Units in exchange for our contribution of all of our interests in MEP, including the option to acquire an additional 0.1% interest, to Regency.

With respect to the related party transaction between the Parent Company and ETP in connection with the Regency Transactions, both the Parent Company and ETP appointed special committees to analyze the transaction and in each case the committees determined that the transactions were fair and reasonable to each partnership. The Parent Company’s special committee also determined that the fees paid to the Parent Company under the shared services agreement with Regency were fair and reasonable to the Parent Company.

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

- The following documents are filed as a part of this amendment:
 - (1) Financial Statements - None.
 - (2) Financial Statement Schedules - None.
 - (3) Exhibits - see Index to Exhibits set forth on page E-1.

SIGNATURES

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

Date: June 24, 2011

By: /s/ John W. McReynolds
John W. McReynolds
President and Chief Financial Officer
(duly authorized to sign on behalf of the registrant)

INDEX TO EXHIBITS

The exhibits listed on the following Exhibit Index are filed as part of this amendment.

<u>Exhibit Number</u>	
31.1	Certification of President and Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of President and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

**CERTIFICATION OF PRESIDENT (PRINCIPAL EXECUTIVE OFFICER)
AND CHIEF FINANCIAL OFFICER
PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, John W. McReynolds, certify that:

1. I have reviewed this annual report on Form 10-K/A of Energy Transfer Equity, L.P.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 24, 2011

/s/ John W. McReynolds

John W. McReynolds
President and Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the annual report of Energy Transfer Equity, L.P. (the "Partnership") on Form 10-K/A for the year ended December 31, 2010, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John W. McReynolds, President and Chief Financial Officer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

Date: June 24, 2011

/s/ John W. McReynolds

John W. McReynolds

President and Chief Financial Officer

* A signed original of this written statement required by 18 U.S.C. Section 1350 has been provided to and will be retained by Energy Transfer Equity, L.P.