

| OMB APPROVAL                                 |           |
|--|-----------|
| OMB Number:                                  | 3235-0287 |
| Estimated average burden hours per response: | 0.5       |

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

|  |  |  |
|--|--|--|
| 1. Name and Address of Reporting Person*<br><u>HERSH KENNETH A</u><br><br>(Last) (First) (Middle)<br><u>2828 WOODSIDE STREET</u><br><br>(Street)<br><u>DALLAS TX 75204</u><br><br>(City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol<br><u>Energy Transfer Equity, L.P. [ ETE ]</u> | 5. Relationship of Reporting Person(s) to Issuer<br>(Check all applicable)<br><br><input checked="" type="checkbox"/> Director 10% Owner<br><br>Officer (give title below) Other (specify below) |
|  | 3. Date of Earliest Transaction (Month/Day/Year)<br><u>05/07/2007</u>                      |  |
|  | 4. If Amendment, Date of Original Filed (Month/Day/Year)                                   | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br><br>Form filed by More than One Reporting Person    |

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) |   | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) |            |       | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|-------|---|--|---|
|                                 |                                      |  | Code                           | V | Amount  | (A) or (D) | Price |   |  |   |
| Common Units                    | 05/07/2007                           |  | j <sup>(1)</sup>               |   | 3,336,840   | A          | (2)   | 17,633,985 <sup>(3)</sup>   | I  | By Natural Gas Partners VI, L.P.                      |
| Common Units                    | 05/07/2007                           |  | s                              |   | 17,202,745  | D          | \$42  | 431,240 <sup>(3)</sup>  | I  | By Natural Gas Partners VI, L.P.                      |

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) |   | 6. Date Exercisable and Expiration Date (Month/Day/Year) |     | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|---|--|--|---|--|
|  |  |                                      |  | Code                           | V | (A)  | (D) |   |  |  |   |  |

**Explanation of Responses:**

- Pro rata distribution from ETC Holdings, L.P., of which Natural Gas Partners VI, L.P., a limited partnership ("NGP"), is a partner.
- Not applicable: pro rata distribution without consideration.
- The reported Common Units are owned directly by NGP. G.F.W. Energy VI L.P. and GFW VI, L.L.C. may be deemed to beneficially own the units owned of record by NGP, by virtue of GFW VI, L.L.C. being the sole general partner of G.F.W. Energy VI L.P. G.F.W. Energy VI, L.P. is the sole general partner of NGP. Mr. Hersh is a member of such entity and may also be deemed to share power to vote or to direct the vote and to dispose of or to direct the disposition of, the Common Units held by NGP. Mr. Hersh disclaims beneficial ownership of the reported Common Units except to the extent of his pecuniary interest therein.

/s/ Sonia Aube, Attorney-In-Fact      05/09/2007

\*\* Signature of Reporting Person      Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.**