Energy Transfer Partners, L.P.
Reconciliation of Non-GAAP Measures
Distributable Cash Flow

	Three Months Ended March 31, 2010 (Revised - see *)	Three Months Ended June 30, 2010 (Revised - see *)	Three Months Ended September 30, 2010
Net income	$ 240,111	$ 42,843	$ 107,387
Amortization of finance costs charged to interest	2,291	2,090	2,835
Deferred income taxes	1,433	(1,278)	4,337
Depreciation and amortization	83,276	83,877	85,612
Non-cash unit-based compensation expense	7,196	7,404	6,822
(Gains) losses on disposal of assets	1,864	(1,385)	(281)
Unrealized (gains) losses on non-hedged interest rate derivatives	-	-	12,963
Allowance for equity funds used during construction	(1,309)	(4,298)	(12,432)
Unrealized (gains) losses on commodity risk management activities*	59,289	32,096	(20,703)
Impairment of investment in affiliate	-	52,620	-
Distributions over (under) equity in earnings, net	10,109	10,269	387
Maintenance capital expenditures	(19,637)	(24,218)	(26,411)
Distributable cash flow	$ 384,623	$ 200,020	$ 160,516

	Three Months Ended March 31, 2009	Three Months Ended June 30, 2009	Three Months Ended September 30, 2009 (Revised - see *)	Three Months Ended December 31, 2009 (Revised - see *)	Year Ended December 31, 2009 (Revised - see *)
Net income	$ 307,167	$ 150,738	$ 72,456	$ 261,181	$ 791,542
Amortization of finance costs charged to interest	1,990	2,162	2,234	2,259	8,645
Deferred income taxes	6,719	2,984	(6,040)	8,303	11,966
Depreciation and amortization	72,603	76,174	81,684	82,342	312,803
Non-cash unit-based compensation expense	6,801	7,682	6,459	3,090	24,032
(Gains) losses on disposal of assets	426	(181)	1,088	231	1,564
Unrealized (gains) losses on non-hedged interest rate derivatives	(13,726)	(36,842)	18,241	(19,316)	(51,643)
Allowance for equity funds used during construction	(20,427)	1,839	(30)	8,061	(10,557)
Unrealized (gains) losses on commodity risk management activities*	73,169	(39,538)	2,889	(66,500)	(29,980)
Distributions over (under) equity in earnings, net	328	(758)	(5,266)	8,920	3,224
Maintenance capital expenditures	(14,596)	(29,687)	(27,483)	(30,886)	(102,652)
Distributable cash flow	$ 420,454	$ 134,573	$ 146,232	$ 257,685	$ 958,944

	Three Months Ended March 31, 2008	Three Months Ended June 30, 2008	Three Months Ended September 30, 2008 (Revised - see *)	Three Months Ended December 31, 2008 (Revised - see *)	Year Ended December 31, 2008 (Revised - see *)
Net income	$ 328,335	$ 165,674	$ 221,048	$ 150,966	$ 866,023
Amortization of finance costs charged to interest	1,074	1,501	1,665	1,646	5,886
Deferred income taxes	2,857	(1,966)	(4,672)	(1,499)	(5,280)
Depreciation and amortization	58,828	62,421	70,508	70,394	262,151
Non-cash unit-based compensation expense	8,086	3,874	2,378	9,143	23,481
(Gains) losses on disposal of assets	1,451	(515)	(2,520)	2,887	1,303
Unrealized (gains) losses on non-hedged interest rate derivatives	600	(355)	(394)	51,138	50,989
Allowance for equity funds used during construction	(9,888)	(15,660)	(19,727)	(18,701)	(63,976)
Unrealized (gains) losses on commodity risk management activities*	34,225	6,003	(34,390)	(41,366)	(35,528)
Goodwill impairment loss	-	-	-	11,359	11,359
Distributions over (under) equity in earnings, net	1,651	1,658	1,414	898	5,621
Maintenance capital expenditures	(26,011)	(24,563)	(25,357)	(65,035)	(140,966)
Distributable cash flow	$ 401,208	$ 198,072	$ 209,953	$ 171,830	$ 981,063

	(A) Fiscal Year Ended August 31, 2007 (Revised - see *)	(B) Four Months Ended December 31, 2006 (Revised - see *)	(C) Four Months Ended December 31, 2007 (Revised - see *)	(A) - (B) + (C) Twelve Months Ended December 31, 2007 (Revised - see *)
Net income	$ 676,139	$ 160,445	$ 261,824	$ 777,518
Amortization of finance costs charged to interest	4,061	1,068	1,435	4,428
Deferred income taxes	(4,042)	(2,234)	1,003	(805)
Depreciation and amortization	179,162	48,767	71,333	201,728
Non-cash unit-based compensation expense	10,471	4,385	8,114	14,200
(Gains) losses on disposal of assets	6,310	(2,212)	(14,310)	(5,788)
Unrealized (gains) losses on non-hedged interest rate derivatives	3,459	2,046	1,032	2,445
Allowance for equity funds used during construction	(4,948)	-	(7,276)	(12,224)
Unrealized (gains) losses on commodity risk management activities*	8,501	10,926	(13,201)	(15,626)
Distributions over (under) equity in earnings, net	(5,161)	(4,743)	4,448	4,030
Maintenance capital expenditures	(89,226)	(32,007)	(48,998)	(106,217)
Distributable cash flow	$ 784,726	$ 186,441	$ 265,404	$ 863,689

Energy Transfer Partners, L.P.
Reconciliation of Non-GAAP Measures
Distributable Cash Flow

	(Revised - see *) Fiscal Year Ended August 31, 2005	Fiscal Year Ended August 31, 2006
Net income	$ 349,350	$ 515,852
Amortization of finance costs charged to interest	4,049	2,807
Deferred income taxes	1,289	(3,827)
Depreciation and amortization	92,943	117,415
Non-cash unit-based compensation expense	1,608	7,038
(Gains) losses on disposal of assets	330	(851)
Unrealized (gains) losses on non-hedged interest rate derivatives	81	(1,118)
Unrealized (gains) losses on commodity risk management activities*	(12,712)	1,076
Distributions over (under) equity in earnings, net	342	479
Gain on sale of discontinued operations, net of income tax expense	(142,469)	-
Loss on extinguishment of debt	9,550	-
Maintenance capital expenditures	(41,045)	(51,826)
Distributable cash flow	$ 263,316	$ 587,045

Distributable Cash Flow is a non-GAAP financial measure. Management believes distributable cash flow provides useful information to investors as a measure of comparison with peer companies, including companies that may have different financing and capital structures. The presentation of Distributable Cash Flow also allows investors to view our performance in a manner similar to the methods used by management and provides additional insight to our operating results.

The Partnership defines Distributable Cash Flow as net income, adjusted for certain non-cash items, less maintenance capital expenditures. Non-cash items include depreciation and amortization, deferred income taxes, non-cash compensation expense, gains and losses on disposals of assets, the allowance for equity funds used during construction, unrealized gains and losses on commodity risk management activities, and non-cash impairment charges. Unrealized gains and losses on commodity risk management activities includes unrealized gains and losses on commodity derivatives and inventory fair value adjustments (excluding lower of cost or market adjustments). Distributable Cash Flow also reflects earnings from affiliates on a cash basis.

Distributable Cash Flow is used by management to evaluate our overall performance. Our partnership agreement requires us to distribute all available cash, and distributable cash flow is calculated to evaluate our ability to fund distributions through cash generated by our operations.

* The Partnership changed its definition of Distributable Cash Flow during the quarter ended September 30, 2010 by changing the components of unrealized gains and losses on commodity risk management activities to no longer include lower of cost or market adjustments and the subsequent gross margin impact of such previously recognized inventory adjustments. These items had been previously included as components of unrealized gains and losses on commodity risk management activities. This change has been applied retroactively to all periods presented. With this change, unrealized gains and losses on commodity risk management activities (a reconciling item between net income and Distributable Cash Flow) now includes unrealized gains and losses on non-hedged derivatives, fair value hedged derivatives and inventory, and the ineffective portion of cash flow hedges. The Partnership believes that, with this change, Distributable Cash Flow more accurately reflects the Partnership’s operating performance and therefore is a more useful measure.