

Energy Transfer Partners, L.P.
Reconciliation of Non-GAAP Measures
EBITDA, As Adjusted

	Three Months Ended March 31, 2010
Net income	\$ 240,111
Interest expense	104,962
Income tax expense (benefit)	5,924
Depreciation and amortization	83,276
Non-cash unit-based compensation expense	7,196
(Gains) losses on disposal of assets	1,864
(Gains) losses on non-hedged interest rate derivatives	-
Allowance for equity funds used during construction	(1,309)
Proportionate share of joint ventures' interest, depreciation and allowance for equity funds used during construction	13,446
Other, net	(1,033)
EBITDA, as adjusted	<u>\$ 454,437</u>

	Three Months Ended March 31, 2009	Three Months Ended June 30, 2009	Three Months Ended September 30, 2009	Three Months Ended December 31, 2009	Year Ended December 31, 2009
Net income	\$ 307,167	\$ 150,738	\$ 72,456	\$ 261,181	\$ 791,542
Interest expense	82,045	100,680	101,503	110,046	394,274
Income tax expense (benefit)	6,932	4,559	(2,897)	4,183	12,777
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
(Gains) losses on non-hedged interest rate derivatives	(13,726)	(36,842)	18,241	(6,912)	(39,239)
Allowance for equity funds used during construction	(20,427)	1,839	(30)	8,061	(10,557)
Proportionate share of joint ventures' interest, depreciation and allowance for equity funds used during construction	-	2,953	6,698	12,680	22,331
Other, net	(1,067)	100	(3,433)	2,243	(2,157)
EBITDA, as adjusted	<u>\$ 440,754</u>	<u>\$ 307,702</u>	<u>\$ 281,769</u>	<u>\$ 477,145</u>	<u>\$ 1,507,370</u>

	Three Months Ended March 31, 2008	Three Months Ended June 30, 2008	Three Months Ended September 30, 2008	Three Months Ended December 31, 2008	Year Ended December 31, 2008
Net income	\$ 328,335	\$ 165,674	\$ 221,048	\$ 150,966	\$ 866,023
Interest expense	55,549	68,416	67,792	73,944	265,701
Income tax expense (benefit)	5,862	10,042	(7,150)	(2,074)	6,680
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
(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)
Other, net	(8,349)	(1,942)	805	180	(9,306)
EBITDA, as adjusted	<u>\$ 440,474</u>	<u>\$ 291,955</u>	<u>\$ 332,740</u>	<u>\$ 337,877</u>	<u>\$ 1,403,046</u>

Energy Transfer Partners, L.P.
Reconciliation of Non-GAAP Measures
EBITDA, As Adjusted

	(A)	(B)	(C)	(A) - (B) + (C)
	Fiscal Year	Four Months	Four Months	Twelve Months
	Ended August	Ended	Ended	Ended
	31, 2007	December 31,	December 31,	December 31,
		2006	2007	2007
Net income	\$ 676,139	\$ 160,445	\$ 261,824	\$ 777,518
Interest expense	175,563	54,946	66,298	186,915
Income tax expense	13,658	3,120	10,789	21,327
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)
(Gains) losses on non-hedged interest rate derivatives	(31,032)	1,319	1,013	(31,338)
Allowance for equity funds used during construction	(4,948)	-	(7,276)	(12,224)
Other, net	(2,019)	(3,477)	5,202	6,660
EBITDA, as adjusted	<u>\$ 1,023,304</u>	<u>\$ 267,293</u>	<u>\$ 402,987</u>	<u>\$ 1,158,998</u>

	Fiscal Year	Fiscal Year
	Ended August	Ended August
	31, 2005	31, 2006
Net income	\$ 349,350	\$ 515,852
Interest expense	93,017	113,857
Income tax expense	7,295	25,920
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)
Gain on sale of discontinued operations, net of income tax expense	(142,469)	-
Loss on extinguishment of debt	9,550	-
Other, net	1,613	(14,620)
EBITDA, as adjusted	<u>\$ 413,237</u>	<u>\$ 764,611</u>

EBITDA, as adjusted, is a non-GAAP financial measure. Management believes EBITDA, as adjusted, 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 EBITDA, as adjusted, 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 EBITDA, as adjusted, as total partnership earnings before interest, taxes, depreciation, amortization and other non-cash items, such as compensation charges for unit issuances to employees.

Non-cash compensation expense represents charges for the value of the grants awarded under the Partnership's compensation plans over the vesting terms of those plans and are charges which do not, or will not, require cash settlement. Non-cash income or loss, such as the gain or loss arising from disposal of assets, is not included when determining EBITDA, as adjusted.

EBITDA, as adjusted, is used by management to determine our operating performance and, along with other data, as internal measures for setting annual operating budgets, assessing financial performance of our numerous business locations, as a measure for evaluating targeted businesses for acquisition, and as a measurement component of incentive compensation.

There are material limitations to using a measure such as EBITDA, as adjusted, including the difficulty associated with using it as the sole measure to compare the results of one company to another, and the inability to analyze certain significant items that directly affect a company's net income or loss. In addition, our calculation of EBITDA, as adjusted, may not be consistent with similarly titled measures of other companies and should be viewed in conjunction with measurements that are computed in accordance with GAAP, such as gross margin, operating income, net income, and cash flow from operating activities.