

Regency Energy Partners LP
Form DEFM14A
March 24, 2015
Table of Contents

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

SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

Regency Energy Partners LP

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

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(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

MERGER PROPOSAL YOUR VOTE IS VERY IMPORTANT

March 24, 2015

Dear Unitholders:

On January 25, 2015, Energy Transfer Partners, L.P. (ETP) and Regency Energy Partners LP (Regency) entered into a merger agreement, as amended on February 18, 2015 (as so amended, the merger agreement), pursuant to which Regency will merge with Rendezvous I LLC, a wholly owned subsidiary of ETP, with Regency continuing as the surviving entity and becoming a wholly owned subsidiary of ETP (the merger). Concurrently with the merger, ETE GP Acquirer LLC (ETE Acquirer), the indirect owner of Regency GP LP, the general partner of Regency (Regency GP), will merge with Rendezvous II LLC, a wholly owned subsidiary of ETP, with ETE Acquirer continuing as the surviving entity and becoming a wholly owned subsidiary of ETP (the GP merger and, together with the merger, the mergers).

The board of directors (the Regency Board) of Regency GP LLC, the general partner of Regency GP, approved and agreed to submit the merger to a vote of Regency unitholders following the recommendation of the conflicts committee of the Regency Board (the Regency Conflicts Committee). The Regency Board and the Regency Conflicts Committee have determined that the merger agreement and the merger are fair and reasonable and in the best interests of Regency and its unaffiliated unitholders, and have approved the merger agreement and the merger.

Under the terms of the merger agreement, holders of Regency common units will receive, for each Regency common unit held, 0.4066 common units of ETP (ETP common units) and an additional number of ETP common units determined by dividing \$0.32 by the lesser of (i) the volume weighted average price of ETP common units on the New York Stock Exchange (the NYSE) for the five trading days ending on the third trading day immediately preceding the effective time of the merger and (ii) the closing price of the ETP common units on the NYSE on the third trading day immediately preceding the effective time of the merger, rounded to the nearest ten thousandth of a unit. Further, each Class F common unit of Regency (the Class F units) will be deemed to convert automatically into Regency common units on a one-for-one basis immediately prior to the effective time of the merger and holders thereof will receive the same merger consideration as the holders of Regency common units. Holders of Regency's Series A Cumulative Convertible Preferred Units (the Series A units) will receive an equal number of ETP preferred units with the same preferences, privileges, powers, duties and obligations that such Regency Series A units had immediately prior to the closing of the merger.

The consideration to be received by holders of Regency common units and Class F units is valued at \$26.89 per unit based on the closing price of ETP common units as of January 23, 2015, the last trading day before the public announcement of the merger, representing a 13.2% premium to the closing price of Regency's common units of \$23.75 on January 23, 2015, and a 15.3% premium to the volume weighted average closing price of Regency's common units for the three trading days ended January 23, 2015.

Table of Contents

Immediately following completion of the merger, it is expected that Regency unitholders will own approximately 35% of the outstanding common units of ETP, based on the number of common units of ETP outstanding, on a fully diluted basis, as of March 20, 2015. The common units of ETP and Regency are traded on the New York Stock Exchange under the symbols ETP and RGP, respectively.

Regency is holding a special meeting of its unitholders in Regency's offices at 2001 Bryan Street, Suite 3700, Dallas, Texas 75201, on April 28, 2015 at 11:00 a.m., local time, to obtain the vote of its unitholders to adopt the merger agreement and the transactions contemplated thereby. **Your vote is very important regardless of the number of units in Regency you own.** The merger cannot be completed unless the holders of at least a majority of the outstanding Regency common units, Class F units and Series A units, voting together as a single class, vote for the adoption of the merger agreement and transactions contemplated thereby at the special meeting. **The Regency Conflicts Committee and the Regency Board recommend that Regency unitholders vote FOR the adoption of the merger agreement and the transactions contemplated thereby and FOR the adjournment of the special meeting, if necessary to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the special meeting, and the Regency Board recommends that Regency unitholders vote FOR the advisory compensation proposal.** Whether or not you expect to attend the special meeting in person, we urge you to submit your proxy as promptly as possible through one of the delivery methods described in the accompanying proxy statement/prospectus. Pursuant to the merger agreement, Energy Transfer Equity, L.P. (ETE), which indirectly owns all of the incentive distribution rights and general partner interests in each of ETP and Regency, and ETP have agreed to vote all of the limited partner interests in Regency owned beneficially or of record by ETE, ETP or their respective subsidiaries in favor of approval of the merger and the approval of any actions required in furtherance thereof.

In addition, we urge you to read carefully the accompanying proxy statement/prospectus (and the documents incorporated by reference into the accompanying proxy statement/prospectus), which includes important information about the merger agreement, the proposed mergers and the special meeting. Please pay particular attention to the section titled Risk Factors beginning on page 31 of the accompanying proxy statement/prospectus.

On behalf of the Regency Board, we thank you for your continued support.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under the accompanying proxy statement/prospectus or determined that the accompanying proxy statement/prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

The accompanying proxy statement/prospectus is dated March 24, 2015 and is first being mailed to the unitholders of Regency on or about March 25, 2015.

Sincerely,

/s/ Michael J. Bradley
Michael J. Bradley

*President and Chief Executive Officer of
Regency GP LLC on behalf of Regency Energy
Partners LP*

Table of Contents

2001 Bryan Street, Suite 3700

Dallas, Texas 75201

NOTICE OF SPECIAL MEETING OF UNITHOLDERS

TO BE HELD ON APRIL 28, 2015

To the Unitholders of Regency Energy Partners LP:

Notice is hereby given that a special meeting of unitholders of Regency Energy Partners LP (Regency), will be held in Regency s offices at 2001 Bryan Street, Suite 3700, Dallas, Texas 75201, on April 28, 2015 at 11:00 a.m., local time, solely for the following purposes:

Merger proposal: To consider and vote on a proposal to adopt the Agreement and Plan of Merger, dated as of January 25, 2015, as amended by Amendment No. 1 thereto (the amendment), dated as of February 18, 2015 (as so amended and as may be further amended from time to time, the merger agreement), by and among Energy Transfer Partners, L.P. (ETP), Energy Transfer Partners GP, L.P., the general partner of ETP (ETP GP), Rendezvous I LLC, Rendezvous II LLC, Regency, Regency GP LP, the general partner of Regency (Regency GP), ETE GP Acquirer LLC (ETE Acquirer) and, solely for purposes of certain provisions therein, Energy Transfer Equity, L.P. (ETE), a composite copy of which, incorporating the amendment into the text of the initial agreement, is attached as Annex A to the proxy statement/prospectus accompanying this notice, and the transactions contemplated thereby;

Adjournment proposal: To consider and vote on a proposal to approve the adjournment of the special meeting, if necessary to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the special meeting; and

Advisory compensation proposal: To consider and vote on a proposal to approve, on an advisory (non-binding) basis, the payments that will or may be paid by Regency to its named executive officers in connection with the merger.

These items of business, including the merger agreement and the proposed merger, are described in detail in the accompanying proxy statement/prospectus. **The board of directors of Regency GP LLC, the general partner of Regency GP, and the conflicts committee of the board of directors of Regency GP LLC have determined that the merger agreement and the transactions contemplated thereby, including the merger, are fair and reasonable and in the best interests of Regency and its unaffiliated unitholders and recommend that Regency unitholders vote FOR the proposal to adopt the merger agreement and the transactions contemplated thereby and FOR the adjournment of the special meeting, if necessary to solicit additional proxies in favor of such adoption, and the board of directors of Regency GP LLC recommends that Regency unitholders vote FOR the advisory compensation proposal.**

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Only unitholders of record as of the close of business on March 24, 2015 are entitled to notice of the special meeting and to vote at the special meeting or at any adjournment or postponement thereof. A list of unitholders entitled to vote at the special meeting will be available in our offices located at 2001 Bryan Street, Suite 3700, Dallas, Texas 75201 during regular business hours for a period of ten days before the special meeting, and at the place of the special meeting during the meeting. Pursuant to the merger agreement, ETE and ETP have agreed to vote all of the limited partner interests in Regency owned beneficially or of record by ETE, ETP or their respective subsidiaries in favor of approval of the merger and the approval of any actions required in furtherance

Table of Contents

thereof, which includes the merger proposal and, if necessary, the adjournment proposal. As of March 24, 2015, ETE, ETP and their respective subsidiaries collectively held 88,529,775 Regency common units and 6,274,483 Class F units, representing approximately 22.58% of the Regency units entitled to vote at the special meeting.

Adoption of the merger agreement and the transactions contemplated thereby by the Regency unitholders is a condition to the consummation of the merger and requires the affirmative vote of holders of at least a majority of the outstanding Regency common units, Class F units and Series A Cumulative Convertible Preferred Units, voting together as a single class. Therefore, your vote is very important. **Your failure to vote your units will have the same effect as a vote AGAINST the adoption of the merger agreement and the transactions contemplated thereby.**

By order of the board of directors,

/s/ Todd Carpenter
Todd Carpenter

Senior Vice President and General Counsel

Dallas, Texas

March 24, 2015

YOUR VOTE IS IMPORTANT!

WHETHER OR NOT YOU EXPECT TO ATTEND THE SPECIAL MEETING IN PERSON, WE URGE YOU TO SUBMIT YOUR PROXY AS PROMPTLY AS POSSIBLE (1) BY TELEPHONE, (2) VIA THE INTERNET OR (3) BY MARKING, SIGNING AND DATING THE ENCLOSED PROXY CARD AND RETURNING IT IN THE PREPAID ENVELOPE PROVIDED. You may revoke your proxy or change your vote at any time before the special meeting. If your units are held in the name of a bank, broker or other fiduciary, please follow the instructions on the voting instruction card furnished to you by such record holder.

We urge you to read the accompanying proxy statement/prospectus, including all documents incorporated by reference into the accompanying proxy statement/prospectus, and its annexes carefully and in their entirety. If you have any questions concerning the merger, the adjournment vote, the advisory (non-binding) vote on the payments that will or may be paid by Regency to its named executive officers in connection with the merger, the special meeting or the accompanying proxy statement/prospectus or would like additional copies of the accompanying proxy statement/prospectus or need help voting your Regency units, please contact Regency's proxy solicitor:

MacKenzie Partners, Inc.

105 Madison Avenue

New York, New York 10016

Toll-free: (800) 322-2885

Collect: (212) 929-5500

Table of Contents

ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates by reference important business and financial information about ETP and Regency from other documents filed with the Securities and Exchange Commission (the SEC), that are not included in or delivered with this proxy statement/prospectus. See [Where You Can Find More Information](#).

Documents incorporated by reference are available to you without charge upon written or oral request. You can obtain any of these documents by requesting them in writing or by telephone from the appropriate party at the following addresses and telephone numbers.

Energy Transfer Partners L.P.	Regency Energy Partners LP
Investor Relations	Investor Relations
3738 Oak Lawn Avenue	2001 Bryan Street, Suite 3700
Dallas, Texas 75219	Dallas, Texas 75201
(214) 981-0795	(214) 750-1771

To receive timely delivery of the requested documents in advance of the special meeting, you should make your request no later than April 20, 2015.

ABOUT THIS DOCUMENT

This document, which forms part of a registration statement on Form S-4 filed with the SEC by ETP (File No. 333-202319), constitutes a prospectus of ETP under Section 5 of the Securities Act of 1933, as amended (the Securities Act), with respect to the ETP common units to be issued pursuant to the merger agreement. This document also constitutes a notice of meeting and a proxy statement under Section 14(a) of the Securities Exchange Act of 1934, as amended (the Exchange Act), with respect to the special meeting of Regency unitholders, at which Regency unitholders will be asked to consider and vote on, among other matters, a proposal to adopt the merger agreement and the transactions contemplated thereby.

You should rely only on the information contained in or incorporated by reference into this proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this proxy statement/prospectus. This proxy statement/prospectus is dated March 24, 2015. The information contained in this proxy statement/prospectus is accurate only as of that date or, in the case of information in a document incorporated by reference, as of the date of such document, unless the information specifically indicates that another date applies. Neither the mailing of this proxy statement/prospectus to Regency unitholders nor the issuance by ETP of its common units pursuant to the merger agreement will create any implication to the contrary.

This proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction in which or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction.

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The information concerning ETP contained in this proxy statement/prospectus or incorporated by reference has been provided by ETP, and the information concerning Regency contained in this proxy statement/prospectus or incorporated by reference has been provided by Regency.

Table of Contents

TABLE OF CONTENTS

	Page
<u>QUESTIONS AND ANSWERS</u>	1
<u>SUMMARY</u>	10
<u>The Parties</u>	10
<u>The Merger</u>	10
<u>The GP Merger</u>	10
<u>Merger Consideration</u>	10
<u>Treatment of General Partner Interest and Incentive Distribution Rights</u>	11
<u>Treatment of Equity Awards</u>	11
<u>The Special Meeting; Units Entitled to Vote; Required Vote</u>	12
<u>Recommendation of the Regency Conflicts Committee, the Regency Board and Their Reasons for the Merger</u>	13
<u>Opinion of the Financial Advisor to the Regency Conflicts Committee</u>	13
<u>ETP Unitholder Approval is Not Required</u>	13
<u>Directors and Executive Officers of ETP After the Merger</u>	14
<u>Ownership of ETP After the Merger</u>	14
<u>Interests of Directors and Executive Officers of Regency in the Merger</u>	14
<u>Interests of ETE and ETP in the Merger</u>	15
<u>Risk Factors Relating to the Merger and Ownership of ETP Common Units</u>	15
<u>Material U.S. Federal Income Tax Consequences of the Merger</u>	16
<u>Accounting Treatment of the Merger</u>	16
<u>Listing of ETP Common Units; Delisting and Deregistration of Regency Common Units</u>	17
<u>No Appraisal Rights</u>	17
<u>Conditions to Consummation of the Mergers</u>	17
<u>Amendment of ETP Partnership Agreement</u>	18
<u>Regulatory Approvals and Clearances Required for the Merger</u>	18
<u>No Solicitation by Regency of Alternative Proposals</u>	19
<u>Change in Regency Board Recommendation</u>	20
<u>Termination of the Merger Agreement</u>	20
<u>Expenses</u>	21
<u>Termination Fee</u>	21
<u>Comparison of Rights of ETP Unitholders and Regency Unitholders</u>	21
<u>Litigation Relating to the Merger</u>	22
<u>Corporate Structure Prior to and Following the Mergers</u>	22
<u>Selected Historical Consolidated Financial Data of ETP</u>	24
<u>Selected Historical Consolidated Financial Data of Regency</u>	24
<u>Selected Unaudited Pro Forma Financial Information</u>	26
<u>Unaudited Comparative Per Unit Information</u>	28
<u>Comparative Unit Prices and Distributions</u>	29
<u>RISK FACTORS</u>	31
<u>Risk Factors Relating to the Merger</u>	31
<u>Risk Factors Relating to the Ownership of ETP Common Units</u>	38
<u>CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS</u>	39
<u>THE PARTIES</u>	41

<u>THE SPECIAL MEETING</u>	44
<u>THE MERGER</u>	49
<u>Effect of the Merger and the GP Merger</u>	49
<u>Background of the Merger</u>	51
<u>Recommendation of the Regency Conflicts Committee, the Regency Board and Their Reasons for the Merger</u>	60

Table of Contents

<u>Opinion of the Financial Advisor to the Regency Conflicts Committee</u>	64
<u>Unaudited Financial Projections of Regency</u>	73
<u>Reasons of the ETP Conflicts Committee and the ETP Board for the Merger</u>	74
<u>Interests of Directors and Executive Officers of Regency in the Merger</u>	76
<u>Interests of ETE and ETP in the Merger</u>	79
<u>No Appraisal Rights</u>	79
<u>No ETP Unitholder Approval</u>	79
<u>Accounting Treatment of the Merger</u>	79
<u>ETP Partnership Agreement Amendment</u>	79
<u>Regulatory Approvals and Clearances Required for the Merger</u>	79
<u>Directors and Executive Officers of ETP After the Merger</u>	80
<u>Listing of ETP Common Units</u>	80
<u>Delisting and Deregistration of Regency Common Units</u>	80
<u>Ownership of ETP After the Merger</u>	80
<u>Restrictions on Sales of ETP Common Units Received in the Merger</u>	81
<u>Litigation Relating to the Merger</u>	81
<u>PROPOSAL 1: THE MERGER AGREEMENT</u>	82
<u>The Mergers</u>	82
<u>Effective Time: Closing</u>	83
<u>Conditions to Consummation of the Mergers</u>	83
<u>Regency Unitholder Approval</u>	85
<u>No Solicitation by Regency of Alternative Proposals</u>	86
<u>Change in Regency Board Recommendation</u>	87
<u>Merger Consideration</u>	89
<u>Treatment of Equity Awards</u>	89
<u>Treatment of General Partner Interest and Incentive Distribution Rights</u>	90
<u>Adjustments to Prevent Dilution</u>	90
<u>Withholding</u>	90
<u>Distributions</u>	90
<u>Regulatory Matters</u>	91
<u>Termination of the Merger Agreement</u>	91
<u>Termination Fee</u>	92
<u>Expenses</u>	93
<u>Conduct of Business Pending the Consummation of the Merger</u>	94
<u>Indemnification; Directors and Officers Insurance</u>	96
<u>Financing Matters</u>	97
<u>Amendment of ETP Partnership Agreement</u>	97
<u>Amendment and Waiver</u>	97
<u>Remedies: Specific Performance</u>	98
<u>Representations and Warranties</u>	98
<u>Distributions</u>	100
<u>ETE s and ETP s Obligation to Vote Regency Units</u>	100
<u>Additional Agreements</u>	100
<u>ENERGY TRANSFER PARTNERS, L.P. UNAUDITED PRO FORMA FINANCIAL INFORMATION</u>	101
<u>MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER</u>	108
<u>MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF ETP COMMON UNIT OWNERSHIP</u>	113
<u>DESCRIPTION OF ETP COMMON UNITS</u>	133
<u>Where Common Units Are Traded</u>	133

Table of Contents

<u>Transfer Agent and Registrar</u>	133
<u>Summary of Partnership Agreement</u>	133
<u>COMPARISON OF RIGHTS OF ETP UNITHOLDERS AND REGENCY UNITHOLDERS</u>	134
<u>PROPOSAL 2: ADJOURNMENT OF THE SPECIAL MEETING</u>	160
<u>PROPOSAL 3: ADVISORY VOTE ON RELATED COMPENSATION</u>	161
<u>LEGAL MATTERS</u>	162
<u>EXPERTS</u>	162
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	163
<u>ANNEX A COMPOSITE AGREEMENT AND PLAN OF MERGER</u>	A-1
<u>ANNEX B OPINION OF J.P. MORGAN SECURITIES LLC</u>	B-1

Table of Contents

QUESTIONS AND ANSWERS

*Set forth below are questions that you, as a unitholder of Regency, may have regarding the merger, the adjournment proposal, the advisory compensation proposal and the special meeting, and brief answers to those questions. You are urged to read carefully this proxy statement/prospectus and the other documents referred to in this proxy statement/prospectus in their entirety, including the composite merger agreement, which incorporates the text of the amendment into the text of the initial agreement and is attached as Annex A to this proxy statement/prospectus, and the documents incorporated by reference into this proxy statement/prospectus, because this section may not provide all of the information that is important to you with respect to the merger and the special meeting. You may obtain a list of the documents incorporated by reference into this proxy statement/prospectus in the section titled *Where You Can Find More Information*.*

Q: Why am I receiving this proxy statement/prospectus?

A: ETP and Regency have agreed to a merger, pursuant to which Regency will merge with Rendezvous I LLC, a wholly owned subsidiary of ETP (*Merger Sub A*). Regency will continue its existence as the surviving entity and become a wholly owned subsidiary of ETP, but will cease to be a publicly traded limited partnership. In order to complete the merger, Regency unitholders must vote to adopt the merger agreement. Regency is holding a special meeting of its unitholders to obtain such unitholder approval. Regency unitholders will also be asked to approve, on an advisory (non-binding) basis, the payments that will or may be paid by Regency to its named executive officers in connection with the merger.

In the merger, ETP will issue ETP common units as part of the consideration to be paid to holders of Regency common units and Regency Class F common units (*Class F units*). This document is being delivered to you as both a proxy statement of Regency and a prospectus of ETP in connection with the merger. It is the proxy statement by which the board of directors (the *Regency Board*) of Regency GP LLC, the general partner of Regency GP, is soliciting proxies from you to vote on the adoption of the merger agreement and the transactions contemplated thereby at the special meeting or at any adjournment or postponement of the special meeting. It is also the prospectus by which ETP will issue ETP common units to you in the merger.

Q: What will happen in the merger?

A: In the merger, Regency will merge with Merger Sub A. Regency will be the surviving limited partnership in the merger and become a wholly owned subsidiary of ETP, but Regency will cease to be a publicly traded limited partnership.

Q: What will I receive in the merger?

A: If the merger is completed, each of your Regency common units will be cancelled and converted automatically into the right to receive (i) 0.4066 (the *exchange ratio*) ETP common units (the *unit consideration*) and (ii) an additional number of ETP common units equal to the quotient of \$0.32 divided by the lesser of (x) the volume weighted average price of ETP common units on the New York Stock Exchange (the *NYSE*) for the five trading days ending on the third trading day immediately preceding the effective time of the merger and (y) the closing price of ETP common units on the NYSE on the third day immediately preceding the effective time of the merger, rounded to the nearest ten thousandth of a unit (the *additional unit consideration* and, together with the unit consideration, the *merger consideration*). Each of your Regency Class F units will be deemed to have converted automatically into Regency common units on a one-for-one basis and such common units will be converted automatically into the right to receive the merger consideration. Regency unitholders will not receive any fractional ETP common units in the merger.

Instead, each holder of Regency common units or Class F units that are converted pursuant to the merger agreement who otherwise would have received a fraction of an ETP common unit will instead be entitled to receive a whole ETP common unit. Based on the closing price of ETP common units on the NYSE on January 23, 2015, the last trading day

Table of Contents

prior to the public announcement of the merger, the merger consideration represented approximately \$26.89 in value for each Regency common unit and Class F unit. Based on the closing price of \$56.26 for ETP common units on the NYSE on March 20, 2015, the most recent practicable trading day prior to the date of this proxy statement/prospectus, the merger consideration represented approximately \$23.20 in value for each Regency common unit and Class F unit. The market price of ETP common units will fluctuate prior to the merger, and the market price of ETP common units when received by Regency unitholders after the merger is completed could be greater or less than the current market price of ETP common units. See Risk Factors.

Q: What will happen to my Regency phantom units, unit options and cash units in the merger?

A: If the merger is completed, each outstanding phantom unit of Regency (a Regency phantom unit) (except for Regency phantom units granted before December 16, 2011 and for Regency phantom units held by the chief executive officer and the non-employee directors of Regency, which will vest and convert, subject to applicable tax withholding, into the right to receive the merger consideration) will be converted into the right to receive an award of phantom units relating to ETP common units on the same terms and conditions as were applicable to the Regency phantom units, except that the number of ETP common units covered by the award will be equal to the number of Regency common units covered by the corresponding award of Regency phantom units multiplied by the sum of (i) the exchange ratio and (ii) the partial ETP common unit representing the additional unit consideration, rounded up to the nearest whole unit. Each outstanding option to purchase Regency common units (a Regency unit option) that is in-the-money will be deemed to be exercised on a net-issuance (i.e., cashless) basis and each net issued Regency common unit deemed to have been issued will be converted into the right to receive the merger consideration, subject to reduction for withholding taxes. Each Regency unit option that is out-of-the-money will be cancelled and terminated for no consideration. In addition, each outstanding award of cash units (Regency cash units) issued under the Regency Energy Partners LP Long-Term Incentive Cash Restricted Unit Plan representing the right to a cash payment based on the value of Regency common units will be converted into the right to receive an award of restricted cash units relating to ETP common units on generally the same terms and conditions as were applicable to the award of Regency cash units, except that the number of notional ETP common units relating to the award will be equal to the number of notional Regency common units relating to the corresponding award of Regency cash units multiplied by the sum of (i) the exchange ratio and (ii) the partial ETP common unit representing the additional unit consideration, rounded up to the nearest whole unit.

Q: What will happen to Regency Series A units in the merger?

A: If the merger is completed, each outstanding Series A Cumulative Convertible Preferred Unit of Regency (a Series A unit) will be cancelled and converted automatically into the right to receive a new preferred unit of ETP (an ETP preferred unit), with the same preferences, privileges, powers, duties and obligations that the Regency Series A units had immediately prior to the closing of the merger.

Q: What happens if the merger is not completed?

A: If the merger agreement is not adopted by Regency unitholders or if the merger is not completed for any other reason, you will not receive any form of consideration for your Regency units in connection with the merger. Instead, Regency will remain an independent publicly traded limited partnership and its common units will continue to be listed and traded on the NYSE. If the merger agreement is terminated under specified circumstances, including if Regency unitholder approval is not obtained, Regency will be required to pay all of the reasonably documented out-of-pocket expenses incurred by ETP and its affiliates in connection with the merger agreement and the transactions contemplated thereby, up to a maximum amount of \$20 million. In addition, if the merger agreement is terminated in specified circumstances, including due to an adverse recommendation change having occurred, Regency

may be required to pay ETP a termination fee of \$450 million, less any expenses previously paid by Regency to ETP. Following payment of the termination fee, Regency will not be obligated to pay any additional expenses incurred by ETP or its affiliates. Please read

Table of Contents

Proposal 1: The Merger Agreement Expenses and Termination Fee beginning on page 92 of this proxy statement/prospectus.

Q: Will I continue to receive future distributions?

A: Before completion of the merger, Regency expects to continue to pay its regular quarterly cash distribution on its common units, which currently is \$0.5025 per Regency common unit. However, ETP and Regency will coordinate the timing of distribution declarations leading up to the merger so that, in any quarter, a holder of Regency units will either receive distributions in respect of its Regency common units or Series A units or distributions in respect of the ETP common units or ETP preferred units, as applicable, that such holder will receive in the merger (but will not receive distributions in respect of both in any quarter). Receipt of the regular quarterly distribution will not reduce the merger consideration you receive. After completion of the merger, you will be entitled only to distributions on any ETP common units you receive in the merger and hold through the applicable distribution record date. While ETP provides no assurances as to the level or payment of any future distributions on its common units, and ETP determines the amount of its distributions each quarter, for the quarter ended December 31, 2014, ETP paid a cash distribution of \$0.995 per ETP common unit on February 13, 2015 to holders of record as of the close of business on February 6, 2015.

Q: What am I being asked to vote on?

A: Regency's unitholders are being asked to vote on the following proposals:

Merger proposal: To adopt the merger agreement as amended by the amendment thereto, a composite copy of which, incorporating the amendment into the text of the initial agreement, is attached as Annex A to this proxy statement/prospectus, and the transactions contemplated thereby;

Adjournment proposal: To approve the adjournment of the special meeting, if necessary to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the special meeting; and

Advisory compensation proposal: To approve, on an advisory (non-binding) basis, the payments that will or may be paid by Regency to its named executive officers in connection with the merger.

The approval of the merger proposal by Regency unitholders is a condition to the obligations of ETP and Regency to complete the merger. Neither the adjournment proposal nor the advisory compensation proposal is a condition to the obligations of ETP or Regency to complete the merger.

Q: Does the Regency Board recommend that Regency unitholders adopt the merger agreement and the transactions contemplated thereby?

A: Yes. The Regency Board and the conflicts committee of the Regency Board (the Regency Conflicts Committee) have approved the merger agreement and the transactions contemplated thereby, including the merger, and determined that these transactions are fair and reasonable and in the best interests of Regency and its unaffiliated unitholders. Therefore, the Regency Board and Regency Conflicts Committee recommend that you vote FOR the proposal to adopt the merger agreement and the transactions contemplated thereby at the special meeting. See The Merger Recommendation of the Regency Conflicts Committee, the Regency Board and Their Reasons for the Merger

beginning on page 60 of this proxy statement/prospectus. In considering the recommendation of the Regency Board and the Regency Conflicts Committee with respect to the merger agreement and the transactions contemplated thereby, including the merger, you should be aware that directors and executive officers of Regency are parties to agreements or participants in other arrangements that give them interests in the merger that may be different from, or in addition to, your interests as a unitholder of Regency. You should consider these interests in voting on this proposal. These different interests are described under "The Merger - Interests of Directors and Executive Officers of Regency in the Merger" beginning on page 76 of this proxy statement/prospectus.

Table of Contents

Q: What are the related compensation payments to Regency named executive officers and why am I being asked to vote on them?

A: The SEC has adopted rules that require Regency to seek an advisory (non-binding) vote on the compensation payments related to the merger. The related compensation payments are certain compensation payments that are tied to or based on the merger and that will or may be paid by Regency to its named executive officers in connection with the merger. This proposal is referred to as the advisory compensation proposal.

Q: Does the Regency Board recommend that unitholders approve the advisory compensation proposal?

A: Yes. The Regency Board unanimously recommends that you vote **FOR** the advisory compensation proposal. See Proposal 3: Advisory Vote on Related Compensation beginning on page 161 of this proxy statement/prospectus.

Q: What happens if the advisory compensation proposal is not approved?

A: Approval of the advisory compensation proposal is not a condition to completion of the merger. The vote is an advisory vote and is not binding. If the merger is completed, Regency will pay the related compensation to its named executive officers in connection with the merger even if Regency unitholders fail to approve the advisory compensation proposal.

Q: What unitholder vote is required for the approval of each proposal?

A: The following are the vote requirements for the Regency proposals:

Merger proposal. The affirmative vote or consent of holders of at least a majority of the outstanding Regency common units, Class F units and Series A units, voting together as a single class. Accordingly, abstentions and unvoted units will have the same effect as votes **AGAINST** the proposal.

Adjournment proposal. If a quorum is present at the meeting, the affirmative vote of at least a majority of the outstanding Regency common units, Class F units and Series A units, voting together as a single class; *provided* that, if a quorum is not present at the meeting, the affirmative vote of holders of a majority of the outstanding Regency common units, Class F units, and Series A units entitled to vote at such meeting represented either in person or by proxy, voting together as a single class, will be required to approve the proposal. Accordingly, abstentions and unvoted units will have the same effect as votes **AGAINST** the proposal.

Advisory compensation proposal. The affirmative vote of at least a majority of the Regency common units, Class F units and Series A units, voting together as a single class. Accordingly, abstentions and unvoted units will have the same effect as votes **AGAINST** the proposal.

Pursuant to the merger agreement, ETE, which directly and indirectly owns all of the incentive distribution rights and general partner interests in ETP and Regency, and ETP have agreed to vote all of the limited partner interests in Regency owned beneficially or of record by ETE, ETP or their respective subsidiaries in favor of approval of the merger and the approval of any actions required in furtherance thereof, which includes the Regency merger proposal and, if necessary, the Regency adjournment proposal. As of March 24, 2015, ETE, ETP and their respective

subsidiaries collectively held 88,529,775 Regency common units and 6,274,483 Class F units, representing approximately 22.58% of the Regency units entitled to vote at the special meeting.

Q: What constitutes a quorum for the special meeting?

A: At least a majority of the outstanding Regency common units, Class F units and Series A units, considered together as a single class, must be represented in person or by proxy at the special meeting in order to constitute a quorum.

Table of Contents

Q: When is this proxy statement/prospectus being mailed?

A: This proxy statement/prospectus and the proxy card are first being sent to Regency unitholders on or about March 25, 2015.

Q: Who is entitled to vote at the special meeting?

A: Holders of outstanding Regency common units, Class F units and Series A units outstanding as of the close of business on March 24, 2015, the record date, are entitled to one vote per unit at the special meeting.

As of the record date, there were approximately 411,707,950 Regency common units outstanding, 6,274,483 Class F units outstanding and 1,912,569 Series A units outstanding, all of which are entitled to vote at the special meeting.

Q: When and where is the special meeting?

A: The special meeting will be held in Regency's offices at 2001 Bryan Street, Suite 3700, Dallas, Texas 75201, on April 28, 2015, at 11:00 a.m., local time.

Q: How do I vote my units at the special meeting?

A: There are four ways you may cast your vote. You may vote:

In Person. If you are a unitholder of record, you may vote in person at the special meeting. Units held by a broker, bank or other nominee may be voted in person by you only if you obtain a legal proxy from the record holder (which is your broker, bank or other nominee) giving you the right to vote the units;

Via the Internet. You may vote electronically via the Internet by accessing the Internet address provided on each proxy card (if you are a unitholder of record) or vote instruction card (if your units are held by a broker, bank or other nominee);

By Telephone. You may vote by using the toll-free telephone number listed on the enclosed proxy card (if you are a unitholder of record) or vote instruction card (if your units are held by a broker, bank or other nominee); or

By Mail. You may vote by filling out, signing and dating the enclosed proxy card (if you are a unitholder of record) or vote instruction card (if your units are held by a broker, bank or other nominee) and returning it by mail in the prepaid envelope provided.

Even if you plan to attend the special meeting in person, you are encouraged to submit your proxy as described above so that your vote will be counted if you later decide not to attend the special meeting.

If your units are held by a broker, bank or other nominee, also known as holding units in street name, you should receive instructions from the broker, bank or other nominee that you must follow in order to have your units voted. Please review such instructions to determine whether you will be able to vote via Internet or by telephone. The

deadline for voting units by telephone or electronically through the Internet is 11:59 p.m. Eastern Time, April 27, 2015 (the telephone/internet deadline).

Q: If my units are held in street name by my broker, will my broker automatically vote my units for me?

A: No. If your units are held in an account at a broker or through another nominee, you must instruct the broker or other nominee on how to vote your units by following the instructions that the broker or other nominee provides to you with these materials. Most brokers offer the ability for unitholders to submit voting instructions by mail by completing a voting instruction card, by telephone and via the Internet.

Table of Contents

If you do not provide voting instructions to your broker, your units will not be voted on any proposal on which your broker does not have discretionary authority to vote. This is referred to in this proxy statement/prospectus and in general as a broker non-vote. In these cases, the broker can register your units as being present at the special meeting for purposes of determining a quorum, but will not be able to vote on those matters for which specific authorization is required. Under the current rules of the NYSE, brokers do not have discretionary authority to vote on any of the proposals, including the merger proposal. A broker non-vote will have the same effect as a vote AGAINST the merger proposal, the adjournment proposal and the advisory compensation proposal.

Q: How will my Regency units be represented at the special meeting?

A: If you submit your proxy by telephone, the Internet website or by signing and returning your proxy card, the officers named in your proxy card will vote your units in the manner you requested if you correctly submitted your proxy. If you sign your proxy card and return it without indicating how you would like to vote your units, your proxy will be voted as the Regency Board recommends, which is:

Merger proposal: FOR the adoption of the merger agreement and the transactions contemplated thereby;

Adjournment proposal: FOR the approval of the adjournment of the special meeting, if necessary to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the special meeting; and

Advisory compensation proposal: FOR the approval, on an advisory (non-binding) basis, of the payments that will or may be paid by Regency to its named executive officers in connection with the merger.

Q: Who may attend the special meeting?

A: Regency unitholders (or their authorized representatives) and Regency's invited guests may attend the special meeting. All attendees at the special meeting should be prepared to present government-issued photo identification (such as a driver's license or passport) for admittance.

Q: Is my vote important?

A: Yes, your vote is very important. If you do not submit a proxy or vote in person at the special meeting, it will be more difficult for Regency to obtain the necessary quorum to hold the special meeting. In addition, an abstention or your failure to submit a proxy or to vote in person will have the same effect as a vote AGAINST the adoption of the merger agreement and the transactions contemplated thereby. If you hold your units through a broker or other nominee, your broker or other nominee will not be able to cast a vote on such adoption without instructions from you. The Regency Board recommends that Regency unitholders vote FOR the Regency merger proposal.

Q: Can I revoke my proxy or change my voting instructions?

A: Yes. If you are a unitholder of record, you may revoke or change your vote at any time before the telephone/internet deadline or before the polls close at the special meeting by:

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sending a written notice, no later than the telephone/internet deadline, to Regency Energy Partners LP at 2001 Bryan Street, Suite 3700, Dallas, Texas 75201, Attention: Corporate Secretary, that bears a date later than the date of the proxy and is received prior to the special meeting and states that you revoke your proxy;

submitting a valid, later-dated proxy by mail, telephone or Internet that is received prior to the special meeting; or

Table of Contents

attending the special meeting and voting by ballot in person (your attendance at the special meeting will not, by itself, revoke any proxy that you have previously given).

If you hold your Regency units through a broker or other nominee, you must follow the directions you receive from your broker or other nominee in order to revoke your proxy or change your voting instructions.

Q: What happens if I sell my units after the record date but before the special meeting?

A: The record date for the special meeting is earlier than the date of the special meeting and earlier than the date that the merger is expected to be completed. If you sell or otherwise transfer your Regency units after the record date but before the date of the special meeting, you will retain your right to vote at the special meeting. However, you will not have the right to receive the merger consideration to be received by Regency's unitholders in the merger. In order to receive the merger consideration, you must hold your Regency units through completion of the merger.

Q: What does it mean if I receive more than one proxy card or vote instruction card?

A: Your receipt of more than one proxy card or vote instruction card may mean that you have multiple accounts with Regency's transfer agent or with a brokerage firm, bank or other nominee. If voting by mail, please sign and return all proxy cards or vote instruction cards to ensure that all of your units are voted. Each proxy card or vote instruction card represents a distinct number of units and it is the only means by which those particular units may be voted by proxy.

Q: Am I entitled to appraisal rights if I vote against the adoption of the merger agreement?

A: No. Appraisal rights are not available in connection with the merger under the Delaware Revised Uniform Limited Partnership Act (the Delaware LP Act) or under the Regency partnership agreement.

Q: Is completion of the merger subject to any conditions?

A: Yes. In addition to the adoption of the merger agreement by Regency unitholders, completion of the merger requires the receipt of the necessary governmental clearances and the satisfaction or, to the extent permitted by applicable law, waiver of the other conditions specified in the merger agreement.

Q: When do you expect to complete the merger?

A: ETP and Regency are working towards completing the merger promptly. ETP and Regency currently expect to complete the merger shortly following the conclusion of the meeting, subject to receipt of Regency unitholder approval, regulatory approvals and clearances and other usual and customary closing conditions. However, no assurance can be given as to when, or if, the merger will occur.

Q: What are the expected U.S. federal income tax consequences to a Regency unitholder as a result of the transactions contemplated by the merger agreement?

A: It is anticipated that no gain or loss will be recognized by a Regency unitholder solely as a result of the merger, other than (i) such unitholder's distributive share of any gain recognized by Regency as a result of the merger (which, as described below, is expected to be zero) or (ii) to the extent any net decrease in such unitholder's share of partnership liabilities pursuant to Section 752 of the Internal Revenue Code of 1986, as amended (the Code), exceeds such unitholder's adjusted tax basis in its Regency units at the closing of the merger. Please read Risk Factors Risk Factors Relating to the Merger and Material U.S. Federal Income Tax Consequences of the Merger Tax Consequences of the Merger to Regency Unitholders.

Table of Contents

Q: Under what circumstances could the merger result in a Regency unitholder recognizing taxable income or gain?

A: For U.S. federal income tax purposes, Regency will be deemed to contribute all of its assets to ETP in exchange for ETP units and the assumption of Regency's liabilities, followed by a liquidation of Regency in which ETP units are distributed to Regency unitholders. In addition, as a result of the merger, Regency unitholders who receive ETP units will become limited partners of ETP for U.S. federal income tax purposes and will be allocated a share of ETP's nonrecourse liabilities. Each Regency unitholder will be treated as receiving a deemed cash distribution equal to the excess, if any, of such unitholder's share of nonrecourse liabilities of Regency immediately before the merger over such unitholder's share of nonrecourse liabilities of ETP immediately following the merger. If the amount of any deemed cash distribution received by a Regency unitholder exceeds such unitholder's basis in his Regency units, such unitholder will recognize gain in an amount equal to such excess. While there can be no assurance, ETP and Regency expect that most Regency unitholders will not recognize gain in this manner. The amount and effect of any gain that may be recognized by Regency unitholders will depend on the Regency unitholder's particular situation, including the ability of the Regency unitholder to utilize any suspended passive losses. For additional information, please read Material U.S. Federal Income Tax Consequences of the Merger Tax Consequences of the Merger to Regency, Material U.S. Federal Income Tax Consequences of the Merger Tax Consequences of the Merger to Regency Unitholders and Risk Factors Relating to the Merger.

Q: What are the expected U.S. federal income tax consequences for a Regency unitholder of the ownership of ETP common units after the merger is completed?

A: Each Regency unitholder who becomes an ETP common unitholder as a result of the merger will, as is the case for existing ETP common unitholders, be allocated such unitholder's distributive share of ETP's income, gains, losses, deductions and credits. In addition to U.S. federal income taxes, such a holder will be subject to other taxes, including state and local income taxes, unincorporated business taxes, and estate, inheritance or intangibles taxes that may be imposed by the various jurisdictions in which ETP conducts business or owns property or in which the unitholder is resident. Please read Material U.S. Federal Income Tax Consequences of ETP Common Unit Ownership.

Q: Assuming the merger closes before December 31, 2015, how many Schedules K-1 will I receive if I am a Regency unitholder?

A: You will receive two Schedules K-1, one from Regency, which will describe your share of Regency's income, gain, loss and deduction for the portion of the tax year that you held Regency units prior to the effective time of the merger, and one from ETP, which will describe your share of ETP's income, gain, loss and deduction for the portion of the tax year you held ETP common units following the effective time of the merger.

Q: What do I need to do now?

A: Carefully read and consider the information contained in and incorporated by reference into this proxy statement/prospectus, including its annexes. Then, please vote your Regency units in accordance with the instructions described above.

If you hold units through a broker or other nominee, please instruct your broker or nominee to vote your units by following the instructions that the broker or nominee provides to you with these materials.

Q: Should I send in my unit certificates now?

A: No. Regency unitholders should not send in their unit certificates at this time. After completion of the merger, ETP's exchange agent will send you a letter of transmittal and instructions for exchanging your Regency

Table of Contents

common units and Class F units for the merger consideration and your Series A units for ETP preferred units. Unless you specifically request to receive ETP unit certificates, the ETP common units and ETP preferred units you receive in the merger will be issued in book-entry form.

Q: Whom should I call with questions?

A: Regency unitholders should call MacKenzie Partners, Inc., Regency's proxy solicitor, with any questions about the merger or the special meeting, or to obtain additional copies of this proxy statement/prospectus, proxy cards or voting instruction forms.

Table of Contents

SUMMARY

This summary highlights selected information from this proxy statement/prospectus. You are urged to read carefully the entire proxy statement/prospectus and the other documents referred to in this proxy statement/prospectus because the information in this section does not provide all of the information that might be important to you with respect to the merger agreement, the merger and the other matters being considered at the special meeting. See Where You Can Find More Information. Each item in this summary refers to the page of this proxy statement/prospectus on which that subject is discussed in more detail.

The Parties (See page 41)

Energy Transfer Partners, L.P., is a Delaware limited partnership with common units traded on the NYSE under the symbol ETP. ETP is engaged in the transportation and storage of natural gas, natural gas liquids (NGLs) and crude oil and the retail marketing of gasoline and middle distillates through its wholly owned operating subsidiaries. Energy Transfer Partners GP, L.P., a Delaware limited partnership, is ETP's general partner, and Rendezvous I LLC and Rendezvous II LLC are wholly owned subsidiaries of ETP.

Regency Energy Partners LP, is a Delaware limited partnership with common units traded on the NYSE under the symbol RGP. Regency is a growth-oriented limited partnership engaged in the gathering and processing, compression, treating and transportation of natural gas; the transportation, fractionation and storage of NGLs; the gathering, transportation and terminaling of oil (crude and/or condensate, a lighter oil) received from producers; natural gas marketing and trading; and the management of coal and natural resource properties in the United States. Regency GP LP, a Delaware limited partnership, is Regency's general partner. ETE GP Acquirer LLC, a Delaware limited liability company, is the sole member of Regency GP LLC and the indirect owner of Regency GP.

Energy Transfer Equity, L.P. is a Delaware limited partnership with common units traded on the NYSE under the symbol ETE. ETE directly and indirectly owns all of the incentive distribution rights and general partner interests in ETP and Regency. ETE is a party to the merger agreement solely for purposes of certain provisions therein.

The Merger (See page 49)

Subject to the terms and conditions of the merger agreement and in accordance with Delaware law, the merger agreement provides for the merger of Regency with Merger Sub A. Regency will survive the merger and become a wholly owned subsidiary of ETP.

The GP Merger (See page 49)

Subject to the terms and conditions of the merger agreement and in accordance with Delaware law, and concurrently with the merger, ETE Acquirer will merge with Rendezvous II LLC (Merger Sub B). ETE Acquirer will survive the GP merger and become a wholly owned subsidiary of ETP (the GP merger and, together with the merger, the mergers).

Merger Consideration (See page 89)

Common Units. The merger agreement provides that, at the effective time, each Regency common unit issued and outstanding or deemed issued and outstanding as of immediately prior to the effective time (excluding Regency common units that are owned immediately prior to the effective time by Regency or its subsidiaries, which will be cancelled and cease to exist) will be converted into the right to receive (i) 0.4066 ETP common units and (ii) an

additional number of ETP common units equal to the quotient of \$0.32 divided by the

Table of Contents

lesser of (x) the volume weighted average price of ETP common units as reported on the NYSE for the five trading days ending on the third trading day immediately preceding the effective time of the merger and (y) the closing price of ETP common units on the NYSE on the third day immediately preceding the effective time of the merger, rounded to the nearest ten thousandth of a unit.

Class F Units. Each Class F unit issued and outstanding as of immediately prior to the effective time will be deemed to have been converted into an equal number of Regency common units, which will be converted into the right to receive the merger consideration.

Series A Units. Each Series A unit issued and outstanding as of immediately prior to the effective time will be converted into the right to receive an ETP preferred unit. The ETP preferred units will contain the same preferences, privileges, powers, duties and obligations that the Regency Series A units had immediately prior to the closing of the merger.

Treatment of General Partner Interest and Incentive Distribution Rights (See page 90)

As a result of the merger, the general partner interest in Regency outstanding immediately prior to the effective time will be converted into a non-economic general partner interest and Regency GP will continue as the sole general partner of Regency. In addition, the incentive distribution rights in Regency outstanding immediately prior to the effective time will be cancelled. ETP and Regency have agreed that, upon consummation of the mergers, the percentage interest represented by the ETP general partner interest will be increased to equal the sum of (i) the percentage interest of the ETP general partner interest immediately prior to the effective time, as adjusted to give effect to the issuance of ETP common units in the merger, and (ii) the percentage interest in ETP that would be represented by the Regency general partner interest immediately prior to the effective time, as adjusted to give effect to the issuance of ETP common units in the merger. In connection with the mergers, ETP GP will receive the right to any capital account in Regency associated with the Regency general partner interest and incentive distribution rights immediately prior to the merger.

Treatment of Equity Awards (See page 89)

Phantom Units. At the effective time, each outstanding Regency phantom unit (except for Regency phantom units granted before December 16, 2011 and for Regency phantom units held by the chief executive officer and the non-employee directors of Regency, which will vest and convert, subject to applicable tax withholding, into the right to receive the merger consideration), will be converted into the right to receive an award of phantom units relating to ETP common units on the same terms and conditions as were applicable to the Regency phantom units, except that the number of ETP common units covered by the award will be equal to the number of Regency common units covered by the corresponding award of Regency phantom units multiplied by the sum of (i) the exchange ratio and (ii) the partial ETP common unit representing the additional unit consideration, rounded up to the nearest whole unit.

Unit Options. Each outstanding Regency unit option that is in-the-money will at the effective time be deemed to be exercised on a net-issuance (i.e., cashless) basis and each net issued Regency common unit deemed to have been issued will be converted into the right to receive the merger consideration, subject to reduction for withholding taxes. Each Regency unit option that is out-of-the-money will be cancelled and terminated for no consideration.

Cash Units. Each outstanding award of Regency cash units issued under the Regency Energy Partners LP Long-Term Incentive Cash Restricted Unit Plan will at the effective time be converted into the right to receive an award of restricted cash units relating to ETP common units on generally the same terms and conditions as were applicable to the award of Regency cash units, except that the number of notional ETP common units relating to the award will be

equal to the number of notional Regency common units relating to the corresponding award of

Table of Contents

Regency cash units multiplied by the sum of (i) the exchange ratio and (ii) the partial ETP common unit representing the additional unit consideration, rounded up to the nearest whole unit.

The Special Meeting; Units Entitled to Vote; Required Vote (See page 44)

Meeting. The special meeting will be held in Regency's offices at 2001 Bryan Street, Suite 3700, Dallas, Texas 75201, on April 28, 2015, at 11:00, local time. At the special meeting, Regency unitholders will be asked to vote on the following proposals:

Merger proposal: To adopt the merger agreement as amended by the amendment thereto, a composite copy of which, incorporating the amendment into the text of the initial agreement, is attached as Annex A to this proxy statement/prospectus, and the transactions contemplated thereby;

Adjournment proposal: To approve the adjournment of the special meeting, if necessary to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the special meeting; and

Advisory compensation proposal: To approve, on an advisory (non-binding) basis, the payments that will or may be paid by Regency to its named executive officers in connection with the merger.

Record Date. Only Regency unitholders of record at the close of business on March 24, 2015 will be entitled to receive notice of and to vote at the special meeting. As of the close of business on the record date of March 24, 2015, there were approximately 411,707,950 Regency common units, 6,274,483 Class F units and 1,912,569 Series A units outstanding and entitled to vote at the meeting. Each holder of Regency common units, Class F units and Series A units is entitled to one vote for each unit owned as of the record date.

Required Vote. To adopt the merger agreement and the transactions contemplated thereby, holders of at least a majority of the outstanding Regency common units, Class F units and Series A units, together as a single class, must vote in favor of such adoption. **Regency cannot complete the merger unless its unitholders adopt the merger agreement and the transactions contemplated thereby.** Because approval is based on the affirmative vote of at least a majority of the outstanding Regency common units, Class F units and Series A units, voting together as a single class, **a Regency unitholder's failure to vote, an abstention from voting or the failure of a Regency unitholder who holds his or her units in street name through a broker or other nominee to give voting instructions to such broker or other nominee will have the same effect as a vote AGAINST adoption of the merger agreement.**

To approve the adjournment of the special meeting, if necessary to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the special meeting and if a quorum is present at the meeting, holders of at least a majority of the outstanding Regency common units, Class F units and Series A units, voting together as a single class, must vote in favor of the proposal; provided that, if a quorum is not present at the meeting, the affirmative vote of holders of a majority of the outstanding Regency common units, Class F units and Series A units entitled to vote at such meeting represented either in person or by proxy, voting together as a single class, is required to approve the proposal. Because approval of this proposal is based on the affirmative vote of at least a majority of the outstanding Regency common units, Class F units and Series A units, voting together as a single class, if a quorum is present at the special meeting, a Regency unitholder's failure to vote, an abstention from voting or the failure of a Regency unitholder who holds his or her units in street name through a broker or other nominee to give voting instructions to such broker or other nominee will have the same effect as a vote AGAINST approval of this

proposal.

To approve, on an advisory (non-binding) basis, the payments that will or may be paid by Regency to its named executive officers in connection with the merger, holders of at least a majority of the outstanding Regency common units, Class F units and Series A units, voting together as a single class, must vote in favor of the proposal. Because approval of this proposal is based on the affirmative vote of at least a majority of the

Table of Contents

outstanding Regency common units, Class F units and Series A units, voting together as a single class, a Regency unitholder's failure to vote, an abstention from voting or the failure of a Regency unitholder who holds his or her units in street name through a broker or other nominee to give voting instructions to such broker or other nominee will have the same effect as a vote AGAINST approval of this proposal.

Unit Ownership of and Voting by Regency's Directors, Executive Officers and Affiliates. As of March 24, 2015, Regency's directors and executive officers and their affiliates (including ETE, ETP and their respective subsidiaries) beneficially owned and had the right to vote 88,529,775 Regency common units and 6,274,483 Class F units at the special meeting, which represent 22.58% of the Regency units entitled to vote at the special meeting. It is expected that Regency's directors and executive officers will vote their units FOR the adoption of the merger agreement and the transactions contemplated thereby, although none of them has entered into any agreement requiring them to do so. Additionally, under the terms of the merger agreement, ETE and ETP have agreed to vote all of the Regency common units and Class F units owned beneficially or of record by ETE, ETP or their respective subsidiaries in favor of the merger.

Recommendation of the Regency Conflicts Committee, the Regency Board and Their Reasons for the Merger (See page 60)

The Regency Board and the Regency Conflicts Committee recommend that Regency unitholders vote **FOR** the adoption of the merger agreement and the transactions contemplated thereby.

In the course of reaching its decision to approve the merger agreement and the transactions contemplated by the merger agreement, the Regency Board considered a number of factors in its deliberations. For a more complete discussion of these factors, see The Merger Recommendation of the Regency Conflicts Committee, the Regency Board and Their Reasons for the Merger.

Opinion of the Financial Advisor to the Regency Conflicts Committee (See page 64)

On January 25, 2015, J.P. Morgan Securities LLC (J.P. Morgan) rendered its oral opinion to the Regency Conflicts Committee and the Regency Board, which opinion was subsequently confirmed in writing, that, as of such date and based upon and subject to the factors and assumptions set forth in its opinion, the merger consideration to be paid to the holders of Regency common units, other than ETE, ETP and their respective affiliates, in the merger was fair, from a financial point of view, to such unitholders.

The full text of the written opinion of J.P. Morgan dated January 25, 2015, which sets forth the assumptions made, matters considered and limits on the review undertaken, is attached as Annex B to this proxy statement/prospectus and is incorporated herein by reference. Regency unitholders are urged to read the opinion in its entirety. J.P. Morgan's written opinion is addressed to the Regency Conflicts Committee and the Regency Board, is directed only to the merger consideration to be paid to holders of Regency common units (other than ETE, ETP and their respective affiliates) and does not constitute a recommendation to any Regency unitholder as to how such Regency unitholder should vote with respect to the transactions contemplated by the merger agreement. The summary of the opinion of J.P. Morgan set forth in this proxy statement/prospectus is qualified in its entirety by reference to the full text of such opinion included as Annex B.

ETP Unitholder Approval is Not Required (See page 79)

ETP unitholders are not required to adopt the merger agreement or approve the merger or the issuance of ETP common units in connection with the merger.

Table of Contents

Directors and Executive Officers of ETP After the Merger (See page 80)

ETP GP has direct responsibility for conducting ETP's business and for managing its operations. Because ETP GP is a limited partnership, its general partner, Energy Transfer Partners, L.L.C. (ETP GP LLC), is ultimately responsible for the business and operations of ETP. Thus, the board of directors and officers of ETP GP LLC make decisions on ETP's behalf. ETP expects that the directors and executive officers of ETP GP LLC immediately prior to the merger will continue as the directors and executive officers of ETP GP LLC after the merger, except that Thomas E. Long, Executive Vice President and Chief Financial Officer of Regency, is expected to become the Chief Financial Officer of ETP GP LLC and Martin Salinas, ETP GP LLC's current Chief Financial Officer, will not be retained by ETP.

Ownership of ETP After the Merger (See page 80)

ETP will issue approximately 172 million ETP common units to former Regency unitholders pursuant to the merger. Based on the number of ETP common units outstanding as of the date of this proxy statement/prospectus, immediately following the completion of the merger, ETP expects to have approximately million common units outstanding. Regency unitholders are therefore expected to hold approximately 35% of the aggregate number of ETP common units outstanding immediately after the merger and approximately 25% of ETP's total units of all classes. Holders of ETP common units are not entitled to elect the directors of the board of directors (the ETP Board) of Energy Transfer Partners, L.L.C., the general partner of ETP GP, and have only limited voting rights on matters affecting ETP's business.

Interests of Directors and Executive Officers of Regency in the Merger (See page 76)

Regency's directors and executive officers have financial interests in the merger that are different from, or in addition to, the interests of Regency unitholders generally. The members of the Regency Board were aware of and considered these interests, among other matters, in evaluating and negotiating the merger agreement and the merger, and in recommending to Regency's unitholders that the merger agreement be adopted.

These interests include:

Certain members of the Regency Board are members of the ETE board of directors and are executives of ETE.

Certain executive officers of Regency have been offered roles at ETE and ETP following the completion of the merger.

The directors and officers of Regency are entitled to continued indemnification and insurance coverage under the merger agreement.

The Regency phantom units held by the chief executive officer and non-employee directors of Regency, as well as the Regency phantom units granted before December 16, 2011 held by other officers of Regency, will vest and convert, subject to applicable tax withholding, into the right to receive the merger consideration, and the Regency phantom units granted after December 16, 2011 held by other executive

officers of Regency will be converted into the right to receive an award of phantom units relating to ETP common units on the same terms and conditions as were applicable to the Regency phantom units, except that the number of ETP common units covered by the award will be equal to the number of Regency common units multiplied by the sum of (i) the exchange ratio and (ii) the partial ETP common unit representing the additional unit consideration, rounded up to the nearest whole unit.

Table of Contents

Interests of ETE and ETP in the Merger (See page 79)

ETE holds a controlling ownership interest in each of ETP and Regency. ETE controls ETP through ETE's ownership of ETP GP, which owns 100% of the general partner interest and incentive distribution rights in ETP, and through ETE's ownership of all of the Class H units and Class I units of ETP. ETE controls Regency through ETE's ownership of ETE Acquirer and Regency GP LLC, which own Regency GP. Regency GP owns 100% of the general partner interest and incentive distribution rights in Regency. ETE also owns, directly and through a wholly owned subsidiary, approximately 14.0% of the limited partner interest in Regency and ETP, through a wholly owned subsidiary, owns an additional 7.6% limited partner interest in Regency and all of the Regency Class F units.

Under the terms of the merger agreement, ETE and ETP have agreed to vote all of the Regency common units and Class F units owned beneficially or of record by ETE, ETP or their respective subsidiaries in favor of the merger.

Risk Factors Relating to the Merger and Ownership of ETP Common Units (See page 31)

Regency unitholders should consider carefully all the risk factors together with all of the other information included or incorporated by reference in this proxy statement/prospectus before deciding how to vote. Risks relating to the merger and ownership of ETP common units are described in the section titled "Risk Factors." Some of these risks include, but are not limited to, those described below:

Because the market price of ETP common units will fluctuate prior to the consummation of the merger, Regency unitholders cannot be sure of the market value of the ETP common units they will receive as unit consideration relative to the value of Regency common units and Class F units they exchange, or of the number of ETP common units they will receive as additional unit consideration.

ETP and Regency may be unable to obtain the regulatory clearances required to complete the merger or, in order to do so, ETP and Regency may be required to comply with material restrictions or satisfy material conditions.

The merger agreement contains provisions that limit Regency's ability to pursue alternatives to the merger, which could discourage a potential competing acquirer of Regency from making a favorable alternative transaction proposal and, in specified circumstances, including if unitholder approval is not obtained or if the merger agreement is terminated due to an adverse recommendation change having occurred, could require Regency to reimburse up to \$20.0 million of ETP's out-of-pocket expenses and pay a termination fee to ETP of \$450 million, less any previous expense reimbursements by Regency. Following payment of the termination fee, Regency will not be obligated to pay any additional expenses by ETP or its affiliates.

Directors and officers of Regency have certain interests that are different from those of Regency unitholders generally.

Regency unitholders will have a reduced ownership in the combined organization after the merger and will exercise less influence over management.

ETP common units to be received by Regency unitholders as a result of the merger have different rights from Regency common units.

No ruling has been requested with respect to the U.S. federal income tax consequences of the merger.

The intended U.S. federal income tax consequences of the merger are dependent upon ETP and Regency being treated as partnerships for U.S. federal income tax purposes.

Regency common unitholders could recognize taxable income or gain for U.S. federal income tax purposes as a result of the merger.

Table of Contents

ETP GP and Regency GP are owned by ETE. This may result in conflicts of interest.

ETP common unitholders have limited voting rights and are not entitled to elect ETP GP or the directors of the ETP Board.

ETP's tax treatment depends on its status as a partnership for federal income tax purposes, as well as its not being subject to a material amount of entity-level taxation by individual states or local entities. If the IRS treats ETP as a corporation or ETP becomes subject to a material amount of entity-level taxation for state or local tax purposes, it would substantially reduce the amount of cash available for payment for distributions on ETP's common units.

Material U.S. Federal Income Tax Consequences of the Merger (See page 108)

Tax matters associated with the merger are complicated. The U.S. federal income tax consequences of the merger to a Regency unitholder will depend, in part, on such unitholder's own personal tax situation. The tax discussions contained herein focus on the U.S. federal income tax consequences generally applicable to individuals who are residents or citizens of the United States that hold their Regency units as capital assets, and these discussions have only limited application to other unitholders, including those subject to special tax treatment. Regency unitholders are urged to consult their tax advisors for a full understanding of the U.S. federal, state, local and foreign tax consequences of the merger that will be applicable to them.

In connection with the merger, Regency expects to receive an opinion from Baker Botts L.L.P. to the effect that (i) Regency will not recognize any income or gain as a result of the merger (other than any gain resulting from any decrease in partnership liabilities pursuant to Section 752 of the Code); (ii) holders of Regency common units will not recognize any income or gain as a result of the merger (other than any gain resulting from any decrease in partnership liabilities pursuant to Section 752 of the Code); provided that such opinion will not extend to any holder who acquired Regency common units from Regency in exchange for property other than cash; and (iii) at least 90% of the gross income of Regency for the most recent four complete calendar quarters ending before the closing date for which the necessary financial information is available is from sources treated as "qualifying income" within the meaning of Section 7704(d) of the Code.

In connection with the merger, ETP expects to receive an opinion from Latham & Watkins LLP to the effect that (i) neither ETP nor ETP GP will recognize any income or gain as a result of the merger (other than any gain resulting from any decrease in partnership liabilities pursuant to Section 752 of the Code); (ii) no gain or loss will be recognized by holders of ETP common units as a result of the merger (other than any gain resulting from any decrease in partnership liabilities pursuant to Section 752 of the Code); and (iii) at least 90% of the combined gross income of each of ETP and Regency for the most recent four complete calendar quarters ending before the closing date for which the necessary financial information is available is from sources treated as "qualifying income" within the meaning of Section 7704(d) of the Code.

Opinions of counsel, however, are subject to certain limitations and are not binding on the Internal Revenue Service (IRS) and no assurance can be given that the IRS would not successfully assert a contrary position regarding the merger and the opinions of counsel. In addition, such opinions will be based upon certain factual assumptions and representations made by the officers of ETP, ETP GP, Regency and Regency GP and any of their respective affiliates. Please read "Material U.S. Federal Income Tax Consequences of the Merger" for a more complete discussion of the U.S. federal income tax consequences of the merger.

Accounting Treatment of the Merger (See page 79)

ETP and Regency are under the common control of ETE. Therefore, in accordance with accounting principles generally accepted in the United States, ETP will account for the merger as a reorganization of entities

Table of Contents

under common control and will use the historical cost basis method of accounting. Under this method of accounting, ETP will retrospectively adjust its financial statements to reflect the consolidation of Regency beginning May 26, 2010 (the date ETE acquired Regency GP).

Listing of ETP Common Units; Delisting and Deregistration of Regency Common Units (See page 80)

ETP common units are currently listed on the NYSE under the ticker symbol ETP. It is a condition to closing that the ETP common units to be issued in the merger to Regency unitholders be approved for listing on the NYSE, subject to official notice of issuance.

Regency common units are currently listed on the NYSE under the ticker symbol RGP. If the merger is completed, Regency common units will cease to be listed on the NYSE and will be deregistered under the Exchange Act.

No Appraisal Rights (See page 79)

Appraisal rights are not available in connection with the merger under the Delaware LP Act or under the Regency partnership agreement.

Conditions to Consummation of the Mergers (See page 83)

ETP and Regency currently expect to complete the merger shortly following the conclusion of the meeting, subject to receipt of required Regency unitholder and regulatory approvals and clearances and to the satisfaction or waiver of the other conditions to the transactions contemplated by the merger agreement described below.

As more fully described in this proxy statement/prospectus, each party's obligation to complete the transactions contemplated by the merger agreement depends on a number of customary closing conditions being satisfied or, where legally permissible, waived, including the following:

the merger agreement and the transactions contemplated thereby must have been approved by the affirmative vote or consent of the holders of at least a majority of the outstanding Regency common units, Class F units and Series A units as of the record date, voting together as a single class;

the waiting period applicable to the merger, if any, under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the HSR Act), must have been terminated or expired;

no law, injunction, judgment or ruling enacted, promulgated, issued, entered, amended or enforced by any governmental authority will be in effect enjoining, restraining, preventing or prohibiting the consummation of the transactions contemplated by the merger agreement or making the consummation of such transactions illegal;

the registration statement of which this proxy statement/prospectus forms a part must have been declared effective by the SEC and must not be subject to any stop order or proceedings initiated or threatened by the SEC; and

the ETP common units to be issued in the merger must have been approved for listing on the NYSE, subject to official notice of issuance.

The obligation of ETP to effect the merger is subject to the satisfaction or waiver of the following additional conditions:

the representations and warranties of Regency in the merger agreement being true and correct both when made and at and as of the date of the closing of the merger, subject to certain standards, including

Table of Contents

materiality and material adverse effect qualifications, as described under Proposal 1: The Merger Agreement Conditions to Consummation of the Merger;

Regency and Regency GP having performed, in all material respects, all obligations required to be performed by them under the merger agreement;

the receipt of an officer's certificate executed by an executive officer of Regency certifying that the two preceding conditions have been satisfied; and

ETP having received from Latham & Watkins LLP, tax counsel to ETP, a written opinion regarding certain U.S. federal income tax matters, as described under Proposal 1: The Merger Agreement Conditions to Consummation of the Merger.

The obligation of Regency to effect the merger is subject to the satisfaction or waiver of the following additional conditions:

the representations and warranties of ETP in the merger agreement being true and correct both when made and at and as of the date of the closing of the merger, subject to certain standards, including materiality and material adverse effect qualifications, as described under Proposal 1: The Merger Agreement Conditions to Consummation of the Merger;

ETP, ETP GP, Merger Sub A, and Merger Sub B having performed, in all material respects, all obligations required to be performed by them under the merger agreement;

the receipt of an officer's certificate executed by an executive officer of ETP certifying that the two preceding conditions have been satisfied;

Regency having received from Baker Botts L.L.P., tax counsel to Regency, a written opinion regarding certain U.S. federal income tax matters, as described under Proposal 1: The Merger Agreement Conditions to Consummation of the Merger ; and

ETP GP having executed and delivered to Regency an amendment to the ETP partnership agreement (the ETP partnership agreement amendment), as described under Proposal 1: The Merger Agreement Conditions to Consummation of the Merger

Amendment of ETP Partnership Agreement (See page 97)

In conjunction with the merger, ETP GP will enter into the ETP partnership agreement amendment, providing for (i) the reduction by ETE, as the holder of ETP's incentive distribution rights, of (x) \$20 million in quarterly distributions in respect of such rights for four consecutive quarters commencing with the first quarter for which the related record date occurs on or following the closing and (y) \$15 million in quarterly distributions in respect of such

rights for 16 consecutive quarters thereafter, (ii) the creation and issuance of the ETP preferred units and (iii) a change in the definition of Operating Surplus in the ETP partnership agreement to provide that such term will include an amount equal to the operating surplus of Regency. See The Merger ETP Partnership Agreement Amendment.

Regulatory Approvals and Clearances Required for the Merger (See page 79)

Consummation of the merger is subject to the expiration or termination of the applicable waiting period under the HSR Act, if any. On February 11, 2015, ETP and Regency filed Notification and Report Forms with the Antitrust Division of the Department of Justice (the Antitrust Division) and the Federal Trade Commission (the FTC). On February 24, 2015, the FTC granted early termination of the waiting period under the HSR Act. See The Merger Regulatory Approvals and Clearances Required for the Merger.

Table of Contents

No Solicitation by Regency of Alternative Proposals (See page 86)

Under the merger agreement, Regency has agreed that it will not, and will cause its subsidiaries and use reasonable best efforts to cause its and its subsidiaries' directors, officers, employees, investment bankers, financial advisors, attorneys, accountants, agents and other representatives not to, directly or indirectly:

solicit, initiate, knowingly facilitate, knowingly encourage (including by way of furnishing confidential information) or knowingly induce or take any other action intended to lead to any inquiries or any proposals that constitute the submission of an alternative proposal;

grant approval to any person to acquire 20% or more of any partnership securities issued by Regency without such person being subject to the limitations in Regency's partnership agreement that prevents certain persons or groups that beneficially own 20% or more of any outstanding partnership securities of any class then outstanding from voting any partnership securities of such party on any matter; or

except as permitted by the merger agreement, enter into any confidentiality agreement, merger agreement, letter of intent, agreement in principle, unit purchase agreement, asset purchase agreement or unit exchange agreement, option agreement or other similar agreement relating to an alternative proposal.

In addition, the merger agreement requires Regency and its subsidiaries to (i) cease and cause to be terminated any discussions or negotiations with any persons conducted prior to the execution of the merger agreement regarding an alternative proposal, (ii) request the return or destruction of all confidential information previously provided to any such persons and (iii) immediately prohibit any access by any persons (other than the other party and its representatives) to any physical or electronic data room relating to a possible alternative proposal.

Notwithstanding these restrictions, the merger agreement provides that, under specified circumstances at any time prior to Regency unitholders voting in favor of adopting the merger agreement, Regency may furnish information, including confidential information, with respect to it and its subsidiaries to, and participate in discussions or negotiations with, any third party that makes a written alternative proposal that the Regency Board (upon the recommendation of the Regency Conflicts Committee) believes is bona fide so long as (after consultation with its financial advisors and outside legal counsel) the Regency Board determines in good faith that (i) such alternative proposal constitutes or could reasonably be expected to lead to or result in a superior proposal, (ii) failure to furnish such information or participate in such discussions would be inconsistent with the Regency Board's duties under the Regency partnership agreement and (iii) such alternative proposal did not result from a material breach of the no solicitation provisions in the merger agreement.

Regency has also agreed in the merger agreement that it (i) will promptly, and in any event within 24 hours after receipt, notify ETP of any alternative proposal or any request for information or inquiry with regard to any alternative proposal and the identity of the person making any such alternative proposal, request or inquiry (including providing ETP with copies of any written materials received from or on behalf of such person relating to such proposal, offer, request or inquiry) and (ii) will provide ETP the terms, conditions and nature of any such alternative proposal, request or inquiry. In addition, Regency agrees to keep ETP reasonably informed of all material developments affecting the status and terms of any such alternative proposals, offers, inquiries or requests (and promptly provide ETP with copies of any written materials received by it or that it has delivered to any third party making an alternative proposal that relate to such proposals, offers, requests or inquiries) and of the status of any such discussions or negotiations.

Table of Contents

Change in Regency Board Recommendation (See page 87)

The merger agreement provides that Regency will not, and will cause its subsidiaries and use reasonable best efforts to cause its representatives not to, directly or indirectly, withdraw, modify or qualify, or propose publicly to withdraw, modify or qualify, in a manner adverse to ETP, the recommendation of the Regency Board that Regency's unitholders adopt the merger agreement or publicly recommend the approval or adoption of, or publicly approve or adopt, or propose to publicly recommend, approve or adopt, any alternative proposal. In addition, subject to certain limitations, if Regency receives an alternative proposal it will, within five business days of receipt of a written request from ETP, publicly reconfirm the recommendation of the Regency Board that Regency's unitholders adopt the merger agreement and Regency may not unreasonably withhold, delay (beyond the five business day period) or condition such public reconfirmation.

Regency's taking or failing to take, as applicable, any of the actions described above is referred to as an adverse recommendation change.

Subject to the satisfaction of specified conditions in the merger agreement described under Proposal 1: The Merger Agreement Change in Regency Board Recommendation, the Regency Board may, at any time prior to the adoption of the merger agreement by Regency unitholders, effect an adverse recommendation change in response to either (i) any alternative proposal constituting a superior proposal or (ii) a changed circumstance that was not known to or reasonably foreseeable by the Regency Board prior to the date of the merger agreement, in each case if the Regency Board, upon the recommendation of the Regency Conflicts Committee and after consultation with its outside legal counsel and financial advisors, determines in good faith that the failure to take such action would be inconsistent with its duties under the Regency partnership agreement or applicable law.

Termination of the Merger Agreement (See page 91)

ETP or Regency may terminate the merger agreement at any time prior to the effective time:

by mutual written consent;

by either ETP or Regency:

if the merger has not occurred on or before December 31, 2015 (the outside date); *provided*, that the right to terminate is not available to a party if the inability to satisfy such condition was due to the failure of such party to perform any of its obligations under the merger agreement or if the other party has filed and is pursuing an action seeking specific performance pursuant to the terms of the agreement;

if any governmental authority has issued a final and nonappealable law, injunction, judgment or ruling that enjoins or otherwise prohibits the consummation of the transactions contemplated by the merger agreement or makes the transactions contemplated by the merger agreement illegal; *provided, however*, that the right to terminate is not available to a party if such final law, injunction, judgment or rule was due to the failure of such party to perform any of its obligations under the agreement; or

if the unitholders of Regency do not adopt the merger agreement at the special meeting or any adjournment or postponement of such meeting;

by ETP:

if an adverse recommendation change by the Regency Board shall have occurred;

if prior to the adoption of the merger agreement by Regency unitholders, Regency is in willful breach of its obligations to (i) duly call, give notice of and hold a special meeting of Regency unitholders for the purpose of obtaining unitholder approval of the merger agreement, use its

Table of Contents

reasonable best efforts to solicit proxies from unitholder in favor of such adoption and, through the Regency Board, recommend the adoption of the merger agreement to Regency unitholders or (ii) comply with the requirements described under Proposal 1: The Merger Agreement No Solicitation by Regency of Alternative Proposals, in each case, subject to certain exceptions discussed in Proposal 1: The Merger Agreement Termination of the Merger Agreement; or

if there is a breach by Regency of any of its representations, warranties, covenants or agreements in the merger agreement such that certain closing conditions would not be satisfied, or if capable of being cured, such breach has not been cured within 30 days following delivery of written notice of such breach by Regency, subject to certain exceptions discussed in Proposal 1: The Merger Agreement Termination of the Merger Agreement;

by Regency:

if there is a breach by ETP of any of its representations, warranties, covenants or agreements in the merger agreement such that certain closing conditions would not be satisfied, or if capable of being cured, such breach has not been cured within 30 days following delivery of written notice of such breach by ETP, subject to certain exceptions discussed in Proposal 1: The Merger Agreement Termination of the Merger Agreement ; or

prior to the adoption of the merger agreement by Regency's unitholders, in order to enter into (concurrently with such termination) any agreement, understanding or arrangement providing for a superior proposal in accordance with the requirements described under Proposal 1: The Merger Agreement No Solicitation by Regency of Alternative Proposals, including payment of the termination fee.

Expenses (See page 93)

Generally, all fees and expenses incurred in connection with the transactions contemplated by the merger agreement will be the obligation of the respective party incurring such fees and expenses.

In addition, following a termination of the merger agreement in specified circumstances, including if Regency unitholder approval is not obtained, Regency will be required to pay all of the reasonably documented out-of-pocket expenses incurred by ETP and its affiliates in connection with the merger agreement and the transactions contemplated thereby, up to a maximum amount of \$20.0 million. Following payment of the termination fee, Regency will not be obligated to pay any additional expenses incurred by ETP or its affiliates.

Termination Fee (See page 92)

Following termination of the merger agreement under specified circumstances, including due to an adverse recommendation change having occurred, Regency will be required to pay ETP a termination fee of \$450 million, less any expenses previously reimbursed by Regency pursuant to the merger agreement. Following payment of the termination fee, Regency will not be obligated to pay any additional expenses incurred by ETP or its affiliates.

Comparison of Rights of ETP Unitholders and Regency Unitholders (See page 134)

Regency unitholders will own ETP common units following the completion of the merger, and their rights associated with those ETP common units will be governed by the ETP partnership agreement, which differs in a number of respects from the Regency partnership agreement, and the Delaware LP Act.

Table of Contents

Litigation Relating to the Merger (See page 81)

Following the public announcement of the merger, nine putative unitholder class action and/or derivative action lawsuits were filed against Regency GP, the members of the Regency Board, ETP, ETP GP, ETE and, in the non-derivative actions, Regency. Six of the nine actions were filed in the United States District Court for the Northern District of Texas, and the other three actions were filed one in each of the 162nd, 134th and 192nd Judicial District Courts of Dallas County, Texas. Among other remedies, the plaintiffs seek to enjoin the transactions contemplated by the merger agreement. For more information, please read [The Merger](#) Litigation Relating to the Merger.

Corporate Structure Prior to and Following the Mergers

The following represents the simplified corporate structure of ETE, ETP and Regency prior to the mergers:

Table of Contents

The following represents the simplified corporate structure of ETE, ETP and Regency following the completion of the mergers:

Table of Contents**Selected Historical Consolidated Financial Data of ETP**

The following table shows ETP's selected audited historical consolidated financial data as of and for each of the years ended December 31, 2014, 2013, 2012, 2011 and 2010 and are derived from ETP's consolidated financial statements.

You should read the following historical financial data in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and the related notes thereto set forth in ETP's Annual Report on Form 10-K for the year ended December 31, 2014, which is incorporated by reference into this proxy statement/prospectus. See Where You Can Find More Information.

<i>(Dollars in millions, except per unit data)</i>	Historical				
	2014	2013	2012	2011	2010
Statement of Operations Data:					
Total revenues	\$ 51,158	\$ 46,339	\$ 15,702	\$ 6,799	\$ 5,843
Operating income	2,475	1,541	1,394	1,247	1,065
Income from continuing operations	1,489	735	1,757	700	623
Basic net income (loss) per limited partner unit	1.77	(0.18)	4.43	1.10	1.20
Diluted net income (loss) per limited partner unit	1.77	(0.18)	4.42	1.10	1.19
Cash distributions per unit	3.8600	3.6125	3.5750	3.5750	3.5750
Balance Sheet Data (at period end):					
Total assets	48,221	43,702	43,230	15,519	12,150
Long-term debt, less current maturities	18,332	16,451	15,442	7,388	6,405
Total equity	18,264	16,288	17,332	6,350	4,743
Other Financial Data:					
Capital expenditures:					
Maintenance (accrual basis)	343	343	313	134	99
Growth (accrual basis)	4,135	2,112	2,736	1,350	1,276
Cash paid for acquisitions	1,562	1,737	1,364	1,972	178

Selected Historical Consolidated Financial Data of Regency

The following summary historical consolidated balance sheet data as of December 31, 2014, 2013, 2012, 2011 and 2010 and the summary historical consolidated statement of operations for the years ended December 31, 2014, 2013, 2012 and 2011 and for the period from January 1, 2010 to May 25, 2010 and the period from May 26, 2010 to December 31, 2010, are derived from Regency's audited historical consolidated financial statements. On April 30, 2013, Regency acquired Southern Union Gathering Company, LLC (SUGS). Regency accounted for the acquisition in a manner similar to the pooling of interest method of accounting as it was a transaction between commonly controlled entities. Under this method of accounting, Regency reflected historical balance sheet data for Regency and SUGS instead of reflecting the fair market value of SUGS assets and liabilities from the date of acquisition forward. Regency retrospectively adjusted its financial statements to include the balances and operations of SUGS from March 26, 2012 (the date upon which common control began). The SUGS acquisition does not impact historical earnings per unit as pre-acquisition earnings were allocated to predecessor equity. As a result of this accounting treatment, the balances and operations of SUGS are included in the financial data of both ETP and Regency for the period from March 26, 2012 to April 30, 2013.

Table of Contents

You should read the following historical consolidated financial data in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and the related notes thereto set forth in Regency's Annual Report on Form 10-K for the year ended December 31, 2014, which is incorporated by reference into this proxy statement/prospectus. See Where You Can Find More Information.

	Successor Year Ended December 31,				Predecessor Period from May 26, 2010 to December 31, May 25, 2010	
<i>(Dollars in millions, except per unit data)</i>	2014	2013	2012	2011	2010	2010
Statement of Operations Data:						
Total revenues	\$ 4,951	\$ 2,521	\$ 2,000	\$ 1,434	\$ 716	\$ 505
Total operating costs and expenses	4,968	2,466	1,970	1,394	702	485
Operating (loss) income	(17)	55	30	40	14	20
Other income and deductions:						
Income from unconsolidated affiliates	195	135	105	120	54	16
Interest expense, net	(304)	(164)	(122)	(103)	(48)	(35)
Loss on debt refinancing, net	(25)	(7)	(8)		(16)	(2)
Other income and deductions, net	12	7	29	17	(8)	(4)
Income (loss) from continuing operations before income taxes	(139)	26	34	74	(4)	(5)
Income tax expense (benefit)	3	(1)			1	
Income (loss) from continuing operations	(142)	27	34	74	(5)	(5)
Discontinued operations:						
Net income (loss) from operations of east Texas assets					(1)	
Net income (loss)	(142)	27	34	74	(6)	(5)
Net income (loss) attributable to noncontrolling interest	(15)	(8)	(2)	(2)		
Net income (loss) attributable to Regency Energy Partners LP	\$ (157)	\$ 19	\$ 32	\$ 72	\$ (6)	\$ (5)
Basic and diluted income (loss) from continuing operations per common and subordinated unit:						
Basic income (loss) from continuing operations per common and subordinated unit	\$ (0.57)	\$ 0.17	\$ 0.16	\$ 0.39	\$ (0.09)	\$ (0.10)
Diluted income (loss) from continuing operations per common and subordinated units	\$ (0.57)	\$ 0.17	\$ 0.13	\$ 0.32	\$ (0.09)	\$ (0.10)
Distributions per common and subordinated unit	1.975	1.87	1.84	1.81	0.89	0.89

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Basic and diluted income (loss) from discontinued operations	\$	\$	\$	\$	\$	(0.01)	\$
Basic net income (loss) per unit	\$ (0.57)	\$ 0.17	\$ 0.16	\$ 0.39	\$	(0.10)	\$ (0.10)
Diluted net income (loss) per common and subordinated unit	\$ (0.57)	0.17	0.13	0.32		(0.10)	(0.10)

Table of Contents

	Successor			
	December 31, 2014	December 31, 2013	December 31, 2012	December 31, 2011
<i>(Dollars in millions)</i>				
Balance Sheet Data (at period end):				
Property, plant and equipment, net	\$ 9,217	\$ 4,418	\$ 3,686	\$ 1,886
Total assets	17,103	8,782	8,123	5,568
Long-term debt (long-term portion only)	6,641	3,310	2,157	1,687
Series A Preferred Units	33	32	73	71
Partners' capital and noncontrolling interest	9,585	4,916	5,340	3,531

Selected Unaudited Pro Forma Financial Information

The following selected unaudited pro forma condensed consolidated balance sheet data as of December 31, 2014 reflects the merger as if it occurred on December 31, 2014. The unaudited pro forma condensed consolidated statement of continuing operations data for the years ended December 31, 2014, 2013 and 2012 reflect the merger as if it occurred on January 1, 2012.

The following selected unaudited pro forma combined financial information has been prepared for illustrative purposes only and is not necessarily indicative of what the combined organization's condensed financial position or results of operations actually would have been had the merger been completed as of the dates indicated. In addition, the unaudited pro forma combined financial information does not purport to project the future financial position or operating results of the combined organization. Future results may vary significantly from the results reflected because of various factors. The following selected unaudited pro forma combined financial information should be read in conjunction with the section entitled "Energy Transfer Partners, L.P. Unaudited Pro Forma Financial Information and related notes included in this proxy statement/prospectus.

Unaudited Pro Forma Condensed Consolidated Balance Sheet Data as of December 31, 2014

	ETP Historical	Regency Historical	Pro Forma Adjustments	ETP Pro Forma for Merger
<i>(in millions)</i>				
Total assets	\$ 48,221	\$ 17,103	\$ (2,650)	\$ 62,674
Total current liabilities	\$ 6,040	\$ 756	\$ (112)	\$ 6,684
Total long-term debt, less current maturities	18,332	6,641		24,973
Total equity	18,264	9,585	(2,538)	25,311
Total liabilities and equity	\$ 48,221	\$ 17,103	\$ (2,650)	\$ 62,674

Table of Contents**Unaudited Pro Forma Condensed Consolidated Statement of Continuing Operations for the Year Ended December 31, 2014**

<i>(in millions except per unit data)</i>	ETP Historical	Regency Historical	Pro Forma Adjustments	ETP Pro Forma for Regency Merger
Revenues	\$ 51,158	\$ 4,951	\$ (524)	\$ 55,585
Income from Continuing Operations	\$ 1,489	\$ (142)	\$ (114)	\$ 1,233
Limited Partners Allocation of Income from Continuing Operations	\$ 525	\$ (199)	\$ 9	\$ 335
Income from Continuing Operations per Common Unit:				
Basic	\$ 1.58	\$ (0.57)		\$ 0.72
Diluted	\$ 1.58	\$ (0.57)		\$ 0.72

Unaudited Pro Forma Condensed Consolidated Statement of Continuing Operations for the Year Ended December 31, 2013

<i>(in millions except per unit data)</i>	ETP Historical	Regency Historical	Pro Forma Adjustments	ETP Pro Forma for Regency Merger
Revenues	\$ 46,339	\$ 2,521	\$ (514)	\$ 48,346
Income from Continuing Operations	\$ 735	\$ 27	\$ (54)	\$ 708
Limited Partners Allocation of Income from Continuing Operations	\$ (78)	\$ 34	\$ (18)	\$ (62)
Income (Loss) from Continuing Operations per Common Unit:				
Basic	\$ (0.23)	\$ 0.17		\$ (0.15)
Diluted	\$ (0.23)	\$ 0.17		\$ (0.15)

Unaudited Pro Forma Condensed Consolidated Statement of Continuing Operations for the Year Ended December 31, 2012

<i>(in millions except per unit data)</i>	ETP Historical	Regency Historical	Pro Forma Adjustments	ETP Pro Forma for Regency Merger
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Revenues	\$ 15,702	\$ 2,000	\$ (708)	\$ 16,994
Income from Continuing Operations	\$ 1,757	\$ 34	\$ (36)	\$ 1,755
Limited Partners Allocation of Income from Continuing Operations	\$ 1,224	\$ 27	\$ (6)	\$ 1,245
Income from Continuing Operations per Common Unit:				
Basic	\$ 4.93	\$ 0.16		\$ 3.92
Diluted	\$ 4.91	\$ 0.13		\$ 3.89

Table of Contents

Unaudited Comparative Per Unit Information

The table below sets forth historical and unaudited pro forma combined per unit information of ETP and Regency.

Historical Per Unit Information of ETP and Regency

The historical per unit information of ETP and Regency set forth in the table below is derived from the audited consolidated financial statements as of and for the years ended December 31, 2014 and 2013 for each of ETP and Regency.

Pro Forma Combined Per Unit Information of ETP

The unaudited pro forma combined per unit information of ETP set forth in the table below gives effect to the merger under the purchase method of accounting, as if the merger had been effective on January 1, 2012, in the case of income from continuing operations per unit and cash distributions data, and December 31, 2014, in the case of book value per unit data, and, in each case, assuming that a number of ETP common units equal to 0.4066 plus the number of ETP common units that would represent the additional unit consideration if the merger had been effective on such date have been issued in exchange for each outstanding Regency common unit and Class F unit, after giving effect to the settlement of outstanding Regency phantom units, Regency unit options and Regency cash units in accordance with the merger agreement. The unaudited pro forma combined per unit information of ETP is derived from the audited consolidated financial statements as of and for the years ended December 31, 2014 and 2013 for each of ETP and Regency.

Equivalent Pro Forma Combined Per Unit Information of Regency

The unaudited Regency equivalent pro forma per unit amounts set forth in the table below are calculated by multiplying the unaudited pro forma combined per unit amounts of ETP by the sum of the exchange ratio of 0.4066 and the number of ETP common units that would represent the additional unit consideration if the merger had been effective on January 1, 2012 or December 31, 2014, as applicable.

General

You should read the information set forth below in conjunction with the selected historical financial information of ETP and Regency included elsewhere in this proxy statement/prospectus and the historical financial statements and related notes of ETP and Regency that are incorporated into this proxy statement/prospectus by reference. See

Selected Historical Consolidated Financial Data of ETP, Selected Historical Consolidated Financial Data of Regency and Where You Can Find More Information.

The accounting for an acquisition of a business is based on the authoritative guidance for business combinations. Purchase accounting requires, among other things, that the assets acquired and liabilities assumed be recognized at their fair values as of the date the merger is completed. The allocation of the purchase price is dependent upon certain valuations of Regency's assets and liabilities and other studies that have yet to commence or progress to a stage where there is sufficient information for a definitive measurement. Accordingly, the pro forma adjustments reflect the assets and liabilities of Regency at their preliminary estimated fair values. Differences between these preliminary estimates and the final purchase accounting will occur, and these differences could have a material impact on the unaudited pro forma combined per unit information set forth in the following table.

Table of Contents

The unaudited pro forma per unit information of ETP does not purport to represent the actual results of operations that ETP would have achieved or distributions that would have been declared had the companies been combined during these periods or to project the future results of operations that ETP may achieve or the distributions it may pay after the merger.

	As of and for the Year Ended December 31, 2014	As of and for the Year Ended December 31, 2013
	(in millions, except per unit data)	
Historical ETP		
Income from continuing operations	\$ 1,489	\$ 735
Distribution per common unit declared for the period	\$ 3.8600	\$ 3.6125
Book value per limited partner unit	\$ 29.49	\$ 28.08
	As of and for the Year Ended December 31, 2014	As of and for the Year Ended December 31, 2013
	(in millions, except per unit data)	
Historical Regency		
Income from continuing operations	\$ (142)	\$ 27
Distribution per common unit declared for the period	\$ 1.975	\$ 1.87
Book value per limited partner unit	\$ 20.81	\$ 18.38
	As of and for the Year Ended December 31, 2014	As of and for the Year Ended December 31, 2013
	(in millions, except per unit data)	
Pro Forma Combined		
Income from continuing operations	\$ 1,233	\$ 708
Book value per limited partner unit	\$ 34.83	\$ 29.26
Comparative Unit Prices and Distributions		

ETP common units are currently listed on the NYSE under the ticker symbol ETP. Regency common units are currently listed on the NYSE under the ticker symbol RGP. The table below sets forth, for the calendar quarters indicated, the high and low sale prices per ETP common unit on the NYSE and per Regency common unit on the

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NYSE. The table also shows the amount of cash distributions declared on ETP common units and Regency common units, respectively, for the calendar quarters indicated.

	ETP Common Units			Regency Common Units		
	High	Low	Cash Distributions	High	Low	Cash Distributions
2015						
First quarter (through March 20, 2015)	\$ 66.58	\$ 53.25		\$ 27.27	\$ 20.45	
2014						
Fourth quarter	\$ 69.66	\$ 53.12	\$ 0.99500	\$ 32.86	\$ 22.07	\$ 0.5025
Third quarter	64.13	54.64	0.97500	33.57	29.54	0.5025
Second quarter	58.20	53.62	0.95500	32.22	25.67	0.4900
First quarter	57.00	52.49	0.93500	27.91	25.29	0.4800
2013						
Fourth quarter	57.31	50.60	0.92000	29.52	23.86	0.4750
Third quarter	54.85	49.40	0.90500	29.35	25.57	0.4700
Second quarter	53.00	45.16	0.89375	27.15	23.70	0.4650
First quarter	50.71	43.67	0.89375	25.66	22.03	0.4600

Table of Contents

The following table presents per unit closing prices of ETP common units and Regency common units on (i) January 23, 2015, the last trading day before the public announcement of the merger, and (ii) on March 20, 2015, the most recent practicable trading day before the date of this proxy statement/prospectus. This table also presents the equivalent market value per Regency common unit on such dates. The equivalent market value per Regency common unit has been determined by multiplying the closing prices of ETP common units on those dates by the sum of the exchange ratio and the number of ETP common units representing the additional unit consideration if the merger had been effective on such date.

	ETP Common Units	Regency Common Units	Equivalent Market Value per Regency Common Unit
January 23, 2015	\$ 65.34	\$ 23.75	\$ 26.85
March 20, 2015	\$ 56.26	\$ 23.14	\$ 23.20

Although the exchange ratio is fixed, the market prices of ETP common units and Regency common units will fluctuate prior to the consummation of the merger and the market value of the unit consideration portion of the merger consideration ultimately received by Regency unitholders will depend on the closing price of ETP common units on the day the merger is consummated. Likewise, the number of ETP common units that will ultimately be received by unitholders as the additional unit consideration will depend on either (i) the volume weighted average price of ETP common units on the NYSE for the five trading days ending on the third trading day immediately preceding the effective time of the merger or (ii) the closing price of ETP common units on the NYSE on the third day immediately preceding the effective time of the merger, whichever is lower. Thus, Regency unitholders will not know the exact market value of the merger consideration or the total number of ETP common units they will receive until the closing of the merger.

Table of Contents

RISK FACTORS

*In addition to the other information included and incorporated by reference into this proxy statement/prospectus, including the matters addressed in the section titled **Cautionary Statement Regarding Forward-Looking Statements**, you should carefully consider the following risks before deciding whether to vote for the adoption of the merger agreement. In addition, you should read and carefully consider the risks associated with each of ETP and Regency and their respective businesses. These risks can be found in ETP's and Regency's respective Annual Reports on Form 10-K for the year ended December 31, 2014, which are filed with the SEC and incorporated by reference into this proxy statement/prospectus. For further information regarding the documents incorporated into this proxy statement/prospectus by reference, please see the section titled **Where You Can Find More Information**. Realization of any of the risks described below, any of the events described under **Cautionary Statement Regarding Forward-Looking Statements** or any of the risks or events described in the documents incorporated by reference could have a material adverse effect on ETP's, Regency's or the combined organization's businesses, financial condition, cash flows and results of operations and could result in a decline in the trading prices of their respective common units.*

Risk Factors Relating to the Merger

Because the market price of ETP common units will fluctuate prior to the consummation of the merger, Regency unitholders cannot be sure of the market value of the ETP common units they will receive as unit consideration relative to the value of Regency common units or Class F units they exchange, or of the number of ETP common units they will receive as additional unit consideration.

The market value of the unit consideration that Regency unitholders will receive in the merger will depend on the trading price of ETP's common units at the closing of the merger. The exchange ratio that determines the number of ETP common units that Regency unitholders will receive as unit consideration in the merger is fixed. This means that there is no mechanism contained in the merger agreement that would adjust the number of ETP common units that Regency unitholders will receive as the unit consideration based on any decreases in the trading price of ETP common units. Unit price changes may result from a variety of factors (many of which are beyond ETP's or Regency's control), including:

changes in ETP's business, operations and prospects;

changes in market assessments of ETP's business, operations and prospects;

interest rates, general market, industry and economic conditions and other factors generally affecting the price of ETP common units; and

federal, state and local legislation, governmental regulation and legal developments in the businesses in which ETP operates.

Because the merger will be completed after the special meeting, at the time of the meeting, you will not know the exact market value of the ETP common units that the Regency unitholders will receive upon completion of the merger. If ETP's common unit price at the closing of the merger is less than ETP's common unit price on the date that

the merger agreement was signed, then the market value of the unit consideration received by Regency unitholders will be less than contemplated at the time the merger agreement was signed.

Similarly, because the number of ETP common units Regency unitholders will receive as the additional unit consideration depends on the price of ETP common units over the days leading up to the closing of the merger, Regency unitholders cannot be sure of the total number of ETP common units they will receive for the Regency common units or Class F units they exchange.

Table of Contents

ETP and Regency may be unable to obtain the regulatory clearances required to complete the merger or, in order to do so, ETP and Regency may be required to comply with material restrictions or satisfy material conditions.

The merger is subject to review by the Antitrust Division and the FTC under the HSR Act, and potentially by state regulatory authorities. The closing of the merger is subject to the condition that there is no law, injunction, judgment or ruling by a governmental authority in effect enjoining, restraining, preventing or prohibiting the merger contemplated by the merger agreement. ETP and Regency can provide no assurance that all required regulatory clearances will be obtained. If a governmental authority asserts objections to the merger, ETP or Regency may be required to divest some assets in order to obtain antitrust clearance. There can be no assurance as to the cost, scope or impact of the actions that may be required to obtain antitrust or other regulatory approval. If ETP or Regency takes such actions, it could be detrimental to it or to the combined organization following the consummation of the merger. Furthermore, these actions could have the effect of delaying or preventing completion of the proposed merger or imposing additional costs on or limiting the revenues or cash available for distribution of the combined organization following the consummation of the merger. See Proposal 1: The Merger Agreement Regulatory Matters.

Although the parties received early termination of the statutory waiting period under the HSR Act on February 24, 2015, the Antitrust Division or the FTC could take action under the antitrust laws to prevent or rescind the merger, require the divestiture of assets or seek other remedies. Additionally, state attorneys general could seek to block or challenge the merger as they deem necessary or desirable in the public interest at any time, including after completion of the transaction. In addition, in some circumstances, a third party could initiate a private action under antitrust laws challenging or seeking to enjoin the merger, before or after it is completed. ETP may not prevail and may incur significant costs in defending or settling any action under the antitrust laws.

The fairness opinion rendered to the Regency Conflicts Committee and the Regency Board by J.P. Morgan was based on J.P. Morgan's financial analysis and considered factors such as market and other conditions then in effect, and financial forecasts and other information made available to J.P. Morgan, as of the date of the opinion. As a result, the opinion does not reflect changes in events or circumstances after the date of such opinion, including the amendment to the merger agreement. The Regency Conflicts Committee has not obtained, and does not expect to obtain, an updated fairness opinion from J.P. Morgan reflecting changes in circumstances that may have occurred since the signing of the merger agreement.

The fairness opinion rendered to the Regency Conflicts Committee and the Regency Board by J.P. Morgan was provided in connection with, and at the time of, the evaluation of the merger and the merger agreement by the Regency Conflicts Committee and the Regency Board. The opinion was based on the financial analyses performed, which considered market and other conditions then in effect, and financial forecasts and other information made available to J.P. Morgan, as of the date of the opinion, which may have changed, or may change, after the date of the opinion. The Regency Conflicts Committee and the Regency Board have not obtained an updated opinion as of the date of the amendment to the merger agreement or as of the date of this proxy statement/prospectus from J.P. Morgan and do not expect to obtain an updated opinion prior to completion of the merger. Changes in the operations and prospects of ETP or Regency, general market and economic conditions and other factors that may be beyond the control of ETP and Regency, and on which the fairness opinion was based, may have altered the value of ETP or Regency or the prices of ETP common units or Regency common units since the date of such opinion, or may alter such values and prices by the time the merger is completed. The opinion does not speak as of any date other than the date of the opinion. For a description of the opinion that J.P. Morgan rendered to the Regency Conflicts Committee and the Regency Board, please refer to The Merger Opinion of the Financial Advisor to the Regency Conflicts Committee.

Table of Contents

Regency is subject to provisions that limit its ability to pursue alternatives to the merger, which could discourage a potential competing acquirer of Regency from making a favorable alternative transaction proposal and, in specified circumstances under the merger agreement, would require Regency to reimburse up to \$20.0 million of ETP's out-of-pocket expenses and pay a termination fee to ETP of \$450 million less any previous expense reimbursements.

Under the merger agreement, Regency is restricted from entering into alternative transactions. Unless and until the merger agreement is terminated, subject to specified exceptions (which are discussed in more detail in Proposal 1: The Merger Agreement No Solicitation by Regency of Alternative Proposals), Regency is restricted from soliciting, initiating, knowingly facilitating, knowingly encouraging or knowingly inducing or negotiating, any inquiry, proposal or offer for a competing acquisition proposal with any person. In addition, Regency may not grant approval to any person to acquire 20% or more of any class of its outstanding units without such person losing the ability to vote on any matter under the Regency partnership agreement. Under the merger agreement, in the event of a potential change by the Regency Board of its recommendation with respect to the proposed merger in light of a superior proposal, Regency must provide ETP with five days' notice to allow ETP to propose an adjustment to the terms and conditions of the merger agreement. These provisions could discourage a third party that may have an interest in acquiring all or a significant part of Regency from considering or proposing that acquisition, even if such third party were prepared to pay consideration with a higher per unit market value than the merger consideration, or might result in a potential competing acquirer of Regency proposing to pay a lower price than it would otherwise have proposed to pay because of the added expense of the termination fee that may become payable in specified circumstances.

If the merger agreement is terminated under specified circumstances, including if the Regency unitholder approval is not obtained, then Regency will be required to pay all of the reasonably documented out-of-pocket expenses incurred by ETP and its affiliates in connection with the merger agreement and the transactions contemplated thereby, up to a maximum amount of \$20.0 million. In addition, if the merger agreement is terminated in specified circumstances, including due to an adverse recommendation change having occurred, Regency will be required to pay ETP a termination fee of \$450 million, less any expenses previously paid by Regency. Following payment of the termination fee, Regency will not be obligated to pay any additional expenses incurred by ETP or its affiliates. Please read Proposal 1: The Merger Agreement Expenses and Termination Fee. If such a termination fee is payable, the payment of this fee could have material and adverse consequences to the financial condition and operations of Regency. For a discussion of the restrictions on soliciting or entering into a takeover proposal or alternative transaction and the ability of the Regency Board to change its recommendation, see Proposal 1: The Merger Agreement No Solicitation by Regency of Alternative Proposals and Change in Regency Board Recommendation.

Directors and executive officers of Regency have certain interests that are different from those of Regency unitholders generally.

Directors and executive officers of Regency are parties to agreements or participants in other arrangements that give them interests in the merger that may be different from, or be in addition to, your interests as a unitholder of Regency. You should consider these interests in voting on the merger. These different interests are described under The Merger Interests of Directors and Executive Officers of Regency in the Merger.

ETP or Regency may have difficulty attracting, motivating and retaining executives and other employees in light of the merger.

Uncertainty about the effect of the merger on ETP or Regency employees may have an adverse effect on the combined organization. This uncertainty may impair these companies' ability to attract, retain and motivate personnel until the merger is completed. Employee retention may be particularly challenging during the pendency of the merger, as

employees may feel uncertain about their future roles with the combined organization. In addition, Regency may have to provide additional compensation in order to retain employees. If employees of Regency depart because of issues relating to the uncertainty and difficulty of integration or a desire

Table of Contents

not to become employees of the combined organization, the combined organization's ability to realize the anticipated benefits of the merger could be reduced.

ETP and Regency are subject to business uncertainties and contractual restrictions while the proposed merger is pending, which could adversely affect each party's business and operations.

In connection with the pending merger, it is possible that some customers, suppliers and other persons with whom ETP or Regency have business relationships may delay or defer certain business decisions or, might decide to seek to terminate, change or renegotiate their relationship with ETP or Regency as a result of the merger, which could negatively affect ETP's and Regency's respective revenues, earnings and cash available for distribution, as well as the market price of ETP common units and Regency common units, regardless of whether the merger is completed.

Under the terms of the merger agreement, each of ETP and Regency is subject to certain restrictions on the conduct of its business prior to completing the merger, which may adversely affect its ability to execute certain of its business strategies. Such limitations could negatively affect each party's businesses and operations prior to the completion of the merger. Furthermore, the process of planning to integrate two businesses and organizations for the post-merger period can divert management attention and resources and could ultimately have an adverse effect on each party. For a discussion of these restrictions, see Proposal 1: The Merger Agreement Conduct of Business Pending the Consummation of the Merger.

ETP and Regency will incur substantial transaction-related costs in connection with the merger.

ETP and Regency expect to incur a number of non-recurring transaction-related costs associated with completing the merger, combining the operations of the two organizations and achieving desired synergies. These fees and costs will be substantial. Non-recurring transaction costs include, but are not limited to, fees paid to legal, financial and accounting advisors, filing fees and printing costs. Additional unanticipated costs may be incurred in the integration of the businesses of ETP and Regency. There can be no assurance that the elimination of certain duplicative costs, as well as the realization of other efficiencies related to the integration of the two businesses, will offset the incremental transaction-related costs over time. Thus, any net benefit may not be achieved in the near term, the long term or at all.

Failure to successfully combine the businesses of ETP and Regency in the expected time frame may adversely affect the future results of the combined organization, and, consequently, the value of the ETP common units that Regency unitholders receive as part of the merger consideration.

The success of the proposed merger will depend, in part, on the ability of ETP to realize the anticipated benefits and synergies from combining the businesses of ETP and Regency. To realize these anticipated benefits, the businesses must be successfully combined. If the combined organization is not able to achieve these objectives, or is not able to achieve these objectives on a timely basis, the anticipated benefits of the merger may not be realized fully or at all. In addition, the actual integration may result in additional and unforeseen expenses, which could reduce the anticipated benefits of the merger. These integration difficulties could result in declines in the market value of ETP's common units and, consequently, result in declines in the market value of the ETP common units that Regency unitholders receive as part of the merger consideration.

The merger is subject to conditions, including certain conditions that may not be satisfied on a timely basis, if at all. Failure to complete the merger, or significant delays in completing the merger, could negatively affect the trading prices of ETP common units and Regency common units and the future business and financial results of ETP and Regency.

The completion of the merger is subject to a number of conditions. The completion of the merger is not assured and is subject to risks, including the risk that approval of the merger by Regency unitholders or by governmental agencies is not obtained or that other closing conditions are not satisfied. If the merger is not

Table of Contents

completed, or if there are significant delays in completing the merger, the trading prices of ETP common units and Regency common units and the respective future business and financial results of ETP and Regency could be negatively affected, and each of them will be subject to several risks, including the following:

the parties may be liable for damages to one another under the terms and conditions of the merger agreement;

negative reactions from the financial markets, including declines in the price of ETP common units or Regency common units due to the fact that current prices may reflect a market assumption that the merger will be completed;

having to pay certain significant costs relating to the merger, including, in certain circumstances, the reimbursement by Regency of up to \$20.0 million of ETP's expenses and a termination fee of \$450 million less any previous expense reimbursements by Regency, as described in Proposal 1: The Merger Agreement Expenses and Termination Fee ; and

the attention of management of ETP and Regency will have been diverted to the merger rather than each organization's own operations and pursuit of other opportunities that could have been beneficial to that organization.

If the merger is approved by Regency unitholders, the date that Regency unitholders will receive the merger consideration is uncertain.

As described in this proxy statement/prospectus, completing the proposed merger is subject to several conditions, not all of which are controllable or waiveable by ETP or Regency. Accordingly, if the proposed merger is approved by Regency unitholders, the date that Regency unitholders will receive the merger consideration depends on the completion date of the merger, which is uncertain.

Regency's financial estimates are based on various assumptions that may not prove to be correct.

The financial estimates set forth in the forecast included under The Merger Unaudited Financial Projections of Regency are based on assumptions of, and information available to, Regency at the time they were prepared and provided to the Regency Board and the Regency Conflict Committee and its financial advisors. Regency does not know whether such assumptions will prove correct. Any or all of such estimates may turn out to be wrong. Such estimates can be adversely affected by inaccurate assumptions or by known or unknown risks and uncertainties, many of which are beyond Regency's control. Many factors mentioned in this proxy statement/prospectus, including the risks outlined in this Risk Factors section and the events or circumstances described under Cautionary Statement Regarding Forward-Looking Statements, will be important in determining Regency's future results. As a result of these contingencies, actual future results may vary materially from Regency's estimates. In view of these uncertainties, the inclusion of Regency's financial estimates in this proxy statement/prospectus is not and should not be viewed as a representation that the forecast results will be achieved.

Regency's financial estimates were not prepared with a view toward public disclosure, and such financial estimates were not prepared with a view toward compliance with published guidelines of any regulatory or professional body.

Further, any forward-looking statement speaks only as of the date on which it is made, and Regency undertakes no obligation, other than as required by applicable law, to update its financial estimates herein to reflect events or circumstances after the date those financial estimates were prepared or to reflect the occurrence of anticipated or unanticipated events or circumstances.

The financial estimates included in this proxy statement/prospectus have been prepared by, and are the responsibility of, Regency. Moreover, neither Regency's independent accountants, Grant Thornton LLP, nor any other independent accountants, have compiled, examined or performed any procedures with respect to Regency's prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and, accordingly, Grant Thornton LLP assumes no

Table of Contents

responsibility for, and disclaims any association with, Regency's prospective financial information. The reports of Grant Thornton LLP incorporated by reference herein relate exclusively to the historical financial information of the entities named in those reports and do not cover any other information in this proxy statement/prospectus and should not be read to do so. See "The Merger - Unaudited Financial Projections of Regency" for more information.

The number of outstanding ETP common units will increase as a result of the merger, which could make it more difficult for ETP to pay the current level of quarterly distributions.

As of March 24, 2015, there were more than 327 million ETP common units outstanding. ETP will issue approximately 172 million common units in connection with the merger. Accordingly, the aggregate dollar amount required to pay the current per unit quarterly distribution on all ETP common units will increase, which could increase the likelihood that ETP will not have sufficient funds to pay the current level of quarterly distributions to all ETP unitholders. Using a \$0.995 per ETP common unit distribution (the amount ETP paid with respect to the fourth fiscal quarter of 2014 on February 13, 2015 to holders of record as of February 6, 2015), the aggregate cash distribution paid to ETP unitholders totaled approximately \$529.1 million (net of \$59.0 million of distributions that were reinvested), including a distribution of \$145.3 million to ETP GP in respect of its general partner interest and ownership of incentive distribution rights. The combined pro forma ETP distribution with respect to the fourth fiscal quarter of 2014, had the merger been completed prior to such distribution, would have resulted in \$0.979 per unit being distributed on approximately 529 million ETP common units, or a total of approximately \$777 million including a distribution of \$249 million to ETP GP in respect of its general partner interest and incentive distribution rights. As a result, ETP would have been required to distribute an additional \$16 million in order to maintain the distribution level of \$0.995 per ETP common unit payable with respect to the fourth fiscal quarter of 2014.

Regency unitholders will have a reduced ownership after the merger and will exercise less influence over management.

When the merger occurs, each Regency unitholder that receives ETP common units will become a unitholder of ETP with a percentage ownership of the combined organization that is much smaller than such unitholder's percentage ownership of Regency. In addition, ETP unitholders have only limited voting rights on matters affecting ETP's business and, therefore, limited ability to influence management's decisions regarding ETP's business. Because of this, Regency unitholders will have less influence on the management and policies of ETP than they have now on the management and policies of Regency.

ETP common units to be received by Regency unitholders as a result of the merger have different rights from Regency common units.

Following completion of the merger, Regency unitholders will no longer hold Regency common units, but will instead be unitholders of ETP. There are important differences between the rights of Regency unitholders and the rights of ETP unitholders. See "Comparison of Rights of ETP Unitholders and Regency Unitholders" for a discussion of the different rights associated with ETP common units and Regency common units.

No ruling has been obtained with respect to the U.S. federal income tax consequences of the merger.

No ruling has been or will be requested from the IRS with respect to the U.S. federal income tax consequences of the merger. Instead, ETP and Regency are relying on the opinions of their respective counsel as to the U.S. federal income tax consequences of the merger, and such counsel's conclusions may not be sustained if challenged by the IRS. Please read "Material U.S. Federal Income Tax Consequences of the Merger."

Table of Contents

The expected U.S. federal income tax consequences of the merger are dependent upon ETP and Regency being treated as partnerships for U.S. federal income tax purposes.

The treatment of the merger as nontaxable to ETP and Regency unitholders is dependent upon ETP and Regency each being treated as a partnership for U.S. federal income tax purposes. If ETP or Regency were treated as a corporation for U.S. federal income tax purposes, the consequences of the merger would be materially different and the merger would likely be a fully taxable transaction to a Regency unitholder.

Regency unitholders could recognize taxable income or gain for U.S. federal income tax purposes as a result of the merger.

For U.S. federal income tax purposes, Regency will be deemed to contribute all of its assets to ETP in exchange for ETP units and the assumption of Regency's liabilities followed by a liquidation of Regency in which ETP units are distributed to Regency unitholders. In addition, as a result of the merger, Regency unitholders who receive ETP units will become limited partners of ETP for U.S. federal income tax purposes and will be allocated a share of ETP's nonrecourse liabilities. Each Regency unitholder will be treated as receiving a deemed cash distribution equal to the excess, if any, of such unitholder's share of nonrecourse liabilities of Regency immediately before the merger over such unitholder's share of nonrecourse liabilities of ETP immediately following the merger. If the amount of any deemed cash distribution received by a Regency unitholder exceeds such unitholder's basis in his Regency units, such unitholder will recognize gain in an amount equal to such excess. While there can be no assurance, ETP and Regency expect that most Regency unitholders will not recognize gain in this manner. The amount and effect of any gain that may be recognized by Regency unitholders will depend on the Regency unitholder's particular situation, including the ability of the Regency unitholder to utilize any suspended passive losses. For additional information, please read Material U.S. Federal Income Tax Consequences of the Merger Tax Consequences of the Merger to Regency and Material U.S. Federal Income Tax Consequences of the Merger Tax Consequences of the Merger to Regency Unitholders.

A Regency unitholder's holding period for ETP common units received in the merger may be shorter than such holder's holding period in the surrendered Regency common units.

As a result of the merger, Regency will be deemed to contribute its assets to ETP in exchange for ETP units, followed by a liquidation of Regency in which ETP units are distributed to Regency unitholders. A Regency unitholder's holding period in the ETP units received in the merger will not be determined by reference to its holding period in the surrendered Regency units. Instead, a Regency unitholder's holding period in the ETP units received in the merger that are attributable to Regency's capital assets or assets used in its business as defined in Section 1231 of the Code will include Regency's holding period in those assets. The holding period for ETP units received by a Regency unitholder attributable to other assets of Regency, such as inventory and receivables will begin on the day following the merger.

Lawsuits have been filed against Regency, Regency GP, the members of the Regency Board, ETP, ETP GP and ETE challenging the merger, and any injunctive relief or adverse judgment, including for monetary damages, could prevent the merger from occurring or could have a material adverse effect on Regency, ETP or the combined company following the merger.

Regency, Regency GP, the members of the Regency Board, ETP, ETP GP and ETE are named defendants in purported class actions and derivative petitions brought by purported Regency unitholders in Dallas County, Texas, generally alleging claims of breach of duties under Regency's partnership agreement, breach of the implied covenant of good faith and fair dealing in connection with the merger, and aiding and abetting arising out of the defendants' pursuit of the merger by way of an allegedly conflicted and unfair process. Similar lawsuits have been filed in the

United States District Court for the Northern District of Texas. The plaintiffs in these lawsuits seek to enjoin the defendants from proceeding with or consummating the merger and, to the extent that the merger is implemented before relief is granted, plaintiffs seek to have the merger rescinded. Plaintiffs also

Table of Contents

seek money damages and attorneys' fees. One of the conditions to the completion of the merger is that no order, decree, or injunction of any court or agency of competent jurisdiction shall be in effect, and no law shall have been enacted or adopted, that enjoins, prohibits, or makes illegal consummation of any of the transactions contemplated by the merger agreement. A preliminary injunction could delay or jeopardize the completion of the merger, and an adverse judgment granting permanent injunctive relief could indefinitely enjoin completion of the merger. An adverse judgment for rescission or for monetary damages could have a material adverse effect on Regency, ETP or the combined company following the merger.

Risk Factors Relating to the Ownership of ETP Common Units

In addition to the risks described above, ETP is, and will continue to be, subject to the risks described in ETP's Annual Report on Form 10-K for the fiscal year ended December 31, 2014 as updated by any subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, all of which are filed with the SEC and incorporated by reference into this proxy statement/prospectus. See "Where You Can Find More Information" for the location of information incorporated by reference in this proxy statement/prospectus.

Table of Contents

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus and the documents incorporated herein by reference contain forward-looking statements. These forward-looking statements are identified as any statement that does not relate strictly to historical or current facts. They use words such as anticipate, believe, intend, plan, projection, forecast, strategy, p continue, estimate, expect, may, or the negative of those terms or other variations of them or comparable terminology. Forward-looking statements are also found under The Merger Unaudited Financial Projections of Regency. In particular, statements, express or implied, concerning future actions, conditions or events, future operating results, the ability to generate sales, income or cash flow, to realize cost savings or other benefits associated with the merger, to service debt or to make distributions are forward-looking statements. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Future actions, conditions or events and future results of operations may differ materially from those expressed in these forward-looking statements. Many of the factors that will determine actual results are beyond the ability of ETP or Regency to control or predict. Specific factors which could cause actual results to differ from those in the forward-looking statements include:

the ability to complete the merger;

the ability to obtain requisite regulatory and unitholder approval and the satisfaction of the other conditions to the consummation of the merger;

the potential impact of the announcement or consummation of the merger on relationships, including with employees, suppliers, customers, competitors and credit rating agencies;

ETP's ability to successfully integrate Regency's operations and employees and to realize synergies and cost savings;

any distribution increases by ETP or Regency;

the amount of natural gas, crude oil and refined products transported in the pipelines and gathering systems of ETP or Regency;

volatility in the price of oil, natural gas, NGLs and coal;

ETP's and Regency's access to capital to fund organic growth projects and acquisitions, including significant acquisitions and their ability to obtain debt or equity financing on satisfactory terms;

declines in the credit markets and the availability of credit for producers connected to ETP's and Regency's respective pipelines, Regency's gathering and processing facilities, and for customers of ETP's and Regency's

contract services business;

the level of creditworthiness of, and performance by, the customers and counter parties of ETP and Regency;

the use of derivative financial instruments to hedge commodity and interest rate risks;

the amount of collateral required to be posted from time to time in transactions;

changes in commodity prices and the projected demand for and supply of natural gas, NGLs and coal, interest rates and demand for the services of ETP and Regency;

any impairment write-downs of ETP's or Regency's assets;

changes in governmental regulation or enforcement practices with respect to the midstream sector of the natural gas industry and the coal industry, especially with respect to environmental, health and safety matters, including with respect to emissions levels applicable to coal-burning power generators and permissible levels of mining runoff;

the occurrence of unusual weather and other natural phenomena or operating conditions including force majeure events;

Table of Contents

environmental risks affecting the production, gathering and processing of natural gas or the mining of coal reserves;

industry changes including the impact of consolidations and changes in competition among natural gas midstream companies and among producers in the coal industry generally;

the ability of ETP and Regency to acquire natural gas midstream assets and new sources of natural gas supply and connections to third-party pipelines on satisfactory terms;

the ability of ETP and Regency to retain existing or acquire new natural gas midstream customers and coal lessees;

regulation of transportation rates on ETP's and Regency's natural gas and NGL pipelines;

the ability to obtain indemnification related to cleanup liabilities and to clean up any released hazardous materials on satisfactory terms;

the ability to obtain required approvals for construction or modernization of ETP's or Regency's facilities and the timing of production from such facilities;

uncertainties relating to the effects of regulatory guidance on permitting under the Clean Water Act and the outcome of current and future litigation regarding mine permitting;

risks and uncertainties relating to general domestic and international economic (including inflation, interest rates and financial and credit markets) and political conditions;

the effect of accounting pronouncements issued periodically by accounting standard setting boards; and

unfavorable results of litigation and the fruition of contingencies referred to in the notes to the financial statements contained in the reports incorporated by reference into this proxy statement/prospectus.

Unless expressly stated otherwise, forward-looking statements are based on the expectations and beliefs of the respective managements of ETP and Regency, based on information currently available, concerning future events affecting ETP and Regency. Although ETP and Regency believe that these forward-looking statements are based on reasonable assumptions, they are subject to uncertainties and factors related to ETP's and Regency's operations and business environments, all of which are difficult to predict and many of which are beyond ETP's and Regency's control. Any or all of the forward-looking statements in this proxy statement/prospectus may turn out to be wrong. They can be affected by inaccurate assumptions or by known or unknown risks and uncertainties. The foregoing list of factors should not be construed to be exhaustive. Many factors mentioned in this proxy statement/prospectus,

including the risks outlined under the caption "Risk Factors" contained in ETP's and Regency's Exchange Act reports incorporated herein by reference, will be important in determining future results, and actual future results may vary materially. There is no assurance that the actions, events or results of the forward-looking statements will occur, or, if any of them do, when they will occur or what effect they will have on ETP's and Regency's results of operations, financial condition, cash flows or distributions. In view of these uncertainties, ETP and Regency caution that investors should not place undue reliance on any forward-looking statements. Further, any forward-looking statement speaks only as of the date on which it is made, and, except as required by law, ETP and Regency undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which it is made or to reflect the occurrence of anticipated or unanticipated events or circumstances.

Table of Contents

THE PARTIES

Energy Transfer Partners, L.P.

ETP, a Delaware limited partnership, is one of the largest publicly traded master limited partnerships in the United States in terms of equity market capitalization. ETP common units trade on the NYSE under the symbol ETP. ETP is managed by its general partner, ETP GP, and ETP GP is managed by its general partner, ETP GP LLC, which is owned by ETE, another publicly traded master limited partnership. ETP GP LLC is ultimately responsible for the business and operations of ETP GP and conducts ETP's business and operations, and the board of directors and officers of ETP GP LLC make decisions on ETP's behalf.

The activities in which ETP is engaged, all of which are in the United States, are as follows:

Natural gas operations, including the following:

natural gas midstream and intrastate transportation and storage through La Grange Acquisition, L.P.; and

interstate natural gas transportation and storage through Energy Transfer Interstate Holdings, LLC (ET Interstate) and Panhandle Eastern Pipe Line Company, LP (Panhandle). ET Interstate is the parent company of Transwestern Pipeline Company, LLC, ETC Fayetteville Express Pipeline, LLC, ETC Tiger Pipeline, LLC, CrossCountry Energy, LLC and Rover Pipeline LLC. Panhandle is the parent company of Trunkline Gas Company, LLC and Sea Robin Pipeline Company, LLC;

Liquids operations, including NGL transportation, storage and fractionation services primarily through Lone Star NGL LLC (Lone Star); and

Product and crude oil operations, including the following:

product and crude oil transportation through Sunoco Logistics Partners L.P.; and

retail marketing of gasoline and middle distillates through Sunoco, Inc., Susser Holdings Corporation and Sunoco LP.

The address of ETP's and ETP GP's principal executive offices is 3738 Oak Lawn Avenue, Dallas, Texas 75219, and the telephone number at this address is (214) 981-0700.

Regency Energy Partners LP

Regency Energy Partners LP is a Delaware limited partnership with common units traded on the NYSE under the symbol RGP. Regency is a growth-oriented limited partnership engaged in the gathering and processing, compression,

treating and transportation of natural gas; the transportation, fractionation and storage of NGLs; the gathering, transportation and terminaling of oil (crude and/or condensate, a lighter oil) received from producers; the gathering and disposing of salt water; natural gas and NGL marketing and trading; and the management of coal and natural resource properties in the United States.

Regency focuses on providing midstream services in some of the most prolific natural gas producing regions in the United States, including the Eagle Ford, Haynesville, Barnett, Fayetteville, Marcellus, Utica, Bone Spring, Avalon and Granite Wash shales. Regency's assets are primarily located in Texas, Louisiana, Arkansas, West Virginia, Pennsylvania, Ohio, Mississippi, Alabama, New Mexico and the mid-continent region of the United States, which includes Kansas, Colorado and Oklahoma.

Table of Contents

Regency divides its operations into six business segments:

Gathering and Processing. Regency provides wellhead-to-market services to producers of natural gas, which include transporting raw natural gas from the wellhead through gathering systems, processing raw natural gas to separate NGLs from the raw natural gas and selling or delivering pipeline-quality natural gas and NGLs to various markets and pipeline systems, the gathering of oil (crude and/or condensate, a lighter oil) received from producers, the gathering and disposing of salt water, and natural gas and NGL marketing and trading. This segment also includes:

Regency's 60% membership interest in Edwards Lime Gathering LLC, which operates natural gas gathering, oil pipeline and oil stabilization facilities in south Texas;

Regency's 33.33% membership interest in Ranch Westex JV LLC, which process natural gas delivered from NGL-rich shale formations in west Texas;

Regency's 51% membership interest in Aqua PVR Water Services, LLC, which transports and supplies fresh water to natural gas producers in the Marcellus shale in Pennsylvania;

Regency's 75% membership interest in Ohio River System LLC, which will operate a natural gas gathering system in the Utica shale in Ohio;

Regency's 50% membership interest in Mi Vida JV LLC, which will own and operate a cryogenic processing plant and related facilities in west Texas; and

Regency's 50% limited partner interest in Sweeny Gathering LP, which operates a natural gas gathering system in east Texas.

Natural Gas Transportation. Regency owns a 49.99% general partner interest in RIGS Haynesville Partnership Co., which owns the Regency Intrastate Gas System, a 450-mile intrastate pipeline that delivers natural gas from northwest Louisiana to downstream pipelines and markets, and a 50% membership interest in Midcontinent Express Pipeline LLC, which owns a 500-mile interstate natural gas pipeline stretching from southeast Oklahoma through northeast Texas, northern Louisiana and central Mississippi to an interconnect with the Transcontinental Gas Pipe Line system in Butler, Alabama. This segment also includes Gulf States Transmission LLC, which owns a 10-mile interstate pipeline that extends from Harrison County, Texas to Caddo Parish, Louisiana.

NGL Services. Regency owns a 30% membership interest in Lone Star, an entity owning a diverse set of midstream energy assets including NGL pipelines, storage, fractionation and processing facilities located in

Texas, New Mexico, Mississippi and Louisiana.

Contract Services. Regency owns and operates a fleet of compressors used to provide turn-key natural gas compression services for customer specific systems. Regency also owns and operates a fleet of equipment used to provide treating services, such as carbon dioxide and hydrogen sulfide removal, natural gas cooling, dehydration and BTU management.

Natural Resources. Regency is involved in the management and leasing of coal properties and the related collection of royalties. Regency also earns revenues from other land management activities, such as selling standing timber, leasing coal-related infrastructure facilities and collecting oil and gas royalties. This segment also includes Regency's 50% interest in Coal Handling Solutions LLC, Kingsport Handling LLC, and Kingsport Services LLC, now known as Materials Handling Solutions LLC, which own and operate end-user coal handling facilities. Regency purchased the remaining interests in these companies effective December 31, 2014.

Corporate. The corporate segment comprises Regency's corporate assets.

Regency GP is the general partner of Regency, and Regency GP has direct responsibility for conducting Regency's business and for managing its operations. Because Regency GP is a limited partnership, its general partner, Regency GP LLC, is ultimately responsible for the business and operations of Regency GP and conducts its business and operations.

Table of Contents

The address of Regency's and Regency GP's principal executive offices is 2001 Bryan Street, Suite 3700, Dallas, Texas 75201, and the telephone number at this address is (214) 750-1771.

Energy Transfer Equity, L.P.

Energy Transfer Equity, L.P. is a Delaware limited partnership, publicly traded on the NYSE under the symbol ETE. ETE directly and indirectly owns equity interests in ETP and Regency.

The address of ETE's principal executive offices is 3738 Oak Lawn Avenue, Dallas, Texas 75219, and the telephone number at this address is (214) 981-0700.

ETE GP Acquirer LLC

ETE GP Acquirer LLC is a Delaware limited liability company and a direct, wholly owned subsidiary of ETE. ETE Acquirer indirectly owns all of the outstanding partnership interests in Regency GP.

The address of ETE Acquirer's principal executive offices is 3738 Oak Lawn Avenue, Dallas, Texas 75219, and the telephone number at this address is (214) 981-0700.

Rendezvous I LLC and Rendezvous II LLC

Each of Rendezvous I LLC (Merger Sub A) and Rendezvous II LLC (Merger Sub B) is a Delaware limited liability company and a wholly owned subsidiary of ETP. Merger Sub A and Merger Sub B were formed on February 18, 2015 solely for the purpose of consummating the merger and the GP merger, as applicable, and have no operating assets. Neither Merger Sub A nor Merger Sub B has carried on any activities to date, except for activities incidental to its formation and activities undertaken in connection with the transactions contemplated by the merger agreement.

The address of Merger Sub A's and Merger Sub B's principal executive offices is 3738 Oak Lawn Avenue, Dallas, Texas 75219, and the telephone number at this address is (214) 981-0700.

Table of Contents

THE SPECIAL MEETING

Regency is providing this proxy statement/prospectus to its unitholders in connection with the solicitation of proxies to be voted at the special meeting of unitholders that Regency has called for, among other things, the purpose of holding a vote upon a proposal to adopt the merger agreement and the transactions contemplated thereby and at any adjournment or postponement thereof. This proxy statement/prospectus constitutes a proxy statement of Regency in connection with the special meeting of Regency unitholders and a prospectus for ETP in connection with the issuance by ETP of its common units in connection with the merger. This proxy statement/prospectus is first being mailed to Regency's unitholders on or about March 25, 2015, and provides Regency unitholders with the information they need to know to be able to vote or instruct their vote to be cast at the special meeting of Regency unitholders.

Date, Time and Place

The special meeting will be held in Regency's offices at 2001 Bryan Street, Suite 3700, Dallas, Texas 75201, on April 28, 2015, at 11:00 a.m., local time.

Purpose

At the special meeting, Regency unitholders will be asked to vote solely on the following proposals:

Merger proposal: To adopt the merger agreement and the transactions contemplated thereby;

Adjournment proposal: To approve the adjournment of the special meeting, if necessary to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the special meeting; and

Advisory compensation proposal: To approve, on an advisory (non-binding) basis, the payments that will or may be paid by Regency to its named executive officers in connection with the merger.

Recommendation of the Regency Board

The Regency Board recommends that unitholders of Regency vote:

Merger proposal: **FOR** the adoption of the merger agreement and the transactions contemplated thereby;

Adjournment proposal: **FOR** the approval of the adjournment of the special meeting, if necessary to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the special meeting; and

Advisory compensation proposal: **FOR** the approval on an advisory (non-binding) basis, of the payments that will or may be paid by Regency to its named executive officers in connection with the merger.

The Regency Board and the Regency Conflicts Committee have (i) determined that the merger agreement and the merger are fair and reasonable and in the best interests of Regency and its unaffiliated unitholders, and (ii) approved the merger and the merger agreement, and the Regency Board has resolved to recommend adoption of the merger agreement and the transactions contemplated thereby to the Regency unitholders. See

The Merger Recommendation of the Regency Conflicts Committee, the Regency Board and Their Reasons for the Merger.

In considering the recommendation of the Regency Board with respect to the merger agreement and the transactions contemplated thereby, you should be aware that some of Regency's directors and executive officers may have interests that are different from, or in addition to, the interests of Regency unitholders more generally. See The Merger Interests of Directors and Executive Officers of Regency in the Merger.

Table of Contents

Record Date; Outstanding Units; Units Entitled to Vote

The record date for the special meeting is March 24, 2015. Only Regency unitholders of record at the close of business on the record date will be entitled to receive notice of and to vote at the special meeting or any adjournment or postponement of the meeting.

As of the close of business on the record date of March 24, 2015, there were approximately 411,707,950 Regency common units, 6,274,483 Class F units and 1,912,569 Series A units outstanding and entitled to vote at the meeting. Each Regency common unit, Class F units and Series A unit is entitled to one vote.

If at any time any person or group (other than Regency GP and its affiliates, including ETP and ETE) beneficially owns 20% or more of any class of Regency units, such person or group loses voting rights on all of its units and such units will not be considered outstanding. This loss of voting rights does not apply to (i) any person or group who acquired 20% or more of any class of Regency units from Regency GP or its affiliates, (ii) any person or group who directly or indirectly acquired 20% or more of any class of Regency units from that person or group described in clause (i) provided Regency GP notified such transferee that such loss of voting rights did not apply, or (iii) any person or group who acquired 20% or more of any class of units issued by Regency with the prior approval of the Regency Board.

A complete list of Regency unitholders entitled to vote at the special meeting will be available for inspection at the principal place of business of Regency during regular business hours for a period of no less than ten days before the special meeting and at the place of the special meeting during the meeting.

Quorum

A quorum of unitholders represented in person or by proxy at the special meeting is required to vote on adoption of the merger agreement at the special meeting, but not to vote on approval of any adjournment of the meeting. At least a majority of the outstanding Regency common units, Class F units and Series A units, voting together as a single class, must be represented in person or by proxy at the meeting in order to constitute a quorum. Any abstentions and broker non-votes will be counted in determining whether a quorum is present at the special meeting.

Required Vote

To adopt the merger agreement and the transactions contemplated thereby, holders of at least a majority of the outstanding Regency common units, Class F units and Series A units, together as a single class, must vote in favor of adoption of the merger agreement and the transactions contemplated thereby. Because approval is based on the affirmative vote of at least a majority of the outstanding Regency common units, Class F units and Series A units, voting together as a single class, a Regency unitholder's failure to submit a proxy card or to vote in person at the special meeting or an abstention from voting, or the failure of a Regency unitholder who holds his or her units in street name through a broker or other nominee to give voting instructions to such broker or other nominee, will have the same effect as a vote AGAINST the adoption of the merger agreement and the transactions contemplated thereby.

To approve the adjournment of the special meeting, if necessary to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the special meeting and if a quorum is present at the meeting, holders of at least a majority of the outstanding Regency common units, Class F units and Series A units, voting together as a single class, must vote in favor of the proposal; provided that, if a quorum is not present at the meeting, the affirmative vote of holders of a majority of the outstanding Regency common units, Class F units and Series A units entitled to vote at such meeting represented either in person or by proxy, voting together as a single class, is

required to approve the proposal. Because approval of this proposal is based on the affirmative vote of at least a majority of the outstanding Regency common units, Class F units and Series A

Table of Contents

units, voting together as a single class, if a quorum is present at the special meeting, a Regency unitholder's failure to vote, an abstention from voting or the failure of a Regency unitholder who holds his or her units in street name through a broker or other nominee to give voting instructions to such broker or other nominee will have the same effect as a vote AGAINST approval of this proposal.

To approve, on an advisory (non-binding) basis, the payments that will or may be paid by Regency to its named executive officers in connection with the merger, holders of at least a majority of the outstanding Regency common units, Class F units and Series A units, voting together as a single class, must vote in favor of the proposal. Because approval of this proposal is based on the affirmative vote of at least a majority of the outstanding Regency common units, Class F units and Series A units, voting together as a single class, a Regency unitholder's failure to vote, an abstention from voting or the failure of a Regency unitholder who holds his or her units in street name through a broker or other nominee to give voting instructions to such broker or other nominee will have the same effect as a vote AGAINST approval of this proposal.

Unit Ownership of and Voting by Regency's Directors, Executive Officers and Affiliates

As of March 24, 2015, Regency's directors and executive officers and their affiliates (including ETE, ETP and their respective subsidiaries) beneficially owned and had the right to vote 88,529,775 Regency common units and 6,274,483 Class F units at the special meeting, which represent approximately 23% of the Regency units entitled to vote at the special meeting. It is expected that Regency's directors and executive officers will vote their units FOR the adoption of the merger agreement and the transactions contemplated thereby, although none of them has entered into any agreement requiring them to do so. Under the terms of the merger agreement, ETE and ETP have agreed to vote all of the Regency common units and Class F units owned beneficially or of record by ETE, ETP or their respective subsidiaries in favor of the merger.

Voting of Units by Holders of Record

If you are entitled to vote at the special meeting and hold your units in your own name, you can submit a proxy or vote in person by completing a ballot at the special meeting. However, Regency encourages you to submit a proxy before the special meeting even if you plan to attend the special meeting in order to ensure that your units are voted. A proxy is a legal designation of another person to vote your Regency units on your behalf. If you hold units in your own name, you may submit a proxy for your units by:

calling the toll-free number specified on the enclosed proxy card and follow the instructions when prompted;

accessing the Internet website specified on the enclosed proxy card and follow the instructions provided to you; or

filling out, signing and dating the enclosed proxy card and mailing it in the prepaid envelope included with these proxy materials.

When a unitholder submits a proxy by telephone or through the Internet, his or her proxy is recorded immediately. Regency encourages its unitholders to submit their proxies using these methods whenever possible. If you submit a proxy by telephone or the Internet website, please do not return your proxy card by mail.

All units represented by each properly executed and valid proxy received before the special meeting will be voted in accordance with the instructions given on the proxy. If a Regency unitholder executes a proxy card without giving instructions, the Regency units represented by that proxy card will be voted as the Regency Board recommends, which is:

Merger proposal: FOR the adoption of the merger agreement and the transactions contemplated thereby;

Table of Contents

Adjournment proposal: FOR the approval of the adjournment of the special meeting, if necessary to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the special meeting; and

Advisory compensation proposal: FOR the approval, on an advisory (non-binding) basis, of the payments that will or may be paid by Regency to its named executive officers in connection with the merger.

Your vote is important. Accordingly, please submit your proxy by telephone, through the Internet or by mail, whether or not you plan to attend the meeting in person. Proxies must be received by 11:59 p.m., Eastern Time, on April 27, 2015.

Voting of Units Held in Street Name

If your units are held in an account at a broker or through another nominee, you must instruct the broker or other nominee on how to vote your units by following the instructions that the broker or other nominee provides to you with these proxy materials. Most brokers offer the ability for unitholders to submit voting instructions by mail by completing a voting instruction card, by telephone and via the Internet.

If you do not provide voting instructions to your broker, your units will not be voted on any proposal on which your broker does not have discretionary authority to vote. This is referred to in this proxy statement/prospectus and in general as a broker non-vote. In these cases, the broker or other nominee can register your units as being present at the special meeting for purposes of determining a quorum, but will not be able to vote your units on those matters for which specific authorization is required. Under the current rules of the NYSE, brokers do not have discretionary authority to vote on any of the proposals, including the Regency merger proposal. A broker non-vote of a Regency common unit will have the same effect as a vote **AGAINST** the Regency merger proposal, the Regency adjournment proposal and the Regency advisory compensation proposal.

If you hold units through a broker or other nominee and wish to vote your units in person at the special meeting, you must obtain a proxy from your broker or other nominee and present it to the inspector of election with your ballot when you vote at the special meeting.

Revocability of Proxies; Changing Your Vote

You may revoke your proxy and/or change your vote at any time before your proxy is voted at the special meeting. If you are a unitholder of record, you can do this by:

sending a written notice, no later than the telephone/internet deadline, to Regency Energy Partners LP at 2001 Bryan Street, Suite 3700, Dallas, Texas 75201, Attention: Corporate Secretary, that bears a date later than the date of the proxy and is received prior to the special meeting and states that you revoke your proxy;

submitting a valid, later-dated proxy by mail, telephone or Internet that is received prior to the special meeting; or

attending the special meeting and voting by ballot in person (your attendance at the special meeting will not, by itself, revoke any proxy that you have previously given).

If you hold your Regency units through a broker or other nominee, you must follow the directions you receive from your broker or other nominee in order to revoke your proxy or change your voting instructions.

Solicitation of Proxies

This proxy statement/prospectus is furnished in connection with the solicitation of proxies by the Regency Board to be voted at the special meeting. Regency will bear all costs and expenses in connection with the

Table of Contents

solicitation of proxies. Regency has engaged MacKenzie Partners, Inc. to assist in the solicitation of proxies for the meeting and Regency estimates it will pay MacKenzie Partners, Inc. a fee of approximately \$50,000 for these services. Regency has also agreed to reimburse MacKenzie Partners, Inc. for reasonable out-of-pocket expenses and disbursements incurred in connection with the proxy solicitation and to indemnify MacKenzie Partners, Inc. against certain losses, costs and expenses. In addition, Regency may reimburse brokerage firms and other persons representing beneficial owners of Regency common units for their reasonable expenses in forwarding solicitation materials to such beneficial owners. Proxies may also be solicited by certain of Regency's directors, officers and employees by telephone, electronic mail, letter, facsimile or in person, but no additional compensation will be paid to them.

Unitholders should not send unit certificates with their proxies.

A letter of transmittal and instructions for the surrender of Regency common unit certificates will be mailed to Regency unitholders shortly after the completion of the merger.

No Other Business

Under the Regency partnership agreement, the business to be conducted at the special meeting will be limited to the purposes stated in the notice to Regency unitholders provided with this proxy statement/prospectus.

Adjournments

Adjournments may be made for the purpose of, among other things, soliciting additional proxies. If a quorum exists, an adjournment may be made from time to time with approval of at least a majority of the outstanding Regency common units, Class F units and Series A units, voting together as a single class. If a quorum does not exist, an adjournment may be made from time to time with the approval of at least a majority of the votes present in person or by proxy at the time of the vote. Regency is not required to notify unitholders of any adjournment of 45 days or less if the time and place of the adjourned meeting are announced at the meeting at which the adjournment is taken, unless after the adjournment a new record date is fixed for the adjourned meeting. At any adjourned meeting, Regency may transact any business that it might have transacted at the original meeting, provided that a quorum is present at such adjourned meeting. Proxies submitted by Regency unitholders for use at the special meeting will be used at any adjournment or postponement of the meeting. References to the special meeting in this proxy statement/prospectus are to such special meeting as adjourned or postponed.

Assistance

If you need assistance in completing your proxy card or have questions regarding the special meeting, please contact MacKenzie Partners, Inc. toll-free at (800) 322-2885 (banks and brokers call collect at (212) 929-5500).

Table of Contents**THE MERGER**

*This section of the proxy statement/prospectus describes the material aspects of the proposed merger. This section may not contain all of the information that is important to you. You should carefully read this entire proxy statement/prospectus and the documents incorporated herein by reference, including the full text of the merger agreement and the amendment thereto, for a more complete understanding of the merger. A copy of the composite merger agreement, which incorporates the amendment into the text of the initial agreement, is attached as Annex A hereto. In addition, important business and financial information about each of ETP and Regency is included in or incorporated into this proxy statement/prospectus by reference. See *Where You Can Find More Information*.*

Effect of the Merger and the GP Merger

Subject to the terms and conditions of the merger agreement and in accordance with Delaware law, the merger agreement provides for (i) the merger of Regency with Merger Sub A and (ii) the merger of ETE Acquirer with Merger Sub B. Regency, which is sometimes referred to following the merger as the surviving entity, and ETE Acquirer, which is sometimes referred to following the GP merger as the GP merger surviving entity, will survive the mergers, and the separate limited liability company existence of Merger Sub A and Merger Sub B will cease. As a result of the mergers, ETP will become the sole limited partner of Regency and Regency GP will remain the sole general partner of Regency. Further, ETP, will become the sole member of ETE Acquirer and, as a result, will own, directly or indirectly, all of the outstanding membership and partnership interests, as applicable, in Regency GP LLC and Regency GP. After the completion of the mergers, the certificate of limited partnership of Regency in effect immediately prior to the effective time will be the certificate of limited partnership of the surviving entity, until amended in accordance with its terms and applicable law, and the Regency partnership agreement in effect immediately prior to the effective time will be the agreement of limited partnership of the surviving entity, until amended in accordance with its terms and applicable law. After the completion of the GP merger, the certificate of formation and the limited liability company agreement of ETE Acquirer in effect immediately prior to the effective time of the GP merger will be the certificate of formation and the limited liability company agreement of the GP merger surviving entity (except to the extent the limited liability company agreement is amended by the merger agreement to reflect the admission of ETP as the sole member of ETE Acquirer), in each case, until amended in accordance with its terms and applicable law.

The merger agreement provides that, at the effective time, each Regency common unit issued and outstanding or deemed issued and outstanding as of immediately prior to the effective time will be converted into the right to receive (i) 0.4066 ETP common units and (ii) an additional number of ETP common units equal to the quotient of \$0.32 divided by the lesser of (x) the volume weighted average price of ETP common units on the NYSE for the five trading days ending on the third trading day immediately preceding the effective time of the merger and (y) the closing price of ETP common units on the NYSE on the third day immediately preceding the effective time of the merger, rounded to the nearest ten thousandth of a unit. Each Class F unit issued and outstanding as of immediately prior to the effective time will be deemed to have been converted automatically into a Regency common unit, and such common unit will be converted automatically into the right to receive the merger consideration. Each Series A unit issued and outstanding as of immediately prior to the effective time will be converted into the right to receive an ETP preferred unit having the same preferences, privileges, powers, duties and obligations that the Regency Series A units had immediately prior to the closing of the merger. Any Regency securities that are owned by Regency or any of its subsidiaries immediately prior to the effective time will be cancelled without any conversion or payment of consideration in respect thereof. ETP's common units had a value of \$65.24 per unit, based on the closing price of ETP common units on the NYSE, as of January 23, 2015, the last date prior to the public announcement of the merger, and a value of \$56.26 per unit, based on the closing price of ETP common units on March 20, 2015, the most recent practicable trading day prior to the date of this proxy statement/prospectus.

Because the exchange ratio was fixed at the time the merger agreement was executed and because the market value of ETP common units and Regency common units will fluctuate prior to the consummation of the

Table of Contents

merger, Regency unitholders cannot be sure of the value of the unit consideration they will receive relative to the value of Regency common units or Class F units that they are exchanging. For example, decreases in the market value of ETP common units will negatively affect the value of the unit consideration that Regency unitholders receive, and increases in the market value of Regency common units may mean that the merger consideration that such unitholders receive will be worth less than the market value of the Regency common units that they are exchanging. Additionally, because the number of ETP common units Regency unitholders will receive as the additional unit consideration depends on the price of ETP common units over the days leading up to the closing of the merger, Regency unitholders cannot be sure of the total number of ETP common units they will receive for the Regency common units or Class F units they exchange. See Risk Factors Risk Factors Relating to the Merger Because the market price of ETP common units will fluctuate prior to the consummation of the merger, Regency unitholders cannot be sure of the market value of the ETP common units they receive as unit consideration relative to the value of the Regency common units they exchange, or of the number of ETP common units they will receive as additional unit consideration.

ETP will not issue any fractional units in the merger. Instead, each holder of Regency common units or Class F units that are converted pursuant to the merger agreement who otherwise would have received a fraction of an ETP common unit will instead be entitled to receive a whole ETP common unit.

Each award of Regency phantom units (except for Regency phantom units granted before December 16, 2011 and for Regency phantom units held by the chief executive officer and the non-employee directors of Regency, which will vest and convert, subject to applicable tax withholding, into the right to receive the merger consideration) that is outstanding immediately prior to the effective time, automatically and without any action on the part of the holder of such Regency phantom unit, will at the effective time be converted into the right to receive an award of phantom units relating to ETP common units on the same terms and conditions as were applicable to the award of Regency phantom units, except that the number of ETP common units covered by the award will be the number of Regency phantom units covered by the award multiplied by the sum of (i) the exchange ratio and (ii) the partial ETP common unit representing the additional unit consideration, rounded up to the nearest whole unit.

Each outstanding Regency unit option that was granted under a Regency equity incentive plan and that has a per unit exercise price greater than the closing price of a Regency unit on the NYSE on the last trading day prior to closing of the merger (in-the-money unit options) will be deemed to have been exercised on a net-issuance (i.e., cashless) basis immediately prior to the effective time and each net issued Regency common unit deemed to have been issued will be converted into the right to receive the merger consideration on the same terms as issued and outstanding Regency common units, subject to reduction for withholding taxes. No fractional ETP common units will be paid to holders of Regency unit options. Any other award of an option to purchase Regency common units representing the right to a cash payment based on the value of Regency units will be canceled at the effective time of the merger for no consideration.

Each outstanding award of Regency cash units will, automatically and without any action on the part of the holder of such cash unit, be converted into the right to receive an award of cash units relating to ETP common units on the same terms and conditions as were applicable to the award of Regency cash units, except that the number of notional units that upon vesting entitles the holder to receive an amount of cash equal to the fair market value of an ETP common unit will be equal to the number of notional Regency common units related to the corresponding award of Regency cash units multiplied by the sum of (i) the exchange ratio and (ii) the partial ETP common unit representing the additional unit consideration, rounded up to the nearest whole unit. Prior to the effective time, the general partner of Regency GP will adopt an amendment to the Regency Energy Partners LP Long-Term Incentive Cash Restricted Unit Plan to permit the treatment of Regency cash units in the merger described above.

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As a result of the merger, the general partner interest in Regency outstanding immediately prior to the effective time will be converted into a non-economic general partner interest and Regency GP will continue as the sole general partner of Regency. In addition, the incentive distribution rights in Regency outstanding

Table of Contents

immediately prior to the effective time will be cancelled. ETP and Regency have agreed that, upon consummation of the mergers, the percentage interest represented by the ETP general partner interest will be increased to equal the sum of (i) the percentage interest of the ETP general partner interest immediately prior to the effective time, as adjusted to give effect to the issuance of ETP common units in the merger, and (ii) the percentage interest in ETP that would be represented by the Regency general partner interest immediately prior to the effective time, as adjusted to give effect to the issuance of ETP common units in the merger. In connection with the mergers, ETP GP will receive the right to any capital account in Regency associated with the Regency general partner interest and incentive distribution rights immediately prior to the merger. See the section entitled "Proposal 1: The Merger Agreement" for further information.

Background of the Merger

The senior management and boards of directors of each of ETP and Regency regularly review operational and strategic opportunities to maximize value for investors of ETP and Regency, respectively. In connection with these reviews, the management and boards of directors of ETP and Regency from time to time evaluate potential transactions that would further their respective strategic objectives.

ETE controls both of ETP and Regency through its indirect ownership of the general partner interests in each company. In addition, ETE owns, directly and through its wholly owned subsidiaries, all of the incentive distribution rights in ETP and all of the ETP Class H units and ETP Class I units. ETE also owns, directly and through its wholly owned subsidiaries, all of the incentive distribution rights in Regency and 57.2 million Regency common units, representing an approximate 14.0% limited partner interest in Regency. ETP owns, through its subsidiary, 31.4 million Regency common units, representing an approximate 7.6% limited partner interest in Regency, and all of the Regency Class F units.

As part of ETP's and Regency's strategy to maximize value for investors, both ETP and Regency have from time to time evaluated transactions with each other. For example, in 2011, ETP and Regency formed a joint venture, Lone Star, to acquire the NGL storage, fractionation and transportation business of Louis Dreyfus Highbridge Energy LLC. ETP and Regency continue to jointly own Lone Star, with ETP having a 70% ownership interest and Regency having a 30% ownership interest. In addition, in April 2013, Southern Union Company, a former subsidiary of ETP, contributed to Regency all of the outstanding membership interests in Southern Union Gathering Company, LLC and its subsidiaries, which owned a 5,600-mile gathering system and approximately 500 million cubic feet per day of natural gas and NGL processing and treating facilities in West Texas and New Mexico.

On January 13, 2015, ETP contacted a representative of Latham & Watkins LLP ("Latham") regarding the potential engagement of Latham as legal advisor to the ETP Board.

On January 16, 2015, the ETP Board and the ETE board of directors (the "ETE Board") held a joint meeting to discuss ETP management's analysis related to a potential merger with Regency. At this meeting, after reviewing and discussing the merits of the proposed transaction based on the deal terms recommended by ETP management, the ETP Board approved making a proposal to Regency on those terms, which included an exchange ratio of 0.4044 ETP common units per Regency common unit and a one-time cash make-whole payment of approximately \$137 million (to be divided among Regency unitholders pro rata to offset the expected difference between ETP's quarterly distributions and Regency's quarterly distributions for one year following the closing of the merger), based on an assumed incentive distribution subsidy from ETE in the amount of \$60.0 million per year for each of the five years following the closing of the merger. The ETP Board determined that the proposal would be subject to approval of the conflicts committee of the ETP Board (the "ETP Conflicts Committee").

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On January 16, 2015, Michael J. Bradley, President and Chief Executive Officer of Regency GP LLC, the general partner of Regency GP, and Thomas E. Long, Executive Vice President and Chief Financial Officer of Regency GP LLC, met with Kelcy L. Warren, Chief Executive Officer of ETP GP LLC and Chairman of the ETP

Table of Contents

Board, and Jamie Welch, Group Chief Financial Officer of LE GP, LLC, the general partner of ETE, and a member of the ETP Board, for initial discussions on a proposed transaction. At that meeting, ETP formally proposed an offer to Regency, whereby Regency unitholders would receive 0.4044 ETP common units per Regency common unit, representing a 12.5% premium to Regency's unit price based on the previous day's closing price, and a one-time, cash make-whole payment of approximately \$137 million (to be divided among Regency unitholders pro rata to offset the expected difference between ETP's quarterly distributions and Regency's quarterly distributions for one year following the closing of the merger). Combined with the unit consideration, ETP's offer implied a price of \$24.59 per Regency common unit and represented a 14.2% premium to Regency's closing unit price on January 15, 2015. In addition, ETP proposed that it would assume Regency's outstanding senior notes and refinance Regency's outstanding revolver borrowings. Messrs. Warren and Welch indicated that ETP's proposal also assumed an incentive distribution subsidy from ETE in the amount of \$60.0 million per year for each of the five years following the closing of the merger. The parties discussed that, under the proposed structure, the transaction would be subject to the approval of the Regency Board, the ETP Board and the unitholders of each of Regency and ETP, as well as customary regulatory approvals.

On January 16, 2015, the Regency Board held a telephonic meeting, at which Messrs. Bradley and Long, along with a representative from Baker Botts L.L.P. (Baker Botts), legal counsel to Regency, and Todd Carpenter, Senior Vice President and General Counsel of Regency GP LLC, informed the Regency Board of ETP's offer. At the meeting, senior management of Regency noted that, in light of the recent commodity price volatility and changes in the capital markets, a transaction with ETP could provide Regency's operations with the needed scale, diversification and investment grade balance sheet to pursue its growth projects. The Regency Board determined that the proposal would be subject to approval of the Regency Conflicts Committee and that it would be appropriate to delegate authority to the Regency Conflicts Committee to review the proposed transaction. The formal resolutions delegating authority to the Regency Conflicts Committee (consistent with the deliberations of the Regency Board on January 16, 2015) were adopted by the Regency Board on January 22, 2015. On January 16, 2015, the Regency Board also appointed Richard Brannon to the Regency Board and, on January 20, 2015, the Regency Board appointed Mr. Brannon to the Regency Conflicts Committee.

Following the Regency Board meeting, on January 16, 2015, Mr. Long contacted a representative of J.P. Morgan about potentially serving as financial advisor to the Regency Conflicts Committee.

On January 16, 2015, Latham emailed an initial draft of the merger agreement to Baker Botts and Regency. The draft merger agreement provided for an exchange ratio of 0.4044 ETP common units per Regency common unit, a cash make-whole payment of approximately \$137 million (to be divided among Regency unitholders pro rata to offset the expected difference between ETP's quarterly distributions and Regency's quarterly distributions for one year following the closing of the merger) and certain deal protection provisions, including a 4.25% breakup fee in the event the merger agreement was terminated under certain circumstances. The draft merger agreement also specified the proposed incentive distribution subsidy amounts as described above. After distribution of the draft merger agreement, representatives of Latham and Baker Botts had a telephonic discussion regarding certain structural aspects of the merger and the draft merger agreement.

On January 16, 2015, Regency contacted a representative of Akin Gump Strauss Hauer & Feld LLP (Akin Gump), the Regency Conflicts Committee's legal counsel on prior matters, to discuss their potential engagement by the Regency Conflicts Committee regarding the proposed merger.

On January 18, 2015, Mr. Carpenter held a call with representatives of Baker Botts to discuss issues identified in the initial draft of the merger agreement and related issues regarding the proposed transaction, including structuring, regulatory and business issues.

On January 19, 2015, Messrs. Bradley, Long and Carpenter held a call with Mr. Brannon and James W. Bryant, members of the Regency Board, along with representatives of each of Baker Botts and Akin Gump, to discuss general issues and strategy with regard to the proposed transaction. In a separate session, representatives of Baker Botts and representatives of Akin Gump met again to discuss issues identified in the initial draft of the

Table of Contents

merger agreement and related matters. Later on January 19, 2015, representatives of Akin Gump held a call with representatives of Latham to discuss the status and timing of the proposed transaction.

From January 19 through January 20, 2015, Latham reviewed with David K. Skidmore, Chairman of the ETP Conflicts Committee, and other representatives of ETP draft resolutions of the ETP Board delegating authority to the ETP Conflicts Committee to review and evaluate any potential conflicts of interest arising in connection with the proposed transaction and to determine whether to approve the proposed transaction and to recommend approval of the proposed transaction to the ETP Board.

On January 20, 2015, the ETP Board authorized the ETP Conflicts Committee, consisting of Mr. Skidmore and Michael K. Grimm, to review and evaluate any potential conflicts of interest arising in connection with the proposed transaction and to determine whether to approve the proposed transaction, and to recommend approval of the proposed transaction to the ETP Board.

On January 20, 2015, representatives of Latham and Baker Botts met in person with Thomas P. Mason, Senior Vice President and General Counsel of ETP GP LLC, and Messrs. Bradley, Long and Carpenter to discuss Regency management's comments to the initial draft merger agreement. The key issues discussed at the meeting were Regency management's proposals to (i) narrow the restrictions on Regency's ability to engage in certain business activities after the execution of the merger agreement, (ii) restrict the ability of ETE to engage in certain business activities after the execution of the merger agreement, (iii) require the vote of a majority of the unaffiliated Regency unitholders to approve the merger, (iv) require ETP to agree to certain non-solicitation covenants similar to those applicable to Regency in the initial draft merger agreement and (v) require that ETP and ETE vote all of their units in Regency and ETP in favor of the merger.

On January 20, 2015, the Regency Conflicts Committee, consisting of Messrs. Brannon and Bryant, had a call with representatives of Akin Gump to confirm their engagement by the Regency Conflicts Committee and to discuss (i) the independence of the members of the Regency Conflicts Committee, (ii) the duties and responsibilities of the Regency Conflicts Committee, (iii) the potential engagement of a financial advisor and (iv) the proposed transaction. Later on January 20, 2015, the Regency Conflicts Committee had another call with representatives of Akin Gump and with representatives of a potential financial advisor, J.P. Morgan, to discuss J.P. Morgan's experience, qualifications and prior relationships with Regency, ETP and their respective affiliates, including fees paid to J.P. Morgan by such parties and whether any investments had been made by members of the J.P. Morgan team in the parties involved in the proposed transaction. Following this call, the Regency Conflicts Committee had a separate call with representatives of Akin Gump to discuss the potential engagement of J.P. Morgan as financial advisor to the Regency Conflicts Committee. The Regency Conflicts Committee determined to engage J.P. Morgan, subject to successful negotiation of an engagement letter.

On January 20, 2015, Messrs. Welch and Mason made a presentation to Messrs. Bradley, Long and Carpenter, the Regency Conflicts Committee, the ETP Conflicts Committee, representatives from Barclays Capital Inc. (Barclays) (which was being considered by the ETP Conflicts Committee for retention as its financial advisor), J.P. Morgan, Latham, Baker Botts and Akin Gump regarding ETP's business and operations, including a review of ETP's intrastate transportation and storage; interstate transportation and storage; midstream; liquids transportation and services; logistics; retail marketing; and other assets, as well as ETP's future expected growth projects. They also reviewed the two-year financial projections for the business detailed in ETP's financial forecast provided to Regency and J.P. Morgan. Mr. Welch later provided Regency and J.P. Morgan with electronic copies of the presentation and financial forecast. Following the presentation and extensive questions and answers, the parties agreed that representatives of ETP would discuss the forecast and address follow-up questions in a subsequent meeting. Following Messrs. Welch and Mason's presentation, Messrs. Bradley, Long and Carpenter, the Regency Conflicts Committee, Baker Botts and

Akin Gump held a separate meeting to discuss strategy, timing and the status of the proposed transaction.

On January 21, 2015, the ETP Conflicts Committee engaged Richards, Layton & Finger, P.A. (RLF) as its legal counsel.

Table of Contents

On January 21, 2015, ETP provided J.P. Morgan with detailed financial information regarding ETP.

On January 21, 2015, the ETP Conflicts Committee held a telephonic meeting with ETP management and a separate telephonic meeting with RLF to discuss the proposed transaction and the potential engagement by the ETP Conflicts Committee of Barclays as its financial advisor.

On January 21, 2015, the Regency Conflicts Committee held a series of meetings with Akin Gump to discuss the terms in the initial draft merger agreement. Also on January 21, 2015, Baker Botts distributed a legal due diligence request and a revised draft of the merger agreement to ETP and Latham. Also on January 21, 2015, Messrs. Bradley, Long and Carpenter, the Regency Conflicts Committee, the ETP Conflicts Committee, Mr. Mason, Baker Botts, Latham, Akin Gump, Barclays and J.P. Morgan held a meeting to discuss legal and business due diligence matters related to Regency's business. Messrs. Bradley, Long and Carpenter made a presentation regarding Regency's business, including a review of its assets, as well as Regency's future expected growth projects. Following the presentation and extensive questions and answers, the parties agreed that Regency would discuss the Regency financial forecast and address follow-up questions in a subsequent meeting. Later on January 21, 2015, Regency provided J.P. Morgan and Barclays with detailed financial information regarding Regency, including electronic copies of its presentation and financial forecast. Messrs. Bradley, Long and Carpenter reviewed the two-year financial projections for the business detailed in Regency's financial forecast previously provided to ETP, J.P. Morgan and Barclays with J.P. Morgan and Barclays. Representatives of Baker Botts and Akin Gump were present at the meeting.

From January 21 to January 25, 2015, ETP provided written and telephonic responses to the Regency due diligence request.

Early on January 22, 2015, the ETP Conflicts Committee held a telephonic meeting with members of ETP management, RLF and Latham to discuss the proposed transaction and the potential engagement of Barclays as the ETP Conflicts Committee's financial advisor. Later that day, the ETP Conflicts Committee determined to engage Barclays as its financial advisor with respect to the proposed transaction.

On January 22, 2015, Latham emailed a written due diligence request to Regency and Baker Botts. From January 22 to January 25, 2015, Regency provided written and telephonic responses to the ETP due diligence request.

On January 22, 2015, the ETP Conflicts Committee held a telephonic meeting with Barclays and RLF to discuss the financial analysis being performed by Barclays with respect to the proposed transaction. At that meeting, RLF also provided the ETP Conflicts Committee with an overview of the terms of the merger agreement and a summary of legal issues to be considered by the ETP Conflicts Committee.

On January 22, 2015, RLF provided Latham with preliminary comments to the draft merger agreement that had been distributed by Baker Botts.

On January 22, 2015, Latham emailed a revised draft of the merger agreement to Baker Botts, Akin Gump and Regency and then had a meeting with such parties to discuss various legal due diligence issues regarding the proposed transaction. Throughout the day on January 22, 2015, Regency, the Regency Conflicts Committee, Baker Botts and Akin Gump held multiple meetings to discuss Latham's most recent draft of the merger agreement.

On January 22, 2015, the Regency Board adopted resolutions specifying the delegation of authority to the Regency Conflicts Committee. The Regency Conflicts Committee then executed engagement letters with J.P. Morgan and Morris, Nichols, Arshat & Tunnell LLP (Morris Nichols) to act as the Regency Conflicts Committee's financial and outside Delaware legal advisors, respectively. Representatives of J.P. Morgan then met with the Regency Conflicts

Committee and representatives of Akin Gump to present their preliminary financial analyses with respect to Regency and ETP. The Regency Conflicts Committee then discussed with its

Table of Contents

advisors possible responses to the ETP offer. The Regency Conflicts Committee then met with Mr. Mason to convey Regency's counterproposal on certain financial terms of the proposed transaction. In particular, Regency proposed a 0.425 exchange ratio, a cash payment equal to the expected difference between ETP's quarterly distributions and Regency's quarterly distributions for a period of two years following the closing (as adjusted for the exchange ratio), a 3.0% breakup fee and a condition to the closing that a majority of the unaffiliated unitholders of Regency vote to approve the transaction.

On January 23, 2015, Baker Botts emailed a revised draft of the merger agreement to Latham, RLF, ETP and Akin Gump.

On January 23, 2015, a telephonic meeting was held among the ETP Conflicts Committee, RLF, Barclays and members of ETP management at which ETP management summarized for the ETP Conflicts Committee, and provided its views on, the proposal from Regency. ETP management recommended to the ETP Conflicts Committee that ETP respond to Regency's proposal by either proposing (i)(A) an exchange ratio of 0.4044 ETP common units for each Regency common unit, (B) a cash make-whole payment to cover the expected difference between ETP's quarterly distributions and Regency's quarterly distributions for one year following the closing, (C) a 4% breakup fee, and (D) that the proposed transaction be subject to approval by a simple majority vote of Regency's outstanding units, or (ii)(A) an exchange ratio of 0.3999 ETP common units for each Regency common unit, (B) a cash make-whole payment to cover the expected difference between ETP's quarterly distributions and Regency's quarterly distributions for two years following the closing, (C) a 4% breakup fee, and (D) that the proposed transaction be subject to approval by a simple majority vote of Regency's outstanding units.

On January 23, 2015, the ETP Conflicts Committee held an additional telephonic meeting with Barclays and RLF to discuss possible responses to Regency's proposal. At that meeting, the Barclays representatives discussed with the ETP Conflicts Committee its analysis of the terms of Regency's proposal and the effect of the proposal on ETP, Regency and ETE. Following that meeting, the ETP Conflicts Committee, ETP management, Barclays and RLF held a telephonic meeting to discuss how to respond to Regency's proposal. At that meeting, the ETP Conflicts Committee informed ETP management that the incentive distribution subsidy from ETE should be increased by an amount sufficient to keep the common unitholders of ETP other than ETE and its affiliates (the unaffiliated ETP unitholders) from suffering dilution as a result of the proposed transaction during the first year after closing of the proposed transaction. On the basis that ETE would be willing to provide such an incentive distribution subsidy, the ETP Conflicts Committee authorized ETP management to provide the Regency Conflicts Committee with the option to choose either of the two proposals recommended by ETP management earlier in the day.

On January 23, 2015, ETP management, with the approval of the ETP Conflicts Committee, conveyed the two options discussed above as a counterproposal to Regency. Following ETP's counterproposal, Latham distributed a revised draft of the merger agreement to all parties, and the parties then held multiple meetings throughout the day and evening of January 23, 2015 to negotiate pricing and other business structuring issues.

On January 23, 2015, the ETP Conflicts Committee held two additional telephonic meetings with RLF, one of which was also attended by Barclays, to discuss the proposed transaction. Among the items presented to the ETP Conflicts Committee and discussed were Barclays' preliminary financial analysis of the proposed transaction and the effect of such proposal on ETP, Regency and ETE, the status of the merger agreement being negotiated in connection with the proposed transaction and the duties and obligations of the ETP Conflicts Committee in connection with the proposed transaction.

On January 23, 2015, the Regency Conflicts Committee reviewed the terms of ETP's counterproposal, considered the advice of its legal and financial advisors, and determined not to accept either option specified by ETP in its

counterproposal. The Regency Conflicts Committee determined to present a new proposal, consisting

Table of Contents

of an exchange ratio of 0.4088 plus a cash make-whole payment to cover the expected difference between ETP's quarterly distributions and Regency's quarterly distributions for one year following the closing. The Regency Conflicts Committee then met with Mr. Mason to present this proposal and explained that the aggregate merger consideration would need to be comprised of an exchange ratio and a cash payment that would result in a total 15.0% premium to Regency unitholders. Following Regency's proposal, the representatives of ETP met with Latham to discuss the details of Regency's proposal.

After trading on the NYSE closed on January 23, 2015, a telephonic meeting was held among the ETP Conflicts Committee, members of ETP management, RLF, Latham and Barclays to discuss the Regency proposal. At that meeting, ETP management reported to the ETP Conflicts Committee that ETE was willing to increase the incentive distribution subsidy from ETE from \$60.0 million to \$80.0 million for the first year following the closing of the merger but the subsidy would remain at \$60.0 million for each of the four years thereafter, and that the increase for the first year following the closing would be expected to keep the unaffiliated ETP unitholders from suffering dilution as a result of the proposed transaction during the first year after closing. On the basis that ETE would be willing to provide such an incentive distribution subsidy, and after considering the three-day and five-day volume weighted average price (VWAP) of Regency common units and the closing price of ETP common units on January 23, 2015, the ETP Conflicts Committee instructed ETP management to respond to Regency's proposal by proposing an exchange ratio of 0.4066 ETP common units for each Regency common unit, a cash make-whole payment to cover the expected difference between ETP's quarterly distributions and Regency's quarterly distributions for one year following the closing, a 4% breakup fee and approval to be based on a simple majority vote of the outstanding Regency units. This proposal had an implied offer value of \$26.88 per Regency common unit, representing a 13.2% premium to the closing price of Regency common units on January 23, 2015, a 15.3% premium to the three-day VWAP of Regency common units as of January 23, 2015 and a 17.2% premium to the five-day VWAP of Regency common units as of January 23, 2015.

On January 23, 2015, the ETE Board held a meeting at which ETE management provided an update on the status of the negotiations between ETP and Regency and presented the financial analysis prepared by ETE management related to the financial impact of the proposed merger on ETE based on the terms then being considered by ETP and Regency, as well as the proposed incentive distribution subsidy. At this meeting, the ETE Board determined that Matt Ramsey and Rick Turner, two independent directors of ETE, would spearhead the review of the financial impact of the proposed transaction, including the proposed incentive distribution subsidy, on ETE. Following the meeting, the ETE Board engaged Potter Anderson & Corroon, LLP to provide legal advice to the ETE Board with respect to the proposed transaction.

On January 23, 2015, ETP management called Regency management and proposed an exchange ratio of 0.4066 and a cash payment of \$0.31 per Regency unit. Regency management conveyed that proposal to the Regency Conflicts Committee.

Later on January 23, 2015, the Regency Conflicts Committee met and discussed such counterproposal as a rejection to its 15% premium with a 0.4088 ETP unit exchange ratio, but accepted the proposal in principle, subject to additional financial analysis to determine whether the proposed exchange ratio and the cash payment would provide, in the aggregate, a 15.0% premium to Regency's VWAP for several trading days as compared to the closing price of ETP common units on January 23, 2015.

On January 24, 2015, Barclays, J.P. Morgan, Mr. Long and Mr. Welch had multiple discussions regarding the specific financial analysis related to the calculation of the five-day VWAP for Regency common units, as well as the cash amount necessary to achieve the 15.0% premium that the Regency Conflicts Committee had requested in order to approve the proposed transaction. Following these discussions, it was determined that an exchange ratio of 0.4066 and

a cash payment of \$0.32 per Regency unit would achieve the desired 15.0% premium for Regency common units. The combination of the 0.4066 exchange ratio and \$0.32 cash payment had an implied offer value of \$26.89 per Regency common unit, representing a 13.2% premium to the closing price of Regency common units on January 23, 2015, a 15.3% premium to the three-day VWAP of Regency common units as of January 23, 2015 and

Table of Contents

a 17.2% premium to the five-day VWAP of Regency common units as of January 23, 2015. Following such discussions, on January 24, 2015, the Regency Conflicts Committee met and reviewed such information and the merger agreement.

On January 24, 2015, Baker Botts emailed a revised draft of the merger agreement to Latham, RLF and ETP, which included the 0.4066 exchange ratio, a cash make-whole payment equal to \$0.32 per Regency unit and an incentive distribution subsidy from ETE to ETP of \$80.0 million for the first year following the closing of the merger and \$60.0 million for each of the four years thereafter.

On January 24, 2015, the ETP Conflicts Committee held a telephonic meeting with ETP management, Barclays, RLF and Latham at which ETP management reported to the ETP Conflicts Committee regarding the negotiations with Regency and the proposed cash payment to Regency unitholders of \$0.32 per Regency unit.

On January 24, 2015, the ETP Conflicts Committee held a telephonic meeting with Barclays and RLF to consider the proposed transaction. At the meeting, (i) Barclays presented the ETP Conflicts Committee with its financial analysis of the terms agreed to in the proposed transaction, (ii) RLF summarized the terms of the merger agreement, and (iii) the ETP Conflicts Committee discussed factors that supported approving the proposed transaction and factors that did not support approving the proposed transaction. Following such discussion, the ETP Conflicts Committee unanimously (i) determined in good faith that the proposed transaction, including the merger agreement and the transactions contemplated thereby, on substantially the terms set forth in the merger agreement, including the incentive distribution subsidy from ETE, are advisable, fair and reasonable to, and in the best interests of ETP and the unaffiliated ETP unitholders, (ii) approved the proposed transaction (including the merger agreement) upon substantially the terms and conditions set forth in the merger agreement (taking into account the incentive distribution subsidy from ETE), and (iii) recommended that the ETP Board approve the merger agreement (including the consummation of the transactions contemplated thereby) and the proposed transaction, submit the merger agreement to the limited partners of ETP for approval and cause ETP to enter into the merger agreement and consummate the proposed transaction upon substantially the terms and conditions set forth in the merger agreement (subject to obtaining the requisite approval of limited partners of ETP).

On January 24, 2015, at an ETP Board meeting duly called and held, the ETP Conflicts Committee advised the ETP Board that it had approved the merger agreement and recommended that the ETP Board approve the merger agreement and submit the merger agreement to ETP's limited partners for approval. Following this recommendation, the ETP Board determined that it is in the best interests of ETP GP and its partners and ETP and its partners, and declared it advisable, for ETP GP and ETP to enter into the merger agreement, and the ETP Board approved and adopted the merger agreement and the transactions contemplated thereby, including the merger.

On January 25, 2015, the Regency Conflicts Committee met with J.P. Morgan and Akin Gump. At the meeting J.P. Morgan presented and discussed its financial analyses with respect to the proposed transaction. Following the presentation, at the request of the Regency Conflicts Committee, J.P. Morgan rendered its oral opinion to the Regency Conflicts Committee (which was subsequently confirmed in writing by delivery of J.P. Morgan's written opinion addressed to the Regency Conflicts Committee and the Regency Board as of the same date) as to the fairness, from a financial point of view, of the consideration to be paid to Regency's common unitholders, other than ETE, ETP and their respective affiliates, in the proposed transaction. Following discussion of the terms and conditions of the merger agreement and the fairness opinion with its advisors, the Regency Conflicts Committee then determined in good faith that the merger was fair and reasonable and in the best interest of Regency and the Regency unaffiliated unitholders. The Regency Conflicts Committee unanimously approved and determined to recommend the merger and the merger agreement. The Regency Board then convened a duly called and held telephonic meeting, during which, at the request of the Regency Conflicts Committee, J.P. Morgan rendered its oral opinion (which was subsequently confirmed in

writing) described above to the Regency Board. Representatives of Baker Botts also participated in the Regency Board meeting. Pursuant to the Regency Conflicts Committee's recommendation, the Regency Board then approved the merger and the merger agreement on the same terms (with John W. McReynolds and Mr. Ramsey abstaining).

Table of Contents

On January 25, 2015, the parties finalized and executed the merger agreement.

On January 26, 2015, prior to the opening of trading on the NYSE, the parties issued a press release announcing the transaction.

From February 2, 2015 to February 9, 2015, ETP management and Latham discussed a possible change in the structure of the merger from a direct merger of Regency into ETP to a reverse triangular merger in which Regency would merge with a newly formed, wholly owned subsidiary of ETP, with Regency surviving the merger as a wholly owned subsidiary of ETP. The parties discussed how this possible change in structure would provide greater deal certainty for Regency and ETP and other benefits of the change.

On February 9, 2015, Latham and RLF discussed ETP's proposal to change the structure of the merger. The parties also discussed ETP's primary rationale for the change in merger structure, as well as the consequences of the change, including the elimination of an ETP unitholder vote with respect to the transaction.

On February 10, 2015, the ETP Conflicts Committee held a telephonic meeting with RLF. At the meeting, RLF described the proposal to change the structure of the merger, and the ETP Conflicts Committee and RLF discussed possible advantages and disadvantages with respect to the change in structure from the perspective of ETP and the unaffiliated ETP unitholders. Also at that meeting, RLF described to the ETP Conflicts Committee the provisions of the merger agreement that required the ETP Board to refer any proposed amendment to the merger agreement to the ETP Conflicts Committee and provide it with not less than two business days to make a recommendation with respect thereto. The ETP Conflicts Committee instructed RLF (i) to ensure that the ETP Board would make such a referral before the ETP Conflicts Committee is asked to consider an amendment, and (ii) to ask ETP management to provide the ETP Conflicts Committee with a presentation that includes the benefits of the change in structure to ETP and the unaffiliated ETP unitholders, as well as the potential issues related to such change. Following the meeting, between February 10, 2015 and February 18, 2015, ETP management, Latham and RLF conferred multiple times to discuss the benefits and issues associated with the change in structure to ETP and the unaffiliated ETP unitholders and to develop the requested presentation.

On February 10, 2015, Latham emailed an initial draft of the amended and restated merger agreement reflecting the change in the merger structure to RLF, Baker Botts, Akin Gump and Regency.

On February 14, 2015, Baker Botts emailed a revised draft of the amended and restated merger agreement to ETP, Latham and Akin Gump.

On February 16, 2015, Latham emailed a draft of an amendment to the merger agreement (the "merger agreement amendment") to ETP, Latham and RLF, which reflected the changes included in the amended and restated merger agreement draft delivered by Baker Botts on February 14, 2015. In addition, the merger agreement amendment included a change in the merger consideration such that holders of Regency common units would receive, in lieu of the cash consideration, \$0.32 in additional ETP common units based on the VWAP of the ETP common units for the five trading days ending on the third trading day immediately preceding the effective time of the merger.

On February 17, 2015, the ETP Board and the ETE Board held a joint meeting to discuss the proposed merger agreement amendment, pursuant to which the structure of the merger would be changed as described above (and, as a result, the ETP unitholder vote would be eliminated) and the cash component of the merger consideration would be changed as described above. At the meeting, the ETP Board authorized the ETP Conflicts Committee to review and evaluate any potential conflicts of interest arising in connection with the proposed merger agreement amendment and to determine whether or not to approve, and to recommend that the ETP Board approve, the proposed merger

agreement amendment.

On February 17, 2015, Baker Botts emailed a revised draft of the merger agreement amendment to ETP, Latham, Akin Gump and RLF.

Table of Contents

On February 18, 2015, the Regency Conflicts Committee held a telephonic meeting with Akin Gump and J.P. Morgan to discuss the merger agreement amendment. While the Regency Conflicts Committee understood that it was under no obligation to renegotiate or agree to an amendment, it was willing to consider the merger agreement amendment if it would be in the best interests of Regency and its unaffiliated unitholders. After discussion, the Regency Conflicts Committee determined that the change in the structure was positive for the Regency unitholders because the elimination of the requirement for ETP to obtain unitholder approval removed the risk of a negative ETP unitholder vote, thereby providing additional deal certainty for the Regency unitholders. The Regency Conflicts Committee also discussed the effects of agreeing to change the form of the cash make-whole consideration (which represented approximately 1.5% of the total consideration) to additional ETP common units. The Regency Conflicts Committee discussed the benefits to the Regency unitholders of receiving additional ETP common units instead of being required to take cash at the closing, which would allow this portion of the merger consideration to be tax-deferred to the Regency unitholders. The Regency Conflicts Committee and its advisors discussed alternative methodologies for calculating the number of units to be issued for the make-whole payment. The Regency Conflicts Committee noted that any Regency unitholder who wanted the \$0.32 cash at closing would be required to sell the incremental ETP common units received, incur a brokerage commission in connection with that sale, and pay tax on any difference between the amount received and that unitholder's basis in the units sold. As a result, the Regency Conflicts Committee determined to ask ETP to increase the value of the make-whole payment equal to two years of incremental Regency distributions. The Regency Conflicts Committee also discussed with Regency management its concern that the new merger structure may impact ETP's ability to improve the credit rating with respect to Regency's outstanding senior notes to investment grade status because Regency would be a subsidiary of ETP post-merger instead of merged into ETP. The Regency Conflicts Committee communicated its response and concerns to representatives of ETP, who indicated the two-year make-whole payment would probably be rejected. The Regency Conflicts Committee requested that the value of the ETP additional common units be increased to at least \$0.33 per Regency common unit.

On February 18, 2015, Latham emailed a revised draft of the merger agreement amendment to RLF, Baker Botts, Akin Gump and Regency.

On February 18, 2015, ETP management conveyed to the Regency Conflicts Committee that it was not willing to agree to the Regency Conflicts Committee's proposed increases to the value of the make-whole payment but that it was willing to change the method by which the additional units would be calculated to a method based on the lesser of (i) the closing price of ETP common units on the third business day prior to closing or (ii) the five-day VWAP three business days prior to closing in order to provide greater value to Regency's unitholders. Management of ETP also confirmed that their proposed plan to achieve an investment grade rating for Regency's senior notes in this new structure would be for ETP to guarantee Regency's senior notes, as ETP management had previously discussed with the rating agencies prior to execution of the merger agreement. Later that day, Latham emailed a revised draft of the merger agreement amendment to RLF, Baker Botts, Akin Gump and Regency, which incorporated the formula described above for calculating the additional ETP common unit consideration.

On the evening of February 18, 2015, at a meeting of the Regency Conflicts Committee duly called and held, at which representatives of Akin Gump participated, the Regency Conflicts Committee determined in good faith that the merger agreement amendment was fair and reasonable and in the best interest of Regency and the unaffiliated Regency unitholders. The Regency Conflicts Committee unanimously approved and determined to recommend that the Regency Board approve the merger agreement amendment. Later on February 18, 2015, at a telephonic Regency Board meeting duly called and held, at which representatives of Baker Botts participated, the Regency Conflicts Committee advised the Regency Board that the committee had approved the merger agreement amendment and recommended that the Regency Board approve the merger agreement amendment. Upon deliberation following the Regency Conflicts Committee's recommendation, the Regency Board then approved the merger agreement amendment (with Messrs. McReynolds and Ramsey abstaining).

Table of Contents

On the evening of February 18, 2015, the ETP Conflicts Committee held a telephonic meeting with Barclays and RLF to consider the merger agreement amendment. At the meeting, (i) RLF presented the ETP Conflicts Committee with a document prepared by RLF, Latham and ETP management summarizing the potential benefits and disadvantages of the change in structure to ETP and the unaffiliated ETP unitholders and the ETP Conflicts Committee considered those benefits and disadvantages and others it viewed as relevant, (ii) Barclays representatives discussed with the ETP Conflicts Committee its analysis relating to the financial impact of the merger agreement amendment, and (iii) RLF summarized the terms of the merger agreement amendment. Following such discussion, the ETP Conflicts Committee unanimously (i) determined in good faith that the merger agreement amendment and the transactions contemplated thereby, on the terms set forth in the merger agreement and the merger agreement amendment, are advisable, fair and reasonable to, and in the best interests of ETP and the unaffiliated ETP unitholders, (ii) approved the merger agreement amendment upon the terms and conditions set forth in the merger agreement and the merger agreement amendment, and (iii) recommended that the ETP Board approve the merger agreement amendment and cause ETP to enter into the merger agreement amendment.

On the evening of February 18, 2015, at an ETP Board meeting duly called and held, at which representatives of Latham participated, the ETP Conflicts Committee advised the ETP Board that it had approved the merger agreement amendment and recommended that the ETP Board approve the merger agreement amendment. Following this recommendation, the ETP Board (i) determined that it is in the best interests of ETP GP and its partners and ETP and its partners, and declared it advisable, for ETP GP and ETP to enter into the merger agreement amendment, and (ii) approved and adopted the merger agreement amendment and the transactions contemplated thereby.

Following the Regency and ETP Board meetings, on February 18, 2015, the parties finalized and executed the merger agreement amendment.

Recommendation of the Regency Conflicts Committee, the Regency Board and Their Reasons for the Merger

The Regency Conflicts Committee consists of two independent directors: Richard D. Brannon (Chairman) and James W. Bryant. The Regency Board authorized the Regency Conflicts Committee to (i) review, evaluate and negotiate with ETP the terms and conditions of the merger, together with the form, terms and provisions of the merger agreement, on behalf of Regency, (ii) make a recommendation to the Regency Board whether to approve the merger and (iii) determine whether to give or withhold the Regency Conflicts Committee's approval of the merger.

The Regency Conflicts Committee retained Akin Gump as its outside legal counsel, Morris Nichols as its outside Delaware legal counsel and J.P. Morgan as its financial advisor. The Regency Conflicts Committee oversaw the performance of financial and legal due diligence by its advisors, conducted an extensive review and evaluation of ETP's proposal and maintaining the status quo, and conducted extensive negotiations with ETP and its representatives with respect to the merger agreement and other related agreements. Regency retained Baker Botts as its outside legal counsel.

The Regency Conflicts Committee, by unanimous vote at a meeting held on January 25, 2015, (i) determined that the merger is fair and reasonable and in the best interests of Regency and Regency's common unitholders, other than ETE, ETP and their respective affiliates (the unaffiliated Regency unitholders), (ii) approved the merger and the execution and delivery of the merger agreement, which approval constituted Special Approval as defined in the Regency partnership agreement, (iii) recommended approval of the merger agreement by the limited partners of Regency and (iv) recommended that the Regency Board approve the merger, authorize the entry into the merger agreement, submit the merger agreement to a vote of limited partners of Regency and recommend approval of the merger agreement by the limited partners of Regency. The Regency Conflicts Committee, by unanimous vote at a meeting held on February 18, 2015, (i) determined that the amendment to the merger agreement is fair and reasonable and in the best

interests of Regency and the unaffiliated Regency unitholders, (ii) approved the amendment to the merger agreement and the execution and delivery thereof, which approval constituted Special Approval as defined in the Regency partnership

Table of Contents

agreement, (iii) recommended approval of the amendment to the merger agreement by the limited partners of Regency and (iv) recommended that the Regency Board authorize the entry into the amendment to the merger agreement.

Based on the Regency Conflicts Committee's recommendation, the Regency Board (with Messrs. McReynolds and Ramsey abstaining), at a meeting held on January 25, 2015, (i) determined that the merger is in the best interests of Regency and the unaffiliated Regency unitholders, (ii) approved the merger, the merger agreement and the execution, delivery and performance of the merger agreement and (iii) directed that the merger agreement be submitted to a vote of limited partners of Regency. Further, based on the Regency Conflicts Committee's recommendation, the Regency Board (with Messrs. McReynolds and Ramsey abstaining), at a meeting held on February 18, 2015, (i) determined that the amendment to the merger agreement is in the best interests of Regency and the unaffiliated Regency unitholders and (ii) approved the amendment to the merger agreement and the execution, delivery and performance thereof.

The Regency Conflicts Committee and the Regency Board viewed the following factors as being generally positive or favorable in coming to their determinations and recommendation with respect to the merger:

The merger agreement provides for Regency unitholders to receive 0.4066 ETP common units plus the additional unit consideration for each Regency common unit and a reduction of ETE's incentive distribution rights by an aggregate of \$320 million over five years (\$80 million in the first year and \$60 million per year for the following four years), which they believed constituted an improvement over ETP's initial proposal of 0.4044 ETP common units and approximately \$137 million in a "keep-whole" cash payment to be divided pro rata amongst the Regency common unitholders and a reduction of ETE's incentive distribution rights by an aggregate \$300 million over five years (\$60 million in each year).

The merger consideration, with an implied value of \$26.89 per Regency common unit based upon the closing price of ETP common units on January 23, 2015, represents a:

13.2% premium to the closing price of Regency common units of \$23.75 on January 23, 2015;

15.3% premium to the volume weighted average price of Regency common units for the last three trading days ending January 23, 2015; and

17.2% premium to the volume weighted average price of Regency common units for the last five trading days ending January 23, 2015.

The Regency Conflicts Committee retained financial and legal advisors with knowledge and experience with respect to public merger and acquisition transactions, MLPs, Regency's and ETP's industry generally, and Regency and ETP particularly, as well as substantial experience advising MLPs and other companies with respect to transactions similar to the merger.

J.P. Morgan prepared financial analyses with respect to Regency and ETP, including a public companies analysis and a dividend discount model analysis, and rendered its opinion to the Regency Conflicts Committee and the Regency Board to the effect that, as of January 25, 2015, and based upon and subject to the factors and assumptions set forth in its opinion, the merger consideration to be paid to unaffiliated Regency unitholders was fair, from a financial point of view, to such unitholders.

The merger provides Regency unitholders equity ownership in an entity with a diversified platform of assets and substantially lower cost of capital, which is expected to provide greater ability to pursue accretive capital projects and acquisitions that would provide for higher distribution growth.

On a pro forma basis after giving effect to the merger, ETP will be the second largest midstream MLP in the United States, with an expected enterprise value of approximately \$87 billion, which, among other things, consolidates midstream assets across multiple basins, builds a major presence in the Marcellus and Utica basins with an increased presence in the Permian and Eagle Ford basins, creates an increased upside to ETP's intrastate gas system, creates significant synergies, provides an extensive geographic asset base and the financial capacity to make additional accretive capital investments.

Table of Contents

The Regency equity exchange ratio, which represents a substantial portion of the consideration payable to Regency unitholders, is fixed and therefore the value of the consideration payable to Regency common unitholders will increase in the event that the market price of ETP common units increases prior to the closing of the merger.

The merger is expected to create operating efficiencies and cost savings in administrative and interest costs as well as other combined benefits.

The resulting combined entity is expected to have a strong balance sheet and maintain an investment grade rating. The resulting combined entity's balance sheet and lower cost of capital will allow Regency's unitholders to benefit from the investment grade rating of the combined entity and reduce the cost of the funding of Regency's approximately \$2 billion budgeted capital program in a lower commodity price environment.

The merger consideration generally will not be taxable for U.S. federal income tax purposes to Regency's common unitholders.

The terms of the merger agreement, principally:

the provisions allowing the Regency Conflicts Committee and the Regency Board to withdraw or change their recommendation of the merger agreement in the event of a superior proposal or intervening events if any of them makes a good faith determination that the failure to change its recommendation would be inconsistent with its duties under Regency's partnership agreement or applicable law;

the provisions allowing Regency to participate in negotiations with a third party in response to an unsolicited alternative proposal, which may, in certain circumstances, result in a superior proposal;

the fact that the provisions do not provide for a vote of ETP unitholders to approve the merger;

the provisions requiring ETE and ETP to vote their Regency units in favor of the merger;

the operating covenants for ETP providing protection to Regency unitholders by restricting ETP's ability to take certain actions prior to the closing of the merger that could reduce the value of ETP common units received by Regency unitholders in the merger;

the limited conditions and exceptions to the material adverse effect closing condition and other closing conditions; and

the consummation of the merger is not conditioned on financing.

The Regency Conflicts Committee believed that potential alternative transactions with third parties were not achievable due to ETE's control of Regency's general partner. In addition, the Regency Conflicts Committee considered maintaining the status quo and the impact on Regency's business plan in light of the fundamental change in the commodity price environment and changes in the capital markets.

The Regency Conflicts Committee and the Regency Board considered the following factors to be generally negative or unfavorable in making their determinations and recommendation with respect to the merger:

The Regency unitholders will receive ETP common units that, at least through 2016, are expected to pay a lower distribution as compared to the expected distribution on Regency common units during that period.

The Regency Conflicts Committee was not authorized to, and did not, conduct an auction process or other solicitation of interest from third parties for the acquisition of Regency. Because ETE, an affiliate of ETP, controls Regency's general partner, it was unrealistic to expect or pursue an unsolicited third party acquisition proposal or offer for the assets or control of Regency, and it was unlikely that the Regency Conflicts Committee could conduct a meaningful auction for the acquisition of the assets or control of Regency.

Table of Contents

Although the merger is subject to approval by a majority of the outstanding Regency units entitled to vote at the special meeting, the vote includes Regency units held by ETP, ETE and their affiliates, and there is no requirement of a separate approval by the unaffiliated Regency unitholders.

The exchange ratio, which represents a substantial portion of the consideration to Regency unitholders, is fixed and therefore the value of the consideration payable to Regency common unitholders will decrease in the event that the market price of ETP common units decreases relative to any change in the market price of Regency common units prior to the closing of the merger.

There is risk that the potential benefits sought in the merger might not be fully realized.

The merger may not be completed in a timely manner, or at all, which could result in significant costs and disruption to Regency's normal business.

Certain terms of the merger agreement, principally:

the provisions limiting the ability of Regency to solicit, or to consider unsolicited, offers from third parties for Regency;

the provisions requiring Regency to hold a unitholder meeting as soon as practicable to approve the merger, even in the event the Regency Conflicts Committee or Regency Board changes its recommendation with respect to such approval;

the break-up fee payable by Regency in connection with termination of the merger agreement as a result of a superior proposal for Regency;

the Regency Conflicts Committee did not have ultimate authority to determine whether to proceed with the merger and the Regency Board reserved the right to move forward with the merger in the absence of approval by the Regency Conflicts Committee;

Regency common unitholders are not entitled to dissenter or appraisal rights under the merger agreement, Regency's partnership agreement or Delaware law; and

Regency common unitholders will be foregoing the potential benefits, if any, that could be realized by remaining as unitholders of Regency as a standalone entity.

Litigation may occur in connection with the merger and such litigation may increase costs and result in a diversion of management focus.

Some of the directors and officers of Regency have interests in the merger that are different from, or in addition to, the interests of Regency's unitholders generally. Please read "The Merger - Interests of Directors and Executive Officers of Regency in the Merger."

The foregoing discussion is not intended to be exhaustive, but is intended to address the material information and principal factors considered by the Regency Conflicts Committee and the Regency Board in considering the merger. In view of the number and variety of factors and the amount of information considered, the Regency Conflicts Committee and the Regency Board did not find it practicable to, and did not make specific assessments of, quantify or otherwise assign relative weights to, the specific factors considered in reaching its determination. In addition, the Regency Conflicts Committee and the Regency Board did not undertake to make any specific determination as to whether any particular factor, or any aspect of any particular factor, was favorable or unfavorable to its ultimate determination, and individual members of the Regency Conflicts Committee and the Regency Board may have given different weights to different factors. The Regency Conflicts Committee and the Regency Board made their recommendations based on the totality of information presented to, and the investigation conducted by, the Regency Conflicts Committee and the Regency Board. It should be noted that certain statements and other information presented in this section are forward-looking in nature and, therefore, should be read in light of the factors discussed under the heading "Cautionary Statement Regarding Forward-Looking Statements."

Table of Contents

The Regency Conflicts Committee and the Regency Board each recommend that Regency unitholders vote FOR the approval of the merger agreement and FOR the adjournment of the special meeting, if necessary to solicit additional proxies if there are not sufficient votes to approve the merger agreement at the time of the special meeting, and the Regency Board recommends that Regency unitholders vote FOR the advisory compensation proposal.

Opinion of the Financial Advisor to the Regency Conflicts Committee

Pursuant to an engagement letter dated January 22, 2015, Regency retained J.P. Morgan as the financial advisor to the Regency Conflicts Committee in connection with the merger.

At meetings of the Regency Conflicts Committee and the Regency Board on January 25, 2015, J.P. Morgan rendered its oral opinion to the Regency Conflicts Committee and the Regency Board, which opinion was subsequently confirmed in writing, that, as of such date and based upon and subject to the factors and assumptions set forth in its opinion, the merger consideration to be paid to holders of Regency common units, other than ETE, ETP and their respective affiliates, in the merger was fair, from a financial point of view, to such unitholders. The issuance of J.P. Morgan's opinion was approved by a fairness committee of J.P. Morgan. No limitations were imposed by the Regency Board or the Regency Conflicts Committee upon J.P. Morgan with respect to the investigations made or procedures followed by it in rendering its opinions.

The full text of the written opinion of J.P. Morgan dated January 25, 2015, which sets forth the assumptions made, matters considered and limits on the review undertaken, is attached as Annex B to this proxy statement/prospectus and is incorporated herein by reference. Regency unitholders are urged to read the opinion in its entirety. J.P. Morgan's written opinion is addressed to the Regency Conflicts Committee and the Regency Board, is directed only to the merger consideration to be paid to holders of Regency common units (other than ETE, ETP and their respective affiliates) and does not constitute a recommendation to any Regency unitholder as to how such Regency unitholder should vote with respect to the transactions contemplated by the merger agreement. The summary of the opinion of J.P. Morgan set forth in this proxy statement/prospectus is qualified in its entirety by reference to the full text of such opinion.

In arriving at its opinion, J.P. Morgan, among other things:

reviewed a draft of the merger agreement dated January 25, 2015;

reviewed certain publicly available business and financial information concerning Regency and ETP and the industries in which they operate;

compared the proposed financial terms of the merger with the publicly available financial terms of certain transactions involving companies J.P. Morgan deemed relevant and the consideration paid for such companies;

compared the financial and operating performance of Regency and ETP with publicly available information concerning certain other companies J.P. Morgan deemed relevant and reviewed the current and historical

market prices of the Regency common units and the ETP common units and certain publicly traded securities of such other companies;

reviewed certain internal financial analyses and forecasts prepared by the management of Regency relating to its business and by the management of ETP relating to its business, as well as the estimated amount and timing of the cost savings and related expenses and synergies expected to result from the merger (referred to in this section as the estimated synergies);

reviewed certain financial forecasts relating to the business of Regency based on certain publicly available financial forecasts and adjustments thereto reviewed by the management of Regency, which forecasts were approved by Regency s management as reasonable for use in J.P. Morgan s analysis;

Table of Contents

reviewed certain financial forecasts relating to the business of ETP based on certain publicly available financial forecasts and adjustments thereto reviewed by the management of ETP, which forecasts were approved by Regency's management as reasonable for use in J.P. Morgan's analysis; and

performed such other financial studies and analyses and considered such other information as J.P. Morgan deemed appropriate for the purposes of its opinion.

J.P. Morgan also held discussions with the Regency Conflicts Committee and certain members of the management of Regency and ETP with respect to certain aspects of the merger, and the past and current business operations of Regency and ETP, the financial condition and future prospects and operations of Regency and ETP, the effects of the merger on the financial condition and future prospects of Regency and ETP, and certain other matters J.P. Morgan believed necessary or appropriate to its inquiry.

In giving its opinion, J.P. Morgan relied upon and assumed the accuracy and completeness of all information that was publicly available or was furnished to or discussed with J.P. Morgan by Regency and ETP or otherwise reviewed by or for J.P. Morgan, and J.P. Morgan did not independently verify, nor did J.P. Morgan assume any responsibility or liability for independently verifying, any such information or its accuracy or completeness. J.P. Morgan did not conduct and was not provided with any valuation or appraisal of any assets or liabilities, nor did J.P. Morgan evaluate the solvency of Regency or ETP under any state or federal laws relating to bankruptcy, insolvency or similar matters. In relying on financial analyses and forecasts provided to it or derived therefrom, including the estimated synergies referred to above, J.P. Morgan assumed that they were reasonably prepared based on assumptions reflecting the best currently available estimates and judgments by management as to the expected future results of operations and financial condition of Regency and ETP to which such analyses or forecasts relate. J.P. Morgan expressed no view as to such analyses or forecasts (including the estimated synergies) or the assumptions on which they were based. J.P. Morgan also assumed that the merger and the other transactions contemplated by the merger agreement will have the tax consequences described in discussions with, and materials furnished to J.P. Morgan by, representatives of Regency, and will be consummated as described in the merger agreement, and that the definitive merger agreement would not differ in any material respect from the draft thereof furnished to J.P. Morgan. As of the date on which J.P. Morgan delivered its opinion, the merger agreement contemplated the payment of \$0.32 in cash (referred to in this section as the cash consideration) in lieu of the additional unit consideration. J.P. Morgan also assumed that the representations and warranties made by Regency and ETP in the merger agreement were and will be true and correct in all respects material to J.P. Morgan's analysis. J.P. Morgan is not a legal, regulatory or tax expert and relied on the assessments made by advisors to Regency with respect to such issues. J.P. Morgan further assumed that all material governmental, regulatory or other consents and approvals necessary for the consummation of the merger will be obtained without any adverse effect on Regency or ETP or on the contemplated benefits of the merger.

The projections furnished to J.P. Morgan for Regency for the years ending December 31, 2015 and 2016 were prepared by the management of Regency. Regency's management does not normally prepare projections beyond two years. Accordingly, the projections furnished to J.P. Morgan for Regency for the years ending December 31, 2017, 2018 and 2019 (together with the 2015 and 2016 projections, referred to in this section as the Regency projections) were based on selected equity research reports and adjustments thereto reviewed by the management of Regency and approved by the management of Regency as reasonable for use in J.P. Morgan's analysis. The projections furnished to J.P. Morgan for ETP for the years ending December 31, 2015 and 2016 were prepared by the management of ETP. ETP management does not normally prepare projections beyond two years. Accordingly, the projections furnished to J.P. Morgan for ETP for the years ending December 31, 2017, 2018 and 2019 (together with the 2015 and 2016 projections, referred to in this section as the ETP projections) were based on selected equity research reports and adjustments thereto reviewed by the management of ETP and approved by the management of Regency as reasonable for use in J.P. Morgan's analysis. Neither Regency nor ETP publicly discloses internal management projections of the

type provided to J.P. Morgan in connection with J.P. Morgan's analysis of the merger, and such projections were not prepared with a view toward public

Table of Contents

disclosure. These projections were based on numerous variables and assumptions that are inherently uncertain and may be beyond the control of management, including, without limitation, factors related to general economic and competitive conditions and prevailing interest rates. Accordingly, actual results could vary significantly from those set forth in such projections.

J.P. Morgan's opinion is necessarily based on economic, market and other conditions as in effect on, and the information made available to J.P. Morgan as of, the date of such opinion. Subsequent developments may affect J.P. Morgan's opinion, and J.P. Morgan does not have any obligation to update, revise or reaffirm such opinion. J.P. Morgan did not update, revise or reaffirm its opinion in connection with the amendment to the merger agreement dated as of February 18, 2015. J.P. Morgan's opinion is limited to the fairness, from a financial point of view, of the merger consideration to be paid to holders of Regency common units (other than ETE, ETP and their respective affiliates) and J.P. Morgan has expressed no opinion as to the fairness of any consideration paid in connection with the merger to ETE, ETP, their respective affiliates, the holders of any other class of securities, creditors or other constituencies of Regency or as to the underlying decision by Regency to engage in the merger. Furthermore, J.P. Morgan expressed no opinion with respect to the amount or nature of any compensation to any officers, directors, or employees of any party to the merger, or any class of such persons relative to the consideration to be paid to the holders of the Regency common units in the merger or with respect to the fairness of any such compensation. J.P. Morgan expressed no opinion as to the price at which the Regency common units or the ETP common units will trade at any future time.

J.P. Morgan was not authorized to and did not solicit any expressions of interest from any other parties with respect to the sale of all or any part of Regency or any alternative transaction.

The terms of the merger agreement, including the consideration payable to the holders of Regency common units, were determined through arm's length negotiations between the Regency Conflicts Committee and ETP, and the decision to enter into the merger agreement was solely that of the Regency Conflicts Committee, the Regency Board and the ETP Board. J.P. Morgan's opinion and financial analyses were only one of the many factors considered by the Regency Conflicts Committee and the Regency Board in their evaluation of the merger and should not be viewed as determinative of the views of the Regency Conflicts Committee or the Regency Board or management with respect to the merger or the consideration payable in the merger.

In accordance with customary investment banking practice, J.P. Morgan employed generally accepted valuation methods in reaching its opinion. The following is a summary of the material financial analyses utilized by J.P. Morgan in connection with providing its opinion.

Public Companies Analysis

Using publicly available information, J.P. Morgan compared selected financial data of Regency and ETP with similar data for selected publicly traded companies engaged in businesses which J.P. Morgan judged to be analogous to Regency's or ETP's.

For Regency, the companies selected by J.P. Morgan, which are referred to below as the Gathering and Processing MLP Peers, were as follows:

Targa Resources Partners LP

MarkWest Energy Partners, L.P.

EnLink Midstream Partners, LP

DCP Midstream Partners, LP

Enable Midstream Partners, LP

Crestwood Midstream Partners LP

Table of Contents

Midcoast Energy Partners, L.P.

Southcross Energy Partners, L.P.

For ETP, the companies selected by J.P. Morgan, which are referred to below as the Diversified MLP Peers, were as follows:

Enterprise Products Partners L.P.

Williams Partners L.P.

Plains All American Pipeline, L.P.

Spectra Energy Partners, LP

Enbridge Energy Partners, L.P.

ONEOK Partners, L.P.

These companies were selected, among other reasons, because they are publicly traded master limited partnerships with operations and businesses that, for the purposes of J.P. Morgan's analysis, may be considered similar to those of Regency and ETP based on the nature of their assets and operations. However, none of the companies selected is identical or directly comparable to Regency or ETP, and certain of these companies may have characteristics that are materially different from those of Regency and ETP. The analyses necessarily involve complex considerations and judgments concerning differences in financial and operational characteristics of the companies involved and other factors that could affect the companies differently than would affect Regency or ETP.

For each company listed above, J.P. Morgan calculated and compared various financial multiples and ratios based on publicly available information as of January 23, 2015. For each of the following analyses performed by J.P. Morgan, estimated financial data for the selected companies were based on (except as otherwise noted) the Regency projections and the ETP projections (in the case of Regency and ETP, respectively) and information obtained from FactSet Research Systems and selected equity research reports (in the case of the other selected companies). The information J.P. Morgan calculated for each of the selected companies included:

Multiple of firm value (calculated based on fully diluted limited partner unit (LP) equity value using the treasury stock method plus an estimated value of the general partner interest, plus debt, minority interest and preferred equity, less cash and cash equivalents) to estimated EBITDA (calculated as earnings before interest, taxes, depreciation and amortization) for the years ending December 31, 2015 and 2016;

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Multiple of price (using the unit price as of January 23, 2015) to estimated distributable cash flow (DCF) per common unit for the years ending December 31, 2015 and 2016; and

The current (based on the latest announced quarterly distribution) and estimated calendar year 2015 and 2016 distribution yields, calculated as the current or estimated distribution per LP unit divided by the common unit price as of January 23, 2015.

Table of Contents

Results of the analysis for Regency and ETP, respectively, are as follows:

*Regency***Gathering and Processing MLP Peers**

	Firm value / estimated EBITDA		Price / DCF per common unit		Distribution yield		
	2015E	2016E	2015E	2016E	Current	2015E	2016E
	Mean	12.3x	10.0x	11.0x	10.0x	8.3%	9.0%
Median	11.9x	10.6x	11.6x	10.8x	7.2%	7.8%	8.5%

J.P. Morgan also calculated the same financial multiples and ratios for Regency, both at the implied offer price in the merger and at the market price as of January 23, 2015, based on both the Regency projections and selected equity research reports (referred to as street estimates in the below table).

	Firm value / estimated EBITDA		Price / DCF per Regency common unit		Distribution yield		
	2015E	2016E	2015E	2016E	Current	2015E	2016E
	Regency (based on street estimates)	12.5x	11.0x	11.1x	10.4x	8.5%	8.9%
Regency (based on Regency projections)	12.3x	10.9x	11.9x	11.3x	8.5%	8.5%	8.7%
Regency (based on street estimates at implied offer price)	13.4x	11.8x	12.6x	11.7x	7.5%	7.8%	8.3%
Regency (based on Regency projections at implied offer price)	13.2x	11.7x	13.5x	12.8x	7.5%	7.5%	7.7%

J.P. Morgan did not rely solely on the quantitative results of the selected public company analysis, but also made qualitative judgments concerning differences between the business, financial and operating characteristics and prospects of Regency and the selected companies that could affect the public trading values of each in order to provide a context in which to consider the results of the quantitative analysis. These qualitative judgments related primarily to the differing sizes, growth prospects, asset profiles and capital structures between Regency and the companies included in the selected public company analysis. While all of the selected companies referred to above were used in deriving the mean and median multiples, J.P. Morgan considered Targa Resources Partners LP, DCP Midstream Partners, LP, Enable Midstream Partners, LP and Crestwood Midstream Partners LP to be the companies that were the most similar to Regency, and relied on the multiples calculated for those companies in the relative valuation analysis described below. Based on the results of this analysis, J.P. Morgan selected multiple reference ranges for Regency of 11.0x - 14.5x and 9.5x - 11.5x for firm value to estimated 2015 and 2016 EBITDA, respectively; ranges of 9.0x - 13.0x and 9.0x - 11.0x for price per common unit to estimated 2015 and 2016 DCF per common unit, respectively; and ranges of 10.0% - 7.5%, 10.0% - 8.0%, and 11.0% - 8.5% for current and estimated 2015 and 2016 distribution yields, respectively.

After applying such ranges to the appropriate metrics for Regency based on the Regency projections, the analysis indicated the following implied equity value per Regency common unit ranges (resulting per unit values were in all cases rounded to the nearest \$0.25 per unit):

Regency Implied Equity Value Per Regency Common Unit Range

	Firm value / estimated EBITDA		Price / DCF per Regency common unit		Distribution yield		
	2015E	2016E	2015E	2016E	Current	2015E	2016E
Low	\$ 19.25	\$ 18.50	\$ 18.00	\$ 18.75	\$ 20.00	\$ 20.00	\$ 18.75
High	\$ 31.25	\$ 26.25	\$ 25.75	\$ 23.00	\$ 26.75	\$ 25.00	\$ 24.25

Table of Contents

The ranges of implied equity values per Regency common unit were compared to the Regency common unit closing price of \$23.75 on January 23, 2015 and the implied consideration per Regency common unit of \$26.89 based on the exchange ratio, cash consideration and the ETP common unit closing price of \$65.34 on January 23, 2015.

*ETP***Diversified MLP Peers**

	Firm value / estimated EBITDA		Price / DCF per common unit		Distribution yield		
	2015E	2016E	2015E	2016E	Current	2015E	2016E
	Mean	15.0x	13.2x	16.0x	15.1x	5.6%	5.8%
Median	15.1x	12.9x	16.0x	14.9x	5.5%	5.7%	6.1%

J.P. Morgan also calculated the same financial multiples for ETP based on both the ETP projections and street estimates.

	Firm value / estimated EBITDA		Price / DCF per ETP common unit		Distribution yield		
	2015E	2016E	2015E	2016E	Current	2015E	2016E
	ETP (based on street estimates)	15.1x	14.9x	14.5x	14.4x	6.0%	6.4%
ETP (based on ETP projections)	14.5x	13.4x	15.0x	14.4x	6.1%	6.4%	6.7%

J.P. Morgan did not rely solely on the quantitative results of the selected public company analysis, but also made qualitative judgments concerning differences between the business, financial and operating characteristics and prospects of ETP and the selected companies that could affect the public trading values of each in order to provide a context in which to consider the results of the quantitative analysis. These qualitative judgments related primarily to the differing sizes, growth prospects, asset profiles and capital structures between ETP and the companies included in the selected public company analysis. While all of the selected companies referred to above were used in deriving the mean and median multiples, J.P. Morgan considered Enterprise Products Partners L.P. and Williams Partners L.P. to be the companies that were the most similar to ETP, and relied on the multiples calculated for those companies in the relative valuation analysis described below. Based on the results of this analysis, J.P. Morgan selected multiple reference ranges for ETP of 13.0x 16.0x and 11.5x 13.5x for firm value to estimated 2015 and 2016 EBITDA, respectively; ranges of 13.0x 16.0x and 12.0x 15.5x for price per common unit to estimated 2015, and 2016 DCF per common unit, respectively; and ranges of 7.0% 5.5%, 7.25% 5.75%, and 7.75% 6.25% for current and estimated 2015 and 2016 distribution yields, respectively.

After applying such ranges to the appropriate metrics for ETP based on the ETP projections, the analysis indicated the following implied equity value per ETP common unit ranges (resulting per unit values were in all cases rounded to the nearest \$0.25 per unit):

ETP Implied Equity Value Per ETP Common Unit Range

	Firm value / estimated EBITDA		Price / DCF per ETP common unit		Distribution yield		
	2015E	2016E	2015E	2016E	Current	2015E	2016E
Low	\$ 49.25	\$ 43.25	\$ 56.75	\$ 54.25	\$ 56.75	\$ 57.75	\$ 56.75
High	\$ 81.50	\$ 66.50	\$ 70.00	\$ 70.25	\$ 72.25	\$ 72.75	\$ 70.50

Table of Contents

The ranges of implied equity values per ETP common unit were compared to ETP common unit closing price of \$65.34 on January 23, 2015.

Dividend Discount Model Analysis

J.P. Morgan conducted a dividend discount model analysis for the purpose of determining the fully diluted equity value per unit for the Regency common units and the ETP common units. A dividend discount model analysis is a method of evaluating the equity value of a company using estimates of the future distributions to unitholders generated by the company and taking into consideration the time value of money with respect to those future distributions by calculating their present value. Present value refers to the current value of future distributions to unitholders paid by the company, and is obtained by discounting those future distributions back to the present using a discount rate that takes into account macro-economic assumptions and estimates of risk, the opportunity cost of capital, capitalized returns and other appropriate factors.

The projected distribution stream per Regency common unit for the years 2015 through 2019 was based on the Regency projections, and was discounted to present value using a range of discount rates from 8.0% to 11.0%, which was chosen by J.P. Morgan based upon an analysis of the cost of equity of Regency. J.P. Morgan also calculated a range of terminal values for Regency at the end of the five-year period ending 2019 by applying a perpetual distribution growth rate ranging from 0% to 2.0% to the projected distribution stream in 2019 to calculate a range of terminal period distributions, then applying a distribution yield range of 7.5% to 10.0% to those terminal period distributions. Terminal value refers to the capitalized value of all distributions to common unitholders expected to be paid by Regency for periods beyond the Regency projections. The range of terminal values was then discounted to present value using a range of discount rates from 8.0% to 11.0%. The dividend discount model analysis indicated a range of implied equity values of between \$22.25 and \$30.50 per Regency common unit (rounded to the nearest \$0.25). The range of implied equity value per Regency common unit was compared to the Regency common unit closing price of \$23.75 on January 23, 2015 and the implied consideration per Regency common unit of \$26.89 based on the exchange ratio, cash consideration and the ETP common unit closing price of \$65.34 on January 23, 2015.

The projected distribution stream per ETP common unit for the years 2015 through 2019 was based on the ETP projections, and was discounted to present value using a range of discount rates from 8.0% to 10.0%, which was chosen by J.P. Morgan based upon an analysis of the cost of equity of ETP. J.P. Morgan also calculated a range of terminal values for ETP at the end of the five-year period ending 2019 by applying a perpetual distribution growth rate ranging from 0% to 2.0% to the projected distribution stream in 2019 to calculate a range of terminal period distributions, then applying a distribution yield range of 5.5% to 7.0% to those terminal period distributions. The range of terminal values was then discounted to present value using a range of discount rates from 8.0% to 10.0%. The dividend discount model analysis indicated a range of implied equity values of between \$62.50 and \$82.00 per ETP common unit (rounded to the nearest \$0.25). The range of implied equity value per unit was compared to ETP's common unit closing price of \$65.34 on January 23, 2015.

Table of Contents***Relative Valuation Analysis***

Based upon the implied equity values for Regency and ETP calculated in its public companies analysis and the implied equity values for Regency and ETP calculated in its dividend discount model analysis described above, J.P. Morgan calculated an implied range of exchange ratios. For each comparison, J.P. Morgan compared the highest equity value for Regency to the lowest equity value for ETP to derive the highest implied exchange ratio for Regency common unitholders implied by each set of reference ranges. J.P. Morgan also compared the lowest equity value for Regency to the highest equity value for ETP to derive the lowest implied exchange ratio for Regency common unitholders implied by each set of reference ranges. The implied ranges of the exchange ratio resulting from this analysis were:

	Implied Exchange Ratio	
	Low	High
Public Companies Analysis		
Firm value to 2015E EBITDA	0.2362x	0.6345x
Firm value to 2016E EBITDA	0.2782x	0.6069x
Price to 2015E DCF per common unit	0.2571x	0.4537x
Price to 2016E DCF per common unit	0.2669x	0.4240x
Current distribution yield	0.2768x	0.4714x
2015E distribution yield	0.2749x	0.4329x
2016E distribution yield	0.2660x	0.4273x
Dividend Discount Model Analysis	0.2713x	0.4880x

The implied ranges of the exchange ratio for Regency common unitholders were compared to the exchange ratio (including cash consideration) for the merger of 0.4115x.

Other Information

J.P. Morgan also reviewed for informational purposes, among other things, the following:

historical trading prices during the 52-week period ended January 23, 2015, of Regency common units and ETP common units of \$20.50 to \$33.50 per unit and \$52.75 to \$69.75 per unit, respectively;

(1) the implied historical exchange ratios during the two-year period ended January 23, 2015 calculated by dividing the daily closing price per Regency common unit by that of an ETP common unit for each trading day during that period and (2) the average of those daily implied historical exchange ratios for the one-week, ten-day, one-month, three-month, six-month, one-year and two-year periods ending January 23, 2015, resulting in the following average implied exchange ratios for the periods indicated:

	1-week	10-day	1-month	3-month	6-month	1-year	2-year
Average	0.3626x	0.3628x	0.3640x	0.4109x	0.4724x	0.4898x	0.5009x

Wall Street equity analysts' price targets for the Regency common units and ETP common units of approximately \$23.00 to \$34.00 and \$65.00 to \$80.00, respectively, yielding an implied exchange ratio of 0.2875x to 0.5231x;

the potential pro forma financial effects of the merger, taking into account, among other things, the estimated synergies, on (1) Regency's estimated DCF per Regency common unit and distributions per Regency common unit, both with and without the cash consideration payable to the holders of the Regency common units in the merger, during the years ending December 31, 2015 and 2016; (2) ETP's estimated DCF per ETP common unit and distributions per ETP common unit during the years ending December 31, 2015 and 2016; and (3) ETE's estimated DCF per unit and distributions per unit during

Table of Contents

the years ending December 31, 2015 and 2016. Based on the exchange ratio in the merger, this analysis indicated that, on a pro forma basis, the merger could be dilutive to Regency's estimated DCF per Regency common unit and distributions per Regency common unit during the years ending December 31, 2015 and 2016 when not adjusting for the cash payment in connection with the merger; accretive to Regency's estimated DCF per Regency common unit and distributions per Regency common unit during the year ending December 31, 2015 and dilutive during the year ending December 31, 2016 when adjusting for the cash payment in connection with the merger; accretive to ETP's estimated DCF per ETP common unit and neutral to distributions per ETP common unit during the year ending December 31, 2015 and accretive to both ETP's estimated DCF per ETP common unit and distributions per ETP common unit during the year ending December 31, 2016; and accretive to ETE's estimated DCF to the general partner during the years ending December 31, 2015 and 2016; and

multiples of firm value to estimated EBITDA and equity value to estimated DCF per common unit (in each case calculated based on equity research estimates for the fiscal year following the year of announcement) paid in selected pending and/or completed precedent transactions which, when applying a selected range of such multiples to Regency's estimated EBITDA and DCF per Regency common unit for the year ending December 31, 2016 (based on the Regency projections), indicated implied per unit equity reference ranges of approximately \$22.75 to \$36.25 and \$23.75 to \$29.75, respectively.

Miscellaneous

The foregoing summary of certain material financial analyses does not purport to be a complete description of the analyses or data presented by J.P. Morgan. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. J.P. Morgan believes that the foregoing summary and its analyses must be considered as a whole and that selecting portions of the foregoing summary and these analyses, without considering all of its analyses as a whole, could create an incomplete view of the processes underlying the analyses and its opinion. In arriving at its opinion, J.P. Morgan did not attribute any particular weight to any analyses or factors considered by it and did not form an opinion as to whether any individual analysis or factor (positive or negative), considered in isolation, supported or failed to support its opinion. Rather, J.P. Morgan considered the totality of the factors and analyses performed in determining its opinion. Analyses based upon forecasts of future results are inherently uncertain, as they are subject to numerous factors or events beyond the control of the parties and their advisors. Accordingly, forecasts and analyses used or made by J.P. Morgan are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by those analyses. Moreover, J.P. Morgan's analyses are not and do not purport to be appraisals or otherwise reflective of the prices at which businesses actually could be bought or sold. None of the selected companies reviewed as described in the above summary is identical to Regency or ETP. However, the companies selected were chosen because they are publicly traded companies with operations and businesses that, for purposes of J.P. Morgan's analysis, may be considered similar to those of Regency and ETP. The analyses necessarily involve complex considerations and judgments concerning differences in financial and operational characteristics of the companies involved and other factors that could affect the companies compared to Regency and ETP and the transactions compared to the merger.

As a part of its investment banking business, J.P. Morgan and its affiliates are continually engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, investments for passive and control purposes, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements, and valuations for estate, corporate and other purposes. J.P. Morgan was selected to advise the Regency Conflicts Committee with respect to the merger on the basis of such experience and its familiarity with Regency.

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For services rendered in connection with the merger, Regency has agreed to pay J.P. Morgan a fee of \$6,750,000, \$1,000,000 of which was payable upon delivery by J.P. Morgan of its opinion and the remainder of

Table of Contents

which will become payable only if the merger is consummated. In addition, Regency has agreed to reimburse J.P. Morgan for its expenses incurred in connection with its services, including the fees and disbursements of counsel, and will indemnify J.P. Morgan against certain liabilities, including liabilities arising under federal securities laws.

During the two years preceding the date of its opinion, J.P. Morgan and its affiliates have had commercial or investment banking relationships with Regency and ETP, for which it and such affiliates have received customary compensation. Such services for Regency and its subsidiaries during such period have included acting as joint lead arranger of a credit facility for Regency Gas Services LP in November 2014, acting as joint bookrunner on a bond offering by Regency in April 2013, acting as a joint bookrunner on a bond offering by Regency in February 2014, and acting as financial advisor to Regency in connection with its acquisition of Southern Union Gas Services, Ltd. in April 2013. J.P. Morgan and its affiliates have received approximately \$6 million of fees from Regency during the two years preceding the delivery of J.P. Morgan's opinion in connection with commercial or investment banking relationships with Regency (other than services rendered in connection with the merger). Such services for ETP and its affiliates during such period have included acting as bookrunner on a bond offering by ETP in September 2013, acting as a bookrunner on a bond offering by ETP's subsidiary Sunoco Logistics Partners L.P. (Sunoco Logistics) in January 2013, and acting as a joint bookrunner on an equity offering for Sunoco Logistics in September 2014. J.P. Morgan and its affiliates have received approximately \$13 million of fees from ETP during the two years preceding the delivery of J.P. Morgan's opinion in connection with commercial or investment banking relationships with ETP. In addition, during such two year period, J.P. Morgan has provided Treasury and Securities services to Regency, and has provided Treasury and Securities services and Asset and Wealth Management services to ETP. In the ordinary course of their businesses, J.P. Morgan and its affiliates may actively trade the debt and equity securities of Regency or ETP for their own accounts or for the accounts of customers and, accordingly, they may at any time hold long or short positions in such securities.

Unaudited Financial Projections of Regency

Regency does not as a matter of course make public projections as to earnings or other results. However, the management of Regency has prepared prospective financial information to assist the Regency Board and the Regency Conflicts Committee in evaluating Regency's operations and prospects, and for use in connection with discussions with third parties regarding possible combination transactions. The accompanying summary prospective financial information was not prepared with a view toward public disclosure or with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information, but, in the view of Regency's management was, based on certain growth assumptions, prepared on a reasonable basis, reflected the best currently available estimates and judgments, and presented, to the best of Regency's management's knowledge and belief, the expected course of action and the expected future financial performance of Regency. However, this information is not fact. None of the unaudited financial projections reflect any impact of the transactions.

Neither ETP's nor Regency's independent auditors, nor any other independent accountants, have compiled, examined or performed any procedures with respect to the prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for the prospective financial information. The reports of the independent registered public accounting firms incorporated by reference into this proxy statement/prospectus relate to the historical financial information of ETP and Regency, respectively. Such reports do not extend to the unaudited financial projections and should not be read to do so.

Table of Contents

The following table sets forth projected financial information for Regency for the fiscal years ended December 31, 2015 and 2016.

	Year Ending December 31, 2015E 2016E (dollars in millions, except per unit amounts)	
EBITDA	\$ 1,419	\$ 1,611
Distributable cash flow	\$ 936	\$ 1,122
Distributable cash flow per LP unit	\$ 1.99	\$ 2.09
Distribution per LP unit	\$ 2.01	\$ 2.07

Reasons of the ETP Conflicts Committee and the ETP Board for the Merger

In connection with the merger, the ETP Board established the ETP Conflicts Committee, consisting of two independent directors to (i) review and evaluate any potential conflicts arising in connection with the merger and (ii) determine whether or not to approve, and recommend that the ETP Board approve, the merger. The ETP Conflicts Committee conducted an extensive review and evaluation of the proposed transaction.

The ETP Conflicts Committee retained RLF as its outside legal counsel and Barclays as its financial advisor. ETP retained Latham as its outside legal counsel.

The ETP Conflicts Committee, by unanimous vote at a meeting held on January 24, 2015, (i) determined that the merger, including the merger agreement and the transactions contemplated thereby, on the terms and conditions set forth in the merger agreement, including the reduction in ETE's incentive distribution rights, are advisable, fair and reasonable to, and in the best interests of, ETP and the holders of ETP common units other than ETE and its affiliates (the ETP unaffiliated unitholders), (ii) approved the merger (including the merger agreement) upon the terms and conditions set forth in the merger agreement (taking into account the reduction in ETE's incentive distribution rights) and (iii) recommended that the ETP Board approve the merger agreement (including the consummation of the transactions contemplated thereby) and the merger and cause ETP to enter into the merger agreement and consummate the merger upon the terms and conditions set forth in the merger agreement. Additionally, the ETP Conflicts Committee, by unanimous vote at a meeting held on February 18, 2015, (i) determined that the amendment to the merger agreement and the transactions contemplated thereby, on the terms and conditions set forth in the merger agreement and the amendment to the merger agreement, are advisable, fair and reasonable to, and in the best interests of, ETP and the ETP unaffiliated unitholders, (ii) approved the amendment to the merger agreement upon the terms and conditions set forth in the merger agreement and the amendment to the merger agreement and (iii) recommended that the ETP Board approve the amendment to the merger agreement (including the consummation of the transactions contemplated thereby) and cause ETP to enter into such amendment and consummate the transactions contemplated thereby upon the terms and conditions set forth in the merger agreement and the amendment to the merger agreement.

Based, in part, on the ETP Conflicts Committee's recommendation, the ETP Board, at a meeting held on January 24, 2015, (i) determined that it is in the best interests of ETP GP and its partners and ETP and its partners, and declared it advisable, for ETP GP and ETP to enter into the merger agreement and (ii) approved and adopted the merger agreement and the transactions contemplated thereby, including the merger. Further, based, in part, on the ETP Conflicts Committee's recommendation, the ETP Board, at a meeting held on February 18, 2015, (i) determined that it

is in the best interests of ETP GP and its partners and ETP and its partners, and declared it advisable, for ETP GP and ETP to enter into the amendment to the merger agreement and (ii) approved and adopted the amendment to the merger agreement and the transactions contemplated thereby.

Table of Contents

The reasons for the ETP Conflicts Committee and the ETP Board approving the merger agreement, the amendment thereto and the mergers at this time include:

The opportunity for ETP to benefit from any future earnings and growth of Regency after the Regency common units cease to be publicly traded.

The structure of the merger, which does not require ETP unitholder approval, enhances deal certainty.

The value created in the merger for the unitholders of the combined company by creating a larger company that will be well diversified both geographically, with operations in substantially all major producing areas in the United States (including an increased presence in the Marcellus and Utica Shales), and across business lines.

The favorable timing of the merger for ETP in light of the overall current market conditions and the outlook for the midstream services industry as they relate to ETP's competitive position, financial condition, future distributions and growth prospects.

The improved overall economics and capital deployment for ETP's midstream business (including with respect to the Permian Basin) as a result of the merger.

The simplified organizational structure recognized by 100% ownership of Lone Star as a result of the merger, including with respect to the management of Lone Star.

Regency's attractive backlog of fee-based organic growth projects (with minimum volume commitments) that are expected to enhance ETP's cash flow growth.

The opportunity for ETP and Regency to achieve synergies in the form of cost savings and other efficiencies related to the simplification of their organizational structure, including reduced SEC filing requirements and other costs of Regency as a public company.

The \$320 million of aggregate distributions over a five-year period that ETE agreed to forego with respect to its incentive distribution rights in ETP.

The fact that, following the merger, it is anticipated that, during the first year following the merger the distributions to be received by ETP common unitholders will be approximately the same as the distributions that would have been received by ETP if the merger were not completed and, during the second year following the merger, the distributions to be received by ETP common unitholders will be higher than the

distributions that they would have received from ETP if the merger were not completed.

The potential to refinance Regency indebtedness at a lower cost of capital.

The elimination of risks arising from potential conflicts between ETP and Regency as a result of common ownership of ETP GP and Regency GP .

The relatively low execution risk in integrating businesses due to existing shared services.

The foregoing discussion is not intended to be exhaustive, but is intended to address the material information and many of the principal factors considered by the ETP Conflicts Committee and the ETP Board in considering the merger. In view of the number and variety of factors and the amount of information considered, the ETP Conflicts Committee and the ETP Board did not find it practicable to, and did not make specific assessments of, quantify or otherwise assign relative weights to, the specific factors considered in reaching its determination. In addition, the ETP Conflicts Committee and the ETP Board did not undertake to make any specific determination as to whether any particular factor, or any aspect of any particular factor, was favorable or unfavorable to its ultimate determination, and individual members of the ETP Conflicts Committee and the ETP Board may have given different weights to different factors. The ETP Conflicts Committee and the ETP Board made their recommendations based on the totality of information presented to, and the investigation conducted by, the ETP Conflicts Committee and the ETP Board. It should be noted that certain statements and other information presented in this section are forward-looking in nature and, therefore, should be read in light of the factors discussed under the heading **Cautionary Statement Regarding Forward-Looking Statements**.

Table of Contents**Interests of Directors and Executive Officers of Regency in the Merger**

In considering the recommendation of the Regency Board that you vote to adopt the merger agreement, you should be aware that aside from their interests as unitholders of Regency, Regency's directors and executive officers have interests in the merger that are different from, or in addition to, those of other unitholders of Regency generally. The members of the Regency Board were aware of and considered these interests, among other matters, in evaluating and negotiating the merger agreement and the merger, and in recommending to the unitholders of Regency that the merger agreement be adopted. See [Background of the Merger](#) and [Recommendation of the Regency Conflicts Committee, the Regency Board and Their Reasons for the Merger](#). Regency's unitholders should take these interests into account in deciding whether to vote FOR the adoption of the merger agreement. These interests are described in more detail below, and certain of them are quantified in the narrative and the table below.

Treatment of Regency Equity-Based Awards

Under the merger agreement, outstanding equity-based awards held by Regency's directors and executive officers immediately prior to the effective time will be treated as described below. For an estimate of the amounts that would be payable to Regency's named executive officers on settlement of their unvested equity-based awards, see [Golden Parachute Compensation](#) below.

Regency Phantom Units.

Immediately prior to the effective time, (i) Regency phantom units held by Mr. Bradley and the non-employee directors of Regency, Messrs. Bryant, Gray, Ramsey and Brannon and (ii) Regency phantom units held by Messrs. Long and Holotik and granted prior to December 16, 2011 will vest and convert, subject to applicable tax withholding, into the right to receive the merger consideration. Under the merger agreement, each other Regency phantom unit that is outstanding as of immediately prior to the Effective Time will cease to relate to or represent a right to receive Regency common units and will be converted, at the effective time, into the right to receive an award of phantom units relating to ETP common units on the same terms and conditions as were applicable to the corresponding award of Regency phantom units, except that the number of ETP common units covered by the award will be equal to the number of Regency common units covered by the corresponding award of Regency phantom units multiplied by the sum of (i) the exchange ratio and (ii) the partial ETP common unit representing the additional unit consideration, rounded up to the nearest whole unit.

As of March 9, 2015, the Regency executive officers held the following numbers of outstanding Regency phantom units:

Name of Executive Officer	Number of Outstanding Regency Phantom Units
Michael J. Bradley	248,771(1)
Thomas E. Long	101,133(2)
Jim Holotik	81,733(3)
Richard Rehm	36,856
Todd Carpenter	17,000

- (1) All of Mr. Bradley's Regency phantom units will vest immediately prior to the effective time of the merger.
- (2) Includes 7,700 Regency phantom units granted prior to December 16, 2011 that will vest immediately prior to the effective time of the merger
- (3) Includes 4,700 Regency phantom units granted prior to December 16, 2011 that will vest immediately prior to the effective time of the merger.

Table of Contents

As of March 9, 2015, the Regency directors who are not employees of Regency or its affiliates held the following numbers of outstanding Regency phantom units, all of which will vest immediately prior to the effective time of the merger.

Name of Director	Number of Outstanding Regency Phantom Units
Richard D. Brannon	2,500
James W. Bryant	12,957
Rodney L. Gray	12,957
Matthew S. Ramsey	6,637

Indemnification and Insurance

The Regency partnership agreement requires Regency, among other things, to indemnify the directors and executive officers of Regency GP LLC, the general partner of Regency GP, against certain liabilities that may arise by reason of their service as directors or officers.

In addition, the merger agreement provides that, for a period of six years from the effective time, ETP, the surviving entity and the GP merger surviving entity shall indemnify, defend and hold harmless each officer or director of Regency or any of its subsidiaries and also with respect to any such person, in their capacity as a director, officer, employee, member, trustee or fiduciary of another corporation, foundation, partnership, joint venture, trust, pension or other employee benefit plan or enterprise (whether or not such other entity or enterprise is affiliated with Regency) serving at the request of or on behalf of Regency or any of its subsidiaries and together with such person's heirs, executors or administrators against any cost or expenses (including attorneys' fees), judgments, fines, losses, claims, damages or liabilities and amounts paid in settlement in connection with any actual or threatened claim, action, suit, proceeding or investigation, whether civil, criminal, administrative, investigative or otherwise and whether or not such claim, action, suit, proceeding or investigation results in a formal civil or criminal litigation or regulatory action.

In addition, pursuant to the terms of the merger agreement, Regency's directors and executive officers will be entitled to certain ongoing indemnification and coverage under directors' and officers' liability insurance policies from the surviving entity. Such indemnification and insurance coverage is further described in the section entitled "The Merger Agreement - Indemnification; Directors' and Officers' Insurance."

Conversion of Class F Units

ETP indirectly owns all of the outstanding Class F units. ETE, which owns the general partner of ETP also owns Regency's general partner and has ability to appoint all of Regency's directors. In connection with the merger, all of the Class F units issued and outstanding as of immediately prior to the effective time will be deemed to have been converted into an equal number of Regency common units, which will be converted into the right to receive the merger consideration.

New Arrangements with ETP

Following the completion of the merger, Mr. Bradley will become an officer of ETE and Mr. Long will be appointed as chief financial officer of ETP. In addition, prior to the effective time, ETE, ETP and their affiliates may initiate negotiations of agreements, arrangements and understandings with Messrs. Bradley and Long, as well as other

Regency executive officers, regarding compensation and benefits and may enter into definitive agreements regarding employment with, or the right to participate in the equity of, ETE, ETP or their affiliates, in each case on a going-forward basis following completion of the merger. However, as of the date of this filing, no such agreements with respect to any Regency executive officer exist.

Table of Contents***Golden Parachute Compensation***

Regency'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. Regency's long-term incentive plans provide for immediate vesting of all unvested awards in the event of a change in control, as defined in each of our long-term incentive plans. For purposes of the Regency GP LLC Long-Term Incentive Plan (the "2006 Plan"), the merger will constitute a change in control and unvested awards granted under the 2006 Plan will vest and convert into the right to receive the merger consideration. The Regency Energy Partners LP 2011 Long-Term Incentive Plan (the "2011 Plan") contains a different definition of change in control than the 2006 Plan and no such change of control will occur in connection with the merger for purposes of the 2011 Plan. For a discussion of the treatment of Regency equity-based awards held by Regency's named executive officers see "Treatment of Regency Equity-Based Awards" above.

In addition, Regency's affiliates adopted the Energy Transfer Partners GP, L.P. Severance Plan and Summary Plan Description effective as of June 12, 2013 (the "Severance Plan"), and Regency's employees, including its named executive officers, are covered by this Severance Plan. The Severance Plan provides for payment of certain severance benefits in the event of Qualifying Termination (as that term is defined in the Severance Plan). In general the Severance Plan provides payment of two weeks of annual base salary for each year or partial year of employment service with the Partnership up to a maximum of 52 weeks or one year of annual base salary (with a minimum of four weeks of annual base salary) and up to three months of continued group health insurance coverage. The Severance Plan also provides that Regency may determine to pay benefits in addition to those provided under the Severance Plan based on special circumstances, which additional benefits will be unique and non-precedent setting. The Severance Plan is available to all salaried employees on a nondiscriminatory basis. The merger is not currently expected to result in a Qualifying Termination for any of Regency's named executive officers; therefore, no amounts would be payable to the named executive officers under the Severance Plan.

The information set forth below is required by Item 402(t) of Regulation S-K regarding compensation that is based on or otherwise relates to the merger which the current Regency named executive officers could receive in connection with this merger. The amounts in the table below were calculated using the following assumptions: (i) the consummation of the merger occurred on February 25, 2015, and (ii) the price per share of the Regency common units for purposes of calculating accelerated equity awards is \$25.08, which is the average closing market price of Regency's common units over the first five business days following the first public announcement of the merger. Values shown below do not take into account any increase in compensation that may occur following the date of this proxy statement/prospectus or following the merger. Some of the assumptions used in the table below are based upon information not currently available and, as a result, the actual amounts to be received by any of the individuals below may differ from the amounts set forth below.

Name	Cash (1)	Equity (2)	Perquisites/ Benefits (3)	Total
Michael J. Bradley	\$ 120,820	\$ 6,239,177	\$ 3,597	\$ 6,363,594
Thomas E. Long	63,660	193,166	4,119	260,945
Jim Holotik	119,780	117,876	2,877	240,533
Richard Rehm	56,110		5,106	61,216
Todd Carpenter	80,776		4,119	84,895

- (1) Amounts in this column would only be paid upon a Qualifying Termination.
- (2) Amounts in this column reflect the value of the Regency phantom units that will vest upon the completion of the merger. Except with respect to Mr. Bradley, these include only those Regency phantom units granted under the 2006 Plan. See Treatment of Regency Equity-Based Awards Regency Phantom Units above.
- (3) Amounts in this column represent COBRA payments by Regency, assuming the executive is enrolled in Regency's health plans following a Qualifying Termination.

Table of Contents

Interests of ETE and ETP in the Merger

ETE holds a controlling ownership interest in each of ETP and Regency. ETE controls ETP through ETE's ownership of ETP GP, which owns 100% of the general partner interest and incentive distribution rights in ETP, and through ETE's ownership of all of the Class H units and Class I units of ETP. ETE controls Regency through ETE's ownership of ETE Acquirer and Regency GP LLC, which own Regency GP. Regency GP owns 100% of the general partner interest and incentive distribution rights in Regency. ETE also owns, directly and through a wholly owned subsidiary, approximately 14.0% of the limited partner interest in Regency and ETP, through a wholly owned subsidiary, owns an additional 7.6% limited partner interest in Regency and all of the Regency Class F units.

ETE and ETP have agreed that, until the effective time or termination of the merger agreement, they will vote their respective limited partner interests in Regency in favor of approval of the merger and the approval of any actions required in furtherance thereof.

No Appraisal Rights

Appraisal rights are not available in connection with the merger under the Delaware LP Act or under the Regency partnership agreement.

No ETP Unitholder Approval

ETP unitholders are not required to approve the merger agreement or the merger or the issuance of common units in connection with the merger.

Accounting Treatment of the Merger

ETP and Regency are under the common control of ETE. Therefore, in accordance with accounting principles generally accepted in the United States, ETP will account for the merger as a reorganization of entities under common control and will use the historical cost basis method of accounting. Under this method of accounting, ETP will retrospectively adjust its financial statements to reflect the consolidation of Regency beginning May 26, 2010 (the date ETE acquired Regency GP).

ETP Partnership Agreement Amendment

In conjunction with the merger, ETP GP will enter into the ETP partnership agreement amendment, providing for (i) the reduction by ETE, as the holder of ETP's incentive distribution rights, of (x) \$20 million in quarterly distributions in respect of such rights for four consecutive quarters commencing with the first quarter for which the related record date occurs on or following the closing and (y) \$15 million in quarterly distributions in respect of such rights for 16 consecutive quarters thereafter, (ii) the creation and issuance of the ETP preferred units and (iii) a change in the definition of "Operating Surplus" in the ETP partnership agreement to provide that such term will include an amount equal to the operating surplus of Regency.

Regulatory Approvals and Clearances Required for the Merger

The following is a summary of the material regulatory requirements for completion of the transactions contemplated by the merger agreement. There can be no guarantee if and when any of the consents or approvals required for the transactions contemplated by the merger agreement will be obtained or as to the conditions that such consents and approvals may contain.

Under the HSR Act, and related rules, certain transactions, including the merger, may not be completed until notifications have been given and information furnished to the Antitrust Division and the FTC and all statutory waiting period requirements have been satisfied. On February 11, 2015, ETP and Regency filed Notification and Report Forms (HSR Forms) with the Antitrust Division and the FTC. On February 24, 2015, the FTC granted early termination of the waiting period under the HSR Act.

Table of Contents

At any time before or after the effective time, the Antitrust Division or the FTC could take action under the antitrust laws, including seeking to prevent the merger, to rescind the merger or to conditionally approve the merger upon the divestiture of assets of ETP or Regency or subject to other remedies. In addition, U.S. state attorneys general could take action under the antitrust laws as they deem necessary or desirable in the public interest including without limitation seeking to enjoin the completion of the merger or permitting completion subject to regulatory concessions or conditions. Private parties may also seek to take legal action under the antitrust laws under some circumstances. There can be no assurance that a challenge to the merger on antitrust grounds will not be made or, if such a challenge is made, that it would not be successful.

ETP and Regency have agreed to (including to cause their respective subsidiaries to) use their reasonable best efforts to resolve any objections that a governmental authority may assert under antitrust laws with respect to the transactions contemplated by the merger agreement, including the merger, and to avoid or eliminate each and every impediment under any antitrust law that may be asserted by any governmental authority with respect to the merger, in each case, so as to enable the closing of the merger to occur as promptly as practicable and in any event no later than the outside date, and including agreeing to dispose or hold separate certain assets or agreeing to a non-compete or other restriction. Notwithstanding the foregoing, Regency has agreed not to commit to any disposal, hold separate of other restriction related to it or its subsidiaries businesses, operations or assets without ETP's prior written consent.

Directors and Executive Officers of ETP After the Merger

ETP GP has direct responsibility for conducting ETP's business and for managing its operations. Because ETP GP is a limited partnership, its general partner, ETP GP LLC, is ultimately responsible for the business and operations of ETP. Thus, the ETP Board and officers of ETP GP LLC make decisions on ETP's behalf. ETP expects that the directors and executive officers of ETP GP LLC immediately prior to the merger will continue as the directors and executive officers of ETP GP LLC after the merger, except that Thomas E. Long, Executive Vice President and Chief Financial Officer of Regency, is expected to become the Chief Financial Officer of ETP GP LLC and Martin Salinas, ETP GP LLC's current Chief Financial Officer, will not be retained by ETP.

Listing of ETP Common Units

It is a condition to closing that the ETP common units to be issued in the merger to Regency unitholders be approved for listing on the NYSE, subject to official notice of issuance.

Delisting and Deregistration of Regency Common Units

If the merger is completed, Regency common units will cease to be listed on the NYSE and will be deregistered under the Exchange Act.

Ownership of ETP After the Merger

ETP will issue approximately 172 million ETP common units to former Regency unitholders pursuant to the merger. Further, the number of ETP common units outstanding will increase after the date of this proxy statement/prospectus if ETP sells additional common units to the public. Based on the number of ETP common units outstanding as of the date of this proxy statement/prospectus, immediately following the completion of the merger, ETP expects to have approximately 500 million common units outstanding. Regency unitholders are therefore expected to hold approximately 35% of the aggregate number of ETP common units outstanding immediately after the merger and approximately 25% of ETP's total units of all classes. Holders of ETP common units (similarly to holders of Regency common units) are not entitled to elect ETP's general partner or the directors of the ETP Board and have only limited

voting rights on matters affecting ETP's business. Please read [Comparison of Rights of ETP Unitholders and Regency Unitholders](#) for additional information.

Table of Contents

Restrictions on Sales of ETP Common Units Received in the Merger

Regency common units issued in the merger will not be subject to any restrictions on transfer arising under the Securities Act or the Exchange Act, except for ETP common units issued to any Regency unitholder who may be deemed to be an affiliate of ETP after the completion of the merger. This proxy statement/prospectus does not cover resales of ETP common units received by any person upon the completion of the merger, and no person is authorized to make any use of this proxy statement/prospectus in connection with any resale.

Litigation Relating to the Merger

Following the public announcement of the merger, nine putative unitholder class action and/or derivative action lawsuits were filed against Regency GP, the members of the Regency Board, ETP, ETP GP, ETE and, in the non-derivative actions, Regency, asserting claims relating to the proposed merger.

On February 3, 2015, William Engel and Enno Seago, purported Regency unitholders, filed a class action petition on behalf of Regency's common unitholders and a derivative suit on behalf of the Regency in the 162nd Judicial District Court of Dallas County, Texas (the Engel Lawsuit). The lawsuit names as defendants Regency GP, the members of the Regency Board, ETP, ETP GP, ETE and, as a nominal party, Regency. The Engel Lawsuit alleges that (i) Regency GP's directors breached duties to Regency and Regency's unitholders by employing a conflicted and unfair process and failing to maximize the merger consideration; (2) Regency GP's directors breached the implied covenant of good faith and fair dealing by engaging in a flawed merger process; and (3) the non-director defendants aided and abetted in these claimed breaches. The plaintiffs seek an injunction preventing the defendants from closing the transactions contemplated by the merger agreement or an order rescinding the transactions if they have already been completed. The plaintiffs also seek money damages and court costs, including attorney's fees.

On February 9, 2015, Stuart Yeager, a purported Regency unitholder, filed a class action petition on behalf of Regency's common unitholders and a derivative suit on behalf of Regency in the 134th Judicial District Court of Dallas County, Texas and, on February 10, 2015, Lucien Coggia a purported Regency unitholder, filed a class action petition on behalf of Regency's common unitholders and a derivative suit on behalf of Regency in the 192nd Judicial District Court of Dallas County, Texas. The allegations, claims, and relief sought in these suits are nearly identical to those in the Engel Lawsuit.

On February 3, 2015, Linda Blankman, a purported Regency unitholder, filed a class action complaint on behalf of Regency's common unitholders in the United States District Court for the Northern District of Texas (the Blankman Lawsuit). The allegations and claims in the Blankman Lawsuit are similar to those in the Engel Lawsuit. However, the Blankman Lawsuit does not allege any derivative claims and includes Regency as a defendant rather than a nominal party. The lawsuit also omits one of the Regency Board's directors, Richard Brannon, who was named in the Engel Lawsuit. The Blankman Lawsuit alleges that Regency GP's directors breached their fiduciary duties to the unitholders by failing to maximize the value of Regency, failing to properly value Regency, and ignoring conflicts of interest. The plaintiff also asserts a claim against the non-director defendants for aiding and abetting the directors' alleged breach of fiduciary duty. The Blankman Lawsuit seeks the same relief that the plaintiffs seek in the Engel Lawsuit.

Since the filing of the complaint in the Blankman Lawsuit, five additional complaints have been filed by purported Regency unitholders in the United States District Court for the Northern District of Texas, including by (i) Edwin Bazini (February 6, 2015), (ii) Mark Hinnau (February 11, 2015), (iii) Stephen Weaver (February 11, 2015), (iv) Adrian Dieckman (February 11, 2015) and (v) Irwin Berlin (February 13, 2015). The allegations, claims and relief sought in these lawsuits are similar to those in the Blankman Lawsuit.

Each of the lawsuits described above is at a preliminary stage. None of Regency, ETP, ETE or their respective affiliates can predict the outcome of these or any other lawsuits that might be filed, nor can they predict the amount of time and expense that will be required to resolve the lawsuits. Regency and the other defendants named in the lawsuits intend to defend vigorously against these and any other actions.

Table of Contents**PROPOSAL 1: THE MERGER AGREEMENT**

The following describes the material provisions of the merger agreement and the amendment thereto, a composite copy of which, incorporating the amendment into the text of the initial agreement, is attached as Annex A to this proxy statement/prospectus and incorporated by reference herein. The description in this section and elsewhere in this proxy statement/prospectus is qualified in its entirety by reference to the merger agreement. This summary does not purport to be complete and may not contain all of the information about the merger agreement that is important to you. ETP and Regency encourage you to read carefully the merger agreement in its entirety before making any decisions regarding the mergers as it is the legal document governing the mergers.

The merger agreement and this summary of its terms have been included to provide you with information regarding the terms of the merger agreement. Factual disclosures about ETP, Regency or any of their respective subsidiaries or affiliates contained in this proxy statement/prospectus or their respective public reports filed with the SEC may supplement, update or modify the factual disclosures about ETP, Regency or their respective subsidiaries or affiliates contained in the merger agreement and described in this summary. The representations, warranties and covenants made in the merger agreement by ETP, Regency and ETE Acquirer were qualified and subject to important limitations agreed to by ETP, Regency and ETE Acquirer in connection with negotiating the terms of the merger agreement. In particular, in your review of the representations and warranties contained in the merger agreement and described in this summary, it is important to bear in mind that the representations and warranties were negotiated with the principal purposes of allocating risk between the parties to the merger agreement, rather than establishing matters as facts. The representations and warranties may also be subject to a contractual standard of materiality different from those generally applicable to unitholders and reports and documents filed with the SEC and in some cases were qualified by confidential disclosures that were made by each party to the other, which disclosures are not reflected in the merger agreement or otherwise publicly disclosed. Moreover, information concerning the subject matter of the representations and warranties may have changed since the date of the merger agreement and subsequent developments or new information qualifying a representation or warranty may have been included in this proxy statement/prospectus. For the foregoing reasons, the representations, warranties and covenants or any descriptions of those provisions should not be read alone.

The Mergers

Subject to the terms and conditions of the merger agreement and in accordance with Delaware law, the merger agreement provides for the merger of Regency with Merger Sub A. Regency, which is sometimes referred to following the merger as the surviving entity, will survive the merger, and the separate limited liability company existence of Merger Sub A will cease. After the completion of the merger, the certificate of limited partnership of Regency in effect immediately prior to the effective time will be the certificate of limited partnership of the surviving entity, until amended in accordance with its terms and applicable law, and the Regency partnership agreement in effect immediately prior to the effective time will be the agreement of limited partnership of the surviving entity, until amended in accordance with its terms and applicable law.

The merger agreement also provides, subject to the terms and conditions of the merger agreement and in accordance with Delaware law, for the merger of ETE Acquirer with Merger Sub B. ETE Acquirer, which is sometimes referred to following the GP merger as the GP merger surviving entity, will survive the GP merger, and the separate limited liability company existence of Merger Sub B will cease. After the completion of the GP merger, the certificate of formation and the limited liability company agreement of ETE Acquirer in effect immediately prior to the effective time will be the certificate of formation and the limited liability company agreement of the GP merger surviving entity (except to the extent the limited liability company agreement is amended by the merger agreement to reflect the admission of ETP as the sole member of ETE Acquirer), in each case, until amended in accordance with its terms and

applicable law.

Table of Contents

Effective Time; Closing

The effective time of the merger will be at such time that Regency files with the Secretary of State of the State of Delaware a certificate of merger, executed in accordance with the relevant provisions of the Delaware LP Act and the Delaware Limited Liability Company Act (the Delaware LLC Act), or at such other date or time as is agreed to by ETP and Regency and specified in the certificate of merger. The effective time of the GP merger will be at such time that ETE Acquirer files with the Secretary of State of the State of Delaware a certificate of merger, executed in accordance with the relevant provisions of the Delaware LP Act and the Delaware LLC Act, or such other date or time as is agreed to by ETP and ETE Acquirer and specified in the certificate of merger.

Unless the parties agree otherwise, the closing of the mergers will occur at 9:00 a.m., local time, on the second business day after the satisfaction or waiver of the conditions to the merger provided in the merger agreement (other than conditions that by their nature are to be satisfied at the closing of the merger, but subject to the satisfaction or waiver of those conditions), or at such other date or time as ETP and Regency agree. For further discussion of the conditions to the merger, see Conditions to Consummation of the Mergers.

ETP and Regency currently expect to complete the mergers shortly following the conclusion of the meeting, subject to receipt of required unitholder and regulatory approvals and to the satisfaction or waiver of the other conditions to the transactions contemplated by the merger agreement described below.

Conditions to Consummation of the Mergers

ETP and Regency may not complete the mergers unless each of the following conditions is satisfied or waived, if waiver is permitted by applicable law:

the merger agreement and the transactions contemplated thereby must have been adopted by the affirmative vote or consent of the holders of at least a majority of the outstanding Regency common units, Class F units and Series A units, voting together as a single class;

the waiting period applicable to the merger under the HSR Act, if any, must have been terminated or expired;

no law, injunction, judgment or ruling enacted, promulgated, issued, entered, amended or enforced by any governmental authority will be in effect enjoining, restraining, preventing or prohibiting the consummation of transactions contemplated by the merger agreement or making the consummation of such transactions illegal;

the registration statement of which this proxy statement/prospectus forms a part must have been declared effective by the SEC and must not be subject to any stop order or proceedings initiated or threatened by the SEC; and

the ETP common units to be issued in the merger must have been approved for listing on the NYSE, subject to official notice of issuance.

The obligations of ETP, ETP GP, Merger Sub A and Merger Sub B to effect the merger are subject to the satisfaction or waiver of the following additional conditions:

the representations and warranties of Regency in the merger agreement being true and correct both when made and at and as of the date of the closing of the merger, except to the extent expressly made as of an earlier date, in which case as of such date, except where the failure of such representations and warranties to not be so true and correct (without giving effect to any limitation as to material adverse effect or materiality contained in any individual representation or warranty), does not have and would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on Regency (apart from certain identified representations and warranties (i) that there will not have been a

Table of Contents

material adverse effect on Regency from December 31, 2013 through the closing date, with respect to the authority to execute the merger agreement and consummate the transactions contemplated thereby and that the adoption of the merger agreement by the affirmative vote or consent of the holders of at least a majority of the outstanding Regency common units, Class F units and Series A units, voting together as a single class, is the only approval of the holders of any equity interests in Regency that is required for approval of the transactions contemplated by the merger agreement, which in each case must be true and correct in all respects, and (ii) with respect to Regency's capitalization, which must be true and correct in all respects other than immaterial misstatements and omissions);

Regency, Regency GP and ETE Acquirer having performed, in all material respects, all obligations required to be performed by them under the merger agreement;

the receipt of an officer's certificate executed by an executive officer of Regency certifying that the two preceding conditions have been satisfied; and

ETP having received from Latham & Watkins LLP, tax counsel to ETP, a written opinion dated as of the date of the closing of the merger to the effect that for U.S. federal income tax purposes (i) neither ETP nor ETP GP will recognize any income or gain as a result of the merger (other than any gain resulting from any decrease in partnership liabilities pursuant to Section 752 of the Code); (ii) no gain or loss will be recognized by holders of ETP common units as a result of the merger (other than any gain resulting from any decrease in partnership liabilities pursuant to Section 752 of the Code); and (iii) at least 90% of the combined gross income of each of ETP and Regency for the most recent four complete calendar quarters ending before the closing date for which the necessary financial information is available is from sources treated as qualifying income within the meaning of Section 7704(d) of the Code.

The obligations of Regency to effect the merger are subject to the satisfaction or waiver of the following additional conditions:

the representations and warranties of ETP in the merger agreement being true and correct both when made and at and as of the date of the closing of the merger, except to the extent expressly made as of an earlier date, in which case as of such date, except where the failure of such representations and warranties to be so true and correct (without giving effect to any limitation as to material adverse effect or materiality contained in any individual representation or warranty), does not have and would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on ETP (apart from certain identified representations and warranties (i) providing that there will not have been a material adverse effect on ETP from December 31, 2013 through the closing date and with respect to the authority to execute the merger agreement and consummate the transactions, which must be true and correct in all respects, and (ii) with respect to ETP's capitalization, which must be true and correct in all respects other than immaterial misstatements and omissions);

ETP, ETP GP, Merger Sub A and Merger Sub B having performed, in all material respects, all obligations required to be performed by them under the merger agreement;

the receipt of an officer's certificate executed by an executive officer of ETP certifying that the two preceding conditions have been satisfied;

Regency having received from Baker Botts L.L.P., tax counsel to Regency, a written opinion dated as of the date of the closing of the merger to the effect that for U.S. federal income tax purposes, (i) Regency will not recognize any income or gain as a result of the merger (other than any gain resulting from any decrease in partnership liabilities pursuant to Section 752 of the Code); (ii) holders of Regency common units will not recognize any income or gain as a result of the merger (other than any gain resulting from any decrease in partnership liabilities pursuant to Section 752 of the Code); provided that such opinion will not extend to any holder who acquired Regency common units from Regency in exchange for property other than cash; and (iii) at least 90% of the gross income of

Table of Contents

Regency for the most recent four complete calendar quarters ending before the closing date for which the necessary financial information is available is from sources treated as qualifying income within the meaning of Section 7704(d) of the Code; and

ETP GP having executed and delivered to Regency the ETP partnership agreement amendment, dated effective as of the effective time of the merger.

For purposes of the merger agreement, the term material adverse effect means, when used with respect to a party to the merger agreement, any change, effect, event or occurrence that, individually or in the aggregate, (x) has had or would reasonably be expected to have a material adverse effect on the business, financial condition or results of operations of such party or its subsidiaries, taken as a whole, or (y) prevents or materially impedes, interferes with or hinders the consummation of the transactions contemplated by the merger agreement, including the merger, on or before the outside date; *provided, however*, that any adverse changes, effects, events or occurrences resulting from or due to any of the following will be disregarded in determining whether there has been a material adverse effect: (i) changes, effects, events or occurrences generally affecting the United States or global economy, the financial, credit, debt, securities or other capital markets or political, legislative or regulatory conditions or changes in the industries in which such party operates; (ii) the announcement or pendency of the merger agreement or the transactions contemplated thereby or the performance of the merger agreement (including, for the avoidance of doubt, performance of the parties' reasonable best efforts obligations under the merger agreement in connection with obtaining regulatory approval); (iii) any change in the market price or trading volume of the limited partnership interests, shares of common stock or other equity securities of such party (it being understood and agreed that the foregoing will not preclude any other party to the merger agreement from asserting that any facts or occurrences giving rise to or contributing to such change that are not otherwise excluded from the definition of material adverse effect should be deemed to constitute, or be taken into account in determining whether there has been, or would reasonably be expected to be, a material adverse effect); (iv) acts of war or terrorism (or the escalation of the foregoing) or natural disasters or other force majeure events; (v) changes in any laws or regulations applicable to such party or applicable accounting regulations or principles or the interpretation thereof; (vi) any legal proceedings commenced by or involving any current or former member, partner or stockholder of such party (on their own or on behalf of such party) arising out of or related to the merger agreement or the transactions contemplated thereby; (vii) changes, effects, events or occurrences generally affecting the prices of oil, natural gas, natural gas liquids or coal or other commodities; (viii) any failure of a party to meet any internal or external projections, forecasts or estimates of revenues, earnings or other financial or operating metrics for any period (it being understood and agreed that the foregoing will not preclude any other party to the merger agreement from asserting that any facts or occurrences giving rise to or contributing to such failure that are not otherwise excluded from the definition of material adverse effect should be deemed to constitute, or be taken into account in determining whether there has been, or would reasonably be expected to be, a material adverse effect); and (ix) the taking of any action required by the merger agreement; *provided, however*, that changes, effects, events or occurrences referred to in clauses (i), (iv), (v) and (vii) above will be considered for purposes of determining whether there has been or would reasonably be expected to be a material adverse effect if and to the extent such state of affairs, changes, effects, events or occurrences has had or would reasonably be expected to have a disproportionate adverse effect on such party and its subsidiaries, taken as a whole, as compared to other companies of similar size operating in the industries in which such party and its subsidiaries operate.

Regency Unitholder Approval

Regency has agreed to hold a special meeting of its unitholders as soon as is practicable after the date of the merger agreement for the purpose of such unitholders voting on the adoption of the merger agreement and the transactions contemplated thereby. The merger agreement requires Regency to submit the merger agreement to a unitholder vote

(i) even if the Regency Board no longer recommends adoption of the merger agreement and (ii) irrespective of the commencement, public proposal, public disclosure or communication to Regency of any alternative proposal (as described below). In addition, unless the Regency Board has effected an adverse recommendation change in accordance with the merger agreement as described in [Change in Regency Board](#)

Table of Contents

Recommendation, Regency has agreed to use reasonable best efforts to solicit from its unitholders proxies in favor of the merger and to take all other action necessary or advisable to secure the adoption by its unitholders of the merger agreement and the transactions contemplated thereby. The Regency Board has approved the merger agreement and the transactions contemplated thereby and authorized that the merger agreement be submitted to the unitholders of Regency for their consideration.

For purposes of the merger agreement, the term **alternative proposal** means any inquiry, proposal or offer from any person or group (as defined in Section 13(d) of the Exchange Act), other than ETP, its subsidiaries and their respective affiliates, relating to any (i) direct or indirect acquisition (whether in a single transaction or a series of related transactions), outside of the ordinary course of business, of assets of Regency and its subsidiaries equal to 15% or more of Regency's consolidated assets or to which 15% or more of Regency's revenues or earnings on a consolidated basis are attributable, (ii) direct or indirect acquisition (whether in a single transaction or a series of related transactions) of beneficial ownership (within the meaning of Section 13 under the Exchange Act) of 15% or more of any class of equity securities of Regency, (iii) tender offer or exchange offer that if consummated would result in any person or group (as defined in Section 13(d) of the Exchange Act) beneficially owning 15% or more of any class of equity securities of Regency or (iv) merger, consolidation, unit exchange, share exchange, business combination, recapitalization, liquidation, dissolution or similar transaction involving Regency which is structured to permit any person or group (as defined in Section 13(d) of the Exchange Act) to acquire beneficial ownership of at least 15% of such party's consolidated assets or equity interests; in each case, other than the transactions contemplated by the merger agreement.

No Solicitation by Regency of Alternative Proposals

The merger agreement contains detailed provisions prohibiting Regency from seeking an alternative proposal to the merger. Under these **no solicitation** provisions, Regency has agreed that it will not, and will cause its subsidiaries and use reasonable best efforts to cause its and its subsidiaries' directors, officers, employees, investment bankers, financial advisors, attorneys, accountants, agents and other representatives not to, directly or indirectly:

solicit, initiate, knowingly facilitate, knowingly encourage (including by way of furnishing confidential information) or knowingly induce or take any other action intended to lead to any inquiries or any proposals that constitute the submission of an alternative proposal;

grant approval to any person to acquire 20% or more of any partnership securities issued by Regency without such person being subject to the limitations in the Regency partnership agreement that prevents certain persons or groups that beneficially own 20% or more of any outstanding partnership securities of any class then outstanding from voting any partnership securities of Regency on any matter; or

except as permitted by the merger agreement, enter into any confidentiality agreement, merger agreement, letter of intent, agreement in principle, unit purchase agreement, asset purchase agreement or unit exchange agreement, option agreement or other similar agreement relating to an alternative proposal.

In addition, the merger agreement requires Regency and its subsidiaries to (i) cease and cause to be terminated any discussions or negotiations with any persons conducted prior to the execution of the merger agreement regarding an alternative proposal, (ii) request the return or destruction of all confidential information previously provided to any such persons and (iii) immediately prohibit any access by any persons (other than ETP and its representatives) to any

physical or electronic data room relating to a possible alternative proposal.

Notwithstanding these restrictions, the merger agreement provides that, under specified circumstances at any time prior to Regency unitholders voting in favor of adopting the merger agreement, Regency may furnish information, including confidential information, with respect to it and its subsidiaries to, and participate in discussions or negotiations with, any third party that makes a written alternative proposal that the Regency Board (upon the recommendation of the Regency Conflicts Committee) believes is *bona fide* so long as (after

Table of Contents

consultation with its financial advisors and outside legal counsel) the Regency Board (upon the recommendation of the Regency Conflicts Committee) determines in good faith that (i) such alternative proposal constitutes or could reasonably be expected to lead to or result in a superior proposal, (ii) failure to furnish such information or participate in such discussions would be inconsistent with the Regency Board's duties under the Regency partnership agreement and (iii) such alternative proposal did not result from a material breach of the no solicitation provisions in the merger agreement.

Regency has also agreed in the merger agreement that it (i) will promptly, and in any event within 24 hours after receipt, notify ETP of any alternative proposal or any request for information or inquiry with regard to any alternative proposal and the identity of the person making any such alternative proposal, request or inquiry (including providing ETP with copies of any written materials received from or on behalf of such person relating to such proposal, offer, request or inquiry) and (ii) will provide ETP with the terms, conditions and nature of any such alternative proposal, request or inquiry. In addition, Regency agrees to keep ETP reasonably informed of all material developments affecting the status and terms of any such alternative proposals, offers, inquiries or requests (and promptly provide ETP with copies of any written materials received by it or that it has delivered to any third party making an alternative proposal that relate to such proposals, offers, requests or inquiries) and of the status of any such discussions or negotiations.

The merger agreement permits Regency or the Regency Board to issue a stop, look and listen communication pursuant to Rule 14d-9(f) or comply with Rule 14d-9 and Rule 14e-2 under the Exchange Act if the Regency Board determines in good faith (after consultation with outside legal counsel) that the failure to take such action would be reasonably likely to constitute a violation of applicable law.

For purposes of the merger agreement, a superior proposal means a *bona fide* unsolicited written offer, obtained after the date of the merger agreement and not in breach of Regency's no solicitation obligations described above (other than an immaterial breach) to acquire, directly or indirectly, 80% or more of the outstanding equity securities of Regency or 80% or more of the assets of Regency and its subsidiaries on a consolidated basis, made by a third party, which is on terms and conditions that the Regency Board determines in its good faith to be (i) reasonably capable of being consummated in accordance with its terms, taking into account legal, regulatory, financial, financing and timing aspects of the proposal, and (ii) if consummated, more favorable to Regency's unitholders (in their capacity as unitholders) from a financial point of view than the transactions contemplated by the merger agreement, taking into account at the time of such determination any changes to the terms of the merger agreement that as of that time had been committed to by ETP in writing.

Change in Regency Board Recommendation

The merger agreement provides that Regency will not, and will cause its subsidiaries and use reasonable best efforts to cause its representatives not to, directly or indirectly, withdraw, modify or qualify, or propose publicly to withdraw, modify or qualify, in a manner adverse to ETP, the recommendation of the Regency Board that its unitholders adopt the merger agreement or publicly recommend the approval or adoption of, or publicly approve or adopt, or propose to publicly recommend, approve or adopt, any alternative proposal. In addition, if Regency receives an alternative proposal it will, within five business days of receipt of a written request from ETP, publicly reconfirm the recommendation of the Regency Board that its unitholders adopt the merger agreement and Regency may not unreasonably withhold, delay (beyond the five business day period) or condition such public reconfirmation; *provided*, that ETP is not permitted to make such request on more than one occasion in respect of each alternative proposal and each material modification to an alternative proposal, if any.

Regency's taking or failing to take, as applicable, any of the actions described above is referred to as an adverse recommendation change.

Notwithstanding the terms described above or any other term of the merger agreement to the contrary, subject to the conditions described below, the Regency Board and the Regency Conflicts Committee may, at any time prior to the adoption of the merger agreement by the Regency unitholders, effect an adverse

Table of Contents

recommendation change in response to either (i) an alternative proposal or (ii) changed circumstance (as defined below), in each case if the Regency Board, upon the recommendation of the Regency Conflicts Committee and after consultation with its outside legal counsel and financial advisors, determines in good faith that the failure to take such action would be inconsistent with its duties under the Regency partnership agreement or applicable law, and the following conditions have been met:

if the Regency Board intends to effect such adverse recommendation change in response to an alternative proposal:

such alternative proposal is bona fide, in writing and has not been withdrawn or abandoned;

the Regency Board (upon the recommendation of the Regency Conflicts Committee) has determined, after consultation with its outside legal counsel and financial advisors, that such alternative proposal constitutes a superior proposal as described below;

Regency has provided prior written notice to ETP of the intention of the Regency Board to effect an adverse recommendation change, and such notice has specified the identity of the person making such alternative proposal, the material terms and conditions of such alternative proposal, and complete copies of any written proposal or offers (including proposed agreements) received by Regency in connection with such alternative proposal;

during the period that commences on the date of delivery of the above-described notice and ends on the date that is the fifth calendar day following the date of such delivery, Regency must have (1) negotiated with ETP in good faith to make such adjustments to the terms and conditions of the merger agreement as would permit the Regency Board not to effect an adverse recommendation change and (2) kept ETP reasonably informed with respect to the status and changes in the material terms and conditions of such alternative proposal or other change in circumstances related thereto; *provided*, that any material revisions to such alternative proposal (including any change in the purchase price) will require delivery of a subsequent notice and a subsequent notice period, except that such subsequent notice period will expire upon the later of (x) the end of the initial notice period and (y) the date that is the third calendar day following the date of the delivery of such subsequent notice; and

the Regency Board must have considered all revisions to the terms of the merger agreement irrevocably offered in writing by ETP and, at the end of the notice period, must have determined in good faith that (i) such alternative proposal continues to constitute a superior proposal and (ii) failure to effect an adverse recommendation change would be inconsistent with its duties under the Regency partnership agreement or applicable law, in each case even if such revisions were to be given effect; or

if the Regency Board intends to effect such adverse recommendation change in response to a changed circumstance:

Regency has provided prior written notice to the other party of the intention of the Regency Board to effect an adverse recommendation change, and such notice has specified the details of such changed circumstance and the reasons for the adverse recommendation change;

during the period that commences on the date of delivery of the above-described notice and ends on the date that is the fifth calendar day following the date of such delivery, Regency must have (i) negotiated with the other party in good faith to make such adjustments to the terms and conditions of the merger agreement as would permit the Regency Board not to effect an adverse recommendation change and (ii) kept ETP reasonably informed of any change in circumstances related thereto; and

the Regency Board must have considered all revisions to the terms of the merger agreement irrevocably offered in writing by ETP and, at the end of the notice period, must have determined in good faith (upon the recommendation of the Regency Conflicts Committee) that the failure to effect an adverse recommendation change would be inconsistent with its duties under the Regency partnership agreement or applicable law even if such revisions were to be given effect.

Table of Contents

As used in the merger agreement, a changed circumstance means a material event, circumstance, change or development, in each case that arises or occurs after the date of the merger agreement and was not, prior to such date, known to or reasonably foreseeable by the Regency Board; *provided, however*, that in no event will the receipt, existence or terms of an alternative proposal or any matter relating thereto or consequence thereof constitute a changed circumstance.

Merger Consideration

The merger agreement provides that, at the effective time, each Regency common unit issued and outstanding or deemed issued and outstanding as of immediately prior to the effective time will be converted into the right to receive (i) 0.4066 ETP common units and (ii) an additional number of ETP common units equal to the quotient of \$0.32 divided by the lesser of (x) the volume weighted average price of ETP common units as reported on the NYSE for the five trading days ending on the third trading day immediately preceding the effective time of the merger and (y) the closing price of ETP common units on the NYSE on the third trading day immediately preceding the effective time of the merger, rounded to the nearest ten thousandth of a unit. Each Class F unit issued and outstanding as of immediately prior to the effective time will be converted automatically into Regency common units on a one-for-one basis and such common units will be converted automatically into the right to receive the merger consideration. Each Series A unit issued and outstanding as of immediately prior to the effective time will be converted into the right to receive an ETP preferred unit having the same preferences, privileges, powers, duties and obligations that the Series A units had immediately prior to the closing of the merger. Any Regency securities that are owned by Regency or any of its subsidiaries immediately prior to the effective time will be cancelled without any conversion or payment of consideration in respect thereof.

ETP will not issue any fractional units in the merger. Instead, each holder of Regency common units or Class F units that are converted pursuant to the merger agreement who otherwise would have received a fraction of a Regency common unit will be entitled to receive a whole ETP common unit.

Treatment of Equity Awards

Under the merger agreement, equity-based awards held by Regency's directors and executive officers as of the effective time will be treated at the effective time as follows:

Phantom Units. Each award of Regency phantom units (except for Regency phantom units granted before December 16, 2011 and for Regency phantom units held by the chief executive officer and the non-employee directors of Regency, which will vest and convert, subject to applicable tax withholding, into the right to receive the merger consideration) that is outstanding immediately prior to the effective time, automatically and without any action on the part of the holder of such Regency phantom unit, will at the effective time be converted into the right to receive an award of phantom units relating to ETP common units on the same terms and conditions as were applicable to the award of Regency phantom units, except that the number of ETP common units covered by the award will be equal to the number of Regency common units covered by the corresponding award of Regency phantom units multiplied by the sum of (i) the exchange ratio and (ii) the partial ETP common unit representing the additional unit consideration, rounded up to the nearest whole unit.

Unit Options. Each outstanding Regency unit option that was granted under a Regency equity incentive plan and that has a per unit exercise price greater than the closing price of a Regency unit on the NYSE on the last trading day prior to closing of the merger (in-the-money unit options) will be deemed to have been exercised on a net-issuance (i.e., cashless) basis immediately prior to the effective time and each net issued Regency common unit deemed to have been issued will be converted into the right to receive the merger consideration on the same terms as issued and

outstanding Regency common units, subject to reduction for withholding taxes. No fractional ETP common units will be paid to holders of Regency unit options. Any other award of an option to purchase Regency common units will be canceled and terminated at the effective time of the merger for no consideration.

Table of Contents

Cash Units. Each outstanding award of Regency cash units will, automatically and without any action on the part of the holder of such cash unit, be converted into the right to receive an award of restricted cash units relating to ETP common units on the same terms and conditions as were applicable to the award of Regency cash units, except that the number of notional ETP common units that upon vesting entitles the holder to receive an amount of cash equal to the fair market value of an ETP common unit will be equal to the number of notional Regency common units related to the corresponding award of Regency cash units multiplied by the sum of (i) the exchange ratio and (ii) the partial ETP common unit representing the additional unit consideration, rounded up to the nearest whole unit. Prior to the effective time, the general partner of Regency GP will adopt an amendment to the Regency Energy Partners LP Long-Term Incentive Cash Restricted Unit Plan to permit the treatment of Regency cash units in the merger described above.

Regency Equity Plans. As of the effective time, ETP will assume the obligations of Regency under the Regency equity plans and will assume such plans for the purposes of employing such plans to make grants of equity-based awards of ETP common units following the closing of the merger.

Treatment of General Partner Interest and Incentive Distribution Rights

As a result of the merger, the general partner interest in Regency outstanding immediately prior to the effective time will be converted into a non-economic general partner interest and Regency GP will continue as the sole general partner of Regency. In addition, the incentive distribution rights in Regency outstanding immediately prior to the effective time will be cancelled. ETP and Regency have agreed that, upon consummation of the mergers, the percentage interest represented by the ETP general partner interest will be increased to equal the sum of (i) the percentage interest of the ETP general partner interest immediately prior to the effective time, as adjusted to give effect to the issuance of ETP common units in the merger, and (ii) the percentage interest in ETP that would be represented by the Regency general partner interest immediately prior to the effective time, as adjusted to give effect to the issuance of ETP common units in the merger. In connection with the mergers, ETP GP will receive the right to any capital account in Regency associated with the Regency general partner interest and incentive distribution rights immediately prior to the merger.

Adjustments to Prevent Dilution

Prior to the effective time, each of the unit consideration, the additional unit consideration and the consideration to be paid to holders of Series A units will be appropriately adjusted to reflect fully the effect of any unit dividend, subdivision, reclassification, recapitalization, split, split-up, unit distribution, combination, exchange of units or similar transaction with respect to Regency common units, Class F units or Series A units or ETP common units to provide the holders of Regency common units, Class F units and Series A units the same economic effect as contemplated by the merger agreement prior to such event.

Withholding

ETP and the exchange agent will be entitled to deduct and withhold from the consideration otherwise payable to a holder of Regency common units, Class F units, Series A units, Regency phantom units, Regency unit options and Regency cash units such amounts as are required to be deducted and withheld with respect to the making of such payment under the Code, or under any provision of applicable U.S. federal, state, local or foreign tax law. To the extent that deduction and withholding is required, such deduction and withholding will be taken in ETP common units. To the extent withheld, such withheld ETP common units will be treated as having been paid to the former holder of Regency common units, Class F units, Series A units, Regency phantom units, Regency unit options and Regency cash units, as applicable, in respect of whom such withholding was made.

Distributions

No distributions with respect to ETP common units or ETP preferred units issued in the merger will be paid to the holder of any unsurrendered certificates until such certificates are surrendered. Following such surrender,

Table of Contents

there will be paid, without interest, to the record holder of ETP common units or ETP preferred units issued in exchange therefor (i) at the time of such surrender, all distributions payable in respect of any such ETP common units or ETP preferred units, as applicable, with a record date after the effective time and a payment date on or prior to the date of such surrender and not previously paid and (ii) at the appropriate payment date, the distributions payable with respect to such ETP common units and ETP preferred units with a record date after the effective time but with a payment date subsequent to such surrender. For purposes of distributions in respect of ETP common units and ETP preferred units, all ETP common units and ETP preferred units to be issued pursuant to the merger will be entitled to distributions as if issued and outstanding as of the effective time.

Regulatory Matters

See The Merger Regulatory Approvals and Clearances Required for the Merger for a description of the material regulatory requirements for the completion of the merger.

ETP and Regency have agreed to (including to cause their respective subsidiaries to) use their reasonable best efforts to resolve any objections that a governmental authority or any other person may assert under antitrust laws with respect to the merger, and to avoid or eliminate each and every impediment under any antitrust law that may be asserted by any governmental authority with respect to the merger, in each case, so as to enable the closing of the mergers to occur as promptly as practicable and in any event no later than the outside date. Notwithstanding the foregoing, Regency has agreed not to commit to any disposal, hold separate or other restriction related to it or its subsidiaries businesses, operations or assets without ETP's prior written consent.

Termination of the Merger Agreement

ETP or Regency may terminate the merger agreement at any time prior to the effective time, whether before or after the Regency unitholders have approved the merger agreement, by mutual written consent.

In addition, either ETP or Regency may terminate the merger agreement at any time prior to the effective time by written notice to the other party:

if the merger has not occurred on or before the outside date; provided, that the right to terminate the merger agreement if the merger has not occurred on or before the outside date will not be available to a party (i) if the inability to satisfy the conditions to closing was due to the failure of such party to perform any of its obligations under the merger agreement or (ii) if the other party has filed (and is then pursuing) an action seeking specific performance to enforce the obligations under the merger agreement;

if any governmental authority has issued a final and nonappealable law, injunction, judgment or ruling that enjoins or otherwise prohibits the consummation of the transactions contemplated by the merger agreement or makes the transactions contemplated by the merger agreement illegal; *provided, however*, that the right to terminate for this reason will not be available if the prohibition was due to the failure of the terminating party to perform any of its obligations under the merger agreement; or

if the Regency unitholders do not adopt the merger agreement at the special meeting of Regency unitholders called for such purpose or any adjournment or postponement of such meeting.

In addition, ETP may terminate the merger agreement:

if an adverse recommendation change shall have occurred;

if prior to the adoption of the merger agreement by Regency's unitholders, Regency is in willful breach of its obligations to (i) duly call, give notice of and hold a special meeting of Regency's unitholders for the purpose of obtaining unitholder approval of the merger agreement, use its reasonable best efforts to solicit proxies from unitholders in favor of such adoption and, through the Regency Board, recommend the adoption of the merger agreement to Regency's unitholders or (ii) comply with the requirements

Table of Contents

applicable to the other party described under No Solicitation by Regency of Alternative Proposals; other than in the case where (A) such willful breach is a result of an isolated action by a Regency representative (other than a director or officer of Regency) and not caused by, or within the knowledge of, Regency and (B) Regency takes appropriate actions to remedy such willful breach upon discovery thereof; *provided*, that the right to terminate the merger agreement for this reason will not be available to ETP if it is then in material breach of any of its representations, warranties, covenants or agreements under the merger agreement; or

if there is a breach by Regency of any of its representations, warranties, covenants or agreements in the merger agreement such that certain closing conditions would not be satisfied, or if capable of being cured, such breach has not been cured within 30 days following delivery of written notice of such breach by ETP; *provided* that ETP will not have the right to terminate the merger agreement for this reason if ETP is then in material breach of any of its representations, warranties, covenants or agreements contained in the merger agreement.

In addition, Regency may terminate the merger agreement:

if there is a breach by ETP of any of its representations, warranties, covenants or agreements in the merger agreement such that certain closing conditions would not be satisfied, or if capable of being cured, such breach has not been cured within 30 days following delivery of written notice of such breach by Regency; *provided* that Regency will not have the right to terminate the merger agreement for this reason if Regency is then in material breach of any of its representations, warranties, covenants or agreements contained in the merger agreement; or

prior to the adoption of the merger agreement by Regency unitholders, in order to enter into (concurrently with such termination) any agreement, understanding or arrangement providing for a superior proposal in accordance with Regency's obligation to comply with the requirements described under No Solicitation by Regency of Alternative Proposals, *provided* that Regency must concurrently with such termination pay to ETP the termination fee.

In some cases, termination of the merger agreement will require Regency to reimburse up to \$20.0 million of ETP's expenses and pay a termination fee to ETP (less any expenses previously reimbursed), as described below under Termination Fee and Expenses. Following payment of the termination fee, Regency will not be obligated to pay any additional expenses incurred by ETP or its affiliates.

Termination Fee

The merger agreement provides that Regency is required to pay a termination fee to ETP of \$450.0 million, less any expenses of ETP previously reimbursed by Regency, as described below under Expenses, to ETP:

if (i) an alternative proposal was publicly proposed or publicly disclosed prior to, and not withdrawn at the time of, the date of the special meeting of Regency unitholders called for the purpose of adopting the merger agreement (or, if the special meeting of Regency unitholders did not occur, prior to the date on which the merger agreement was terminated as a result of the failure to consummate the merger prior to the outside

date), (ii) the merger agreement is terminated by either party (A) as a result of the failure to consummate the merger prior to the outside date or (B) because the merger agreement was not adopted at the special meeting of Regency unitholders called for such purpose and (iii) Regency enters into a definitive agreement with respect to, or consummates, any alternative proposal during the 12-month period following the date on which the merger agreement is terminated (whether or not such alternative proposal is the same alternative proposal referred to in clause (i)); *provided*, that for purposes of the payment of the termination fee described above, the term alternative proposal has the meaning provided under Regency Unitholder Approval, except that the references to 15% or more will be deemed to be references to 50% or more ;

Table of Contents

if ETP terminates the merger agreement due to:

an adverse recommendation change having occurred; or

Regency being, prior to the adoption of the merger agreement by Regency unitholders, in willful breach of its obligations to (i) duly call, give notice of and hold a special meeting of its unitholders for the purpose of obtaining unitholder approval of the merger agreement, use its reasonable best efforts to solicit proxies from unitholders in favor of such adoption and, through the Regency Board, recommend the adoption of the merger agreement to Regency unitholders or (ii) comply with the requirements described under No Solicitation by Regency of Alternative Proposals; other than in the case where (A) such willful breach is a result of an isolated action by a representative of Regency (other than a Regency director or officer) and not caused by, or within the knowledge of, Regency and (B) Regency takes appropriate actions to remedy such willful breach upon discovery thereof; or

if Regency terminates the merger agreement:

because the merger agreement was not adopted by Regency unitholders at a special meeting of Regency unitholders called for such purpose in a case where an adverse recommendation change has occurred; or

prior to the receipt of the Regency unitholder approval, in order to enter into (concurrently with such termination) any agreement, understanding or arrangement providing for a superior proposal.

Expenses

Generally, all fees and expenses incurred in connection with the transactions contemplated by the merger agreement will be the obligation of the party incurring such fees and expenses.

In addition, Regency is required to pay the expenses of ETP in the event that the merger agreement is terminated:

by Regency or ETP because the merger agreement was not adopted by Regency unitholders at a special meeting of Regency unitholders (or if Regency terminates the merger agreement pursuant to another termination right at a time when the agreement was terminable for this reason); or

by ETP because there is a breach by Regency of any of its representations, warranties, covenants or agreements in the merger agreement such that certain closing conditions would not be satisfied, or if capable of being cured, such breach has not been cured within 30 days following delivery of written notice of such breach by ETP.

In such case, Regency promptly, but in no event later than three business days after receipt of an invoice therefor from ETP, will be required to pay ETP's designee all of the reasonably documented out-of-pocket expenses (including all fees and expenses of counsel, accountants, investment bankers, financing sources, hedging counterparties, experts and

consultants) incurred by ETP and its affiliates in connection with the merger agreement and the transactions contemplated thereby, up to a maximum amount of \$20.0 million. In no event will Regency be required to make any such payment if, at the time of such termination, the merger agreement was terminable by it because there is a breach by ETP of any of its representations, warranties, covenants or agreements in the merger agreement such that certain closing conditions would not be satisfied, or if capable of being cured, such breach has not been cured within 30 days following delivery of written notice of such breach. Following payment of the termination fee, Regency will not be obligated to pay any additional expenses incurred by ETP or its affiliates.

Table of Contents

Conduct of Business Pending the Consummation of the Merger

Under the merger agreement, each of ETP and Regency has undertaken certain covenants that place restrictions on it and its respective subsidiaries from the date of the merger agreement until the earlier of the termination of the merger agreement in accordance with its terms and the effective time, unless the other party gives its prior written consent (which, in certain instances, cannot be unreasonably withheld, conditioned or delayed). In general, each party has agreed to (i) cause its respective business to be conducted in the ordinary course of business consistent with past practice, (ii) use commercially reasonable efforts to preserve intact its respective business organization, (iii) use commercially reasonable efforts to keep in full force and effect all material permits and insurance policies maintained by it, its subsidiaries and its joint ventures (other than, in the case of ETP, Sunoco Partners LLC, Sunoco GP LLC and their respective subsidiaries), other than changes to such policies made in the ordinary course of business and (iv) use commercially reasonable efforts to comply in all material respects with all applicable laws and the requirements of its respective material contracts.

Subject to certain exceptions set forth in the merger agreement and the disclosure schedules delivered by Regency to ETP in connection with the merger agreement, unless ETP consents in writing (which consent cannot be unreasonably withheld, conditioned or delayed), Regency will not, and will not permit any of its subsidiaries or joint ventures to, among other things, undertake the following actions:

sell, transfer, lease, farmout or otherwise dispose of any properties or assets that (i) do not generate cash on a recurring basis and have a fair market value in excess of \$25 million in the aggregate (except (A) pursuant to certain contracts listed in the disclosure schedules, (B) dispositions of obsolete or worthless equipment that is replaced with comparable or better equipment, (C) transactions in the ordinary course of business consistent with past practice or (D) sales or transfers to Regency or its subsidiaries) and (ii) generate cash on a recurring basis (including securities of Regency's subsidiaries);

make any capital expenditures (which includes, among others, any investments by contribution to capital) in excess of \$100 million in the aggregate other than certain capital expenditures set forth on the disclosure schedules or as may be reasonably required to conduct emergency operations or repairs of any well, pipeline or other facility;

directly or indirectly acquire (i) any entity, division, business or equity interest of any third party or, (ii) except in the ordinary course of business consistent with past practice, any assets that, in the aggregate, have a purchase price in excess of \$50 million;

make any loans or advances to any person other than (i) travel, relocation expenses and similar expenses or advances to employees in the ordinary course of business consistent with past practice, (ii) loans and advances to Regency or its subsidiaries and (iii) trade credit granted in the ordinary course of business consistent with past practice;

(i) except for in connection with certain contracts relating to indebtedness or commodity derivative instruments entered into in compliance with Regency's risk management policy and (other than in the case of

non-competition agreements) as in the ordinary course of business consistent with past practice, enter into material contracts or terminate or amend in any material respect any material Regency contract or (ii) (A) waive any material rights under any material Regency contract, (B) enter into or extend the term or scope of any material Regency contract that materially restricts Regency or any of its subsidiaries from engaging in any line of business or in any geographic area, (C) enter into any material Regency contract that would be breached by, or require the consent of any third party in order to continue in full force following, consummation of the transactions contemplated by the merger agreement or (D) release any person from, or modify or waive any provision of, any standstill or confidentiality agreement related to a sale of Regency or any of its material subsidiaries;

except in the ordinary course of business as required by the terms, as of the date of the merger agreement, of any Regency benefit plan, (i) increase the compensation of any executive officer, (ii) pay any bonus or incentive compensation, (iii) grant any new equity or non-equity based compensation

Table of Contents

award, (iv) enter into, establish, amend or terminate any Regency benefit plan or any other agreement or arrangement which would be a Regency benefit plan if it were in effect on the date of the merger agreement, (v) except as provided in the disclosure schedules, accelerate the vesting or payment of any compensation or benefits under any Regency benefit plan or (vi) fund any Regency benefit plan or trust relating thereto;

adopt a plan or agreement of complete or partial liquidation, dissolution, restructuring, recapitalization, merger, consolidation or other reorganization (other than transactions between wholly owned subsidiaries of Regency); or

except as provided under any agreement entered into prior to the date of the merger agreement, pay, discharge, settle or satisfy any suit, action, claims or proceeding, in excess of \$5 million individually or \$10 million in the aggregate.

Regency has further agreed that, subject to certain exceptions in the merger agreement and the disclosure schedules delivered by Regency to ETP in connection with the merger agreement Regency will not, and will not permit any of its subsidiaries or joint ventures to, among other things, undertake the following actions without the consent of ETP (which consent may be withheld in ETP's sole discretion):

issue, sell, grant, dispose of, accelerate the vesting of or modify, any ownership or other limited partnership interests in Regency, voting securities or equity interests, or any securities convertible into or exchangeable for ownership or other interests in Regency, voting securities or equity interests, except that Regency may grant new awards of phantom units under the Regency equity plans in the ordinary course of business consistent with past practice, and may issue Regency common units (x) upon the settlement of phantom units or exercise of unit options, in each case, which are outstanding as of the date of the merger agreement and in accordance with the terms thereof, (y) upon the conversion of the Class F units or Series A units to Regency common units in accordance with the Regency partnership agreement or (z) as part of the issuance and sale from time to time of up to \$500 million aggregate amount of Regency common units pursuant to Regency's prospectus supplement (and accompanying base prospectus) filed with the SEC on December 24, 2014;

redeem, purchase or otherwise acquire any ownership or other limited partnership interests in, voting securities or equity interests, except in connection with the settlement of tax withholding with respect to phantom units or unit options, in each case which are outstanding as of the date of the merger agreement and in accordance with the terms of such awards;

declare, set aside for payment or pay any distribution on any Regency common units, Class F units, Series A units or other partnership interests, or otherwise make any payments to Regency unitholders in their capacity as such, other than (i) distributions by a subsidiary to its parent, (ii) Regency's regular quarterly distribution up to \$0.5025 per Regency common unit and (iii) Regency's regular quarterly distribution with respect to the Series A units in accordance with the Regency partnership agreement;

split, combine, subdivide or reclassify any Regency common units, Class F units, Series A units or other partnership interests;

incur, refinance or assume any indebtedness for borrowed money or guarantee any such indebtedness for borrowed money or issue or sell any debt securities or options, warrants, calls or other rights to acquire any debt securities of Regency or any of its subsidiaries or joint ventures, except that Regency may:

borrow under Regency's existing credit facility (and to the extent such credit facility is increased);

in addition to borrowings under the preceding bullet, borrow additional amounts up to \$50 million; and

borrow from or repay a subsidiary, and Regency's subsidiaries may borrow from or repay Regency;

Table of Contents

prepay or repurchase any long-term indebtedness for borrowed money or debt securities of Regency or any of its subsidiaries, other than revolving indebtedness, borrowings from Regency to a subsidiary and repayments or repurchases required pursuant to the terms of such indebtedness or debt securities;

(i) change its fiscal year or method of tax accounting, (ii) make, change or revoke any material tax election, (iii) settle or compromise any material liability for taxes or (iv) file any material amended tax return;

make any changes in financial accounting methods, principles or practices (or change an annual accounting period), except insofar as may be required by a change in GAAP or applicable law; or

amend Regency's certificate of limited partnership or the Regency partnership agreement.

Subject to certain exceptions set forth in the merger agreement and the disclosure schedules delivered by ETP to Regency in connection with the merger agreement, unless Regency consents in writing (which consent cannot be unreasonably withheld, conditioned or delayed), ETP has agreed to certain restrictions limiting the ability of it and its subsidiaries (other than Sunoco Partners LLC, Sunoco GP LLC and their respective subsidiaries) to, among other things:

issue, sell, grant, dispose of, accelerate the vesting of or modify any limited partnership interests in ETP, voting securities or equity interests, or any securities convertible into or exchangeable for limited partnership interests in ETP, other than (i) in connection with the vesting or settlement of any equity or equity-based award that is outstanding on the date of the merger agreement or thereafter granted in accordance with their terms, (ii) issuances of up to \$1 billion in connection with a transaction involving the acquisition of assets or equity interests, (iii) issuances exceeding \$1 billion in connection with a transaction involving the acquisition of assets or equity interests as to which the ETP Board has received an opinion from a nationally recognized investment banking firm to the effect that such transaction is fair, from a financial point of view, to the ETP unitholders (any transaction described in clauses (i) and (ii), a parent acquisition transaction or (iv) the issuance and sale of up to \$1.5 billion of ETP common units pursuant to ETP's prospectus supplement (and accompanying base prospectus) filed with the SEC on November 20, 2014;

redeem, purchase or otherwise acquire any of ETP's outstanding limited partnership interests, voting securities or equity interests, other than tax withholding with respect to, equity or equity-based awards outstanding on the date of the merger agreement or thereafter granted in accordance with their terms;

declare, set aside for payment or pay any distribution on any ETP common units, or otherwise make any payments to ETP's unitholders in their capacity as such other than (i) distributions by a direct or indirect subsidiary to its parent, (ii) ETP's regular quarterly distribution and associated distributions to ETP GP or (iii) distributions in connection with a parent acquisition transaction;

split, combine, subdivide or reclassify any ETP common units;

amend ETP's certificate of limited partnership or the ETP partnership agreement (other than amendments in connection with a parent acquisition transaction or approved by ETP GP or ETP's unitholders as required under the ETP partnership agreement); or

adopt a plan or agreement of complete or partial liquidation, dissolution, restructuring, recapitalization or other reorganization (other than transactions between wholly owned subsidiaries of ETP).

Indemnification; Directors and Officers Insurance

The merger agreement provides that, from and after the effective time, ETP, the surviving entity and the GP merger surviving entity will, to the fullest extent permitted by law, indemnify, defend and hold harmless, and provide advance and reimbursement of reasonable expenses to, all past and present directors and officers of Regency, Regency GP, ETE Acquirer or any of their respective subsidiaries, to the fullest extent that Regency, Regency GP, ETE Acquirer or any of their respective subsidiaries would be permitted to indemnify such indemnified persons.

Table of Contents

In addition, from and after the effective time and as provided by the merger agreement, ETP and ETP GP will (i) honor the provisions regarding the elimination of liability of directors, indemnification of officers, directors and employees and advancement of expenses contained in Regency's charter documents and comparable governing instruments of Regency GP, ETE Acquirer and any of their respective subsidiaries immediately prior to the effective time and ensure that the organizational documents of the surviving entity and the GP merger surviving entity will, for a period of six years following the effective time, contain provisions no less favorable with respect to indemnification, advancement of expenses and exculpation than are presently set forth in such governing instruments and (ii) maintain in effect for six years from the effective time of the merger the current directors' and officers' liability insurance policies or Regency, Regency GP and/or ETE Acquirer covering acts or omissions occurring at or prior to the effective time with respect to such indemnified persons, so long as the surviving entity and the GP merger surviving entity are not required to expend more than an amount per year equal to 300% of current annual premiums paid by Regency, Regency GP and ETE Acquirer for such insurance. Regency, Regency GP or ETE Acquirer may, in its sole discretion prior to the effective time, purchase a tail policy with respect to acts or omissions occurring or alleged to have occurred prior to the effective time that were committed or alleged to have been committed by any past and present directors, officers and employees of Regency, Regency GP, ETE Acquirer or any of their respective subsidiaries in their capacity as such, so long as the cost of such policy does not exceed six times an amount equal to 300% of the current annual premiums paid by Regency, Regency GP or ETE Acquirer for directors' and officers' liability insurance policies and, if such a tail policy is purchased, ETP and ETP GP will have no further obligations with respect to maintaining directors' and officers' liability insurance.

Financing Matters

The merger agreement provides that Regency will, at ETP's request, (i) call for prepayment or redemption, or prepay or redeem, (ii) attempt to renegotiate the terms of, (iii) commence an offer to purchase and/or consent solicitation or (iv) satisfy and discharge or defease any then-existing indebtedness for borrowed money of Regency; *provided* that Regency will not be obligated to take any such action (nor will Regency be required to incur any cost or liability in respect thereof) prior to the effective time of the merger.

Amendment of ETP Partnership Agreement

The merger agreement provides that ETP GP will amend the ETP partnership agreement, for no additional consideration or undertaking by Regency or by the unitholders of Regency, prior to and effective as of the effective time, to provide for, among other things, (i) the reduction by ETE, as the holder of ETP's incentive distribution rights, of (x) \$20 million in quarterly distributions in respect of such rights for four consecutive quarters commencing with the first quarter for which the related record date occurs on or following the closing and (y) \$15 million in quarterly distributions in respect of such rights for 16 consecutive quarters thereafter, (ii) the creation and issuance of the ETP preferred units and (iii) a change in the definition of Operating Surplus in the ETP partnership agreement to provide that such term will include an amount equal to the operating surplus of Regency.

Amendment and Waiver

At any time prior to the effective time, whether before or after adoption of the merger agreement by Regency unitholders, the parties may, by written agreement and by action taken or authorized by the ETP Board and the Regency Board, amend the merger agreement; *provided, however*, that the ETP Board and the Regency Board may not take or authorize any such action unless it has first referred such action to the ETP Conflicts Committee and the Regency Conflicts Committee, as applicable, for its consideration, and permitted the ETP Conflicts Committee and the Regency Conflicts Committee, as applicable, not less than two business days to make a recommendation to the ETP Board and the Regency Board, as applicable, with respect thereto (for the avoidance of doubt, the ETP Board and

the Regency Board will in no way be obligated to follow the recommendation of the ETP Conflicts Committee and the Regency Conflicts Committee, as applicable, and the

Table of Contents

ETP Board and the Regency Board, as applicable, will be permitted to take action following the expiration of such two business day period). Following approval of the merger and the other transactions contemplated by the merger agreement by Regency unitholders, no amendment or change to the provisions of the merger agreement will be made which by law would require further approval by Regency unitholders, without such approval.

Unless otherwise expressly set forth in the merger agreement, whenever a determination, decision, approval or consent of ETP or the ETP Board or of Regency or the Regency Board is required pursuant to the merger agreement, such determination, decision, approval or consent must be authorized by the ETP Board and the Regency Board, as applicable; *provided, however*, that the ETP Board and the Regency Board, as applicable, may not take or authorize any such action unless it has first referred such action to the ETP Conflicts Committee and the Regency Conflicts Committee, as applicable, for its consideration, and permitted the ETP Conflicts Committee and the Regency Conflicts Committee, as applicable, not less than two business days to make a recommendation to the ETP Board and the Regency Board, as applicable, with respect thereto (for the avoidance of doubt, the ETP Board and the Regency Board, as applicable, will in no way be obligated to follow the recommendation of the ETP Conflicts Committee or the Regency Conflicts Committee, as applicable, and the ETP Board and the Regency Board, as applicable, will be permitted to take action following the expiration of such two business day period).

At any time prior to the effective time, any party to the merger agreement may, to the extent legally allowed:

waive any inaccuracies in the representations and warranties of any other party contained in the merger agreement;

extend the time for the performance of any of the obligations or acts of any other party provided for in the merger agreement; or

waive compliance by any other party with any of the agreements or conditions contained in the merger agreement, as permitted under the merger agreement.

Remedies; Specific Performance

The merger agreement provides that, in the event Regency pays the termination fee (described under Termination Fee) to ETP when required, Regency will have no further liability to ETP or ETP GP. Notwithstanding any termination of the merger agreement, the merger agreement provides that nothing in the agreement (other than payment of the termination fee) will relieve any party from any liability for any failure to consummate the transactions when required pursuant to the merger agreement or any party from liability for fraud or a willful breach of any covenant or agreement contained in the merger agreement. The merger agreement also provides that the parties are entitled to obtain an injunction to prevent breaches of the merger agreement and to specifically enforce the merger agreement. In the event that ETP receives the termination fee, ETP may not seek any award of specific performance under the merger agreement.

Representations and Warranties

The merger agreement contains representations and warranties made by ETP, Regency and ETE Acquirer. These representations and warranties have been made solely for the benefit of the other parties to the merger agreement and:

may be intended not as statements of fact or of the condition of the parties to the merger agreement or their respective subsidiaries, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate;

have been qualified by disclosures that were made to the other party in connection with the negotiation of the merger agreement, which disclosures may not be reflected in the merger agreement;

Table of Contents

may apply standards of materiality in a way that is different from what may be viewed as material to you or other investors; and

were made only as of the date of the merger agreement or such other date or dates as may be specified in the merger agreement and are subject to more recent developments.

The representations and warranties made by both ETP, Regency and ETE Acquirer relate to, among other things:

organization, formation, standing, power and similar matters;

capital structure;

approval and authorization of the merger agreement and the transactions contemplated by the merger agreement and any conflicts created by such transactions;

required consents and approvals of governmental authorities in connection with the transactions contemplated by the merger agreement;

absence of certain changes or events from December 31, 2013 through the date of the merger agreement and from the date of the merger agreement through the closing date;

brokers and other advisors; and

absence of additional representations and warranties.

Additional representations and warranties made only by ETP and Regency relate to, among other things:

documents filed with the SEC, financial statements included in those documents and regulatory reports filed with governmental authorities;

absence of undisclosed liabilities since December 31, 2013;

legal proceedings;

compliance with applicable laws and permits;

information supplied in connection with this proxy statement/prospectus;

tax matters;

environmental matters;

contracts of each party;

property;

opinion of financial advisor; and

state takeover statutes.

Additional representations and warranties made only by Regency relate to, among other things:

employee benefits;

labor matters;

intellectual property;

insurance; and

regulatory matters.

Table of Contents

Distributions

The merger agreement provides that, from the date of the merger agreement until the effective time, each of ETP and Regency will coordinate with the other regarding the declaration of any distributions in respect of ETP common units, Class F units, Series A units, ETP common units and ETP preferred units. The merger agreement also provides that holders of Regency common units, Class F units and Series A units will receive, for any quarter, either: (i) only distributions in respect of Regency common units, Class F units or Series A units or (ii) only distributions in respect of ETP common units or ETP preferred units, as applicable, that they receive in exchange therefor in the merger.

ETE s and ETP s Obligation to Vote Regency Units

Under the terms of the merger agreement, ETE and ETP have agreed to vote all of the Regency common units and Class F units owned beneficially or of record by ETE, ETP or their respective subsidiaries in favor of the merger. As of March 24, 2015, ETE, ETP and their respective subsidiaries collectively held 88,529,775 Regency common units and 6,274,483 Class F units, representing approximately 22.58% of the Regency units entitled to vote on the merger.

In addition, ETE has consented to, and has agreed to cause any of its subsidiaries that own Class H units to consent to, the issuance of ETP preferred units to the holders of Series A units as contemplated by the merger agreement.

Additional Agreements

The merger agreement also contains covenants relating to cooperation in the preparation of this proxy statement/prospectus and additional agreements relating to, among other things, access to information, notice of specified matters and public announcements. The merger agreement also obligates ETP to have ETP common units to be issued in connection with the merger approved for listing on the NYSE, subject to official notice of issuance, prior to the date of the consummation of the merger.

Table of Contents

ENERGY TRANSFER PARTNERS, L.P.

UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following unaudited pro forma consolidated financial information of ETP reflects the pro forma impacts of ETP's proposed merger with Regency.

The unaudited pro forma condensed consolidated balance sheet gives effect to the merger as if it had occurred on December 31, 2014; the unaudited pro forma condensed consolidated statements of operations assume that the merger was consummated on January 1, 2012. The unaudited pro forma condensed balance sheet and condensed consolidated statements of operations should be read in conjunction with (i) ETP's Annual Report on Form 10-K for the year ended December 31, 2014, and (ii) Regency's Annual Report on Form 10-K for the year ended December 31, 2014.

The unaudited pro forma condensed consolidated financial statements are for illustrative purposes only and are not necessarily indicative of the financial results that would have occurred if the merger had been consummated on the dates indicated, nor are they necessarily indicative of the financial position or results of operations in the future. The pro forma adjustments, as described in the accompanying notes, are based upon available information and certain assumptions that are believed to be reasonable as of the date of this document.

Under the terms of the merger agreement, holders of Regency common units and Class F units will receive 0.4066 ETP common units plus a number of additional ETP common units equal to \$0.32 divided by the lesser of (i) the volume weighted average price of ETP common units for the five trading days ending on the third trading day immediately preceding the effective time of the merger and (ii) the closing price of ETP common units on the third trading day immediately preceding the effective time of the merger.

In addition, ETE, which owns the general partner and 100% of the incentive distribution rights of both Regency and ETP, has agreed to reduce the incentive distributions it receives from ETP by a total of \$320 million over a five year period. The reduction in distributions will be \$80 million in the first year following the closing of the merger and \$60 million per year for the following four years. The merger is expected to close in the second quarter of 2015.

ETP and Regency are under common control of ETE; therefore, ETP expects to account for the merger at historical cost as a reorganization of entities under common control. Accordingly, ETP's consolidated financial statements will be retrospectively adjusted to reflect consolidation of Regency beginning May 26, 2010 (the date ETE acquired Regency GP).

Table of Contents**Energy Transfer Partners, L.P. And Subsidiaries****Unaudited Pro Forma Condensed Consolidated Balance Sheet****December 31, 2014****(in millions)**

	ETP Historical	Regency Historical	Pro Forma Adjustments		ETP Pro Forma for Regency Merger
CURRENT ASSETS:					
Cash and cash equivalents	\$ 639	\$ 24	\$		\$ 663
Accounts receivable, net	2,879	483			3,362
Accounts receivable from related companies	210	45	(116)	a	139
Inventories	1,389	67			1,456
Exchanges receivable	44				44
Price risk management assets	7	75			82
Other current assets	271	9	17	a	297
Total current assets	5,439	703	(99)		6,043
PROPERTY, PLANT AND EQUIPMENT, net	29,743	9,217	(53)	a	38,907
ADVANCES TO AND INVESTMENTS IN AFFILIATES	3,840	2,418	(1,162)	b	3,760
			(1,336)	c	
GOODWILL	6,419	1,223			7,642
INTANGIBLE ASSETS, net	2,087	3,439			5,526
OTHER NON-CURRENT ASSETS, net	693	103			796
Total assets	\$ 48,221	\$ 17,103	\$ (2,650)		\$ 62,674
CURRENT LIABILITIES:					
Accounts payable	\$ 2,992	\$ 544	\$		\$ 3,536
Accounts payable to related companies	62	64	(105)	a	21
Exchanges payable	183				183
Price risk management liabilities	21				21
Accrued and other current liabilities	1,774	148	(7)	a	1,915
Current maturities of long-term debt	1,008				1,008
Total current liabilities	6,040	756	(112)		6,684
LONG-TERM DEBT, less current maturities	18,332	6,641			24,973
DEFERRED INCOME TAXES	4,226				4,226
NON-CURRENT PRICE RISK MANAGEMENT LIABILITIES	138	16			154

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OTHER NON-CURRENT LIABILITIES	1,206	72	1,278
COMMITMENTS AND CONTINGENCIES			
SERIES A PREFERRED UNITS		33	33
REDEEMABLE NONCONTROLLING INTERESTS	15		