



ENERGY TRANSFER

July 19, 2017

Dear Unitholder:

Energy Transfer Partners, L.P. (“ETP”) is pleased to announce the implementation of a new distribution reinvestment plan (the “Plan”) administered by American Stock Transfer & Trust Company, LLC (“AST”). Under the Plan, unitholders will have a convenient way to purchase additional common units representing limited partner interests in ETP (“ETP common units”) by reinvesting the cash distributions they receive on their existing ETP common units without paying any service fees, brokerage trading fees or other charges, at times at a discount to market price. Initially, the discount to market price will be 2.50%. The method for calculating the market price for the purchase of ETP common units is described in the Plan prospectus which accompanies this letter. This market discount may be changed from time to time at the discretion of ETP, and any such changes to the market price will be posted on AST’s website.

You may enroll in the Plan by completing the accompanying Plan enrollment letter and mailing it to AST. In addition, you may enroll in the Plan or make modifications to your participation in the Plan by telephone ((888) 257-7340) or online by using AST’s website. Some advantages of using the website are:

- Online enrollment in the Plan through AST at www.astfinancial.com;
- Request the sale of all or part of ETP common units owned;
- Request issuance of ETP common units in certificate form;
- Online review of account balance; and
- Online review of account history.

Once enrolled, participants will be able to call a dedicated toll-free number ((888) 275-7340) to process modifications to their enrollment or to facilitate other transactions, such as the sale of ETP common units. In addition, the Plan allows participants to deposit their ETP common unit certificates for safekeeping or sale.

ETP will pay the costs of administering the Plan and the transaction fees associated with your acquisition of ETP common units under the Plan. As described in the Plan prospectus, you will incur fees if you sell any portion of ETP common units that are enrolled in the Plan, if you terminate your participation under the Plan or if you elect to have AST hold ETP common units for safekeeping.

Participation is voluntary and an investor may terminate participation in the Plan at any time. ETP has filed a registration statement (including the prospectus) with the Securities and

Exchange Commission (the “SEC”) for the offering to which this communication relates. Before you invest, you should read the prospectus and other documents ETP has filed with the SEC for more complete information about ETP and this offering. You may access our 2016 annual report on Form 10-K, our current report on Form 8-K filed on May 8, 2017 that included information related to the business of ETP prior to the merger of ETP with Sunoco Logistics Partners L.P. and other documents for free by visiting EDGAR on the SEC website at <http://www.sec.gov>. The Form 10-K and the prospectus are also available on ETP’s website at www.energytransfer.com under *Investor Relations*.

Please take time to read the enclosed Plan prospectus. If you have any questions, please call the Plan administrator at toll free (888) 257-7340. We hope that you will take full advantage of this new and exciting service.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas E. Long", with a stylized flourish at the end.

Thomas E. Long
Chief Financial Officer