Summary of Tax Consequences

The following tax consequences associated with the acquisition of Susser Holdings Corporation by Energy Transfer Partners, L.P. are contingent upon the transaction qualifying as a tax-free exchange pursuant to Section 721 of the Internal Revenue Code.

I. Introduction

On April 28, 2014, Susser Holdings Corporation (“Susser”) and Energy Transfer Partners, L.P. (“ETP”) entered into a merger agreement pursuant to which Susser merged with and into Drive Acquisition Corporation, a wholly owned subsidiary of ETP, with Susser continuing as the surviving entity (the “Merger”). The Merger was consummated on August 29, 2014.

Under the terms of the merger agreement, holders of Susser common shares received either (i) 0.7253 ETP common units and a one-time cash payment of $40.125 per share, (ii) a one-time cash payment of $80.25 per share, or (iii) 1.4506 ETP common units per share.

This document is intended to provide a summary of certain U.S. federal income tax consequences to persons who exchanged Susser shares for ETP units pursuant to the Merger. This document does not constitute tax advice and does not address any special tax rules (including, but not limited to, the alternative minimum tax) or the tax consequences in any state, local, or foreign jurisdiction. Please consult the proxy statement filed with the Securities and Exchange Commission for additional information regarding the U.S. income tax consequences of the Merger.

The actual tax consequences of the Merger to you may be complex and will depend on your specific tax situation. Please consult your own tax adviser to determine the U.S. income tax consequences of the transaction to you in light of your own personal circumstances as well as any other tax consequences under any state, local, or foreign tax authorities.

For purposes of the following examples and discussions, each Susser shareholder is an individual citizen or resident of the United States who purchased Susser shares for cash and held such shares as a capital asset. This document does **not** generally apply to any shares held in tax-deferred accounts, such as 401(k) or IRA accounts. Further, the following summary is premised on the Merger qualifying as a contribution of Susser shares to ETP under Section 721(a) of the U.S. Internal Revenue Code of 1986, as amended (the “Code”).

II. Summary of Certain U.S. Federal Income Tax Consequences

A. Gain

The tax basis of the ETP common units received by each Susser shareholder is the same as the basis of the Susser shares exchanged there for, increased by each Susser shareholder’s share of the nonrecourse liabilities of ETP. No gain is recognized solely as a result of the exchange of Susser shares for ETP units.

A Susser shareholder receiving any portion of his Merger consideration in cash should recognize gain to the extent the amount of cash received is greater than the shareholder's adjusted basis in the Susser common stock treated as sold. Gain must be calculated separately for each block of common stock exchanged for cash. Any such gain should be long term capital gain if the shareholder holds the shares of common stock as a capital asset and the shareholder's holding period for the shares of common stock exceeds one year.

B. Loss

The tax basis of the ETP common units received by each Susser shareholder is the same as the basis of the Susser shares exchanged there for, increased by each Susser shareholder's share of the nonrecourse liabilities of ETP. No loss is recognized solely as a result of the exchange of Susser shares for ETP units.

A Susser shareholder receiving any portion of his Merger consideration in cash should recognize loss to the extent the amount of cash received is less than the shareholder's adjusted basis in the Susser common stock treated as sold. Loss must be calculated separately for each block of common stock exchanged for cash. Generally, any such loss should be long term capital loss if the shareholder holds the shares of common stock as a capital asset and the shareholder's holding period for the shares of common stock exceeds one year. The deductibility of capital losses is subject to limitations.

C. Holding Period

The holding period for ETP units received in exchange for Susser shares pursuant to the Merger includes the period during which the shareholder held the Susser shares, provided that the Susser units were held as a capital asset by such holder at the time of the Merger.

D. Illustrations

In general, tax basis should be allocated to the ETP units received based on the fair market value (FMV) of the ETP units in proportion to the FMV of the total consideration (cash and units) received. The fair market value of ETP units at the time of the merger was $57.65 per unit.

The allocation of tax basis is illustrated by the following examples:

In each example, the investor will have exchanged 100 Susser shares with a total tax basis of $3,000.

Standard Mix of Consideration ($40.125 in cash and 0.7253 ETP units for each Susser share):

100 Susser shares become...
72 ETP units at FMV $4,150.80 (72 * $57.65)

$4,043.05 cash ($40.125 per Susser share plus 0.53 fractional unit disposition at $57.65 per unit)

Total consideration has a FMV of $8,193.85.

Basis in Susser shares applied to ETP units is equal to $3,000 * (4,150.80 / 8,193.85) = $1,519.72
Basis in Susser shares sold for cash is equal to $3,000 * (4,043.05 / 8,193.85) = $1,480.28

Cash Consideration ($80.25 in cash for each Susser share)

100 Susser shares become...
$8,025.00 cash ($100 shares at $80.25 per share)

Total consideration has a FMV of $8,025.00.

Basis in Susser shares sold is equal to $3,000 * (8,025.00 / 8,025.00) = $3,000

Unit Consideration (1.4506 ETP units for each Susser share):

100 Susser shares become...
145 ETP units at FMV $8,359.25 (145* $57.65)
$3.46 cash (0.06 fractional unit disposition at $57.65 per unit)

Total consideration has a FMV of $8,362.71.

Basis in Susser shares applied to ETP units is equal to $3,000 * (8,359.25 / 8,362.71) = $2,998.76
Basis in Susser shares sold for cash is equal to $3,000 * (3.46 / 8,362.71) = $1.24

ETP does not provide tax advice to its unitholders and has only provided these examples for illustrative purposes. They are not intended to be, nor should they be construed as, tax advice. ETP suggests that you consult a tax advisor with any questions.