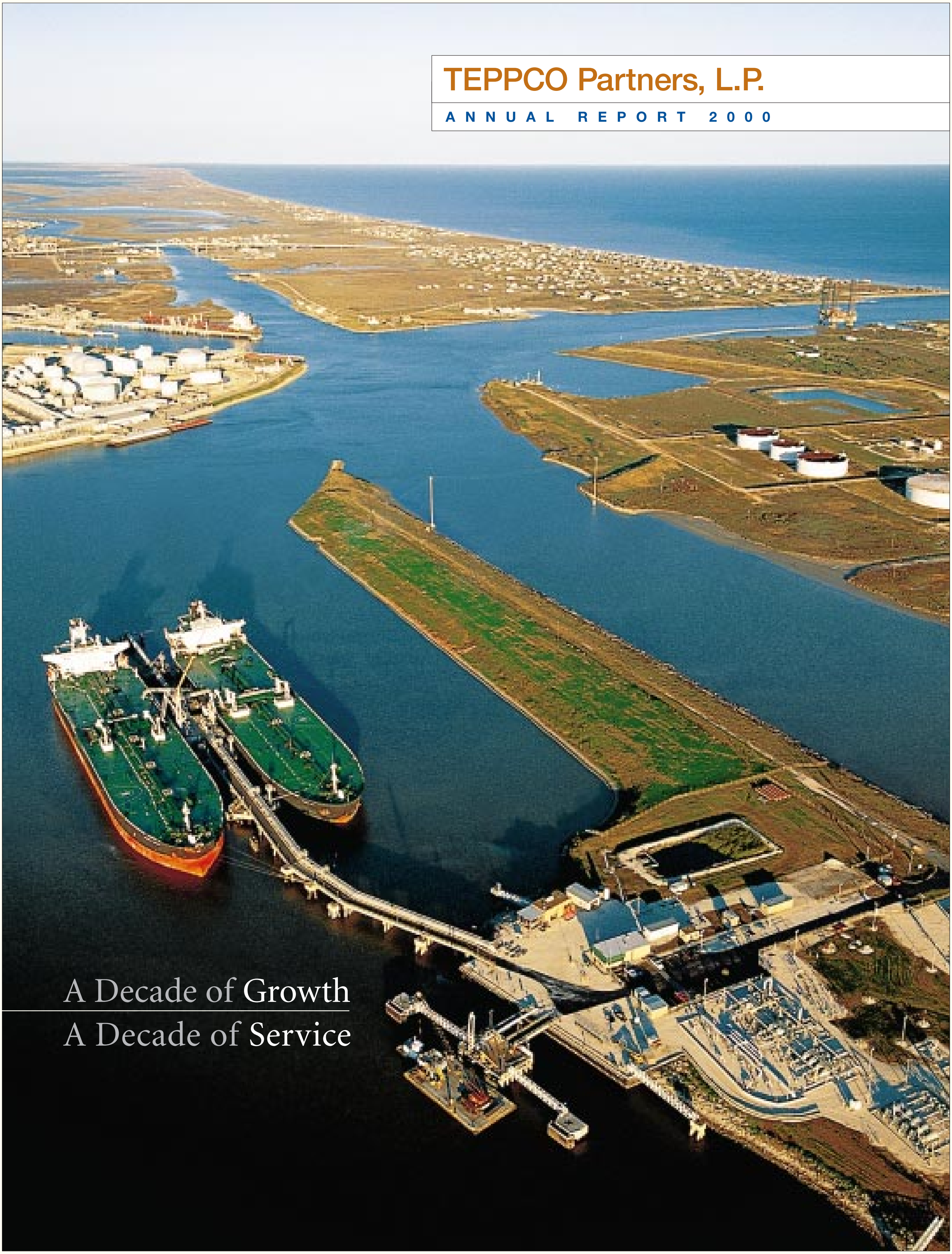
TEPPCO Partners, L.P.

ANNUAL REPORT 2000



A Decade of Growth
A Decade of Service

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The year 2000 marked the 10th anniversary of TEPPCO Partners, L.P. The last 10 years have exceeded the results that were anticipated when TEPPCO went public in March 1990. This record of achievement has provided a solid return for investors and established the groundwork for future growth.

Over the last decade, TEPPCO's Unitholders have earned exceptional returns averaging over 20 percent per year, and have seen the value of their investment more than double and their yearly cash distribution almost double. This year's annual report highlights TEPPCO's growth over the years and its plans for continuing that growth into the next decade.

Partnership Profile

TEPPCO Partners, L.P. is a publicly traded master limited partnership, which conducts business through various subsidiary operating companies. TEPPCO owns and operates one of the largest common carrier pipelines of refined petroleum products and liquefied petroleum gases in the United States; owns and operates natural gas liquid pipelines; is engaged in crude oil pipeline transportation, storage, gathering and marketing; and owns a 50-percent interest in Seaway Crude Pipeline Company and an undivided ownership interest in the Rancho and Basin Pipelines. Texas Eastern Products Pipeline Company, LLC, an indirect wholly owned subsidiary of Duke Energy Field Services, LLC, is the general partner of TEPPCO Partners, L.P.

Contents

On the cover: The Freeport, Texas, marine terminal is the origin point for the 30-inch diameter Seaway Crude Pipeline.

Financial and Operating Highlights

Financial Highlights

Thousands, except as noted	2000[1]	1999	1998[2]	1997	1996
	YEAR ENDED DECEMBER 31				
Revenues from sales of crude oil and petroleum products	$ 2,821,943	$ 1,692,767	$ 214,463	$ –	$ –
Revenues from products transportation and other operations	241,465	230,270	211,783	222,093	216,025
Revenues from crude and NGL transportation	24,533	11,846	3,392	–	–
Total Revenues	3,087,941	1,934,883	429,638	222,093	216,025
Operating Expenses	150,149	136,095	110,363	106,771	105,182
Purchases of crude oil and petroleum products	2,794,604	1,666,042	212,371	–	–
Depreciation and Amortization	35,163	32,656	26,938	23,772	23,409
Operating Income	108,025	100,090	79,966	91,550	87,434
Net Income	77,376	72,120	53,341[3]	61,300	58,648
Basic Net Income Per Unit Before Extraordinary Item[4]	$1.89	$1.91	$1.61	$1.95	$1.89
Distributions Paid Per Unit[4]	$2.00	$1.85	$1.75	$1.55	$1.45

(1) The 2000 per unit calculation is based on the weighted-average number of units, including 3.7 million additional limited partner units issued October 2000.
(2) The 1998 results include the acquisition of crude oil assets, effective November 1, 1998. The 1998 per unit calculation is based on the weighted-average number of units, including the 3.9 million Class B units issued in conjunction with the acquisition.
(3) 1998 excludes an extraordinary charge of $72.8 million for early extinguishment of debt.
(4) Per unit amounts have been adjusted to reflect the two-for-one unit split on August 10, 1998.

Operating Highlights

Refined Products and LPGs Transportation System

	2000	1999	1998	1997	1996
Volumes Delivered *(thousand barrels)*					
Refined Products	128,151	132,642	130,467	119,971	115,262
LPGs	39,633	37,575	32,048	41,991	41,640
Mont Belvieu	27,159	28,535	25,072	27,869	22,522
Total	194,943	198,752	187,587	189,831	179,424
Barrel Miles *(millions)*	112,922	110,409	103,491	103,863	103,223
Average Tariff *(per barrel)*					
Refined Products	$0.93	$0.93	$0.92	$0.89	$0.86
LPGs	$1.86	$1.80	$1.90	$1.89	$1.93

Operating Highlights

Crude Oil and NGLs Transportation and Marketing Segment

	2000	1999	1998	1997	1996
Volumes *(thousand barrels)*					
Crude Oil Transportation	46,255	33,267	5,549	–	–
Crude Oil Marketing	107,607	96,252	16,969	–	–
Crude Oil Terminaling	56,473	–	–	–	–
NGL Transportation	5,201	4,580	727	–	–
LSI Volume *(thousand gallons)*	7,974	8,891	1,140	–	–

To Our Unitholders:

The year 2000 marked the 10th anniversary of TEPPCO Partners, L.P.—a decade of record achievement, growth and solid returns for investors.

Over the last 10 years, our Unitholders have realized returns of over 20 percent per year, and have seen the value of their investment more than double and their yearly cash distribution almost double. Investors also received the tax benefits that accrue to the holders of publicly traded master limited partnership (MLP) investments.

After a decade as an MLP, TEPPCO is now the only independent pipeline company that is involved in essentially every aspect of the liquids pipeline business.

"Our challenge moving forward will be to continue increasing returns to Unitholders while growing the business—continuing a record of success into our second decade."

William L. Thacker (left), Chairman and Chief Executive Officer; and Jim W. Mogg, Vice Chairman

Strengthening financial performance

Net income for 2000 was $77.4 million, or $1.89 per unit, compared with net income of $72.1 million, or $1.91 per unit, in 1999. For the year, distributions to Unitholders increased 8 percent to $2.00 per unit. The annualized quarterly distribution was $2.10 per unit at year end.

The weighted-average number of units outstanding for the year 2000 was 33.6 million compared with 32.9 million units for 1999. The increase is the result of 3.7 million additional units issued in October 2000.

The acquisition of assets from ARCO Pipe Line Company (APL), which increased total margin contribution from the crude oil segment, record deliveries of jet fuel, increased deliveries of propane as a result of colder winter weather, and revenues from the completion of new petrochemical pipelines, led to record net income.

These contributions served to offset reduced earnings as a result of lower transportation revenues due to price volatility for gasoline and distillate transported to the Midwest market area during the summer months, increased costs associated with projects in development, higher maintenance and electric power costs, and interest expense for acquisitions and expansion projects.

Changing direction to maintain success

To maintain the return that Unitholders have benefited from over the past several years, TEPPCO has moved from being operations-driven to growth-driven—a fundamental change in direction for the Partnership.

Early in 2000, Duke Energy Corporation transferred its ownership of the general partner of TEPPCO to Duke Energy Field Services, LP (DEFS). DEFS is the nation's largest producer of natural gas liquids (NGL), one of the largest natural gas gatherers and marketers, and one of the largest NGL marketers. Our association with DEFS will provide considerable opportunities for growth.

In order to improve the process of identifying and assimilating new business opportunities, TEPPCO restructured into Downstream (Products and LPG System) and Upstream (Crude Oil and NGL System) Commercial Segments. The new organization balances the demands of strong operational performance and the need to grow.

TEPPCO's acquisitions in 2000 totaled more than $400 million. In July, TEPPCO closed on the $318.5 million acquisition of assets from APL. The assets included APL's interests in the Seaway Crude Pipeline, Mid-Continent crude distribution services, crude oil terminal facilities and an undivided interest in two crude trunkline systems.

All revenue generated by the APL acquisition is fee based. In December, the Partnership acquired $91 million in assets from DEFS, which included two NGL pipelines in East Texas. These acquisitions expanded and diversified TEPPCO's crude oil and NGL activities. The new NGL assets will deliver a full year of financial benefits in 2001.

In 2000, the Partnership also signed an agreement with CMS Energy Corporation and Marathon Ashland Petroleum LLC to create Centennial Pipeline, LLC, a refined products pipeline extending from the U.S. Gulf Coast to Illinois. The project will allow TEPPCO to continue to grow in its traditional market area, as well as free up capacity on the lower part of TEPPCO's products system. Centennial is scheduled to be in operation by early 2002.

Staying on track in 2001

The year 2001 will be a year of transition for TEPPCO. In the Upstream Segment, many of the crude assets have capacity that can be marketed to offset any margin decline, and filling capacity on crude trunklines will be a major priority.

In the Downstream Segment, the system should continue to run at capacity for most of the year. The Partnership is optimistic that tariffs can be increased in 2001 to offset ongoing cost increases, especially for electric power. The Centennial Project will require borrowed capital, which will result in interest charges with no offsetting revenue in 2001. TEPPCO should see positive returns from its investment in Centennial beginning in 2002.

In February 2001, Barry R. Pearl joined the company as president and chief operating officer. Pearl will be responsible for TEPPCO's day-to-day operations and Upstream and Downstream Commercial Segment activities.

TEPPCO is now a full-service liquids pipeline transportation and storage provider. Our challenge moving forward will be to increase returns to Unitholders while growing the business—continuing the Partnership's record of success into its second decade.

William L. Thacker

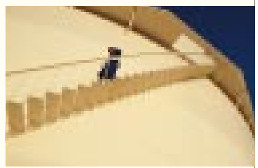
Chairman and Chief Executive Officer
Texas Eastern Products Pipeline Company, LLC,
General Partner

Jim W. Mogg

Vice Chairman
Texas Eastern Products Pipeline Company, LLC,
General Partner

A Decade of Growth
A Decade of Service

TEPPCO Partners, L.P., was formed in March 1990.



1991 Announced an agreement for long-term delivery of jet fuel to the Greater Cincinnati/Northern Kentucky International Airport.

1992 Centralized more than 2,500 miles of pipeline under automated control at the Houston headquarters.

1993 Achieved record revenues and net income. Net income increased 45 percent to $36.2 million; propane transportation revenues increased 25 percent to $57 million.

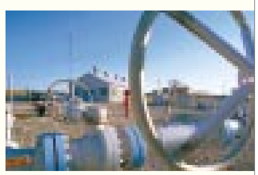
1994 Increased mainline deliveries 11 percent to 144 million barrels, led by record movements of refined petroleum products to the Midwest.

1995 Began delivery of JP-8 jet fuel to Lebanon, Ohio, for distribution to 11 military facilities in the Midwest.

1996 Significantly increased brine storage capacity at Mont Belvieu, Texas, which helped ensure year-round LPG deliveries.

1997 Completed expansion of mainline capacity and set fourth-quarter product throughput records, confirming expectations for the expansion.

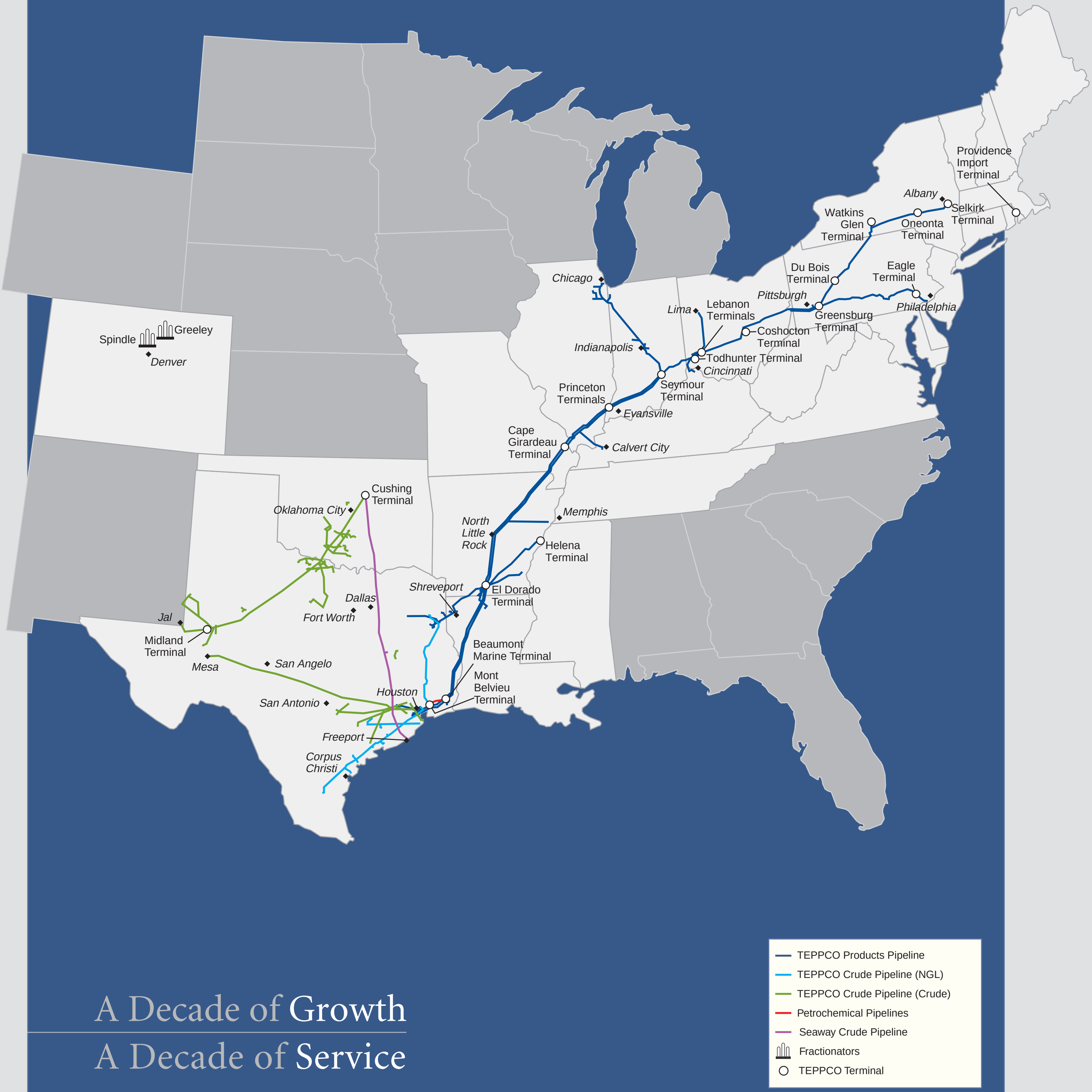
1998 Purchased Colorado fractionators and crude oil assets, which provided entry into the crude oil gathering, transportation, marketing and NGL businesses. Completed a two-for-one unit split.



1999 Announced a project to construct petrochemical pipelines between Mont Belvieu and Port Arthur, Texas, marking the Partnership's entry into the petrochemical pipeline business.

2000 Acquired ARCO Pipe Line Company and Panola assets, and completed construction of petrochemical pipelines.

The Partnership's Assets



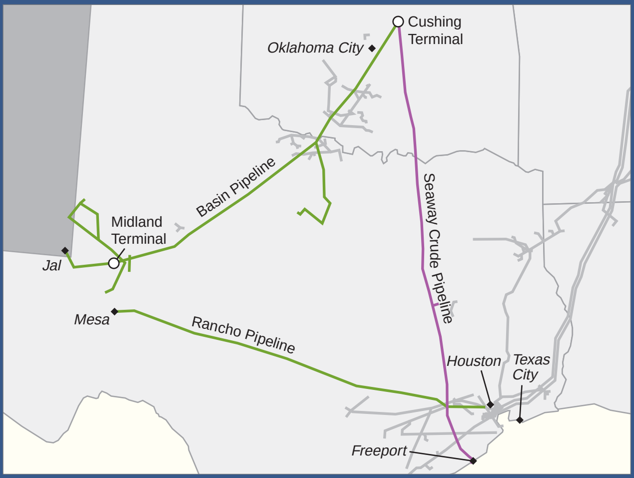
A Decade of Growth

A Decade of Service

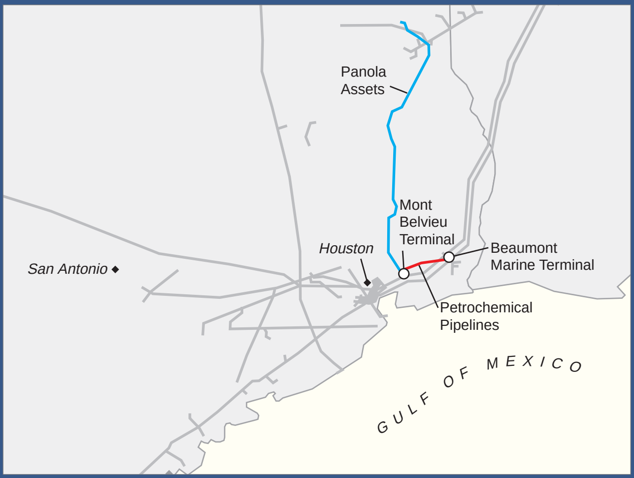
In 2000, TEPPCO fulfilled its strategy to provide value to Unitholders through aggressive growth. The company entered into an agreement that will expand refined product delivery capacity to the Midwest, completed construction of three new petrochemical pipelines and acquired more than $400 million in assets.

(Above right) The former ARCO Pipe Line Company assets include interest in a large diameter crude pipeline from the Texas Gulf Coast to Cushing, Okla., Mid-Continent crude distribution services and crude oil terminal facilities. (Right) In 2000, the Partnership acquired two NGL pipelines in East Texas from DEFS and completed construction of three new petrochemical pipelines between Mont Belvieu and Port Arthur, Texas. The new lines will transport ethylene, propylene and natural gasoline. These initiatives expanded and diversified TEPPCO's activities.

Former ARCO Pipe Line Company Assets



Panola Assets and Petrochemical Pipelines



TEPPCO Partners, L.P. (TEPPCO) is a publicly traded master limited partnership, which conducts business through various subsidiary operating companies. The Partnership provides pipeline transportation, terminaling and storage for the petroleum refining, natural gas processing and petrochemical industries.

Providing value to Unitholders through growth

In 2000, TEPPCO fulfilled its strategy to provide value to Unitholders through aggressive growth. The Partnership entered into an agreement that will expand refined product delivery to the Midwest and acquired more than $400 million in assets.

Expanding capacity to the Midwest

In March, TEPPCO signed an agreement with CMS Energy Corporation and Marathon Ashland Petroleum LLC to create Centennial Pipeline, LLC, which will own and operate an interstate refined products pipeline extending from the U.S. Gulf Coast to Illinois. Centennial will build a 74-mile, 24-inch diameter pipeline connecting TEPPCO's facility near Beaumont, Texas, with the start of an existing 720-mile, 26-inch diameter natural gas pipeline extending from Longville, La., to Bourbon, Ill. The 26-inch diameter pipeline, which will be converted to refined products, will intersect TEPPCO's existing mainlines in southern Illinois.

The Centennial Project will likely be the first significant expansion of refined products pipeline capacity from the U.S. Gulf Coast to the Midwest, allowing TEPPCO to continue to grow in the areas traditionally served by the Partnership.

Scoring a significant acquisition with the addition of ARCO Pipe Line assets

In July, TEPPCO closed on the $318.5 million acquisition of assets from ARCO Pipe Line Company (APL), which brought a wider range of services to our crude oil customers and additional value to our Unitholders.

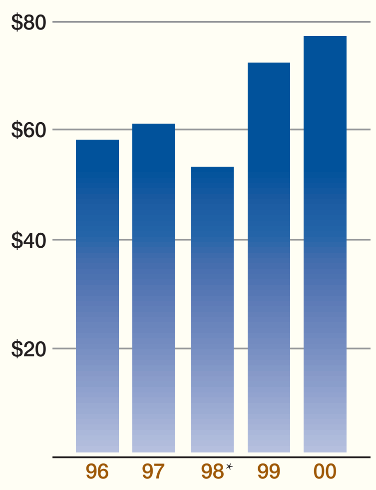
The assets included a 50-percent interest in the Seaway Crude Pipeline; crude oil terminal facilities at Midland, Texas, and Cushing, Okla., along with the line transfer and pumpover business at each location; the West Texas Trunk System; and an undivided ownership interest in both the Rancho and Basin Pipeline systems.

Seaway Crude Pipeline Company—Seaway Crude Pipeline Company is a partnership between wholly owned subsidiaries of TEPPCO and Phillips Petroleum Company. The 30-inch diameter, 500-mile pipeline transports crude oil from the U.S. Gulf Coast to Cushing, a crude distribution point for the central United States. Cushing is also a delivery point for the New York Mercantile Exchange (NYMEX).

Seaway Crude Pipeline also provides marine terminaling and storage services for Gulf Coast area refineries. The Freeport, Texas, marine terminal is the origin point for the 30-inch diameter crude pipeline. Two large diameter lines carry crude oil from the Freeport Dock to the nearby Jones Creek Tank Farm, which has six storage tanks capable of handling approximately 2.6 million barrels of crude. A crude oil terminal facility at Texas City, Texas, is used to supply refineries in the Houston area. Two larger diameter pipelines connect the Texas City berths to two tank farms in Texas City and Galena Park, Texas, where there are seven storage tanks with a combined capacity of approximately 3 million barrels.

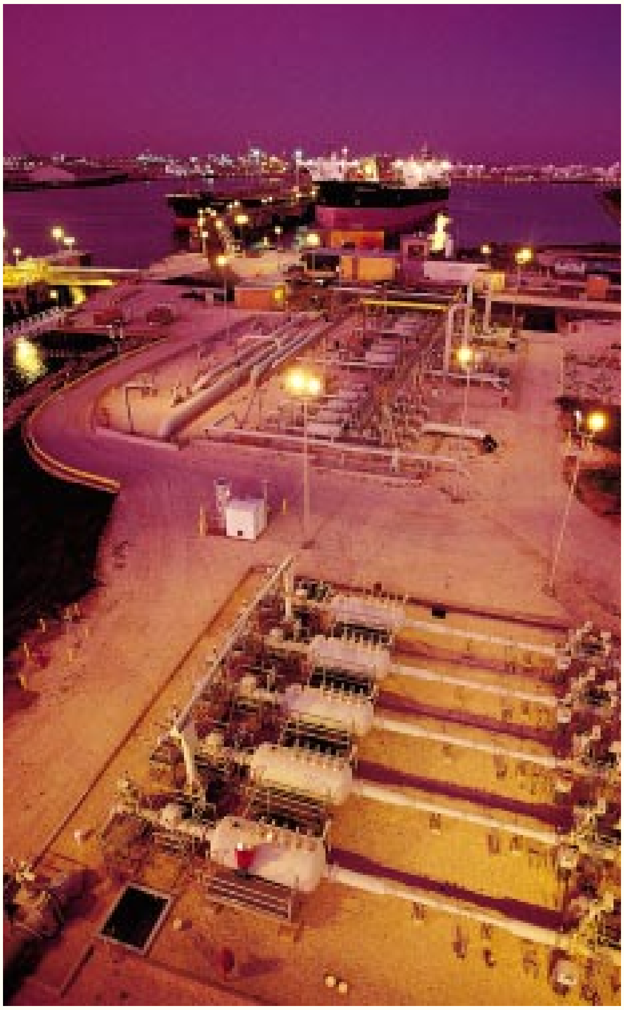
Net Income

(in millions)



**1998 excludes an extraordinary charge of $72.8 million for early extinguishment of debt.*

Above: Aboveground LPG storage spheres like this one in Monee, Ill., help ensure adequate supply during peak seasonal demand. TEPPCO is finding innovative ways to use the system to deliver LPGs, such as converting a cavern at Monee to propane and constructing propane truck loading facilities. **Below:** The Ringgold, Texas, facility is part of the Red River System, which includes an extensive network of mainline, gathering pipelines and storage facilities for crude oil. **Bottom:** TEPPCO's terminal at Mont Belvieu, Texas, includes approximately 36 million barrels of underground LPG storage and over 8 million barrels of brine storage capacity. This brine storage capacity allows TEPPCO to maintain deliveries during peak demand.



Above: Two large diameter lines in Texas carry crude oil from the Freeport Dock to the Jones Creek Tank Farm, which has six storage tanks capable of handling approximately 2.6 million barrels of crude.

Top: TEPPCO owns approximately 1 million barrels of storage at its Cushing, Okla., terminal. Middle: The Partnership continues to find ways to improve the reliability and integrity of the system, including an ongoing internal inspection program, tank replacements and automation. Bottom: TEPPCO plays a key role in supplying propane for home heating and cooking to rural areas from Arkansas to New England, from facilities like this in Eagle, Pa.

LINE TRANSFERS/PUMPOVERS—TEPPCO provides a line transfer documentation service to its customers, primarily at Cushing and Midland. This service is related to the trading activity of NYMEX open-interest crude oil contracts and documents the transfer of title/ownership of crude oil between contracting buyers and sellers.

The Cushing terminal has connections to 10 major terminals that have over 23 million barrels of combined storage. This terminal is designated as the exchange center for NYMEX contracts at Cushing.

WEST TEXAS TRUNK SYSTEM—These receipt and delivery pipelines are a network of smaller diameter trunklines which transport domestic sweet and sour crudes from several West Texas and Southeast New Mexico gathering systems to TEPPCO facilities in Midland. The pipelines consist of three, 8-inch diameter crude oil trunklines with a combined capacity of more than 70,000 barrels per day.

THE BASIN AND RANCHO PIPELINES—The Basin Pipeline is a 416-mile crude oil pipeline transporting Permian Basin crude from Jal, N.M., through Midland to Cushing, of which TEPPCO has a 13 percent undivided interest. The Rancho Pipeline is a 400-mile, 24-inch diameter crude oil pipeline from West Texas to Houston, of which TEPPCO has a 25 percent undivided interest.

Pursuing acquisitions through association with Duke Energy Field Services

At the end of December, TEPPCO acquired $91 million in NGL pipeline assets in East Texas from Duke Energy Field Services, LP (DEFS). The Panola Pipeline, a 189-mile NGL pipeline from Carthage, Texas, to Mont Belvieu, Texas, has a capacity of approximately 38,000 barrels per day. The San Jacinto Pipeline, a 34-mile NGL pipeline from Carthage to Longview, Texas, has a capacity of approximately 11,000 barrels per day. TEPPCO also assumed the lease of a 34-mile condensate pipeline that runs from Carthage to Marshall, Texas. The DEFS Carthage facility is the third largest inland natural gas processing facility in the United States.

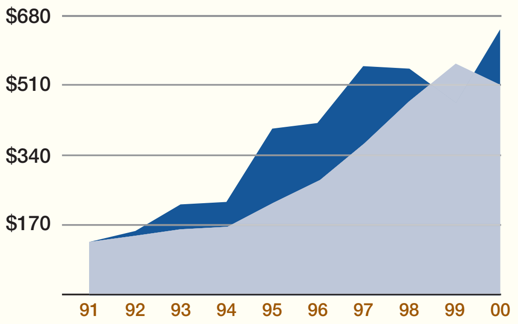
Balancing the demands of strong operational performance and growth

In 2000, TEPPCO restructured its organization and created Upstream and Downstream Commercial Segments to better address the needs of our customers and to balance the demands of strong operational performance and the need to grow.

UPSTREAM COMMERCIAL SEGMENT (CRUDE OIL AND NGL SYSTEM)

The business of the Upstream Commercial Segment is conducted through TEPPCO Crude Pipeline, LP, TEPPCO Crude Oil, L.P., and Lubrication Services, L.P., by their general partner, TEPPCO Crude GP, LLC. The Upstream Segment includes crude oil pipeline transportation,

Ten-Year Cumulative Return



**Source: Dain Rauscher Wessels/FactSet*

Investing $100 in TEPPCO on January 1, 1991, would have yielded a 10-year cumulative return of $655, versus a $512 return from the Standard & Poor's 500 Index.

storage, gathering and marketing activities in the Rocky Mountains, Mid-Continent, West Texas and Gulf Coast regions; NGL pipelines in Texas; and a distributor of lubrication oils and specialty chemicals. The assets acquired from APL and DEFS have been integrated into this segment. The Upstream Segment now totals over 3,700 miles of pipeline with 9.7 million barrels of storage.

Crude oil has expanded the scope of services offered

The Upstream Segment's crude oil gathering and transportation assets generate revenue by using the Red River and South Texas Systems, various smaller systems and trucking operations to provide services to regional customers.

The Red River System, located on the Oklahoma-Texas border, includes 1,460 miles of trunkline and gathering pipelines and 820,000 barrels of storage. TEPPCO has numerous trucking facilities connected to this system, which delivers crude to market trading points as well as refineries through its own pipelines or connections with other pipelines.

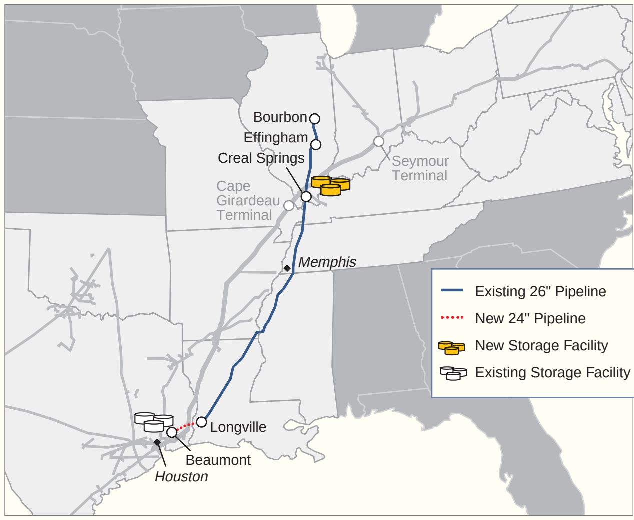
The South Texas System, located west of Houston, consists of 690 miles of trunkline and gathering pipelines and 630,000 barrels of storage. The majority of crude oil on this system is delivered on a tariff basis into Houston area refineries.

The other pipeline systems consist of approximately 310 miles of trunkline and gathering pipelines, 295,000 barrels of storage and multiple trucking facilities.

TEPPCO's natural gas liquids pipelines supply transportation services to the NGL extraction business. In addition to the recently acquired Panola and San Jacinto Pipelines, TEPPCO owns and operates the 338-mile, 20,000 barrel-per-day Dean NGL Pipeline, which runs eastward from Kleberg County, Texas, to Mont Belvieu, where the Partnership has a significant asset position. The Wilcox NGL Pipeline is a 90-mile, west-to-east line from Lavaca County, Texas, to Ft. Bend County, Texas, that has a capacity of 7,000 barrels per day.

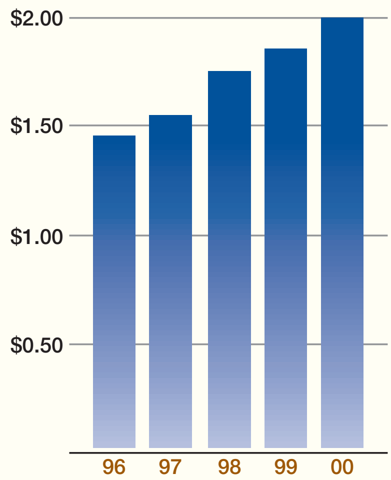
Lubrication Services is one of the nation's top gas engine oil distributors serving natural gas pipelines and gas processing businesses. Its products include lubricating oils and specialty chemicals, such as glycol and methanol.

Although the Downstream and Upstream Segments utilize the same types of assets, they require a different business approach, especially on the gathering side. With domestic crude supply on the decline, replacing volumes is a daily challenge. TEPPCO must continue to grow the gathering and marketing business effectively through acquisitions to capture operational synergies.



Left: Crews have started site preparation at Centennial Pipeline's aboveground storage facility in southern Illinois. The location was selected because of its close proximity to TEPPCO's existing refined products pipelines that will connect to the facility.

Distributions Paid Per Unit*



**Per unit amounts have been adjusted to reflect the two-for-one split on August 10, 1998.*

Right: A crude oil terminal facility at Texas City, Texas, is used to supply refineries in the Houston area. Two pipelines connect the Texas City berths to tank farms in Texas City and Galena Park, Texas, where there are seven storage tanks with a combined capacity of approximately 3 million barrels. Below: The company serves several of the best growth markets for refined products in the United States, from facilities such as this terminal in Lebanon, Ohio. Maintaining our position in the Arkansas and Midwest markets is a primary goal.

DOWNSTREAM COMMERCIAL SEGMENT (PRODUCTS AND LPG SYSTEM)

TE Products Pipeline Company, Limited Partnership, operates the Downstream Commercial Segment, which includes 4,500 miles of pipelines and an integrated system of storage facilities and delivery terminals. The Downstream Segment provides a wide range of service options for the transportation of seven major categories of refined products and a variety of LPGs.

Two parallel pipelines, extending from the Texas Gulf Coast to Seymour, Ind., provide storage and delivery service for both refined products and LPGs. At TEPPCO's Seymour facility, one line branches north, serving the Indianapolis and Chicago areas, and the second, which includes delivery and storage terminals for LPGs, extends to the Philadelphia, Pa., and Albany, N.Y., areas.

Left: Metering stations like this one in South Texas strategically connect a number of plants with NGL production and help monitor NGL deliveries. Above: Trucks are an integral part of TEPPCO's crude gathering operations by transporting crude oil from wells to pipeline delivery locations.

Growth in refined products business leads to Centennial Project

TEPPCO's Downstream Segment handles more types of refined and specialty products than any other interstate common carrier pipeline. The Partnership meets the needs of petroleum refiners and marketers by transporting gasoline, jet fuel, distillates and blendstocks from the leading refining center along the upper Texas Gulf Coast to the Central and Midwestern regions of the United States. The products are ultimately distributed for end use at retail gasoline stations, and military and commercial aviation operations.

The Partnership serves several of the best growth markets for refined products in the United States. The Ohio River Valley has seen growth as a result of a manufacturing revival centered around industries that support automobile manufacturing, and surface and air transportation. The Arkansas market, where TEPPCO is a major supplier of pipeline services, is also a growth market comprised primarily of small manufacturing, and retirement area developments.

TEPPCO's steady demand for refined product deliveries resulted in two expansions of the existing system in the mid-1990s. The Downstream Segment operates at capacity during most months of the year.

TEPPCO remains a leader in LPG transportation

If one capability has defined TEPPCO, it has been the delivery of LPGs, especially propane, to the Midwest and the Northeast. With the only LPG pipeline from the Gulf Coast to these regions, TEPPCO has played a key role in supplying propane for home heating and cooking to rural areas from Arkansas to New England. Over the years, the Partnership has augmented its LPG business with the transportation of butanes to refineries in the Midwest and on the East Coast.

TEPPCO's facility at Mont Belvieu is the origin point for the Partnership's LPG movements to the mainline system. TEPPCO operates 22 underground wells at this storage complex, with a total of approximately 36 million barrels of storage capacity. This vast underground storage facility provides a distinct advantage in maintaining the Partnership's long-haul LPG position. The Partnership's short-haul shuttle network at Mont Belvieu and along the Houston Ship Channel moves LPGs from producers to refineries, petrochemical plants, marine, truck and rail delivery terminals, regional storage facilities and other pipelines.

TEPPCO has taken steps to minimize the impact of the changing supply and demand factors in the marketplace by participating in the LPG logistics network whenever possible and by finding innovative ways to use the system to deliver LPGs that provide maximum benefit to the entire Downstream Segment.

Petrochemical pipelines are a growth opportunity

In the third quarter, TEPPCO completed construction of three new petrochemical pipelines between Mont Belvieu and Port Arthur, Texas. Although the Partnership has served the petrochemical industry for years with the Mont Belvieu and Houston Ship Channel assets, this project marked TEPPCO's entry into the petrochemical pipeline business.

The petrochemical pipeline network in the United States, especially along the Texas Gulf Coast, totals many thousands of miles. Information suggests that large petrochemical producers can benefit from outsourcing the logistics of their operations. TEPPCO is actively pursuing opportunities in this sector.

Directors and Executive Officers*

Directors

WILLIAM L. THACKER, 55, joined the company in 1992 as president, chief operating officer and board member. He was appointed chief executive officer in January 1994 and chairman effective 1997.

JIM W. MOGG[2], 52, was elected to the board in October 1997 and was appointed vice chairman effective April 2000. He is chairman, president and chief executive officer of Duke Energy Field Services, LLC.

MARK A. BORER, 46, was elected to the board in April 2000. He is senior vice president for the Southern Division of Duke Energy Field Services, LLC.

MILTON CARROLL[1,2], 50, was elected to the board in November 1997. He is the founder, chairman and chief executive officer of Instrument Products, Inc., a Houston-based manufacturer of oil field equipment and other precision products.

CARL D. CLAY[1,2], 68, was elected to the board in January 1995. He retired from Marathon Oil Company in 1994 following a 33-year career.

DERRILL CODY[2], 62, was elected to the board in 1989. He is currently of counsel to McKinney and Stringer, P.C., Oklahoma City, Okla.

JOHN P. DESBARRES[1,2], 61, was elected to the board in May 1995. He was formerly chairman, president and chief executive officer of Transco Energy Company from 1992 to 1995. Prior to joining Transco, Mr. DesBarres spent three years with Santa Fe Pacific Pipelines, Inc., and 25 years with Sun Company.

FRED J. FOWLER[2], 55, was elected to the board in November 1998. He is group president, Energy Transmission, of Duke Energy.

WILLIAM W. SLAUGHTER, 53, was elected to the board in April 2000. He is executive vice president of Duke Energy Field Services, LLC.

Officers

J. MICHAEL COCKRELL, 54, was named vice president, Commercial Upstream, in September 2000.

ERNEST P. HAGAN, 56, was named vice president, Centennial Pipeline, in September 2000. Mr. Hagan will retire in March 2001.

THOMAS R. HARPER, 60, was named vice president, Commercial Downstream, in September 2000.

DAVID L. LANGLEY, 53, was named senior vice president of Corporate Development in February 2001.

CHARLES H. LEONARD, 52, was named chief financial officer in 1989, senior vice president in 1990 and treasurer in 1996.

LEONARD MALLETT, 44, was named vice president of Operations in September 2000.

DAVID E. OWEN, 51, was named vice president in February 2001. Owen will be named vice president of Human Resources upon the retirement of Sharon Stratton.

BARRY R. PEARL, 51, was named president and chief operating officer in February 2001.

STEPHEN W. RUSSELL, 49, was named vice president of Support Services in September 2000.

JAMES C. RUTH, 53, was named senior vice president in February 2001, secretary in 1998 and general counsel in 1991.

SHARON S. STRATTON, 62, was named vice president of Human Resources in January 1999. Ms. Stratton will retire in March 2001.

* TEPPCO Partners, L.P. does not have directors or officers. Set forth on this page are the directors and officers of the General Partner, Texas Eastern Products Pipeline Company, LLC, an indirect wholly owned subsidiary of Duke Energy Field Services, LLC.

COMMITTEE LEGEND:
1 Audit Committee
2 Compensation Committee

Unitholder Information

Stock Exchange and Unit Trading Prices

The Partnership's limited partnership (LP) units trade on the New York Stock Exchange under the symbol TPP. Outstanding LP units at December 31, 2000, totaled 32,700,000.

2000	HIGH	LOW
First Quarter	$22.94	$19.00
Second Quarter	$24.38	$19.88
Third Quarter	$26.75	$22.75
Fourth Quarter	$27.00	$21.63

1999	HIGH	LOW
First Quarter	$26.19	$22.38
Second Quarter	$28.25	$22.94
Third Quarter	$26.44	$20.00
Fourth Quarter	$23.88	$17.13

Cash Distributions

Since its formation as a publicly traded master limited partnership in 1990, TEPPCO Partners, L.P. has made quarterly cash distributions to Unitholders. The Partnership increased its cash distribution twice during 2000. Cash distributions of $0.525 per unit were paid on February 2, 2001. Additional 2001 cash distributions are expected to be paid on May 4, August 3 and November 2.

Publicly Traded Partnership Attributes

TEPPCO Partners, L.P. is a publicly traded master limited partnership, which operates in the following distinct ways from a publicly traded stock corporation:

Unitholders own partnership units and receive cash distributions, instead of shares of stock and dividends.

A partnership generally is not subject to federal and state income taxes, as is a corporation. Partnerships flow through all of the annual income, gains, losses, deductions or credits to Unitholders, who are required to show their allocated share of these amounts on their income tax returns, as though these items had been incurred directly.

TEPPCO provides each Unitholder of record a Substitute Schedule K-1 tax package that includes each Unitholder's allocated share of reportable Partnership items and other Partnership information necessary to be included in tax returns. This compares with a corporate stockholder, who receives a Form 1099 annually detailing required tax data.

Transfer Agent and Registrar

Information on the **direct deposit** of cash distributions for registered Unitholders is available from:

Mellon Investor Services
TEPPCO – c/o Shareholder Services
P.O. Box 3316
South Hackensack, NJ 07606-1916
(800) 953-2496

For registered Unitholders, communication regarding name and address changes, lost certificates and other administrative matters should be directed to:

Mellon Investor Services
Overpeck Centre
85 Challenger Road
Ridgefield Park, NJ 07660
(800) 953-2496
www.mellon-investor.com

K-1 Inquiries

Unitholder Schedule K-1 inquiries should be directed to TEPPCO K-1 support at (877) 699-1093 or to the Partnership's website:
www.teppco.com

Additional Investor Information

Additional information about TEPPCO Partners, L.P. can be obtained by contacting Brenda J. Peters, Director, Investor Relations, and Assistant Treasurer, at (800) 659-0059 or (713) 759-3954.

Partnership Offices

TEPPCO Partners, L.P.
2929 Allen Parkway
P.O. Box 2521
Houston, Texas 77252-2521
(713) 759-3636

Internet Website

Earnings and other financial results, Partnership news, filings with the Securities and Exchange Commission and other Partnership information are available on TEPPCO's website:
www.teppco.com

This report may contain certain forward-looking information regarding the Partnership, including projections, estimates, forecasts, plans and objectives. Although management believes that all such statements are based upon reasonable assumptions, no assurance can be given that the actual results will not differ materially from those contained in such forward-looking statements.

TEPPCO

TEPPCO Partners, L.P.
2929 Allen Parkway
P.O. Box 2521
Houston, Texas 77252-2521

Our Vision

To be a leading provider of pipeline transportation, storage and terminal services to the petroleum refining, natural gas processing and petrochemical industries.

Our Mission

To provide our Unitholders with a superior financial return.

Our Goals

- Outstanding customer service.
- Top tier safety and environmental performance.
- Cost-effective asset management and operation.
- Employee competency, commitment and involvement.

Our Values

- Communicating openly with customers, suppliers, the communities we service and each other.
- Providing equal opportunity to every employee and encouraging diversity.
- Conducting all of our activities with integrity, fairness and consistency.
- Maintaining a safe workplace and protecting the environment.
- Taking on responsibility and being held accountable for outcomes and always learning from our experiences.
- Working together to be innovative and creative.
- Respecting the views and opinions of others.

Our Commitment

To do our best, every day.