

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED): JULY 21, 2000

COMMISSION FILE NO. 1-10403

TEPPCO PARTNERS, L.P.

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE
(STATE OF INCORPORATION
OR ORGANIZATION)

76-0291058
(I.R.S. EMPLOYER
IDENTIFICATION NUMBER)

2929 ALLEN PARKWAY
P.O. BOX 2521
HOUSTON, TEXAS 77252-2521
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES, INCLUDING ZIP CODE)

(713) 759-3636
(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

ITEM 2. ACQUISITION OR DISPOSITION OF ASSETS

On July 21, 2000, Texas Eastern Products Pipeline Company, LLC, the general partner of TEPPCO Partners, L.P. (the "Partnership") announced the completion of its acquisition of certain assets of ARCO Pipe Line Company ("ARCO"), a wholly owned subsidiary of Atlantic Richfield Company, for \$318.5 million. The purchase included ARCO's 50-percent ownership interest in Seaway Pipeline Company's ("Seaway") 500-mile, 30-inch diameter pipeline that carries mostly imported crude oil from a marine terminal at Freeport, Texas, to Cushing, Oklahoma. The line has a capacity of 350,000 barrels per day. The Partnership assumed ARCO's role as operator of Seaway. The Company also acquired: (i) ARCO's crude oil terminal facilities in Cushing and Midland, Texas, including the line transfer and pumpover business at each location; (ii) an undivided ownership interest in both the Rancho Pipeline, a 400-mile, 24-inch diameter, crude oil pipeline from West Texas to Houston, and the Basin Pipeline, a 416-mile, crude oil pipeline running from Jal, New Mexico, through Midland to Cushing, both of which are operated by another joint owner; and (iii) the receipt and delivery pipelines known as the West Texas Trunk System, which is located around the Midland terminal. The transaction will be accounted for under the purchase method for accounting purposes.

The acquisition was financed through a term loan and a revolving credit facility. SunTrust Bank is the administrative agent of the credit agreements. The term loan has an eighteen month maturity and the revolving facility has a three year maturity. The interest rate for the credit agreements is based on the Partnership's option of either SunTrust Bank's prime rate, the federal funds rate or the LIBOR rate in effect at the time of the borrowings and is adjusted monthly, bimonthly, quarterly or semi-annually. The credit agreements contain restrictive financial covenants that require the Partnership to maintain a minimum level of partners' capital as well as debt-to-earnings, interest coverage and capital expenditure coverage ratios.

ITEM 5. OTHER EVENTS

On July 21, 2000, the Partnership issued a press release announcing the closing of the transaction referenced in Item 2 above. Such press release is filed herewith as Exhibit 99.1

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(a) Financial Statements of businesses acquired:

The Partnership will provide the financial statements required by Item 7 of Form 8-K pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"), on a Form 8-K/A within 60 days of filing of this initial report on Form 8-K.

(b) Pro forma financial information:

The Partnership will provide the pro forma financial information required by Item 7 of Form 8-K pursuant to the Exchange Act, on a Form 8-K/A within 60 days of filing of this initial report on Form 8-K.

(c) Exhibits:

Exhibit Number -----	Description -----
99.1	Press release of TEPPCO Partners, L.P., dated July 21, 2000.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TEPPCO Partners, L.P.
(Registrant)

By: Texas Eastern Products Pipeline Company,
General Partner

/s/ CHARLES H. LEONARD

Charles H. Leonard
Sr. Vice President, Chief Financial Officer
and Treasurer

Date: August 4, 2000

July 21, 2000

CONTACT: Media Relations - Kathleen A. Sauve
Phone: 713/759-3635

Investor Relations - Brenda J. Peters
Phone: 713/759-3954

TEPPCO CLOSES \$318.5 MILLION ACQUISITION OF ARCO PIPE LINE

HOUSTON - Texas Eastern Products Pipeline Company, LLC, the general partner of TEPPCO Partners, L.P. (NYSE:TPP) today closed the \$318.5 million acquisition of the assets of ARCO Pipe Line Company (APL). The acquisition is consistent with TEPPCO's strategy to bring value to its unitholders through aggressive growth. Financing for the transaction was arranged by Sun Trust Bank.

"The addition of APL allows us to bring a wider range of services to our crude oil customers and additional value to our unitholders" said William L. Thacker, chairman, president and chief executive officer of the general partner of TEPPCO.

Since signing the original agreement in March, TEPPCO has been planning the integration of the APL assets into its crude oil business. As part of the agreement, TEPPCO also will operate refined product and petrochemical pipeline systems that will eventually transition to BP Amoco.

The assets acquired by TEPPCO include APL's interest in the Seaway crude transportation pipeline from the Texas Gulf Coast to Cushing, Okla.; crude oil terminal facilities in Midland, Texas, and Cushing, including the line transfer and pumlover business at each location; an undivided ownership interest in both the Rancho Pipeline and the Basin Pipeline; and APL's West Texas Trunk System.

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- 2 -

Except for the historical information contained herein, the matters discussed in this news release are forward-looking statements that involve certain risks and uncertainties. These risks and uncertainties include, among other things, market conditions, governmental regulations and other factors discussed in TEPPCO's filings with the Securities and Exchange Commission.

TEPPCO Partners, L.P. is a publicly traded master limited partnership, which conducts business through two operating companies. TE Products Pipeline Company, Limited Partnership is one of the largest common carrier pipelines of refined petroleum products and liquefied petroleum gases in the United States. TEPPCO Crude Oil, LLC is a crude oil gathering, transportation, storage and marketing company operating primarily in Texas and Oklahoma. Texas Eastern Products Pipeline Company, LLC, which is an indirect wholly owned subsidiary of Duke Energy Field Services, LLC, is the general partner of TEPPCO Partners, L.P. For more information, access TEPPCO's website at www.teppco.com.

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