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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) : MAY 9, 2001

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)

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ITEM 5. OTHER EVENTS

On July 20, 2000, TEPPCO Partners, L.P. (the "Partnership") completed an acquisition of certain assets from ARCO Pipe Line Company ("ARCO"), a wholly owned subsidiary of Atlantic Richfield Company, for \$322.6 million, which included \$4.1 million of acquisition related costs. The purchase included ARCO's 50-percent ownership interest in Seaway Crude Pipeline Company ("Seaway"). Seaway's crude pipeline carries mostly imported crude oil from a marine terminal at Freeport, Texas, to Cushing, Oklahoma and from a marine terminal at Texas City, Texas to the refineries in the Texas City and Houston areas. The Partnership assumed ARCO's role as operator of this pipeline. The Partnership also acquired ARCO's crude oil terminal facilities in Cushing and Midland, Texas, including the line transfer and pumpover business at each location; an undivided ownership interest in both the Rancho Pipeline, a crude oil pipeline from West Texas to Houston, and the Basin Pipeline, a crude oil pipeline running from Jal, New Mexico, through Midland to Cushing, both of which are operated by another joint owner; and the receipt and delivery pipelines known as the West Texas Trunk System, which is located around the Midland terminal. The acquisition was accounted for under the purchase method of accounting.

On October 16, 2000 the Partnership received a settlement notice from ARCO for payment of a net aggregate amount of approximately \$12.9 million in post-closing adjustments related to the purchase of the ARCO assets. A large portion of the requested adjustment relates to ARCO's indemnity for payment of accrued income taxes. The Partnership is disputing a substantial portion of the adjustments. The Partnership does not believe that payment of any amount ultimately determined would have a material adverse impact on the Partnership's financial condition and results of operations.

The Partnership is filing this document to update the pro forma information previously filed on Form 8-K/A on October 3, 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, LLC,
General Partner

/s/ CHARLES H. LEONARD

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

Date: May 9, 2001

ITEM 7. STATEMENTS AND EXHIBITS

b) PRO FORMA FINANCIAL INFORMATION

The following table sets forth the summary unaudited pro forma condensed combined statement of income which is presented to give effect to the July 20, 2000 purchase of certain assets from ARCO by the Partnership, which was accounted for pursuant to the purchase method of accounting. The information was prepared based on the following assumptions:

- o The statement of income assumes that the purchase was consummated on January 1, 2000.
- o The expected cost savings through the consolidation of the corporate headquarters of the two entities, the elimination of duplicate staffs and expenses, and improved operating efficiencies are excluded from the pro forma condensed combined statement of income. A significant portion of the savings is expected to be realized in the year ending December 31, 2001 and substantially all of the amount is expected to be realized in the year ending December 31, 2002.

The unaudited pro forma condensed combined statement of income is presented for illustration purposes only and is not necessarily indicative of the results of operations which would have occurred had the acquisition been consummated on the date indicated above, nor is it necessarily indicative of future results of operations. The unaudited pro forma condensed combined income statement should be read in conjunction with the historical consolidated financial statements of the Partnership and the historical combined financial statements of ARCO Pipe Line Company's APL Business ("APL Business") and Seaway Crude Pipeline Company, each as previously filed with the Securities and Exchange Commission. Certain reclassifications have been made to the APL Business' historical statement of income to reflect the Partnership's presentation of financial information. A pro forma consolidated balance sheet is not provided because the acquisition has been reflected in the Partnership's consolidated balance sheet at December 31, 2000 included in the Partnership's 2000 Form 10-K for the year ended December 31, 2000.

TEPPCO PARTNERS, L.P.
 UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF INCOME
 YEAR ENDED DECEMBER 31, 2000
 (IN THOUSANDS, EXCEPT PER UNIT AMOUNTS)

	Historical		Pro Forma	
	TEPPCO Partners, LP	APL Business	Adjustments	Combined
Operating revenues:				
Sales of crude oil and petroleum products	\$ 2,821,943	\$ --		\$ 2,821,943
Transportation - Refined products	119,331	--		119,331
Transportation - LPGs	73,896	--		73,896
Transportation - Crude oil and NGLs	24,533	10,341		34,874
Mont Belvieu operations	13,334	--		13,334
Pipeline services	--	5,724		5,724
Other	34,904	171		35,075
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Total operating revenues	3,087,941	16,236	--	3,104,177
	-----	-----	-----	-----
Costs and expenses:				
Purch. of crude oil and petrol. products	2,794,604	--		2,794,604
Operating, general and administrative	104,918	9,963	2,041 (a)	116,922
Operating fuel and power	34,655	--		34,655
Depreciation and amortization	35,163	2,043	107 (b) 1,437 (b) (1,094)(c) (949)(c)	36,707
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Taxes - other than income taxes	10,576	--		10,576
Other	--	575		575
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Total costs and expenses	2,979,916	12,581	1,542	2,994,039
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Operating income	108,025	3,655	(1,542)	110,138
Interest expense	(48,982)	--	(15,098)(d) (1,549)(d)	(65,629)
Interest capitalized	4,559	--		4,559
Equity in earnings of Seaway Crude Pipeline Co.	12,214	13,794	(830)(b)	25,178
Other income - net	2,349	--		2,349
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Income before minority interest and income tax provision	78,165	17,449	(19,019)	76,595
Minority interest	(789)	--	15 (e)	(774)
Income tax provision	--	5,379	(5,379)(f)	--
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Net income	\$ 77,376	\$ 12,070	\$ (13,625)	\$ 75,821
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Net Income Allocation:				
Limited Partner Unitholders	56,091			54,963
Class B Unitholder	7,385			7,237
General Partner	13,900			13,621
	-----			-----
Total net income allocated	\$ 77,376			\$ 75,821
	=====			=====
Basic and diluted net income per Limited Partner and Class B Units	\$ 1.89			\$ 1.85
	=====			=====
Weighted Average Limited Partner and Class B Units outstanding	33,594			33,594
	=====			=====

See accompanying notes to unaudited pro forma condensed combined
statement of income.

TEPPCO PARTNERS, L.P.
NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF INCOME

The acquisition was accounted for using the purchase method of accounting with the Partnership acquiring the APL Business. Under this method of accounting, the Partnership recorded the assets and liabilities of the APL Business at fair market value as of the date of closing, with any excess purchase price reflected as goodwill.

The following notes set forth the explanations and assumptions used in the preparation of the unaudited pro forma condensed combined statement of income. The pro forma adjustments are based on the best estimate of the Partnership's management using information currently available.

The allocation of the purchase price paid and the financing of the acquisition are summarized as follows (in thousands):

Purchase price paid:

Proceeds of bank debt issued for purchase price	\$ 318,500
Acquisition costs	4,140

	322,640

Allocated to:

Working capital, net	(6,177)
Property, plant and equipment	95,252
Investment in Seaway Crude Pipeline Company	228,312
Other assets	30

Total allocation to identifiable assets and liabilities	317,417

Goodwill (excess purchase price over allocation to identifiable assets and liabilities)	\$ 5,223
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The historical amounts for the APL Business represent activity for the period January 1, 2000 through July 20, 2000, the acquisition date. The pro forma adjustments relate to this period, as the effects of the acquisition subsequent to July 20, 2000 are included in the historical results of the Partnership.

On October 16, 2000 the Partnership received a settlement notice from ARCO for payment of a net aggregate amount of approximately \$12.9 million in post-closing adjustments related to the purchase of the ARCO assets. A large portion of the requested adjustment relates to ARCO's indemnity for payment of accrued income taxes. The Partnership is disputing a substantial portion of the adjustments. The Partnership does not believe that payment of any amount ultimately determined would have a material adverse impact on the Partnership's financial condition and results of operations. No pro forma effect has been made for this post-closing dispute.

The following adjustments were made to the unaudited pro forma condensed combined statement of income pursuant to the purchase method of accounting:

- (a) To reverse the historical APL Business employee benefits income and record estimated employee benefits expense for the APL Business employees assuming participation in the Partnership's benefit plans.
- (b) To record pro forma depreciation expense (\$1,437) and amortization of goodwill (\$107) and excess cost for Seaway (\$830) resulting from the purchase price allocation. Goodwill and excess cost for Seaway over the underlying equity in net assets are assumed to be amortized over a period of 20 years and property, plant, and equipment depreciated over estimated remaining lives ranging from five years to 40 years.

TEPPCO PARTNERS, L.P.
NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED
STATEMENT OF INCOME - (CONTINUED)

- (c) To reverse the historical amortization expense resulting from ARCO's excess investment in Seaway (\$1,094) and the historical depreciation expense of the APL Business (\$949).
- (d) To reflect the increase in interest expense resulting from the issuance of debt for the cash portion of the purchase price (\$15,098) and the related estimated debt issuance costs (\$1,549). The interest rate on the credit facilities used to initially finance the acquisition is assumed to be 8.3%. Debt issue costs of approximately \$7.1 million are assumed to be amortized over the anticipated life of the credit facilities. Assuming market interest rates change by 1/8 percent, the potential annual change in interest expense is approximately \$0.4 million.
- (e) To record the effect of the pro forma statement of income adjustments on minority interest expense.
- (f) To eliminate the APL Business income tax provision as the Partnership is not a taxable entity.