

EOTT ENERGY

Partners, L.P.

P.O. Box 1188 Houston, Texas 77251-1188

News Release

For Further Information, Contact:
Gina Taylor
(713) 853-7681

EOTT ENERGY ANNOUNCES THE PURCHASE OF PROCESSING, TRANSPORTATION AND STORAGE ASSETS

FOR IMMEDIATE RELEASE: Monday, July 2, 2001

HOUSTON -- EOTT Energy Partners, L.P. (EOTT) announced today that it has acquired assets for an aggregate purchase price of approximately \$120 million. The assets include a hydrocarbon processing complex in Morgan's Point, Texas, and a liquids pipeline grid system purchased from an affiliate of Enron Corp. EOTT also has acquired a natural gas liquids storage facility in Chambers County, Texas, previously operated by an Enron affiliate under a lease financing arrangement.

Concurrently, EOTT has entered into a 10-year tolling agreement for production from the processing complex, which is currently producing MTBE and isobutylene, and a 10-year storage and transportation agreement for the use of the storage and pipeline grid system. Both agreements are with an affiliate of Enron Corp., which retains all existing third party commodity, transportation and storage contracts associated with these facilities.

“This acquisition provides EOTT assets with an excellent operating history and an experienced workforce. Combined with the term agreements, the acquisition will provide accretive earnings and stable cash-flows without commodity market or price exposure,” said Dana Gibbs, president and chief operating officer of EOTT Energy Corp., general partner of EOTT Energy Partners, L.P. “We estimate that this transaction will increase the company’s EBITDA approximately \$20 million on an annualized basis.”

A conference call with EOTT management to discuss the acquisition in further detail will be held on Tuesday, July 3 at 11a.m. EDT and can be accessed through the Investor Resources page at www.eott.com.

EOTT Energy Partners, L.P. is a major independent marketer and transporter of crude oil in North America. EOTT Energy Corp, a wholly owned subsidiary of Enron Corp., is the general partner of EOTT Energy Partners, L.P. with headquarters in Houston. EOTT’s Internet

address is www.eott.com. The Partnership's Common Units are traded on the New York Stock Exchange under the ticker symbol "EOT."

This press release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Although EOTT Energy Partners, L.P. believes that its expectations are based on reasonable assumptions, it can give no assurance that such expectations will be achieved. Important factors that could cause actual results to differ materially from those in the forward looking statements herein include, but are not limited to, plant operating capacities, plant operating expenses, maintenance capital expenses, capital improvements required as a result of changes in environmental laws or other regulatory changes during the periods covered by the forward looking statements.

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