ENTERPRISE PRODUCTS PARTNERS L P
Form 424B3
May 21, 2007

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The information in this prospectus supplement is not complete and may be changed. This prospectus supplement and the accompanying prospectus are not an offer to sell these securities and they are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Pursuant to Rule No. 424(b)(3)
Registration Nos. 333-123150
333-123150-01

Subject to completion

Preliminary prospectus supplement dated May 21, 2007
(To prospectus dated March 23, 2005)

$
Enterprise Products Operating L.P.

% Fixed/Floating Rate Junior Subordinated Notes due 2068

Guaranteed to the extent described in this prospectus supplement by
Enterprise Products Partners L.P.

The % Fixed/Floating Rate Junior Subordinated Notes due 2068, which we refer to as the Notes, issued by Enterprise Products Operating L.P. will bear interest from the date they are issued to January 15, 2018, at the annual rate of % of their principal amount, payable semi-annually in arrears on January 15 and July 15 of each year, commencing January 15, 2008, and thereafter will bear interest at an annual rate equal to the greater of (1) the Three-Month LIBOR Rate for the related interest period plus a spread of basis points or (2) % per annum, payable quarterly in arrears on January 15, April 15, July 15 and October 15 of each year, commencing April 15, 2018. The Notes will mature on January 15, 2068.

We may elect to defer interest payments on the Notes on one or more occasions for up to ten consecutive years as described in this prospectus supplement. Deferred interest will accumulate additional interest at a rate equal to the interest rate then applicable to the Notes, to the extent permitted by law. Enterprise Products Partners L.P. will guarantee, on a junior subordinated basis, payment of the principal of, premium, if any, and interest on the Notes.

We may redeem the Notes in whole or in part at any time on or after January 15, 2018, at a redemption price equal to their principal amount plus accrued and unpaid interest. In addition, we may redeem the Notes prior to January 15, 2018 (a) in whole or in part, at any time, at a redemption price equal to the Make-Whole Redemption Price and (b) in whole but not in part, upon the occurrence of either a Tax Event or a Rating Agency Event, at a redemption price equal to the Special Event Make-Whole Redemption Price, in each case as described in this prospectus supplement. Any redemption of the Notes prior to January 15, 2038 is subject to the limitations set forth in the Replacement Capital Covenant described in this prospectus supplement.

Investing in the Notes involves certain risks. See Risk Factors beginning on page S-15 of this prospectus supplement and on page 3 of the accompanying prospectus.

	Public offering price(1)	Underwriting discount	Proceeds to Enterprise Products Operating L.P. before expenses
Per Note	%	%	%
Total	$	$	$

(1) The public offering price does not include accrued interest, if any, on the Notes, from May , 2007 to the date of delivery.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the Notes in book entry form only, through the facilities of The Depository Trust Company, against payment on May , 2007.

Joint book-running managers

JPMorgan **Citi** **Lehman Brothers** **Wachovia Securities**

The date of this prospectus supplement is May , 2007.

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This document is in two parts. The first part is this prospectus supplement, which describes the terms of this offering of Notes and certain terms of the Notes and the Guarantee. The second part is the accompanying prospectus, which describes certain terms of the indenture under which the Notes will be issued and which gives more general information, some of which may not apply to this offering of Notes.

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If the information varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus or any free writing prospectus prepared by or on behalf of us. We have not authorized anyone to provide you with additional or different information. We are not making an offer to sell these Notes or the Guarantee in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the date on the front of this document or that any information we have incorporated by reference is accurate as of any date other than the date of the document incorporated by reference. Our business, financial condition, results of operations and prospects may have changed since these dates.

Summary

This summary highlights information from this prospectus supplement and the accompanying prospectus to help you understand our business, the Notes and the Guarantee (as defined herein). It does not contain all of the information that is important to you. You should read carefully the entire prospectus supplement, the accompanying prospectus, the documents incorporated by reference and the other documents to which we refer for a more complete understanding of this offering and our business. You should also read Risk Factors beginning on page S-15 of this prospectus supplement and on page 3 of the accompanying prospectus for more information about important risks that you should consider before making a decision to purchase Notes in this offering.

Enterprise Products Partners L.P. (which we refer to as Enterprise Parent) conducts substantially all of its business through Enterprise Products Operating L.P. (which we refer to as Enterprise) and the subsidiaries and unconsolidated affiliates of Enterprise. Accordingly, in the sections of this prospectus supplement that describe the business of Enterprise and Enterprise Parent, unless the context otherwise indicates, references to Enterprise, us, we, our, and like terms refer to Enterprise Products Operating L.P. together with its subsidiaries and unconsolidated affiliates, including Duncan Energy Partners L.P., a publicly traded, consolidated subsidiary of Enterprise that completed its initial public offering in February 2007. Enterprise is the borrower on substantially all of the consolidated company s credit facilities and is the issuer of substantially all of the company s publicly traded notes, all of which are guaranteed by Enterprise Parent. Enterprise s financial results do not differ materially from those of Enterprise Parent; the number and dollar amount of reconciling items between Enterprise s consolidated financial statements and those of Enterprise Parent are insignificant. All financial results presented in this prospectus supplement are those of Enterprise Parent.

The Notes are solely obligations of Enterprise Products Operating L.P. and, to the extent described in this prospectus supplement, are guaranteed by Enterprise Parent. Accordingly, in the other sections of this prospectus supplement, including The offering and Description of the Notes, unless the context otherwise indicates, references to Enterprise, the Partnership, us, we, our, and like terms refer to Enterprise Products Operating L.P. and do not include any of its subsidiaries or unconsolidated affiliates or Enterprise Parent. Likewise, in such sections, unless the context otherwise indicates, Enterprise Parent and Parent Guarantor refer to Enterprise Products Partners L.P. and not its subsidiaries or unconsolidated affiliates.

Enterprise and Enterprise Parent

We are a North American midstream energy company that provides a wide range of services to producers and consumers of natural gas, natural gas liquids, or NGLs, crude oil and certain petrochemicals, and are an industry leader in the development of pipeline and other midstream infrastructure in the continental United States and Gulf of Mexico. Our midstream asset network links producers of natural gas, NGLs and crude oil from some of the largest supply basins in the United States, Canada and the Gulf of Mexico with domestic consumers and international markets. We operate an integrated midstream asset network within the United States that includes natural gas gathering, processing, transportation and storage; NGL fractionation (or separation), transportation, storage and import and export terminaling; crude oil transportation; and offshore production platform services. NGL products (ethane, propane, normal butane, isobutane and natural gasoline) are used as raw materials by the petrochemical industry, as feedstocks by refiners in the production of motor gasoline and as fuel by industrial and residential users.

For the year ended December 31, 2006, Enterprise Parent had revenues of $14.0 billion, operating income of $860.1 million and net income of $601.2 million. For the three months ended March 31,

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2007, Enterprise Parent had revenues of $3.3 billion, operating income of $187.9 million and net income of $112.0 million.

Our business segments

We have four reportable business segments: (i) NGL Pipelines & Services; (ii) Onshore Natural Gas Pipelines & Services; (iii) Offshore Pipelines & Services and (iv) Petrochemical Services. Our business segments are generally organized and managed along our asset base according to the type of services rendered (or technology employed) and products produced and/or sold.

NGL Pipelines & Services. Our NGL Pipelines & Services business segment includes our (i) natural gas processing business and related NGL marketing activities, (ii) NGL pipelines aggregating approximately 13,295 miles and related storage facilities including our Mid-America Pipeline System and (iii) NGL fractionation facilities located in Texas and Louisiana. This segment also includes our import and export terminal operations.

Onshore Natural Gas Pipelines & Services. Our Onshore Natural Gas Pipelines & Services business segment includes approximately 18,889 miles of onshore natural gas pipeline systems that provide for the gathering and transmission of natural gas in Alabama, Colorado, Louisiana, Mississippi, New Mexico, Texas and Wyoming. In addition, we own two salt dome natural gas storage facilities located in Mississippi and lease natural gas storage facilities located in Texas and Louisiana.

Offshore Pipelines & Services. Our Offshore Pipelines & Services business segment includes (i) approximately 1,586 miles of offshore natural gas pipelines strategically located to serve production areas including some of the most active drilling and development regions in the Gulf of Mexico, (ii) approximately 863 miles of offshore Gulf of Mexico crude oil pipeline systems and (iii) six multi-purpose offshore hub platforms located in the Gulf of Mexico with crude oil or natural gas processing capabilities.

Petrochemical Services. Our Petrochemical Services business segment includes four propylene fractionation facilities, an isomerization complex and an octane additive production facility. This segment also includes approximately 679 miles of petrochemical pipeline systems.

We provide the foregoing services directly and through our subsidiaries and unconsolidated affiliates.

Our principal offices, including those of Enterprise Parent, are located at 1100 Louisiana Street, 10th Floor, Houston, Texas 77002, and our and Enterprise Parent s telephone number is (713) 381-6500.

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Organizational structure

The following chart depicts our organizational structure.

GP = General Partner Interest

LP = Limited Partner Interest

(1) EPCO, Inc. and its private company affiliates own the sole 0.01% GP interest and an aggregate 90.1% LP interest in Enterprise GP Holdings L.P. The remaining LP interests in Enterprise GP Holdings L.P. are publicly owned.

(2) Does not include our general partner s interest in distributions above the minimum quarterly distribution. With respect to the quarter ended March 31, 2007, our general partner received 12.9% of the cash we distributed to our partners.

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The offering

Issuer	Enterprise Products Operating L.P.
Securities Offered	$ aggregate principal amount of our % Fixed/Floating Rate Junior Subordinated Notes due 2068, which we refer to as the Notes.
Guarantor	Enterprise Products Partners L.P. will guarantee, on a junior subordinated basis, payment of the principal of, premium, if any, and interest on the Notes.
Maturity	January 15, 2068.
Interest Rate; Fixed Rate Period; Floating Rate Period	The Notes will bear interest from the date of issuance to January 15, 2018, which we refer to as the Fixed Rate Period, at an annual rate of %, payable semi-annually in arrears on January 15 and July 15 of each year, commencing January 15, 2008, and thereafter, which we refer to as the Floating Rate Period, at an annual rate equal to the greater of (1) the sum of the Three-Month LIBOR Rate (as defined in Description of the Notes Determining the Floating Rate; Calculation Agent) for the related interest period plus a spread of basis points or (2) % per annum, payable quarterly in arrears on January 15, April 15, July 15 and October 15 of each year, commencing April 15, 2018, unless payment is deferred as described below. For a more complete description of interest payable on the Notes, see Description of the Notes Interest Rate and Interest Payment Dates and Description of the Notes Determining the Floating Rate; Calculation Agent.
Optional Deferral of Interest	We may defer interest payments on the Notes, from time to time, for one or more periods (each, an Optional Deferral Period) of up to 10 consecutive years per Optional Deferral Period. In other words, we may declare at our discretion up to a 10-year interest payment moratorium on the Notes, and we may choose to do that on more than one occasion. We may not defer payments beyond the maturity date of, or redemption date for, the Notes. Deferred interest not paid on an interest payment date will bear interest from that interest payment date until paid at the then prevailing interest rate on the Notes compounded semi-annually during the Fixed Rate Period and quarterly during the Floating Rate Period, as described under Description of the Notes Interest Rate and Interest Payment Dates. We refer to such deferred interest, the interest accrued thereon and any accrued and unpaid interest on any interest payment date during a deferral period collectively as Deferred Interest. Once we pay all Deferred Interest resulting from our optional deferral, such Optional Deferral Period will end and we may later defer interest again for a new Optional Deferral Period. We have, however, no current intention of deferring interest payments on the Notes.

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Distribution Stopper	During any period in which we defer interest payments on the Notes, subject to certain exceptions: we and Enterprise Parent will not declare or make any distributions with respect to, or redeem, purchase or make a liquidation payment with respect to, any of our equity securities; we and Enterprise Parent will not, and will cause our respective majority-owned subsidiaries not to, make any payment of interest, principal or premium, if any, on or repay, purchase or redeem any of our debt securities (including securities similar to the Notes) that contractually rank equally with or junior to the Notes or the Guarantee, as applicable; and we and Enterprise Parent will not, and will cause our respective majority-owned subsidiaries not to, make any payments under a guarantee of debt securities (including under a guarantee of debt securities that are similar to the Notes) that contractually ranks equally with or junior to the Notes or the Guarantees, as applicable. This covenant is subject to the exceptions described under Description of the Notes Distribution Stopper.
Subordination and Ranking	Our payment obligations under the Notes will be unsecured and will, to the extent provided in the Indenture (as defined in this prospectus supplement), be subordinated to the prior payment in full of all of our present and future indebtedness for borrowed money, indebtedness evidenced by securities, bonds, notes and debentures, obligations under guarantees, direct credit substitutes, hedge and derivative products, capitalized lease obligations, letters of credit, cash management arrangements, certain operating leases and other Senior Indebtedness (as defined under Description of the Notes Subordination; Ranking of the Notes; Payment Blockage). However, the Notes will rank equally with our trade accounts payable and certain other liabilities arising in the ordinary course of our business, any of our indebtedness which by its terms is expressly made equal in rank with the Notes, indebtedness owed by us to our majority-owned subsidiaries and our 8.375% Fixed/Floating Rate Junior Subordinated Notes due 2066. The Notes will rank senior in right of payment to all of our present and future equity securities. The Indenture does not limit our ability to incur additional debt, including debt that ranks senior in priority of payment to or *pari passu* with the Notes. We conduct a significant amount of our operations through our subsidiaries and unconsolidated affiliates, and a significant amount of our assets include our ownership interests in such entities. Holders of the Notes will have a junior position to claims of creditors of our subsidiaries and unconsolidated affiliates, including trade creditors, debt holders, secured creditors, taxing authorities and guarantee holders.
Guarantee	Enterprise Parent will fully and unconditionally guarantee (the Guarantee) the full and prompt payment of principal of, premium, if any, and interest on the Notes, when and as

the same become due and payable (subject to our right to defer interest as set forth under Description of the

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Notes Optional Deferral of Interest), whether at stated maturity, upon redemption, by declaration of acceleration or otherwise, as described under Description of the Notes Parent Guarantee. The Guarantee will be unsecured and subordinated to the senior indebtedness of Enterprise Parent, as described under Description of the Notes Parent Guarantee.

Optional Redemption

We may redeem the Notes before their maturity, subject to the limitations set forth in the Replacement Capital Covenant discussed below, as follows:

in whole or in part at any time on or after January 15, 2018, at a redemption price equal to 100% of their principal amount plus accrued and unpaid interest;

in whole or in part at any time prior to January 15, 2018, at a redemption price equal to the Make-Whole Redemption Price (as defined in Description of the Notes Optional Redemption); or

in whole but not in part prior to January 15, 2018, after the occurrence of a Tax Event or Rating Agency Event at a redemption price equal to the Special Event Make-Whole Redemption Price (as defined in Description of the Notes Optional Redemption).

For a more complete description of the redemption provisions of the Notes, see Description of the Notes Optional Redemption.

Replacement Capital Covenant

At or around the time of the initial issuance of the Notes, we and Enterprise Parent will enter into a Replacement Capital Covenant in which we and it will covenant for the benefit of holders of a designated series of long-term indebtedness that ranks senior to the Notes that we and it will not redeem or purchase (or cause any of our majority-owned subsidiaries to purchase) or otherwise satisfy, discharge or defease (which we are together referring to as defease or defeasance, as applicable) any of the Notes on or before January 15, 2038, unless, subject to certain limitations, during the 180 days prior to the date of that redemption, repurchase, defeasance or purchase we, Enterprise Parent or one of our subsidiaries has received a specified amount of proceeds from the sale of qualifying securities that have characteristics that are the same as, or more equity-like than, the applicable characteristics of the Notes. The Replacement Capital Covenant is not intended for the benefit of holders of the Notes and cannot be enforced by them, and the Replacement Capital Covenant is not a term of the Indenture or the Notes.

In the event that the Replacement Capital Covenant terminates prior to January 15, 2038, as a result of there being no eligible designated debt outstanding, we intend that if we redeem the Notes, or if we, Enterprise Parent or one of our majority-owned subsidiaries purchases the Notes, the redemption or purchase price of the Notes will be paid with amounts that include net proceeds received by us, Enterprise Parent or our subsidiaries from the sale or issuance, during the 180-day period prior to the date of such redemption or such purchase, by us, Enterprise Parent or our subsidiaries to third-party purchasers of securities for which we will receive equity-like credit from the rating agencies which rate our securities, that is equal to or greater than the equity-like credit then attributed to the Notes being redeemed or purchased. The determination of the equity-like credit of the Notes may result in the issuance of an amount of new securities that may

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	be less than the principal amount of the Notes, depending upon, among other things, the nature of the new securities issued and the equity-like credit attributed by a rating agency to the Notes and the new securities.
Events of Default	The following will be events of default under the Indenture governing the terms of the Notes, as described in more detail under Description of the Notes Events of Default : the failure to pay principal when due; the failure to pay interest when due and payable that continues for 30 days, subject to the right to defer interest payments as described in Description of the Notes Optional Deferral of Interest; certain events of bankruptcy, insolvency or reorganization involving us; or Enterprise Parent s Guarantee of the Notes ceases to be in full force and effect or is declared null and void in a judicial proceeding.
Reopening of the Series	We may, without the consent of the holders of the Notes, increase the principal amount of the series and issue additional notes of such series having the same ranking, interest rate, maturity and other terms as the Notes, except for issue date, issue price and, if applicable, first interest payment date. Any such additional notes may, together with the Notes, constitute a single series of securities.
Use of Proceeds	We expect to receive aggregate net proceeds of approximately $ million from the sale of the Notes to the underwriters after deducting the underwriters discount and other offering expenses payable by us. We expect to use the net proceeds of this offering to temporarily reduce borrowings outstanding under our multi-year revolving credit facility and for general partnership purposes. Affiliates of certain of the underwriters are lenders under our multi-year revolving credit facility and, accordingly, will receive a substantial portion of the proceeds of this offering. Please read Underwriting .
Ratings	The Notes are expected to be rated Ba1, BB and BB+ by Moody s Investors Service, Standard & Poor s Rating Services and Fitch Ratings Ltd., respectively. Credit ratings are intended to provide banks and capital market participants with a framework for comparing the credit quality of securities and are not a recommendation to buy, sell or hold these securities. Each rating may be subject to revision or withdrawal at any time and should be evaluated independently of any other rating.
Federal Income Tax Considerations	In connection with the issuance of the Notes, Bracewell & Giuliani LLP will render an opinion to us that, for United States federal income tax purposes, the Notes will be classified as indebtedness (although there is no clear authority directly on point). This opinion is subject to certain customary conditions. See Certain United States Federal Income Tax Considerations. Each purchaser of the Notes agrees to treat the Notes as indebtedness for all United States federal, state and local tax purposes. We intend to treat the Notes in the same manner.

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	If we elect to defer interest on the Notes, the holders of the Notes will be required to accrue income for United States federal income tax purposes in the amount of the accumulated interest payments on the Notes, in the form of original issue discount, even though cash interest payments are deferred and even though they may be cash basis taxpayers.
Risk Factors	Investing in the Notes involves certain risks. You should carefully consider the risk factors discussed under the heading Risk Factors beginning on page S-15 of this prospectus supplement and on page 3 of the accompanying prospectus and the other information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus before deciding to invest in the Notes.
Book-Entry Form/Denominations	The Notes will be issued in denominations of $1,000 and integral multiples thereof in book-entry form and will be represented by a permanent global certificate deposited with, or on behalf of, The Depository Trust Company (DTC) and registered in the name of a nominee of DTC. Beneficial interests in any of the Notes will be shown on, and transfers will be effected only through, records maintained by DTC or its nominee and any such interest may not be exchanged for certificated securities, except in limited circumstances.
Trading	We will not list the Notes for trading on any securities exchange.
Trustee	Wells Fargo Bank, National Association.
Governing Law	The Notes and the Indenture will be governed by, and construed in accordance with, the laws of the State of New York.

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Enterprise Parent summary historical financial and operating data

The following tables set forth, for the periods and at the dates indicated, summary historical financial and operating data for Enterprise Parent. The summary historical income statement and balance sheet data for the three years in the period ended December 31, 2006 are derived from and should be read in conjunction with the audited consolidated financial statements of Enterprise Parent that are incorporated by reference into this prospectus supplement. The summary historical income statement and balance sheet data for the three month periods ended March 31, 2006 and 2007 are derived from and should be read in conjunction with the unaudited consolidated financial statements of Enterprise Parent that are incorporated by reference into this prospectus supplement.

The summary historical financial data includes the financial measures of gross operating margin and EBITDA, which is an abbreviation for earnings before interest, income taxes, depreciation and amortization. Gross operating margin and EBITDA are financial measures that are not calculated in accordance with accounting principles generally accepted in the United States of America as in effect from time to time, or GAAP. Explanations of and reconciliations for these non-GAAP financial measures are included in supplemental sections of this prospectus supplement entitled Enterprise Parent Non-GAAP Financial Measures and Enterprise Parent Non-GAAP Reconciliations.

	Consolidated historical				
	For the year ended December 31,			For the three Months ended March 31,	
	2004	2005	2006	2006	2007
	(Dollars in millions, except per unit amounts)				
Income statement data:					
Revenues	$ 8,321.2	$ 12,257.0	$ 13,991.0	$ 3,250.1	$ 3,322.8
Costs and expenses:					
Operating costs and expenses	7,904.3	11,546.2	13,089.1	3,046.9	3,124.5
General and administrative	46.7	62.3	63.4	13.7	16.6
Total costs and expenses	7,951.0	11,608.5	13,152.5	3,060.6	3,141.1
Equity in income (loss) of unconsolidated affiliates	52.8	14.5	21.6	4.0	6.2
Operating income	423.0	663.0	860.1	193.5	187.9
Other income (expense):					
Interest expense	(155.7)	(230.6)	(238.0)	(58.1)	(63.4)
Other, net	2.1	5.4	8.0	2.0	2.0
Total other expense	(153.6)	(225.2)	(230.0)	(56.1)	(61.4)

Income before provision for income taxes, minority interest and changes in accounting principles	269.4	437.8	630.1	137.4	126.5
Provision for income taxes	(3.8)	(8.3)	(21.3)	(2.9)	(8.8)

	Consolidated historical				
	For the year ended December 31,			For the three Months ended March 31,	
	2004	2005	2006	2006	2007
	(Dollars in millions, except per unit amounts)				
Income before minority interest and changes in accounting principles	265.6	429.5	608.8	134.5	117.7
Minority interest	(8.1)	(5.8)	(9.1)	(2.2)	(5.7)
Income before changes in accounting principles	257.5	423.7	599.7	132.3	112.0
Cumulative effect of changes in accounting principles	10.8	(4.2)	1.5	1.5	
Net income	$ 268.3	$ 419.5	$ 601.2	$ 133.8	$ 112.0
Basic and diluted earnings per unit (net of general partner interest):					
Net income per unit	$ 0.87	$ 0.91	$ 1.22	$ 0.28	$ 0.20
Distributions to limited partners:					
Per common unit	$ 1.5400	$ 1.6975	$ 1.8250	$ 0.4450	$ 0.4750
Balance sheet data:					
Total assets	$ 11,315.5	$ 12,591.0	$ 13,989.7	$ 12,318.5	$ 14,428.0
Total debt	4,281.2	4,833.8	5,295.6	4,396.3	5,448.7
Total partners equity	5,328.8	5,679.3	6,480.2	6,060.3	6,393.5
Other financial data:					
Cash provided by operating activities	$ 391.5	$ 631.7	$ 1,175.1	$ 494.3	$ 420.8
Cash flows used in investing activities	941.4	1,130.4	1,689.3	348.6	614.9
Cash provided by (used in) financing activities	544.0	516.2	495.0	(152.7)	231.1
Distributions received from unconsolidated affiliates	68.0	56.1	43.0	8.3	16.9
Gross operating margin					