



Texas Eastern Products Pipeline Company, LLC

Governance Committee Charter

Dated March 1, 2006

Approved by the Audit and Conflicts Committee Effective February 27, 2006

Approved by the Board of Directors Effective February 27 2006

I. Objectives

The Governance Committee (the “Committee”) is a committee of the Board of Directors (the “Board”) of Texas Eastern Products Pipeline Company, LLC, a Delaware limited liability company (the “Company”) and the sole general partner of TEPPCO Partners, L.P. (the “Partnership”). The Committee shall, among other duties, develop and recommend to the Board a set of governance principles applicable to the Company and the Partnership and communicate with members of the Board regarding Board meeting format and procedures.

II. Membership and Policies

The Board shall elect the Committee Chairman (the “Chairman”) and members of the Committee annually. The Committee shall consist of a minimum of three members of the Board, of which at least a majority of the members of the Committee shall be “independent” as determined in accordance with the rules adopted by the New York Stock Exchange (as amended, restated, supplemented or otherwise modified from time to time, the “NYSE rules”) and applicable law (including, without limitation, the rules and regulations of the Securities and Exchange Commission (“SEC”). Members of the Committee may be removed from the Committee by action of the Board.

The Committee shall have the authority to obtain advice or assistance from, and/or retain, internal or external legal, accounting or other advisors, and shall have full access to the Company’s management.

The Committee shall meet at such times as the Chairman shall determine, preferably in conjunction with regular Board meetings. Meetings may, at the discretion of the Committee, include members of management, independent consultants and such other persons as the Committee shall determine. The Committee, in discharging its responsibilities, may meet privately for advice and counsel with independent consultants, legal counsel, or any other persons knowledgeable in the matters under consideration. The Committee may also meet by telephone conference call or any other means permitted by law or the organizational documents of the Company.

A Secretary, who need not be a member of the Committee, shall be appointed by the Committee to keep minutes of all meetings of the Committee and such other records as the Chairman deems necessary or appropriate.

The Committee may designate a subcommittee consisting of at least one member, who is deemed to be independent, to address specific issues on behalf of the Committee.

The Committee shall report periodically to the Board on its activities.

III. Governance Functions

The Committee shall develop and recommend to the Board a set of governance guidelines applicable to the Partnership, and, as appropriate, recommend to the Board certain criteria (in addition to those criteria required by applicable law or the NYSE rules) to determine a director's independence.

Subject to actions by the Board, the Committee shall assure that the composition of the Board and any committees thereof, complies with the NYSE rules and other applicable laws.

If requested by the sole member of the Company, the Committee shall review qualifications of candidates for Board membership recommended by directors, officers, employees and others in accordance with procedures established by the Company's governance guidelines, applicable laws and regulations, the applicable NYSE rules and the Committee.

If requested by the sole member of the Company, the Committee shall screen and interview possible qualified candidates for Board membership.

The Committee shall ensure that the Partnership and the Company have an appropriate policy on potential conflicts of interest, including, but not limited to, the policies on (1) loans to officers and employees (if allowed by law), (2) related-party transactions (including any dealings with directors, officers or employees), and (3) such other transactions that could have the appearance of a potential conflict of interest.

The Committee shall monitor and report to the Board whether there is any current relationship between any non-management director and the Partnership that may adversely affect the independent judgment of the director.

The Committee shall communicate, from time to time, with members of the Board regarding Board meeting format and procedures.

The Committee will (i) conduct an annual performance evaluation of the Committee, the results of which shall be reported to the full Board and (ii) ensure that the chairperson of each other Board committee conducts a performance evaluation of his or her committee, the results of which shall be reported to the full Board.

The Committee shall take such other actions necessary or appropriate to assure that other activities prescribed by the governance guidelines are carried out.

IV. Other Functions

The Committee shall review and assess the adequacy of this charter periodically.

The Committee shall meet regularly with the Company's Corporate Compliance Officer to evaluate the adequacy and efficiency of the Company's Code of Business Ethics, including review of any violations of the Code.

The Committee shall perform such other functions, if any, as required under the NYSE rules, or the Partnership's organizational documents, or assigned by the Board.