Enterprise Products Partners L.P.

2016 LETTER TO INVESTORS

PARTNERSHIP PROFILE

Enterprise Products Partners L.P. is one of the largest publicly traded partnerships and a leading North American provider of midstream energy services to producers and consumers of natural gas, NGLs, crude oil, petrochemicals and refined products.

FINANCIAL HIGHLIGHTS

(Amounts in millions except per unit amounts)	2016	2015	2014
INCOME STATEMENT DATA:			
Revenues	$ 23,022.3	$ 27,027.9	$ 47,951.2
Operating income	$ 3,580.7	$ 3,540.2	$ 3,775.7
Net income attributable to limited partners	$ 2,513.1	$ 2,521.2	$ 2,787.4
Fully diluted earnings per unit [1]	$ 1.20	$ 1.26	$ 1.47
BALANCE SHEET DATA:			
Total assets	$ 52,194.0	$ 48,802.2	$ 47,057.7
Total debt	$ 23,697.7	$ 22,540.8	$ 21,220.5
Total Enterprise Products Partners L.P. equity	$ 22,047.0	$ 20,295.1	$ 18,063.2
OTHER FINANCIAL DATA:			
Non-GAAP total gross operating margin [2]	$ 5,247.8	$ 5,339.2	$ 5,204.8
Non-GAAP Adjusted EBITDA [2]	$ 5,255.9	$ 5,267.3	$ 5,290.6
Net Capital Expenditures – plant, property & equipment [A]	$ 2,984.1	$ 3,811.6	$ 2,864.0
Other investing activities [B]	$ 1,139.2	$ 2,633.1	$ 5,316.5
Total capital spending [A+B]	$ 4,123.3	$ 6,444.7	$ 8,180.5
Cash distributions declared per common unit [1,3]	$ 1.61	$ 1.53	$ 1.45
Annual cash distribution rate at December 31 [1,3]	$ 1.64	$ 1.56	$ 1.48
Cash distribution coverage [4]	1.2X	1.9X	1.5X
Number of common units outstanding [1,5]	2,117.6	2,012.6	1,937.3

FOOTNOTES

[1] In August 2014, Enterprise completed a two-for-one split of its common units. All per unit amounts and number of Enterprise units outstanding in this letter are presented on a post-split basis.

[2] See page 4 for a reconciliation of this non-GAAP financial measure to its most directly comparable GAAP financial measure.

[3] Cash distributions declared per common unit represent cash distributions declared with respect to the four fiscal quarters of each year presented. The annual cash distribution rate at December 31 is the annualized quarterly rate declared for the fourth quarter each year.

[4] Represents ratio of distributable cash flow to distributions declared with respect to the period. See page 5 for a reconciliation of distributable cash flow (a non-GAAP financial measure) to its most directly comparable GAAP financial measure.

[5] Reflects actual number of Enterprise common units outstanding at December 31 for the periods presented.

COMPANY PROFILE

CASH DISTRIBUTIONS

Enterprise has paid 74 quarterly cash distributions to unitholders since its initial public offering of common units in 1998. On January 5, 2017, the partnership declared a quarterly distribution of $0.41 per unit, which represented the 50th consecutive quarterly increase. This distribution was paid February 7, 2017, to unitholders of record at the close of business on January 31, 2017.

PUBLICLY TRADED PARTNERSHIP ATTRIBUTES

Enterprise is a publicly traded limited partnership, which operates in the following ways that are different from a publicly traded stock corporation:

- Unitholders own limited partnership units instead of shares of common stock and receive cash distributions rather than dividends.
- A partnership generally is not a taxable entity and does not pay federal income taxes. All of the annual income, gains, losses, deductions or credits flow through the partnership to the unitholders on a per-unit basis. The unitholders are required to report their allocated share of these amounts on their income tax returns whether or not any cash distributions are paid by the partnership to its unitholders.
- Cash distributions paid by a partnership to a unitholder are generally not taxable, unless the amount of any cash distributed is in excess of the unitholder's adjusted basis in their partnership interest.

EPD
LISTED
NYSE

STOCK EXCHANGE AND COMMON UNIT INFORMATION

Enterprise common units trade on the New York Stock Exchange under the ticker symbol EPD. Enterprise had 2,119,600,196 common units outstanding at January 31, 2017.

HEADQUARTERS

Enterprise Products Partners L.P.
Enterprise Plaza
1100 Louisiana Street, 10th Floor
Houston, TX 77002-5227
713.381.6500
enterpriseproducts.com

K-1 INFORMATION

Enterprise provides each unitholder a Schedule K-1 tax package that includes each unitholder's allocated share of reportable partnership items and other partnership information necessary to be reported on state and federal income tax returns. The K-1 provides required tax information for a unitholder's ownership interest in the partnership, just as a Form 1099-DIV does for a stockholder's ownership interest in a corporation.

Information concerning the partnership's K-1s can be obtained by calling toll free 800.599.9985 or through the partnership's website.

REGISTERED PUBLIC ACCOUNTING FIRM

Deloitte & Touche LLP
Houston, TX

TRANSFER AGENT, REGISTRAR AND CASH DISTRIBUTION PAYING AGENT

Wells Fargo Shareowner Services
161 N. Concord Exchange
South St. Paul, MN 55075
855.235.0839
shareowneronline.com

ADDITIONAL INVESTOR INFORMATION

Additional information about Enterprise, including our SEC annual report on Form 10-K, can be obtained by contacting Investor Relations by telephone at 866.230.0745, writing to the partnership's mailing address or accessing the partnership's website.

MAILING ADDRESS

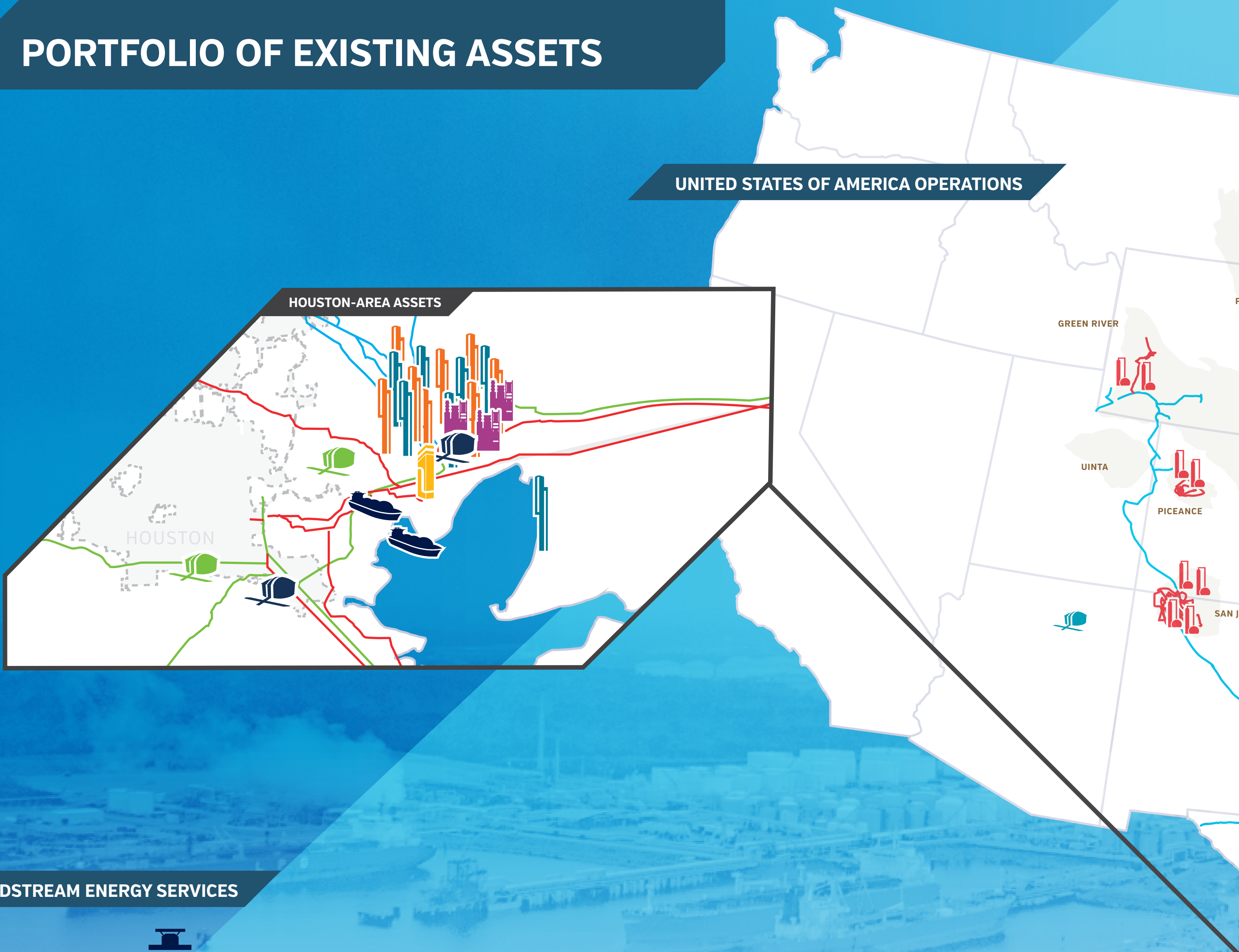
P.O. Box 4324
Houston, TX 77210-4324

FORWARD-LOOKING STATEMENTS

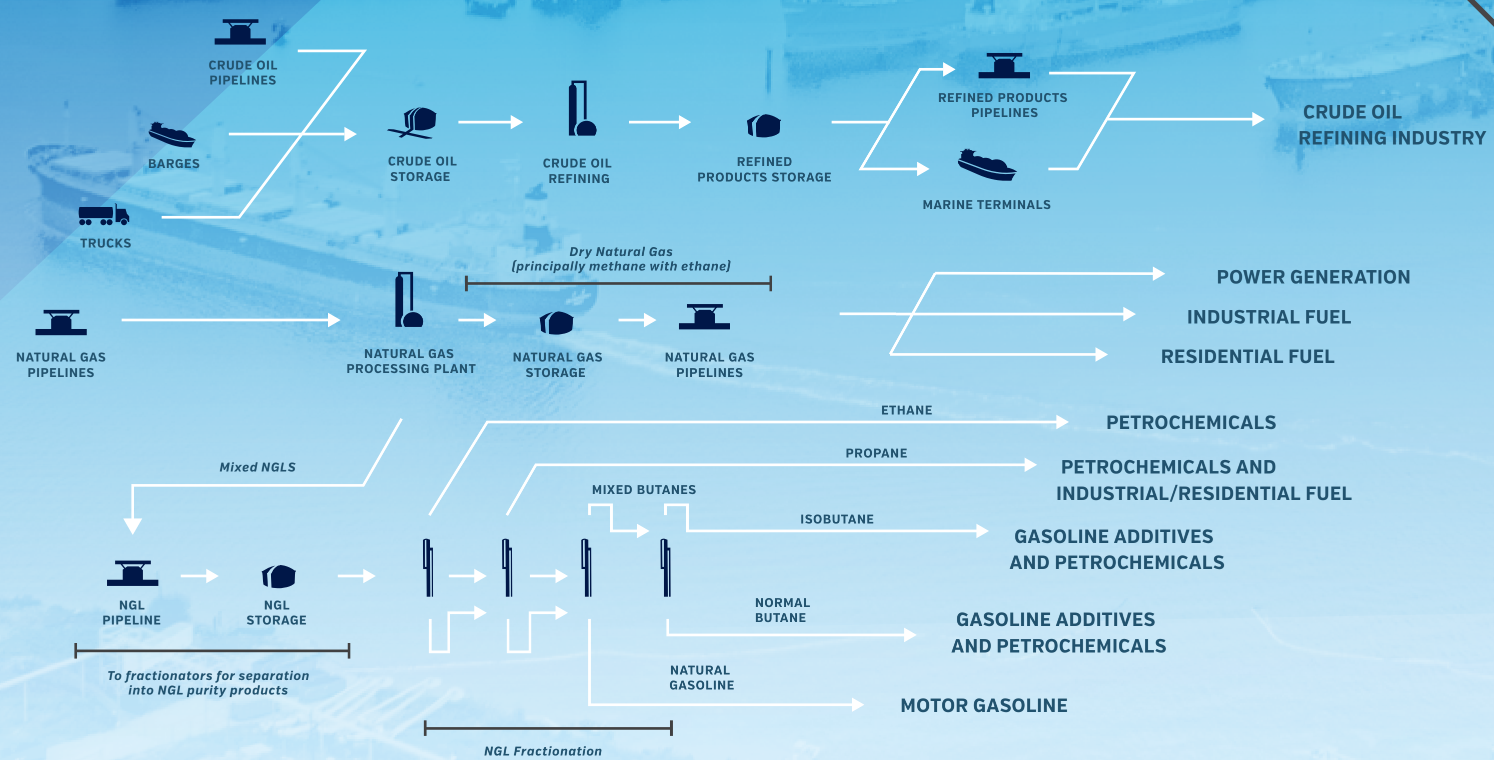
ORIGIN
Designed by Origin, Houston, TX
ORIGINACTION.COM

PORTFOLIO OF EXISTING ASSETS

UNITED STATES OF AMERICA OPERATIONS



MIDSTREAM ENERGY SERVICES



ASSET OVERVIEW

22 NGL AND PROPYLENE FRACTIONATION FACILITIES

25 NATURAL GAS PROCESSING PLANTS

5,402 MILES OF CRUDE OIL PIPELINES

260 BCF OF NGL, CRUDE OIL & PETROCHEMICAL/REFINED PRODUCTS STORAGE CAPACITY

14 BCF OF NATURAL GAS STORAGE CAPACITY

19,120 MILES OF NATURAL GAS PIPELINES

18 IMPORT/EXPORT MARINE TERMINALS

3,423 MILES OF REFINED PRODUCTS PIPELINES

116 MBPD OF BUTANE ISOMERIZATION CAPACITY (MONT BELVIEU)

20,354 MILES OF NGL AND PETROCHEMICAL PIPELINES

KEY MARKET DISTINCTIONS

Enterprise Products Partners L.P. has grown significantly since its IPO in July 1998, increasing its asset base from $715 million to $52 billion at December 31, 2016.

This growth is a result of expansions from organic growth opportunities, as well as acquisitions.

ONE OF THE LARGEST INTEGRATED MIDSTREAM ENERGY COMPANIES

- Integrated system enables EPD to reduce impact of cyclical commodity swings
- Large supply aggregator and access to domestic and international markets provides market optionality to producers and consumers

LOW COST OF CAPITAL; FINANCIAL FLEXIBILITY

- One of the highest credit ratings among master limited partnerships ("MLPs"): **Baa1 / BBB+**
- Simplified structure with no general partner ("GP") incentive distribution rights ("IDR") for long-term durability and flexibility
- Margin of safety with average distribution coverage of ≈1.4x and ≈$3.0 billion of retained DCF since 2014 (excludes non-recurring items)
- Consistent distribution growth: 50 consecutive quarters

HISTORY OF SUCCESSFUL EXECUTION OF GROWTH PROJECTS AND M&A

- ≈$36 billion of organic growth projects and $26 billion of major acquisitions since IPO in 1998
- ≈$7.1 billion of capital growth projects under construction
- New projects under development

FINANCIALLY STRONG, SUPPORTIVE GP COMMITTED FOR THE LONG-TERM

- Owns 32 percent of common units outstanding
- Purchased ≈$1.6 billion in Enterprise common units since initial public offering ("IPO")

2016 ANNUAL LETTER TO INVESTORS

Enterprise posted solid financial results in 2016 that were driven by record liquefied petroleum gas ("LPG") export volumes of 426 thousand barrels per day ("MBPD") and record NGL pipeline volumes of 3.0 million barrels per day ("BPD").

The partnership also loaded the first cargoes of ethane for export in the third quarter from its new facility at Morgan's Point on the Houston Ship Channel. We also added propylene export capabilities at our Houston Ship Channel facility and increased our loadings of propylene for export in 2016. Enterprise remains the global leader in LPG exports as global demand for abundant U.S. LPGs continues to grow. We are proud of how Enterprise performed in 2016 despite the challenging environment for the energy industry, and we are optimistic that the industry has weathered the harshest part of the cycle.

We expanded our asset base in 2016 by completing construction of $2.2 billion of capital growth projects. These major projects included:

- *Two new cryogenic natural gas processing facilities in the Delaware Basin that added 350 million cubic feet per day ("MMcf/d") of processing capacity and approximately 50 MBPD of NGL extraction capability. These plants are supported by long-term, fee-based contracts from major producers; and,*
- *An ethane export terminal on the Houston Ship Channel. The 240 MBPD terminal is the largest of its kind and is sourced from Enterprise's NGL fractionation and storage complex at Mont Belvieu. The driving force behind development of the terminal is demand from international petrochemical facilities seeking diversification and lower cost feedstock supplies provided by abundant U.S. ethane from shale plays.*

These projects began providing new sources of fee-based cash flow in 2016, and the partnership expects to benefit from a full year of operations from these facilities in 2017.

STRONG FINANCIAL PERFORMANCE

For 2016, Enterprise had operating income and cash flow provided from operations of $3.6 billion and $4.1 billion, respectively. Total gross operating margin was $5.2 billion in 2016 compared to a record $5.3 billion in 2015, and distributable cash flow ("DCF") was $4.1 billion in 2016 compared to $5.6 billion in 2015. DCF for 2015 included $1.6 billion of cash proceeds from the sale of the partnership's offshore assets. Total gross operating margin and DCF are non-generally accepted accounting principle financial measures that are defined and reconciled later in this Letter to Investors.

Cash distributions declared with respect to 2016 increased 5.2 percent to $1.61 per unit compared to 2015. We have increased our quarterly cash distribution for 50 consecutive quarters, the longest period of any publicly traded master limited partnership ("MLP"). Since our initial public offering ("IPO") in 1998, we have increased our quarterly cash distribution rate 59 times at a 7 percent compounded annual growth rate.

DCF for 2016 provided 1.2 times coverage of cash distributions paid with respect to 2016. In total, Enterprise retained more than $700 million of DCF in 2016, and over $11 billion or 32 percent of its DCF since its IPO. By retaining DCF, we enhance our financial flexibility, provide capital for growth projects and provide a margin of safety for our investors.

DISTRIBUTIONS DECLARED

CURRENT MACRO ENERGY OUTLOOK

As we begin 2017, the energy industry has improved from last year. The forward curve for West Texas Intermediate ("WTI") crude oil prices has broken through the $50 per barrel range and has significantly recovered after reaching a low of $26 per barrel in February 2016. Due to a very warm winter in 2015-2016, natural gas prices also experienced significant weakness moving from an average of approximately $4.43 per million British thermal units ("MMBTU") in 2014 to as low as $1.64 in March 2016. Natural gas prices have rebounded to approximately $3.00 per MMBTU largely supported by increased exports, including growing demand for U.S. LNG. Production of natural gas and NGLs has been more stable and generally less market sensitive. While producers are still selective about capital allocation, technology continues to drive improvements in drilling economics. With a much improved commodity price environment, drilling rig counts have also improved considerably. The Permian Basin continues to be the hottest play in the U.S. representing approximately 40 percent of domestic drilling activities. Other basins including the Eagle Ford, Haynesville and the Piceance have also seen significant improvements in rig counts and completions. With higher commodity prices, producers have begun rationalizing properties in their non-core basins, and the new owners are expected to drill at a rapid pace as "the need for speed" to drill and produce improves their returns.

The midstream industry broadly experienced declines in crude oil, natural gas and NGL production in many supply basins in 2016, which has resulted in underutilized midstream assets in certain regions. We expect this will lead to operational leverage for existing assets when volumes recover as a result of increased drilling activity. Enterprise is well-positioned to benefit from these improving conditions with its footprint of assets in the Permian, Barnett, Haynesville and Piceance basins.

Lower commodity prices are driving demand growth by consumers of energy. The U.S. petrochemical industry consumed a record 1.6 MMBPD of NGLs in 2016. The U.S. exported a record 877 MBPD of LPGs and 1.4 million BPD of net refined product exports. The U.S. also began exporting LNG in 2016, and increased natural gas exports to Mexico via pipeline. In 2016, the U.S. began exporting more natural gas than it imported for the first time in history.

In late November 2016, OPEC formally agreed to production cuts, starting January 1, 2017, to be in effect until at least the next OPEC meeting in May 2017. Certain non-OPEC producers, including Russia, also agreed to participate in the production cuts. While the history of OPEC production quotas being honored has been poor, thus far it appears that compliance with the production quotas has been high.

Many industry experts believe that with stronger demand resulting from lower commodity prices worldwide in the face of supply disruptions, global markets are close to being balanced.

With the production cuts and positive supply and demand trends, the forward markets and many energy analysts forecast that WTI will trade between $50 and $60 per barrel between now and 2020.

There is a growing appetite for low-cost U.S. petrochemical products, which are supported by plentiful U.S. natural gas supplies, NGL feedstocks and labor. Due to this cost advantage, domestic petrochemical companies have maximized their consumption of NGLs and are investing significant capital to construct new world-scale ethylene plants along the Gulf Coast that will utilize ethane as the primary feedstock. U.S. ethylene production capacity is expected to increase by approximately 45 percent over the next three years. This is expected to result in a 770 MBPD increase in ethane demand.

Enterprise is connected to every ethylene cracker in the U.S. and recently completed its Aegis pipeline, an ethane supply pipeline that extends from the Mississippi River in Louisiana to Mont Belvieu. It also connects to another ethane pipeline at Mont Belvieu that extends to Corpus Christi, Texas serving petrochemicals along the Gulf Coast. This new header pipeline is expected to connect to most of the new ethylene crackers being built along the Gulf Coast. Through these facilities Enterprise provides supply diversification and reliability.

CAPITAL INVESTMENTS

Enterprise has a history of successful execution on $62 billion of organic growth projects and acquisitions since its IPO in 1998. These projects have broadened and extended our integrated midstream system. The partnership currently has $7.1 billion of new capital growth projects under construction to be completed through 2019 that are supported by long-term customer commitments. These include:

- *The propane dehydrogenation ("PDH") facility, expected to begin operations in mid-2017. The facility will produce up to 1.65 billion pounds of polymer-grade propylene and consume 35 MBPD of propane. It is fully subscribed under fee-based contracts with investment-grade companies averaging 15 years in length;*
- *The Midland-to-ECHO crude oil pipeline system, which is expected to be completed in fourth quarter 2017, ramping up through early 2018. This 416-mile, 24-inch pipeline will originate at Enterprise's Midland terminal, extend to its storage terminal in Sealy, Texas, and connect to the partnership's ECHO terminal and distribution system in south Houston. Supported by long-term contracts, the Midland-to-Sealy segment will have capacity to transport up to 450 MBPD of different grades of crude oil and condensate, and will provide producers a direct route to the Gulf Coast refining market and Houston export facilities;*
- *A third natural gas cryogenic processing plant in the Delaware Basin region. Our Orla plant will have the capacity to process 300 MMcf/d of natural gas and produce up to 40 MBPD of NGLs. Upon completion of this facility, Enterprise will have 800 MMcf/d of gas processing capacity and the capacity to produce up to 100 MBPD; and*
- *A recently announced isobutane dehydrogenation ("iBDH") unit at Mont Belvieu. It will have the capacity to produce 937 million pounds per year of isobutylene. The project, which is supported by long-term contracts with investment-grade customers, is expected to be completed in the fourth quarter of 2019. The facility will allow full utilization of our existing octane enhancement and high purity isobutylene facilities.*

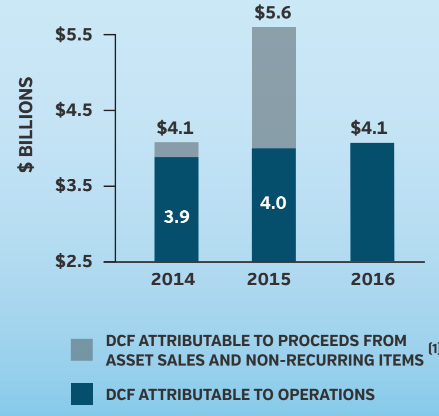
We believe the cash flow generated by these investments will support growth in cash distributions to our partners.

SAFETY AND ENVIRONMENTAL AWARENESS

As we grow, we continue to emphasize the importance of safety and protecting our environment. Safety is our highest priority. We believe safe and reliable operations are important in assuring the well-being of our employees, contractors, neighbors and assets.

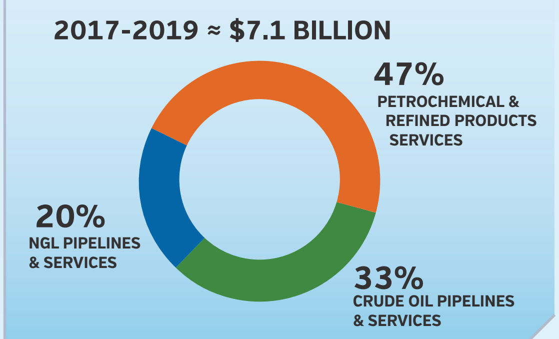
Protection of the environment is also a key focus for Enterprise. Good environmental stewardship is not just important, it is a way of doing business at Enterprise.

DISTRIBUTABLE CASH FLOW



[1] Each period noted includes non-recurring transactions (e.g., proceeds from asset sales and property damage insurance claims and payments to settle interest rate hedges).

GROWTH CAPITAL PROJECTS UNDER CONSTRUCTION



CLOSING

We would like to highlight the continued strong support of our general partner and its affiliates, including privately held Enterprise Products Company ("EPCO"). In 2010, EPCO took actions that facilitated the simplification of our structure and eliminated our general partner incentive distribution rights in a non-taxable transaction to our limited partners. Since 2010, EPCO has continued to support Enterprise by investing $800 million to purchase new Enterprise common units to reinvest in the growth of the partnership and enhance our financial flexibility.

Finally, we would like to recognize our employees for their hard work and dedication in managing and growing our partnership. We would not be successful without their tireless efforts. We also want to thank our debt and equity investors for their continued support. We look forward to an improved outlook for 2017 and the growth opportunities that this will make available to our partnership.

RANDA DUNCAN WILLIAMS
Chairman of the Board

A.J. "JIM" TEAGUE
Chief Executive Officer

W. RANDALL FOWLER
President

RICHARD H. BACHMANN
Vice Chairman of the Board

DIRECTORS AND OFFICERS OF ENTERPRISE PRODUCTS HOLDINGS LLC*

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Director & Chairman of the Board

RICHARD H. BACHMANN [5]
Director & Vice Chairman of the Board

A.J. "JIM" TEAGUE [5,6]
Director & Chief Executive Officer

W. RANDALL FOWLER [5,6]
Director & President

HARRY P. WEITZEL [5]
Director, Senior Vice President, General Counsel & Secretary

CARIN M. BARTH [1,5]
Director

F. CHRISTIAN FLACH
Director

JAMES T. HACKETT [1,2,5]
Director

CHARLES E. MCMAHEN [3,4]
Director

WILLIAM C. MONTGOMERY [3]
Director

RICHARD S. SNELL [3,5]
Director

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Executive Vice President

WILLIAM "BILL" ORDEMANN
Executive Vice President

LAURIE H. ARGO
Senior Vice President

R. DANIEL BOSS
Senior Vice President

BRYAN F. BULAWA
Senior Vice President & Chief Financial Officer

ANTHONY C. CHOVANEC
Senior Vice President

JAMES A. CISARIK
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Senior Vice President & Chief Information Officer

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Vice President

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Vice President

DANIKA H. YEAGER
Vice President

IVAN W. ZIRBES
Vice President

* AS OF MARCH 31, 2017
[1] MEMBER OF THE GOVERNANCE COMMITTEE
[2] CHAIRMAN OF THE GOVERNANCE COMMITTEE
[3] MEMBER OF THE AUDIT AND CONFLICTS COMMITTEE
[4] CHAIRMAN OF THE AUDIT AND CONFLICTS COMMITTEE
[5] MEMBER OF THE CAPITAL PROJECTS COMMITTEE
[6] CO-CHAIRMAN OF THE CAPITAL PROJECTS COMMITTEE

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO GAAP FINANCIAL MEASURES

Total Gross Operating Margin ($ in millions)	FOR THE YEAR ENDED DECEMBER 31 2016	2015	2014
REVENUE	$ 23,022.3	$ 27,027.9	$ 47,951.2
Subtract operating costs and expenses	(19,643.5)	(23,668.7)	(44,220.5)
Add equity in income of unconsolidated affiliates	362.0	373.6	259.5
Add depreciation, amortization and accretion expense amounts not reflected in gross operating margin	1,456.7	1,428.2	1,282.7
Add non-cash impairment and related charges not reflected in gross operating margin	52.8	162.6	34.0
Add losses or subtract net gains attributable to asset sales and insurance recoveries not reflected in gross operating margin	(2.5)	15.6	(102.1)
TOTAL GROSS OPERATING MARGIN (NON-GAAP)	$ 5,247.8	$ 5,339.2	$ 5,204.8
Adjustments to reconcile total gross operating margin (non-GAAP) to Operating Income			
Subtract depreciation, amortization and accretion expense	(1,456.7)	(1,428.2)	(1,282.7)
Subtract asset impairment and related charges	(52.8)	(162.6)	(34.0)
Subtract net losses and subtract net gains attributable to asset sales and insurance recoveries	2.5	(15.6)	102.1
Subtract general and administrative costs	(160.1)	(192.6)	(214.5)
OPERATING INCOME (GAAP)	$ 3,580.7	$ 3,540.2	$ 3,775.7

Adjusted EBITDA ($ in millions)	FOR THE YEAR ENDED DECEMBER 31 2016	2015	2014
NET INCOME (GAAP)	$ 2,553.0	$ 2,558.4	$ 2,833.5
Adjustments to GAAP net income to derive non-GAAP Adjusted EBITDA:			
Subtract equity in income of unconsolidated affiliates	(362.0)	(373.6)	(259.5)
Add distributions received from unconsolidated affiliates	451.5	462.1	375.1
Add interest expense, including related amortization	982.6	961.8	921.0
Add provision for or subtract benefit from income taxes	23.4	(2.5)	23.1
Add depreciation, amortization and accretion in costs and expenses	1,486.9	1,472.6	1,325.1
Add non-cash asset impairment & related charges	53.5	162.6	34.0
Add non-cash net losses or subtract net gains attributable to asset sales, insurance recoveries and related property damage	(2.5)	18.9	7.7
Add non-cash expense or subtract benefit attributable to changes in fair value of the Liquidity Option Agreement	24.5	25.4	- -
Add non-cash expense or subtract benefit attributable to changes in fair value of derivative instruments	45.0	(18.4)	30.6
Adjusted EBITDA (non-GAAP)	$ 5,255.9	$ 5,267.3	$ 5,290.6
Adjustments to non-GAAP Adjusted EBITDA to derive GAAP net cash flow provided by operating activities:			
Subtract interest expense, including related amortization, reflected in Adjusted EBITDA	(982.6)	(961.8)	(921.0)
Subtract provision for or add benefit from income taxes reflected in Adjusted EBITDA	(23.4)	2.5	(23.1)
Subtract distributions received for return of capital from unconsolidated affiliates	(71.0)	- -	(109.8)
Add deferred income tax expense or subtract benefit	6.6	(20.6)	6.1
Add or subtract the net effect of changes in operating accounts, as applicable	(180.9)	(323.3)	(108.2)
Add or subtract miscellaneous non-cash and other amounts to reconcile non-GAAP Adjusted EBITDA with GAAP net cash flows provided by operating activities	62.2	38.3	27.6
NET CASH FLOW PROVIDED BY OPERATING ACTIVITIES (GAAP)	$ 4,066.8	$ 4,002.4	$ 4,162.2

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO GAAP FINANCIAL MEASURES (CONTINUED)

Distributable Cash Flow ($ in millions)	FOR THE YEAR ENDED DECEMBER 31 2016	2015	2014
NET INCOME ATTRIBUTABLE TO LIMITED PARTNERS (GAAP)	$ 2,513.1	$ 2,521.2	$ 2,787.4
Adjustments to GAAP net income attributable to limited partners to derive non-GAAP distributable cash flow:			
Add depreciation, amortization and accretion expenses	1,552.0	1,516.0	1,360.5
Add distributions received from unconsolidated affiliates	451.5	462.1	375.1
Subtract equity in income of unconsolidated affiliates	(362.0)	(373.6)	(259.5)
Subtract sustaining capital expenditures	(252.0)	(272.6)	(369.0)
Add net losses or subtract net gains attributable to asset sales and insurance recoveries	(2.5)	15.6	(102.1)
Add cash proceeds from asset sales and insurance recoveries	46.5	1,608.6	145.3
Add changes in fair value of Liquidity Option Agreement	24.5	25.4	- -
Add or subtract changes in fair value of derivative instruments	45.0	(18.4)	30.6
Add gains from monetization of interest rate derivative instruments accounted for as cash flow hedges	6.1	- -	27.6
Add deferred income tax expense, or subtract benefit, as applicable	6.6	(20.6)	6.1
Add non-cash asset impairment & related charges	53.5	162.6	34.0
Add or subtract other miscellaneous adjustments to derive non-GAAP distributable cash flow, as applicable	20.5	(19.0)	42.6
DISTRIBUTABLE CASH FLOW (NON-GAAP)	$ 4,102.8	$ 5,607.3	$ 4,078.6
Adjustments to non-GAAP distributable cash flow to derive GAAP net cash flow provided by operating activities:			
Add sustaining capital expenditures reflected in distributable cash flow	252.0	272.6	369.0
Subtract cash proceeds from asset sales and insurance recoveries	(46.5)	(1,608.6)	(145.3)
Subtract losses from monetization of interest rate derivative instruments accounted for as cash flow hedges	(6.1)	- -	(27.6)
Add or subtract the net effect of changes in operating accounts, as applicable	(180.9)	(323.3)	(108.2)
Add or subtract miscellaneous non-cash and other amounts to reconcile non-GAAP distributable cash flow with GAAP net cash flow provided by operating activities, as applicable	(54.5)	54.4	(4.3)
NET CASH FLOW PROVIDED BY OPERATING ACTIVITIES (GAAP)	$ 4,066.8	$ 4,002.4	$ 4,162.2

Our Letter to Investors includes the non-generally accepted accounting principle ("non-GAAP") financial measures of total gross operating margin, distributable cash flow and adjusted EBITDA. Our non-GAAP financial measures should not be considered as alternatives to GAAP measures such as net income, operating income, net cash flows provided by operating activities or any other measure of financial performance calculated and presented in accordance with GAAP. Our non-GAAP financial measures may not be comparable to similarly titled measures of other companies because they may not calculate such measures in the same manner as we do.

GROSS OPERATING MARGIN

We evaluate segment performance based on our non-GAAP financial measure of gross operating margin. Gross operating margin (either in total or by individual segment) is an important performance measure of the core profitability of our operations and is presented on a 100 percent basis before any allocation of earnings to noncontrolling interests. Gross operating margin forms the basis of our internal financial reporting and is used by our executive management in deciding how to allocate capital resources among business segments. We believe that investors benefit from having access to the same financial measures that our management uses in evaluating segment results. The GAAP financial measure most directly comparable to total gross operating margin is operating income.

DISTRIBUTABLE CASH FLOW

Our management compares the distributable cash flow we generate to the cash distributions we expect to pay our partners. Using this metric, management computes our distribution coverage ratio. Distributable cash flow is an important non-GAAP financial measure for our limited partners since it serves as an indicator of our success in providing a cash return on investment. Specifically, this financial measure indicates to investors whether or not we are generating cash flows at a level that can sustain or support an increase in our quarterly cash distributions. Distributable cash flow is also a quantitative standard used by the investment community with respect to publicly traded partnerships because the value of a partnership unit is, in part, measured by its yield, which is based on the amount of cash distributions a partnership can pay to a unitholder. The GAAP measure most directly comparable to distributable cash flow is net cash flows provided by operating activities.

ADJUSTED EBITDA

Adjusted EBITDA is commonly used as a supplemental financial measure by our management and external users of our financial statements, such as investors, commercial banks, research analysts and rating agencies, to assess the financial performance of our assets without regard to financing methods, capital structures or historical cost basis; the ability of our assets to generate cash sufficient to pay interest and support our indebtedness; and the viability of projects and the overall rates of return on alternative investment opportunities.

Since adjusted EBITDA excludes some, but not all, items that affect net income or loss and because these measures may vary among other companies, the adjusted EBITDA data presented in this Letter to Investors may not be comparable to similarly titled measures of other companies. The GAAP measure most directly comparable to adjusted EBITDA is net cash flows provided by operating activities.

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