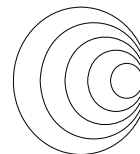


News Release

Buckeye GP Holdings L.P.
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BGH06-01

BUCKEYE GP HOLDINGS L.P. COMMENCES INITIAL PUBLIC OFFERING

Emmaus, PA – July 26, 2006 . . . Buckeye GP Holdings L.P. (“Buckeye Holdings”), which owns the general partner of Buckeye Partners, L.P. (NYSE:BPL), announced today that it will commence an initial public offering of 14,100,000 of its common units. The offering is being made pursuant to a registration statement on Form S-1 previously filed with the Securities and Exchange Commission. This offering represents an approximate 49.8% interest in Buckeye Holdings. The underwriters will be granted a 30-day option to purchase up to 2,115,000 additional units.

Buckeye Holdings has been authorized to list its common units on the New York Stock Exchange under the ticker symbol "BGH."

Goldman, Sachs & Co., Citigroup Global Markets Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated will act as joint book-running managers and joint-lead managers along with UBS Securities LLC. In addition, Lehman Brothers Inc., Wachovia Capital Markets, LLC, Deutsche Bank Securities Inc., KeyBanc Capital Markets, A Division of McDonald Investments Inc. and RBC Capital Markets Corporation will act as co-managers for this offering.

A copy of the prospectus relating to this offering may be obtained from: Goldman, Sachs & Co., Attn: Prospectus Dept., 85 Broad St., New York, NY 10004, Fax: 212 902 9316 or email at prospectus-ny@ny.email.gs.com; Citigroup Global Markets Inc., Attn: Prospectus Department, Brooklyn Army Terminal, 140 58th Street, 8th floor, Brooklyn, N.Y., 11220, Phone: 718-765-6732; Merrill Lynch & Co., 4 World Financial Center, Attn: Prospectus Department, New York, New York 10080, Phone: 212-449-1000 or from any of the other underwriters.

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A registration statement relating to these securities has been filed with the Securities and Exchange Commission but has not yet become effective. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective.

This news release does not constitute an offer to sell or a solicitation of an offer to buy the securities described herein, nor shall there be any sale of these securities in any State or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such State or jurisdiction. The offering may be made only by means of a prospectus.

About Buckeye GP Holdings L.P.

Buckeye GP Holdings L.P. is a limited partnership formed to own and control Buckeye GP, LLC, the general partner of Buckeye Partners, L.P., through which it will hold 243,914 GP units (representing approximately 0.6% of Buckeye Partners L.P.'s outstanding units) and the incentive distribution rights in Buckeye Partners, L.P. In addition, Buckeye GP Holdings L.P. will own, through its subsidiary MainLine L.P., approximately a 1% general partner interest in four subsidiary operating partnerships of Buckeye Partners, L.P.

About Buckeye Partners, L.P.

Buckeye Partners, L.P., through its operating subsidiaries, owns and operates one of the largest independent refined petroleum products pipeline systems in the United States in terms of volumes delivered, with approximately 5,350 miles of pipeline. The Partnership also owns and operates 45 refined petroleum products terminals with an aggregate storage capacity of approximately 17.6 million barrels in Illinois, Indiana, Massachusetts, Michigan, Missouri, New York, Ohio and Pennsylvania, and operates and maintains approximately 2,100 miles of pipeline under agreements with major oil and chemical companies. For more information about Buckeye Partners, L.P., visit the Partnership's website at www.buckeye.com.

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