

PLAINS ALL AMERICAN PIPELINE LP

Form 10-Q/A

September 08, 2006

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 10-Q/A**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the quarterly period ended June 30, 2006**

**OR**

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**Commission file number: 1-14569**

**PLAINS ALL AMERICAN PIPELINE, L.P.**  
(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**76-0582150**  
(I.R.S. Employer  
Identification No.)

**333 Clay Street, Suite 1600, Houston, Texas 77002**  
(Address of principal executive offices) (Zip Code)

**(713) 646-4100**

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer

Accelerated Filer

Non-Accelerated Filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

At August 2, 2006, there were outstanding 80,994,178 Common Units.

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**Explanatory Note:**

This Amendment to the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2006 of Plains All American Pipeline, L.P. is being filed solely to amend **Item 3: Quantitative and Qualitative Disclosures About Market Risk**, as previously filed with the Securities and Exchange Commission, to correct two clerical errors in the fair value amounts included in the *Commodity Price Risk* table. There was no impact on the column labeled "Effect of 10% Price Decrease" as disclosed in the table. This amendment includes the entire text of Item 3 of Part I and Item 6 of Part II. The Fair Value for Crude Oil: Swaps and options contracts should be \$(41.3) million, not \$20.3 million as previously reported and the Fair Value for LPG: Swaps and options contracts should be \$33.2 million, not \$28.4 million as previously reported. Except as otherwise specifically noted, all information contained herein is as of June 30, 2006 and does not reflect any events or changes that have occurred subsequent to that date. There was no impact to our Consolidated Financial Statements. A corrected version of all of Item 3 of Part I and Item 6 of Part II is set forth below:

**PART I. FINANCIAL INFORMATION****Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

The following should be read in conjunction with Quantitative and Qualitative Disclosures About Market Risks included in Item 7A in our 2005 Annual Report on Form 10-K. There have been no material changes in that information other than as discussed below. Also, see Note 9 to our June 30, 2006 Consolidated Financial Statements for additional discussion related to derivative instruments and hedging activities.

***Commodity Price Risk***

All of our open commodity price risk derivatives at June 30, 2006 were categorized as non-trading. The fair value of these instruments and the change in fair value that would be expected from a 10 percent price decrease are shown in the table below:

	Fair Value	Effect of 10% Price Decrease (in millions)
Crude oil:		
Futures contracts	\$ (14.2)	\$ (22.0)
Swaps and options contracts	\$ (41.3)	\$ (26.0)
LPG:		
Futures contracts	\$ (1.0)	\$ 5.7
Swaps and options contracts	\$ 33.2	\$ 20.4
Total Fair Value	\$ (23.3)	

***Currency Exchange Risk***

At December 31, 2005, we had cross currency swap contracts for an aggregate notional principal amount of \$19.0 million, effectively converting this amount of our U.S. dollar denominated debt to \$29.4 million of Canadian dollar debt (based on a Canadian dollar to U.S. dollar exchange rate of 1.55 to 1) and had a fair value of \$6.4 million. During the second quarter 2006, all of the cross currency swap contracts matured.

**PART II. OTHER INFORMATION****Item 6. EXHIBITS**

- 2.1 Agreement and Plan of Merger dated as of June 11, 2006 by and among Plains All American Pipeline, L.P., Plains AAP, L.P., Plains All American GP LLC, Pacific Energy Partners, L.P., Pacific Energy Management LLC and Pacific Energy GP, LP (incorporated by reference to Exhibit 2.2 to the Current Report on Form 8-K filed June 12, 2006)



- 2.2 Purchase Agreement dated as of June 11, 2006 by and between Plains All American Pipeline, L.P. and LB Pacific, LP (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K filed June 12, 2006)
- 3.1 Third Amended and Restated Agreement of Limited Partnership of Plains All American Pipeline, L.P., dated as of June 27, 2001 (incorporated by reference to Exhibit 3.1 to Form 8-K filed August 27, 2001), as amended by Amendment No. 1 to the Third Amended and Restated Agreement of Limited Partnership of Plains All American Pipeline, L.P., dated as of April 15, 2004 (incorporated by reference to Exhibit 3.1 to the Quarterly Report on Form 10-Q for the quarter ended March 31, 2004)
- 3.2 Third Amended and Restated Agreement of Limited Partnership of Plains Marketing, L.P. dated as of April 1, 2004 (incorporated by reference to Exhibit 3.2 to the Quarterly Report on Form 10-Q for the quarter ended March 31, 2004)
- 3.3 Third Amended and Restated Agreement of Limited Partnership of Plains Pipeline, L.P. dated as of April 1, 2004 (incorporated by reference to Exhibit 3.3 to the Quarterly Report on Form 10-Q for the quarter ended March 31, 2004)
- 3.4 Certificate of Incorporation of PAA Finance Corp. (incorporated by reference to Exhibit 3.6 to the Registration Statement on Form S-3 filed August 27, 2001)
- 3.5 Bylaws of PAA Finance Corp. (incorporated by reference to Exhibit 3.7 to the Registration Statement on Form S-3 filed August 27, 2001)
- 3.6 Second Amended and Restated Limited Liability Company Agreement of Plains All American GP LLC, dated September 12, 2005 (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed September 16, 2005)
- 3.7 Second Amended and Restated Limited Partnership Agreement of Plains AAP, L.P., dated September 12, 2005 (incorporated by reference to Exhibit 3.2 to the Current Report on Form 8-K filed September 16, 2005)
- 4.1 Indenture dated September 25, 2002 among Plains All American Pipeline, L.P., PAA Finance Corp. and Wachovia Bank, National Association (incorporated by reference to Exhibit 4.1 to the Quarterly Report on Form 10-Q for the quarter ended September 30, 2002)
- 4.2 First Supplemental Indenture (Series A and Series B 7.75% Senior Notes due 2012) dated as of September 25, 2002 among Plains All American Pipeline, L.P., PAA Finance Corp., the Subsidiary Guarantors named therein and Wachovia Bank, National Association (incorporated by reference to Exhibit 4.2 to the Quarterly Report on Form 10-Q for the quarter ended September 30, 2002)
- 4.3 Second Supplemental Indenture (Series A and Series B 5.625% Senior Notes due 2013) dated as of December 10, 2003 among Plains All American Pipeline, L.P., PAA Finance Corp., the Subsidiary Guarantors named therein and Wachovia Bank, National Association (incorporated by reference to Exhibit 4.4 to the Annual Report on Form 10-K for the year ended December 31, 2003)
- 4.4 Third Supplemental Indenture (Series A and Series B 4.75% Senior Notes due 2009) dated August 12, 2004 among Plains All American Pipeline, L.P., PAA Finance Corp., the Subsidiary Guarantors named therein and Wachovia Bank, National Association (incorporated by reference to Exhibit 4.4 to the Registration Statement on Form S-4, File No. 333-121168)

- 4.5 Fourth Supplemental Indenture (Series A and Series B 5.875% Senior Notes due 2016) dated August 12, 2004 among Plains All American Pipeline, L.P., PAA Finance Corp., the Subsidiary Guarantors named therein and Wachovia Bank, National Association (incorporated by reference to Exhibit 4.5 to the Registration Statement on Form S-4, File No. 333-121168)
- 4.6 Fifth Supplemental Indenture (Series A and Series B 5.25% Senior Notes due 2015) dated May 27, 2005 among Plains All American Pipeline, L.P., PAA Finance Corp., the Subsidiary Guarantors named therein and Wachovia Bank, National Association (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K filed May 31, 2005)

- 4.7 Sixth Supplemental Indenture, dated as of May 12, 2006, to Indenture, dated as of September 25, 2002, among Plains All American Pipeline, L.P., PAA Finance Corp. and subsidiary guarantors signatory thereto and Wachovia Bank, National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K filed May 12, 2006)
- 4.8 Exchange and Registration Rights Agreement, dated as of May 12, 2006, among Plains All American Pipeline, L.P., PAA Finance Corp., Plains Marketing, L.P., Plains Pipeline, L.P., Plains Marketing GP Inc., Plains Marketing Canada LLC, PMC (Nova Scotia) Company, Plains Marketing Canada, L.P., Basin Holdings GP LLC, Basin Pipeline Holdings, L.P., Rancho Holdings GP LLC, Rancho Pipeline Holdings, L.P., Plains LPG Services GP LLC, Plains LPG Services, L.P., Lone Star Trucking, LLC, Citigroup Global Markets Inc., UBS Securities LLC, BNP Paribas Securities Corp., Banc of America Securities LLC, Fortis Securities LLC, J.P. Morgan Securities Inc., Piper Jaffray & Co., Wachovia Capital Markets, LLC, Amegy Bank National Association, Commerzbank Capital Markets Corp., DnB NOR Markets, Inc., HSBC Securities (USA) Inc. and Mitsubishi UFJ Securities International plc (incorporated by reference to Exhibit 4.2 to the Current Report on Form 8-K filed May 12, 2006)
- 4.9 Seventh Supplemental Indenture, dated as of May 12, 2006, to Indenture, dated as of September 25, 2002, among Plains All American Pipeline, L.P., PAA Finance Corp., Plains LPG Services GP LLC, Plains LPG Services, L.P. and Lone Star Trucking, LLC and Wachovia Bank, National Association, as trustee (incorporated by reference to Exhibit 4.3 to the Current Report on Form 8-K filed May 12, 2006)
- 10.1 First Amendment dated May 9, 2006 to the Amended and Restated Limited Liability Company Agreement of PAA/Vulcan Gas Storage, LLC dated September 13, 2005 (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed May 15, 2006)
- 31.1 Certification of Principal Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a)
- 31.2 Certification of Principal Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a)
- \*32.1 Certification of Principal Executive Officer pursuant to 18 U.S.C. 1350
- \*32.2 Certification of Principal Financial Officer pursuant to 18 U.S.C. 1350

Filed herewith.

- \* Previously furnished with Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2006.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PLAINS ALL AMERICAN PIPELINE, L.P.

By: PLAINS AAP, L.P., its general partner

By: PLAINS ALL AMERICAN GP LLC, its  
general partner

Date: September 8, 2006

By: /s/ GREG L. ARMSTRONG  
Greg L. Armstrong, *Chairman of the  
Board,  
Chief Executive Officer and Director  
(Principal Executive Officer)*

Date: September 8, 2006

By: /s/ PHIL KRAMER  
Phil Kramer, *Executive Vice President  
and  
Chief Financial Officer (Principal  
Financial Officer)*