

PLAINS ALL AMERICAN PIPELINE LP

Form 8-K

April 28, 2005

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) **April 28, 2005**

Plains All American Pipeline, L.P.

(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction
of incorporation)

1-14569
(Commission
File Number)

76-0582150
(IRS Employer
Identification No.)

333 Clay Street, Suite 1600, Houston, Texas 77002

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code **713-646-4100**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 9.01. Financial Statements and Exhibits

(c) Exhibit 99.1 Press Release dated April 28, 2005

Item 2.02 and 7.01. Regulation FD Disclosure; Results of Operations and Financial Condition

Plains All American Pipeline, L.P. (the Partnership) today issued a press release reporting its first quarter 2005 results. We are furnishing the press release, attached as Exhibit 99.1, pursuant to Item 2.02 and Item 7.01 of Form 8-K. We are also furnishing pursuant to Item 7.01 its projections of certain operating and financial results for the second quarter of 2005 and modifying certain aspects of our previous guidance for financial performance for the full year of calendar 2005. In accordance with General Instruction B.2. of Form 8-K, the information presented herein under Item 7.01 shall not be deemed filed for purposes of Section 18 of the Securities Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such a filing.

Disclosure of Second Quarter 2005 Estimates; Update of Full Year 2005 Guidance

EBIT and EBITDA (each as defined below in Note 1 to the Operating and Financial Guidance table) are non-GAAP financial measures. Net income and cash flows from operating activities are the most directly comparable GAAP measures to EBIT and EBITDA. In Note 11 below, we reconcile EBITDA and EBIT to net income for the periods presented. We also encourage you to visit our website at www.paalp.com, in particular the section entitled Non-GAAP Reconciliation, which presents a historical reconciliation of certain commonly used non-GAAP financial measures, including EBIT and EBITDA. We present EBIT and EBITDA because we believe they provide additional information with respect to both the performance of our fundamental business activities and our ability to meet our future debt service, capital expenditures and working capital requirements. We also believe that debt holders commonly use EBITDA to analyze partnership performance. In addition, we have highlighted the impact on EBITDA, Net Income and Net Income per limited partner unit of our long-term incentive program, potential future revaluations of foreign currency and, to the extent known, gains and losses related to SFAS 133 (primarily non-cash, mark-to-market adjustments).

The following guidance for the three months ending June 30, 2005 and the six months and twelve months ending December 31, 2005 is based on assumptions and estimates that we believe are reasonable given our assessment of historical trends, business cycles and other information reasonably available. However, our assumptions and future performance are both subject to a wide range of business risks and uncertainties and also include projections for several recent acquisitions, so no assurance can be provided that actual performance will fall within the guidance ranges. Please refer to the information under the caption Forward-Looking Statements and Associated Risks below. These risks and uncertainties, as well as other unforeseeable risks and uncertainties, could cause our actual results to differ materially from those in the following table. The operating and financial guidance provided below is given as of the date hereof, based on information known to us as of April 27, 2005. We undertake no obligation to publicly update or revise any forward-looking statements.

Plains All American Pipeline, L.P.
Operating and Financial Guidance
(in millions, except per unit data)

	Actual	Guidance(1)		Six Months Ended		Twelve Months Ended	
	Three Months Ended	Three Months Ended		December 31, 2005		December 31, 2005	
	March 31, 2005	Low	High	Low	High	Low	High
Pipeline Operations							
Net revenues	\$ 95.5	\$ 91.0	\$ 93.5	\$ 189.4	\$ 190.4	\$ 375.9	\$ 379.4
Field operating costs	(34.1)	(35.6)	(34.4)	(73.1)	(71.7)	(142.8)	(140.2)
General and administrative expenses	(11.3)	(12.8)	(12.1)	(26.3)	(25.3)	(50.4)	(48.7)
	50.1	42.6	47.0	90.0	93.4	182.7	190.5
Gathering, Marketing, Terminalling & Storage Operations							
Net revenues	56.8	74.0	76.5	126.4	128.7	257.2	262.0
Field operating costs	(29.7)	(29.0)	(28.4)	(60.5)	(59.6)	(119.2)	(117.7)
General and administrative expenses	(10.8)	(11.2)	(10.7)	(21.6)	(21.2)	(43.6)	(42.7)
	16.3	33.8	37.4	44.3	47.9	94.4	101.6
Segment Profit							
Depreciation and amortization expense	(19.1)	(19.1)	(18.8)	(39.5)	(38.8)	(77.7)	(76.7)
Interest expense	(14.6)	(14.9)	(14.5)	(32.8)	(32.2)		