

**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)—May 6, 2009

**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**

- (d) Exhibit 99.1 — Press Release dated May 6, 2009.

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

Plains All American Pipeline, L.P. (the "Partnership") today issued a press release reporting its first-quarter 2009 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. Pursuant to Item 7.01 we are providing detailed guidance for financial performance for the second quarter and second half of calendar 2009. In accordance with General Instruction B.2. of Form 8-K, the information presented herein under this Item 7.01 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), nor shall it be deemed incorporated by reference in any filing under the Exchange Act or Securities Act of 1933, as amended, except as expressly set forth by specific reference in such a filing.

**Disclosure of Second Quarter and Second Half 2009 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 10 below, we reconcile EBITDA and EBIT to net income for the 2009 guidance periods presented. It is, however, impractical to reconcile EBIT and EBITDA to cash flows from operating activities for a forecasted period. We encourage you to visit our website at [www.paalp.com](http://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 of our equity compensation plans, inventory valuation adjustments net of gains and losses from related derivative activities, gains and losses from other derivative activities, and foreign currency revaluations on Segment Profit, EBITDA, Net Income and Net Income per Basic and Diluted Limited Partner Unit.

The following guidance for the three-month period ending June 30, 2009 and the six and twelve-month periods ending December 31, 2009 is based on assumptions and estimates that we believe are reasonable given our assessment of historical trends (modified for changes in market conditions), business

cycles and other reasonably available information. Projections covering multi-quarter periods contemplate inter-period changes in future performance resulting from new expansion projects, seasonal operational changes (such as LPG sales) and acquisition synergies. Our assumptions and future performance, however, are both subject to a wide range of business risks and uncertainties, so no assurance can be provided that actual performance will fall within the guidance ranges. Please refer to 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 May 5, 2009. We undertake no obligation to publicly update or revise any forward-looking statements.

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

	Actual		Guidance <sup>(1)</sup>					
	3 Months Ended 3/31/2009	3 Months Ending June 30, 2009		6 Months Ending December 31, 2009		12 Months Ending December 31, 2009		
			Low	High	Low	High	Low	High
<b>Segment Profit</b>								
Net revenues (including equity earnings from unconsolidated entities)	\$ 515	\$ 425	\$ 438	\$ 873	\$ 894	\$ 1,813	\$ 1,847	
Field operating costs	(152)	(172)	(168)	(328)	(322)	(652)	(642)	
General and administrative expenses	(46)	(47)	(45)	(91)	(88)	(184)	(179)	
	<u>317</u>	<u>206</u>	<u>225</u>	<u>454</u>	<u>484</u>	<u>977</u>	<u>1,026</u>	
Depreciation and amortization expense	(58)	(57)	(55)	(117)	(113)	(232)	(226)	
Interest expense, net	(51)	(58)	(56)	(117)	(113)	(226)	(220)	
Income tax expense	(1)	(3)	(2)	(6)	(4)	(10)	(7)	
Other income (expense), net	4	2	3	—	—	6	7	
<b>Net Income</b>	<b><u>\$ 211</u></b>	<b><u>\$ 90</u></b>	<b><u>\$ 115</u></b>	<b><u>\$ 214</u></b>	<b><u>\$ 254</u></b>	<b><u>\$ 515</u></b>	<b><u>\$ 580</u></b>	
Net Income to Limited Partners	\$ 180	\$ 55	\$ 80	\$ 145	\$ 185	\$ 380	\$ 445	
<b>Basic Net Income Per Limited Partner Unit</b>								
Weighted Average Units Outstanding	124	129	129	129	129	127	127	
Net Income Per Unit	\$ 1.42	\$ 0.43	\$ 0.62	\$ 1.11	\$ 1.41	\$ 2.93	\$ 3.43	
<b>Diluted Net Income Per Limited Partner Unit</b>								
Weighted Average Units Outstanding	125	130	130	130	130	128	128	
Net Income Per Unit	\$ 1.41	\$ 0.43	\$ 0.61	\$ 1.10	\$ 1.40	\$ 2.91	\$ 3.41	
<b>EBIT</b>	<b><u>\$ 263</u></b>	<b><u>\$ 151</u></b>	<b><u>\$ 173</u></b>	<b><u>\$ 337</u></b>	<b><u>\$ 371</u></b>	<b><u>\$ 751</u></b>	<b><u>\$ 807</u></b>	
<b>EBITDA</b>	<b><u>\$ 321</u></b>	<b><u>\$ 208</u></b>	<b><u>\$ 228</u></b>	<b><u>\$ 454</u></b>	<b><u>\$ 484</u></b>	<b><u>\$ 983</u></b>	<b><u>\$ 1,033</u></b>	
<b>Selected Items Impacting Comparability</b>								
Equity compensation benefit/(charge)	\$ (9)	\$ (7)	\$ (7)	\$ (11)	\$ (11)	\$ (27)	\$ (27)	
Inventory valuation adjustments net of gains and losses from related derivative activities	22	—	—	—	—	22	22	
Gains/Losses from other derivative activities	26	—	—	—	—	26	26	
Net gain on foreign currency revaluation	10	—	—	—	—	10	10	
	<u>\$ 49</u>	<u>\$ (7)</u>	<u>\$ (7)</u>	<u>\$ (11)</u>	<u>\$ (11)</u>	<u>\$ 31</u>	<u>\$ 31</u>	
<b>Excluding Selected Items Impacting Comparability</b>								
<b>Adjusted Segment Profit</b>								
Transportation	\$ 117	\$ 108	\$ 113	\$ 250	\$ 258	\$ 475	\$ 488	
Facilities	47	42	45	110	114	199	206	
Marketing	107	63	74	105	123	275	304	
Other Income (Expense), net	1	2	3	—	—	3	4	
Adjusted EBITDA	<u>\$ 272</u>	<u>\$ 215</u>	<u>\$ 235</u>	<u>\$ 465</u>	<u>\$ 495</u>	<u>\$ 952</u>	<u>\$ 1,002</u>	
Adjusted Net Income	<u>\$ 162</u>	<u>\$ 97</u>	<u>\$ 122</u>	<u>\$ 225</u>	<u>\$ 265</u>	<u>\$ 484</u>	<u>\$ 549</u>	
Adjusted Basic Net Income per Limited Partner Unit	<u>\$ 1.03</u>	<u>\$ 0.48</u>	<u>\$ 0.67</u>	<u>\$ 1.19</u>	<u>\$ 1.49</u>	<u>\$ 2.69</u>	<u>\$ 3.19</u>	
Adjusted Diluted Net Income per Limited Partner Unit	<u>\$ 1.02</u>	<u>\$ 0.48</u>	<u>\$ 0.67</u>	<u>\$ 1.18</u>	<u>\$ 1.48</u>	<u>\$ 2.67</u>	<u>\$ 3.17</u>	

<sup>(1)</sup> The projected average foreign exchange rate was based on actual rates for April 2009 and \$1.18 CAD to \$1 USD for the remainder of 2009. The rate as of May 5, 2009 was \$1.18 CAD to \$1 USD. A \$0.10 change in the foreign exchange rate will impact forecasted EBITDA by approximately \$9 million.

Notes and Significant Assumptions:

1. *Definitions.*

EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes and depreciation and amortization expense
Segment Profit	Net revenues (including equity earnings, as applicable) less field operating costs and segment general and administrative expenses
Bbls/d	Barrels per day
Bcf	Billion cubic feet
LTIP	Long-Term Incentive Plan
LPG	Liquefied petroleum gas and other natural gas-related petroleum products (primarily propane and butane)
FX	Foreign currency exchange
General partner (GP)	As the context requires, "general partner" refers to any or all of (i) PAA GP LLC, the owner of our 2% general partner interest, (ii) Plains AAP, L.P., the sole member of PAA GP LLC and owner of our incentive distribution rights and (iii) Plains All American GP LLC, the general partner of Plains AAP, L.P.
Class B units	Class B units of Plains AAP, L.P.

2. *Business Segments.* We manage our operations through three operating segments: (i) Transportation, (ii) Facilities and (iii) Marketing. The following is a brief explanation of the operating activities for each segment as well as key metrics.

- a. *Transportation.* Our transportation segment operations generally consist of fee-based activities associated with transporting crude oil and refined products on pipelines, gathering systems, trucks and barges. We generate revenue through a combination of tariffs, third-party leases of pipeline capacity and transportation fees. We also include in this segment our equity earnings from our investment in the Butte and Frontier pipeline systems and Settoon Towing, in which we own non-controlling interests.

Pipeline volume estimates are based on historical trends, anticipated future operating performance and completion of internal growth projects. Volumes are influenced by maintenance schedules at refineries, production declines, weather and other natural disasters including hurricanes, changes in the quantity of inventory held in tanks, and other external factors beyond our control. Segment profit is forecast using the volume assumptions in the table below, priced at forecasted tariff rates, less estimated field operating costs and G&A expenses. Field operating costs do not include depreciation. Actual segment profit could vary materially depending on the level and mix of volumes transported or expenses incurred during the period.

The following table summarizes our total pipeline volumes and highlights major systems that are significant either in total volumes transported or in contribution to total transportation segment profit.

	Actual	2009 Guidance		
	Three Months Ended March 31,	Three Months Ending June 30,	Six Months Ending December 31,	Twelve Months Ending December 31,
Average Daily Volumes (000 Bbls/d)				
All American	35	42	43	41
Basin	393	370	360	371
Capline	206	225	225	220
Line 63 / 2000	121	130	130	128
Salt Lake City Area Systems <sup>(1) (2)</sup>	104	130	140	129
West Texas / New Mexico Area Systems <sup>(1)</sup>	395	385	370	380
Rainbow	195	195	195	195
Manito	65	65	65	65
Rangeland	59	60	55	57
Refined Products	97	95	100	98
Other	1,141	1,273	1,287	1,248
	<u>2,811</u>	<u>2,970</u>	<u>2,970</u>	<u>2,932</u>
Trucking	89	90	90	90
	<u>2,900</u>	<u>3,060</u>	<u>3,060</u>	<u>3,022</u>
Segment Profit per Barrel (\$/Bbl)				
Excluding Selected Items Impacting Comparability	<u>\$ 0.45</u>	<u>\$ 0.40<sup>(3)</sup></u>	<u>\$ 0.45<sup>(3)</sup></u>	<u>\$ 0.44<sup>(3)</sup></u>

<sup>(1)</sup> The aggregate of multiple systems in the respective areas.

<sup>(2)</sup> With the completion of the new expansion in March 2009, reported volumes will increase approximately 40,000 Bbl/d. However, not all of the increase is incremental volume.

<sup>(3)</sup> Mid-point of guidance.

- b. *Facilities.* Our facilities segment operations generally consist of fee-based activities associated with providing storage, terminalling and throughput services for crude oil, refined products and LPG, as well as LPG fractionation and isomerization services. We generate revenue through a combination of month-to-month and multi-year leases and processing arrangements. This segment also includes our equity earnings from our 50% investment in PAA/Vulcan Gas Storage, LLC, which owns and operates approximately 40 Bcf of underground natural gas storage capacity and is constructing an additional 8 Bcf of salt dome storage capacity at its Pine Prairie facility.

Segment profit is forecast using the volume assumptions in the table below, priced at forecasted rates, less estimated field operating costs and G&A expenses. Field operating costs do not include depreciation.

	Actual	Three Months Ending June 30,	2009 Guidance	
	Three Months Ended March 31,		Six Months Ending December 31,	Twelve Months Ending December 31,
<b>Operating Data</b>				
Crude oil, refined products and LPG storage (MMBbls/Mo.)	55	55	56	56
Natural Gas Storage (Bcf/Mo.)	17	20	20	19
LPG Processing (MBbl/d)	14	17	17	17
<b>Facilities Activities Total <sup>(1)</sup></b>				
Avg. Capacity (MMBbls/Mo.)	58	59	60	60
<b>Segment Profit per Barrel (\$/Bbl)</b>				
Excluding Selected Items Impacting Comparability	\$ 0.27	\$ 0.25 <sup>(2)</sup>	\$ 0.31 <sup>(2)</sup>	\$ 0.28 <sup>(2)</sup>

<sup>(1)</sup> Calculated as the sum of: (i) crude oil, refined products and LPG storage capacity; (ii) natural gas storage capacity divided by 6 to account for the 6:1 mcf of gas to barrel of crude oil ratio; and (iii) LPG processing volumes multiplied by the number of days in the period and divided by the number of months in the period.

<sup>(2)</sup> Mid-point of guidance.

c. **Marketing.** Our marketing segment operations generally consist of the following merchant activities:

- the purchase of U.S. and Canadian crude oil at the wellhead and the bulk purchase of crude oil at pipeline and terminal facilities, as well as the purchase of foreign cargoes at their load port and various other locations in transit;
- the storage of inventory during contango market conditions and the seasonal storage of LPG;
- the purchase of refined products and LPG from producers, refiners and other marketers;
- the resale or exchange of crude oil, refined products and LPG at various points along the distribution chain to refiners or other resellers to maximize profits; and
- the transportation of crude oil, refined products and LPG on trucks, barges, railcars, pipelines and ocean-going vessels to our terminals and third-party terminals.

The level of profit in the marketing segment is influenced by overall market structure and the degree of volatility in the crude oil market as well as variable operating expenses. Forecasted operating results for the three-month period ending June 30, 2009 reflect the current market structure and seasonal, weather-related variations in LPG sales. The second half of 2009 reflects our expectation of an oil market structure that is slightly contango, and normal winter weather for our LPG business. Variations in weather, market structure or volatility could cause actual results to differ materially from forecasted results.

We forecast segment profit using the volume assumptions stated below, as well as estimates of unit margins, field operating costs, G&A expenses and carrying costs for contango inventory, based on current and anticipated market conditions. Field operating costs do not include depreciation. Realized unit margins for any given lease-gathered barrel could vary significantly based on a variety of factors including location, quality and contract structure. Accordingly, the projected segment profit per barrel can vary significantly even if aggregate volumes are in line with the forecasted levels.

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	Actual	Three Months Ending June 30,	2009 Guidance	
	Three Months Ended March 31,		Six Months Ending December 31,	Twelve Months Ending December 31,
<b>Average Daily Volumes (MBbl/d)</b>				
Crude Oil Lease Gathering	631	630	625	628
LPG Sales	144	50	105	101
Refined Products	36	35	40	38
Waterborne foreign crude imported	58	45	60	56
	869	760	830	823
<b>Segment Profit per Barrel (\$/Bbl)</b>				
Excluding Selected Items Impacting Comparability	\$ 1.37	\$ 0.99 <sup>(1)</sup>	\$ 0.75 <sup>(1)</sup>	\$ 0.96 <sup>(1)</sup>

<sup>(1)</sup> Mid-point of guidance.

3. **Depreciation and Amortization.** We forecast depreciation and amortization based on our existing depreciable assets, forecasted capital expenditures and projected in-service dates. Depreciation is computed using the straight-line method over estimated useful lives, which range from 3 years (for office furniture and equipment) to 40 years (for certain pipelines, crude oil terminals and facilities). Depreciation may vary during any one period due to gains and losses on intermittent sales of assets, asset retirement obligations, or asset impairments.

4. *Selected Items Impacting Comparability.* Our operating results are impacted by items that affect comparability between reporting periods, such as the equity compensation benefit or charge associated with our long-term incentive programs. In addition, our actual results will reflect certain mark-to-market items such as gains and losses related to derivative activities, gains and losses from unrealized foreign currency transactions, and inventory revaluation adjustments. Our adjusted results exclude these selected items impacting comparability until such time as the underlying and offsetting physical transaction settles. Although the economics of these transactions as a whole are embedded in our guidance presented here, our selected items impacting comparability do not reflect these items as there is no accurate way to forecast the timing and magnitude. The timing of when these items will impact our results is primarily dependent on the timing of the purchase or sale of the underlying inventory which is dependent on market variables and other factors. The magnitude of these items is dependent on market prices and exchange rates at a point in time. As such, our actual results could differ materially from our projections.
5. *Acquisitions and Other Capital Expenditures.* In April, we completed the purchase of a small bolt-on acquisition in Canada that complements our Rangeland Pipe Line system. In early May, we entered into a definitive agreement to acquire an entity that owns certain assets in South Louisiana. The aggregate purchase price for these two transactions totals approximately \$60 million. Although acquisitions constitute a key element of our growth strategy, the forecasted results and associated estimates do not include any forecasts for acquisitions that may be committed to after the date hereof. Capital expenditures during calendar 2009 are forecasted to be approximately \$350 million for expansion projects with an additional \$80 million for maintenance projects. During the first three months of 2009, we spent \$80 million and \$22 million, respectively, for expansion and maintenance capital projects. Following are some of the more notable projects and forecasted expenditures for the year:

	<u>Calendar 2009</u> <u>(in millions)</u>
Expansion Capital	
· St. James Phase III <sup>(1)</sup>	\$ 85
· Rangeland tankage and connections	35
· Kerrobert pumping project	34
· Cushing Phase VII	29
· Nipisi storage and truck terminal	20
· Patoka Phase II	20
· Salt Lake City	14
· Pier 400	13
· Paulsboro	8
· Other projects, including acquisition related expansion projects <sup>(2)</sup>	92
	<u>350</u>
Maintenance Capital	80
Total Projected Capital Expenditures (excluding acquisitions)	<u>\$ 430</u>

<sup>(1)</sup> Includes a dock and condensate tanks.

<sup>(2)</sup> Primarily pipeline connections, upgrades and truck stations, new tank construction and refurbishing, and carry-over of projects started in 2008.

6. *Capital Structure.* This guidance is based on our capital structure as of March 31, 2009 as adjusted to give effect to the issuance on April 20, 2009 of \$350 million of 10-year senior notes.
7. *Interest Expense.* Debt balances are projected based on estimated cash flows, estimated distribution rates, forecasted acquisitions and capital expenditures for maintenance and expansion projects, expected timing of collections and payments, and forecasted levels of inventory and other working capital sources and uses. Interest rate assumptions for variable rate debt are based on the current forward LIBOR curve.
- Included in interest expense are commitment fees, amortization of long-term debt discounts or premiums, deferred amounts associated with terminated interest-rate hedges and interest on short-term debt for non-contango inventory (primarily hedged LPG inventory and New York Mercantile Exchange and Intercontinental Exchange margin deposits). Interest expense is net of amounts capitalized for major expansion capital projects and does not include interest on borrowings for inventory stored in a contango market. We treat interest on contango-related borrowings as carrying costs of crude oil and include it in purchases and related costs.
8. *Net Income per Unit.* Basic net income per limited partner unit is calculated by dividing net income allocated to limited partners by the basic weighted average units outstanding during the period.

	<u>Guidance (in millions, except per unit data)</u>					
	<u>3 Months Ending</u> <u>June 30, 2009</u>		<u>6 Months Ending</u> <u>December 31, 2009</u>		<u>12 Months Ending</u> <u>December 31, 2009</u>	
	<u>Low</u>	<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>	<u>High</u>
Numerator for basic and diluted earnings per limited partner unit:						
Net Income	\$ 90	\$ 115	\$ 214	\$ 254	\$ 515	\$ 580
General partners incentive distribution <sup>(1)</sup>	(33)	(33)	(64)	(64)	(125)	(125)
	57	82	150	190	390	455
General partner 2% ownership <sup>(1)</sup>	(2)	(2)	(5)	(5)	(10)	(10)
Net income available to limited partners	55	80	145	185	380	445
Adjustment in accordance with EITF 07-04 <sup>(1)</sup>	—	—	(2)	(3)	(6)	(7)
Net income available to limited partners under EITF 07-04	<u>\$ 55</u>	<u>\$ 80</u>	<u>\$ 143</u>	<u>\$ 182</u>	<u>\$ 374</u>	<u>\$ 438</u>

Denominator:

Denominator for basic earnings per limited partner unit-weighted average number of limited partner units	129	129	129	129	127	127
Effect of dilutive securities:						
Weighted average LTIP units	1	1	1	1	1	1
Denominator for diluted earnings per limited partner unit-weighted average number of limited partner units	130	130	130	130	128	128
Basic net income per limited partner unit	\$ 0.43	\$ 0.62	\$ 1.11	\$ 1.41	\$ 2.93	\$ 3.43
Diluted net income per limited partner unit	\$ 0.43	\$ 0.61	\$ 1.10	\$ 1.40	\$ 2.91	\$ 3.41

(1) We allocate net income to our general partner based on the distribution paid during the current quarter (including the incentive distribution interest in excess of the 2% general partner interest). EITF 07-04 requires that the distribution pertaining to the current period's net income, which is to be paid in the subsequent quarter, be utilized within the earnings per unit calculation. We reflect the impact of this deferral as the "Adjustment in accordance with EITF 07-04."

In conjunction with the Pacific and Rainbow acquisitions, the general partner reduced the amounts due it as incentive distributions by an aggregate amount of \$75 million. Approximately \$44 million of this reduction was realized as of March 31, 2009. Incentive distributions will be reduced by \$15 million for the balance of 2009, \$11 million in 2010 and \$5 million in 2011.

The relative amount of the incentive distribution varies directionally with the number of units outstanding and the level of the distribution on the units. Based on the current number of units outstanding, each \$0.05 per unit annual increase or decrease in the distribution relative to forecasted amounts decreases or increases, respectively, net income available for limited partners by approximately \$7 million (\$0.05 per unit) on an annualized basis.

9. **Equity Compensation Plans.** The majority of grants outstanding under our equity compensation plans (LTIP and Class B units) contain vesting criteria that are based on a combination of performance benchmarks and service period. The grants

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will vest in various percentages, typically on the later to occur of specified earliest vesting dates and the dates on which minimum distribution levels are reached. Among the various grants outstanding as of May 5, 2009, estimated vesting dates range from May 2009 to January 2016 and annualized distribution levels range from \$2.80 to \$4.50. For some awards, a percentage of any remaining units will vest on a date certain in 2011 or 2012 and all others are forfeited.

On April 8, 2009, we declared an annualized distribution of \$3.62 payable on May 15, 2009 to our unitholders of record as of May 5, 2009. We have made the assessment that a \$3.75 distribution level is probable of occurring and accordingly, for grants that vest at annualized distribution levels of \$3.75 or less, guidance includes an accrual over the applicable service period at an assumed market price of approximately \$37.00 per unit as well as the fair value associated with awards that will vest on a date certain. The actual amount of equity compensation expense amortization in any given period will be directly influenced by (i) our unit price at the end of each reporting period, (ii) our unit price on the date of actual vesting, (iii) the amount of the amortization in the early years, (iv) the probability assessment of achieving future distribution rates, and (v) new equity compensation award grants. For example, a \$3.00 change in the unit price assumption at June 30, 2009 would change the second-quarter equity compensation expense by approximately \$6 million. Therefore, actual net income could differ materially from our projections.

10. **Reconciliation of EBITDA and EBIT to Net Income.** The following table reconciles the three-month guidance range ending June 30, 2009 and six month and twelve month guidance ranges ending December 31, 2009 for EBITDA and EBIT to net income.

	2009 Guidance (in millions)					
	3 Months Ending June 30, 2009		6 Months Ending December 31		12 Months Ending December 31	
	Low	High	Low	High	Low	High
<b>Reconciliation to Net Income</b>						
EBITDA	\$ 208	\$ 228	\$ 454	\$ 484	\$ 983	\$ 1,033
Depreciation and amortization	57	55	117	113	232	226
EBIT	151	173	337	371	751	807
Interest expense	58	56	117	113	226	220
Income tax expense	3	2	6	4	10	7
Net Income	\$ 90	\$ 115	\$ 214	\$ 254	\$ 515	\$ 580

### Forward-Looking Statements and Associated Risks

All statements included in this report, other than statements of historical fact, are forward-looking statements, including, but not limited to, statements identified by the words "anticipate," "believe," "estimate," "expect," "plan," "intend" and "forecast," as well as similar expressions and statements regarding our business strategy, plans and objectives of our management for future operations. The absence of these words, however, does not mean that the statements are not forward-looking. These statements reflect our current views with respect to future events, based on what we believe are reasonable assumptions. Certain factors could cause actual results to differ materially from results anticipated in the forward-looking statements. These factors include, but are not limited to:

- failure to implement or capitalize on planned internal growth projects;

- maintenance of our credit rating and ability to receive open credit from our suppliers and trade counterparties;
- continued creditworthiness of, and performance by, our counterparties, including financial institutions and trading companies with which we do business;
- the success of our risk management activities;
- environmental liabilities or events that are not covered by an indemnity, insurance or existing reserves;
- abrupt or severe declines or interruptions in outer continental shelf production located offshore California and transported on our pipeline systems;
- shortages or cost increases of power supplies, materials or labor;

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- the availability of adequate third-party production volumes for transportation and marketing in the areas in which we operate, and other factors that could cause declines in volumes shipped on our pipelines by us and third-party shippers, such as declines in production from existing oil and gas reserves or failure to develop additional oil and gas reserves;
- fluctuations in refinery capacity in areas supplied by our mainlines and other factors affecting demand for various grades of crude oil, refined products and natural gas and resulting changes in pricing conditions or transportation throughput requirements;
- the availability of, and our ability to consummate, acquisition or combination opportunities,
- our ability to obtain debt or equity financing on satisfactory terms to fund additional acquisitions, expansion projects, working capital requirements and the repayment or refinancing of indebtedness;
- the successful integration and future performance of acquired assets or businesses and the risks associated with operating in lines of business that are distinct and separate from our historical operations;
- unanticipated changes in crude oil market structure and volatility (or lack thereof);
- the impact of current and future laws, rulings, governmental regulations, accounting standards and statements and related interpretations;
- the effects of competition;
- interruptions in service and fluctuations in tariffs or volumes on third-party pipelines;
- increased costs or lack of availability of insurance;
- fluctuations in the debt and equity markets, including the price of our units at the time of vesting under our long-term incentive plans;
- the currency exchange rate of the Canadian dollar;
- weather interference with business operations or project construction;
- risks related to the development and operation of natural gas storage facilities;
- future developments and circumstances at the time distributions are declared;
- general economic, market or business conditions and the amplification of other risks caused by deteriorated financial markets, capital constraints and pervasive liquidity concerns; and
- other factors and uncertainties inherent in the transportation, storage, terminalling and marketing of crude oil, refined products and liquefied petroleum gas and other natural gas related petroleum products.

We undertake no obligation to publicly update or revise any forward-looking statements. Further information on risks and uncertainties is available in our filings with the Securities and Exchange Commission, which information is incorporated by reference herein.

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## 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 hereunto duly authorized.

PLAINS ALL AMERICAN PIPELINE, L.P.

By: PAA GP LLC, its general partner

By: PLAINS AAP, L. P., its sole member

By: PLAINS ALL AMERICAN GP LLC, its general partner

Date: May 6, 2009

By: /s/ AL SWANSON

Name: Al Swanson

Title: *Senior Vice President and  
Chief Financial Officer*





# News Release

**Contacts:** Roy I. Lamoreaux  
 Manager, Investor Relations  
 713/646-4222 – 800/564-3036

Al Swanson  
 Senior Vice President, CFO  
 713/646-4455 – 800/564-3036

**FOR IMMEDIATE RELEASE**

**Plains All American Pipeline, L.P. Reports  
 Strong First-Quarter 2009 Results**

(Houston – May 6, 2009) Plains All American Pipeline, L.P. (NYSE: PAA) today reported net income of \$211 million, or \$1.41 per diluted limited partner unit, for the first quarter of 2009 as compared to net income for the first quarter of 2008 of \$92 million, or \$0.56 per diluted limited partner unit. The Partnership reported earnings before interest, taxes, depreciation and amortization (“EBITDA”) of \$321 million for the first quarter of 2009, compared with EBITDA of \$180 million for the first quarter of 2008.

The Partnership’s reported results include the impact of items that affect comparability between reporting periods. These items are excluded from adjusted results, as further described in the table below. Accordingly, the Partnership’s first-quarter 2009 adjusted net income, adjusted net income per diluted limited partner unit and adjusted EBITDA were \$162 million, \$1.02 and \$272 million, respectively, as compared to first-quarter 2008 adjusted net income, adjusted net income per diluted limited partner unit and adjusted EBITDA of \$103 million, \$0.65 and \$191 million, respectively. (See the section of this release entitled “Non-GAAP Financial Measures” and the attached tables for discussion of EBITDA and other non-GAAP financial measures, and reconciliations of such measures to the comparable GAAP measures.)

“Plains All American delivered strong first-quarter results that exceeded the high-end of our guidance range. These results were underpinned by solid baseline contributions from fee and fee-equivalent activities from all three of our business segments,” stated Greg L. Armstrong, Chairman and CEO of Plains All American. “Additionally, our strategically-located asset base and proven business model enabled us to generate additional margin by capitalizing on the favorable contango market conditions and overall volatility present during the first quarter.”

“PAA ended the quarter with healthy distribution coverage, a solid balance sheet and significant liquidity. Including the proceeds from our \$350 million senior notes offering completed in mid-April, PAA ended the quarter with approximately \$1.8 billion in available committed liquidity,” continued Armstrong. “This attractive liquidity position and financial flexibility positions the Partnership to execute its business plan and to pursue attractive acquisition and expansion opportunities during an extended period of strained macroeconomic conditions and unsettled capital markets.”

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The following table summarizes selected items that the Partnership believes impact comparability of financial results between reporting periods (amounts in millions, except per unit amounts):

	Three Months Ended	
	March 31,	
	2009	2008
<b>Selected items impacting comparability</b>		
Equity compensation charge <sup>(1)</sup>	\$ (9)	\$ (6)
Inventory valuation adjustments net of gains and losses from related derivative activities <sup>(2)</sup>	22	—
Gains/(losses) from other derivative activities <sup>(2) (3)</sup>	26	(5)
Net gain on foreign currency revaluation	10	—
Selected items impacting comparability	49	(11)
Less: GP 2% portion of selected items impacting comparability	(1)	—
LP 98% portion of selected items impacting comparability	<u>\$ 48</u>	<u>\$ (11)</u>
Impact to basic net income per limited partner unit	<u>\$ 0.39</u>	<u>\$ (0.09)</u>
Impact to diluted net income per limited partner unit	<u>\$ 0.39</u>	<u>\$ (0.09)</u>

(1) The equity compensation charge for the three months ended March 31, 2009 and 2008 excludes the portion of the equity compensation expense represented by grants under the LTIP Plans that, pursuant to the terms of the grant, will be settled in cash only and have no impact on diluted units. The portion of the equity compensation expense attributable to the cash portion of the LTIP Plans is approximately \$2 million and less than \$1 million for the three months ended March 31, 2009 and 2008, respectively.

(2) Gains and losses from derivative activities related to revalued inventory are included in the line item “Inventory valuation adjustments net of gains and losses from related derivative activities;” gains and losses from derivative activities not related to revalued inventory are included in the line item “Gains/(losses) from other derivative activities.”

(3) Gains and losses from derivative activities for the three months ended March 31, 2009 and 2008 include gains of approximately \$3 million and \$2 million, respectively, related to interest rate derivatives, which are included in interest income and other income (expense), net, but do not impact segment profit.

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The following tables present certain selected financial information by segment for the first-quarter reporting period (amounts in millions):

	Three Months Ended March 31, 2009			Three Months Ended March 31, 2008		
	Transportation Operations	Facilities Operations	Marketing Operations	Transportation Operations	Facilities Operations	Marketing Operations
Revenues <sup>(1)</sup>	\$ 225	\$ 77	\$ 3,133	\$ 205	\$ 59	\$ 7,037
Purchases and related costs <sup>(1)</sup>	(16)	—	(2,904)	(21)	—	(6,921)
Field operating costs (excluding equity compensation charge) <sup>(1)</sup>	(78)	(27)	(49)	(79)	(24)	(41)
Equity compensation charge - operations	(1)	—	—	—	—	—
Segment G&A expenses (excluding equity compensation charge) <sup>(2)</sup>	(14)	(4)	(18)	(14)	(4)	(16)
Equity compensation charge - general and administrative	(5)	(2)	(3)	(3)	(1)	(2)
Equity earnings in unconsolidated entities	1	2	—	1	1	—
Reported segment profit	\$ 112	\$ 46	\$ 159	\$ 89	\$ 31	\$ 57
Selected items impacting comparability of segment profit:						
Equity compensation charge <sup>(3)</sup>	5	1	3	3	1	2
Inventory valuation adjustments net of (gains)/losses from related derivative activities <sup>(4)</sup>	—	—	(22)	—	—	—
(Gains)/losses from other derivative activities <sup>(4)(5)</sup>	—	—	(23)	—	—	7
Net gain on foreign currency revaluation	—	—	(10)	—	—	—
Subtotal	5	1	(52)	3	1	9
Segment profit excluding selected items impacting comparability	\$ 117	\$ 47	\$ 107	\$ 92	\$ 32	\$ 66
Maintenance capital	\$ 14	\$ 6	\$ 2	\$ 14	\$ 5	\$ 1

(1) Includes intersegment amounts.

(2) Segment general and administrative expenses (G&A) reflect direct costs attributable to each segment and an allocation of other expenses to the segments based on the business activities that existed at that time. The proportional allocations by segment require judgment by management and will continue to be based on the business activities that exist during each period.

(3) The equity compensation charge for the three months ended March 31, 2009 and 2008 excludes the portion of the equity compensation expense represented by grants under the LTIP Plans that, pursuant to the terms of the grant, will be settled in cash only and have no impact on diluted units. The portion of the equity compensation expense attributable to the cash portion of the LTIP Plans is approximately \$2 million and less than \$1 million for the three months ended March 31, 2009 and 2008, respectively.

(4) Gains and losses from derivative activities related to revalued inventory are included in the line item "Inventory valuation adjustments net of (gains)/losses from related derivative activities;" gains and losses from derivative activities not related to revalued inventory are included in the line item "Gains/(losses) from other derivative activities."

(5) The gains and losses from derivative activities for the three months ended March 31, 2009 and 2008 include gains of approximately \$3 million and \$2 million, respectively, related to interest rate derivatives, which are included in interest income and other income (expense), net, but do not impact segment profit.

Adjusted segment profit for the Transportation segment for the first quarter of 2009 increased 27% over corresponding 2008 results due principally to contributions from the Partnership's Rainbow Pipe Line acquisition, which closed in May 2008 and higher average pipeline tariff rates.

Adjusted segment profit for the Facilities segment for the first quarter of 2009 increased 47% over comparable 2008 metrics due primarily to capacity increases from recently completed capital projects, higher average lease rates across the Partnership's assets and contributions from an LPG storage asset acquired in 2008.

Adjusted segment profit for the Marketing segment for the first quarter of 2009 increased 62% over comparable 2008 metrics, due to an increase in LPG sales margins and increased profitability resulting from the favorable impact of a contango market structure.

The Partnership's basic weighted average units outstanding for the first quarter of 2009 totaled 124 million (125 million diluted) as compared to 116 million (117 million diluted) in last year's first quarter. At March 31, 2009, the Partnership had approximately 128.7 million units outstanding, long-term debt of approximately \$3.2 billion and a long-term debt-to-total capitalization ratio of 47%.

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The Partnership has declared a quarterly distribution of \$0.905 per unit (\$3.62 per unit on an annualized basis) payable May 15, 2009 on its outstanding limited partner units. This distribution payment represents increases of approximately 4.6% and 1.4%, respectively, over the quarterly distributions paid in May 2008 and February 2009.

Prior to its May 7 conference call, the Partnership will furnish a current report on Form 8-K, which will include material in this press release and financial and operational guidance for the second quarter and full year 2009. A copy of the Form 8-K will be available on the Partnership's website at [www.paalp.com](http://www.paalp.com).

### Non-GAAP Financial Measures

In this release, the Partnership's EBITDA disclosure is not presented in accordance with generally accepted accounting principles and is not intended to be used in lieu of GAAP presentations of net income or cash flows from operating activities. EBITDA is presented because we believe it provides

additional information with respect to both the performance of our fundamental business activities as well as 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 present selected items that impact the comparability of our operating results as additional information that may be helpful to your understanding of our financial results. We consider an understanding of these selected items impacting comparability to be material to our evaluation of our operating results and prospects. Although we present selected items that we consider in evaluating our performance, you should also be aware that the items presented do not represent all items that affect comparability between the periods presented. Variations in our operating results are also caused by changes in volumes, prices, exchange rates, mechanical interruptions, acquisitions and numerous other factors. These types of variations are not separately identified in this release, but will be discussed, as applicable, in management's discussion and analysis of operating results in our Quarterly Report on Form 10-Q.

A reconciliation of EBITDA to net income and cash flows from operating activities for the periods presented is included in the tables attached to this release. In addition, the Partnership maintains on its website ([www.paalp.com](http://www.paalp.com)) a reconciliation of all non-GAAP financial information, such as EBITDA, to the most comparable GAAP measures. To access the information, investors should click on the "Investor Relations" link on the Partnership's home page and then the "Non-GAAP Reconciliation" link on the Investor Relations page.

### **Conference Call**

The Partnership will host a conference call at 11:00 AM (Eastern) on Thursday, May 7, 2009 to discuss the following items:

1. The Partnership's first-quarter 2009 performance;
2. The status of major expansion projects;
3. Capitalization and liquidity;
4. Financial and operating guidance for the second quarter and full year 2009; and
5. The Partnership's outlook for the future.

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### **Webcast Instructions**

To access the Internet webcast, please go to the Partnership's website at [www.paalp.com](http://www.paalp.com), choose "Investor Relations," and then choose "Conference Calls." Following the live webcast, the call will be archived for a period of sixty (60) days on the Partnership's website.

If you are unable to participate in the webcast, please dial 877-709-8150, or, for international callers, 201-689-8354, at approximately 10:55 AM (Eastern). No password or reservation number is required. You may access the slide presentation accompanying the conference call a few minutes prior to the call under the Conference Call Summaries portion of the Conference Calls tab of the Investor Relations section of PAA's website at [www.paalp.com](http://www.paalp.com).

### **Telephonic Replay Instructions**

To listen to a telephonic replay of the conference call, please dial 877-660-6853, or, for international callers, 201-612-7415, and enter account number 232 and replay ID number 319174. The replay will be available beginning Thursday, May 7, 2009, at approximately 1:00 PM (Eastern) and continue until 11:59 PM (Eastern) Sunday, June 7, 2009.

Plains All American Pipeline, L.P. is a publicly traded master limited partnership engaged in the transportation, storage, terminalling and marketing of crude oil, refined products and liquefied petroleum gas and other natural gas related petroleum products. Through its 50% indirect ownership in PAA Natural Gas Storage LLC, the partnership is also engaged in the development and operation of natural gas storage facilities. The Partnership is headquartered in Houston, Texas.

### **Forward Looking Statements**

Except for the historical information contained herein, the matters discussed in this report are forward-looking statements that involve certain risks and uncertainties that could cause actual results to differ materially from results anticipated in the forward-looking statements. These risks and uncertainties include, among other things, failure to implement or capitalize on planned internal growth projects; maintenance of our credit rating and ability to receive open credit from our suppliers and trade counterparties; continued creditworthiness of, and performance by, our counterparties, including financial institutions and trading companies with which we do business; the success of our risk management activities; environmental liabilities or events that are not covered by an indemnity, insurance or existing reserves; abrupt or severe declines or interruptions in outer continental shelf production located offshore California and transported on our pipeline systems; shortages or cost increases of power supplies, materials or labor; the availability of adequate third-party production volumes for transportation and marketing in the areas in which we operate and other factors that could cause declines in volumes shipped on our pipelines by us and third-party shippers, such as declines in production from existing oil and gas reserves or failure to develop additional oil and gas reserves; fluctuations in refinery capacity in areas supplied by our mainlines and other factors affecting demand for various grades of crude oil, refined products and natural gas and resulting changes in pricing conditions or transportation throughput requirements; the availability of, and our ability to consummate, acquisition or combination opportunities; our ability to obtain debt or equity financing on satisfactory terms to fund additional acquisitions, expansion projects, working capital requirements and the repayment or refinancing of indebtedness;

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the successful integration and future performance of acquired assets or businesses and the risks associated with operating in lines of business that are distinct and separate from our historical operations; unanticipated changes in crude oil market structure and volatility (or lack thereof); the impact of current and future laws, rulings, governmental regulations, accounting standards and statements and related interpretations; the effects of competition; interruptions in service and fluctuations in tariffs or volumes on third-party pipelines; increased costs or lack of availability of insurance; fluctuations in the debt and equity markets, including the price of our units at the time of vesting under our long-term incentive plans; the currency exchange rate of the Canadian dollar; weather interference with business operations or project construction; risks related to the development and operation of natural gas storage facilities; future developments and circumstances at the time distributions are declared; general economic, market or business conditions and the amplification of other risks caused by deteriorated financial markets, capital constraints and pervasive liquidity concerns; and other factors and uncertainties inherent in the transportation, storage, terminalling and marketing of crude oil, refined products and liquefied petroleum gas and other natural gas related petroleum products discussed in the Partnership's filings with the Securities and Exchange Commission.

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**PLAINS ALL AMERICAN PIPELINE, L.P. AND SUBSIDIARIES**  
**FINANCIAL SUMMARY (unaudited)**
**CONSOLIDATED STATEMENTS OF OPERATIONS**

(In millions, except per unit data)

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2009</b>	<b>2008</b>
<b>REVENUES</b>	<b>\$ 3,302</b>	<b>\$ 7,195</b>
<b>COSTS AND EXPENSES</b>		
Crude oil, refined products and LPG purchases and related costs	2,790	6,836
Field operating costs	152	144
General and administrative expenses	46	40
Depreciation and amortization	58	48
Total costs and expenses	<u>3,046</u>	<u>7,068</u>
<b>OPERATING INCOME</b>	<b>256</b>	<b>127</b>
<b>OTHER INCOME/(EXPENSE)</b>		
Equity earnings in unconsolidated entities	3	2
Interest expense	(51)	(42)
Interest income and other income (expense), net	4	3
<b>INCOME BEFORE TAX</b>	<b>212</b>	<b>90</b>
Current income tax expense	(2)	(1)
Deferred income tax benefit	1	3
<b>NET INCOME</b>	<b>\$ 211</b>	<b>\$ 92</b>
<b>NET INCOME - LIMITED PARTNERS</b>	<b>\$ 180</b>	<b>\$ 67</b>
<b>NET INCOME - GENERAL PARTNER</b>	<b>\$ 31</b>	<b>\$ 25</b>
<b>BASIC NET INCOME PER LIMITED PARTNER UNIT</b>	<b>\$ 1.42</b>	<b>\$ 0.56</b>
<b>DILUTED NET INCOME PER LIMITED PARTNER UNIT</b>	<b>\$ 1.41</b>	<b>\$ 0.56</b>
<b>BASIC WEIGHTED AVERAGE UNITS OUTSTANDING</b>	<b>124</b>	<b>116</b>
<b>DILUTED WEIGHTED AVERAGE UNITS OUTSTANDING</b>	<b>125</b>	<b>117</b>

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**PLAINS ALL AMERICAN PIPELINE, L.P. AND SUBSIDIARIES**  
**FINANCIAL SUMMARY (unaudited)**

OPERATING DATA <sup>(1)</sup>	Three Months Ended March 31,	
	2009	2008
<b>Transportation activities (Average Daily Volumes, thousands of barrels):</b>		
Tariff activities		
All American	35	46
Basin	393	363
Capline	206	190
Line 63/Line 2000	121	162
Salt Lake City Area Systems <sup>(2)</sup>	104	97
West Texas/New Mexico Area Systems <sup>(2)</sup>	395	350
Manito	65	69
Rainbow	195	—
Rangeland	59	62
Refined products	97	115
Other	1,141	1,191
Tariff activities total	2,811	2,645
Trucking	89	97
Transportation activities total	2,900	2,742
<b>Facilities activities (Average Monthly Volumes):</b>		
Crude oil, refined products, and LPG storage (average monthly capacity in millions of barrels)	55	51
Natural gas storage, net to our 50% interest (average monthly capacity in billions of cubic feet)	17	13
LPG processing (average throughput in thousands of barrels per day)	14	15
Facilities activities total (average monthly capacity in millions of barrels) <sup>(3)</sup>	58	54
<b>Marketing activities (Average Daily Volumes, thousands of barrels):</b>		
Crude oil lease gathering purchases	631	680
Refined products sales	36	20
LPG sales	144	136
Waterborne foreign crude oil imported	58	74
Marketing activities total	869	910

<sup>(1)</sup> Volumes associated with acquisitions represent total volumes for the number of days we actually owned the assets divided by the number of days in the period.

<sup>(2)</sup> The aggregate of multiple systems in the respective areas. The volumes for the West Texas/New Mexico Area Systems for the three months ended March 31, 2008 previously included amounts for the Mesa system, which has been reclassified to "Other" for all periods presented.

<sup>(3)</sup> Facilities total is calculated as the sum of: (i) crude oil, refined products and LPG storage capacity; (ii) natural gas storage capacity divided by 6 to account for the 6:1 mcf of gas to crude oil barrel ratio; and (iii) LPG processing volumes multiplied by the number of days in the period and divided by the number of months in the period.

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**PLAINS ALL AMERICAN PIPELINE, L.P. AND SUBSIDIARIES**  
**FINANCIAL SUMMARY (unaudited)**

**CONDENSED CONSOLIDATED BALANCE SHEET DATA**  
(In millions)

	March 31, 2009	December 31, 2008
<b>ASSETS</b>		
Current assets	\$ 2,013	\$ 2,596
Property and equipment, net	5,083	5,059
Pipeline linefill in owned assets	418	425
Long-term inventory	128	139
Investment in unconsolidated entities	250	257

Goodwill	1,201	1,210
Other long-term assets, net	292	346
<b>Total assets</b>	<b>\$ 9,385</b>	<b>\$ 10,032</b>
<b>LIABILITIES AND PARTNERS' CAPITAL</b>		
Current liabilities	\$ 2,211	\$ 2,960
Long-term debt under credit facilities and other	1	40
Senior notes, net of unamortized discount	3,219	3,219
Other long-term liabilities and deferred credits	214	261
<b>Total liabilities</b>	<b>5,645</b>	<b>6,480</b>
Partners' capital excluding noncontrolling interest	3,678	3,552
Noncontrolling interest	62	—
<b>Total partners' capital</b>	<b>3,740</b>	<b>3,552</b>
<b>Total liabilities and partners' capital</b>	<b>\$ 9,385</b>	<b>\$ 10,032</b>

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**PLAINS ALL AMERICAN PIPELINE, L.P. AND SUBSIDIARIES**  
**FINANCIAL SUMMARY (unaudited)**

**COMPUTATION OF BASIC AND DILUTED EARNINGS PER LIMITED PARTNER UNIT**

(In millions, except per unit data)

	Three Months Ended	
	2009	2008
Numerator for basic and diluted earnings per limited partner unit:		
Net income	\$ 211	\$ 92
Less: General partner's incentive distribution paid <sup>(1)</sup>	(28)	(23)
Subtotal	183	69
Less: General partner 2% ownership <sup>(1)</sup>	(3)	(2)
Net income available to limited partners	180	67
Adjustment in accordance with EITF 07-04 <sup>(1)</sup>	(4)	(2)
Net income available to limited partners in accordance with EITF 07-04	\$ 176	\$ 65
Denominator:		
Basic weighted average number of limited partner units outstanding	124	116
Effect of dilutive securities:		
Weighted average LTIP units	1	1
Diluted weighted average number of limited partner units outstanding	125	117
Basic net income per limited partner unit	\$ 1.42	\$ 0.56
Diluted net income per limited partner unit	\$ 1.41	\$ 0.56

<sup>(1)</sup> We allocate net income to our general partner based on the distribution paid during the current quarter (including the incentive distribution interest in excess of the 2% general partner interest). EITF 07-04 requires that the distribution pertaining to the current period's net income, which is to be paid in the subsequent quarter, be utilized within the earnings per unit calculation. We reflect the impact of this difference as the Adjustment in accordance with EITF 07-04.

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**PLAINS ALL AMERICAN PIPELINE, L.P. AND SUBSIDIARIES**  
**FINANCIAL SUMMARY (unaudited)**

**FINANCIAL DATA RECONCILIATIONS**

(In millions)

	Three Months Ended March 31,	
	2009	2008
<b>Earnings before interest, taxes, depreciation and amortization ("EBITDA")</b>		
<b>Net income reconciliation</b>		
Net income	\$ 211	\$ 92
Add: Interest expense	51	42
Add/(Less): Income tax expense/(benefit)	1	(2)
Earnings before interest and taxes ("EBIT")	263	132
Add: Depreciation and amortization	58	48
EBITDA	<u>\$ 321</u>	<u>\$ 180</u>
<b>Cash flow from operating activities reconciliation</b>		
EBITDA	\$ 321	\$ 180
Current income tax expense	(2)	(1)
Interest expense	(51)	(42)
Net change in assets and liabilities, net of acquisitions	190	366
Other items to reconcile to cash flows from operating activities:		
Net cash received for termination of interest rate and foreign currency hedging instruments	9	—
Equity compensation charge	11	6
Net cash provided by operating activities	<u>\$ 478</u>	<u>\$ 509</u>
<b>Funds flow from operations ("FFO")</b>		
Net income	\$ 211	\$ 92
Equity earnings in unconsolidated entities, net of distributions	(1)	1
Depreciation and amortization	58	48
Deferred income tax benefit	(1)	(3)
Non-cash amortization of terminated interest rate and foreign currency hedging instruments	(5)	—
FFO	262	138
Maintenance capital	(22)	(20)
FFO after maintenance capital	<u>\$ 240</u>	<u>\$ 118</u>

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**PLAINS ALL AMERICAN PIPELINE, L.P. AND SUBSIDIARIES**  
**FINANCIAL SUMMARY** (unaudited)

**FINANCIAL DATA RECONCILIATIONS** (continued)

(In millions, except per unit data)

	Three Months Ended March 31,	
	2009	2008
<b>Net income and earnings per limited partner unit excluding selected items impacting comparability</b>		
Net income	\$ 211	\$ 92
Selected items impacting comparability	(49)	11
Adjusted net income	<u>\$ 162</u>	<u>\$ 103</u>
Net income available to limited partners under EITF 07-04	\$ 176	\$ 65
Limited partners' 98% of selected items impacting comparability	(48)	11
Adjusted limited partners' net income	<u>\$ 128</u>	<u>\$ 76</u>
Adjusted basic net income per limited partner unit	<u>\$ 1.03</u>	<u>\$ 0.65</u>
Adjusted diluted net income per limited partner unit	<u>\$ 1.02</u>	<u>\$ 0.65</u>
Basic weighted average units outstanding	<u>124</u>	<u>116</u>

Diluted weighted average units outstanding	125	117
	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2009</b>	<b>2008</b>
<b>EBITDA excluding selected items impacting comparability</b>		
EBITDA	\$ 321	\$ 180
Selected items impacting comparability	(49)	11
Adjusted EBITDA	<u>\$ 272</u>	<u>\$ 191</u>

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