# 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)—August 5, 2009**

# Plains All American Pipeline, L.P.
(Exact name of registrant as specified in its charter)

| **DELAWARE** | **1-14569** | **76-0582150** |
|---|---|---|
| (State or other jurisdiction of incorporation) | (Commission File Number) | (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:

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 9.01. Financial Statements and Exhibits**

(d) Exhibit 99.1 — Press Release dated August 5, 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 second-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 third-and fourth-quarter calendar 2009, and updating our previous guidance for financial performance for the full calendar year of 2009 (which supersedes guidance pertaining to 2009 contained in our Form 8-K furnished on May 6, 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 Third and Fourth Quarter 2009 Guidance; Update of Full Year 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* (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 months ending September 30 and December 31, 2009 and the twelve months 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 we can provide no assurance 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 August 4, 2009. 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] | | | | | |
|---|---|---|---|---|---|---|---|
| | 6 Months Ended 6/30/2009 | 3 Months Ending September 30, 2009 Low | 3 Months Ending September 30, 2009 High | 3 Months Ending December 31, 2009 Low | 3 Months Ending December 31, 2009 High | 12 Months Ending December 31, 2009 Low | 12 Months Ending December 31, 2009 High |
| **Segment Profit** | | | | | | | |
| Net revenues (including equity earnings from unconsolidated entities) | $ 974 | $ 418 | $ 436 | $ 444 | $ 463 | $ 1,836 | $ 1,873 |
| Field operating costs | (312) | (166) | (161) | (162) | (158) | (640) | (631) |
| General and administrative expenses | (100) | (49) | (47) | (48) | (46) | (197) | (193) |
| | 562 | 203 | 228 | 234 | 259 | 999 | 1,049 |
| Depreciation and amortization expense | (114) | (59) | (57) | (60) | (58) | (233) | (229) |
| Interest expense, net | (107) | (60) | (58) | (60) | (58) | (227) | (223) |
| Income tax benifit / (expense) | 1 | (2) | (2) | (2) | (2) | (3) | (3) |
| Other income (expense), net | 5 | — | — | — | — | 5 | 5 |
| **Net Income** | **$ 347** | **$ 82** | **$ 111** | **$ 112** | **$ 141** | **$ 541** | **$ 599** |
| Net Income to Limited Partners | $ 282 | $ 47 | $ 76 | $ 76 | $ 105 | $ 405 | $ 463 |
| Basic Net Income Per Limited Partner Unit | | | | | | | |
| Weighted Average Units Outstanding | 126 | 129 | 129 | 129 | 129 | 128 | 128 |
| Net Income Per Unit | $ 2.20 | $ 0.36 | $ 0.58 | $ 0.58 | $ 0.80 | $ 3.12 | $ 3.57 |
| Diluted Net Income Per Limited Partner Unit | | | | | | | |
| Weighted Average Units Outstanding | 127 | 130 | 130 | 130 | 130 | 129 | 129 |
| Net Income Per Unit | $ 2.18 | $ 0.36 | $ 0.58 | $ 0.58 | $ 0.80 | $ 3.10 | $ 3.54 |
| **EBIT** | **$ 453** | **$ 144** | **$ 171** | **$ 174** | **$ 201** | **$ 771** | **$ 825** |
| **EBITDA** | **$ 567** | **$ 203** | **$ 228** | **$ 234** | **$ 259** | **$ 1,004** | **$ 1,054** |
| **Selected Items Impacting Comparability** | | | | | | | |
| Equity compensation charge | $ (25) | $ (7) | $ (7) | $ (6) | $ (6) | $ (38) | $ (38) |
| Inventory valuation adjustments net of gains and losses from related derivative activities | 32 | — | — | — | — | 32 | 32 |
| Gains / (losses) from other derivative activities | 36 | — | — | — | — | 36 | 36 |
| Net gain on foreign currency revaluation | 12 | — | — | — | — | 12 | 12 |
| | $ 55 | $ (7) | $ (7) | $ (6) | $ (6) | $ 42 | $ 42 |
| **Excluding Selected Items Impacting Comparability** | | | | | | | |
| Adjusted Segment Profit | | | | | | | |
| Transportation | $ 239 | $ 124 | $ 130 | $ 127 | $ 133 | $ 490 | $ 502 |
| Facilities | 102 | 51 | 55 | 54 | 58 | 207 | 215 |
| Marketing | 166 | 35 | 50 | 59 | 74 | 260 | 290 |
| Other Income (Expense), net | 5 | — | — | — | — | 5 | 5 |
| Adjusted EBITDA | $ 512 | $ 210 | $ 235 | $ 240 | $ 265 | $ 962 | $ 1,012 |
| Adjusted Net Income | $ 292 | $ 89 | $ 118 | $ 118 | $ 147 | $ 499 | $ 557 |
| Adjusted Basic Net Income per Limited Partner Unit | $ 1.77 | $ 0.41 | $ 0.63 | $ 0.62 | $ 0.84 | $ 2.80 | $ 3.24 |
| Adjusted Diluted Net Income per Limited Partner Unit | $ 1.75 | $ 0.41 | $ 0.63 | $ 0.62 | $ 0.83 | $ 2.78 | $ 3.22 |

(1) The projected average foreign exchange rate was based on actual rates for July 2009 and $1.15 CAD to $1 USD for the remainder of 2009. The rate as of August 4, 2009 was $1.07 CAD to $1 USD. A $0.10 change in the foreign exchange rate will impact forecasted EBITDA by approximately $6 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 | | |
|---|---|---|---|---|
| | Six Months Ended June 30, | Three Months Ending September 30, | Three Months Ending December 31, | Twelve Months Ending December 31, |
| Average Daily Volumes (000 Bbls/d) | | | | |
| All American | 39 | 42 | 42 | 41 |
| Basin | 417 | 400 | 360 | 398 |
| Capline | 205 | 225 | 225 | 215 |
| Line 63 / 2000 | 133 | 135 | 130 | 133 |
| Salt Lake City Area Systems [1] | 121 | 140 | 140 | 131 |
| West Texas / New Mexico Area Systems [1] | 384 | 370 | 370 | 377 |
| Rainbow | 188 | 180 | 185 | 185 |
| Manito | 63 | 65 | 65 | 64 |
| Rangeland | 56 | 55 | 50 | 54 |
| Refined Products | 94 | 100 | 100 | 97 |
| Other | 1,201 | 1,283 | 1,263 | 1,237 |
| | 2,901 | 2,995 | 2,930 | 2,932 |
| Trucking | 86 | 85 | 95 | 88 |
| | 2,987 | 3,080 | 3,025 | 3,020 |
| Segment Profit per Barrel ($/Bbl) | | | | |
| Excluding Selected Items Impacting Comparability | $ 0.44 | $ 0.45[2] | $ 0.47[2] | $ 0.45[2] |

[1] The aggregate of multiple systems in the respective areas.
[2] 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, LPG and natural gas, 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 10 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 Six Months Ended June 30, | 2009 Guidance Three Months Ending September 30, | Three Months Ending December 31, | Twelve Months Ending December 31, |
|---|---|---|---|---|
| Operating Data | | | | |
| Crude oil, refined products and LPG storage (MMBbls/Mo.) | 55 | 56 | 56 | 56 |
| Natural Gas Storage (Bcf/Mo.) | 18 | 20 | 20 | 19 |
| LPG Processing (MBbl/d) | 16 | 17 | 17 | 17 |
| Facilities Activities Total [(1)] | | | | |
| Avg. Capacity (MMBbls/Mo.) | 59 | 60 | 60 | 60 |
| | | | | |
| Segment Profit per Barrel ($/Bbl) | | | | |
| Excluding Selected Items Impacting Comparability | $ 0.29 | $ 0.30[(2)] | $ 0.31[(2)] | $ 0.29[(2)] |

(1) 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.

(2) 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 remainder of 2009 reflect the current market structure and seasonal, weather-related variations in LPG sales. 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.



| | Actual Six Months Ended June 30, | 2009 Guidance Three Months Ending September 30, | Three Months Ending December 31, | Twelve Months Ending December 31, |
|---|---|---|---|---|
| Average Daily Volumes (MBbl/d) | | | | |
| Crude Oil Lease Gathering | 627 | 615 | 610 | 620 |
| LPG Sales | 102 | 70 | 150 | 106 |
| Refined Products | 36 | 35 | 35 | 35 |
| Waterborne foreign crude imported | 57 | 45 | 60 | 55 |
| | 822 | 765 | 855 | 816 |
| | | | | |
| Segment Profit per Barrel ($/Bbl) | | | | |
| Excluding Selected Items Impacting Comparability | $ 1.11 | $ 0.60[(1)] | $ 0.85[(1)] | $ 0.92[(1)] |

(1) 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 of their ultimate effect. 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 depends on market prices and exchange rates at a point in time. Accordingly, our actual results could differ materially from our projections.

5. *Acquisitions and Other Capital Expenditures.* Although acquisitions constitute a key element of our growth strategy, the forecasted results and associated estimates do not include any forecasts for acquisitions to which we may commit after the date hereof. We forecast capital expenditures during calendar 2009 to be approximately $370 million for expansion projects with an additional $85 to $95 million for maintenance capital projects. During the first six months of 2009, we spent $158 million and $44 million, respectively, for expansion and maintenance capital projects. Following are some of the more notable projects and forecasted expenditures for the year:

| | | Calendar 2009 (in millions) |
|---|---|---|
| Expansion Capital | | |
| · St. James Phase III [1] | $ | 73 |
| · Rangeland tankage and connections | | 35 |
| · Kerrobert pumping project | | 34 |
| · Patoka Phase II & III | | 30 |
| · Cushing Phase VII | | 29 |
| · Nipisi storage and truck terminal | | 20 |
| · Salt Lake City pipeline | | 14 |
| · Pier 400 | | 13 |
| · Paulsboro | | 12 |
| · Other projects, including acquisition related expansion projects [2] | | 110 |
| | | 370 |
| Maintenance Capital | | 85 - 95 |
| Total Projected Capital Expenditures (excluding acquisitions) | $ | 455 - 465 |

(1) Includes a dock and condensate tanks.

(2) 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 June 30, 2009, as adjusted to give effect to the issuance on July 23, 2009 of $500 million of 3-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 IntercontinentalExchange 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.

| | Actual | Guidance (in millions, except per unit data) | | | | | |
|---|---|---|---|---|---|---|---|
| | 6 Months Ended 06/30/09 | 3 Months Ending September 30, 2009 | | 3 Months Ending December 31, 2009 | | 12 Months Ending December 31, 2009 | |
| | | Low | High | Low | High | Low | High |
| Numerator for basic and diluted earnings per limited partner unit: | | | | | | | |
| Net Income | $ 347 | $ 82 | $ 111 | $ 112 | $ 141 | $ 541 | $ 599 |
| General partners incentive distribution [1] | (60) | (33) | (33) | (34) | (34) | (127) | (127) |
| | 287 | 49 | 78 | 78 | 107 | 414 | 472 |
| General partner 2% ownership [1] | (5) | (2) | (2) | (2) | (2) | (9) | (9) |
| Net income available to limited partners | 282 | 47 | 76 | 76 | 105 | 405 | 463 |
| Adjustment in accordance with EITF 07-04 [1] | (5) | (1) | (1) | (1) | (2) | (7) | (8) |
| Net income available to limited partners under EITF 07-04 | $ 277 | $ 46 | $ 75 | $ 75 | $ 103 | $ 398 | $ 455 |
| Denominator: | | | | | | | |
| Denominator for basic earnings per limited partner unit-weighted average number of limited partner units | 126 | 129 | 129 | 129 | 129 | 128 | 128 |
| Effect of dilutive securities: | | | | | | | |
| Weighted average LTIP units | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Denominator for diluted earnings per limited partner unit-weighted average number of | 127 | 130 | 130 | 130 | 130 | 129 | 129 |

limited partner units

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Basic net income per limited partner unit | $ 2.20 | $ 0.36 | $ 0.58 | $ 0.58 | $ 0.80 | $ 3.12 | $ 3.57 |
| Diluted net income per limited partner unit | $ 2.18 | $ 0.36 | $ 0.58 | $ 0.58 | $ 0.80 | $ 3.10 | $ 3.54 |

(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 difference 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 $49 million of this reduction was realized as of June 30, 2009. Incentive distributions will be reduced by $10 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 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 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 August 5, 2009, estimated vesting dates range from



May 2010 to January 2016 and annualized distribution levels range from $3.00 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 July 15, 2009, we declared an annualized distribution of $3.62 payable on August 14, 2009 to our unitholders of record as of August 4, 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 $43.00 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 September 30, 2009 would change the third-quarter equity compensation expense by approximately $5 million. Therefore, actual net income could differ materially from our projections.

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

| | Guidance (in millions) | | | | | |
|---|---|---|---|---|---|---|
| | 3 Months Ending September 30, 2009 | | 3 Months Ending December 31, 2009 | | 12 Months Ending December 31, 2009 | |
| | Low | High | Low | High | Low | High |
| **Reconciliation to Net Income** | | | | | | |
| EBITDA | $ 203 | $ 228 | $ 234 | $ 259 | $ 1,004 | $ 1,054 |
| Depreciation and amortization | 59 | 57 | 60 | 58 | 233 | 229 |
| EBIT | 144 | 171 | 174 | 201 | 771 | 825 |
| Interest expense | 60 | 58 | 60 | 58 | 227 | 223 |
| Income tax expense | 2 | 2 | 2 | 2 | 3 | 3 |
| Net Income | $ 82 | $ 111 | $ 112 | $ 141 | $ 541 | $ 599 |

**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;



- 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.



**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: August 5, 2009

By: /s/ AL SWANSON
Name: Al Swanson
Title: *Senior Vice President and Chief Financial Officer*

PLAINS ALL AMERICAN PIPELINE, L.P.

News Release

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**FOR IMMEDIATE RELEASE**

**Plains All American Pipeline, L.P. Reports**
**Solid Second-Quarter 2009 Results**

(Houston – August 5, 2009) Plains All American Pipeline, L.P. (NYSE: PAA) today reported net income of $136 million, or $0.78 per diluted limited partner unit, for the second quarter of 2009 as compared to net income for the second quarter of 2008 of $41 million, or $0.09 per diluted limited partner unit. The Partnership reported earnings before interest, taxes, depreciation and amortization ("EBITDA") of $246 million for the second quarter of 2009, compared with EBITDA of $147 million for the second 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 second-quarter 2009 adjusted net income, adjusted net income per diluted limited partner unit and adjusted EBITDA were $130 million, $0.74 and $240 million, respectively, as compared to second-quarter 2008 adjusted net income, adjusted net income per diluted limited partner unit and adjusted EBITDA of $132 million, $0.83 and $238 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 reported solid second quarter results," stated Greg L. Armstrong, Chairman and CEO of Plains All American. "Strong performance from our fee based transportation and facility segments relative to performance in both the second quarter of 2008 and our guidance for the second quarter of this year more than offset weaker relative performance from our marketing segment. These results reinforce the strength, durability and favorable competitive positioning of our asset base and business model, and mark 30 consecutive quarters of delivering results in line with our operating and financial guidance."

"PAA ended the second quarter with a solid capitalization and $1.3 billion of committed liquidity. This liquidity position was enhanced by our $500 million offering of three-year senior notes completed in July," continued Armstrong. "We continue to maintain a flexible financial posture given the uncertainties in the broader economic and financial environment and believe that our solid positioning will enable us to continue to deliver on our growth plans and to potentially participate in attractive incremental opportunities."

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For the first six months of 2009, the Partnership reported net income of $347 million, or $2.18 per diluted limited partner unit, as compared to net income for the first six months of 2008 of $133 million, or $0.64 per diluted limited partner unit. The Partnership reported EBITDA of $567 million for the first six months of 2009, compared with EBITDA of $327 million for the first six months of 2008. Adjusted net income, adjusted net income per diluted limited partner unit and adjusted EBITDA for the first six months of 2009 were $292 million, $1.75 and $512 million, respectively. Adjusted net income, adjusted net income per diluted limited partner unit and adjusted EBITDA for the first six months of 2008 were $235 million, $1.48 and $429 million, respectively.

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 June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2009 | 2008 | 2009 | 2008 |
| **Selected items impacting comparability** | | | | |
| Equity compensation charge [1] | $ (15) | $ (15) | $ (25) | $ (21) |
| Inventory valuation adjustments net of gains and losses from related derivative activities [2] | 1 | — | 24 | — |
| Gains/(losses) from other derivative activities [2] [3] | 18 | (87) | 44 | (92) |
| Gains on acquisition-related foreign currency and linefill hedges | — | 11 | — | 11 |
| Net gain on foreign currency revaluation | 2 | — | 12 | — |
| Selected items impacting comparability | 6 | (91) | 55 | (102) |
| Less: GP 2% portion of selected items impacting comparability | — | 2 | (1) | 2 |
| LP 98% portion of selected items impacting comparability | $ 6 | $ (89) | $ 54 | $ (100) |
| Impact to basic net income per limited partner unit | $ 0.05 | $ (0.75) | $ 0.43 | $ (0.84) |
| Impact to diluted net income per limited partner unit | $ 0.04 | $ (0.74) | $ 0.43 | $ (0.84) |

(1) The equity compensation charge for the three and six months ended June 30, 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 $4 million and $3 million for the three months ended June 30, 2009 and 2008, respectively, and approximately $5 million and $3 million for the six months ended June 30, 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 other derivative activities for the three-month periods ended June 30, 2009 and 2008 includes losses 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. Gains and losses from other derivative activities for both of the six-month periods ended June 30, 2009 and 2008 include losses of approximately less than $1 million, respectively, related to interest rate derivatives, which are included in interest income and other income/(expense), net, but do not impact segment profit.

The following tables present certain selected financial information by segment for the second quarter and first six months reporting periods (amounts in millions):





| | Three Months Ended June 30, 2009 | | | Three Months Ended June 30, 2008 | | |
|---|---|---|---|---|---|---|
| | Transportation Operations | Facilities Operations | Marketing Operations | Transportation Operations | Facilities Operations | Marketing Operations |
| Revenues [1] | $ 238 | $ 85 | $ 4,099 | $ 232 | $ 65 | $ 8,881 |
| Purchases and related costs [1] | (16) | — | (3,951) | (23) | — | (8,819) |
| Field operating costs (excluding equity compensation charge) [1] | (86) | (27) | (47) | (81) | (25) | (45) |
| Equity compensation charge - operations | (2) | — | — | (1) | — | — |
| Segment G&A expenses (excluding equity compensation charge) [2] | (14) | (6) | (17) | (14) | (4) | (16) |
| Equity compensation charge - general and administrative | (8) | (3) | (6) | (8) | (3) | (6) |
| Equity earnings in unconsolidated entities | 2 | 3 | — | 1 | 3 | — |
| Reported segment profit | $ 114 | $ 52 | $ 78 | $ 106 | $ 36 | $ (5) |
| | | | | | | |
| Selected items impacting comparability of segment profit: | | | | | | |
| Equity compensation charge [3] | 8 | 2 | 5 | 8 | 2 | 5 |
| Inventory valuation adjustments net of (gains)/losses from related derivative activities [4] | — | — | (1) | — | — | — |
| (Gains)/losses from other derivative activities [4] [5] | — | — | (21) | — | — | 85 |
| Net gain on foreign currency revaluation | — | — | (2) | — | — | — |
| Subtotal | 8 | 2 | (19) | 8 | 2 | 90 |
| Segment profit excluding selected items impacting comparability | $ 122 | $ 54 | $ 59 | $ 114 | $ 38 | $ 85 |
| | | | | | | |
| Maintenance capital | $ 16 | $ 3 | $ 3 | $ 11 | $ 5 | $ 1 |

| | Six Months Ended June 30, 2009 | | | Six Months Ended June 30, 2008 | | |
|---|---|---|---|---|---|---|
| | Transportation Operations | Facilities Operations | Marketing Operations | Transportation Operations | Facilities Operations | Marketing Operations |
| Revenues [1] | $ 464 | $ 162 | $ 7,231 | $ 437 | $ 124 | $ 15,918 |
| Purchases and related costs [1] | (32) | — | (6,854) | (45) | — | (15,739) |
| Field operating costs (excluding equity compensation charge) [1] | (163) | (54) | (96) | (160) | (48) | (87) |
| Equity compensation charge - operations | (4) | — | — | (2) | — | — |
| Segment G&A expenses (excluding equity compensation charge) [2] | (30) | (11) | (33) | (28) | (8) | (32) |
| Equity compensation charge - general and administrative | (12) | (4) | (10) | (10) | (4) | (8) |
| Equity earnings in unconsolidated entities | 3 | 5 | — | 3 | 4 | — |
| Reported segment profit | $ 226 | $ 98 | $ 238 | $ 195 | $ 68 | $ 52 |
| | | | | | | |
| Selected items impacting comparability of segment profit: | | | | | | |
| Equity compensation charge [3] | 13 | 4 | 8 | 11 | 3 | 7 |
| Inventory valuation adjustments net of (gains)/losses from related derivative activities [4] | — | — | (24) | — | — | — |
| (Gains)/losses from other derivative activities [4] [5] | — | — | (44) | — | — | 92 |
| Net gain on foreign currency revaluation | — | — | (12) | — | — | — |
| Subtotal | 13 | 4 | (72) | 11 | 3 | 99 |
| Segment profit excluding selected items impacting comparability | $ 239 | $ 102 | $ 166 | $ 206 | $ 71 | $ 151 |
| | | | | | | |
| Maintenance capital | $ 30 | $ 9 | $ 4 | $ 25 | $ 10 | $ 2 |

(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 and six months ended June 30, 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 $4 million and $3 million for the three months ended June 30, 2009 and 2008, respectively, and approximately $5 million and $3 million for the six months ended June 30, 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) Gains and losses from other derivative activities for the three-month periods ended June 30, 2009 and 2008 includes losses 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. Gains and losses from other derivative activities for both of the six-month periods ended June 30, 2009 and 2008 include losses of approximately less than $1 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 second quarter of 2009 increased 7% over corresponding 2008 results due principally to higher average pipeline tariffs, increased loss allowance revenue and a net increase in pipeline volumes.

Adjusted segment profit for the Facilities segment for the second quarter of 2009 increased 42%

over corresponding 2008 results primarily due to capacity increases from recently completed capital projects, higher average lease rates across the Partnership’s assets and contributions from recent acquisitions.

Adjusted segment profit for the Marketing segment for the second quarter of 2009 decreased 31% from corresponding 2008 results. This decrease is due to a number of factors including gains on the sale of excess inventory during the second quarter 2008, partially offset by a favorable contango market in the second quarter of 2009.

The Partnership’s basic weighted average units outstanding for the second quarter of 2009 totaled 129 million (130 million diluted) as compared to 120 million (121 million diluted) in last year’s second quarter. At June 30, 2009, the Partnership had approximately 128.9 million units outstanding, long-term debt of approximately $3.4 billion and a long-term debt-to-total capitalization ratio of 48%.

The Partnership has declared a quarterly distribution of $0.905 per unit ($3.62 per unit on an annualized basis) payable August 14, 2009 on its outstanding limited partner units. This distribution payment represents an increase of approximately 2.0% over the quarterly distribution paid in August 2008 and is unchanged from the May 2009 distribution level.

Prior to its August 6 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 third quarter and full year 2009. A copy of the Form 8-K will be available on the Partnership’s website at 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) 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 10:00 AM (Central); 11:00 AM (Eastern) on Thursday, August 6, 2009 to discuss the following items:

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

***Webcast Instructions***

To access the Internet webcast, please go to the Partnership’s website at 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 800-230-1074, or, for international callers, 612-332-0820, at approximately 10:55 AM (Eastern). No password 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.

***Telephonic Replay Instructions***

To listen to a telephonic replay of the conference call, please dial 800-475-6701, or, for international callers, 320-365-3844, and replay access code 106797. The replay will be available beginning Thursday, August 6, 2009, at approximately 12:00 PM (Central) and continue until 11:59 PM (Central) Sunday, September 6, 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 release 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

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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; 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)

| | Three Months Ended June 30, 2009 | Three Months Ended June 30, 2008 | Six Months Ended June 30, 2009 | Six Months Ended June 30, 2008 |
|---|---|---|---|---|
| **REVENUES** | $ 4,282 | $ 9,060 | $ 7,585 | $ 16,255 |
| **COSTS AND EXPENSES** | | | | |
| Crude oil, refined products and LPG purchases and related costs | 3,829 | 8,724 | 6,619 | 15,560 |

| | | | | |
|---|---|---|---|---|
| Field operating costs | 160 | 152 | 312 | 297 |
| General and administrative expenses | 54 | 51 | 100 | 90 |
| Depreciation and amortization | 56 | 52 | 114 | 100 |
| Total costs and expenses | 4,099 | 8,979 | 7,145 | 16,047 |
| **OPERATING INCOME** | 183 | 81 | 440 | 208 |
| **OTHER INCOME/(EXPENSE)** | | | | |
| Equity earnings in unconsolidated entities | 5 | 4 | 8 | 7 |
| Interest expense | (56) | (49) | (107) | (91) |
| Interest income and other income/(expense), net | 2 | 10 | 5 | 12 |
| **INCOME BEFORE TAX** | 134 | 46 | 346 | 136 |
| Current income tax expense | — | (5) | (2) | (6) |
| Deferred income tax benefit | 2 | — | 3 | 3 |
| **NET INCOME** | $ 136 | $ 41 | $ 347 | $ 133 |
| **NET INCOME - LIMITED PARTNERS** | $ 102 | $ 16 | $ 282 | $ 83 |
| **NET INCOME - GENERAL PARTNER** | $ 34 | $ 25 | $ 65 | $ 50 |
| **BASIC NET INCOME PER LIMITED PARTNER UNIT** | $ 0.79 | $ 0.09 | $ 2.20 | $ 0.65 |
| **DILUTED NET INCOME PER LIMITED PARTNER UNIT** | $ 0.78 | $ 0.09 | $ 2.18 | $ 0.64 |
| **BASIC WEIGHTED AVERAGE UNITS OUTSTANDING** | 129 | 120 | 126 | 118 |
| **DILUTED WEIGHTED AVERAGE UNITS OUTSTANDING** | 130 | 121 | 127 | 119 |

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

| **OPERATING DATA** [1] | **Three Months Ended June 30,** | | **Six Months Ended June 30,** | |
|---|---|---|---|---|
| | **2009** | **2008** | **2009** | **2008** |
| **Transportation activities (Average Daily Volumes, thousands of barrels):** | | | | |
| Tariff activities | | | | |
| All American | 42 | 43 | 39 | 45 |
| Basin | 440 | 377 | 417 | 370 |
| Capline | 204 | 247 | 205 | 218 |
| Line 63/Line 2000 | 145 | 160 | 133 | 161 |
| Salt Lake City Area Systems [2] | 139 | 96 | 121 | 96 |
| West Texas/New Mexico Area Systems [2] | 374 | 382 | 384 | 366 |
| Manito | 61 | 72 | 63 | 70 |
| Rainbow | 181 | 132 | 188 | 66 |
| Rangeland | 53 | 59 | 56 | 60 |
| Refined products | 91 | 107 | 94 | 111 |
| Other | 1,260 | 1,274 | 1,201 | 1,242 |
| Tariff activities total | 2,990 | 2,949 | 2,901 | 2,805 |
| Trucking | 84 | 89 | 86 | 93 |
| Transportation activities total | 3,074 | 3,038 | 2,987 | 2,898 |
| **Facilities activities (Average Monthly Volumes):** | | | | |
| Crude oil, refined products and LPG storage (average monthly capacity in millions of barrels) | 56 | 52 | 55 | 52 |
| Natural gas storage, net to our 50% interest (average monthly capacity in billions of cubic feet) | 20 | 14 | 18 | 13 |
| LPG processing (average throughput in thousands of barrels per day) | 17 | 17 | 16 | 16 |
| Facilities activities total (average monthly capacity in millions of barrels) [3] | 60 | 55 | 59 | 55 |
| **Marketing activities (Average Daily Volumes, thousands of barrels):** | | | | |
| Crude oil lease gathering purchases | 623 | 672 | 627 | 676 |

| | | | | |
|---|---|---|---|---|
| Refined products sales | 36 | 24 | 36 | 22 |
| LPG sales | 60 | 51 | 102 | 93 |
| Waterborne foreign crude oil imported | 57 | 102 | 57 | 89 |
| Marketing activities total | 776 | 849 | 822 | 880 |

(1) 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.
(2) The aggregate of multiple systems in the respective areas. The volumes for the West Texas/New Mexico Area Systems for the three and six months ended June 30, 2008 previously included amounts for the Mesa system, which has been reclassified to "Other" for all periods presented.
(3) 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)

| | June 30, 2009 | December 31, 2008 |
|---|---|---|
| **ASSETS** | | |
| Current assets | $ 2,922 | $ 2,596 |
| Property and equipment, net | 5,255 | 5,059 |
| Pipeline linefill in owned assets | 429 | 425 |
| Long-term inventory | 127 | 139 |
| Investment in unconsolidated entities | 256 | 257 |
| Goodwill | 1,226 | 1,210 |
| Other long-term assets, net | 344 | 346 |
| Total assets | $ 10,559 | $ 10,032 |
| **LIABILITIES AND PARTNERS' CAPITAL** | | |
| Current liabilities | $ 3,208 | $ 2,960 |
| Long-term debt under credit facilities and other | 4 | 40 |
| Senior notes, net of unamortized net discount (1) | 3,394 | 3,219 |
| Other long-term liabilities and net deferred credits | 247 | 261 |
| Total liabilities | 6,853 | 6,480 |
| Partners' capital excluding noncontrolling interest | 3,643 | 3,552 |
| Noncontrolling interest | 63 | — |
| Total partners' capital | 3,706 | 3,552 |
| Total liabilities and partners' capital | $ 10,559 | $ 10,032 |

(1) June 30, 2009 amount excludes $175 million of senior notes that mature in August 2009 which are classified as short term.

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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 June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2009 | 2008 | 2009 | 2008 |
| Numerator for basic and diluted earnings per limited partner unit: | | | | |

| | | | | |
|---|---|---|---|---|
| Net income | $ 136 | $ 41 | $ 347 | $ 133 |
| Less: General partner's incentive distribution paid [1] | (32) | (25) | (60) | (49) |
| Subtotal | 104 | 16 | 287 | 84 |
| Less: General partner 2% ownership [1] | (2) | — | (5) | (1) |
| Net income available to limited partners | 102 | 16 | 282 | 83 |
| Adjustment in accordance with EITF 07-04 [1] | — | (5) | (5) | (7) |
| Net income available to limited partners in accordance with EITF 07-04 | $ 102 | $ 11 | $ 277 | $ 76 |
| Denominator: | | | | |
| Basic weighted average number of limited partner units outstanding | 129 | 120 | 126 | 118 |
| Effect of dilutive securities: | | | | |
| Weighted average LTIP units | 1 | 1 | 1 | 1 |
| Diluted weighted average number of limited partner units outstanding | 130 | 121 | 127 | 119 |
| Basic net income per limited partner unit | $ 0.79 | $ 0.09 | $ 2.20 | $ 0.65 |
| Diluted net income per limited partner unit | $ 0.78 | $ 0.09 | $ 2.18 | $ 0.64 |

[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 difference as the Adjustment in accordance with EITF 07-04.





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

**FINANCIAL DATA RECONCILIATIONS**
(In millions)

| | Three Months Ended June 30, 2009 | Three Months Ended June 30, 2008 | Six Months Ended June 30, 2009 | Six Months Ended June 30, 2008 |
|---|---|---|---|---|
| **Earnings before interest, taxes, depreciation and amortization ("EBITDA")** | | | | |
| **Net income reconciliation** | | | | |
| Net income | $ 136 | $ 41 | $ 347 | $ 133 |
| Add: Interest expense | 56 | 49 | 107 | 91 |
| Add/(Less): Income tax (benefit)/expense | (2) | 5 | (1) | 3 |
| Earnings before interest and taxes ("EBIT") | 190 | 95 | 453 | 227 |
| Add: Depreciation and amortization | 56 | 52 | 114 | 100 |
| EBITDA | $ 246 | $ 147 | $ 567 | $ 327 |

| | Three Months Ended June 30, 2009 | Three Months Ended June 30, 2008 | Six Months Ended June 30, 2009 | Six Months Ended June 30, 2008 |
|---|---|---|---|---|
| **Cash flow from operating activities reconciliation** | | | | |
| EBITDA | $ 246 | $ 147 | $ 567 | $ 327 |
| Current income tax expense | — | (5) | (2) | (6) |
| Interest expense | (56) | (49) | (107) | (91) |
| Net change in assets and liabilities, net of acquisitions | (400) | (45) | (201) | 322 |
| Other items to reconcile to cash flows from operating activities: | | | | |
| Equity compensation charge | 19 | 18 | 30 | 24 |
| Net cash provided by operating activities | $ (191) | $ 66 | $ 287 | $ 576 |

| | Three Months Ended June 30, 2009 | Three Months Ended June 30, 2008 | Six Months Ended June 30, 2009 | Six Months Ended June 30, 2008 |
|---|---|---|---|---|
| **Funds flow from operations ("FFO")** | | | | |
| Net income | $ 136 | $ 41 | $ 347 | $ 133 |
| Equity (earnings)/loss in unconsolidated entities, net of distributions | (2) | 3 | (3) | 5 |
| Depreciation and amortization | 56 | 52 | 114 | 100 |
| Deferred income tax benefit | (2) | — | (3) | (3) |
| FFO | 188 | 96 | 455 | 235 |
| Maintenance capital | (22) | (17) | (43) | (37) |
| FFO after maintenance capital | $ 166 | $ 79 | $ 412 | $ 198 |

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

**FINANCIAL DATA RECONCILIATIONS (continued)**
(In millions, except per unit data)

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2009 | 2008 | 2009 | 2008 |
| **Net income and earnings per limited partner unit excluding selected items impacting comparability** | | | | |
| Net income | $ 136 | $ 41 | $ 347 | $ 133 |
| Selected items impacting comparability | (6) | 91 | (55) | 102 |
| Adjusted net income | $ 130 | $ 132 | $ 292 | $ 235 |
| Net income available to limited partners under EITF 07-04 | $ 102 | $ 11 | $ 277 | $ 76 |
| Limited partners' 98% of selected items impacting comparability | (6) | 89 | (54) | 100 |
| Adjusted limited partners' net income | $ 96 | $ 100 | $ 223 | $ 176 |
| Adjusted basic net income per limited partner unit | $ 0.74 | $ 0.84 | $ 1.77 | $ 1.49 |
| Adjusted diluted net income per limited partner unit | $ 0.74 | $ 0.83 | $ 1.75 | $ 1.48 |
| Basic weighted average units outstanding | 129 | 120 | 126 | 118 |
| Diluted weighted average units outstanding | 130 | 121 | 127 | 119 |

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2009 | 2008 | 2009 | 2008 |
| **EBITDA excluding selected items impacting comparability** | | | | |
| EBITDA | $ 246 | $ 147 | $ 567 | $ 327 |
| Selected items impacting comparability | (6) | 91 | (55) | 102 |
| Adjusted EBITDA | $ 240 | $ 238 | $ 512 | $ 429 |

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