# 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 5, 2010**

# 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))

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**Item 9.01. Financial Statements and Exhibits**

(d) Exhibit 99.1 — Press Release dated May 5, 2010.

**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 2010 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 2010. 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 2010 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 9 below, we reconcile net income to EBIT and EBITDA for the 2010 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, gains and losses from other derivative activities, and PNGS contingent consideration fair value adjustment on Segment Profit, EBITDA, Net Income and Net Income per Basic and Diluted Limited Partner Unit.

We based our guidance for the three-month period ending June 30, 2010 and the six-month and twelve-month periods ending December 31, 2010 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 4, 2010. 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] | | | | | |
|---|---|---|---|---|---|---|---|
| | 3 Months Ended | 3 Months Ending June 30, 2010 | | 6 Months Ending December 31, 2010 | | 12 Months Ending December 31, 2010 | |
| | 3/31/2010 | Low | High | Low | High | Low | High |
| **Segment Profit** | | | | | | | |
| Net revenues (including equity earnings from unconsolidated entities) | $ 503 | $ 461 | $ 478 | $ 973 | $ 988 | $ 1,937 | $ 1,969 |
| Field operating costs | (162) | (189) | (184) | (356) | (351) | (707) | (697) |
| General and administrative expenses | (62) | (56) | (54) | (106) | (101) | (224) | (217) |
| | 279 | 216 | 240 | 511 | 536 | 1,006 | 1,055 |
| Depreciation and amortization expense | (67) | (68) | (65) | (132) | (127) | (267) | (259) |
| Interest expense, net | (58) | (61) | (59) | (126) | (122) | (245) | (239) |
| Income tax expense | — | (2) | (1) | (2) | (1) | (4) | (2) |
| Other income (expense), net | (3) | (1) | — | (1) | (1) | (5) | (4) |
| **Net Income** | **$ 151** | **$ 84** | **$ 115** | **$ 250** | **$ 285** | **$ 485** | **$ 551** |
| Less: Net income attributable to the noncontrolling interest | — | (3) | (2) | (7) | (6) | (10) | (8) |
| **Net Income attributable to Plains** | **$ 151** | **$ 81** | **$ 113** | **$ 243** | **$ 279** | **$ 475** | **$ 543** |
| | | | | | | | |
| Net Income to Limited Partners | $ 112 | $ 41 | $ 72 | $ 157 | $ 192 | $ 310 | $ 376 |
| Basic Net Income Per Limited Partner Unit | | | | | | | |
| Weighted Average Units Outstanding | 136 | 136 | 136 | 136 | 136 | 136 | 136 |
| Net Income Per Unit | $ 0.80 | $ 0.28 | $ 0.51 | $ 1.13 | $ 1.39 | $ 2.21 | $ 2.70 |
| | | | | | | | |
| Diluted Net Income Per Limited Partner Unit | | | | | | | |
| Weighted Average Units Outstanding | 137 | 137 | 137 | 137 | 137 | 137 | 137 |
| Net Income Per Unit | $ 0.80 | $ 0.28 | $ 0.51 | $ 1.12 | $ 1.38 | $ 2.20 | $ 2.68 |
| | | | | | | | |
| **EBIT** | **$ 209** | **$ 147** | **$ 175** | **$ 378** | **$ 408** | **$ 734** | **$ 792** |
| **EBITDA** | **$ 276** | **$ 215** | **$ 240** | **$ 510** | **$ 535** | **$ 1,001** | **$ 1,051** |
| | | | | | | | |
| **Selected Items Impacting Comparability** | | | | | | | |
| Equity compensation charge | $ (14) | $ (10) | $ (10) | $ (15) | $ (15) | $ (39) | $ (39) |
| Gains / (Losses) from other derivative activities | 19 | — | — | — | — | 19 | 19 |
| PNGS contingent consideration fair value adjustment | (1) | — | — | — | — | (1) | (1) |
| | $ 4 | $ (10) | $ (10) | $ (15) | $ (15) | $ (21) | $ (21) |
| | | | | | | | |
| **Excluding Selected Items Impacting Comparability** | | | | | | | |
| Adjusted Segment Profit | | | | | | | |
| Transportation | $ 134 | $ 123 | $ 128 | $ 275 | $ 280 | $ 532 | $ 542 |
| Facilities | 61 | 64 | 67 | 139 | 142 | 264 | 270 |
| Supply and Logistics | 79 | 38 | 55 | 112 | 129 | 229 | 263 |
| Other Income (Expense), net | (2) | — | — | (1) | (1) | (3) | (3) |
| Adjusted EBITDA | $ 272 | $ 225 | $ 250 | $ 525 | $ 550 | $ 1,022 | $ 1,072 |
| Adjusted Net Income attributable to Plains | $ 147 | $ 91 | $ 123 | $ 258 | $ 294 | $ 496 | $ 564 |
| Adjusted Basic Net Income per Limited Partner Unit | $ 0.78 | $ 0.36 | $ 0.59 | $ 1.24 | $ 1.50 | $ 2.38 | $ 2.87 |
| Adjusted Diluted Net Income per Limited Partner Unit | $ 0.77 | $ 0.36 | $ 0.59 | $ 1.23 | $ 1.49 | $ 2.36 | $ 2.85 |

[1] The projected average foreign exchange rate is $1.02 and $1.05 Canadian dollar to $1 U.S. Dollar, respectively for the three months ending June 30, 2010 and six months ending December 31, 2010. The rate as of May 4, 2010 was $1.025 Canadian dollar to $1 U.S. Dollar. A $0.10 change in the FX rate will impact EBITDA for the last nine months of 2010 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. |
| PNGS | PAA Natural Gas Storage, LLC |

2. *Operating Segments.* We manage our operations through three operating segments: (i) Transportation, (ii) Facilities and (iii) Supply and Logistics. 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. Our transportation segment also includes our equity earnings from our investments in the Butte and Frontier pipeline systems and Settoon Towing, in which we own noncontrolling interests.

Pipeline volume estimates are based on historical trends, anticipated future operating performance and completion of internal growth projects. Actual 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. We forecast adjusted segment profit 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 | 2010 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 | 39 | 40 | 40 | 40 |
| Basin | 358 | 385 | 390 | 381 |
| Capline | 159 | 210 | 225 | 205 |
| Line 63 / 2000 | 110 | 130 | 130 | 125 |
| Salt Lake City Area Systems (1) | 128 | 135 | 140 | 136 |
| West Texas / New Mexico Area Systems (1) | 365 | 375 | 385 | 378 |
| Rainbow | 192 | 190 | 190 | 190 |
| Manito | 61 | 60 | 60 | 60 |
| Rangeland | 48 | 50 | 50 | 50 |
| Refined Products | 115 | 115 | 115 | 115 |
| Other | 1,130 | 1,145 | 1,150 | 1,144 |
| | 2,705 | 2,835 | 2,875 | 2,824 |
| Trucking | 88 | 90 | 85 | 87 |
| | 2,793 | 2,925 | 2,960 | 2,911 |
| Segment Profit per Barrel ($/Bbl) | | | | |
| Excluding Selected Items Impacting Comparability | $ 0.53 | $ 0.47(2) | $ 0.51(2) | $ 0.51(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.

We forecast adjusted segment profit 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 | 2010 Guidance | | |
|---|---|---|---|---|
| | Three Months Ended March 31, | Three Months Ending June 30, | Six Months Ending December 31, | Twelve Months Ending December 31, |
| Operating Data | | | | |
| Crude oil, refined products and LPG storage (MMBbls/Mo.) | 59 | 61 | 62 | 61 |
| Natural Gas Storage (Bcf/Mo.) | 40 | 50 | 50 | 48 |
| LPG Processing (MBbl/d) | 11 | 19 | 18 | 17 |
| Facilities Activities Total (1) | | | | |
| Avg. Capacity (MMBbls/Mo.) | 66 | 70 | 71 | 69 |
| | | | | |
| Segment Profit per Barrel ($/Bbl) | | | | |
| Excluding Selected Items Impacting Comparability | $ 0.31 | $ 0.31(2) | $ 0.33(2) | $ 0.32(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. *Supply and Logistics*. Our supply and logistics segment operations generally consist of the following activities:

- the purchase of 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 supply and logistics 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, 2010 reflect the current market structure and seasonal, weather-related variations in LPG sales. The second half of 2010 reflects our expectation of 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 adjusted 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. Actual volumes are influenced by temporary market-driven storage and withdrawal of oil, maintenance schedules at refineries, production declines, weather, and other external factors beyond our control. 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 | 2010 Guidance | | |
|---|---|---|---|---|
| | Three Months Ended March 31, | Three Months Ending June 30, | Six Months Ending December 31, | Twelve Months Ending December 31, |
| Average Daily Volumes (MBbl/d) | | | | |
| Crude Oil Lease Gathering Purchases | 603 | 630 | 630 | 623 |
| LPG Sales | 134 | 75 | 135 | 120 |
| Refined Products Sales | 39 | 40 | 50 | 45 |
| Waterborne foreign crude oil imported | 72 | 55 | 55 | 59 |
| | 848 | 800 | 870 | 847 |
| Segment Profit per Barrel ($/Bbl) | | | | |
| Excluding Selected Items Impacting Comparability | $ 1.04 | $ 0.64(1) | $ 0.75(1) | $ 0.80(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 may vary during any one period due to gains and losses on intermittent sales of assets, asset retirement obligations, asset impairments or foreign exchange rates.

4. *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 2010 to be approximately $360 million for expansion projects with an additional $85 million for maintenance capital projects. During the first three months of 2010, we spent $76 million and $11 million, respectively, for expansion and maintenance projects. Following are some of the more notable projects and forecasted expenditures for the year ending December 31, 2010:

| | Calendar 2010 (in millions) |
|---|---|
| Expansion Capital | |
| · PAA Natural Gas Storage | $ 95 |
| · Patoka Phase III | 24 |
| · West Texas gathering lines | 18 |
| · Cushing - Phase VII | 17 |
| · St. James - Phase III tankage | 15 |
| · Cushing - Phase VIII | 15 |
| · Wichita Falls tankage | 11 |
| · Bumstead facility upgrade | 10 |
| · Other projects (1) | 155 |
| | 360 |

| | |
|---|---|
| Maintenance Capital | 85 |
| Total Projected Capital Expenditures (excluding acquisitions) | $ 445 |

(1) Primarily pipeline connections and upgrades, truck stations, new tank construction and refurbishing, and carry-over of projects started in 2009.



5. *Capital Structure.* This guidance is based on our capital structure as of March 31, 2010 as adjusted to give effect of the sale of 23% of our natural gas storage business that closed on May 5, 2010. The results of the natural gas storage business will continue to be consolidated in our financial statements with respect to our 77% interest, however, all third party equity in the assets will be reported as a non-controlling interest, where appropriate.

6. *Interest Expense.* Debt balances are projected based on estimated cash flows, estimated distribution rates, estimated 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.

7. *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) | | | | | |
|---|---|---|---|---|---|---|---|
| | 3 Months Ended 3/31/2010 | 3 Months Ending June 30, 2010 Low | 3 Months Ending June 30, 2010 High | 6 Months Ending December 31, 2010 Low | 6 Months Ending December 31, 2010 High | 12 Months Ending December 31, 2010 Low | 12 Months Ending December 31, 2010 High |
| Numerator for basic and diluted earnings per limited partner unit: | | | | | | | |
| Net Income attributable to Plains | $ 151 | $ 81 | $ 113 | $ 243 | $ 279 | $ 475 | $ 543 |
| Less: General partners incentive distribution paid (1) | (37) | (39) | (39) | (83) | (83) | (159) | (159) |
| Subtotal | 114 | 42 | 74 | 160 | 196 | 316 | 384 |
| Less: General partner 2% ownership (1) | (2) | (1) | (2) | (3) | (4) | (6) | (8) |
| Net income available to limited partners | 112 | 41 | 72 | 157 | 192 | 310 | 376 |
| Adjustment in accordance with application of the two-class method for MLPs (1) | (3) | (2) | (2) | (3) | (3) | (9) | (8) |
| Net income available to limited partners in accordance with application of the two-class method for MLPs | $ 109 | $ 39 | $ 70 | $ 154 | $ 189 | $ 301 | $ 368 |
| Denominator: | | | | | | | |
| Basic weighted average number of limited partner units | 136 | 136 | 136 | 136 | 136 | 136 | 136 |
| Effect of dilutive securities: | | | | | | | |
| Weighted average LTIP units | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Diluted weighted average number of limited partner units | 137 | 137 | 137 | 137 | 137 | 137 | 137 |
| Basic net income per limited partner unit | $ 0.80 | $ 0.28 | $ 0.51 | $ 1.13 | $ 1.39 | $ 2.21 | $ 2.70 |
| Diluted net income per limited partner unit | $ 0.80 | $ 0.28 | $ 0.51 | $ 1.12 | $ 1.38 | $ 2.20 | $ 2.68 |

(1) We calculate 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). However, FASB guidance 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. After adjusting for this distribution, the remaining undistributed earnings or excess distribution over earnings, if any, are allocated to the general partner and limited partners in accordance with the contractual terms of the partnership agreement for earnings per unit calculation purposes. We reflect the impact of the difference in (i) the distribution utilized and (ii) the calculation of the excess 2% general partner interest as the "Adjustment in accordance with application of the two-class method for MLP's."

In conjunction with the Pacific, Rainbow and PNGS acquisitions, our general partner reduced the amounts due it as incentive distributions by an aggregate amount of $83 million. Approximately $65 million of this reduction was realized as of March 31, 2010. Incentive distributions will be reduced by $10.75 million for the balance of 2010 and $7.25 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.



8. *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 May 5, 2010, estimated vesting dates range from May 2010 to May 2019 and annualized distribution levels range from $3.00 to $4.50. For some awards, a percentage of any units remaining unvested as of a date certain will vest on such date and all others are forfeited.

On April 13, 2010, we declared an annualized distribution of $3.74 payable on May 14, 2010 to our unitholders of record as of May 4, 2010. We have made the assessment that a $3.90 distribution level is probable of occurring and accordingly, for grants that vest at annualized distribution levels of $3.90 or less, guidance includes an accrual over the applicable service period at an assumed market price of approximately $57.00 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, 2010 would change the second-quarter equity compensation expense by approximately $6 million. Therefore, actual net income could differ materially from our projections.

9. *Reconciliation of Net Income to EBIT and EBITDA.* The following table reconciles net income to EBIT and EBITDA, for the three-month guidance range ending June 30, 2010 and six-month and twelve-month guidance ranges ending December 31, 2010.

| | Guidance | | | | | |
|---|---|---|---|---|---|---|
| | 3 Months Ending June 30, 2010 | | 6 Months Ending December 31, 2010 | | 12 Months Ending December 31, 2010 | |
| | Low | High | Low | High | Low | High |
| **Reconciliation to EBITDA** | | | | | | |
| Net Income | $ 84 | $ 115 | $ 250 | $ 285 | $ 485 | $ 551 |
| Interest expense | 61 | 59 | 126 | 122 | 245 | 239 |
| Income tax expense | 2 | 1 | 2 | 1 | 4 | 2 |
| EBIT | 147 | 175 | 378 | 408 | 734 | 792 |
| Depreciation and amortization | 68 | 65 | 132 | 127 | 267 | 259 |
| EBITDA | $ 215 | $ 240 | $ 510 | $ 535 | $ 1,001 | $ 1,051 |



**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 incorporating the words “anticipate,” “believe,” “estimate,” “expect,” “plan,” “intend” and “forecast,” as well as similar expressions and statements regarding our business strategy, plans and objectives 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 to be 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 effectiveness 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, grade differentials 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: May 5, 2010

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

Exhibit 99.1

PLAINS ALL AMERICAN PIPELINE, L.P.

News Release


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

Al Swanson
Senior Vice President, CFO
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FOR IMMEDIATE RELEASE

## Plains All American Pipeline, L.P. Reports Solid First-Quarter 2010 Results

(Houston — May 5, 2010) Plains All American Pipeline, L.P. (NYSE: PAA) today reported net income of $151 million, or $0.80 per diluted limited partner unit, for the first quarter of 2010 as compared to net income for the first quarter 2009 of $211 million, or $1.41 per diluted limited partner unit. The Partnership reported earnings before interest, taxes, depreciation and amortization ("EBITDA") of $276 million for the first quarter 2010, compared with reported EBITDA of $321 million for the first quarter 2009.

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 2010 adjusted net income, adjusted net income per diluted limited partner unit and adjusted EBITDA were $147 million, $0.77 and $272 million, respectively, as compared to first-quarter 2009 adjusted net income, adjusted net income per diluted limited partner unit and adjusted EBITDA of $162 million, $1.02 and $272 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 solid financial results that were favorable to our first quarter guidance range, marking the thirty-third consecutive quarter of delivering performance in line with our quarterly guidance," said Greg L. Armstrong, Chairman and CEO of Plains All American. "We also successfully executed the initial public offering of PAA Natural Gas Storage and advanced several projects included in our 2010 capital program, including completion of the Phase VII storage expansion at Cushing, Oklahoma and dock construction at our St. James, Louisiana terminal facility."

Armstrong continued, "We also ended the quarter with a strong balance sheet and approximately $1.1 billion of committed liquidity. This solid financial position was further enhanced by the completion of the PNG IPO transaction. Pro forma for the IPO, Plains All American's consolidated liquidity at March 31, 2010 increased to approximately $1.7 billion."

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):

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| | Three Months Ended March 31, 2010 | 2009 |
|---|---|---|
| **Selected Items Impacting Comparability - Income / (Loss):** | | |
| Equity compensation charge [1] | $ (14) | $ (9) |
| Inventory valuation adjustments net of gains/(losses) from related derivative activities [2] | — | 22 |
| Gains/(losses) from other derivative activities [2] [3] | 19 | 26 |
| PNGS contingent consideration fair value adjustment | (1) | — |
| Net gain on foreign currency revaluation | — | 10 |
| Selected items impacting comparability | 4 | 49 |
| Less: GP 2% portion of selected items impacting comparability | — | (1) |
| LP 98% portion of selected items impacting comparability | $ 4 | $ 48 |
| | | |
| Impact to basic net income per limited partner unit | $ 0.02 | $ 0.39 |
| Impact to diluted net income per limited partner unit | $ 0.03 | $ 0.39 |

(1) The equity compensation charges for the three months ended March 31, 2010 and 2009 exclude 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 $5 million and $2 million for the three months ended March 31, 2010 and 2009, respectively.

(2) 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.”

(3) Gains and losses from other derivative activities for the three months ended March 31, 2010 and 2009 include gains of less than $1 million and approximately $3 million, respectively, related to interest rate derivatives, which are included in other income/(expense), net and interest expense, but do not impact segment profit.

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

| | Three Months Ended March 31, 2010 | | | Three Months Ended March 31, 2009 | | |
|---|---|---|---|---|---|---|
| | Transportation | Facilities | Supply & Logistics | Transportation | Facilities | Supply & Logistics |
| Revenues [1] | $ 250 | $ 114 | $ 5,912 | $ 225 | $ 77 | $ 3,133 |
| Purchases and related costs [1] | (16) | (7) | (5,749) | (16) | — | (2,904) |
| Field operating costs (excluding equity compensation charge) [1] | (81) | (35) | (45) | (78) | (27) | (49) |
| Equity compensation charge - operations | (3) | — | — | (1) | — | — |
| Segment G&A expenses (excluding equity compensation charge) [2] | (17) | (10) | (19) | (14) | (4) | (18) |
| Equity compensation charge - general and administrative | (7) | (3) | (6) | (5) | (2) | (3) |
| Equity earnings in unconsolidated entities | 1 | — | — | 1 | 2 | — |
| Reported segment profit | $ 127 | $ 59 | $ 93 | $ 112 | $ 46 | $ 159 |
| | | | | | | |
| Selected items impacting comparability of segment profit: | | | | | | |
| Equity compensation charge [3] | 7 | 3 | 4 | 5 | 1 | 3 |
| Inventory valuation adjustments net of (gains)/losses from related derivative activities [4] | — | — | — | — | — | (22) |
| (Gains)/losses from other derivative activities [4] [5] | — | (1) | (18) | — | — | (23) |
| Net gain on foreign currency revaluation | — | — | — | — | — | (10) |
| Subtotal | 7 | 2 | (14) | 5 | 1 | (52) |
| Segment profit excluding selected items impacting comparability | $ 134 | $ 61 | $ 79 | $ 117 | $ 47 | $ 107 |
| | | | | | | |
| Maintenance capital | $ 7 | $ 3 | $ 1 | $ 14 | $ 6 | $ 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 charges for the three months ended March 31, 2010 and 2009 exclude 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 $5 million and less than $2 million for the three months ended March 31, 2010 and 2009, 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 months ended March 31, 2010 and 2009 include gains of less than $1 million and approximately $3 million, respectively, related to interest rate derivatives, which are included in other income/(expense), net and interest expense, but do not impact segment profit.

Adjusted segment profit for the Transportation segment for the first quarter of 2010 increased 15% over comparable 2009 results primarily due to increased revenue from higher average tariff activities and pipeline loss allowance revenue, partially offset by a 4% decline in volumes.

Adjusted segment profit for the Facilities segment for the first quarter of 2010 increased 30% over comparable 2009 results, primarily due to recent acquisitions and expansion projects.

Adjusted segment profit for the Supply & Logistics segment for the first quarter of 2010 decreased 26% when compared to first quarter 2009 results. This decrease reflects contango-market-related overperformance in the first quarter 2009 combined with less favorable crude oil differentials and lower LPG margins in the first quarter of 2010.

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The Partnership's basic weighted average units outstanding for the first quarter of 2010 totaled 136 million (137 million diluted) as compared to 124 million (125 million diluted) in last year's first quarter. At March 31, 2010, the Partnership had approximately 136.1 million units outstanding, long-term debt of approximately $4.1 billion ($209 million of which supports hedged inventory) and an adjusted long-term debt-to-total capitalization ratio of 48%.

The Partnership has declared a quarterly distribution of $0.935 per unit ($3.74 per unit on an annualized basis) payable May 14, 2010 on its outstanding limited partner units. This distribution represents an increase of approximately 3.3% over the quarterly distribution paid in May 2009 and an increase of approximately 0.8% from the February 2010 distribution level.

Prior to its May 6th 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 first quarter and full year 2010. 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 net income to EBITDA and EBITDA to 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.

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***Conference Call***

The Partnership will host a conference call at 11:00 AM (Eastern) on Thursday, May 6, 2010 to discuss the following items:

1. The Partnership's first-quarter 2010 performance;
2. The status of major expansion projects;
3. Capitalization and liquidity;
4. Financial and operating guidance for the second quarter and full year 2010; 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, you may access the live conference call by dialing toll free 800-230-1096. International callers should dial 612-332-0107. 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 151734. The replay will be available beginning Thursday, May 6, 2010, at approximately 12:00 PM (Central) and continue until 11:59 PM (Central) Sunday, June 6, 2010.

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 general partner interest and majority equity ownership position in PAA Natural Gas Storage (NYSE:PNG), PAA is also engaged in the development and operation of natural gas storage facilities. PAA is headquartered in Houston, Texas.

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***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 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 effectiveness 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 March 31, | |
|---|---|---|
| | **2010** | **2009** |
| **REVENUES** | $ 6,125 | $ 3,302 |
| **COSTS AND EXPENSES** | | |
| Purchases and related costs | 5,623 | 2,790 |
| Field operating costs | 162 | 152 |
| General and administrative expenses | 62 | 46 |
| Depreciation and amortization | 67 | 58 |
| Total costs and expenses | 5,914 | 3,046 |
| **OPERATING INCOME** | 211 | 256 |
| **OTHER INCOME/(EXPENSE)** | | |
| Equity earnings in unconsolidated entities | 1 | 3 |
| Interest expense | (58) | (51) |
| Other income/(expense), net | (3) | 4 |

| | | | | |
|---|---|---|---|---|
| **INCOME BEFORE TAX** | | 151 | | 212 |
| Current income tax expense | | (1) | | (2) |
| Deferred income tax benefit | | 1 | | 1 |
| **NET INCOME** | $ | 151 | $ | 211 |
| **NET INCOME:** | | | | |
| **LIMITED PARTNERS** | $ | 112 | $ | 180 |
| **GENERAL PARTNER** | $ | 39 | $ | 31 |
| **BASIC NET INCOME PER LIMITED PARTNER UNIT** | $ | 0.80 | $ | 1.42 |
| **DILUTED NET INCOME PER LIMITED PARTNER UNIT** | $ | 0.80 | $ | 1.41 |
| **BASIC WEIGHTED AVERAGE UNITS OUTSTANDING** | | 136 | | 124 |
| **DILUTED WEIGHTED AVERAGE UNITS OUTSTANDING** | | 137 | | 125 |

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

**OPERATING DATA** [(1)]

| | Three Months Ended March 31, 2010 | 2009 |
|---|---|---|
| **Transportation activities (Average Daily Volumes, thousands of barrels):** | | |
| Tariff activities | | |
| All American | 39 | 35 |
| Basin | 358 | 393 |
| Capline | 159 | 206 |
| Line 63/Line 2000 | 110 | 121 |
| Salt Lake City Area Systems [(2)] | 128 | 104 |
| West Texas/New Mexico Area Systems [(2)] | 365 | 395 |
| Manito | 61 | 65 |
| Rainbow | 192 | 195 |
| Rangeland | 48 | 59 |
| Refined products | 115 | 97 |
| Other | 1,130 | 1,141 |
| Tariff activities total | 2,705 | 2,811 |
| Trucking | 88 | 89 |
| Transportation activities total | 2,793 | 2,900 |
| **Facilities activities (Average Monthly Volumes):** | | |
| Crude oil, refined products, and LPG storage (average monthly capacity in millions of barrels) | 59 | 55 |
| Natural gas storage (average monthly capacity in billions of cubic feet) [(3)] | 40 | 15 |
| LPG processing (average throughput in thousands of barrels per day) | 11 | 14 |
| Facilities activities total (average monthly capacity in millions of barrels) [(4)] | 66 | 58 |
| **Supply & Logistics activities (Average Daily Volumes, thousands of barrels):** | | |
| Crude oil lease gathering purchases | 603 | 631 |
| LPG sales | 134 | 144 |
| Waterborne foreign crude oil imported | 72 | 58 |
| Refined products | 39 | 36 |
| Supply & Logistics activities total | 848 | 869 |

(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.

(3) In September 2009, we acquired the remaining 50% indirect interest in PAA Natural Gas Storage, LLC (“PNGS”) from Vulcan Gas Storage LLC, which resulted in our 100% ownership of the natural gas storage business and related operating entities. Therefore, natural gas storage volumes

for the first quarter of 2009 are netted to our 50% interest in PNGS. Volumes for the first quarter of 2010 represent our 100% interest in PNGS.

(4) 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, 2010 | December 31, 2009 |
|---|---|---|
| **ASSETS** | | |
| Current assets | $ 3,341 | $ 3,658 |
| Property and equipment, net | 6,412 | 6,340 |
| Linefill and base gas | 521 | 501 |
| Long-term inventory | 123 | 121 |
| Investment in unconsolidated entities | 82 | 82 |
| Goodwill | 1,297 | 1,287 |
| Other long-term assets, net | 326 | 369 |
| Total assets | $ 12,102 | $ 12,358 |
| **LIABILITIES AND PARTNERS' CAPITAL** | | |
| Current liabilities | $ 3,496 | $ 3,782 |
| Long-term debt under credit facilities and other | 8 | 6 |
| Senior notes, net of unamortized net discount | 4,136 | 4,136 |
| Other long-term liabilities and net deferred credits | 253 | 275 |
| Total liabilities | 7,893 | 8,199 |
| Partners' capital excluding noncontrolling interest | 4,146 | 4,096 |
| Noncontrolling interest | 63 | 63 |
| Total partners' capital | 4,209 | 4,159 |
| Total liabilities and partners' capital | $ 12,102 | $ 12,358 |

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

## CREDIT RATIOS

(In millions)

| | March 31, 2010 | Adjustment [1] | March 31, 2010 Adjusted |
|---|---|---|---|
| Short-term debt | $ 951 | $ 209 | $ 1,160 |
| Long-term debt | 4,144 | (209) | 3,935 |
| Total debt | $ 5,095 | $ — | $ 5,095 |
| Long-term debt | 4,144 | (209) | 3,935 |
| Partners' Capital | 4,209 | — | 4,209 |
| Total book capitalization | $ 8,353 | $ (209) | $ 8,144 |
| Total book capitalization including short-term debt | $ 9,304 | $ — | $ 9,304 |
| Long-term debt to total book capitalization | 50% | | 48% |

| | | |
|---|---|---|
| Total debt to total book capitalization including short-term debt | 55% | 55% |

(1) The adjustment represents the portion of the 4.25% senior notes due September 2012 that has been used to fund hedged inventory and would be classified as short-term debt if funded on our credit facilities. These notes were issued in July 2009 and the proceeds are being used to supplement capital available from our hedged inventory facility.

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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 March 31, 2010 | Three Months Ended March 31, 2009 |
|---|---|---|
| Numerator for basic and diluted earnings per limited partner unit: | | |
| Net Income | $ 151 | $ 211 |
| Less: General partner's incentive distribution paid [1] | (37) | (28) |
| Subtotal | 114 | 183 |
| Less: General partner 2% ownership [1] | (2) | (3) |
| Net income available to limited partners | 112 | 180 |
| Adjustment in accordance with application of the two-class method for MLPs [1] | (3) | (4) |
| Net income available to limited partners in accordance with application of the two-class method for MLPs [1] | $ 109 | $ 176 |
| | | |
| Denominator: | | |
| Basic weighted average number of limited partner units outstanding | 136 | 124 |
| Effect of dilutive securities: | | |
| Weighted average LTIP units | 1 | 1 |
| Diluted weighted average number of limited partner units outstanding | 137 | 125 |
| | | |
| Basic net income per limited partner unit | $ 0.80 | $ 1.42 |
| | | |
| Diluted net income per limited partner unit | $ 0.80 | $ 1.41 |

(1) We calculate net income available to limited partners based on the distribution paid during the current quarter (including the incentive distribution interest in excess of the 2% general partner interest). However, FASB guidance requires that the distribution pertaining to the current period's net income, which is to be paid in the subsequent quarter, be utilized in the earnings per unit calculation. After adjusting for this distribution, the remaining undistributed earnings or excess distributions over earnings, if any, are allocated to the general partner and limited partners in accordance with the contractual terms of the partnership agreement for earnings per unit calculation purposes. We reflect the impact of the difference in (i) the distribution utilized and (ii) the calculation of the excess 2% general partner interest as the "Adjustment in accordance with application of the two-class method for MLPs."

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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, 2010 | Three Months Ended March 31, 2009 |
|---|---|---|
| **Net income to earnings before interest, taxes, depreciation and amortization ("EBITDA") and excluding selected items impacting comparability ("Adjusted EBITDA") reconciliations** | | |
| Net Income | $ 151 | $ 211 |

| | | |
|---|---|---|
| Add: Interest expense | 58 | 51 |
| Add: Income tax expense | — | 1 |
| Add: Depreciation and amortization | 67 | 58 |
| EBITDA | 276 | 321 |
| Selected items impacting comparability | (4) | (49) |
| Adjusted EBITDA | $ 272 | $ 272 |

| | Three Months Ended March 31, 2010 | 2009 |
|---|---|---|
| **Cash flow from operating activities reconciliation** | | |
| EBITDA | $ 276 | $ 321 |
| Current income tax expense | (1) | (2) |
| Interest expense | (58) | (51) |
| Net change in assets and liabilities, net of acquisitions | 155 | 199 |
| Other items to reconcile to cash flows from operating activities: | | |
| Equity compensation charge | 19 | 11 |
| Net cash provided by operating activities | $ 391 | $ 478 |

| | Three Months Ended March 31, 2010 | 2009 |
|---|---|---|
| **Funds flow from operations ("FFO") / Distributable cash flow ("DCF")** | | |
| Net Income | $ 151 | $ 211 |
| Equity earnings in unconsolidated entities, net of distributions | — | (1) |
| Depreciation and amortization | 67 | 58 |
| Deferred income tax benefit | (1) | (1) |
| FFO | 217 | 267 |
| Maintenance capital | (11) | (22) |
| FFO after maintenance capital | 206 | 245 |
| Selected items impacting comparability | (4) | (49) |
| DCF | $ 202 | $ 196 |

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

## FINANCIAL DATA RECONCILIATIONS

(In millions, except per unit data) (continued)

| | Three Months Ended March 31, 2010 | 2009 |
|---|---|---|
| **Net income and earnings per limited partner unit excluding selected items impacting comparability** | | |
| Net Income | $ 151 | $ 211 |
| Selected items impacting comparability | (4) | (49) |
| Adjusted Net Income | $ 147 | $ 162 |
| Net income available to limited partners in accordance with application of the two-class method for MLPs | $ 109 | $ 176 |
| Limited partners' 98% of selected items impacting comparability | (4) | (48) |
| Adjusted limited partners' net income | $ 105 | $ 128 |
| Adjusted basic net income per limited partner unit | $ 0.78 | $ 1.03 |
| Adjusted diluted net income per limited partner unit | $ 0.77 | $ 1.02 |
| Basic weighted average units outstanding | 136 | 124 |
| Diluted weighted average units outstanding | 137 | 125 |

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