

PLAINS

ALL AMERICAN

PIPELINE, L.P.

**Bank of America Merrill Lynch
2012 Global Energy Conference**

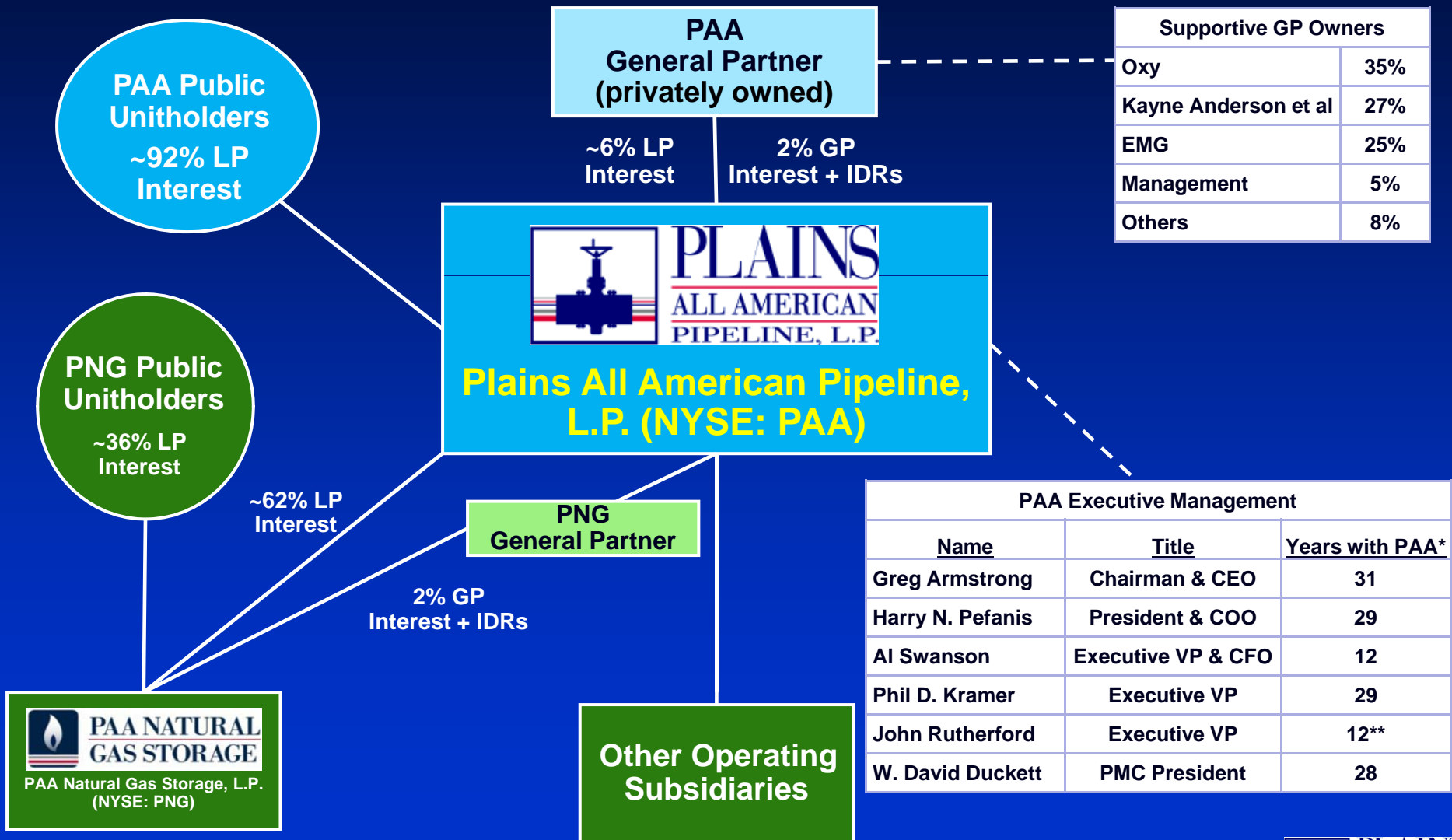
Roy Lamoreaux
Director, Investor Relations

Miami, FL
November 14, 2012

Forward-Looking Statements & Non-GAAP Financial Measures Disclosure

- ◆ This presentation contains forward-looking statements, including, in particular, statements about the plans, strategies and prospects of Plains All American Pipeline, L.P. (“PAA”) and PAA Natural Gas Storage, L.P. (“PNG”). These forward-looking statements are based on PAA’s and PNG’s current assumptions, expectations and projections about future events.
- ◆ Although PAA and PNG believe that the expectations reflected in these forward-looking statements are reasonable, PAA and PNG can give no assurance that these expectations will prove to be correct or that synergies or other benefits anticipated in the forward-looking statements will be achieved. Important factors, some of which may be beyond PAA’s or PNG’s control, that could cause actual results to differ materially from management’s expectations are disclosed in PAA’s and PNG’s respective filings with the Securities and Exchange Commission.
- ◆ This presentation also contains non-GAAP financial measures relating to both PAA and PNG. A reconciliation of these measures to the most directly comparable GAAP measures is available in the appendix to this presentation. For additional detail regarding selected items impacting comparability, please visit the Investor Relations section of PAA’s website at www.paalp.com and PNG’s website at www.pnglp.com.

Plains All American Ownership Structure



* Represents years with PAA and predecessor companies as of 08/12.

** Represents both time worked as an executive and as an advisor to PAA.

PAA Offers Stability of a Large-Cap Investment-Grade Entity with Strong Visibility for Continued Growth

Financial Profile

◆ Total Assets ⁽¹⁾	\$ 18.2 B
◆ Enterprise Value ⁽¹⁾⁽²⁾	\$ 21.0 B
◆ Equity Market Cap. ⁽²⁾	\$ 15.2 B
◆ Current Yield ⁽²⁾ (\$2.17)	~4.8%
◆ S&P / Moody's Ratings	BBB / Baa2

Public Guidance – Mid-point

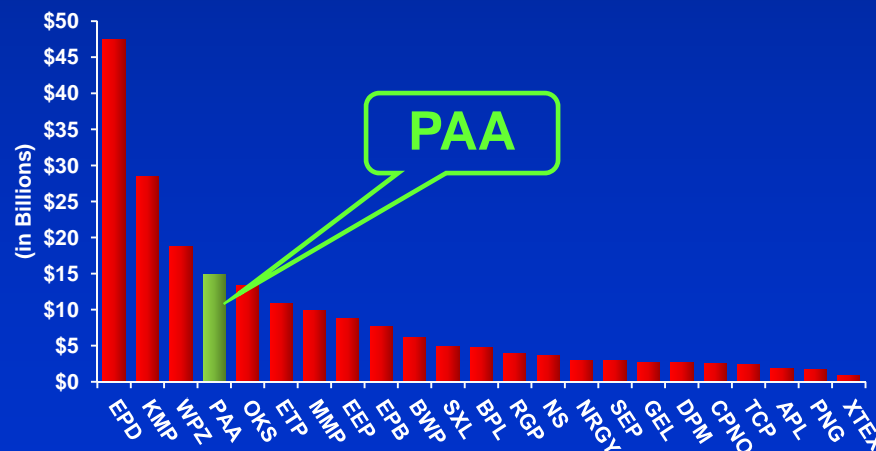
◆ 2012 Adjusted EBITDA ⁽³⁾	\$2,017 MM
◆ 2012 Adj. Net Income ⁽³⁾	\$1,309 MM

PAA has met or exceeded its guidance for 43 consecutive quarters

Assets⁽⁴⁾

◆ Pipelines (active miles)	~18,000
◆ Liquids Storage	120 MMBLS
◆ Natural Gas Storage	93 BCF
◆ Logistics Assets	4,200 railcars 750 Trucks 1,250 trailers, 83/46 Barges/Tugs
◆ Liquids Volumes	>3.0 MMBLS/d

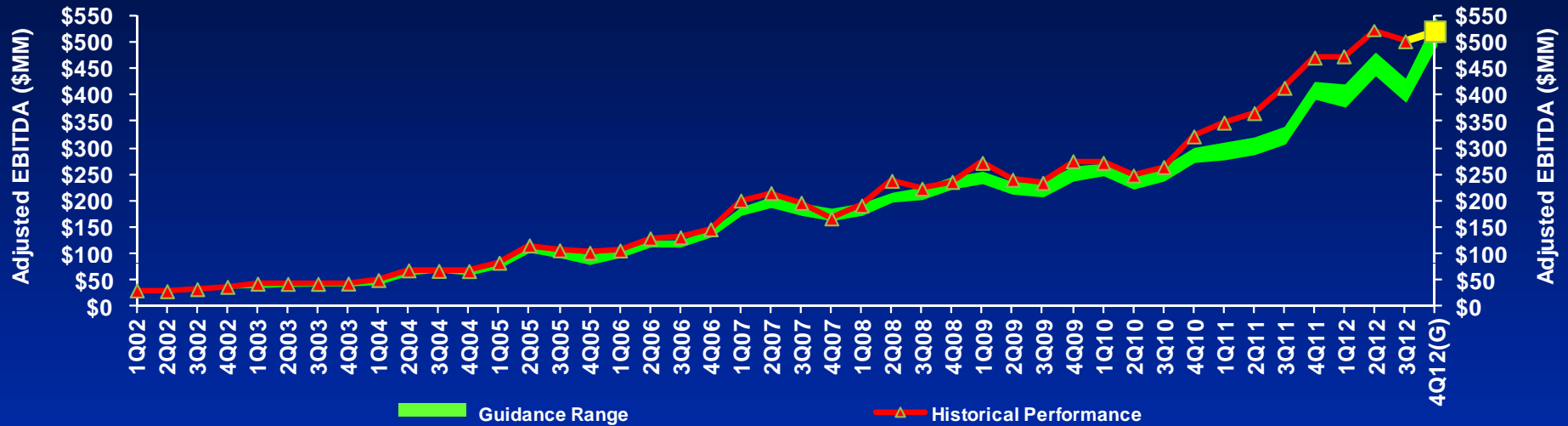
4th Largest MLP by Market Capitalization⁽⁵⁾



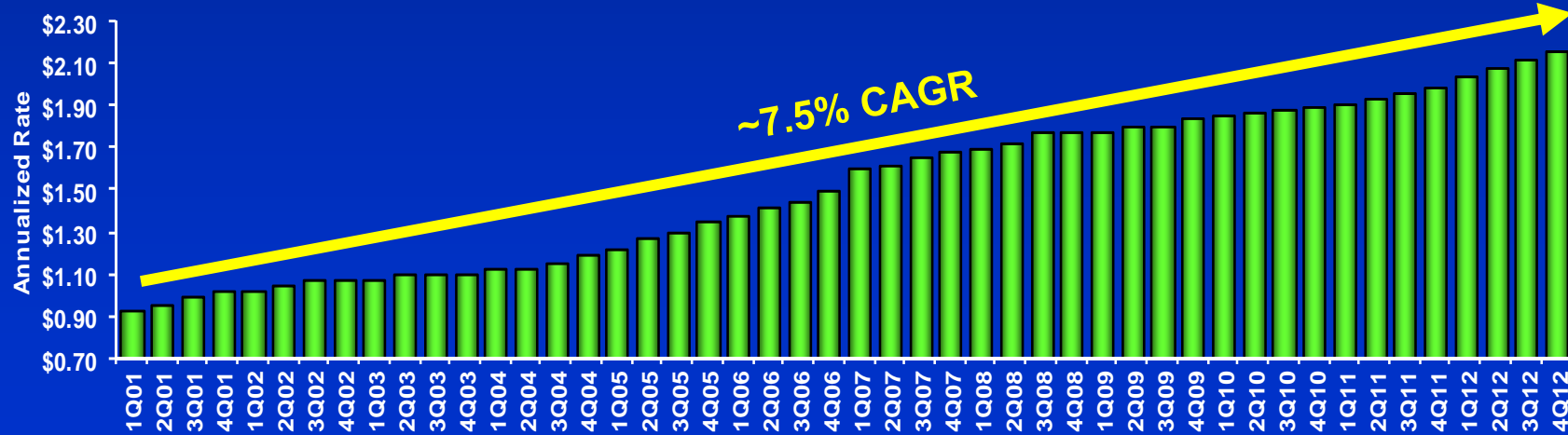
(1) Based on balance sheet data as of 9/30/12. (2) Based on 10/31/12 closing unit price; excludes value of GP. (3) Adjusted EBITDA and Adjusted Net Income Attributable to Plains, which has been abbreviated as "Adj. Net Income," are the mid-point of PAA's public guidance furnished via form 8-K on 11/05/12 and exclude selected items impacting comparability. (4) Includes assets as of 12/31/11, plus assets acquired in the BP NGL Acquisition which closed on 4/1/12 and assets owned by PAA Natural Gas Storage, L.P. ("PNG"). Avg 4Q 2012 working gas capacity based on PNG guidance furnished via Form 8K on 11/5/12. Excludes leased natural gas storage capacity. (excluding leased storage capacity). Values may be approximated. (5) Data as of 10/31/12. Source: Bloomberg

PAA has Delivered Solid Operating and Financial Results and Attractive Distribution Growth for Over a Decade

43 Consecutive Quarters of Performance In-line With or Above Guidance



Distribution Growth in 32 Out of the Last 34 Quarters



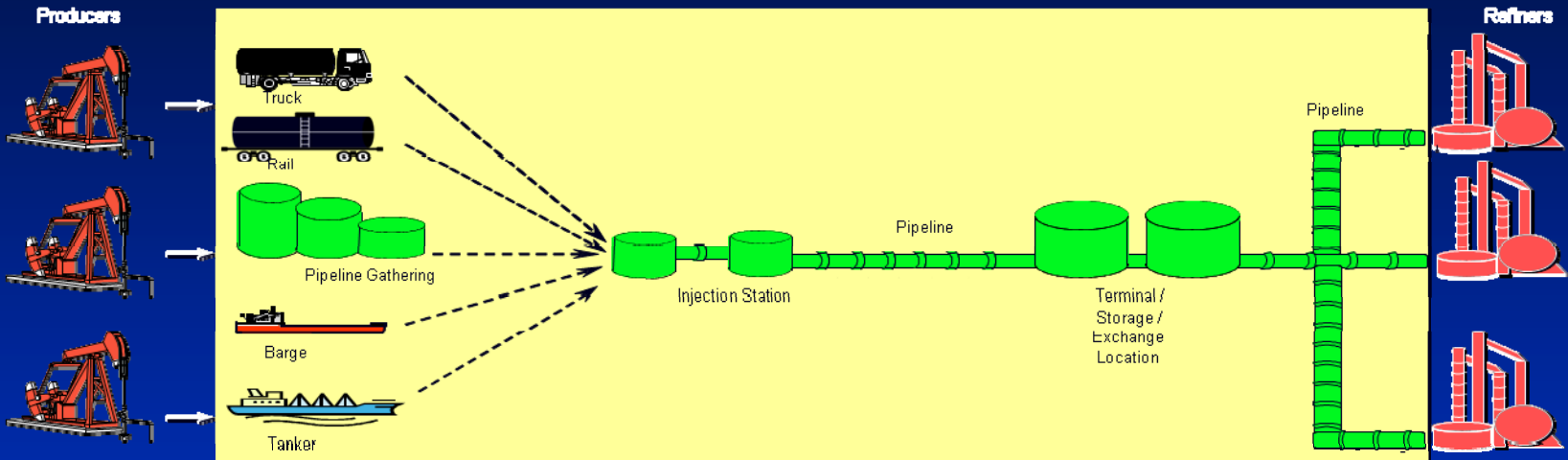
Note: Distributions are reflected in the period in which they are paid. Distributions prior to October 2012 have been adjusted to reflect two-for-one unit split.

(G) Based on guidance furnished via Form 8-K on November 5, 2012.

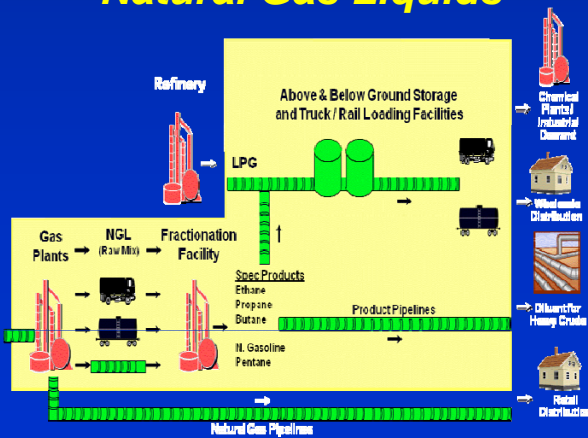


PAA's Activities Are Conducted on Four Product Platforms – Crude Oil is the Largest

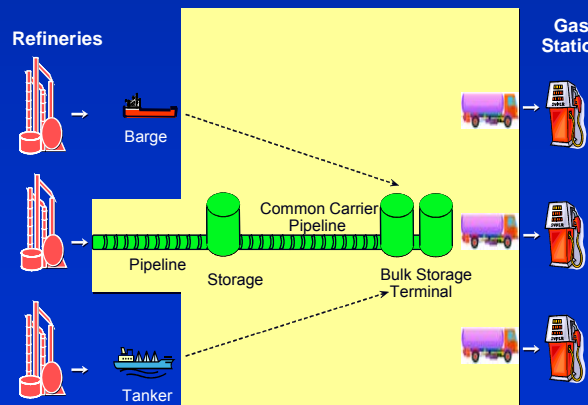
Crude Oil



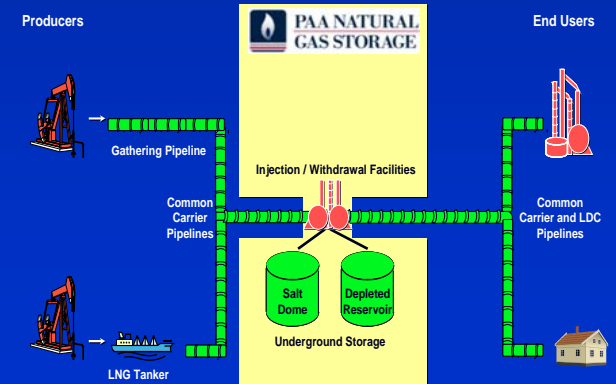
Natural Gas Liquids



Refined Products



Natural Gas Storage



PAA Operates in Three Segments...

Segment Performance Benefitting from Investments & Strong Demand

Reporting Segments⁽¹⁾

Supply & Logistics

(Margin Based -- includes fee-based equivalent + upside)

**680 Trucks, 825 Trailers
4,200 Railcars**

**17 MMBbls of Linefill & Long-Term
Inventory**

Facilities (Fee Based)

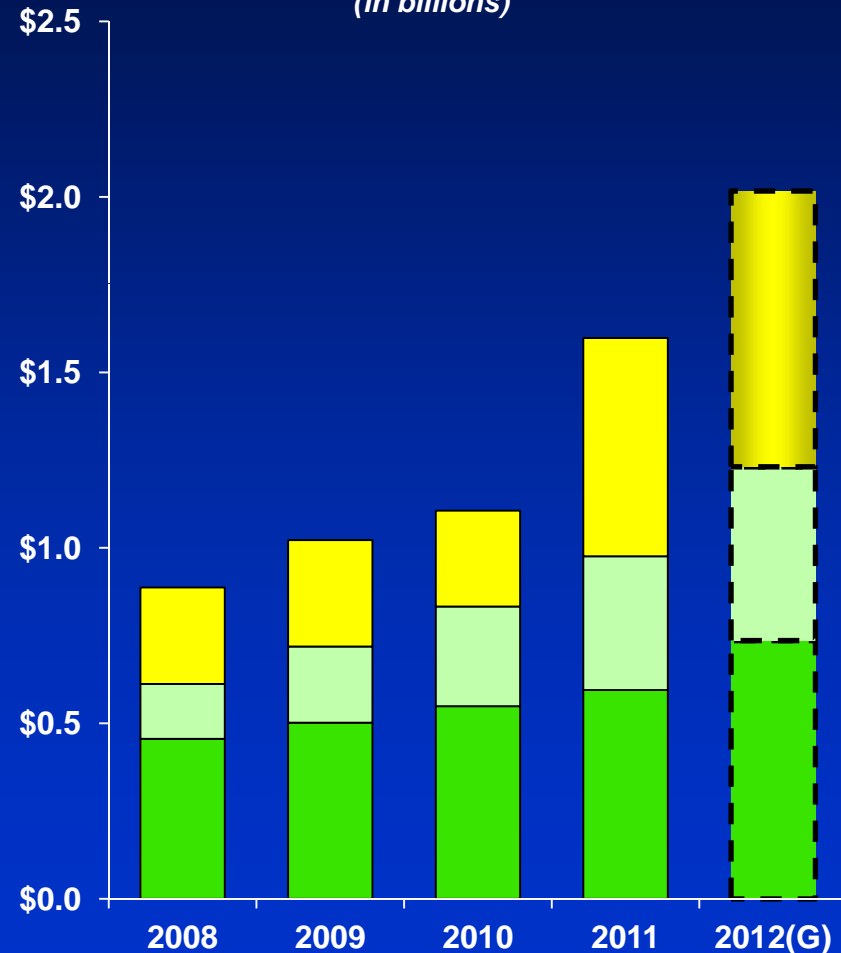
**100 MMBbls Storage
84 Bcf Nat Gas Storage ⁽²⁾
9 Fractionation Plants
1 Isomerization Unit
10 Processing Plants**

Transportation (Fee Based)

**~18,000 miles of Pipelines
20 MMBbls Storage Capacity
70 Trucks, 425 Trailers
83 Barges ⁽³⁾
46 Tugs ⁽³⁾**

Adjusted Segment Profit

(in billions)



(1) Assets as of 03/31/12 and Includes assets acquired in the BP NGL Acquisition which closed on 4/1/12 and assets owned by PAA Natural Gas Storage, L.P. ("PNG") (excluding leased storage capacity). Values may be approximated.

(2) Average 2012 working gas capacity based on PNG guidance furnished via Form 8K on 11/05/12.

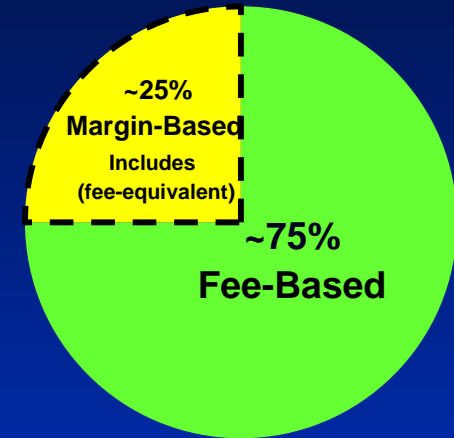
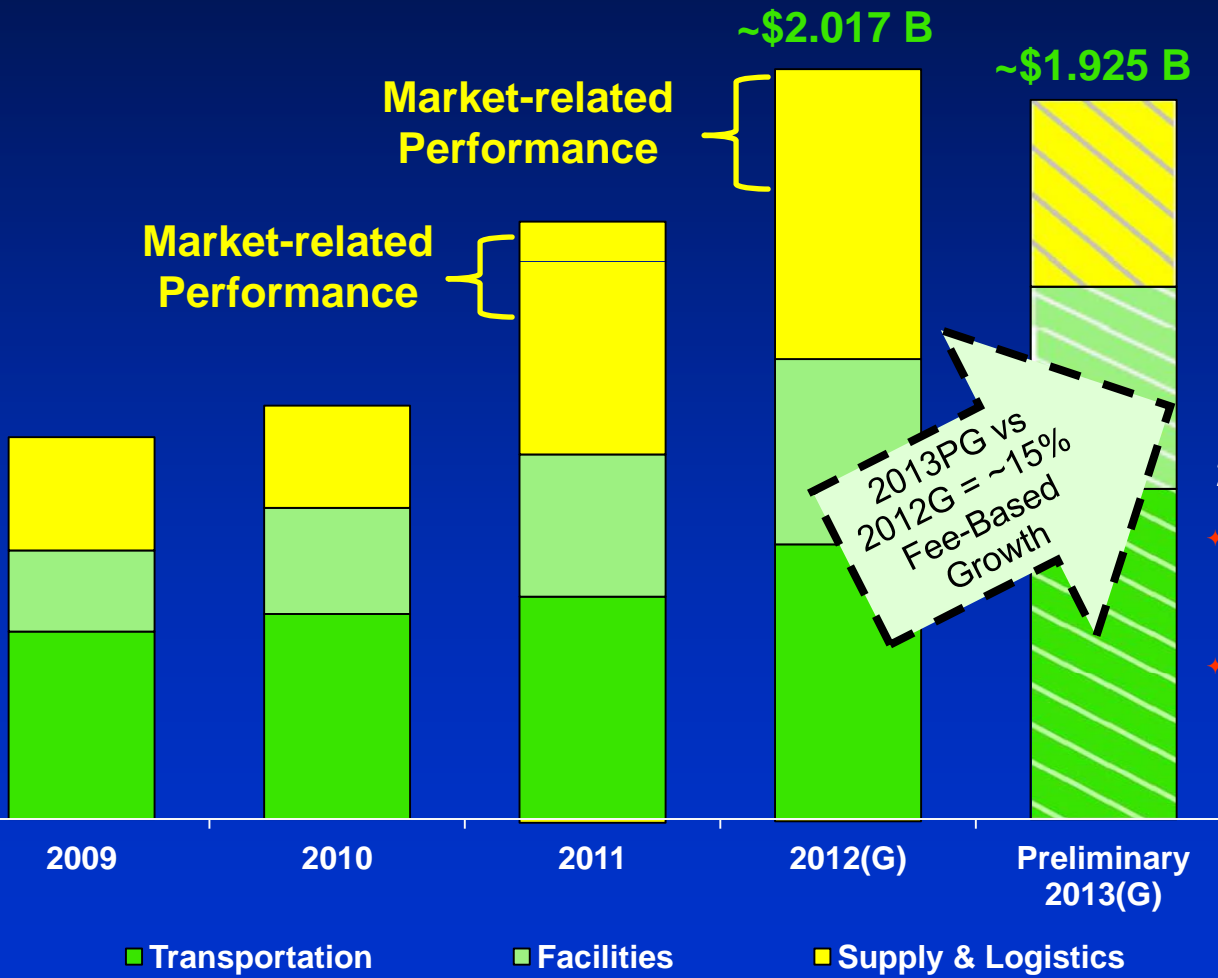
(3) Ownership through 50% interest in Settoon Towing

(G) Based on mid-point guidance furnished via Form 8K on 11/05/12.

Preliminary 2013 Adjusted EBITDA Guidance Projects Strong Fee-Based Growth & Baseline Supply & Logistics Performance

/---Projected Results Provided for Directional Illustration Only---/

Strong Fee-Based Cash Flow



2013 Preliminary Guidance Reflects:

- Increases in fee-based cash flow related to acquisition and expansion capital investments.
- Assumes baseline supply and logistics profitability. Does not assume continuation of favorable market conditions.

(G) Based on midpoint of guidance furnished via Form 8-K on November 5, 2012.

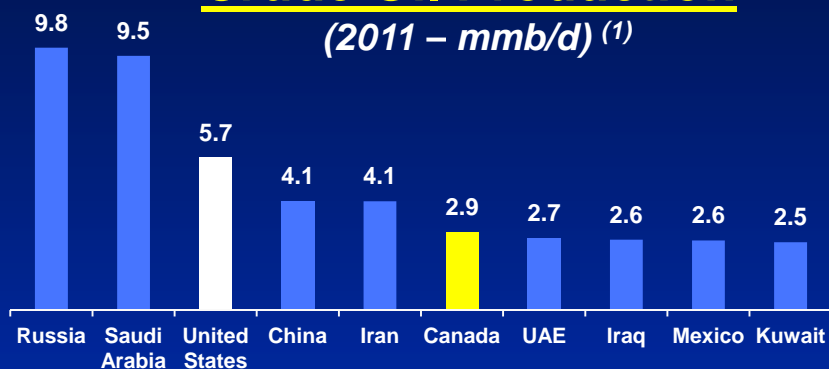
Market Overview & PAA Positioning

US & Canada Leading the World in Leading Crude Oil Production Growth (Expected To Continue for Several Years)

World's 10 Largest Oil Producers

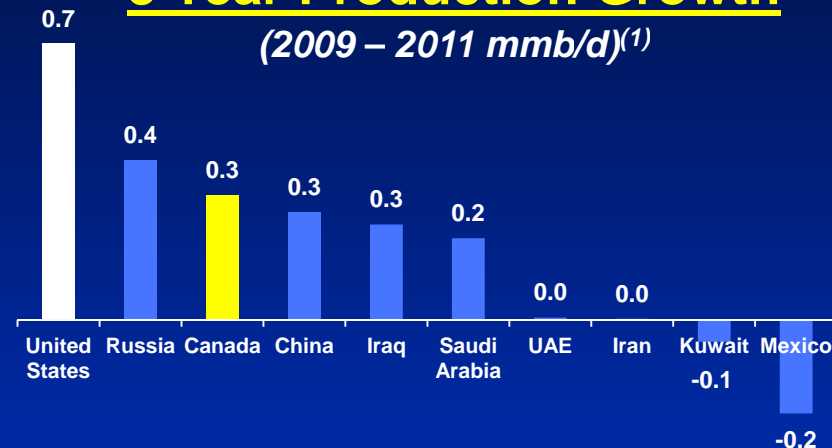
Crude Oil Production

(2011 – mmb/d) ⁽¹⁾



3 Year Production Growth

(2009 – 2011 mmb/d) ⁽¹⁾



◆ **U.S. is 3rd largest crude oil producing country in the world; Canada is 6th**

✓ Combined, U.S. and Canada rival Russia and Saudi Arabia

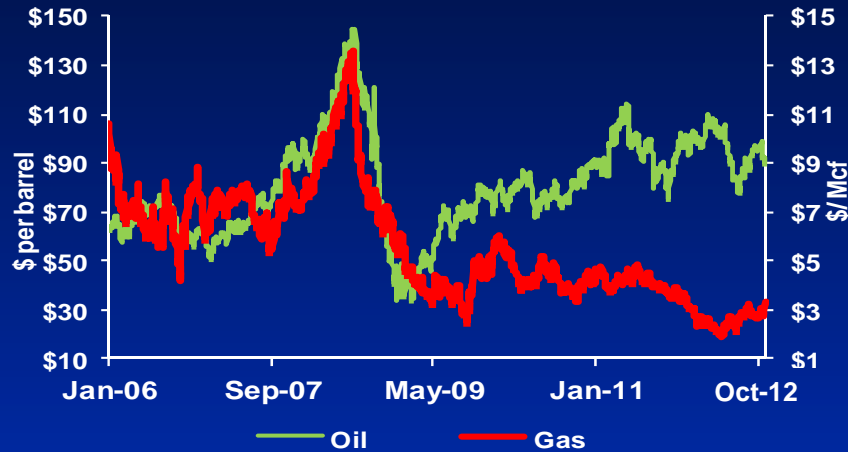
◆ **Over the last 3 years, U.S. crude oil production increased more than any other top 10 producer; Canada ranked 3rd in production growth**

✓ Combined, the U.S. and Canada increased production more than all the other top 10 producing countries combined

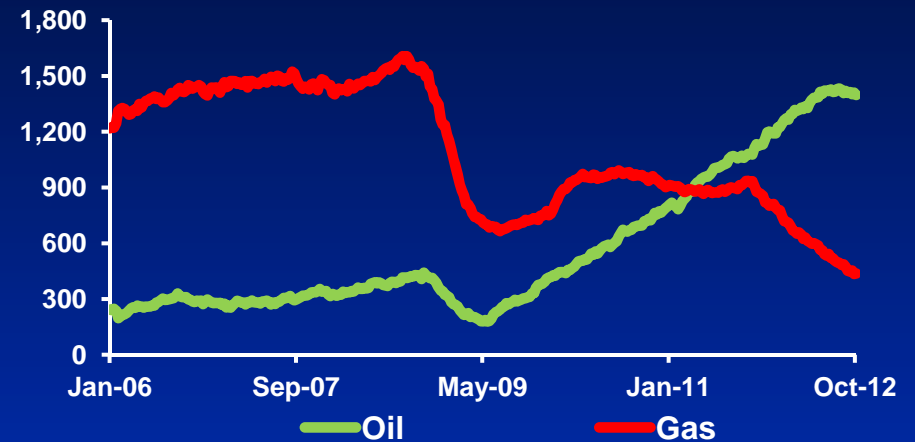
(1) Source: EIA website

Strong Oil Prices have Shifted Resources Toward the Development of Oil Resource/Shale Plays vs. Natural Gas

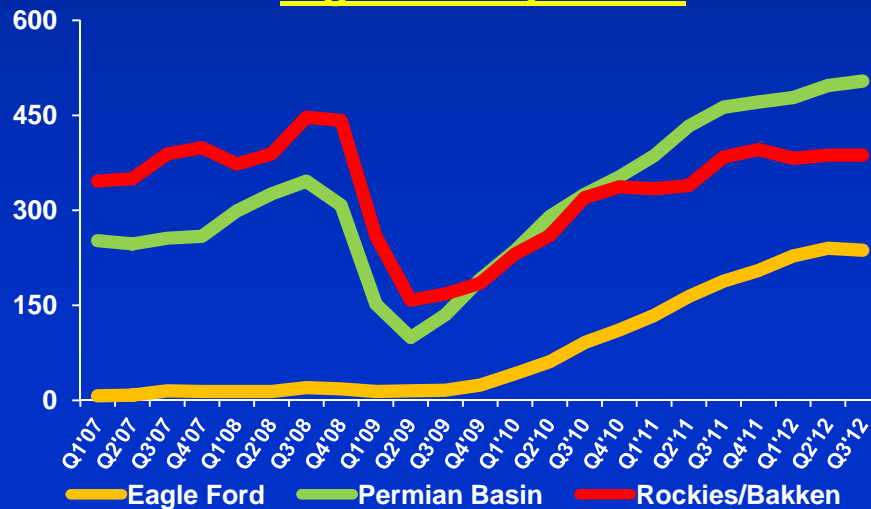
Natural Gas & Crude Oil Prices⁽¹⁾



Historical Oil & Gas Rig Count⁽²⁾



Rig Count by Area⁽²⁾



- ◆ Drilling activity in the Eagle Ford, Permian Basin and the Rockies/Bakken represent ~50%+ of the total U.S. land rig count
- ◆ Due to well depth/cost and close proximity to end markets, the Eagle Ford and Permian Basin appear to be the most economic and resilient with respect to fluctuating commodity prices and service costs

(1) Source: Bloomberg

(2) Source: RigData, Tudor Pickering Holt; Rig counts by area include both oil and gas.



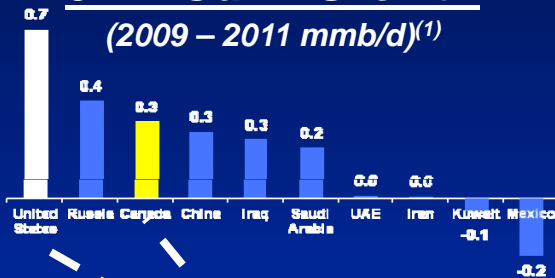
Resource Plays Are Expected to Continue to Drive Very Significant Increases in North American Production

Projected Cumulative Growth From 2009 to 2016/18 Time Period⁽²⁾

Top 10 World Producers

3 Yr. Cum. Growth

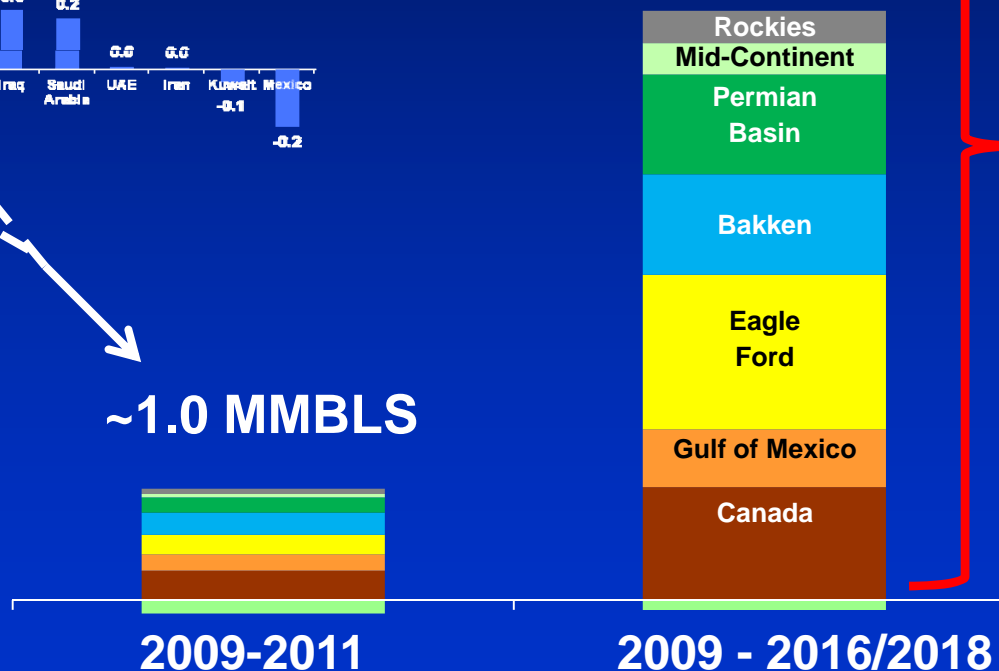
(2009 – 2011 mmb/d)⁽¹⁾



~5.0 ++ MMBLS

US & Canada expected to deliver net additional 4++ MMBLS of crude oil production growth over the next 5 to 7 years

~1.0 MMBLS

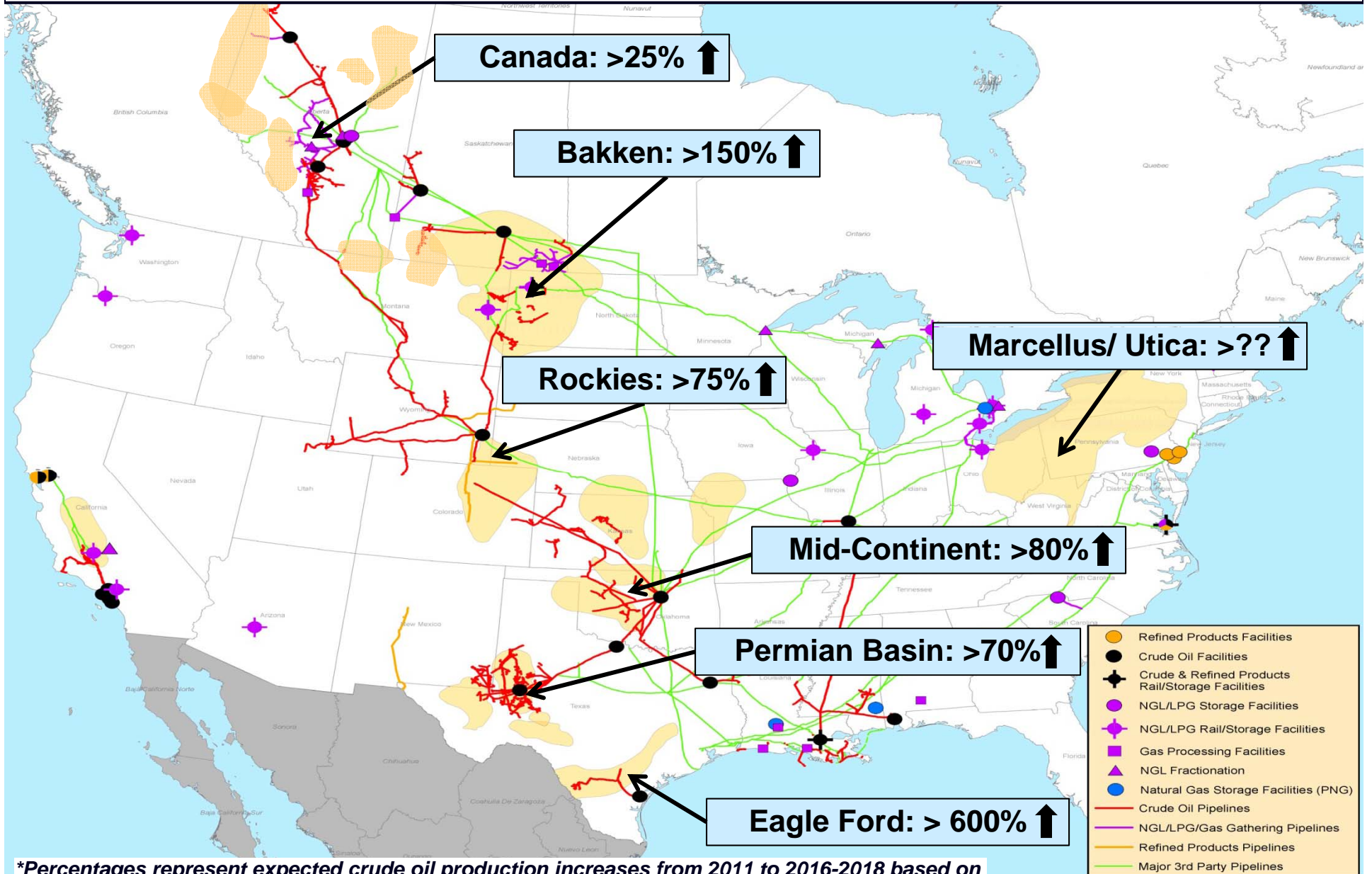


The majority of the increase is expected to be light, sweet quality

U.S. and Canadian Growth

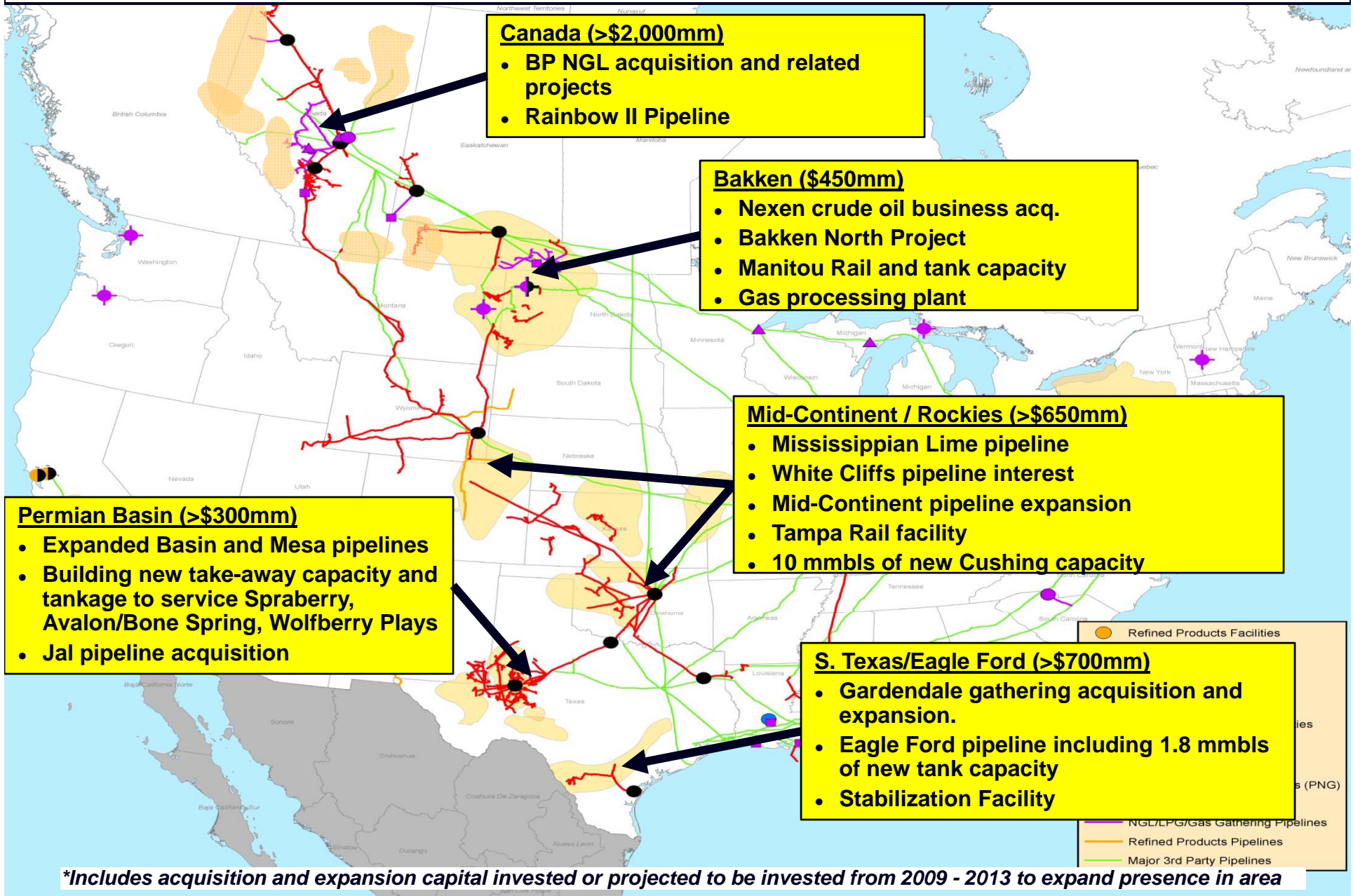
(1) Source: EIA / Partnership Estimates
 (2) Source: Partnership Estimates

PAA's Assets -- Well Positioned to Service Areas of Recent and Anticipated Crude Oil Production Growth*



*Percentages represent expected crude oil production increases from 2011 to 2016-2018 based on Partnership Estimates

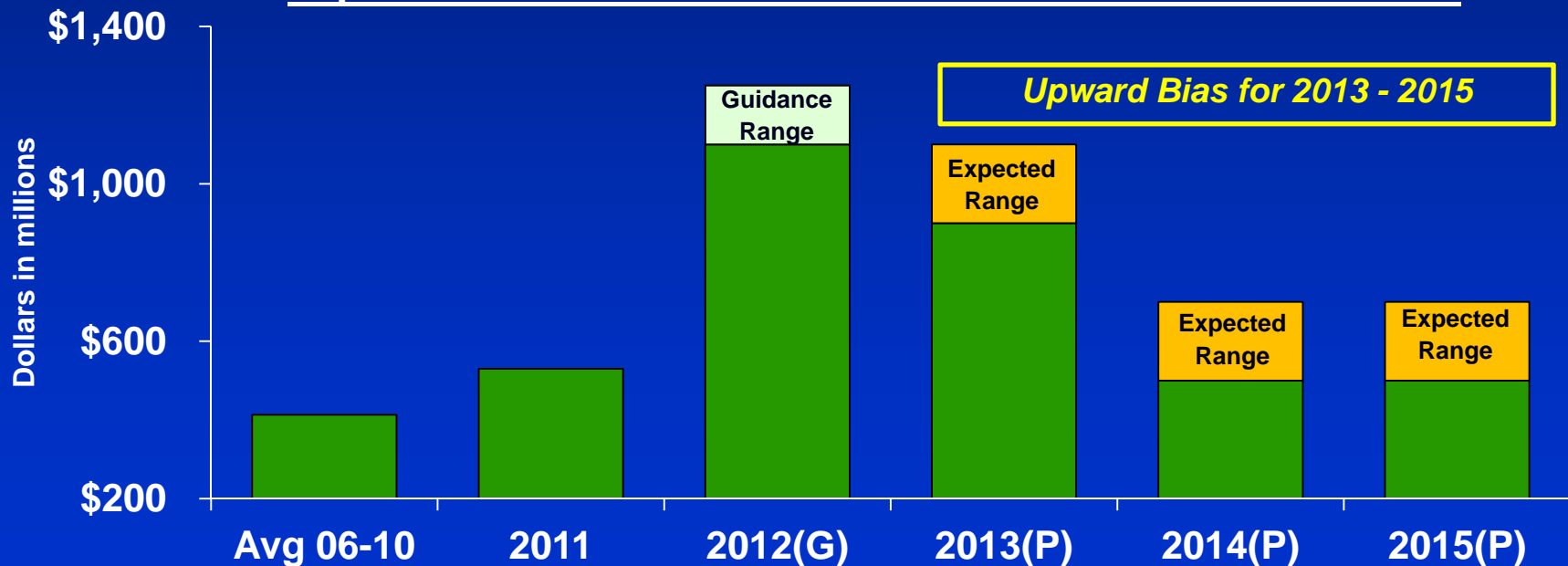
PAA Investment Focused on Areas of Recent and Anticipated Crude Oil Production Growth As Well as Market Outlets*



PAA has an Extensive Capital Project Portfolio Providing Strong Visibility for Continued Growth

- ◆ \$5+ billion project portfolio⁽¹⁾ provides visibility to invest ~\$1.15 billion in 2012, \$900 million to \$1.1 billion in 2013, and a baseline of \$500 to \$700+ million in 2014 and 2015
- ◆ Targeting weighted average unlevered returns in the mid-teens

Substantial increase in 2012/13 organic investment with expectation for 2014/15 to remain above historical levels



(1) Project portfolio includes identified projects and an estimate of smaller, routine projects based on prior years' activities. Inevitably, not all portfolio projects will be implemented – some will be dropped, others added as a result of PAA's ongoing review, evaluation and screening processes.

(G) Includes range of guidance represented in Form 8-K furnished on 11/05/12. 2013(P)-2015(P) includes current view of the range of potential investment in these years.

PAA Remains Active in Pursuit of Strategic Acquisitions

♦ Primary Focus:

- ✓ Bolt-on acquisitions fill out / expand asset footprint in core areas
- ✓ Strategic acquisitions establish new core areas or complement asset base

♦ Since 2011, closed 13 transactions for ~\$3 billion, including:

Closed in 2011:

- ✓ \$750 million Southern Pines gas storage facility
- ✓ \$349 million Velocity South Texas Gathering
- ✓ \$220 million Yorktown Terminal and Jal Pipeline

Closed on 4/1/12:

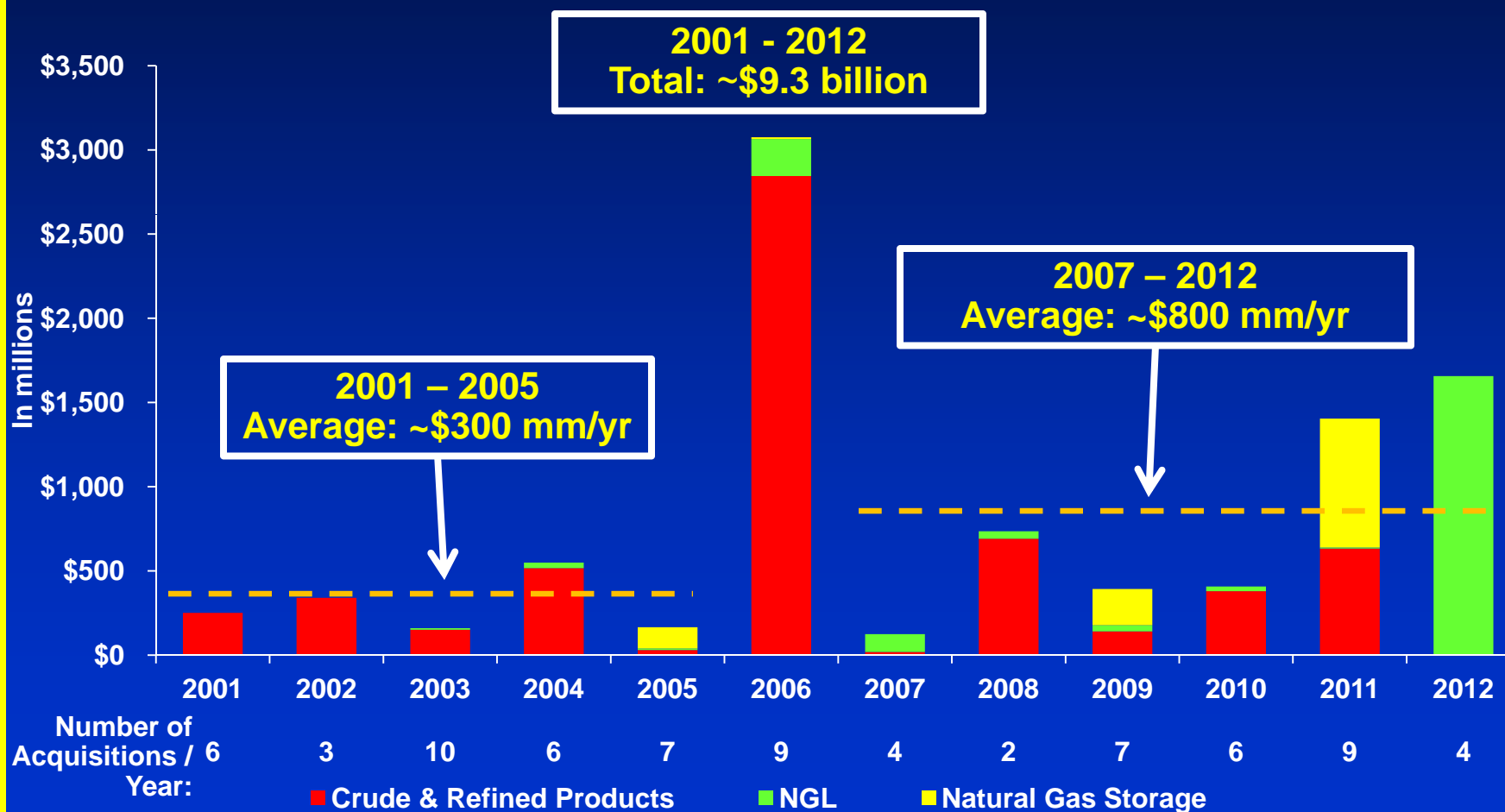
- ✓ \$1.68 billion BP Canadian NGL assets

♦ Remain active in pursuing additional opportunities

- ✓ PAA maintains significant liquidity to facilitate acquisition activities

PAA has a Long History of Completing and Integrating Significant Acquisitions

PAA Acquisition Investment (2001 – 2012)



Note: 2006 includes ~\$2.5 Billion Pacific Energy Partners Merger



PAA's Solid Capitalization & Liquidity

Capitalization

(in millions)

	<u>9/30/12</u>	<u>12/31/11</u>
Long-term debt	\$ 5,811	\$ 4,520
Partners' capital	6,925	5,974
Total book capitalization	\$ 12,736	\$10,494

Credit Stats & Liquidity

Target

Long-term Debt / Book Cap	46%	43%	~50%
Total Debt / Book Cap ⁽¹⁾	49%	47%	~60%
Adj. EBITDA / Interest ⁽²⁾	6.8x	7.5x	>3.3x
Long-term Debt / Adj. EBITDA ⁽³⁾	2.9x	2.8x	~3.5x-4.0x
Committed Liquidity ⁽⁴⁾	\$2.4 bn	\$3.6 bn	

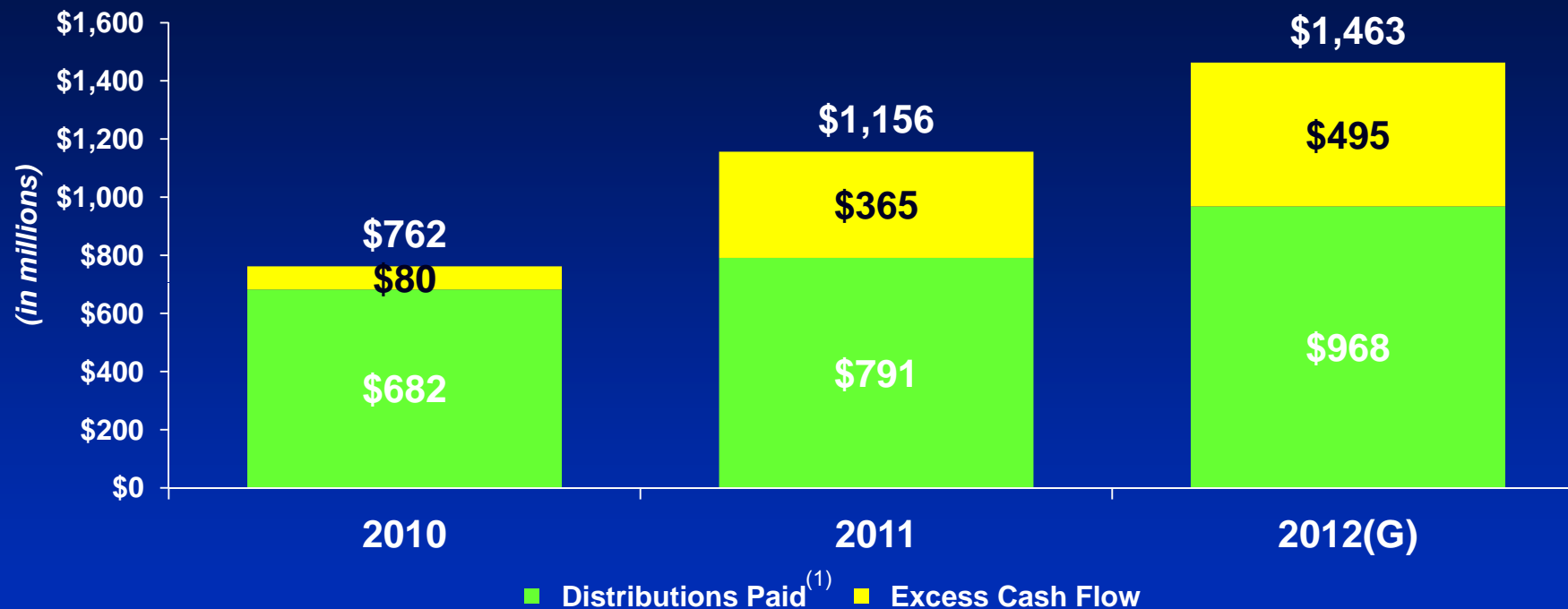
(1) Includes short-term debt.

(2) Calculated using adjusted EBITDA and reported interest expense for 3Q12.

(3) 09/30/12 metric calculated using 2012 mid-point guidance adjusted EBITDA provided via 8K on November 5, 2012. Please see EBITDA reconciliations on our website at www.peaap.com.

(4) Represents PAA and PNG cash balance and liquidity available on PAA and PNG credit facilities as of September 30, 2012.

PAA Continues to Generate Meaningful Cash Flow in Excess of Distributions



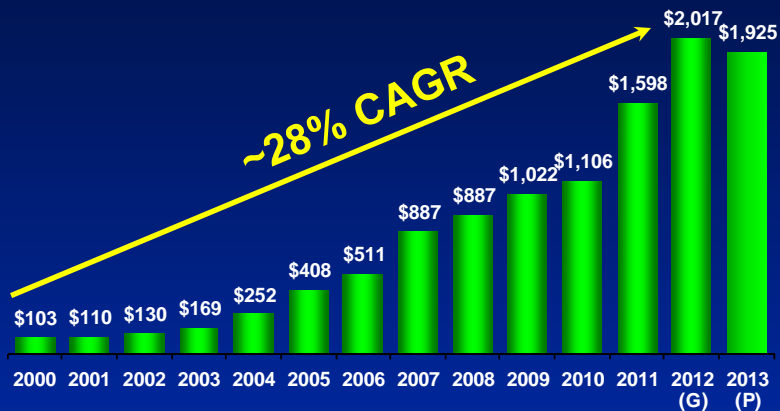
**~150% implied distribution coverage for 2012;
Implied retained cash flow = ~\$495mm**

(G) Mid-point guidance (rounded) furnished via Form 8K on 11/5/12.

(1) 2012(G) amount includes distributions paid thus far in 2012 and the distribution to be paid in November 2012. Please see non-GAAP reconciliations on our website at www.paalp.com.

PAA has Proven Track Record of Delivering Solid Distribution Growth and Total Returns Over Multi-year Periods

Adjusted EBITDA



Note: EBITDA in graph excludes the impact of selected items impacting comparability, 2012 EBITDA guidance based on midpoint provided in Form 8-K furnished on 11/5/12.

Distributions

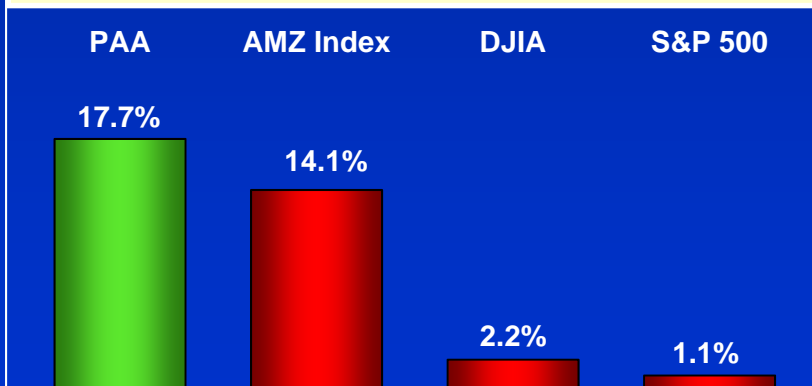
Increased in 32 of 34 quarters

Target
7-8%
Growth

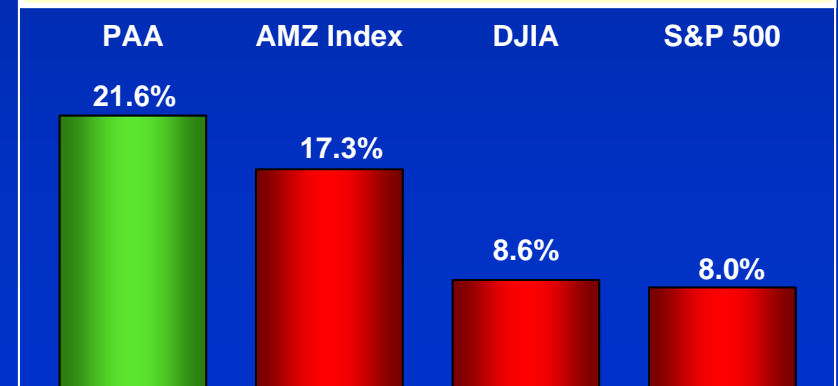


(1) Distribution amounts are the annualized distributions paid in November of the respective years.

5-Yr Annualized Total Return⁽²⁾



10-Yr Annualized Total Return⁽²⁾

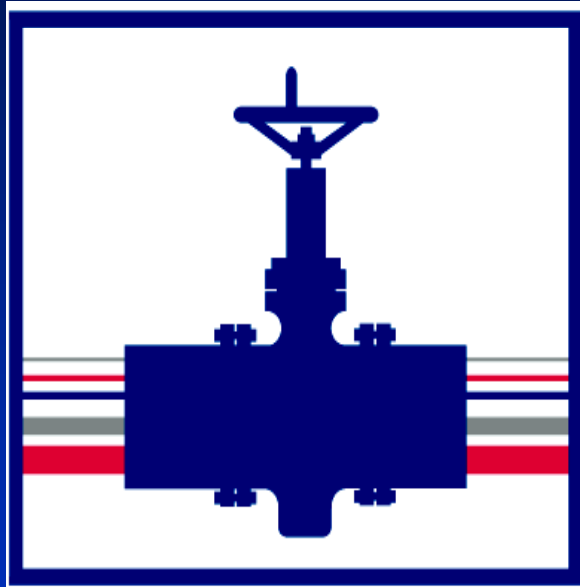


Source: Bloomberg (Total Return function)

(2) Annual Total Returns based on trailing five and ten year periods ended 10/26/12.

PAA Investment Considerations

- ◆ **Proven business model & management team**
 - ✓ Long history of solid operational and financial performance, including during 2007 – 2009 market turmoil and other periods of significant volatility
- ◆ **Strategically located, geographically diverse asset base**
 - ✓ Well positioned to serve high-growth liquids resource plays
- ◆ **Durable predominately fee-based cash flow**
 - ✓ ~75% fee based (2013 Preliminary Guidance)
 - ✓ Minimal direct commodity exposure
- ◆ **Strong balance sheet, significant liquidity and solid distribution coverage**
 - ✓ Investment-grade credit rating and credit metrics favorable to targets
 - ✓ Large amount of liquidity allows financial flexibility
 - ✓ Projected 2012 and 2013 distribution coverage of ~1.5x and ~1.2x, respectively
- ◆ **Strong visibility for continued growth**
 - ✓ Benefiting from >\$4.5 billion of growth capital (organic & acquisition) invested in 2011 and to be invested through the balance of 2012
 - ✓ ~\$1 Billion of organic growth capital investment planned for 2013
 - ✓ Targeting 7-8% distribution growth for 2013



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PAA Non-GAAP Reconciliations

Note regarding reconciliations: The following tables reconcile certain historical non-GAAP financial measures to the most directly comparable historical GAAP financial measures. Note that all 2004 calculations include the cumulative effect of change in accounting principle, as presented in our Form 8-K filed July 21, 2004, unless otherwise noted.

Earnings Before Interest and Taxes (EBIT) and Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) ⁽¹⁾⁽²⁾

Annual
(in millions)

	Plains All American Pipeline, L.P.														Predecessor				
	Year Ended December 31,														November 23, 1998 to December 31,	January 1, 1998 to November 22,	Year Ended December 31,		
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1998	1997	1996	1995	
EBIT and EBITDA reconciliations																			
Net income to EBITDA reconciliation																			
Net income/(loss)	\$ 994	\$ 514	\$ 580	\$ 437	\$ 365	\$ 265	\$ 218	\$ 130	\$ 59	\$ 65	\$ 44	\$ 78	\$ (103)	\$ 2	\$ 4	\$ 2	\$ 1	\$ (0)	
Income tax expense/(benefit)	45	(1)	6	8	16	-	-	-	-	-	-	-	-	-	3	1	1	(0)	
Interest income	-	-	-	-	(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest expense	253	248	224	196	162	86	59	47	35	29	29	21	1	11	5	4	4		
EBIT	\$ 1,292	\$ 761	\$ 810	\$ 641	\$ 543	\$ 370	\$ 277	\$ 177	\$ 95	\$ 94	\$ 73	\$ 106	\$ (82)	\$ 3	\$ 18	\$ 8	\$ 6	\$ 3	
Depreciation and amortization	249	256	236	211	180	100	84	69	46	34	23	25	17	4	1	1	1		
EBITDA	\$ 1,541	\$ 1,017	\$ 1,046	\$ 852	\$ 723	\$ 470	\$ 361	\$ 245	\$ 141	\$ 129	\$ 97	\$ 131	\$ (65)	\$ 4	\$ 23	\$ 9	\$ 7	\$ 4	

	Plains All American Pipeline, L.P.														Predecessor				
	Year Ended December 31,														November 23, 1998 to December 31,	January 1, 1998 to November 22,	Year Ended December 31,		
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1998	1997	1996	1995	
Cash flow from operating activities reconciliation																			
Net cash provided by/(used in) operating activities	\$ 2,365	\$ 299	\$ 365	\$ 957	\$ 796	\$ (275)	\$ 24	\$ 104	\$ 115	\$ 185	\$ (16)	\$ (34)	\$ (71)	\$ 7	\$ 21	\$ (13)	\$ 1	\$ (6)	
Net change in assets and liabilities, net of acquisitions	(1,005)	609	510	(186)	(189)	704	303	103	19	(86)	84	136	(15)	(4)	(13)	16	2	7	
Other items not affecting cash flows from operating activities:																			
Equity compensation expense	(110)	(98)	(68)	(24)	(49)	(43)	(26)	(8)	(29)	-	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Current income tax expense/(benefit)	38	(1)	15	9	3	-	-	-	-	-	-	-	-	-	3	1	1	-	
Interest income	-	-	-	-	(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest expense	253	248	224	196	162	86	59	47	35	29	29	21	1	11	5	4	4		
EBITDA	\$ 1,541	\$ 1,017	\$ 1,046	\$ 852	\$ 723	\$ 470	\$ 361	\$ 245	\$ 141	\$ 128	\$ 97	\$ 131	\$ (65)	\$ 4	\$ 23	\$ 9	\$ 7	\$ 4	
Depreciation and amortization	(249)	(256)	(236)	(211)	(180)	(100)	(84)	(69)	(46)	(34)	(23)	(25)	(17)	(1)	(4)	(1)	(1)		
EBIT	\$ 1,292	\$ 761	\$ 810	\$ 641	\$ 543	\$ 370	\$ 277	\$ 177	\$ 95	\$ 94	\$ 73	\$ 106	\$ (82)	\$ 3	\$ 18	\$ 8	\$ 6	\$ 3	

⁽¹⁾ Amounts may not recalculate due to rounding.

⁽²⁾ Certain reclassifications have been made for prior periods to conform to 2012 presentation.

Earnings Before Interest and Taxes (EBIT) and Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) ⁽¹⁾⁽²⁾

Annual
(in millions)

Selected items impacting comparability ⁽³⁾	Plains All American Pipeline, L.P.													Predecessor				
	Year Ended December 31,													November 23, 1998 to December 31, 1998	January 1, 1998 to November 22, 1998	Year Ended December 31,		
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1998	1997	1996	1995
Increase/(decrease) to reported amount:																		
Gains/(losses) from other derivative activities ⁽⁴⁾	\$ 61	\$ (14)	\$ 34	\$ 7	\$ (24)	\$ (4)	\$ (19)	\$ 1	\$ 0	\$ 0	\$ 10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equity compensation expense ⁽⁵⁾	(77)	(67)	(50)	(21)	(44)	(43)	(20)	(0)	(29)	-	(6)	(2)	(1)	-	-	-	-	-
Cumulative effect of change in accounting principle ⁽⁶⁾	-	-	-	-	-	6	-	(3)	-	-	1	-	-	-	-	-	-	-
Gains on Rainbow acquisition-related foreign currency and linefill hedges	-	-	-	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains on sales of assets	-	-	-	-	12	-	-	-	-	-	48	16	-	-	-	-	-	-
Deferred income tax expense	-	-	-	-	(10)	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss on refinancing of debt	-	-	-	-	-	-	-	-	-	-	-	(15)	-	-	-	-	-	-
Unauthorized trading loss and related expenses	-	-	-	-	-	-	-	-	-	-	-	(7)	(166)	(2)	(5)	-	-	-
Inventory valuation adjustments net of gains/(losses) from related derivative activities ⁽⁴⁾	-	-	24	(11)	-	-	(2)	5	-	-	(5)	-	-	-	-	-	-	-
Gain/(loss) on foreign currency revaluation ⁽⁷⁾	(7)	-	12	(21)	-	-	(2)	5	-	-	-	-	-	-	-	-	-	-
Net loss on early repayment of senior notes	(23)	(6)	(4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PNGS contingent consideration fair value adjustment	-	(2)	(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net gain on purchase of remaining 50% interest in PNGS	-	-	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-cash amortization of debt issue costs	-	-	-	-	-	-	-	-	-	-	(5)	-	-	-	-	-	-	-
Significant acquisition-related expenses	(10)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other ⁽⁸⁾	1	-	-	-	-	-	-	-	(2)	(3)	(5)	(1)	-	-	-	-	-	-
Total of selected items impacting comparability	\$ (55)	\$ (89)	\$ 24	\$ (35)	\$ (66)	\$ (41)	\$ (47)	\$ (7)	\$ (28)	\$ (2)	\$ (13)	\$ 23	\$ (152)	\$ (2)	\$ (5)	\$ -	\$ -	\$ -

⁽¹⁾ Amounts may not recalculate due to rounding.

⁽²⁾ Certain reclassifications have been made for prior periods to conform to 2012 presentation.

⁽³⁾ Certain of our non-GAAP financial measures may not be impacted by each of the selected items impacting comparability.

⁽⁴⁾ Beginning with the first quarter of 2008, 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⁾ Equity compensation expense excludes the portion of equity compensation expense represented by grants under our Long-term Incentive Plans ("LTIPs") that, pursuant to the terms of the grant, will be settled in cash only and have no impact on diluted units.

⁽⁶⁾ Item classified as cumulative change in accounting principle on income statement.

⁽⁷⁾ Currently included as a selected item impacting comparability in periods with significant activity.

⁽⁸⁾ Includes other immaterial selected items impacting comparability, as well as the noncontrolling interests' portion of selected items.

**Earnings Before Interest and Taxes (EBIT), Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) and
Implied Distributable Cash Flow (DCF)⁽¹⁾⁽²⁾**
Quarterly
(in millions)

	2012			2011		
	1st Qtr	2nd Qtr	3rd Qtr	1st Qtr	2nd Qtr	3rd Qtr
EBIT and EBITDA reconciliations:						
Net income to EBITDA reconciliation						
Net Income	\$ 237	\$ 386	\$ 173	\$ 185	\$ 233	\$ 288
Income tax expense	20	10	13	13	9	6
Interest expense	65	75	74	65	62	62
EBIT	\$ 322	\$ 471	\$ 260	\$ 263	\$ 304	\$ 356
Depreciation and amortization	60	86	210	63	63	65
EBITDA	\$ 382	\$ 557	\$ 470	\$ 326	\$ 367	\$ 421
Cash flow from operating activities reconciliation						
Net cash provided by operating activities	\$ 317	\$ 30	\$ 533	\$ 654	\$ 318	\$ 780
Interest expense	65	75	74	65	62	62
Current income tax expense	17	6	10	11	8	7
Net change in assets and liabilities, net of acquisitions	22	466	(125)	(384)	6	(418)
Other items to reconcile from cash flows from operating activities:						
Equity compensation expense ⁽³⁾	(39)	(20)	(22)	(20)	(27)	(10)
EBITDA	\$ 382	\$ 557	\$ 470	\$ 326	\$ 367	\$ 421
Depreciation and amortization	(60)	(86)	(210)	(63)	(63)	(65)
EBIT	\$ 322	\$ 471	\$ 260	\$ 263	\$ 304	\$ 356
Selected items impacting comparability - Income/(Loss)⁽⁴⁾						
Increase (decrease) to reported amount:						
Gains/(losses) from derivative activities net of inventory valuation adjustments ⁽⁵⁾	\$ (59)	\$ 72	\$ (31)	\$ 20	\$ 21	\$ 30
Equity compensation expense ⁽³⁾	(26)	(12)	(12)	(14)	(20)	(6)
Net loss on early repayment of senior notes	-	-	-	(23)	-	-
Asset impairments ⁽⁶⁾	-	-	(125)	-	-	-
Net gain/(loss) on foreign currency revaluation ⁽⁷⁾	-	(16)	11	-	-	(17)
Significant acquisition-related expenses	(4)	(9)	-	(4)	-	-
Other ⁽⁸⁾	(1)	-	-	1	-	-
Selected items impacting comparability of net income attributable to Plains	\$ (90)	\$ 35	\$ (157)	\$ (20)	\$ 1	\$ 7
Adjusted EBITDA						
EBITDA	\$ 382	\$ 557	\$ 470	\$ 326	\$ 367	\$ 421
Selected items impacting comparability of EBITDA	90	(35)	32	22	(1)	(7)
Adjusted EBITDA	\$ 472	\$ 522	\$ 502	\$ 348	\$ 366	\$ 414
Adjusted EBITDA to Implied DCF reconciliation						
Adjusted EBITDA	\$ 472	\$ 522	\$ 502	\$ 348	\$ 366	\$ 414
Interest expense	(65)	(75)	(74)	(65)	(62)	(62)
Maintenance capital	(35)	(40)	(47)	(24)	(27)	(25)
Current income tax expense	(17)	(6)	(10)	(11)	(8)	(7)
Equity earnings in unconsolidated entities, net of distributions	(1)	1	1	5	1	2
Distribution to noncontrolling interests ⁽⁹⁾	(12)	(12)	(12)	(11)	(11)	(12)
Other	-	-	-	(1)	-	-
Implied DCF	\$ 342	\$ 390	\$ 360	\$ 241	\$ 259	\$ 310

(1) Amounts may not recalculate due to rounding.

(2) Certain reclassifications have been made for prior periods to conform to 2012 presentation.

(3) The equity compensation expense presented within the cash flow from operating activities reconciliation table includes the portion of the equity compensation expense represented by grants under the LTIPs that, pursuant to the terms of the grant, will be settled in cash only and have no impact on diluted units. The equity compensation expense presented within the selected items impacting comparability table, however, exclude this portion of the equity compensation expense.

(4) Certain of our non-GAAP financial measures may not be impacted by each of the selected items impacting comparability.

(5) Includes mark-to-market gains and losses resulting from derivative instruments that are related to underlying activities in future periods or the reversal of mark-to-market gains and losses from the prior period net of inventory valuation adjustments.

(6) Asset impairments are reflected in "Depreciation and amortization" on our Consolidated Statements of Operations and do not impact the comparability of EBITDA.

(7) Currently included as a selected item impacting comparability in periods with significant activity.

(8) Includes other immaterial selected items impacting comparability, as well as the noncontrolling interests' portion of selected items.

(9) Includes distributions that pertain to the current quarter's net income and are to be paid in the subsequent quarter.

**Earnings Before Interest and Taxes (EBIT), Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) and
Implied Distributable Cash Flow (DCF)⁽¹⁾⁽²⁾
Quarterly YTD
(in millions)**

	2012			2011		
	3 Mos	6 Mos	9 Mos	3 Mos	6 Mos	9 Mos
EBIT and EBITDA reconciliations:						
Net income to EBITDA reconciliation						
Net Income	\$ 237	\$ 624	\$ 797	\$ 185	\$ 418	\$ 706
Income tax expense	20	30	43	13	22	28
Interest expense	65	140	214	65	128	190
EBIT	\$ 322	\$ 794	\$ 1,054	\$ 263	\$ 568	\$ 924
Depreciation and amortization	60	146	356	63	126	191
EBITDA	\$ 382	\$ 940	\$ 1,410	\$ 326	\$ 694	\$ 1,115
Cash flow from operating activities reconciliation						
Net cash provided by operating activities	\$ 317	\$ 348	\$ 880	\$ 654	\$ 972	\$ 1,752
Interest expense	65	140	214	65	128	190
Current income tax expense	17	23	32	11	18	25
Net change in assets and liabilities, net of acquisitions	22	489	366	(384)	(378)	(796)
Other items to reconcile from cash flows from operating activities:						
Equity compensation expense ⁽³⁾	(39)	(60)	(82)	(20)	(46)	(56)
EBITDA	\$ 382	\$ 940	\$ 1,410	\$ 326	\$ 694	\$ 1,115
Depreciation and amortization	(60)	(146)	(356)	(63)	(126)	(191)
EBIT	\$ 322	\$ 794	\$ 1,054	\$ 263	\$ 568	\$ 924
Selected items impacting comparability - Income/(Loss)⁽⁴⁾						
Increase (decrease) to reported amount:						
Gains/(losses) from derivative activities net of inventory valuation adjustments ⁽⁵⁾	\$ (59)	\$ 13	\$ (18)	\$ 20	\$ 41	\$ 71
Equity compensation expense ⁽³⁾	(26)	(38)	(50)	(14)	(33)	(40)
Net loss on early repayment of senior notes	-	-	-	(23)	(23)	(23)
Net loss on foreign currency revaluation ⁽⁶⁾	-	(16)	(6)	-	-	(17)
Significant acquisition-related expenses	(4)	(13)	(13)	(4)	(4)	(4)
Asset impairments ⁽⁷⁾	-	-	(125)	-	-	-
Other ⁽⁸⁾	(1)	-	1	1	1	2
Selected items impacting comparability of net income attributable to Plains	\$ (90)	\$ (54)	\$ (211)	\$ (20)	\$ (18)	\$ (11)
Adjusted EBITDA						
EBITDA	\$ 382	\$ 940	\$ 1,410	\$ 326	\$ 694	\$ 1,115
Selected items impacting comparability of EBITDA	90	55	87	22	20	13
Adjusted EBITDA	\$ 472	\$ 995	\$ 1,497	\$ 348	\$ 714	\$ 1,128
Adjusted EBITDA to Implied DCF reconciliation						
Adjusted EBITDA	\$ 472	\$ 995	\$ 1,497	\$ 348	\$ 714	\$ 1,128
Interest expense	(65)	(140)	(214)	(65)	(128)	(190)
Maintenance capital	(35)	(76)	(123)	(24)	(52)	(77)
Current income tax expense	(17)	(23)	(32)	(11)	(18)	(25)
Equity earnings in unconsolidated entities, net of distributions	(1)	-	2	5	6	7
Distribution to noncontrolling interests ⁽⁹⁾	(12)	(24)	(36)	(11)	(23)	(35)
Other	-	-	-	(1)	(1)	(1)
Implied DCF	\$ 342	\$ 732	\$ 1,094	\$ 241	\$ 498	\$ 807

⁽¹⁾ Amounts may not recalculate due to rounding.

⁽²⁾ Certain reclassifications have been made for prior periods to conform to 2012 presentation.

⁽³⁾ The equity compensation expense presented within the cash flow from operating activities reconciliation table includes the portion of the equity compensation expense represented by grants under the LTIPs that, pursuant to the terms of the grant, will be settled in cash only and have no impact on diluted units. The equity compensation expenses presented within the selected items impacting comparability table, however, exclude this portion of the equity compensation expense.

⁽⁴⁾ Certain of our non-GAAP financial measures may not be impacted by each of the selected items impacting comparability.

⁽⁵⁾ Includes mark-to-market gains and losses resulting from derivative instruments that are related to underlying activities in future periods or the reversal of mark-to-market gains and losses from the prior period net of inventory valuation adjustments.

⁽⁶⁾ Currently included as a selected item impacting comparability in periods with significant activity.

⁽⁷⁾ Asset impairments are reflected in "Depreciation and amortization" on our Consolidated Statements of Operations and do not impact the comparability of EBITDA.

⁽⁸⁾ Includes other immaterial selected items impacting comparability, as well as the noncontrolling interests' portion of selected items.

⁽⁹⁾ Includes distributions that pertain to the current quarter's net income and are to be paid in the subsequent quarter.

Earnings per Limited Partner Unit (EPU)⁽¹⁾⁽²⁾
Quarterly
(in millions, except per unit data)

EPU	2012			2011		
	1st Qtr	2nd Qtr	3rd Qtr	1st Qtr	2nd Qtr	3rd Qtr
Basic Net Income per Limited Partner Unit						
Net income attributable to Plains	\$ 230	\$ 378	\$ 165	\$ 182	\$ 225	\$ 281
Less: General partner's incentive distribution ⁽³⁾	(85)	(69)	(74)	(50)	(52)	(55)
Less: General partner 2% ownership ⁽³⁾	(3)	(6)	(2)	(3)	(3)	(5)
Net income available to limited partners	162	303	89	129	170	221
Less: Undistributed earnings allocated and distributions to participating securities ⁽³⁾	-	(2)	(1)	-	-	-
Net income available to limited partners in accordance with application of the two-class method for MLPs	\$ 162	\$ 301	\$ 88	\$ 129	\$ 170	\$ 221
Basic weighted average number of limited partner units outstanding	314	324	329	286	298	299
Basic net income per limited partner unit	\$ 0.51	\$ 0.93	\$ 0.27	\$ 0.45	\$ 0.57	\$ 0.74
Diluted Net Income per Limited Partner Unit						
Net income attributable to Plains	\$ 230	\$ 378	\$ 165	\$ 182	\$ 225	\$ 281
Less: General partner's incentive distribution ⁽³⁾	(85)	(69)	(74)	(50)	(52)	(55)
Less: General partner 2% ownership ⁽³⁾	(3)	(6)	(2)	(3)	(3)	(5)
Net income available to limited partners	162	303	89	129	170	221
Less: Undistributed earnings allocated and distributions to participating securities ⁽³⁾	-	(1)	(1)	-	-	-
Net income available to limited partners in accordance with application of the two-class method for MLPs	\$ 162	\$ 302	\$ 88	\$ 129	\$ 170	\$ 221
Basic weighted average number of limited partner units outstanding	314	324	329	286	298	299
Effect of dilutive securities:						
Weighted average LTIP units ⁽⁴⁾	2	2	2	2	2	1
Diluted weighted average number of limited partner units outstanding	316	326	331	288	300	300
Diluted net income per limited partner unit	\$ 0.51	\$ 0.93	\$ 0.27	\$ 0.45	\$ 0.57	\$ 0.74

Earnings per Limited Partner Unit (EPU)⁽¹⁾⁽²⁾
Quarterly YTD
(in millions, except per unit data)

EPU	2012			2011		
	3 Mos	6 Mos	9 Mos	3 Mos	6 Mos	9 Mos
Basic Net Income per Limited Partner Unit						
Net income attributable to Plains	\$ 230	\$ 609	\$ 774	\$ 182	\$ 408	\$ 688
Less: General partner's incentive distribution ⁽³⁾	(85)	(134)	(208)	(50)	(103)	(158)
Less: General partner 2% ownership ⁽³⁾	(3)	(10)	(12)	(3)	(6)	(10)
Net income available to limited partners	162	465	554	129	299	520
Less: Undistributed earnings allocated and distributions to participating securities ⁽³⁾	-	(3)	(3)	-	-	-
Net income available to limited partners in accordance with application of the two-class method for MLPs	\$ 162	\$ 462	\$ 551	\$ 129	\$ 299	\$ 520
Basic weighted average number of limited partner units outstanding	314	319	322	286	292	294
Basic net income per limited partner unit	\$ 0.51	\$ 1.45	\$ 1.71	\$ 0.45	\$ 1.02	\$ 1.77
Diluted Net Income per Limited Partner Unit						
Net income attributable to Plains	\$ 230	\$ 609	\$ 774	\$ 182	\$ 408	\$ 688
Less: General partner's incentive distribution ⁽³⁾	(85)	(134)	(208)	(50)	(103)	(158)
Less: General partner 2% ownership ⁽³⁾	(3)	(10)	(12)	(3)	(6)	(10)
Net income available to limited partners	162	465	554	129	299	520
Less: Undistributed earnings allocated and distributions to participating securities ⁽³⁾	-	(2)	(3)	-	-	-
Net income available to limited partners in accordance with application of the two-class method for MLPs	\$ 162	\$ 463	\$ 551	\$ 129	\$ 299	\$ 520
Basic weighted average number of limited partner units outstanding	314	319	322	286	292	294
Effect of dilutive securities:						
Weighted average LTIP units ⁽⁴⁾	2	2	3	2	2	2
Diluted weighted average number of limited partner units outstanding	316	321	325	288	294	296
Diluted net income per limited partner unit	\$ 0.51	\$ 1.44	\$ 1.70	\$ 0.45	\$ 1.02	\$ 1.76

⁽¹⁾ Amounts may not recalculate due to rounding.

⁽²⁾ Unit and per-unit amounts are presented as adjusted for the two-for-one unit split effected on October 1, 2012.

⁽³⁾ We calculate net income available to limited partners based on the distributions pertaining to the current period's net income. After adjusting for the appropriate period's distributions, the remaining undistributed earnings or excess distributions over earnings, if any, are allocated to the general partner, limited partners and participating securities in accordance with the contractual terms of the partnership agreement and as further prescribed under the two-class method.

⁽⁴⁾ Our LTIP awards that contemplate the issuance of common units are considered dilutive unless (i) vesting occurs only upon the satisfaction of a performance condition and (ii) that performance condition has yet to be satisfied. LTIP awards that are deemed to be dilutive are reduced by a hypothetical unit repurchase based on the remaining unamortized fair value, as prescribed by the treasury stock method in guidance issued by the FASB.

Earnings per Limited Partner Unit (EPU) excluding SIC⁽¹⁾⁽²⁾⁽³⁾
Quarterly

(in millions, except per unit data)

	2012			2011		
	1st Qtr	2nd Qtr	3rd Qtr	1st Qtr	2nd Qtr	3rd Qtr
Net income and EPU excluding selected items impacting comparability						
Basic Adjusted Net Income per Limited Partner Unit						
Net income attributable to Plains	\$ 230	\$ 378	\$ 165	\$ 182	\$ 225	\$ 281
Selected items impacting comparability of net income attributable to Plains	90	(35)	157	20	(1)	(7)
Adjusted net income attributable to Plains	320	343	322	202	224	274
Less: General partner's incentive distribution ⁽⁴⁾	(65)	(69)	(74)	(51)	(52)	(55)
Less: General partner 2% ownership ⁽⁴⁾	(4)	(5)	(5)	(4)	(3)	(5)
Adjusted net income available to limited partners	251	269	243	147	169	214
Less: Undistributed earnings allocated and distributions to participating securities ⁽⁴⁾	(1)	(2)	(2)	2	-	-
Adjusted limited partners' net income	\$ 250	\$ 267	\$ 241	\$ 149	\$ 169	\$ 214
Basic weighted average number of limited partner units outstanding	314	324	329	286	298	299
Basic adjusted net income per limited partner unit	\$ 0.51	\$ 0.82	\$ 0.73	\$ 0.52	\$ 0.56	\$ 0.72
Diluted Adjusted Net Income per Limited Partner Unit						
Net income attributable to Plains	\$ 230	\$ 378	\$ 165	\$ 182	\$ 225	\$ 281
Selected items impacting comparability of net income attributable to Plains	90	(35)	157	20	(1)	(7)
Adjusted net income attributable to Plains	320	343	322	202	224	274
Less: General partner's incentive distribution ⁽⁴⁾	(65)	(69)	(74)	(51)	(52)	(55)
Less: General partner 2% ownership ⁽⁴⁾	(4)	(5)	(5)	(4)	(3)	(5)
Adjusted net income available to limited partners	251	269	243	147	169	214
Less: Undistributed earnings allocated and distributions to participating securities ⁽⁴⁾	(1)	(1)	(1)	2	-	-
Adjusted limited partners' net income	\$ 250	\$ 268	\$ 242	\$ 149	\$ 169	\$ 214
Diluted weighted average number of limited partner units outstanding	316	326	331	288	300	300
Diluted adjusted net income per limited partner unit	\$ 0.51	\$ 0.82	\$ 0.73	\$ 0.52	\$ 0.56	\$ 0.71

Earnings per Limited Partner Unit (EPU) excluding SIC⁽¹⁾⁽²⁾
Quarterly YTD

(in millions, except per unit data)

	2012			2011		
	3 Mos	6 Mos	9 Mos	3 Mos	6 Mos	9 Mos
Net income and EPU excluding selected items impacting comparability						
Basic Adjusted Net Income per Limited Partner Unit						
Net income attributable to Plains	\$ 230	\$ 609	\$ 774	\$ 182	\$ 408	\$ 688
Selected items impacting comparability of net income attributable to Plains	90	54	211	20	18	11
Adjusted net income attributable to Plains	320	663	985	202	426	699
Less: General partner's incentive distribution ⁽⁴⁾	(65)	(134)	(208)	(51)	(103)	(158)
Less: General partner 2% ownership ⁽⁴⁾	(4)	(11)	(16)	(4)	(7)	(10)
Net income available to limited partners	251	518	761	147	316	531
Less: Undistributed earnings allocated and distributions to participating securities ⁽⁴⁾	(1)	(3)	(5)	2	1	-
Adjusted limited partners' net income	\$ 250	\$ 515	\$ 756	\$ 149	\$ 317	\$ 531
Basic weighted average number of limited partner units outstanding	314	324	322	286	292	294
Basic adjusted net income per limited partner unit	\$ 0.51	\$ 0.82	\$ 2.35	\$ 0.52	\$ 1.08	\$ 1.80
Diluted Adjusted Net Income per Limited Partner Unit						
Net income attributable to Plains	\$ 230	\$ 609	\$ 774	\$ 182	\$ 408	\$ 688
Selected items impacting comparability of net income attributable to Plains	90	54	211	20	18	11
Adjusted net income attributable to Plains	320	663	985	202	426	699
Less: General partner's incentive distribution ⁽⁴⁾	(65)	(134)	(208)	(51)	(103)	(158)
Less: General partner 2% ownership ⁽⁴⁾	(4)	(11)	(16)	(4)	(7)	(10)
Adjusted net income available to limited partners	251	518	761	147	316	531
Less: Undistributed earnings allocated and distributions to participating securities ⁽⁴⁾	(1)	(2)	(3)	2	1	-
Adjusted limited partners' net income	\$ 250	\$ 516	\$ 758	\$ 149	\$ 317	\$ 531
Diluted weighted average number of limited partner units outstanding	316	321	325	288	294	296
Diluted adjusted net income per limited partner unit	\$ 0.51	\$ 1.61	\$ 2.33	\$ 0.52	\$ 1.08	\$ 1.79

⁽¹⁾ Amounts may not recalculate due to rounding.

⁽²⁾ Certain of our non-GAAP financial measures may not be impacted by each of the selected items impacting comparability.

⁽³⁾ Unit and per-unit amounts are presented as adjusted for the two-for-one unit split effected on October 1, 2012.

⁽⁴⁾ We calculate adjusted net income available to limited partners based on the distributions pertaining to the current period's net income. After adjusting for the appropriate period's distributions, the remaining undistributed earnings or excess distributions over earnings, if any, are allocated to the general partner, limited partners and participating securities in accordance with the contractual terms of the partnership agreement and as further prescribed under the two-class method.

Credit Ratios ⁽¹⁾
(in millions, except ratio amounts)

Credit Ratios	As of	As of	As of	As of December 31,							
	March 31,	June 30,	September 30,	2011	2010	2009	2008	2007	2006	2005	2004
	2012	2012	2012								
Long-term debt under credit facilities and other	\$ 284	\$ 283	\$ 300	\$ 258	\$ 268	\$ 6	\$ 40	\$ 1	\$ 3	\$ 5	\$ 152
Senior notes, net of unamortized discount	5,510	5,510	5,511	4,262	4,363	4,136	3,219	2,623	2,623	947	797
Total long term debt	\$ 5,794	\$ 5,793	\$ 5,811	\$ 4,520	\$ 4,631	\$ 4,142	\$ 3,259	\$ 2,624	\$ 2,626	\$ 952	\$ 949
Less: Adjustment ⁽²⁾	-	-	-	-	(466)	(222)	-	-	-	-	-
Adjusted Long-term debt	\$ 5,794	\$ 5,793	\$ 5,811	\$ 4,520	\$ 4,165	\$ 3,920	\$ 3,259	\$ 2,624	\$ 2,626	\$ 952	\$ 949
Total partners' capital	\$ 6,513	\$ 6,645	\$ 6,925	\$ 5,974	\$ 4,573	\$ 4,159	\$ 3,552	\$ 3,424	\$ 2,977	\$ 1,331	\$ 1,070
Adjusted total capital	\$ 12,307	\$ 12,438	\$ 12,736	\$ 10,494	\$ 8,738	\$ 8,079	\$ 6,811	\$ 6,048	\$ 5,603	\$ 2,282	\$ 2,019
Adjusted long-term debt-to-total book capitalization	47%	47%	46%	43%	48%	49%	48%	43%	47%	42%	47%

⁽¹⁾ Amounts may not recalculate due to rounding.

⁽²⁾ The adjustments represent the portion of our \$500 million, 4.25% senior notes that had been used to fund hedged inventory and would have been classified as short-term debt if funded on our credit facilities. These notes were issued in July 2009 and the proceeds were used to supplement capital available from our hedged inventory facility. These notes matured in September 2012.

Additional 9/30/12 Reconciliations
Reconciliations for Selected Items Impacting Comparability^{(1) (2)}
Quarterly for the Periods Ended 9/30/12 and 9/30/11
(in millions, except per unit data)

	3rd Qtr		3rd Qtr Change		9 Months		9 Months Change	
	2012	2011	\$	%	2012	2011	\$	%
Net income reconciliation								
Net income attributable to Plains	\$ 165	\$ 281	\$ (116)	-41%	\$ 774	\$ 688	\$ 86	13%
Selected items impacting comparability of net income attributable to Plains	157	(7)	164	2343%	211	11	200	1818%
Adjusted net income attributable to Plains	\$ 322	\$ 274	\$ 48	18%	\$ 985	\$ 699	\$ 286	41%
EBITDA reconciliation								
EBITDA	\$ 470	\$ 421	\$ 49	12%	\$ 1,410	\$ 1,115	\$ 295	26%
Selected items impacting comparability of EBITDA	32	(7)	39	557%	87	13	74	569%
Adjusted EBITDA	\$ 502	\$ 414	\$ 88	21%	\$ 1,497	\$ 1,128	\$ 369	33%
Transportation segment profit reconciliation								
Transportation operations segment profit	\$ 184	\$ 152	\$ 32	21%	\$ 516	\$ 416	\$ 100	24%
Equity compensation expense ⁽³⁾	6	3	3	100%	20	18	2	11%
Significant acquisition-related expenses	-	-	-	-	7	-	7	N/A
Adjusted Transportation operations segment profit	\$ 190	\$ 155	\$ 35	23%	\$ 543	\$ 434	\$ 109	25%
Total average daily volumes (thousands of barrels)	3,530	3,025	505	17%	3,420	3,026	394	13%
Adjusted segment profit per barrel	\$ 0.58	\$ 0.55	\$ 0.03	6%	\$ 0.58	\$ 0.53	\$ 0.05	9%
Facilities segment profit reconciliation								
Facilities operations segment profit	\$ 140	\$ 95	\$ 45	47%	\$ 344	\$ 259	\$ 85	33%
Equity compensation expense ⁽³⁾	3	1	2	200%	15	10	5	50%
(Gains)/losses from derivative activities net of inventory valuation adjustments ⁽⁵⁾	(1)	-	(1)	N/A	-	-	-	-
Significant acquisition-related expenses	-	-	-	-	3	4	(1)	-25%
Adjusted Facilities operations segment profit	\$ 142	\$ 96	\$ 46	48%	\$ 362	\$ 273	\$ 89	33%
Total average monthly capacity (millions of barrels)	111	84	27	32%	104	81	23	28%
Adjusted segment profit per barrel	\$ 0.43	\$ 0.38	\$ 0.05	13%	\$ 0.39	\$ 0.38	\$ 0.01	3%
Supply and Logistics segment profit reconciliation								
Supply and Logistics operations segment profit	\$ 142	\$ 179	\$ (37)	-21%	\$ 544	\$ 464	\$ 80	17%
Equity compensation expense ⁽³⁾	3	2	1	50%	15	12	3	25%
(Gains)/losses from other derivative activities net of inventory valuation adjustments ⁽⁵⁾	32	(30)	62	207%	18	(72)	90	125%
Net (gain)/loss on foreign currency revaluation ⁽⁴⁾	(8)	10	(18)	-180%	6	10	(4)	-40%
Significant acquisition-related expenses	-	-	-	-	3	-	3	N/A
Other ⁽⁶⁾	-	-	-	-	1	-	1	N/A
Adjusted Supply and Logistics operations segment profit	\$ 169	\$ 161	\$ 8	5%	\$ 587	\$ 414	\$ 173	42%
Total average daily volumes (thousands of barrels)	995	852	143	17%	966	856	110	13%
Adjusted segment profit per barrel	\$ 1.84	\$ 2.05	\$ (0.21)	-10%	\$ 2.22	\$ 1.77	\$ 0.45	25%

⁽¹⁾ Certain of our non-GAAP financial measures may not be impacted by each of the selected items impacting comparability.

⁽²⁾ Amounts may not recalculate due to rounding.

⁽³⁾ Excludes the portion of the equity compensation expense represented by grants under the LTIPs that, pursuant to the terms of the grant, will be settled in cash only and have no impact on diluted units.

⁽⁴⁾ Currently included as a selected item impacting comparability in periods with significant activity.

⁽⁵⁾ Includes mark-to-market gains and losses resulting from derivative instruments that are related to underlying activities in future periods or the reversal of mark-to-market gains and losses from the prior period net of inventory valuation adjustments.

⁽⁶⁾ Includes other immaterial selected items impacting comparability, as well as the noncontrolling interests' portion of selected items.

Additional 9/30/12 Reconciliations
Basic and Diluted Earnings Per Unit Reconciliations ^{(1) (2) (4)}
Quarterly for the Periods Ended 9/30/12 and 9/30/11
(in millions, except per unit data)

	3rd Qtr		3rd Qtr Change		9 Months		9 Months Change	
	2012	2011	# Units	%	2012	2011	# Units	%
Weighted average units outstanding ⁽³⁾								
Basic weighted average number of limited partners units outstanding	329	299	30	10%	322	294	28	10%
Diluted weighted average number of limited partners units outstanding	331	300	31	10%	325	296	29	10%
	3rd Qtr		3rd Qtr Change		9 Months		9 Months Change	
	2012	2011	\$	%	2012	2011	\$	%
Selected items impacting comparability impact on basic and diluted earnings per unit								
Impact to basic net income per limited partner unit	\$ (0.46)	\$ 0.02	\$ (0.48)	-2400%	\$ (0.64)	\$ (0.03)	\$ (0.61)	-2033%
Impact to diluted net income per limited partner unit	\$ (0.46)	\$ 0.03	\$ (0.49)	-1633%	\$ (0.63)	\$ (0.03)	\$ (0.60)	-2000%
	3rd Qtr		3rd Qtr Change		9 Months		9 Months Change	
	2012	2011	\$	%	2012	2011	\$	%
Reconciliation of adjusted net income per basic and diluted unit								
Basic Adjusted Net Income per Limited Partner Unit								
Net income attributable to Plains	\$ 165	\$ 281	\$ (116)	-41%	\$ 774	\$ 688	\$ 86	13%
Selected items impacting comparability of net income attributable to Plains	157	(7)	164	2343%	211	11	200	1818%
Adjusted net income attributable to Plains	322	274	48	18%	985	699	286	41%
Less: General partner's incentive distribution ⁽⁵⁾	(74)	(55)	(19)	-35%	(208)	(158)	(50)	-32%
Less: General partner 2% ownership ⁽⁵⁾	(5)	(5)	-	-	(16)	(10)	(6)	-60%
Net income available to limited partners	243	214	29	14%	761	531	230	43%
Less: Undistributed earnings allocated and distributions to participating securities ⁽⁵⁾	(2)	-	(2)	N/A	(5)	-	(5)	N/A
Adjusted limited partners' net income	\$ 241	\$ 214	\$ 27	13%	\$ 756	\$ 531	\$ 225	42%
Basic weighted average number of limited partner units outstanding	329	299	30	10%	322	294	28	10%
Basic adjusted net income per limited partner unit	\$ 0.73	\$ 0.72	\$ 0.01	1%	\$ 2.35	\$ 1.80	\$ 0.55	31%
Diluted Adjusted Net Income per Limited Partner Unit								
Net income attributable to Plains	\$ 165	\$ 281	\$ (116)	-41%	\$ 774	\$ 688	\$ 86	13%
Selected items impacting comparability of net income attributable to Plains	157	(7)	164	2343%	211	11	200	1818%
Adjusted net income attributable to Plains	322	274	48	18%	985	699	286	41%
Less: General partner's incentive distribution ⁽⁵⁾	(74)	(55)	(19)	-35%	(208)	(158)	(50)	-32%
Less: General partner 2% ownership ⁽⁵⁾	(5)	(5)	-	-	(16)	(10)	(6)	-60%
Net income available to limited partners	243	214	29	14%	761	531	230	43%
Less: Undistributed earnings allocated and distributions to participating securities ⁽⁵⁾	(1)	-	(1)	N/A	(3)	-	(3)	N/A
Adjusted limited partners' net income	\$ 242	\$ 214	\$ 28	13%	\$ 758	\$ 531	\$ 227	43%
Diluted weighted average number of limited partner units outstanding	331	300	31	10%	325	296	29	10%
Diluted adjusted net income per limited partner unit	\$ 0.73	\$ 0.71	\$ 0.02	3%	\$ 2.33	\$ 1.79	\$ 0.54	30%

⁽¹⁾ Amounts may not recalculate due to rounding.

⁽²⁾ Unit and per-unit amounts are presented as adjusted for the two-for-one unit split effected on October 1, 2012.

⁽³⁾ Weighted average units outstanding are used for all earnings per unit calculations on this page.

⁽⁴⁾ Certain of our non-GAAP financial measures may not be impacted by each of the selected items impacting comparability.

⁽⁵⁾ We calculate adjusted net income available to limited partners based on the distributions pertaining to the current period's net income. After adjusting for the appropriate period's distributions, the remaining undistributed earnings or excess distributions over earnings, if any, are allocated to the general partner, limited partners and participating securities in accordance with the contractual terms of the partnership agreement and as further prescribed under the two-class method.

**Additional 9/30/12 Reconciliations
Reconciliations for Selected Items Impacting Comparability⁽¹⁾⁽²⁾**
(in millions, except per unit data)

	2005		2006					2007					2008				
	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Transportation segment profit reconciliation																	
Transportation operations segment profit	\$ 39	\$ 170	\$ 6	\$ 53	\$ 53	\$ 55	\$ 200	\$ 73	\$ 80	\$ 92	\$ 89	\$ 334	\$ 89	\$ 106	\$ 119	\$ 130	\$ 445
Equity compensation expense ⁽³⁾	6	12	62	3	5	8	21	9	9	0	3	22	3	8	1	(1)	11
Adjusted Transportation operations segment profit	\$ 45	\$ 181	\$ 43	\$ 57	\$ 58	\$ 63	\$ 221	\$ 82	\$ 89	\$ 92	\$ 92	\$ 356	\$ 92	\$ 114	\$ 120	\$ 129	\$ 456
Total average daily volumes (thousands of barrels)	1,848	1,799	2,471	2,104	2,235	2,580	2,207	2,719	2,879	2,809	2,859	2,817	2,758	3,038	2,982	3,030	2,948
Adjusted segment profit per barrel	\$ 0.26	\$ 0.28	\$ 0.19	\$ 0.30	\$ 0.28	\$ 0.26	\$ 0.27	\$ 0.33	\$ 0.34	\$ 0.36	\$ 0.35	\$ 0.35	\$ 0.37	\$ 0.41	\$ 0.44	\$ 0.46	\$ 0.42

	2005		2006					2007					2008				
	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Facilities segment profit reconciliation																	
Facilities operations segment profit	\$ 4	\$ 15	\$ 3	\$ 8	\$ 9	\$ 15	\$ 35	\$ 22	\$ 29	\$ 29	\$ 31	\$ 110	\$ 31	\$ 36	\$ 39	\$ 46	\$ 153
Equity compensation expense ⁽³⁾	1	2	(411)	1	1	2	6	2	3	0	1	6	1	2	1	-	3
Adjusted Facilities operations segment profit	\$ 5	\$ 17	\$ 4	\$ 9	\$ 10	\$ 17	\$ 40	\$ 24	\$ 32	\$ 29	\$ 32	\$ 116	\$ 32	\$ 38	\$ 40	\$ 46	\$ 156
Total average monthly capacity (millions of barrels) ⁽⁴⁾	24	22	24	25	25	34	27	45	46	50	53	48	56	58	58	58	58
Adjusted segment profit per barrel	\$ 0.07	\$ 0.07	\$ 0.05	\$ 0.12	\$ 0.14	\$ 0.17	\$ 0.12	\$ 0.18	\$ 0.23	\$ 0.19	\$ 0.20	\$ 0.20	\$ 0.19	\$ 0.23	\$ 0.23	\$ 0.26	\$ 0.23

	2005		2006					2007					2008				
	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Supply and Logistics segment profit reconciliation																	
Supply and Logistics operations segment profit	\$ 51	\$ 175	\$ 53	\$ 58	\$ 76	\$ 41	\$ 228	\$ 66	\$ 101	\$ 60	\$ 42	\$ 269	\$ 57	\$ (5)	\$ 138	\$ 31	\$ 221
Equity compensation expense ⁽³⁾	3	12	4	2	4	6	16	7	7	0	2	16	2	5	1	(1)	7
(Gains)/losses from derivative activities net of inventory valuation adjustments ⁽⁵⁾	(1)	19	1	2	(18)	19	4	17	(15)	15	11	27	7	85	(98)	15	7
Gain on sale of linefill	-	-	-	-	-	-	-	-	-	-	(12)	(12)	-	-	-	-	-
Net loss on foreign currency revaluation ⁽⁶⁾	1	2	1	-	-	-	-	-	-	-	-	-	-	-	8	13	21
Adjusted Supply and Logistics operations segment profit	\$ 53	\$ 209	\$ 59	\$ 63	\$ 62	\$ 66	\$ 249	\$ 90	\$ 93	\$ 75	\$ 43	\$ 300	\$ 66	\$ 85	\$ 49	\$ 58	\$ 256
Total average daily volumes (thousands of barrels)	726	725	859	720	769	859	783	880	830	819	854	846	890	825	782	868	841
Adjusted segment profit per barrel	\$ 0.80	\$ 0.79	\$ 0.76	\$ 0.95	\$ 0.88	\$ 0.83	\$ 0.87	\$ 1.13	\$ 1.23	\$ 0.99	\$ 0.53	\$ 0.97	\$ 0.81	\$ 1.13	\$ 0.67	\$ 0.74	\$ 0.84

	2009				2010					2011					2012			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr
Transportation segment profit reconciliation																		
Transportation operations segment profit	\$ 112	\$ 114	\$ 129	\$ 123	\$ 477	\$ 127	\$ 130	\$ 137	\$ 122	\$ 516	\$ 137	\$ 128	\$ 152	\$ 139	\$ 555	\$ 162	\$ 169	\$ 184
Equity compensation expense ⁽³⁾	5	8	6	7	25	7	5	5	16	33	6	9	3	17	36	9	6	6
Significant acquisition-related expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	4	4	2	5	-
Adjusted Transportation operations segment profit	\$ 117	\$ 122	\$ 135	\$ 130	\$ 502	\$ 134	\$ 135	\$ 142	\$ 138	\$ 549	\$ 143	\$ 137	\$ 155	\$ 160	\$ 595	\$ 173	\$ 180	\$ 190
Total average daily volumes (thousands of barrels)	2,900	3,074	2,919	2,794	2,921	2,793	3,082	3,072	2,995	2,986	3,003	3,049	3,025	3,111	3,047	3,166	3,563	3,530
Adjusted segment profit per barrel	\$ 0.45	\$ 0.44	\$ 0.50	\$ 0.50	\$ 0.47	\$ 0.53	\$ 0.48	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.53	\$ 0.49	\$ 0.55	\$ 0.56	\$ 0.53	\$ 0.60	\$ 0.56	\$ 0.58

	2009				2010					2011					2012			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr
Facilities segment profit reconciliation																		
Facilities operations segment profit	\$ 46	\$ 52	\$ 57	\$ 53	\$ 208	\$ 59	\$ 70	\$ 73	\$ 68	\$ 270	\$ 78	\$ 86	\$ 95	\$ 99	\$ 358	\$ 90	\$ 114	\$ 140
Equity compensation expense ⁽³⁾	1	2	2	3	9	3	2	2	7	14	4	5	1	7	17	8	2	3
(Gains)/losses from derivative activities net of inventory valuation adjustments ⁽⁵⁾	-	-	-	-	-	(1)	-	-	-	-	4	-	-	-	5	-	1	(1)
Significant acquisition-related expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1	1	2	-
Other	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-
Adjusted Facilities operations segment profit	\$ 47	\$ 54	\$ 59	\$ 56	\$ 217	\$ 61	\$ 72	\$ 75	\$ 75	\$ 284	\$ 87	\$ 91	\$ 96	\$ 107	\$ 381	\$ 100	\$ 119	\$ 142
Total average monthly capacity (millions of barrels) ⁽⁴⁾	58	60	61	64	61	66	70	71	72	70	77	82	84	86	82	91	109	111
Adjusted segment profit per barrel	\$ 0.27	\$ 0.30	\$ 0.32	\$ 0.30	\$ 0.31	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.34	\$ 0.37	\$ 0.37	\$ 0.38	\$ 0.41	\$ 0.39	\$ 0.37	\$ 0.37	\$ 0.36	\$ 0.43

	2009				2010					2011					2012			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr
Supply & Logistics segment profit reconciliation																		
Supply and Logistics operations segment profit	\$ 159	\$ 78	\$ 44	\$ 62	\$ 345	\$ 93	\$ 57	\$ 2	\$ 87	\$ 240	\$ 133	\$ 151	\$ 179	\$ 183	\$ 647	\$ 128	\$ 274	\$ 142
Equity compensation expense ⁽³⁾	3	5	4	4	16	4	2	3	10	20	4	6	2	13	24	9	4	3
(Gains)/losses from derivative activities net of inventory valuation adjustments ⁽⁵⁾	(45)	(22)	(11)	18	(62)	(18)	(19)	43	12	17	(20)	(21)	(30)	10	(62)	59	(73)	32
Significant acquisition-related expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1	1	2	-
Net (gain)/loss on foreign currency revaluation ⁽⁶⁾	(10)	(2)	-	-	(12)	-	-	-	-	-	-	-	-	10	(7)	3	14	(8)
Adjusted Supply and Logistics operations segment profit	\$ 107	\$ 59	\$ 37	\$ 84	\$ 297	\$ 79	\$ 40	\$ 48	\$ 109	\$ 277	\$ 117	\$ 136	\$ 161	\$ 200	\$ 613	\$ 197	\$ 221	\$ 169
Total average daily volumes (thousands of barrels)	833	739	709	807	772	809	747	786	796	784	900	818	852	894	866	932	971	995
Adjusted segment profit per barrel	\$ 1.42	\$ 0.88	\$ 0.56	\$ 1.14	\$ 1.02	\$ 1.09	\$ 0.60	\$ 0.66	\$ 1.49	\$ 0.97	\$ 1.46	\$ 1.82	\$ 2.05	\$ 2.43	\$ 1.94	\$ 2.33	\$ 2.50	\$ 1.84

⁽¹⁾ Amounts may not recalculate due to rounding.

⁽²⁾ Certain of our non-GAAP financial measures may not be impacted by each of the selected items impacting comparability.

⁽³⁾ Excludes the portion of the equity compensation expense represented by grants under the LTIPs that, pursuant to the terms of the grant, will be settled in cash only and have no impact on diluted units.

⁽⁴⁾ Includes mark-to-market gains and losses resulting from derivative instruments that are related to underlying activities in future periods or the reversal of mark-to-market gains and losses from the prior period net of inventory valuation adjustments.

⁽⁵⁾ Included as a selected item impacting comparability in periods with significant activity.

⁽⁶⁾ Facilities total is calculated as the sum of: (i) crude oil, refined products and NGL storage capacity; (ii) natural gas capacity divided by 6 to account for the 6:1 mcf of gas to crude BTU equivalent ratio and further divided by 1,000 to convert to monthly volumes in millions; and (iii) NGL fractionation volumes multiplied by the number of days in the period and divided by the number of months in the period.

Additional 9/30/12 Reconciliations
Distribution Coverage 2005 - 2012 ⁽¹⁾
(in millions, except percentages)

Distribution Coverage (Based on Distributions That Pertain to the Quarterly Performance that are Paid in the Subsequent Quarter) 2005-2012

	Q1 2012	Q2 2012	Q3 2012	2011	2010	2009	2008	2007	2006	2005	2005-2011 Total
Distributions paid ⁽²⁾	\$ 237	\$ 247	\$ 259	\$ 833	\$ 700	\$ 631	\$ 548	\$ 470	\$ 310	\$ 209	\$ 3,701
DCF reinvested	105	143	101	316	57	61	49	81	82	126	772
Implied DCF	\$ 342	\$ 390	\$ 360	\$ 1,149	\$ 757	\$ 692	\$ 597	\$ 551	\$ 392	\$ 335	\$ 4,473
Total distributions paid ⁽²⁾	\$ 237	\$ 247	\$ 259	\$ 833	\$ 700	\$ 631	\$ 548	\$ 470	\$ 310	\$ 209	\$ 3,701
Distribution Coverage	144%	158%	139%	138%	108%	110%	109%	117%	126%	160%	121%
Adjusted EBITDA	\$ 472	\$ 522	\$ 502	\$ 1,598	\$ 1,106	\$ 1,022	\$ 887	\$ 779	\$ 511	\$ 408	\$ 6,311
Less:											
Equity earnings in unconsolidated entities, net of distributions	(1)	1	1	10	6	(8)	(4)	(14)	(8)	(2)	(20)
Current income tax expense/(benefit)	(17)	(6)	(10)	(38)	1	(15)	(9)	(3)	-	-	(64)
Maintenance capital	(35)	(40)	(47)	(120)	(93)	(81)	(81)	(50)	(28)	(14)	(467)
Interest income	-	-	-	-	-	-	-	-	1	-	1
Interest expense	(65)	(75)	(74)	(253)	(248)	(224)	(196)	(162)	(86)	(59)	(1,228)
Non-cash amortization of terminated interest rate and foreign currency hedging instruments	-	-	-	-	-	-	-	1	2	2	5
Distributions to noncontrolling interests ⁽²⁾	(12)	(12)	(12)	(47)	(15)	(2)	-	-	-	-	(64)
Other	-	-	-	(1)	-	-	-	-	-	-	(1)
Distributions paid ⁽²⁾	(237)	(247)	(259)	(833)	(700)	(631)	(548)	(470)	(310)	(209)	(3,701)
DCF Reinvested	\$ 105	\$ 143	\$ 101	\$ 316	\$ 57	\$ 61	\$ 49	\$ 81	\$ 82	\$ 126	\$ 772

Distribution Coverage (Based on Distributions Paid within the Quarter) 2005-2012

	Q1 2012	Q2 2012	Q3 2012	2011	2010	2009	2008	2007	2006	2005	2005-2011 Total
Distributions paid ⁽³⁾	\$ 225	\$ 237	\$ 247	\$ 791	\$ 682	\$ 605	\$ 532	\$ 451	\$ 263	\$ 197	\$ 3,521
DCF reinvested	117	153	112	365	80	87	65	100	129	138	964
Implied DCF	\$ 342	\$ 390	\$ 360	\$ 1,156	\$ 762	\$ 692	\$ 597	\$ 551	\$ 392	\$ 335	\$ 4,485
Total distributions paid ⁽³⁾	\$ 225	\$ 237	\$ 247	\$ 791	\$ 682	\$ 605	\$ 532	\$ 451	\$ 263	\$ 197	\$ 3,521
Distribution Coverage	152%	165%	145%	146%	112%	114%	112%	122%	149%	170%	127%
Adjusted EBITDA	\$ 472	\$ 522	\$ 502	\$ 1,598	\$ 1,106	\$ 1,022	\$ 887	\$ 779	\$ 511	\$ 408	\$ 6,311
Less:											
Equity earnings in unconsolidated entities, net of distributions	(1)	1	1	10	6	(8)	(4)	(14)	(8)	(2)	(20)
Current income tax expense/(benefit)	(17)	(6)	(10)	(38)	1	(15)	(9)	(3)	-	-	(64)
Maintenance capital	(35)	(40)	(47)	(120)	(93)	(81)	(81)	(50)	(28)	(14)	(467)
Interest income	-	-	-	-	-	-	-	-	1	-	1
Interest expense	(65)	(75)	(74)	(253)	(248)	(224)	(196)	(162)	(86)	(59)	(1,228)
Non-cash amortization of terminated interest rate and foreign currency hedging instruments	-	-	-	-	-	-	-	1	2	2	5
Distributions to noncontrolling interests ⁽³⁾	(12)	(12)	(12)	(40)	(10)	(2)	-	-	-	-	(52)
Other	-	-	-	(1)	-	-	-	-	-	-	(1)
Distributions paid ⁽³⁾	(225)	(237)	(247)	(791)	(682)	(605)	(532)	(451)	(263)	(197)	(3,521)
DCF Reinvested	\$ 117	\$ 153	\$ 112	\$ 365	\$ 80	\$ 87	\$ 65	\$ 100	\$ 129	\$ 138	\$ 964

⁽¹⁾ Amounts may not recalculate due to rounding.

⁽²⁾ Includes distributions that pertain to the current quarter's net income and are to be paid in the subsequent quarter.

⁽³⁾ Distributions paid during the current quarter.

Additional 9/30/12 Reconciliations - Midpoint Guidance
(in millions) ⁽¹⁾

	Mid-point Guidance ⁽²⁾	
	3 Months Ending December 31, 2012	12 Months Ending December 31, 2012
Net Income	\$ 324	\$ 1,121
Less: Net income attributable to noncontrolling interests	(11)	(34)
Net income attributable to Plains	\$ 313	\$ 1,087
<u>Selected Items Impacting Comparability</u>		
Equity compensation expense	\$ (11)	\$ (61)
Losses from derivative activities net of inventory valuation adjustments ⁽³⁾	-	(18)
Net loss on foreign currency revaluation	-	(6)
Significant acquisition-related expenses	-	(13)
Selected items impacting comparability of EBITDA	\$ (11)	\$ (98)
Asset impairments	\$ -	\$ (125)
Other	-	1
Selected items impacting comparability of net income	\$ (11)	\$ (222)
Selected items impacting comparability of net income attributable to Plains	\$ (11)	\$ (222)
Adjusted net income attributable to Plains	\$ 324	\$ 1,309
Interest expense	76	290
Income tax expense	23	66
Depreciation and amortization	86	442
Adjusted EBITDA	\$ 520	\$ 2,017

⁽¹⁾ Amounts may not recalculate due to rounding.

⁽²⁾ Represents the mid-point of guidance furnished in our November 5, 2012 Form 8-K.

⁽³⁾ Includes mark-to-market gains and losses resulting from derivative instruments that are related to underlying activities in future periods or the reversal of mark-to-market gains and losses from the prior period net of inventory valuation adjustments.

Additional 9/30/12 Reconciliations - Conference Call
(in millions, except ratio amounts)⁽¹⁾⁽²⁾

Net Income to EBITDA Reconciliations																					
2002					2003					2004					2005						
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	
Reconciliation of Net Income to Adjusted EBITDA (2002 - 2005)																					
Net income	\$ 14	\$ 17	\$ 16	\$ 18	\$ 65	\$ 24	\$ 23	\$ 12	\$ (0)	\$ 59	\$ 28	\$ 36	\$ 42	\$ 25	\$ 130	\$ 33	\$ 62	\$ 69	\$ 54	\$ 218	
Interest expense	7	6	7	9	29	9	9	9	9	36	10	10	13	15	47	15	14	16	15	59	
EBIT	\$ 21	\$ 23	\$ 24	\$ 27	\$ 94	\$ 34	\$ 32	\$ 21	\$ 9	\$ 95	\$ 37	\$ 46	\$ 54	\$ 39	\$ 177	\$ 47	\$ 77	\$ 85	\$ 69	\$ 277	
Depreciation and amortization	7	7	9	11	34	11	11	12	12	46	13	16	16	23	69	19	19	20	25	84	
EBITDA	\$ 28	\$ 31	\$ 33	\$ 38	\$ 129	\$ 44	\$ 43	\$ 33	\$ 21	\$ 141	\$ 51	\$ 62	\$ 71	\$ 63	\$ 246	\$ 67	\$ 96	\$ 105	\$ 94	\$ 361	
Selected items impacting comparability of EBITDA																					
Gains/(losses) from derivative activities net of inventory valuation adjustments ⁽³⁾	\$ (3)	\$ 1	\$ -	\$ 2	\$ 0	\$ 1	\$ -	\$ (3)	\$ 2	\$ -	\$ 8	\$ (7)	\$ 1	\$ (1)	\$ 1	\$ (13)	\$ (13)	\$ 6	\$ 1	\$ (19)	
Equity compensation expense	-	-	-	-	-	-	-	(7)	(21)	(29)	(4)	-	-	(4)	(8)	(2)	(8)	(7)	(9)	(26)	
Net gain/(loss) on foreign currency revaluation ⁽³⁾	-	-	-	-	-	-	-	-	-	-	(0)	1	3	2	5	(1)	1	(2)	(1)	(2)	
Cumulative effect of change in acct. principle	-	-	-	-	-	-	-	-	-	-	(3)	-	-	-	(3)	-	-	-	-	-	
Other	-	-	-	(2)	(2)	-	-	-	-	-	-	-	-	(2)	(2)	-	-	-	-	-	
Total selected items impacting comparability of EBITDA	\$ (3)	\$ 1	\$ -	\$ (0)	\$ (2)	\$ 1	\$ -	\$ (10)	\$ (19)	\$ (29)	\$ (0)	\$ (6)	\$ 4	\$ (5)	\$ (7)	\$ (16)	\$ (20)	\$ (2)	\$ (9)	\$ (47)	
Adjusted EBITDA	\$ 31	\$ 29	\$ 33	\$ 38	\$ 130	\$ 43	\$ 43	\$ 43	\$ 40	\$ 119	\$ 51	\$ 68	\$ 67	\$ 67	\$ 252	\$ 83	\$ 115	\$ 107	\$ 103	\$ 408	
Reconciliation of Net Income to Adjusted EBITDA (2006 - 2009)																					
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	
Net income	\$ 63	\$ 80	\$ 95	\$ 46	\$ 285	\$ 85	\$ 105	\$ 98	\$ 77	\$ 365	\$ 92	\$ 41	\$ 206	\$ 98	\$ 437	\$ 211	\$ 136	\$ 122	\$ 110	\$ 580	
Income tax expense/(benefit)	-	-	-	-	-	-	12	3	1	16	(2)	5	3	1	8	1	(2)	2	5	6	
Interest income	-	-	-	(1)	(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest expense	15	18	19	33	86	41	41	39	41	162	42	49	52	53	196	51	56	59	58	224	
EBIT	\$ 79	\$ 98	\$ 115	\$ 78	\$ 370	\$ 126	\$ 158	\$ 140	\$ 119	\$ 543	\$ 132	\$ 95	\$ 261	\$ 152	\$ 641	\$ 263	\$ 190	\$ 183	\$ 173	\$ 810	
Depreciation and amortization	22	21	24	33	100	40	52	43	45	180	48	49	61	61	211	58	56	59	63	236	
EBITDA	\$ 100	\$ 120	\$ 139	\$ 112	\$ 470	\$ 166	\$ 210	\$ 183	\$ 164	\$ 723	\$ 180	\$ 147	\$ 310	\$ 213	\$ 852	\$ 321	\$ 246	\$ 242	\$ 236	\$ 1,046	
Selected items impacting comparability of EBITDA																					
Gains/(losses) from derivative activities net of inventory valuation adjustments ⁽³⁾	\$ (1)	\$ (2)	\$ 18	\$ (19)	\$ (4)	\$ (17)	\$ 15	\$ (13)	\$ (9)	\$ (24)	\$ (5)	\$ (8)	\$ 98	\$ (12)	\$ (4)	\$ 48	\$ 19	\$ 11	\$ (20)	\$ 58	
Equity compensation benefit/(expense)	(11)	(6)	(10)	(16)	(43)	(18)	(19)	(1)	(6)	(44)	(6)	(15)	(9)	2	(21)	(9)	(15)	(12)	(14)	(60)	
Net gain/(loss) on foreign currency revaluation ⁽³⁾	-	-	-	-	-	-	-	-	-	-	-	-	(8)	(13)	(21)	10	2	-	-	12	
Cumulative effect of change in acct. principle	6	-	-	-	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Gains/(losses) on Rainbow acquisition-related foreign currency and linefill hedges	-	-	-	-	-	-	-	-	-	-	-	11	-	-	11	-	-	-	-	-	
Net loss on early repayment of senior notes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4)	(4)	
Net gain on purchase of remaining 50% interest in PNGS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9	-	9	
Gains on sale of assets	-	-	-	-	-	-	-	-	12	12	-	-	-	-	-	-	-	-	-	-	
PNGS contingent consideration fair value adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1)	(1,0)	
Total selected items impacting comparability of EBITDA	\$ (5)	\$ (9)	\$ 8	\$ (35)	\$ (41)	\$ (35)	\$ (4)	\$ (14)	\$ (3)	\$ (56)	\$ (11)	\$ (9)	\$ 87	\$ (23)	\$ (35)	\$ 49	\$ 6	\$ 8	\$ (39)	\$ 24	
Adjusted EBITDA	\$ 105	\$ 128	\$ 131	\$ 146	\$ 511	\$ 201	\$ 214	\$ 197	\$ 167	\$ 779	\$ 191	\$ 238	\$ 223	\$ 236	\$ 887	\$ 272	\$ 240	\$ 234	\$ 275	\$ 1,022	
Reconciliation of Net Income to Adjusted EBITDA (2010 - 2012)																					
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	YTD							
Net income	\$ 151	\$ 133	\$ 84	\$ 146	\$ 514	\$ 185	\$ 233	\$ 288	\$ 288	\$ 994	\$ 237	\$ 386	\$ 173	\$ 173							
Income tax expense/(benefit)	-	(4)	3	(1)	13	9	6	17	46	86	20	10	19	19							
Interest expense	58	62	64	64	248	65	62	62	63	253	65	75	74	74							
EBIT	\$ 209	\$ 195	\$ 144	\$ 213	\$ 761	\$ 263	\$ 304	\$ 366	\$ 368	\$ 1,299	\$ 322	\$ 471	\$ 266	\$ 266							
Depreciation and amortization	67	64	61	64	256	63	63	65	58	249	60	86	210	210							
EBITDA	\$ 276	\$ 259	\$ 205	\$ 277	\$ 1,017	\$ 326	\$ 367	\$ 421	\$ 426	\$ 1,541	\$ 382	\$ 557	\$ 476	\$ 476							
Selected items impacting comparability of EBITDA																					
Gains/(losses) from derivative activities net of inventory valuation adjustments ⁽³⁾	\$ 19	\$ 21	\$ (42)	\$ (12)	\$ (14)	\$ 20	\$ 21	\$ 31	\$ (11)	\$ 62	\$ (59)	\$ 72	\$ (31)	\$ (31)							
Equity compensation expense	(14)	(9)	(10)	(33)	(67)	(14)	(20)	(7)	(37)	(77)	(26)	(12)	(12)	(12)							
Net loss on early repayment of senior notes	-	-	(6)	-	(6)	(23)	-	-	-	(23)	-	-	-	-							
Significant acquisition-related expenses	-	-	-	-	-	(4)	-	-	(6)	(10)	(4)	(9)	-	-							
PNGS contingent consideration fair value adjustment	(1)	(1)	(1)	-	(2)	-	-	(1)	(1)	(1)	(1)	-	-	-							
Insurance deductible related to property damage incident	-	-	-	-	-	(1)	-	-	-	(1)	-	-	-	-							
Net gain/(loss) on foreign currency revaluation ⁽³⁾	-	-	-	-	-	-	-	(17)	10	(7)	-	(16)	11	11							
Total selected items impacting comparability of EBITDA	\$ 4	\$ 11	\$ (59)	\$ (45)	\$ (89)	\$ (22)	\$ 1	\$ 7	\$ (45)	\$ (57)	\$ (80)	\$ 35	\$ (32)	\$ (32)							
Adjusted EBITDA	\$ 272	\$ 248	\$ 264	\$ 322	\$ 1,108	\$ 348	\$ 366	\$ 414	\$ 471	\$ 1,598	\$ 472	\$ 522	\$ 444	\$ 444							

⁽¹⁾ Amounts may not recalculate due to rounding.

⁽²⁾ Certain of our non-GAAP financial measures may not be impacted by each of the selected items impacting comparability.

⁽³⁾ Currently included as a selected item impacting comparability in periods with significant activity.

⁽⁴⁾ Includes mark-to-market gains and losses resulting from derivative instruments that are related to underlying activities in future periods or the reversal of mark-to-market gains and losses from the prior period net of inventory valuation adjustments.

Additional 9/30/12 Reconciliations
Distribution Coverage - Midpoint Guidance
(in millions, except percentages)

Distribution Coverage - Midpoint Guidance ⁽¹⁾

	<u>12 Months Ending December 31, 2012</u>	<u>12 Months Ending December 31, 2013</u>
Distributions to partners ⁽²⁾	\$ 968	\$ 1,126
DCF reinvested	495	226
Implied DCF	\$ 1,463	\$ 1,352
Distributions to partners ⁽²⁾	\$ 968	\$ 1,126
Distribution Coverage	151%	120%
	<u>12 Months Ending December 31, 2012</u>	<u>12 Months Ending December 31, 2013</u>
Adjusted EBITDA	\$ 2,017	\$ 1,925
Less:		
Interest expense, net	(290)	(315)
Current income tax expense	(54)	(40)
Distributions to noncontrolling interests	(48)	(48)
Maintenance capital expenditures	(165)	(170)
Distributions to partners ⁽²⁾	(968)	(1,126)
Other, net	3	-
DCF Reinvested	\$ 495	\$ 226

⁽¹⁾ Represents twelve months ended December 31, 2012 and 2013 mid-point guidance as furnished in our November 5, 2012 Form 8-K.

⁽²⁾ Includes distributions paid in and declared for the twelve months ending December 31, 2012 and projected distributions to be paid in the twelve months ending December 31, 2013 based on an assumed 7-8% growth over the distribution to be paid in November 2012.