

Regency Energy Partners LP
Form 8-K
May 09, 2008

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: May 9, 2008
(Date of earliest event reported: Not Applicable)

REGENCY ENERGY PARTNERS LP
(Exact name of registrant as specified in its charter)

| | | |
|---|--------------------------|--------------------------------------|
| DELAWARE | 0001-51757 | 16-1731691 |
| (State or other jurisdiction of incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

1700 Pacific, Suite 2900
Dallas, Texas 75201
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (214) 750-1771

(Former name or former address, if changed since last report.): Not Applicable

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

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 8.01 OTHER EVENTS

On January 7, 2008, the Partnership acquired all the outstanding equity of FrontStreet Hugoton, LLC (“FrontStreet Acquisition”) from ASC Hugoton LLC and FrontStreet EnergyOne LLC for the issuance of 4,701,034 Class E common units of the Partnership to ASC and the cash payment of \$11,752,000 to EnergyOne, inclusive of a payment to terminate a management services agreement. The Partnership financed the cash portion of the purchase price out of its revolving credit facility. The Class E common units have the same terms and conditions as the Partnership’s common units, except that the Class E common units were not entitled to participate in earnings or distributions of operating surplus by the Partnership. The Class E common units converted into common units on a one-for-one basis on April 24, 2008.

FrontStreet owns a gas gathering system located in Kansas and Oklahoma, which is operated by a third party.

Because the FrontStreet acquisition is a transaction between commonly controlled entities (i.e., the buyer and the sellers were each affiliates of GECC), the Partnership accounted for the acquisition in a manner similar to the pooling of interest method. Under this method of accounting, the Partnership will reflect historical balance sheet data for both the Partnership and FrontStreet instead of reflecting the fair market value of FrontStreet’s assets and liabilities. Further, certain transaction costs that would normally be capitalized were expensed.

The Partnership has recast its financial statements to include the operations of FrontStreet from June 18, 2007 (the date upon which common control began) forward in this current report on Form 8-K. The Partnership’s financial and operational data for periods ending prior to January 1, 2007 are not different from the information previously disclosed in the Partnership’s December 31, 2007 Form 10-K.

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Introductory Statement

References in this report to the “Partnership,” “we,” “our,” “us” and similar terms, when used in an historical context, refer to Regency Energy Partners LP, or the Partnership, and to Regency Gas Services LLC, all the outstanding member interests of which were contributed to the Partnership on February 3, 2006, and its subsidiaries. When used in the present tense or prospectively, these terms refer to the Partnership and its subsidiaries. We use the following definitions in this current report on Form 8-K:

| Name | Definition or Description |
|----------------------|--|
| ASC | ASC Hugoton LLC, an affiliate of GECC |
| BBE | BlackBrush Energy, Inc. |
| Bbls/d | Barrels per day |
| BBOG | BlackBrush Oil & Gas, LP |
| Bcf | One billion cubic feet |
| Bcf/d | One billion cubic feet per day |
| BP | BP America Production Co., a wholly-owned subsidiary of BP plc. |
| BTU | A unit of energy needed to raise the temperature of one pound of water by one degree Fahrenheit |
| CDM | CDM Resource Management, Ltd. |
| CDM GP | CDM OLP GP, LLC, the sole general partner of CDM |
| CDM LP | CDMR Holdings, LLC, the sole limited partner of CDM |
| CERCLA | Comprehensive Environmental Response, Compensation and Liability Act |
| DOT | U.S. Department of Transportation |
| EIA | Energy Information Administration |
| Enbridge | Enbridge Pipelines (NE Texas), LP, Enbridge Pipeline (Texas Interstate), LP and Enbridge Pipelines (Texas Gathering), LP |
| EnergyOne | FrontStreet EnergyOne LLC |
| EPA | Environmental Protection Agency |
| FERC | Federal Energy Regulatory Commission |
| FrontStreet | FrontStreet Hugoton LLC |
| Fund V | Hicks, Muse, Tate & Furst Equity Fund V, L.P. |
| GAAP | Accounting principles generally accepted in the United States |
| GE | General Electric Company |
| GE EFS | General Electric Energy Financial Services, a unit of GECC, combined with Regency GP Acquirer LP and Regency LP Acquirer LP |
| GECC | General Electric Capital Corporation, an indirect wholly owned subsidiary of GE |
| General Partner | Regency GP LP, the general partner of the Partnership, or Regency GP LLC, the general partner of the General Partner, which effectively manages the business and affairs of the Partnership |
| GSTC | Gulf States Transmission Corporation |
| HLPSA | Hazardous Liquid Pipeline Safety Act |
| HM Capital | HM Capital Partners LLC |
| HM Capital Investors | Regency Acquisition LP, HMTF Regency L.P., HM Capital and funds managed by HM Capital, including Fund V, and certain co-investors, including some of the directors and officers of the Managing GP |
| HMTF Gas Partners | HMTF Gas Partners II, LP |
| HMTF Regency | HMTF Regency L.P. |
| IRS | Internal Revenue Service |
| LIBOR | London Interbank Offered Rate |
| MMbtu | One million BTUs |

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| | |
|-------------|---|
| Mmbtu/d | One million BTUs per day |
| MMcf | One million cubic feet |
| MMcf/d | One million cubic feet per day |
| MQD | Minimum Quarterly Distribution |
| NGA | Natural Gas Act of 1938 |
| NGLs | Natural gas liquids |
| NGPA | Natural Gas Policy Act of 1978 |
| NGPSA | Natural Gas Pipeline Safety Act of 1968, as amended |
| NPDES | National Pollutant Discharge Elimination System |
| NASDAQ | Nasdaq Stock Market, LLC |
| NYMEX | New York Mercantile Exchange |
| OSHA | Occupational Safety and Health Act |
| Partnership | Regency Energy Partners LP |
| Pueblo | Pueblo Midstream Gas Corporation |
| RCRA | Resource Conservation and Recovery Act |
| RGS | Regency Gas Services LLC |
| RIGS | Regency Intrastate Gas LLC |
| SEC | Securities and Exchange Commission |
| Tcf | One trillion cubic feet |
| Tcf/d | One trillion cubic feet per day |
| TexStar | TexStar Field Services, L.P. and its general partner, TexStar GP, LLC |
| TRRC | Texas Railroad Commission |

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.

REGENCY ENERGY PARTNERS LP

By:

/s/ Stephen L. Arata

Stephen L. Arata

Executive Vice President and Chief Financial
Officer

Date: May 9, 2008