

MAGELLAN MIDSTREAM PARTNERS LP
Form 10-Q
November 01, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the quarterly period ended September 30, 2012

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the transition period from _____ to _____

Commission File No.: 1-16335

Magellan Midstream Partners, L.P.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

One Williams Center, P.O. Box 22186, Tulsa, Oklahoma 74121-2186

(Address of principal executive offices and zip code)

(918) 574-7000

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of October 31, 2012, there were 226,200,872 outstanding limited partner units of Magellan Midstream Partners, L.P. that trade on the New York Stock Exchange under the ticker symbol "MMP."

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FINANCIAL INFORMATION

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

MAGELLAN MIDSTREAM PARTNERS, L.P.
CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per unit amounts)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2011	2012	2011	2012
Transportation and terminals revenues	\$232,064	\$255,492	\$660,664	\$721,807
Product sales revenues	203,253	70,178	600,492	546,476
Affiliate management fee revenue	193	199	578	596
Total revenues	435,510	325,869	1,261,734	1,268,879
Costs and expenses:				
Operating	89,458	103,272	233,142	254,050
Product purchases	159,550	85,819	489,616	478,929
Depreciation and amortization	30,234	31,692	90,261	94,688
General and administrative	20,470	27,551	70,341	76,709
Total costs and expenses	299,712	248,334	883,360	904,376
Equity earnings	1,955	1,749	4,765	4,875
Operating profit	137,753	79,284	383,139	369,378
Interest expense	27,332	29,113	79,806	87,354
Interest income	(11)	(16)	(22)	(80)
Interest capitalized	(665)	(1,439)	(2,526)	(3,331)
Debt placement fee amortization expense	410	519	1,180	1,556
Income before provision for income taxes	110,687	51,107	304,701	283,879
Provision for income taxes	447	585	1,397	2,012
Net income	\$110,240	\$50,522	\$303,304	\$281,867
Allocation of net income (loss):				
Limited partners' interest	\$110,240	\$50,522	\$303,367	\$281,867
Non-controlling owners' interest	—	—	(63)	—
Net income	\$110,240	\$50,522	\$303,304	\$281,867