INERGY L P
Form 424B5
June 01, 2011
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Registration No. 333-172312

PROSPECTUS SUPPLEMENT

(To Prospectus Dated March 16, 2011)

9,000,000 Common Units

Representing Limited Partner Interests

We are selling 9,000,000 common units representing limited partner interests in Inergy, L.P. Our common units trade on the New York Stock Exchange under the symbol NRGY. The last reported sales price of our common units on the New York Stock Exchange on May 31, 2011 was $37.09 per common unit.

Investing in our common units involves risks. Please read Risk Factors beginning on page S-9 of this prospectus supplement and on page 5 of the accompanying base prospectus.

	Per Common Unit	Total
Price to the public	$ 36.00	$ 324,000,000
Underwriting discounts and commissions	$ 1.35	$ 12,150,000
Proceeds to Inergy, L.P. (before expenses)	$ 34.65	$ 311,850,000

We have granted the underwriters a 30-day option to purchase up to an additional 1,350,000 common units from us on the same terms and conditions as set forth above if the underwriters sell more than 9,000,000 common units in this offering.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying base prospectus is truthful or complete. Any representation to the

contrary is a criminal offense.

The underwriters expect to deliver the common units on or about June 6, 2011.

Joint Book-Running Managers

Citi

BofA Merrill Lynch

Credit Suisse

J.P. Morgan

Morgan Stanley

Wells Fargo Securities

Senior Co-Managers

Barclays Capital **Raymond James**

Junior Co-Managers

Baird **Morgan Keegan**

Prospectus Supplement dated June 1, 2011

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This document is in two parts. The first part is the prospectus supplement, which describes the specific terms of this offering of common units. The second part is the accompanying base prospectus, some of which may not apply to this common unit offering. Generally, when we refer only to the prospectus, we are referring to both parts combined. If the information about the offering varies between this prospectus supplement and the accompanying base prospectus, you should rely on the information in this prospectus supplement.

Any statement made in the accompanying base prospectus or in a document incorporated or deemed to be incorporated by reference into this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus supplement or in any other subsequently filed document that is also incorporated by reference into this prospectus modifies or supersedes that statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus. Please read Incorporation of Documents by Reference on page S-24 of this prospectus supplement.

You should rely only on the information contained in or incorporated by reference into this prospectus supplement, the accompanying base prospectus and any free writing prospectus prepared by or on behalf of us relating to this offering of common units. Neither we nor the underwriters have authorized anyone to provide you with additional, different or inconsistent information. If anyone provides you with additional, different or inconsistent information, you should not rely on it. We are offering to sell the common units, and seeking offers to buy the common units, only in jurisdictions where offers and sales are permitted. You should not assume that the information contained in this prospectus supplement, the accompanying base prospectus or any free writing prospectus is accurate as of any date other than the dates of those documents or that any information we have incorporated by reference herein is accurate as of any date other than the date of the document incorporated by reference. Our business, financial condition, results of operations or prospects may have changed since such dates.

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SUMMARY

This summary highlights information contained elsewhere in this prospectus supplement and the accompanying base prospectus. It does not contain all of the information you should consider before making an investment decision. You should read the entire prospectus supplement, the accompanying base prospectus, the documents incorporated herein by reference and the other documents to which we refer for a more complete understanding of this offering of common units. Please read the sections entitled Risk Factors on page S-9 of this prospectus supplement and page 5 of the accompanying base prospectus for more information about important factors that you should consider before buying our common units in this offering. Unless we indicate otherwise, the information we present in this prospectus supplement assumes that the underwriters do not exercise their option to purchase additional common units. Throughout this prospectus supplement, when we use the terms we, us, our or Inergy, L.P., we are referring to Inergy, L.P. or to Inergy, L.P. and its subsidiaries collectively as the context requires.

Inergy, L.P.

Overview

Inergy, L.P. (NYSE:NRGY) is a publicly traded Delaware limited partnership that owns and operates a geographically diverse retail and wholesale propane supply, marketing and distribution business. We also own and operate a growing midstream business that includes four natural gas storage facilities (Stagecoach, Thomas Corners, Steuben and Tres Palacios), a liquefied petroleum gas (LPG) storage facility (F Lakes LPG), a natural gas liquids (NGL) business and a solution-mining and salt production company (US Salt).

We believe we are the fourth largest propane retailer in the United States based on retail propane gallons sold. Our propane business includes the retail marketing, sale and distribution of propane, including the sale and lease of propane supplies and equipment, to residential, commercial, industrial and agricultural customers. We market our propane products under various regional brand names. As of March 31, 2011, we served retail customers in 33 states from over 350 customer service centers, which have an aggregate of approximately 34.1 million gallons of above-ground propane storage. For the fiscal year ended September 30, 2010, we sold and physically delivered 340.2 million gallons of propane to our retail customers and 415.3 million gallons of propane to our wholesale customers.

We have primarily grown through acquisitions of retail propane operations, midstream operations and, to a lesser extent, through organic expansion projects. Since our predecessor s inception in November 1996 through May 31, 2011, we have acquired 89 businesses.

Our business is currently comprised of two reportable segments consisting of our propane and midstream operations.

Propane Operations. We market propane primarily in rural areas, but also have a significant number of customers in suburban areas where energy alternatives to propane such as natural gas are generally not available. We make customer deliveries to residential, industrial, commercial and agricultural customers. From our customer service centers, we also sell, install and service equipment related to our propane distribution business, including heating and cooking appliances. Approximately 90% of our retail propane customers lease their tanks from us.

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In addition to our retail propane business, we operate a wholesale supply, marketing and distribution business, providing propane procurement, transportation and supply and price risk management services to our customer service centers, as well as to independent dealers, multistate marketers, petrochemical companies, refinery and gas processors and a number of other NGL marketing and distribution companies in 40 states, primarily in the Midwest, Northeast and South.

Midstream Operations. We own and operate a midstream business, which includes the following assets:

Stagecoach, a high performance, multi-cycle natural gas storage facility located approximately 150 miles northwest of New York City, with approximately 26.25 Bcf of working gas capacity, a maximum withdrawal capability of 500 MMcf/d and a maximum injection capability of 250 MMcf/d. The Stagecoach facility, which is regulated by the Federal Energy Regulatory Commission (FERC), is fee-based with a market-based rate structure and is currently 100% committed primarily with investment-grade rated companies under term contracts that have a weighted average maturity extending to 2015. Stagecoach is one of the closest natural gas storage facilities to the northeastern United States market and is a significant participant in the northeast United States natural gas distribution system. We also own a 24-mile pipeline that connects the Stagecoach facility to Tennessee Gas Pipeline Company s 300-Line, and a 10-mile pipeline that connects the facility to the Millennium Pipeline. The pipeline interconnect to the Millennium Pipeline enhances and further diversifies our supply sources and provides interruptible wheeling opportunities to our shipper community.

Steuben, a FERC-regulated 6.2 Bcf natural gas storage facility in Steuben County, New York. Steuben is fee based under a cost-of-service rate structure and is fully contracted with primarily investment-grade rated customers with term contracts having a weighted-average maturity extending to 2012. The Steuben facility is connected to Dominion Gas Transmission s Woodhull Pipeline and to our Thomas Corners storage facility.

Thomas Corners, a FERC-regulated 7 Bcf natural gas storage facility located in Steuben County, New York with maximum withdrawal and injection capabilities of 140 MMcf/day and 70 MMcf/day, respectively. Thomas Corners is fee based with a market-based rate structure and is fully contracted under long-term agreements with primarily investment-grade rated customers with term contracts having a weighted-average maturity extending to 2015. Thomas Corners is connected with the Tennessee Gas Pipeline Company s Line 400 and Columbia Gas Transmission s A-5 line (which was acquired by Millennium Pipeline Company and as such the Thomas Corners facility is also connected with the Millennium Pipeline).

Tres Palacios, a high deliverability, salt dome natural gas storage facility acquired in October 2010 with approximately 38.4 Bcf of working gas capacity (Caverns 1-3). The FERC-regulated facility is expandable by an additional 9.5 Bcf of working gas capacity which we expect to place in service by or before 2014 (Cavern 4). Tres Palacios is predominantly fee based with a market-based rate structure, and is currently approximately 60% contracted with primarily investment-grade rated customers until 2013. We expect to supplement the available capacity with hub services contracts to take advantage of market conditions. Tres Palacios offers customers greater than six-turn gas storage capability with maximum withdrawal capacity of 2.5 Bcf/d and maximum injection capacity of 1.0 Bcf/d. Located approximately 100 miles southwest of Houston, Tres Palacios is currently connected to a total of ten intrastate and interstate pipelines via a 40 mile, 24 dual-pipe, looped header system offering connectivity to multiple demand markets including the Houston and San Antonio metropolitan areas and the broader Texas markets as well as markets in the Northeast, Midwest, Southeast and Mid-Atlantic United States and Mexico. Tres Palacios is a pooling point for the Intercontinental Exchange (ICE) hub for the Gulf Coast.

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Finger Lakes LPG storage facility, a 1.7 million barrel salt cavern LPG storage facility located near Bath, New York, approximately 210 miles northwest of New York City and 60 miles from the Stagecoach facility. The Finger Lakes LPG storage facility is supported by both rail and truck terminal facilities capable of loading and unloading 20-23 rail cars per day and 17 truck transports per day.

An NGL business in Bakersfield, California, which includes a 25 MMcf/d natural gas processing plant, a 12,000 bpd NGL fractionation plant, an 8,000 bpd butane isomerization plant, NGL rail and truck terminals, a 24 million gallon NGL storage facility and NGL transportation/marketing operations.

US Salt, an industry-leading solution mining and salt production company located in Schuyler County, New York, between our Stagecoach and Steuben natural gas storage facilities. US Salt produces and sells over 300,000 tons of salt each year. The solution mining process used by US Salt creates salt caverns that can be developed into natural gas or LPG storage capacity.

Recent Developments

On January 11, 2010, Inergy Midstream, LLC executed a definitive agreement to purchase from New York State Electric & Gas Corporation (NYSEG) the Seneca Lake natural gas storage facility (Seneca Lake) located in Schuyler County, New York, and two related pipelines. Seneca Lake is an approximate 2.0 Bcf underground salt cavern storage facility located on our US Salt property outside Watkins Glen, New York, and has a maximum withdrawal capability of 145 MMcf/day and maximum injection capability of 75 MMcf/day. The facility is connected to the Dominion Transmission System via the 16-inch, 20-mile Seneca West Pipeline and indirectly to the city gate of Binghamton, New York, via the 12-inch, 37.5-mile Seneca East Pipeline, which runs within approximately four miles of our Stagecoach North Lateral interconnect with the Millennium Pipeline.

The transaction is subject to customary closing conditions and regulatory approvals, including authorization from the FERC and the New York State Public Service Commission (PSC) upon terms and conditions acceptable to NYSEG. The FERC and the PSC issued orders authorizing the transaction on August 26, 2010 and March 4, 2011, respectively. The PSC s March 4, 2011 order imposed certain economic conditions on NYSEG. On March 31, 2011, NYSEG requested rehearing of the March 4, 2011 order, and asked that the PSC modify two conditions and issue an order on rehearing by June 17, 2011. We cannot predict whether or to what extent the PSC will grant rehearing, or to the extent the PSC continues to impose conditions on NYSEG, whether NYSEG will consider any such conditions to be acceptable. We expect to complete the transaction in summer 2011 after the PSC rules on NYSEG s request, although there can be no assurance that this transaction will be consummated in such time frame or at all.

We previously announced plans to add additional compression and measurement facilities to our existing Stagecoach Laterals (the North/South Project), which when completed are expected to have firm transportation capacity of 325,000 dekatherms per day. We received FERC authorization for the project on January 20, 2011, and we commenced construction on February 21, 2011. The North/South Project, which is supported by long-term contracts, is expected to be placed into service in the second half of 2011.

Business Strategy

Our primary objective is to increase distributable cash flow for our unitholders, while maintaining the highest level of commitment and service to our customers. We have engaged and will continue to engage in objectives of further growth through acquisitions both in our propane and midstream operations, organic expansion projects and measures aimed at increasing the profitability of existing operations.

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Consistent with our acquisition strategy, we are continuously engaged in discussions with potential sellers regarding the possible purchase of retail propane, natural gas storage or other midstream assets, companies or businesses. We cannot predict the likelihood of completing or the timing of any such acquisitions. These acquisition opportunities consist of both smaller acquisitions as well as larger acquisitions that would have a material impact on our capital structure and operating results. Consistent with our financial strategy to date, we generally anticipate financing our acquisition activity through approximately equal portions of equity and debt. In certain cases, acquisitions will initially be financed using debt (including, potentially, secured debt), with proceeds from subsequent equity issuances used to reduce our debt balances to levels consistent with our targeted credit profile.

Competitive and Business Strengths

We intend to pursue our objectives by capitalizing on our competitive and business strengths as follows:

Competitive Strengths

Proven acquisition expertise. Since our predecessor s inception and through May 31, 2011, we have acquired and successfully integrated 89 businesses. Our executive officers and key employees, who together average more than 15 years experience in the propane and midstream energy-related industries, have developed business relationships with retail propane owners and businesses as well as other midstream industry participants throughout the United States. These significant industry contacts have enabled us to negotiate most of our acquisitions on an exclusive basis. We believe that this acquisition expertise should allow us to continue to grow through strategic and accretive acquisitions. Our acquisition program will continue to seek:

- businesses that generate distributable cash flow that is accretive to common unitholders on a per unit basis;
- propane and midstream businesses in attractive market areas;
- propane businesses with established names and reputations for customer service and reliability;
- propane businesses with high concentrations of propane sales to residential customers;
- midstream businesses that generate predictable, stable fee-based cash flow streams;
- midstream businesses with organic expansion opportunities or strategic regional enhancement; and
- retention of key employees in acquired businesses.

Management experience. Our senior management team has extensive experience in the propane and midstream energy industry. Our management team has a proven track record of enhancing the value of our partnership through the acquisition, integration and optimization of the businesses we own and operate.

Flexible financial structure. We have a $450 million revolving general partnership credit facility, a $75 million revolving working capital credit facility and a $300 million term loan facility. Our $450 million revolving general partnership credit facility contains an accordion option feature that allows us to expand the facility by an additional $100 million subject to additional commitments. We believe our available capacity under these facilities combined with our ability to fund acquisitions and organic expansion projects through the issuance of additional partnership interests or additional debt provide us with a flexible financial structure that facilitates our acquisition and organic expansion efforts.

Propane Business Strengths

High percentage of retail sales to residential customers. Our retail propane operations concentrate on sales to residential customers. For the fiscal year ended September 30, 2010, sales to residential customers represented approximately 65% of our retail propane gallons sold. Residential customers tend to generate higher margins and are generally more stable purchasers than other customers. In addition, we own nearly 90% of the propane tanks located at our customers homes. In many states, fire safety regulations restrict the refilling of a leased tank solely to the propane supplier that owns the tank. These regulations, which require customers to switch propane tanks when they switch suppliers, help enhance the stability of our customer base because of the inconvenience and costs involved with switching tanks and suppliers.

Regionally branded operating structure. We believe that our success in maintaining customer stability and our low cost operating structure at our customer service centers results from our decentralized operation under established, locally recognized trade names. We attempt to capitalize on the reputation of the companies we acquire by retaining their local brand names and employees, thereby preserving the goodwill of the acquired business and fostering employee loyalty and customer retention. We expect our local branch management to continue to manage the marketing programs, new business development, customer service and customer billing and collections. We believe that our employee incentive programs encourage efficiency and allow us to control costs at the corporate and field levels.

Operations in attractive propane markets. A majority of our propane operations are concentrated in attractive propane market areas, where natural gas distribution is not cost-effective, margins are relatively stable and tank control is relatively high. We intend to pursue acquisitions in similar attractive markets.

Comprehensive propane logistics and distribution business. One of our distinguishing strengths is our propane procurement and distribution expertise and capabilities. For the fiscal year ended September 30, 2010, we delivered 415.3 million gallons of propane on a wholesale basis to our various customers. These operations are significantly larger on a relative basis than the wholesale operations of most publicly-traded propane businesses. We also provide transportation services to these distributors through our fleet of transport vehicles, and price risk management services to our customers through a variety of financial and other instruments. The presence of our trucks serving our wholesale customers allows us to take advantage of various pricing and distribution inefficiencies that exist in the market from time to time. We believe our wholesale business enables us to obtain valuable market intelligence and awareness of potential acquisition opportunities. Because we sell on a wholesale basis to many residential and commercial retailers, we have an ongoing relationship with a large number of businesses that may be attractive acquisition opportunities for us. We believe that we will have an adequate supply of propane to support our growing retail operations at prices that are generally available only to large wholesale purchasers. This purchasing scale and resulting expertise also helps us avoid shortages during periods of tight supply to an extent not generally available to other retail propane distributors.

Midstream Business Strengths

Strategically located assets. Our assets are situated close to or within demand based market areas, which positions us well to leverage the services we offer to our customers relative to our competitors. We own and operate natural gas storage operations approximately 200 miles northwest of New York City. These assets are among the closest natural gas storage facilities to the New York City market and have the capability of delivering gas to this market as well as other Northeast and Mid-Atlantic market centers. We also own and operate US Salt, a salt production company located in Schuyler County, New York, between our Stagecoach and Steuben natural gas storage facilities, which we believe may add additional storage capacity to our operations in the Northeast. Our acquisition of Tres Palacios, which is located approximately 100 miles southwest of Houston, provides us access to the Houston and San Antonio metropolitan areas and the broader Texas markets as well as markets in the Northeast, Midwest, Southeast, Florida and Mid-Atlantic United States and Mexico. The Tres Palacios facility, like Stagecoach, is located near shale gas supply, is connected to multiple supply sources and supports strong demand markets. The Texas natural gas fired electric generation market is the largest in the United States. We also own and operate an NGL operation near Bakersfield, California, strategically situated between

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the major refining centers of Los Angeles and San Francisco. We believe there are opportunities to further leverage our geographic location, expand our current asset base and to enhance the platform of services we offer to our customers that will further enhance the value and profitability of these assets.

Ability to leverage industry relationships. Our management team has extensive industry relationships and they have been successful in leveraging these relationships with both new and existing customers of our midstream operations into profitable opportunities to further grow our operations.

Stable cash flows. Our midstream gas storage operations consist predominantly of fee-based services that generate stable cash flows with contract maturities extending out several years. These contracts are with primarily investment-grade rated customers such as large east coast utilities and major gas marketing firms. In addition, our West Coast NGL operations include fee-based services and have relatively little exposure to fluctuations in commodity prices. We believe that this further adds to our stable cash flow and enhances our access to the capital markets.

Partnership Structure and Management

Our operations are conducted through, and our operating assets are owned by, our subsidiaries. We own our interests in our subsidiaries, other than Inergy Finance Corp., Inergy Partners, LLC and IPCH Acquisition Corp., through our 100% ownership interest in our operating companies, Inergy Propane, LLC and Inergy Midstream, LLC. Inergy GP, LLC, our general partner, has sole responsibility for conducting our business and managing our operations. Our general partner has no economic interest in our partnership and does not receive a management fee, but it is reimbursed for expenses incurred on our behalf.

Ownership of Inergy, L.P.

The chart on the following page depicts our abridged organizational and ownership structure after giving effect to this offering, assuming no exercise of the underwriters option to purchase additional common units.

Ownership of Inergy, L.P. After the Offering

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The Offering

Common units offered by Inergy, L.P.	9,000,000 common units; 10,350,000 common units if the underwriters exercise in full their option to purchase additional common units.
Common units outstanding after this offering	119,117,808 common units if the underwriters do not exercise their option to purchase an additional 1,350,000 common units and 120,467,808 common units if the underwriters exercise in full their option to purchase an additional 1,350,000 common units.
Use of proceeds	We will use the net proceeds from this offering (and the net proceeds from any exercise of the underwriters option to purchase additional common units) to repay approximately $149.0 million of borrowings under our revolving general partnership and working capital credit facilities, with the remaining net proceeds from this offering to be used for the ongoing expansion projects in our midstream business and for general partnership purposes. Please read Use of Proceeds.
	Affiliates of certain of the underwriters participating in this offering are lenders under our revolving general partnership and working capital credit facilities and will receive a substantial portion of the proceeds from this offering through the repayment of indebtedness under our revolving general partnership and working capital credit facilities. Please read Underwriting (Conflicts of Interest).
Cash distributions	Under our partnership agreement, we must distribute all of our cash on hand at the end of each quarter, less reserves established by our general partner in its discretion. We refer to this cash as available cash, and we define its meaning in our partnership agreement.
	On May 13, 2011, we paid a quarterly cash distribution for the fiscal quarter ended March 31, 2011 of $0.705 per common unit, or $2.82 per common unit on an annualized basis.
Estimated ratio of taxable income to distributions	We estimate that if you own the common units you purchase in this offering through the record date for the distribution for the fourth calendar quarter of 2013, you will be allocated, on a cumulative basis, an amount of federal taxable income for that period that will be less than 20% of the cash distributed to you with respect to that period. Please read Tax Consequences in this prospectus supplement for the basis of this estimate.
Exchange listing	Our common units trade on the New York Stock Exchange under the symbol NRGY.

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RISK FACTORS

An investment in our common units involves risk. You should carefully read the following risk factors, together with the risk factors included under the caption Risk Factors beginning on page 5 of the accompanying base prospectus, as well as the risk factors included in Item 1A. Risk Factors in our annual report on Form 10-K for the fiscal year ended September 30, 2010 and in our quarterly report on Form 10-Q for the fiscal quarter ended December 31, 2010, together with all of the other information included or incorporated by reference in this prospectus supplement. If any of these risks were to occur, our business, financial condition, results of operations or prospects could be materially adversely affected. In such case, the trading price of our common units could decline, and you could lose all or part of your investment.

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USE OF PROCEEDS

We expect to receive net proceeds of approximately $311.7 million from the sale of 9,000,000 common units offered by this prospectus supplement, after deducting underwriting discounts and estimated offering expenses payable by us. If the underwriters exercise their option to purchase the 1,350,000 additional common units in full, we expect to receive additional net proceeds of approximately $46.8 million. Our general partner maintains a non-economic general partner interest in us and will not be making a capital contribution to us.

We will use the net proceeds from this offering (and the net proceeds from any exercise of the underwriters option to purchase additional common units) to repay approximately $149.0 million of borrowings under our revolving general partnership and working capital credit facilities, with the remaining net proceeds from this offering to be used for the ongoing expansion projects in our midstream business and for general partnership purposes.

Affiliates of certain of the underwriters participating in this offering are lenders under our revolving general partnership and working capital credit facilities and will receive a substantial portion of the proceeds from this offering through the repayment of indebtedness under our revolving general partnership and working capital credit facilities. Please read Underwriting (Conflicts of Interest).

As of May 27, 2011, we had total borrowings of approximately $124.0 million outstanding under our revolving general partnership credit facility, which were primarily incurred to finance our acquisitions and capital expenditures made in connection with our internal growth projects related to our midstream assets, and $25.0 million outstanding under our revolving working capital credit facility. Borrowings under our revolving general partnership and working capital credit facilities bear interest at approximately 4.20%. The revolving general partnership and working capital credit facilities mature on November 22, 2013. We may reborrow any amounts paid down under our revolving general partnership and working capital credit facilities.

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CAPITALIZATION

The following table sets forth our cash and cash equivalents and our capitalization as of March 31, 2011:

on a consolidated historical basis;

as adjusted to give effect to borrowings of approximately $106.5 million under our revolving credit facilities after March 31, 2011; and

as further adjusted to reflect the sale of common units in this offering and the application of the net proceeds therefrom as described in Use of Proceeds.

This table should be read in conjunction with, and is qualified in its entirety by reference to, our historical financial statements, including the accompanying notes, which are incorporated by reference into this prospectus supplement.

	As of March 31, 2011		
	Historical	**As Adjusted**	**As Further Adjusted**
		($ in millions)	
Cash and cash equivalents	$ 18.5	$ 18.5	$ 181.2
Long-term debt:			
Revolving working capital credit facility	$ 4.5	$ 25.0	$
Revolving general partnership credit facility	38.0	124.0	
Term loan facility	300.0	300.0	300.0
8.75% senior unsecured notes due 2015	116.1	116.1	116.1
7% senior unsecured notes due 2018	600.0	600.0	600.0
6.875% senior unsecured notes due 2021	750.0	750.0	750.0
Swap premium	2.8	2.8	2.8
Fair value hedge adjustment on senior unsecured notes	(2.0)	(2.0)	(2.0)
Bond discount	(7.4)	(7.4)	(7.4)
Other debt	20.4	20.4	20.4
Total long-term debt (including current portion)	$ 1,822.4	$ 1,928.9	$ 1,779.9
Total Inergy, L.P. partners capital	$ 1,086.6	$ 1,086.6	$ 1,398.3
Total capitalization	$ 2,909.0	$ 3,015.5	$ 3,178.2

This table does not reflect the issuance of up to 1,350,000 common units that may be sold to the underwriters upon exercise of their option to purchase additional common units, the proceeds of which will be used in the manner described under Use of Proceeds.

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PRICE RANGE OF COMMON UNITS AND DISTRIBUTIONS

As of May 31, 2011, we had 110,117,808 common units outstanding, held by approximately 140 holders of record. Our common units are listed and traded on the New York Stock Exchange under the symbol NRGY. Until March 17, 2010, our common units were listed and traded on the NASDAQ Global Select Stock Market.

The following table sets forth, for the periods indicated, the high and low sales prices per common unit, as reported by the New York Stock Exchange or the NASDAQ Global Select Stock Market, as applicable. Distributions are shown in the quarter for which they were paid. The last reported sales price of our common units on the New York Stock Exchange on May 31, 2011 was $37.09 per common unit.

	Price Ranges		
Period ended:	**Low**	**High**	**Cash Distributions Per Unit**
Fiscal 2011:			
June 30, 2011(a)	$ 33.52	$ 41.22	N/A(b)
March 31, 2011	38.49	42.75	0.705
December 31, 2010	37.25	41.92	0.705
Fiscal 2010:			
September 30, 2010	$ 35.56	$ 43.95	0.705
June 30, 2010	30.35	39.94	0.705
March 31, 2010	32.48		