

INERGY L P  
Form 4  
August 15, 2006

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**GFELLER WARREN H**

(Last) (First) (Middle)

**TWO BRUSH CREEK BLVD.,  
SUITE 200**

(Street)

**KANSAS CITY, MO 64112**

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**INERGY L P [NRGY]**

3. Date of Earliest Transaction  
(Month/Day/Year)  
**08/14/2006**

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Units	08/14/2006		C	6,818 A (3)	12,728	I	See referenced footnote. (1)
Common Units					939 (2)	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
Sr. Subordinated Units	(3)	08/14/2006		C	6,818	(3) (3)	Common Units 6,818
Long Term Incentive Plan	\$ 11					08/14/2006 07/30/2011	Common Units 44,400

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GFELLER WARREN H TWO BRUSH CREEK BLVD., SUITE 200 KANSAS CITY, MO 64112		X		

## Signatures

/s/ Judy Riddle (attorney-in-fact) for Warren H. Gfeller 08/15/2006

\_\_Signature of Reporting Person Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) These units are owned by Clayton-Hamilton, LLC of which Mr. Gfeller is managing member. Mr. Gfeller disclaims beneficial ownership of the reported securities except to the extent of his pecuniary interest therein.
- (2) Restricted units granted under the Inergy, L.P. Long Term Incentive Plan, as amended. The restricted units vest at the rate of 33.33% on each anniversary of the grant date.
- (3) On August 14, 2006, 3,821,884 Senior Subordinated Units converted to Common Units on a one-to-one basis (pro rata distribution among all holders).

### Remarks:

On January 12, 2004, Inergy LP's Common Units, Senior Subordinated Units and Junior Subordinated Units underwent a two-

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Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.  
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