

GENESIS ENERGY LP
Form 10-Q
May 03, 2019
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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 March 31, 2019

OR

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

Commission file number 1-12295

GENESIS ENERGY, L.P.
(Exact name of registrant as specified in its charter)

Delaware	76-0513049
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

919 Milam, Suite 2100, Houston, TX	77002
(Address of principal executive offices)	(Zip code)
Registrant's telephone number, including area code: (713) 860-2500	

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 every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ✓ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

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

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the

Exchange Act.

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

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common units	GEL	NYSE

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. There were 122,539,221 Class A Common Units and 39,997 Class B Common Units outstanding as of May 3, 2019.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

GENESIS ENERGY, L.P.

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except units)

	March 31, 2019	December 31, 2018
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 11,204	\$ 10,300
Accounts receivable - trade, net	307,390	323,462
Inventories	80,147	73,531
Other	41,329	35,986
Total current assets	440,070	443,279
FIXED ASSETS, at cost	5,471,477	5,440,858
Less: Accumulated depreciation	(1,093,199)	(1,023,825)
Net fixed assets	4,378,278	4,417,033
MINERAL LEASEHOLDS, net of accumulated depletion	559,161	560,481
NET INVESTMENT IN DIRECT FINANCING LEASES, net of unearned income	114,704	116,925
EQUITY INVESTEEES	350,258	355,085
INTANGIBLE ASSETS, net of amortization	150,494	162,602
GOODWILL	301,959	301,959
RIGHT OF USE ASSETS, net	200,788	—
OTHER ASSETS, net of amortization	119,099	121,707
TOTAL ASSETS	\$6,614,811	\$ 6,479,071
LIABILITIES AND CAPITAL		
CURRENT LIABILITIES:		
Accounts payable - trade	\$ 144,629	\$ 127,327
Accrued liabilities	258,337	205,507
Total current liabilities	402,966	332,834
SENIOR SECURED CREDIT FACILITY	942,000	970,100
SENIOR UNSECURED NOTES, net of debt issuance costs	2,464,247	2,462,363
DEFERRED TAX LIABILITIES	12,828	12,576
OTHER LONG-TERM LIABILITIES	402,610	259,198
Total liabilities	4,224,651	4,037,071
MEZZANINE CAPITAL:		
Class A Convertible Preferred Units, 24,972,598 and 24,438,022 issued and outstanding at March 31, 2019 and December 31, 2018, respectively	778,508	761,466
PARTNERS' CAPITAL:		
Common unitholders, 122,579,218 units issued and outstanding at March 31, 2019 and December 31, 2018	1,621,314	1,690,799
Accumulated other comprehensive income	939	939
Noncontrolling interests	(10,601)	(11,204)
Total partners' capital	1,611,652	1,680,534
TOTAL LIABILITIES, MEZZANINE CAPITAL AND PARTNERS' CAPITAL	\$6,614,811	\$ 6,479,071
The accompanying notes are an integral part of these Unaudited Condensed Consolidated Financial Statements.		

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GENESIS ENERGY, L.P.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per unit amounts)

	Three Months Ended March 31, 2019 2018	
REVENUES:		
Offshore pipeline transportation services	\$78,317	73,260
Sodium minerals and sulfur services	275,486	285,910
Marine transportation	56,650	48,929
Onshore facilities and transportation	209,556	317,709
Total revenues	620,009	