

Regency Energy Partners LP
Form 4
March 20, 2006

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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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 *
MUSE JOHN R

2. Issuer Name and Ticker or Trading Symbol
Regency Energy Partners LP
[RGNC]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
200 CRESCENT COURT, SUITE 1600

(Street)

3. Date of Earliest Transaction (Month/Day/Year)
03/16/2006

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

DALLAS, TX 75201

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

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

(City) (State) (Zip)

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	03/16/2006		J ⁽¹⁾		497,641	D	\$ 18.6875	4,856,255	I	By Regency Acquisition LP ⁽²⁾
Common Units	03/20/2006		J ⁽⁴⁾		1,400,000	D	\$ 18.6875	3,456,255	I	By Regency Acquisition LP ⁽²⁾
Common Units								50,000	D	

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

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(9-02)

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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number of Shares
Subordinated Units	(3)	03/20/2006		J(1)	2,404,434	(3)	(3)	Common Units	2,404,434

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MUSE JOHN R 200 CRESCENT COURT, SUITE 1600 DALLAS, TX 75201			X	

Signatures

William E. Joore III,
Attorney-in-Fact
03/20/2006
Date

**Signature of Reporting Person

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) A distribution was made of 497,641 common units and 2,404,434 subordinated units of the Issuer (a) by Regency Acquisition LP to HMTF Regency, L.P. (on account of HMTF Regency, L.P.'s (i) 99.999% direct interest in Regency Acquisition LP and (ii) indirect .001% interest in Regency Acquisition LP held by Regency Holdings LLC, which is wholly owned by HMTF Regency, L.P.), and (b) by HMTF Regency, L.P., pro rata to the holders of Class E Units of HMTF Regency, L.P. See note (2) below
- (2) John R. Muse is the sole manager and a member of HM5/GP LLC, which is the general partner of Hicks, Muse, Tate & Furst Equity Fund V, L.P., which is the sole member of HMTF Regency, L.L.C., which is the general partner of HMTF Regency, L.P., which is the sole member of Regency Holdings LLC, which is the general partner of Regency Acquisition LP, which directly owns the common units and subordinated units reported herein as beneficially owned indirectly by Mr. Muse. HMTF Regency, L.P., also owns all of the limited partner interest in Regency Acquisition LP. The reporting person disclaims beneficial ownership of these securities (except to the extent of the reporting person's indirect pecuniary interest in such securities described above), and this report shall not be deemed an admission that the reporting person is the beneficial owner of such securities for purposes of Section 16 or for any other purpose.
- (3) The subordinated units shall convert into common units on a one-for-one basis after December 31, 2006, upon satisfaction of the conditions for conversion set forth in the Issuer's First Amended and Restated Agreement of Limited Partnership. The conditions are

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based on the amount of quarterly distributions by the Issuer with respect to its common and subordinated units. The subordinated units have no expiration date.

(4) Pursuant to a redemption by Issuer.

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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