

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>SCHULTE DAVID J</u> (Last) (First) (Middle) <u>TWO BRUSH CREEK BLVD., SUITE 200</u> (Street) <u>KANSAS CITY MO 64112</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>INERGY LP [NRGY]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>08/13/2004</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	

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 Beneficial Ownership (Instr. 4)	
			Code	V	Amount	(A) or (D)	Price				
Common Units								2,000	D		
Common Units	08/13/2004		C		183,636		A	(5)	183,636	I	See referenced footnote.(1)

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 Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Sr. Subordinated Units	(2)	08/13/2004		C			183,636	(2)	(2)	Common Units	183,636	(5)	607,272	I	See referenced footnote.(1)
Long Term Incentive Plan	\$11							(3)	07/30/2011	Common Units	44,400		44,400	I	See referenced footnote.(3)

Explanation of Responses:

- These units are owned by KCEP Ventures II, L.P. of which Mr. Schulte is a managing director. Mr. Schulte disclaims beneficial ownership of the reporting securities except to the extent of his pecuniary interest therein.
- The Sr. Subordinated Units will convert into common units on a one to one basis, if at all, once the Issuer meets certain financial test set forth in the partnership agreement buy generally not before June 30, 2006.
- The options under the Long Term Incentive Plan will not vest before the conversion of any Senior Subordinated Units of the issuer and will vest no sooner than, and in the same proportion as, the conversion of Senior Subordinated Units.
- These options were granted to KCEP Ventures II, L.P. of which Mr. Schulte is a managing director. Mr. Schulte disclaims beneficial ownership of the reporting securities except to the extent of his pecuniary interest therein.
- On August 13, 2004, 1,656,684 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-for-one split.

/s/ Judy Riddle (attorney-in-fact) for David J. Schulte 08/17/2004

** Signature of Reporting Person

Date

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

* 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).

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.

POWER OF ATTORNEY
(Reports on Forms 3, 4 and 5)

Know all by these presents, that the undersigned hereby constitutes and appoints Laura L. Ozenberger and/or Judy Riddle the undersigned's true and lawful attorney-in-

(1) execute for and on behalf of the undersigned any and all reports on Forms 3, 4, and 5 that may be required from time to time with respect to the undersigned

(2) do and perform any and all acts for and on behalf of the undersigned which may be necessary or desirable to complete and execute any such reports on Forms 3,

(3) take any other action of any type whatsoever in connection with the foregoing which, in the opinion of such attorney-in-fact, may be of benefit to, in the best :

The undersigned hereby grants to such attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary, or pro

This Power of Attorney shall remain in full force and effect until the undersigned is no longer required to file Forms 3, 4, and 5 with respect to the undersig

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney this 10th day of November 2003.

/s/ David J. Schulte