

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

FORM S-8
 REGISTRATION STATEMENT
 UNDER
 THE SECURITIES ACT OF 1933

 INERGY, L.P.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
 incorporation or organization)

43-1918951

(I.R.S. Employer
 Identification No.)

1101 Walnut Street, Suite 1500 Kansas City, Missouri
 (Address of principal executive offices)

64106
 (Zip Code)

Inergy Employee Unit Purchase Plan
 (Full title of the plan)

 Mr. John J. Sherman
 President and Chief Executive Officer
 Inergy, L.P.
 1101 Walnut Street, Suite 1500
 Kansas City, MO 64106
 (Name and address of agent for service)

(816) 842-8181
 (Telephone number, including area code, of agent for service)

 Copy to:
 James W. Allen
 Stinson, Mag & Fizzell, P.C.
 1201 Walnut Street, Suite 2800
 Kansas City, MO 64106
 (816) 842-8600

CALCULATION OF REGISTRATION FEE

Title of securities to be registered	Amount to be registered	Proposed maximum offering price per unit	Proposed maximum aggregate offering price	Amount of registration fee
Common Units representing limited partnership interests (1)	50,000 (2)	\$27.78 (3)	\$1,389,000	\$127.79

- (1) In addition, pursuant to Rule 416(c) under the Securities Act of 1933, this registration statement also covers an indeterminate amount of interests to be offered or sold pursuant to the employee benefit plan described herein.
- (2) This Registration Statement also relates to such additional and indeterminable number of Common Units that may become issuable in order to prevent dilution due to unit splits or similar transactions involving Common Units.
- (3) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(h) under the Securities Act, whereby the per unit price was determined by reference to the average of the high and low price of the Common Units reported in the Nasdaq National Market on March 1, 2002.

PART I

Information Required in the Section 10(a) Prospectus

In accordance with Rule 428 under the Securities Act and the instructional note to Part I of Form S-8, the information specified in Part I of Form S-8 has been omitted from this Registration Statement.

The documents containing the information specified in Part I of Form S-8 will be sent or given to participating employees as specified by Rule 428(b)(1) of the Securities Act. Such documents and the documents incorporated by reference herein pursuant to Item 3 of Part II hereof, taken together, constitute a prospectus that meets the requirements of Section 10(a) of the Securities Act.

PART II

Information Required in the Registration Statement

Item 3. Incorporation of Documents by Reference.

The SEC allows Inergy, L.P. and the Inergy Employee Unit Purchase Plan to "incorporate by reference" the information that they file with the SEC, which means:

- . incorporated documents are considered part of this registration statement;
- . we can disclose important information by referring the reader to these documents; and
- . information that we file with the SEC will automatically update and supersede this registration statement and any previously incorporated information.

Inergy, L.P. and the Inergy Employee Unit Purchase Plan incorporate by reference the documents or portions of documents listed below which were filed with the SEC under the Securities Exchange Act of 1934, as amended (the "Exchange Act"):

- . annual report on Form 10-K and 10-K/A of Inergy, L.P. for the fiscal year ended September 30, 2001;
- . quarterly report on Form 10-Q of Inergy, L.P. for the quarterly period ended December 31, 2001; and
- . current reports on Form 8-K of Inergy, L.P. dated November 16, 2001, January 4, 2002 and March 1, 2002;
- . the description of Inergy, L.P.'s common units contained in the registration statement on Form 8-A filed by Inergy, L.P. under the Exchange Act, which is incorporated into that registration statement by reference to the description of such common units set forth under the captions "Prospectus Summary," "Cash Distribution Policy," "Description of the Common Units," "The Partnership Agreement" and "Tax Considerations" in the prospectus forming a part of the registration statement on Form S-1 (Reg. No. 333-56976) filed by Inergy, L.P. under the Securities Act of 1933, as amended.

Inergy, L.P. and the Inergy Employee Unit Purchase Plan also incorporate by reference filings with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, that are filed with the SEC after the date of this registration statement and prior to the filing of a post-effective amendment which indicates that all securities offered have been sold or which deregisters all securities then remaining unsold.

Item 4. Description of Securities.

Not applicable.

Item 5. Interests of Named Experts and Counsel.

Not applicable.

Item 6. Indemnification of Directors and Officers.

Section 17-108 of the Delaware Revised Uniform Limited Partnership Act empowers a Delaware limited partnership to indemnify and hold harmless any partner or other person from and against any and all claims and demands whatsoever. The Amended and Restated Agreement of Limited Partnership of Inergy, L.P. provides that Inergy, L.P. will, in most circumstances, indemnify the following persons, to the fullest extent permitted by law, from and against all losses, claims, damages or similar events:

- . the general partners,
- . any departing general partner,
- . any person who is or was an affiliate of a general partner or any departing general partner,
- . any person who is or was a member, partner, officer, director, employee, agent or trustee of the managing general partner or any departing general partner or any affiliate of a managing general partner or any departing general partner, or
- . any person who is or was serving at the request of a managing general partner or any departing general partner or any affiliate of a managing general partner or any departing general partner as an officer, director, employee, member, partner, agent or trustee of another person.

Any indemnification under these provisions will only be out of Inergy, L.P.'s assets. The general partners and their affiliates will not be personally liable for, or have any obligation to contribute or loan funds or assets to Inergy, L.P. to enable Inergy, L.P. to effectuate, indemnification. Inergy, L.P. may purchase insurance against liabilities asserted against and expenses incurred by persons for its activities, regardless of whether it would have the power to indemnify the person against liabilities under the partnership agreement.

Item 7. Exemption from Registration Claimed.

Not applicable.

Item 8. Exhibits.

The following Exhibits are filed as a part of this registration statement:

Exhibit Number	Description
3.1	Certificate of Limited Partnership of Inergy, L.P. (filed as Exhibit 3.1 to Inergy L.P.'s Registration Statement on Form S-1 (Reg. No. 333-56976) and incorporated herein by reference)
3.2	Form of Amended and Restated Agreement of Limited Partnership of Inergy, L.P. (included as Appendix A to the Prospectus constituting a part of Inergy, L.P.'s Registration Statement on Form S-1 (Reg. No. 333-56976) and incorporated herein by reference).
4.3	Specimen Unit Certificate for Common Units (filed as Exhibit 4.3 to Inergy, L.P.'s Registration Statement on Form S-1 (Reg. No. 333-56976) and incorporated herein by reference).
10.1	Inergy Employee Unit Purchase Plan*
23.1	Consent of Ernst & Young LLP*
24.1	Powers of Attorney (on signature page)*

* Indicates document filed herewith.

Item 9. Undertakings.

A. The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of this registration statement (or the most recent post-effective amendment thereto) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

Provided, however, that paragraphs (1)(i) and (1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the Registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

B. The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

C. Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Kansas City, State of Missouri, on February 28, 2002.

INERGY, L.P.
(Registrant)

By Inergy GP, LLC
(its managing general partner)

By: /s/ John J. Sherman

John J. Sherman
Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints John J. Sherman and R. Brooks Sherman, Jr. or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place, and stead, in any and all capabilities, to sign any and all pre- or post-effective amendments to this registration statement, and to file the same with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitute, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed below by the following persons in the capacities and on the dates indicated:

Signatures	Title	Date
/s/ John J. Sherman ----- John J. Sherman	President, Chief Executive Officer and Chairman of the Board (Principal Executive Officer)	February 28, 2002
/s/ R. Brooks Sherman, Jr. ----- R. Brooks Sherman, Jr.	Vice President and Chief Financial Officer (Principal Accounting and Financial Officer)	February 28, 2002
/s/ Philip L. Elbert ----- Philip L. Elbert	Director	February 28, 2002
/s/ Richard C. Green, Jr. ----- Richard C. Green, Jr.	Director	February 28, 2002
/s/ Warren H. Gfeller ----- Warren H. Gfeller	Director	February 28, 2002
/s/ David J. Schulte ----- David J. Schulte	Director	February 28, 2002

Pursuant to the requirements of the Securities Act of 1933, the trustees (or other persons who administer the employee benefit plan) have duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Kansas City, State of Missouri, on February 28, 2002.

INERGY EMPLOYEE UNIT PURCHASE PLAN
(Plan)

By: /s/ R. Brooks Sherman, Jr.

R. Brooks Sherman, Jr.
Vice President and Chief Financial Officer
of Inergy GP, LLC

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EXHIBIT INDEX

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* Indicates document filed herewith.

INERGY EMPLOYEE UNIT PURCHASE PLAN
SECTION 1
INTRODUCTION

- 1.1 Establishment. INERGY HOLDINGS, LLC, a Delaware limited liability company ("Holdings"), originally established, effective June 1, 2001, the Inergy Employee Unit Purchase Plan (the "Plan") for certain employees of Holdings, Inergy GP, LLC, a Delaware limited liability company (the "General Partner"), Inergy, L.P., a Delaware limited partnership (the "Partnership"), and their Affiliates. The Plan is hereby amended and restated effective as of the Plan's original effective date, June 1, 2001.
- 1.2 Purpose. The purpose of the Plan is to promote the interests of Holdings, the General Partner and the Partnership by encouraging all full-time employees of Holdings, the General Partner, the Partnership and their Affiliates to acquire or increase their ownership of Units and to provide a means whereby such individuals may develop a sense of proprietorship and personal involvement in the development and financial success of the Partnership, and to encourage them to devote their best efforts to the business of the Partnership, thereby advancing the interests of the Partnership, the General Partner and Holdings.

SECTION 2
DEFINITIONS

- 2.1 The following terms shall have the meanings set forth below.
- (a) "Affiliates" means with respect to any Person, any other Person that directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with, the Person in question. As used herein, the term "control" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.
 - (b) "Board" means the Board of Directors of the General Partner.
 - (c) "Committee" means the compensation committee of the Board appointed to administer the Plan pursuant to Section 8.
 - (d) "Employee" means any individual who is a full-time employee of Holdings, the General Partner, the Partnership or one of their Affiliates, but excluding any employee covered by a collective bargaining agreement unless such bargaining agreement provides for his participation in the Plan.
 - (e) "Employer" means Holdings, the General Partner, the Partnership and/or one of their Affiliates, as the case may be.
 - (f) "Fair Market Value" means the closing sales price of a Unit on the applicable date (or if there is no trading in the Units on such date, on the next preceding date on

which there was trading) as reported in The Wall Street Journal (or other reporting service approved by the Committee). In the event Units are not publicly traded at the time a determination of fair market value is required to be made hereunder, the determination of fair market value shall be made in good faith by the Committee.

- (g) "Holdings" means Inergy Holdings, LLC, a Delaware limited liability company.
- (h) "Partnership" means Inergy, L.P., a Delaware limited partnership.
- (i) "Partnership Agreement" means the Amended and Restated Agreement of Limited Partnership of Inergy, L.P., as amended from time to time.
- (j) "Person" means an individual or a corporation, limited liability company, partnership, joint venture, trust, unincorporated organization, association, governmental agency or political subdivision thereof or other entity.
- (k) "Purchase Period" means the 10-day period following the end of each calendar quarter; provided, however, the Purchase Period shall include such other periods, if any, as may be designated by the Committee from time to time.
- (l) "Rule 16b-3" means Rule 16b-3 promulgated under the Securities Exchange Act of 1934 (the "1934 Act").
- (m) "Unit" means a Common Unit of the Partnership.

2.2 Gender and Number. Except when otherwise indicated by the context, the masculine gender shall also include the feminine gender, and the definition of any term herein in the singular shall also include the plural.

SECTION 3 ELIGIBILITY

- 3.1 Eligibility and Plan Entry Date. All Employees shall be eligible to participate in the Plan. An Employee is eligible to enter the Plan beginning on the first day of the month following thirty (30) days after such individual's employment commencement date.
- 3.2 Prior Service Credit. The Committee, in its discretion, may grant prior service credit to individuals that become Employees pursuant to a corporate merger or acquisition.

SECTION 4 UNITS AVAILABLE UNDER PLAN

- 4.1 Unless otherwise increased by the Board, the maximum number of Units that may be purchased for Employees under this Plan is 50,000. Units to be delivered under the Plan may be Units acquired by Holdings in the open market, Units already owned by Holdings, Units acquired by Holdings directly from the Partnership or any other person, or any combination of the foregoing. Upon an Employee's termination of employment with his or her Employer, all amounts then credited to his or her notional account under the Plan, if any, shall be paid to the terminated Employee as soon as practicable. In the event that any change is made to the Units deliverable under the Plan, the Committee may make appropriate adjustments in the maximum number of Units deliverable under the Plan. The adjustments determined by the Committee shall be final, binding and conclusive.

SECTION 5
PURCHASE OF UNITS

5.1 Employee Withholding Elections. The Committee shall provide an Employee with the ability to purchase Units under this Plan upon the following terms and conditions:

- (a) Effective as of the beginning of any month, an Employee may elect to have his Employer withhold from the Employee's cash base salary or cash base wages each future pay period, for the purchase of Units hereunder, a designated whole percentage of the Employee's cash base pay or wages (in whole percentages only, not to exceed 10%). An Employee may change (within the above limitations) or, subject to Section 5.1(f), stop his withholding election at any time; however, only two such changes may be made during any calendar year. All Employee elections and any changes to an election shall be in such written form as the Committee or its delegate may establish from time to time.
- (b) Each withholding election made by an Employee hereunder shall be an ongoing election until the earlier of the date changed by the Employee or the date the Employee ceases to be eligible to participate in the Plan.
- (c) Holdings shall maintain for each electing Employee a separate notional or ledger account reflecting the aggregate amount of his cash base pay or wages that has been withheld and not yet applied to the purchase of Units for such Employee. Amounts of base pay or wages withheld by the Employer and remitted to Holdings shall not be segregated from the general assets of Holdings and shall not bear interest.
- (d) During each Purchase Period, Holdings shall use, to the fullest extent practicable, all amounts then credited to the notional accounts of the electing Employees to purchase Units for such Employees. Purchases of Units may be made at any time or times during the Purchase Period on any securities exchange on which the Units are traded, in the over-the-counter market and/or in negotiated transactions as the Committee shall determine.
- (e) Upon an Employee's termination of Employment with his or her Employer, all amounts then credited to his or her notional account under the Plan, if any, shall be paid to the terminated Employee as soon as reasonably practicable.
- (f) Provided an Employee submits his or her election to stop withholding prior to the five business day period before the beginning of an immediately upcoming Purchase Period, all amounts then credited to such Employee's notional account shall be returned to the Employee as soon as administratively practicable. Unless otherwise administratively feasible, to the extent an Employee submits his or her election to stop withholding within the five business day period before the beginning of the immediately upcoming Purchase Period, all amounts credited to such Employee's notional account will be applied toward the purchase of Units in the immediately following Purchase Period and the Employee's election to stop withholding shall become effective as of the commencement of the next following Offering Period. All requests to withdraw from the Plan submitted during a

Purchase Period will become effective as of the commencement of the next following Offering Period.

- 5.2 Purchase of Units and Plan Expenses. During each Purchase Period, Holdings, using funds withheld from Employees' wages pursuant to this Section 5, shall purchase for the electing Employees the maximum number of Units (including fractional Units) that can be acquired (using the Unit's Fair Market Value on the date of purchase) based on the sum of (i) amounts then credited to the electing Employees' notional accounts, and (ii) an amount, as determined from time to time by the Committee, not to exceed 10% of the amount then credited to the electing Employees' notional accounts. Holdings shall pay, other than from the notional accounts, all brokerage fees and other costs and expenses of the Plan. To the extent that Units are purchased on multiple days or at multiple times during a single Purchase Period, Holdings shall use the average of the Units' Fair Market Value at the times of purchase as the applicable Unit price upon which Units are allocated to the participating Employees.
- 5.3 Withholding of Taxes. To the extent that the Employer is required to withhold any taxes in connection with the purchase of Units, it will be a condition to the ownership of such Units that the Employee make arrangements satisfactory to the Employer for the payment of such taxes, which may include, but not be limited to, a reduction in the Employee's notional account.

SECTION 6 RESTRICTIONS ON UNITS

- 6.1 Holding Period. Subject to the exception provided below under Section 6.2, all Units purchased under the Plan shall be subject to a holding period which shall expire on the first anniversary of the date the Units were purchased under the Plan. During such Holding period, each Employee shall be prohibited from pledging, transferring, selling or otherwise disposing of the restricted Units. Upon the expiration of such Holding Period, the Employee may, if he or she desires, make a request to the Employer (or its designated third party plan administrator, if any) to receive certificates for all of such unrestricted whole Units. Otherwise, such Units shall be held without restriction (1) by the Employer or (2) in the name of the third party administrator (or its designee), if any, for the benefit of the Employee.
- 6.2 Holding Period Exception. Notwithstanding the Holding Period imposed above under Section 6.1 and subject to the conditions imposed pursuant to this Section 6.2, an Employee will be permitted to pledge, transfer, sell or otherwise dispose of his or her restricted whole Units during the one year holding period (a "Restricted Transfer") by notifying the Employer (or its designated third party plan administrator) of his or her intention to engage in a Restricted Transfer. If a Restricted Transfer occurs, the Employee shall be prohibited from participating in the Plan again until the first Purchase Period following the first anniversary of the date of the Restricted Transfer. During this period of prohibition, no amounts shall be withheld from the Employee's cash base salary or cash base wages. Such withholding shall not be allowed to resume, at the earliest, until the first pay period following the first anniversary of the date of the Restricted Transfer. To the extent an Employee has amounts credited to his or her notional account

under the Plan on the date of a Restricted Transfer, all such amounts will be returned to the Participant. To the extent a Participant has a fractional Unit credited to his or her notional account under the Plan on the date of a Restricted Transfer, such fractional Unit will be liquidated and the Participant will receive his pro rata portion of the proceeds from such liquidation.

- 6.3 Investment Representation. Unless the Units subject to purchase under the Plan have been registered under the Securities Act of 1933, as amended (the "1933 Act"), and, in the case of any Employee who may be deemed an affiliate (for securities law purposes) of Holdings, the General Partner or the Partnership, such Units have been registered under the 1933 Act for resale by such Participant, or the Partnership has determined that an exemption from registration is available, Holdings may require prior to and as a condition of the delivery of any Units that the person purchasing such Units hereunder furnish Holdings with a written representation in a form prescribed by the Committee to the effect that such person is acquiring such Units solely with a view to investment for his or her own account and not with a view to the resale or distribution of all or any part thereof, and that such person will not dispose of any of such Units otherwise than in accordance with the provisions of Rule 144 under the 1933 Act unless and until either the Units are registered under the 1933 Act or Holdings is satisfied that an exemption from such registration is available.
- 6.4 Compliance with Securities Laws. Notwithstanding anything herein or in any other agreement to the contrary, the Partnership shall not be obligated to sell or issue any Units to an Employee under the Plan unless and until the Partnership is satisfied that such sale or issuance complies with (i) all applicable requirements of the securities exchange on which the Units are traded (or the governing body of the principal market in which such Units are traded, if such Units are not then listed on an exchange), (ii) all applicable provisions of the 1933 Act, and (iii) all other laws or regulations by which the Partnership is bound or to which the Partnership is subject. Holdings acknowledges that it is an affiliate of the Partnership under securities laws and it shall comply with such laws and obligations of the Partnership relating thereto as if they were directly applicable to Holdings.

SECTION 7
RIGHTS OF EMPLOYEES; PARTICIPANTS

- 7.1 Employment. This Plan will not confer upon any Employee any right with respect to continuance of employment or other service with Holdings, the General Partner, the Partnership or one of their Affiliates, nor will it interfere in any way with any right Holdings, the General Partner, the Partnership or one of their Affiliates would otherwise have to terminate such Employee's employment or other service at any time.
- 7.2 Nontransferability. No right to purchase Units or be reimbursed for the purchase of Units granted under this Plan shall be assignable or transferable during the lifetime of any Employee either voluntarily or involuntarily, or be subjected to any lien, directly or indirectly, by operation of law, or otherwise, including execution, levy, garnishment, attachment, pledge or bankruptcy.

- 7.3 Dividend Reinvestment. To the extent that the Partnership has a dividend reinvestment plan available to Unit holders, Participants purchasing Units pursuant to this Plan shall be eligible to participate in such plan in the same manner as other Unit holders.

SECTION 8
PLAN ADMINISTRATION

- 8.1 Authority of Committee. The Plan shall be administered by the Committee. Subject to the terms of the Plan and applicable law, and in addition to other express powers and authorizations conferred on the Committee by the Plan, the Committee shall have full power and authority to: (i) determine which persons are Employees who may participate; (ii) determine the number of Units to be purchased by an Employee; (iii) determine the time and manner for purchasing Units; (iv) interpret, construe and administer the Plan; (v) establish, amend, suspend, or waive such rules and regulations and appoint such agents as it shall deem appropriate for the proper administration of the Plan; (vi) make a determination as to the right of any person to receive Units under the Plan; (vii) correct any defect, supply any omission, or reconcile an inconsistency in the Plan; and (viii) make any other determinations and take any other actions that the Committee deems necessary or desirable for the administration of the Plan.
- 8.2 Determination Under the Plan. Unless otherwise expressly provided in the Plan, all designations, determinations, interpretations, and other decisions under or with respect to the Plan shall be within the sole discretion of the Committee, may be made at any time and shall be final, conclusive, and binding upon all persons, including the Partnership or any Employee. No member of the Committee shall be liable for any action, determination or interpretation made in good faith, and all members of the Committee shall, in addition to their rights as directors, be fully protected by Holdings with respect to any such action, determination or interpretation.

SECTION 9
PLAN AMENDMENT, MODIFICATION AND TERMINATION

- 9.1 This Plan may be amended from time to time by the Committee. This Plan may be terminated at any time by the Committee and, unless Board approval is obtained for an increase in the maximum number of available Units, shall automatically terminate when all Units authorized for purchase pursuant to the Plan have been purchased. On termination of the Plan, all amounts then remaining credited to the notional accounts for Employees shall be returned to the affected Employees.

SECTION 10
NONEXCLUSIVITY OF THE PLAN

- 10.1 The adoption of the Plan by Holdings shall not be construed as creating any limitations on the power or authority of Holdings to adopt such other or additional incentive or other compensation arrangements of whatever nature as Holdings may deem necessary or desirable or preclude or limit the continuation of any other plan, practice or arrangement for the payment of compensation or fringe benefits to employees, non-employee directors, or consultants generally, or to any class or group of employees, directors, or consultants, which Holdings now has lawfully put into effect, including, without limitation, any

retirement, pension, savings and stock purchase plan, insurance, death and disability benefits and executive short-term incentive plans.

SECTION 11
REQUIREMENTS OF LAW

- 11.1 Requirements of Law. The issuance of Units pursuant to the Plan shall be subject to all applicable laws, rules and regulations.
- 11.2 Rule 16b-3. It is intended that any purchases by a person subject to Section 16 of the 1934 Act meet all of the requirements of Rule 16b-3. If any action or procedure would otherwise not comply with Rule 16b-3, such action or procedure shall be modified, to the extent the Committee deems practicable, to conform to Rule 16b-3.
- 11.3 Governing Law. The validity, construction and effect of the Plan and any rules and regulations relating to the Plan shall be determined in accordance with applicable Federal law, and to the extent not preempted thereby, with the laws of the State of Delaware, without regard to conflicts of laws principles.

SECTION 12
REIMBURSEMENT FROM PARTNERSHIP

- 12.1 The General Partner shall reimburse Holdings for all direct and indirect expenses incurred by Holdings in administering this Plan. Such costs incurred by Holdings may include, but are not limited to, costs incurred by Holdings attributable to (i) Holdings supplementing the purchase of Units by Employees pursuant to Section 5.2 of this Plan, and (ii) Holdings' payment of brokerage fees and other expenses incurred in purchasing Units under this Plan. The General Partner shall reimburse Holdings on a monthly basis, or such other reasonable basis as the General Partner may determine in its sole discretion.

Consent of Independent Auditors

Board of Directors and Members
Inergy, L.P.

We consent to the incorporation by reference in the Registration Statement (Form S-8) pertaining to the Inergy Employee Unit Purchase Plan of our report dated December 10, 2001, except for Notes 4 and 12, as to which the date is December 20, 2001, with respect to the consolidated financial statements of Inergy, L.P. and subsidiary included in its Annual Report (Form 10-K/A) for the year ended September 30, 2001, filed with the Securities and Exchange Commission.

/s/ ERNST & YOUNG LLP

Kansas City, Missouri
February 28, 2002