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EL PASO CORP/DE
Form 8-K
October 09, 2002

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report: October 9, 2002
(Date of Earliest Event Reported: October 9, 2002)

EL PASO CORPORATION
(Exact name of Registrant as specified in its charter)

Delaware	1-14365	76-0568816
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

El Paso Building
1001 Louisiana Street
Houston, Texas 77002
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (713) 420-2600

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Item 5. Other Events

We are filing this Current Report on Form 8-K to update our five-year historical selected financial data which includes operating results data for each of the years in the five-year period ended December 31, 2001, and financial position data as of the end of each fiscal year during that same period. The operating results data and the financial position data were derived from our 2001 Annual Report on Form 10-K and include reclassifications for the following:

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- (1) In June 2002, we adopted several provisions of Emerging Issues Task Force (EITF) Issue No. 02-3, Accounting for Contracts Involved in Energy Trading and Risk Management Activities. EITF Issue No. 02-3 requires that we report all physical sales of energy commodities in our energy trading operations, net of the cost of those products. Previously, these items were reported separately. We included these net sales as a component of revenues.
- (2) In June 2002, we announced the discontinuance of our coal mining operations. As a consequence, we have reclassified those activities in our historical financial statements as discontinued operations.

This selected financial data should be read in conjunction with our 2001 Annual Report on Form 10-K, and our Quarterly Report on Form 10-Q for the period ended June 30, 2002.

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Item 7. Financial Statements and Exhibits

SELECTED FINANCIAL DATA

	Year Ended December 31,				
	2001	2000	1999	1998	1997
	(IN MILLIONS, EXCEPT PER COMMON SHARE AMOUNTS)				
Operating Results Data:(1) (2)					
Operating revenues(3)	\$13,699	\$13,071	\$ 9,902	\$ 9,627	\$12,856
Restructuring and merger-related costs and asset impairments(4)	1,841	117	557	15	50
Ceiling test charges(5)	135	--	352	1,035	--
Income from continuing operations before preferred stock dividends	72	1,246	251	176	796
Income from continuing operations available to common stockholders	72	1,246	251	170	779
Basic earnings per common share from continuing operations	\$ 0.14	\$ 2.52	\$ 0.51	\$ 0.35	\$ 1.58
Diluted earnings per common share from continuing operations	\$ 0.14	\$ 2.45	\$ 0.51	\$ 0.34	\$ 1.57
Cash dividends declared per common share	\$ 0.85	\$ 0.82	\$ 0.80	\$ 0.76	\$ 0.73
Basic average common shares outstanding	505	494	490	487	492
Diluted average common shares outstanding	516	513	497	495	497

As of December 31,				
2001	2000	1999	1998	1997
(In millions)				

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Financial Position Data:(2)

Total assets(3)	\$48,171	\$46,320	\$32,090	\$26,759	\$26,424
Long-term debt and other financing obligations	12,816	11,603	10,021	7,691	7,067
Non-current notes payable to unconsolidated affiliates	368	343	--	--	--
Company-obligated preferred securities of consolidated trusts	925	925	625	625	--
Preferred stock of consolidated subsidiaries	3,088	2,782	1,819	374	380
Stockholders' equity	9,356	8,119	6,884	6,913	7,203

- (1) Our coal mining operations have been reclassified as discontinued operations in all periods presented. During 2001, 2000, 1999, 1998 and 1997, income (loss) from these operations, net of income taxes, was \$(5) million, \$(10) million, \$6 million, less than \$1 million and \$8 million.
- (2) Our operating results and financial position data reflect the acquisitions of PG&E's Texas Midstream operations in December 2000 and DeepTech International (the company that owned the general partner of El Paso Energy Partners, L.P.) in August 1998. These acquisitions were accounted for as purchases, and therefore operating results are included in our results prospectively from the purchase date.
- (3) In June 2002, we adopted the EITF Issue No. 02-3, Accounting for Contracts Involved in Energy Trading and Risk Management Activities, and reported all physical sales of energy commodities in our energy trading activities, net of the cost of these sales as a component of revenues. We applied this guidance to the periods presented in this selected data. Our adoption had no impact on previously reported net income or stockholders' equity. Our operating revenues and total assets reflect the significant growth in our Merchant Energy operations during 2001 and 2000 as well as the consolidation of the U.S. operations of Coastal Merchant Energy in September 2000.
- (4) Our 2001 costs relate primarily to our merger with The Coastal Corporation, and our 1999 costs relate primarily to our merger with Sonat, Inc.
- (5) Ceiling test charges are reductions in earnings that result when capitalized costs of natural gas and oil properties exceed the upper limit, or ceiling, on the value of these properties.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

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EL PASO CORPORATION

By: /s/ Jeffrey I. Beason

Jeffrey I. Beason
Senior Vice President and Controller
(Principal Accounting Officer)

Date: October 9, 2002

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