VALERO L P Form 3 June 20, 2006

# FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF

**SECURITIES** 

response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting 2. Date of Event Requiring 3. Issuer Name and Ticker or Trading Symbol Person \* Statement VALERO L P [VLI] Barron Bradley C (Month/Day/Year) 06/20/2006 (Last) (First) (Middle) 4. Relationship of Reporting 5. If Amendment, Date Original Person(s) to Issuer Filed(Month/Day/Year) P.O. BOX 696000 (Check all applicable) (Street) 6. Individual or Joint/Group Filing(Check Applicable Line) 10% Owner Director \_X\_ Form filed by One Reporting \_X\_\_ Officer Other Person (give title below) (specify below) SAN Form filed by More than One VP and General Counsel ANTONIO, TXÂ 78269-6000 Reporting Person (City) (State) (Zip) Table I - Non-Derivative Securities Beneficially Owned 1. Title of Security 2. Amount of Securities 4. Nature of Indirect Beneficial (Instr. 4) Beneficially Owned Ownership Ownership Form: (Instr. 4) (Instr. 5) Direct (D) or Indirect (I) (Instr. 5) D Â Common Units 681 Common Units 198 (1) D Â Common Units 344 (2) D Â Reminder: Report on a separate line for each class of securities beneficially SEC 1473 (7-02) owned directly or indirectly. Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

currently valid OMB control number.

3. Title and Amount of 6. Nature of Indirect 1. Title of Derivative Security 2. Date Exercisable and 5. (Instr. 4) **Expiration Date** Securities Underlying Beneficial Conversion Ownership (Month/Day/Year) **Derivative Security** or Exercise Ownership Form of

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	Date Exercisable	Expiration Date	(Instr. 4) Title	Amount or Number of Shares	Price of Derivative Security	Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	(Instr. 5)
Performance Units	01/26/2009	01/26/2009	Common Units	540	\$ <u>(5)</u>	D	Â
Employee Unit Options (right to buy)	(3)	10/29/2013	Common Units	1,280	\$ 45.35	D	Â
Employee Unit Options (right to buy)	(4)	10/28/2014	Common Units	1,975	\$ 56.51	D	Â

### **Reporting Owners**

Reporting Owner Name / Address	Relationships					
Treporting of their state of the state of	Director	10% Owner	Officer	Other		
Barron Bradley C P.O. BOX 696000	Â	Â	VP and General Counsel	Â		
SAN ANTONIO. TX 78269-6000						

## **Signatures**

Amy L. Perry, as Attorney-in-Fact for Bradley C.
Barron 06/20/2006

\*\*Signature of Reporting Person Date

#### **Explanation of Responses:**

- \* If the form is filed by more than one reporting person, see Instruction 5(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) Restricted units remaining unvested from original grant of 330 restricted units in 2003. According to the terms of the award, the restricted units vest annually in equal increments beginning in October 2004.
- (2) Restricted units remaining unvested from original grant of 430 restricted units in 2004. According to the terms of the award, the restricted units vest annually in equal increments beginning in October 2005.
- (3) 1,600 unit options were originally granted in October 2003. According to the terms of the award, the unit options granted vest annually in equal increments over a five-year period beginning October 2004.
- (4) 1,975 unit options were originally granted in October 2004. According to the terms of the award, the units options granted vest annually in equal increments over a five-year period beginning October 2005.
- (5) The performance units (granted in January 2006) vest annually in one-third increments beginning on the first anniversary of the grant date and are payable in common units in amounts ranging from zero to 200 percent of the number of performance units granted.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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