



## Enterprise to Further Expand Midland to ECHO System; Expects Seminole to Return to NGL Service 2H2021

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HOUSTON--(BUSINESS WIRE)--Oct. 4, 2019-- Enterprise Products Partners L.P. (NYSE: EPD), through its wholly owned affiliate M2E4 LLC ("Enterprise"), today announced it has long-term agreements that support a further expansion of the Midland to ECHO crude oil pipeline system. Enterprise will build a pipeline that connects the partnership's 6 million barrel Midland, Texas storage facility to its ECHO Terminal through its Eagle Ford system in South Texas (the "Pipeline"). This Pipeline will have an initial capacity of 450,000 barrels per day ("BPD") and can be expanded up to 540,000 BPD. Enterprise's Houston crude oil distribution system includes more than 45 million barrels of storage, approximately 4 million BPD of export capacity from the partnership's network of marine terminals, and connects to every refinery in the Houston, Texas City and Beaumont/Port Arthur area, representing approximately 4.5 million BPD of capacity. The Pipeline is expected to begin service in the first half of 2021.

In addition to supporting crude oil production growth from the Permian Basin, this Pipeline will allow Enterprise to optimize its entire Midland to ECHO system, which will be comprised of four pipelines, by moving barrels in the most cost-efficient manner. Enterprise expects to achieve up to \$60 million of annualized cost savings, primarily from a significant reduction in the use of costly drag reducing agents and managing pump operations.

This expansion will also enable the partnership to maximize the operational flexibility of the Seminole Red pipeline in either crude oil or natural gas liquid ("NGL") service based on the needs of the respective markets. Earlier this year, to respond to customer demand for crude oil pipeline capacity from Midland to the Houston market, Enterprise converted this Seminole pipeline from mixed NGL service to crude oil service. The partnership expects NGL production from the Permian Basin to increase by over 50 percent by 2025. To facilitate this growth, Enterprise currently expects to convert the Seminole Red pipeline back into NGL service during the second half of 2021. The partnership estimates that it can change the service of the Seminole pipeline from crude oil service to NGL service in less than sixty days. The partnership will retain the flexibility to convert the pipeline back into crude service should market conditions support the need for additional capacity in the future.

This Pipeline project will also allow our customers with crude oil and condensate production in both the Permian Basin and the Eagle Ford to maximize the value of their contracted pipeline capacity. These customers will be able to use their pipeline capacity to strategically source production from either the Permian Basin or the Eagle Ford or both. Their production will be delivered into Enterprise's integrated storage, pipeline, distribution and marine terminal system that has access to both domestic and international markets. This unmatched flexibility will allow a producer to dynamically match its pipeline capacity to its allocation of capital and changing production profiles between the two basins.

"Enterprise continues to benefit by providing customers with integrated crude oil services," said A.J. "Jim" Teague, chief executive officer of Enterprise's general partner. "Our system allows us to provide producers in the Permian Basin and Eagle Ford shale with segregated storage, transportation, distribution and marine terminal services. This integrated model supports customers' needs for flow assurance and market choices, whether the markets are domestic or international. It also enhances the value of production destined for international markets by assuring product segregation, quality and consistency based on the customer's production."

"Crude oil and NGL production from the Permian Basin and the Eagle Ford is expected to increase by five million BPD by 2025. This project gives us the flexibility to respond to changing customer demand for crude oil and NGL pipeline capacity over the long-term. The economic returns for this expansion are also supported by our opportunity to reduce costs. In the aggregate, our total crude oil pipeline capacity from the Permian to ECHO will be able to swing from a low of 1.4 million BPD to 1.8 million BPD, depending on market demand," stated Teague.

"The proposed route for this pipeline would originate from our Midland terminal and tie into our Eagle Ford system in South Texas. The route would avoid the Edwards Aquifer, including its recharge and contribution zones," concluded Teague.

Enterprise Products Partners L.P. is one of the largest publicly traded partnerships and a leading North American provider of midstream energy services to producers and consumers of natural gas, NGLs, crude oil, refined products and petrochemicals. Our services include: natural gas gathering, treating, processing, transportation and storage; NGL transportation, fractionation, storage and import and export terminals; crude oil gathering, transportation, storage and terminals; petrochemical and refined products transportation, storage and terminals; and a marine transportation business that operates primarily on the United States inland and Intracoastal Waterway systems. The partnership's assets currently include approximately 50,000 miles of pipelines; 260 million barrels of storage capacity for NGLs, crude oil, petrochemicals and refined products; and 14 billion cubic feet of natural gas storage capacity.

*This press release includes "forward-looking statements" as defined by the Securities and Exchange Commission. All statements, other than statements of historical fact, included herein that address activities, events, developments or transactions that Enterprise and its general partner expects, believes or anticipates will or may occur in the future are forward-looking statements. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from expectations, including required approvals by regulatory agencies, the possibility that the anticipated benefits from such activities, events, developments or transactions cannot be fully realized, the possibility that costs or difficulties related thereto will be greater than expected, the impact of competition, and other risk factors included in Enterprise's reports filed with the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates. Except as required by law, Enterprise does not intend to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.*

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