



Enterprise and Customers Amend Crude Oil Agreements; Enterprise Cancelling Midland to Echo 4 Pipeline

September 9, 2020

HOUSTON--(BUSINESS WIRE)--Sep. 9, 2020-- Enterprise Products Partners L.P. (NYSE:EPD) today announced that it and certain of its customers have amended agreements that provide Enterprise the ability to use the partnership's existing pipelines to support its crude oil transportation agreements and to cancel the 450,000 barrels per day Midland-to-ECHO 4 crude oil pipeline project ("M2E4"). Generally, the amendments provide for the reduction of near term volume commitments in exchange for extending the term of the agreements.

The cancellation of M2E4 will reduce aggregate growth capital expenditures for 2020, 2021 and 2022 by approximately \$800 million. Based on currently sanctioned projects, we expect growth capital expenditures, net of contributions from joint venture partners, for 2020, 2021 and 2022 to be approximately \$2.8 billion, \$1.6 billion and \$900 million, respectively. These estimates do not include capital investments associated with our proposed deep water offshore crude oil terminal ("SPOT"), which remains subject to governmental approvals. We do not expect to receive the approvals for SPOT in 2020. As a result of the cancellation, Enterprise expects to record an impairment charge of approximately \$45 million to its earnings for the third quarter of 2020.

"We are very proud of our commercial team for responding and working with our customers to amend these long-term agreements," said A. J. "Jim" Teague, co-CEO of Enterprise's general partner. "This is another example of Enterprise working with customers for a 'win/win' solution that allows our customers and Enterprise to better allocate capital during the challenging times of the current economic cycle while retaining long-term, fee-based volumes and revenues for our assets. The capital savings from the cancellation of M2E4 will accelerate Enterprise toward being discretionary free cash flow positive, which would give us the flexibility to reduce debt and return additional capital to our partners, including through buybacks."

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 export and import terminals; crude oil gathering, transportation, storage and export and import terminals; petrochemical and refined products transportation, storage, export and import terminals and related services; and a marine transportation business that operates primarily on the United States inland and Intracoastal Waterway systems. The partnership's assets include approximately 50,000 miles of pipelines; 260 million barrels of storage capacity for NGLs, crude oil, refined products and petrochemicals; and 14 Bcf 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 expect, believe or anticipate 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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