



Energy Transfer, Magellan Midstream, MPLX and Delek to Jointly Construct the “Permian Gulf Coast” or “PGC Pipeline” for Permian Basin Crude Oil Takeaway

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DALLAS & TULSA, Okla. & FINDLAY, Ohio & BRENTWOOD, Tenn.--(BUSINESS WIRE)--Sep. 4, 2018-- Energy Transfer Partners, L.P. (NYSE: ETP) (“Energy Transfer”), Magellan Midstream Partners, L.P. (NYSE: MMP) (“Magellan”), MPLX LP (NYSE: MPLX) (“MPLX”) and Delek US Holdings, Inc. (NYSE: DK) (“Delek”) announced today that they have received sufficient commitments to proceed with plans to construct a new 30-inch diameter common carrier pipeline to transport crude oil from the Permian Basin to the Texas Gulf Coast region, with the ability to increase the pipe diameter to expand the capacity based upon additional commitments received during the upcoming open season. An open season for additional shipper volume commitments on the new pipeline system will be launched this week.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20180904005294/en/>

The 600-mile pipeline system is expected to be operational in mid-2020 with multiple Texas origins, including Wink, Crane and Midland. The pipeline system will have the strategic capability to transport crude oil to both Energy Transfer’s Nederland, Texas terminal and Magellan’s East Houston, Texas terminal for ultimate delivery through their respective distribution systems.

The project is subject to receipt of customary regulatory and Board approvals of the respective entities.

About Energy Transfer Partners, L.P.

Energy Transfer Partners, L.P. (NYSE: [ETP](#)) is a master limited partnership that owns and operates one of the largest and most diversified portfolios of energy assets in the United States. Strategically positioned in all of the major U.S. production basins, ETP owns and operates a geographically diverse portfolio of complementary natural gas midstream, intrastate and interstate transportation and storage assets; crude oil, natural gas liquids (NGL) and refined product transportation and terminalling assets; NGL fractionation; and various acquisition and marketing assets. ETP’s general partner is owned by Energy Transfer Equity, L.P. ([ETE](#)). More information is available at www.energytransfer.com.

About Magellan Midstream Partners, L.P.

Magellan Midstream Partners, L.P. (NYSE: MMP) is a publicly traded partnership that primarily transports, stores and distributes refined petroleum products and crude oil. Magellan owns the longest refined petroleum products pipeline system in the country, with access to nearly 50% of the nation's refining capacity, and can store more than 100 million barrels of petroleum products such as gasoline, diesel fuel and crude oil. More information is available at www.magellanlp.com.

About MPLX LP

MPLX LP (NYSE: MPLX) is a diversified, growth-oriented master limited partnership formed in 2012 by Marathon Petroleum Corporation (MPC) to own, operate, develop and acquire midstream energy infrastructure assets. MPLX is engaged in the gathering, processing and transportation of natural gas; the gathering, transportation, fractionation, storage and marketing of NGLs; and the transportation, storage and distribution of crude oil and refined petroleum products through a marine fleet and approximately 10,000 miles of crude oil and light product pipelines. Headquartered in Findlay, Ohio, MPLX’s assets consist of a network of crude oil and products pipelines and supporting assets, including storage facilities (tank farms) located in the Midwest and Gulf Coast regions of the United States; 62 light-product terminals with approximately 24 million barrels of storage capacity; storage caverns with approximately 2.8 million barrels of storage capacity; a barge dock facility with approximately 80,000 barrels per day of crude oil and product throughput capacity; and gathering and processing assets that include approximately 5.9 billion cubic feet per day of gathering capacity, 8.7 billion cubic feet per day of natural gas processing capacity and 610,000 barrels per day of fractionation capacity. More information is available at www.mplx.com.

About Delek US Holdings, Inc.

Delek US Holdings, Inc. (NYSE: DK) is a diversified downstream energy company with assets in petroleum refining, logistics, renewable fuels and convenience store retailing. The refining assets consist of refineries operated in Tyler and Big Spring, Texas, El Dorado, Arkansas and Krotz Springs, Louisiana with a combined nameplate crude throughput capacity of 302,000 barrels per day. The logistics operations primarily consist of Delek Logistics Partners, LP. Delek US Holdings, Inc. and its affiliates own approximately 63% (including the 2 percent general partner interest) of Delek Logistics Partners, LP. Delek Logistics Partners, LP ([DKL](#)) is a growth-oriented master limited partnership focused on owning and operating midstream energy infrastructure assets. The convenience store retail business is the largest 7-Eleven licensee in the United States and operates approximately 300 convenience stores in central and west Texas and New Mexico. More information is available at www.delekus.com.

This press release contains forward-looking statements within the meaning of the federal securities laws. These forward-looking statements relate to, among other things, statements with respect to forecasts regarding capacity and timing for becoming operational for the opportunities discussed above. You can identify forward-looking statements by words such as “anticipate,” “believe,” “design,” “estimate,” “expect,” “forecast,” “intend,” “plan,” “project,” “potential,” “could,” “may,” “should,” “would,” “will” or other similar expressions that convey the uncertainty of future events or outcomes. Such forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond the control of the companies and are difficult to predict. Although management of Energy Transfer Partners, L.P., Magellan Midstream Partners, L.P., MPLX LP and Delek US Holdings, Inc. (the “companies”) believe any such statements are based on reasonable assumptions, there is no assurance that actual outcomes will not be materially different. Among the key risk factors associated with the project that may have a direct impact on completion of the project and construction of the pipeline or the pipeline’s and the companies’ results of operations and financial condition are: (1) the ability of the companies to negotiate and enter into definitive agreements and to obtain all required rights-of-way, permits and other approvals on a timely basis; (2) the ability to complete construction of the project on time and at expected costs; (3) price fluctuations and overall demand for crude oil;

(4) changes in the pipeline's tariff rates or other terms as required by state or federal regulatory authorities; (5) the occurrence of an operational hazard or unforeseen interruption; (6) disruption in the debt and equity markets that negatively impacts the companies' abilities to finance capital spending and (7) willingness to incur or failure of customers or vendors to meet or continue contractual obligations related to this project. Additional information about issues that could lead to material changes in performance is contained in filings with the Securities and Exchange Commission for all companies. The companies undertake no obligation to revise these forward-looking statements to reflect events or circumstances occurring after today's date.

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