



Energy Transfer Signs LNG Sale and Purchase Agreement With SK Gas Trading LLC

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Energy Transfer LNG Export to Supply LNG to SK Gas Trading LLC from its Lake Charles LNG Export Facility Under 18-Year Agreement

DALLAS--(BUSINESS WIRE)--May 3, 2022-- **Energy Transfer LP (NYSE: ET)** today announced the execution of a long-term Sale and Purchase Agreement (SPA) with SK Gas Trading LLC (SK Gas) for the supply of 0.4 million tonnes per annum (mtpa) of LNG from Energy Transfer's Lake Charles LNG export facility.

Under the SPA, Energy Transfer LNG Export, LLC (Energy Transfer LNG) will supply LNG to SK Gas on a free-on-board (FOB) basis. The purchase price is indexed to the Henry Hub benchmark plus a fixed liquefaction charge. The SPA is for a term of 18 years, and first deliveries are expected to commence as early as 2026. The SPA will become fully effective upon the satisfaction of the conditions precedent, including Energy Transfer LNG taking final investment decision (FID).

This is Energy Transfer's fourth SPA announced in the last four weeks, bringing the total amount of LNG contracted from its Lake Charles LNG export facility to 5.1 mtpa.

"We are excited to announce SK Gas as our first Korean offtake customer," said Tom Mason, President of Energy Transfer LNG. "We look forward to a long-term relationship with SK Gas as it grows its domestic and international LNG business. We are also pleased with the level of interest in our Lake Charles LNG export project from international customers who need LNG supply and from domestic natural gas producers who will benefit from expanding U.S. exports of natural gas. These factors increase our confidence for taking FID by the end of this year."

Energy Transfer is one of the largest and most diversified midstream energy companies in North America, with a strategic footprint in all of the major U.S. production basins. Energy Transfer's Lake Charles LNG export facility will be constructed on the existing brownfield regasification facility and will capitalize on four existing LNG storage tanks, two deep water berths and other LNG infrastructure. Lake Charles LNG will also benefit from its direct connection to Energy Transfer's existing Trunkline pipeline system that in turn provides connections to multiple intrastate and interstate pipelines. These pipelines allow access to multiple natural gas producing basins, including the Haynesville, the Permian and the Marcellus Shale.

About Energy Transfer

Energy Transfer LP (NYSE: ET) owns and operates one of the largest and most diversified portfolios of energy assets in North America, with a strategic footprint in all of the major U.S. production basins. Energy Transfer is a publicly traded limited partnership with core operations that include complementary natural gas midstream, intrastate and interstate transportation and storage assets; crude oil, natural gas liquids (NGL) and refined product transportation and terminal assets; and NGL fractionation. Energy Transfer also owns Lake Charles LNG Company, as well as the general partner interests, the incentive distribution rights and 28.5 million common units of Sunoco LP (NYSE: SUN), and the general partner interests and 46.1 million common units of USA Compression Partners, LP (NYSE: USAC).

About SK Gas Trading LLC

SK Gas Trading LLC is the US trading entity of SK Gas and has been exporting and trading LPG out of US since 2015. SK Gas is a leading provider of liquefied petroleum gas in Korea and is expanding its business to include LNG by constructing an LNG import terminal in Ulsan, Korea. Construction of this terminal is expected to be complete by the end of 2024 and, upon commercial operation, will supply LNG for power generation and industrial applications. SK Gas is an affiliate of SK Group, an international energy, chemicals and industrial conglomerate headquartered in Seoul, Korea.

Forward Looking Statements

This press release may include certain statements concerning expectations for the future that are forward-looking statements as defined by federal law. Such forward-looking statements are subject to a variety of known and unknown risks, uncertainties, and other factors that are difficult to predict and many of which are beyond management's control. An extensive list of factors that can affect future results are discussed in the Partnership's Annual Report on Form 10-K and other documents filed from time to time with the Securities and Exchange Commission. In addition to the risks and uncertainties previously disclosed, the Partnership has also been, or may in the future be, impacted by new or heightened risks related to the COVID-19 pandemic, and we cannot predict the length and ultimate impact of those risks. The Partnership undertakes no obligation to update or revise any forward-looking statement to reflect new information or events.

The information contained in this press release is available on our website at energytransfer.com.

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