



Energy Transfer to Supply Shell 2.1 Million Tonnes of LNG Per Annum From Its Lake Charles LNG Export Facility Under 20-Year Agreement

August 24, 2022

Lake Charles LNG Export Facility Now Contracted for Nearly 8 Million Tonnes of LNG per Annum

DALLAS--(BUSINESS WIRE)--Aug. 24, 2022-- **Energy Transfer LP (NYSE: ET)** today announced its subsidiary, Energy Transfer LNG Export, LLC, has entered into a 20-year LNG Sale and Purchase Agreement (SPA) with Shell NA LNG LLC related to its Lake Charles LNG project. Under the SPA, Energy Transfer LNG will supply Shell 2.1 million tonnes of LNG per annum (mtpa). The LNG will be supplied on a free-on-board (FOB) basis and the purchase price will be indexed to the Henry Hub benchmark, plus a fixed liquefaction charge. The 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 a final investment decision (FID).

"We believe that Lake Charles is the most competitive LNG project on the Gulf Coast," said Tom Mason, President of Energy Transfer LNG. "And we are particularly pleased that one of the most prominent LNG industry participants has selected Lake Charles LNG as a supplier."

Energy Transfer LNG has announced six SPAs in the last five months, bringing the total amount of LNG contracted from its Lake Charles LNG export facility to nearly 8 mtpa.

"We have had a long-standing relationship with Shell and its predecessor BG Group, as a customer of our regasification facility at Lake Charles," added Mason. "It is great to have Shell re-engaged in the project as a LNG offtake customer. This SPA demonstrates their belief in the project and their commitment to continuing to deliver much-needed supplies of natural gas to markets around the world."

Steve Hill, Executive Vice President Energy Marketing, Shell stated "LNG is a flexible energy source, connecting demand and supply centres globally and delivering reliable energy to millions of people. We are very happy to be working once again with Energy Transfer and adding Lake Charles volumes to our global LNG supply portfolio. This agreement will enable us to further meet the increasing demand for LNG and positions Shell as a leading buyer of LNG from the US – which in 2021 became the world's biggest LNG supplier."

Energy Transfer's Lake Charles LNG export facility is a fully permitted project on the Gulf Coast having received authorizations from the Federal Energy Regulatory Commission as well as export authorizations from the Department of Energy. The LNG export facility will be constructed on the existing brownfield regasification facility site 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. 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.

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 terminaling 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).

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](https://www.energytransfer.com).

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