Energy Transfer LP Announces Pricing of $3 Billion of Senior Notes and $800 Million of Fixed-to-Fixed Reset Rate Junior Subordinated Notes

January 10, 2024 at 8:00 PM EST

DALLAS--(BUSINESS WIRE)--Jan. 10, 2024-- Energy Transfer LP (NYSE: ET) today announced the pricing of its concurrent offerings of $1.25 billion aggregate principal amount of 5.550% senior notes due 2034 and $1.75 billion aggregate principal amount of 5.950% senior notes due 2054 (together, the “senior notes”) and $800 million aggregate principal amount of 8.000% fixed-to-fixed reset rate junior subordinated notes due 2054 (the “junior subordinated notes”) at a price to the public of 99.660%, 99.523%, and 100.000%, respectively, of their face value.

The sale of the senior notes and the junior subordinated notes are expected to settle on January 25, 2024, subject to the satisfaction of customary closing conditions. The settlement of the senior notes is not conditioned on the settlement of the junior subordinated notes, and the settlement of the junior subordinated notes is not conditioned on the settlement of the senior notes. Energy Transfer intends to use the net proceeds of approximately $2.964 billion (before offering expenses) from the senior notes offering and $792 million (before offering expenses) from the junior subordinated notes offering to refinance existing indebtedness, including borrowings under its revolving credit facility, to redeem all of its outstanding Series C Fixed-to-Floating Rate Cumulative Redeemable Perpetual Preferred Units (the “Series C preferred units”), Series D Fixed-to-Floating Rate Cumulative Redeemable Perpetual Preferred Units (the “Series D preferred units”) and Series E Fixed-to-Floating Rate Cumulative Redeemable Perpetual Preferred Units (the “Series E preferred units” and, together with the Series C preferred units and the Series D preferred units, the “select preferred units”), and for general partnership purposes. This press release does not constitute a notice of redemption with respect to, or an offer to purchase, any indebtedness or select preferred units.

Following the pricing of the concurrent offerings, Energy Transfer issued a notice to redeem all of its outstanding (i) Series C preferred units at a redemption price per unit of $25.607454, which is equal to $25.00 per unit plus unpaid distributions to, but excluding, February 9, 2024 (the “Redemption Date”) and (ii) Series D preferred units at a redemption price per unit of $25.619877, which is equal to $25.00 per unit plus unpaid distributions to, but excluding, the Redemption Date. Notice of redemption with respect to the Series E preferred units will be issued at a later date and such units will be redeemed once redeemable on May 15, 2024.

Citigroup Global Markets Inc., Credit Agricole Securities (USA) Inc., Deutsche Bank Securities Inc., PNC Capital Markets LLC and RBC Capital Markets, LLC are acting as joint book-running managers for the senior notes offering and the junior subordinated notes offering.

The concurrent offerings of the senior notes and the junior subordinated notes are being made pursuant to an effective shelf registration statement and prospectus filed by Energy Transfer with the Securities and Exchange Commission (“SEC”). The concurrent offerings of the senior notes and the junior subordinated notes may each be made only by means of a prospectus and related prospectus supplement meeting the requirements of Section 10 of the Securities Act of 1933, as amended, copies of which may be obtained for each of the senior notes and the junior subordinated notes, respectively, from the following addresses:

Citigroup Global Markets Inc.

c/o Broadridge Financial Solutions

1155 Long Island Avenue

Edgewood, NY 11717

Telephone: (800) 831-9146

Email: prospectus@citi.com

Credit Agricole Securities (USA) Inc.

1301 Avenue of the Americas

New York, NY 10019

Attention: Debt Capital Markets

Telephone: (866) 807-6030

Deutsche Bank Securities Inc.

Attention: Prospectus Group

1 Columbus Circle

New York, NY 10019

Telephone: (800) 503-4611

Email: prospectus.CPDG@db.com

PNC Capital Markets LLC

300 Fifth Avenue, 10th Floor

Pittsburgh, PA 15222

Attention: Debt Capital Markets, Securities Settlement

Telephone: (855) 881-0697

Email: pnccmprospectus@pnc.com

RBC Capital Markets, LLC

Brookfield Place

200 Vesey Street, 8th Floor

New York, NY 10281

Telephone: (866) 375-6829

Email: TMGUS@rbccm.com

Attention: DCM Transaction Management

You may also obtain these documents for free when they are available by visiting EDGAR on the SEC website at www.sec.gov.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities described herein, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

Energy Transfer LP owns and operates one of the largest and most diversified portfolios of energy assets in the United States, with more than 125,000 miles of pipeline and associated energy infrastructure. Energy Transfer's strategic network spans 44 states with assets 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 terminalling assets; and NGL fractionation. Energy Transfer also owns Lake Charles LNG Company, as well as the general partner interests, the incentive distribution rights and approximately 34% of the outstanding common units of Sunoco LP (NYSE: SUN), and the general partner interests and approximately 47% of the outstanding common units of USA Compression Partners, LP (NYSE: USAC).

Forward-Looking Statements

Statements about the offering may be forward-looking statements. Forward-looking statements can be identified by words such as "anticipates," "believes," "intends," "projects," "plans," "expects," "continues," "estimates," "goals," "forecasts," "may," "will" and other similar expressions. These forward-looking statements rely on a number of assumptions concerning future events and are subject to a number of uncertainties and factors, many of which are outside the control of Energy Transfer, and a variety of risks that could cause results to differ materially from those expected by management of Energy Transfer. Important information about issues that could cause actual results to differ materially from those expected by management of Energy Transfer can be found in Energy Transfer's public periodic filings with the SEC, including its Annual Report on Form 10-K. Energy Transfer undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results over time.

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