Western Midstream Partners, Enbridge and Plains Announce Cactus II Pipeline Transaction

November 2, 2022

HOUSTON, Nov. 02, 2022 (GLOBE NEWSWIRE) -- Western Midstream Partners, LP (NYSE: WES) ("WES"), Enbridge Inc. (TSX: ENB) (NYSE: ENB) ("Enbridge"), and Plains All American Pipeline, L.P. and Plains GP Holdings (Nasdaq: PAA, PAGP) ("Plains"), today announced that certain of their subsidiaries closed a transaction whereby Enbridge and Plains purchased WES's 15% interest in Cactus II Pipeline, LLC ("Cactus II") for an aggregate amount of $265 million. Enbridge acquired 10% and Plains acquired 5% of Cactus II, with each paying a proportionate share of the purchase price. Plains and Enbridge are now the sole owners of Cactus II, with 70% and 30% respective ownership interests. Plains will continue to serve as operator.

The Cactus II pipeline is a 26-inch diameter, 670,000 barrel-per-day oil pipeline that extends from the Delaware basin in West Texas to Corpus Christi, with further connectivity to the Ingleside area. Cactus II, in combination with Enbridge's Ingleside Energy Center, provides a premier and industry-leading solution to deliver abundant, responsibly produced North American energy supplies to the U.S. Gulf Coast (USGC) and global markets.

"We are pleased to announce the divestiture of our interest in Cactus II to our former operating partners, Plains and Enbridge. This transaction demonstrates our disciplined approach in evaluating our portfolio, focusing on our core gathering and processing businesses in the Delaware and DJ Basins, and returning value to our unitholders," stated Michael Ure, Chief Executive Officer of Western.

"Today's announcement is another important step in advancing our USGC strategy to connect growing Permian production to global export markets," said Colin Gruending, President Liquids Pipelines and Executive Vice President of Enbridge Inc. "The Cactus II pipeline specifically adds to our advantaged light oil integrated value chain providing low-cost access to the best markets for our shippers."

"We're pleased to reach this agreement with Western Midstream and further strengthen our relationship with Enbridge," said Willie Chiang, Plains' Chairman and Chief Executive Officer. "This is another example of our continued focus on optimizing our portfolio and creating mutually beneficial transactions for all involved. We appreciate Western's partnership over the years and look forward to continuing to work with Enbridge."

About Western Midstream Partners
Western Midstream Partners, LP ("WES") is a Delaware master limited partnership formed to acquire, own, develop, and operate midstream assets. With midstream assets located in Texas, New Mexico, Colorado, Utah, Wyoming, and Pennsylvania, WES is engaged in the business of gathering, compressing, treating, processing, and transporting natural gas; gathering, stabilizing, and transporting condensate, natural-gas liquids, and crude oil; and gathering and disposing of produced water for its customers. In its capacity as a natural-gas processor, WES also buys and sells natural gas, natural-gas liquids, and condensate on behalf of itself and as an agent for its customers under certain contracts. For more information about Western Midstream Partners, LP, please visit www.westernmidstream.com

About Enbridge Inc.
At Enbridge, we safely connect millions of people to the energy they rely on every day, fueling quality of life through our North American natural gas, oil or renewable power networks and our growing European offshore wind portfolio. We're investing in modern energy delivery infrastructure to sustain access to secure, affordable energy and building on two decades of experience in renewable energy to advance new technologies including wind and solar power, hydrogen, renewable natural gas and carbon capture and storage. We're committed to reducing the carbon footprint of the energy we deliver, and to achieving net zero greenhouse gas emissions by 2050. Headquartered in Calgary, Alberta, Enbridge's common shares trade under the symbol ENB on the Toronto (TSX) and New York (NYSE) stock exchanges. To learn more, visit us at enbridge.com

About Plains
PAA is a publicly traded master limited partnership that owns and operates midstream energy infrastructure and provides logistics services for crude oil and natural gas liquids (NGL). PAA owns an extensive network of pipeline gathering and transportation systems, in addition to terminalling, storage, processing, fractionation and other infrastructure assets serving key producing basins, transportation corridors and major market hubs and export outlets in the United States and Canada. On average, PAA handles more than 7 million barrels per day of crude oil and NGL.

PAGP is a publicly traded entity that owns an indirect, non-economic controlling general partner interest in PAA and an indirect limited partner interest in PAA, one of the largest energy infrastructure and logistics companies in North America.

PAA and PAGP are headquartered in Houston, Texas. More information is available at www.plains.com.

FOR FURTHER INFORMATION PLEASE CONTACT:

Enbridge Investment Community
Toll Free: (800) 481-2804
investor.relations@enbridge.com

Enbridge Media
Toll Free: (888) 992-0997
media@enbridge.com

Western Investor Relations
Daniel Jenkins
Director, Investor Relations
Daniel.Jenkins@westernmidstream.com
832.636.1009

Plains Investor Relations
Michael Gladstein
Director, Investor Relations
Mrgladstein@paalp.com
(866) 809-1291