

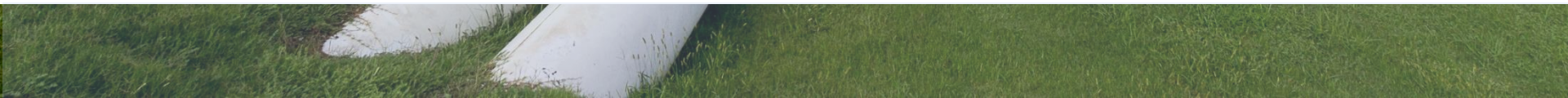


# 2Q23 Earnings Call

August 4, 2023



**PLAINS**



# Forward-Looking Statements & Non-GAAP Financial Measures Disclosure

- This presentation contains forward-looking statements, including, in particular, statements about the performance, plans, strategies and objectives for future operations of Plains All American Pipeline, L.P. (“PAA”) and Plains GP Holdings, L.P. (“PAGP”). These forward-looking statements are based on PAA’s current views with respect to future events, based on what we believe to be reasonable assumptions. PAA and PAGP can give no assurance that future results or outcomes will be achieved. Important factors, some of which may be beyond PAA’s and PAGP’s control, that could cause actual results or outcomes to differ materially from the results or outcomes anticipated in the forward-looking statements are disclosed in PAA’s and PAGP’s respective filings with the Securities and Exchange Commission.
- This presentation also contains non-GAAP financial measures relating to PAA, such as Adjusted EBITDA attributable to PAA, Implied DCF and Free Cash Flow. A reconciliation of these historical measures to the most directly comparable GAAP measures is available in the Investor Relations section of PAA’s and PAGP’s website at [www.plains.com](http://www.plains.com), select “PAA” or “PAGP,” navigate to the “Financial Information” tab, then click on “Non-GAAP Reconciliations.” PAA does not provide a reconciliation of non-GAAP financial measures to the equivalent GAAP financial measures on a forward-looking basis as it is impractical to forecast certain items that it has defined as “Selected Items Impacting Comparability” without unreasonable effort. Definitions for certain non-GAAP financial measures and other terms used throughout this presentation are included in the appendix.

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# 2Q23 Earnings Highlights

Continued execution, expect to be at the high-end of 2023 full-year Adj. EBITDA guidance range



Strong Execution

**\$597**

2Q23 Adj. EBITDA  
attributable to PAA (\$MM)

Segment Performance

**\$529 / \$62**

2Q23 Crude / NGL  
Segment Adj. EBITDA (\$MM)

Self-Funding Capital

**\$244**

2023 YTD Investment & Maintenance  
Capital Net to PAA (\$MM)

Expect to be at the  
High-End

**\$2.45 - \$2.55**

2023(G) Adj. EBITDA  
attributable to PAA (\$Bln)

Generating Significant  
Free Cash Flow

**\$1.6**

2023(G) Free  
Cash Flow<sup>(1)</sup> (\$Bln)

Reducing Debt

**\$1.0**

2023(G) Gross Debt Reduction (\$Bln) /  
\$600MM Net Debt Reduction<sup>(2)</sup>

# 2023(G): Key Financial Metrics

*Executing against our 2023 Plan (now expect high-end of Adj. EBITDA range)*

Adj. EBITDA attributable to PAA

**\$2.45B - \$2.55B**

*(now expected at high-end)*

Year-End Leverage Ratio

**<3.5x**

Free Cash Flow (FCF)

**\$1.6B<sup>(1)</sup>**

Investment Capital  
(Net to PAA)

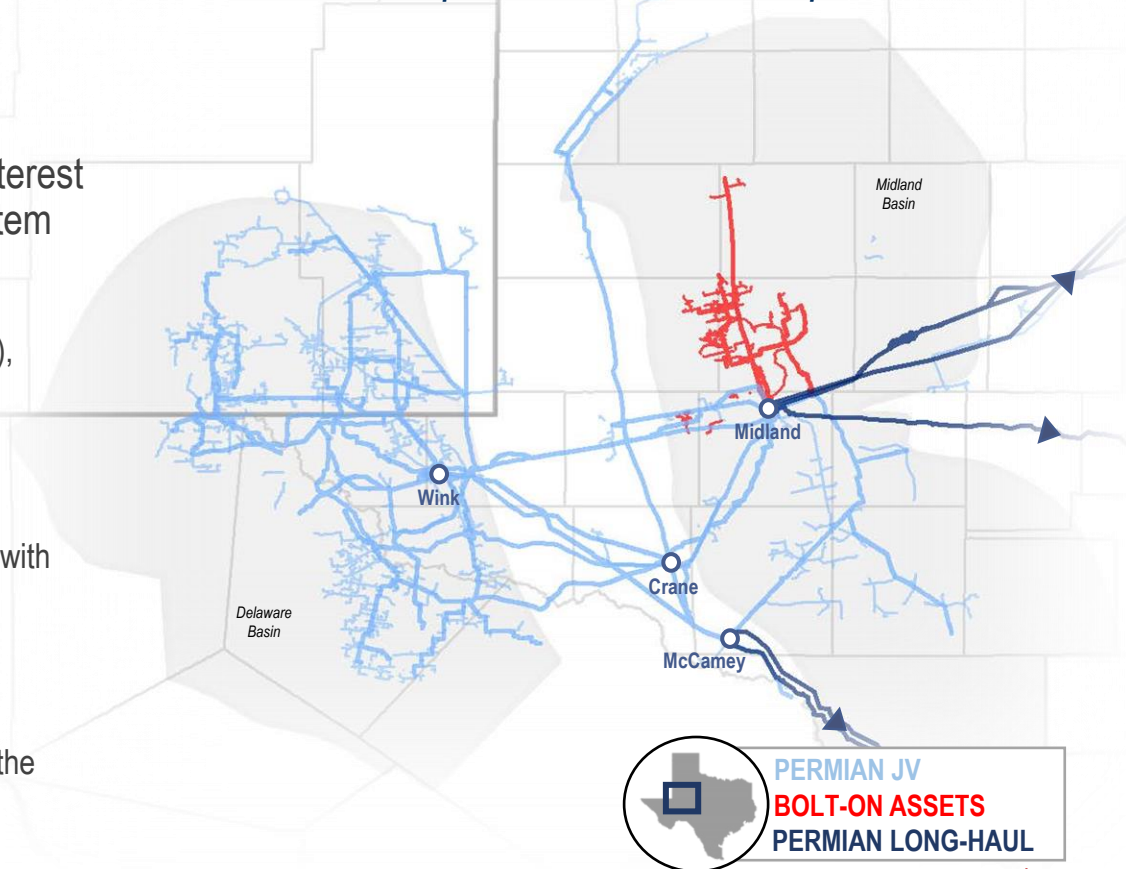
**\$325MM**

# Permian Gathering Bolt-On Acquisition

*Capital disciplined & efficient growth transaction further enhances premier Permian footprint*

## Transaction Overview / Highlights

- Permian JV acquired<sup>(1)</sup> the remaining 43% interest in the Northern Midland Basin gathering system from Diamondback
  - ~\$225MM purchase price (~\$145MM net to PAA), funded with excess FCF
- Capital disciplined, bolt-on acquisition
  - Expect to generate unlevered returns consistent with Plains' return thresholds
- Enhancing premier Permian footprint
  - Further aligns Permian JV with Diamondback in the core of the Midland Basin



(1) Acquisition closed on July 28, 2023.

# Plains Fort Saskatchewan & NGL Segment Updates

*Capital-efficient optimization & contracting improves long-term cash flow durability*

- Advanced multiple initiatives resulting in more stable & durable long-term cash flow
- Sanctioned Fort Saskatchewan Train 1 debottleneck (~30 Mb/d expansion) & additional connectivity projects to both Co-Ed Pipeline & Fort Sask complex
  - +/- \$200MM of capital investment over several years; expect to generate unlevered returns in excess of Plains' hurdle rate
  - Train 1 expansion expected in-service: 2025
- Substantially increased weighted average contract tenor to ~10-years across Fort Sask fractionation capacity and Co-Ed pipeline
- 3rd party liquids supply agreement expiring YE-24; reduces commodity exposed volumes (C3+ spec product sales) by ~15 Mb/d
- Expect 2025+ EBITDA to be neutral in a ~\$0.55 - \$0.60 per gallon frac spread environment
  - Supply agreement expiry offset by Fort Sask expansion, associated connectivity projects and Co-Ed pipeline agreements
- Train 2 JV / expansion no longer being pursued; did not meet return threshold



Plains Fort Sask

# 2023(G): Financial & Operational Metrics

Financial (\$MM, except per-unit metrics)	2023(G) <sup>(1)</sup>
Adjusted EBITDA attributable to PAA (Expect to be at the high-end)	\$2,450 - \$2,550
Crude Oil Segment	2,080
NGL Segment	420
Implied DCF to Common	\$1,600
Distribution Coverage (Common)	215%
Year-End Leverage Ratio	<3.5x
Cash Flow from Operations (CFFO) <sup>(2)</sup>	\$2,500
Net Acquisitions & Divestitures	\$140
Free Cash Flow (FCF)	\$1,600
Free Cash Flow after Distributions (FCFaD)	\$600

Operational (Mb/d)	Capital		
	Crude Oil	Net to PAA	Consolidated
Crude Pipeline Volumes <sup>(3)</sup>	8,520	\$325	\$420
Permian	6,500	255	350
Other	2,020	170	265
		85	85
		70	70
C3+ Spec Product Sales <sup>(4)</sup>	<u>NGL</u> 53	Maintenance \$195	\$205
Fractionation Volumes	120	Total \$520	\$625

2023(G): Furnished August 4, 2023. (1) Non-rangebound metrics align with midpoint of Adj. EBITDA attributable to PAA; amounts intended to be +/- . (2) Free Cash Flow estimate includes Net A&D inflows of ~\$140MM & ~\$50MM of working capital outflows.

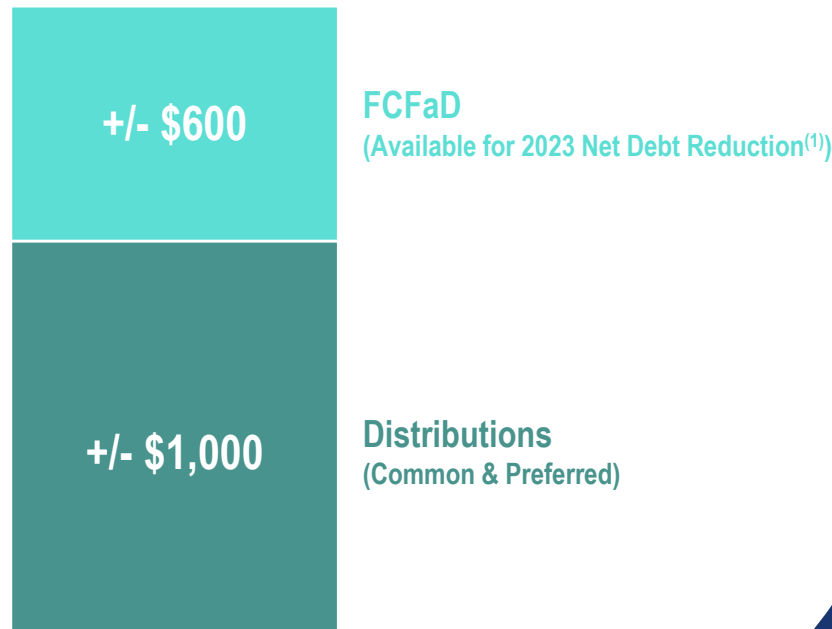
(3) Permian JV, Cactus II & Red River volumes on a consolidated (8/8ths) basis. (4) C3+ sales on this slide refers to the sale of spec C3, C4 and C5+ exposed to frac spread.

# Free Cash Flow Priorities

Committed to significant returns of capital, continued capital discipline & financial flexibility

## 2023(G) Capital Allocation

Represents +/- \$1.6B of Free Cash Flow



### Targeting multi-year, sustainable distribution growth & opportunistic repurchases

2023: \$0.20/unit annual distribution increase to \$1.07/unit  
After 2023: targeting ~\$0.15/unit annual distribution growth (until ~160% coverage reached)



### Disciplined capital investments

Self-fund annual routine capital (inv. & maint.) with cash flow



### Balance sheet stability & financial flexibility

Resilient through cycles; create dry powder



# Plains' Investment Opportunity

Generating multi-year Free Cash Flow & increasing returns of capital to equity holders



## Attractive Current Yield of ~7.5%

Meaningful coverage, targeting multi-year distribution growth



## Significant Free Cash Flow

2023(G): +/- \$1.6B FCF / \$600MM FCFaD



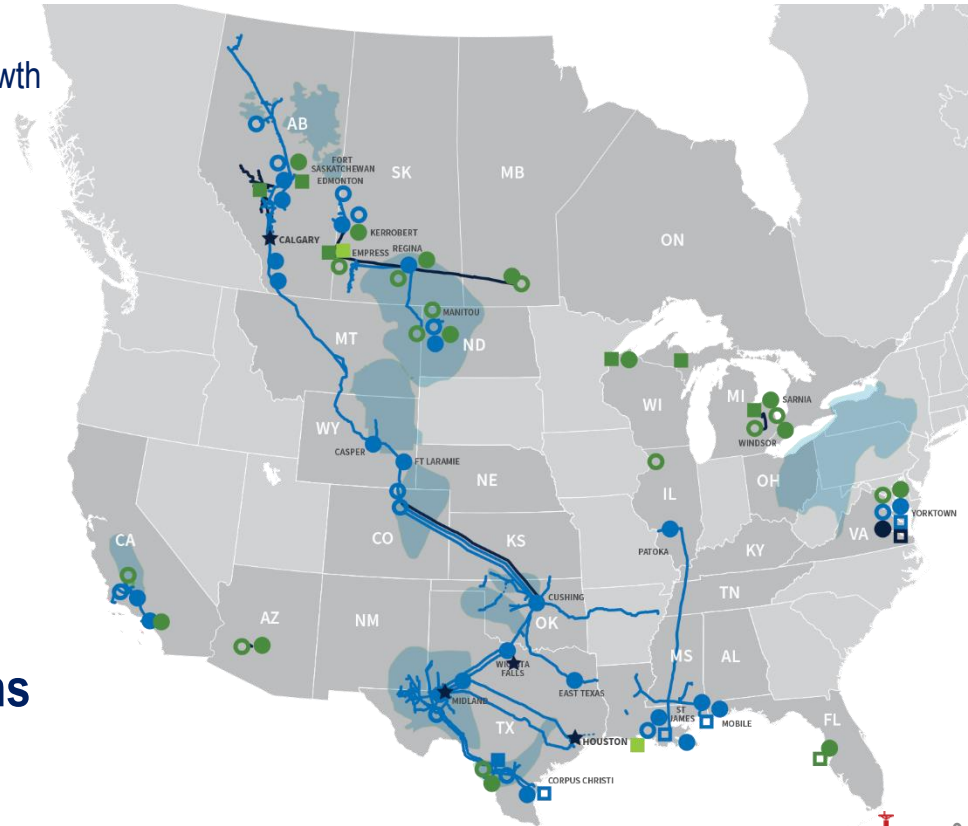
## Balance Sheet Strength

YE-2023(G): Leverage <3.5x



## Strategically Located in Growth Basins

Premier North American Crude & Canadian NGL Assets



# Appendix

## *Incremental Updates:*

- Segment Adj. EBITDA Walks
- Financial & Operational Updates



**PLAINS**



# Key Drivers: 1Q23 to 2Q23

(\$ millions)

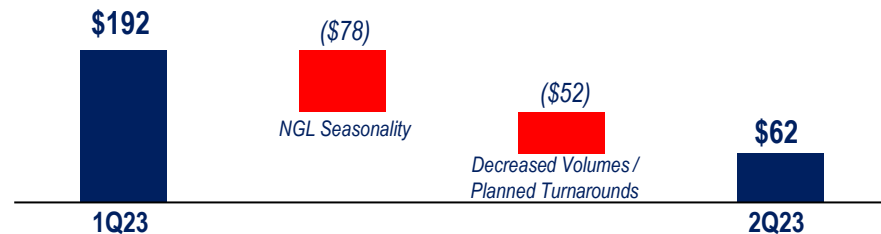
## Crude Oil Segment Adjusted EBITDA



### Crude Oil Segment

- **Increased Volumes:** higher Permian long-haul movements to Cushing and increased volumes in the Rockies and Mid-Con
- **Market-Based Opportunities / Other:** lower market-based opportunities

## NGL Segment Adjusted EBITDA



### NGL Segment

- **NGL Seasonality:** primarily lower sales volumes & margin versus seasonally stronger winter quarter
- **Decreased Volumes:** primarily lower frac spread volumes as a result of planned turnarounds

# Key Drivers: 2Q22 to 2Q23

(\$ millions)

## Crude Oil Segment Adjusted EBITDA



### ■ Crude Oil Segment

- **Increased Volumes:** primarily higher tariff volumes, benefit of tariff escalations and increased Cactus II ownership, partially offset by increased OPEX & MVC deficiency payments in 2Q22
- **Market-Based Opportunities:** primarily the benefit of market-based opportunities in Canada partially offset by lower PLA prices

## NGL Segment Adjusted EBITDA



### ■ NGL Segment

- **Sales Volumes & Margins:** lower sales volume as a result of planned 2Q23 turnarounds, deferral of sales due to market structure and the absence of 2Q22 weather outage benefit
- **Asset Sales:** KFS disposition

# Current Financial Profile

	<u>12/31/22</u>	<u>6/30/23</u>	
<b>Balance Sheet</b>			
Short-Term Debt	\$1,159	\$709	
Long-Term Debt	<u>7,287</u>	<u>7,288</u>	
<b>Total Debt</b>	<b>\$8,446</b>	<b>\$7,997</b>	
Cash & Equivalents <sup>(1)</sup>	<u>378</u>	<u>915</u>	
<b>Net Debt</b>	<b>\$8,068</b>	<b>\$7,082</b>	
<b>Adj. EBITDA (LTM)<sup>(2)</sup></b>	<b>\$2,510</b>	<b>\$2,594</b>	
<b>Credit Stats &amp; Liquidity</b>			<u>Target</u>
<b>Leverage Ratio</b>	<b>3.7x</b>	<b>3.2x</b>	<b>3.75x - 4.25x</b>
Committed Liquidity (\$ bln)	\$3.0	\$3.5	
Investment Grade Balance Sheet	BBB-, Positive / BBB-, Positive / Baa3, Stable		

(1) FY 2022 & 2Q23 exclude restricted cash of \$23MM and \$18MM, respectively. (2) Attributable to PAA.  
 Note: Please visit <https://ir.paalp.com> for reconciliation of Non-GAAP financial measures reflected above to most directly comparable GAAP measures.

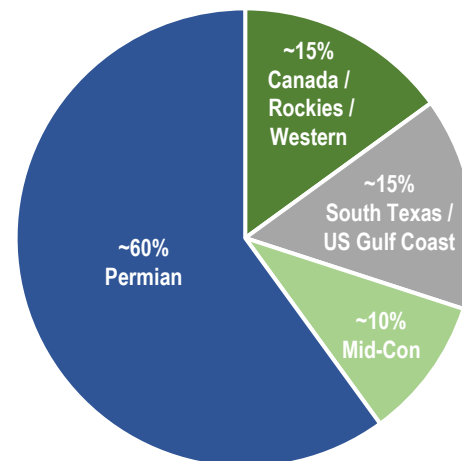
# 2023(G): Crude Operational Metrics

*Capturing Permian gathering, intra-basin & long-haul growth*

	2021	2022	2023(G)	
<b>Crude Oil Segment (Mb/d)</b>				
<b>Permian</b>	Gathering	1,643	2,346	2,695
	Intra-Basin	1,740	2,084	2,295
	Long-Haul	1,029	1,208	1,510
	<b>Total<sup>(1)</sup></b>	<b>4,412</b>	<b>5,638</b>	<b>6,500</b>
	Canada	286	328	330
	Rockies	332	332	320
	Western	236	179	220
	<b>Total</b>	<b>854</b>	<b>839</b>	<b>870</b>
	South Texas	326	357	390
	U.S. Gulf Coast	158	219	235
	<b>Total</b>	<b>484</b>	<b>576</b>	<b>625</b>
<b>Mid-Con<sup>(1)</sup></b>	<b>455</b>	<b>512</b>	<b>525</b>	
<b>Total Crude Oil Pipeline Volumes</b>				
	<b>6,205</b>	<b>7,565</b>	<b>8,520</b>	

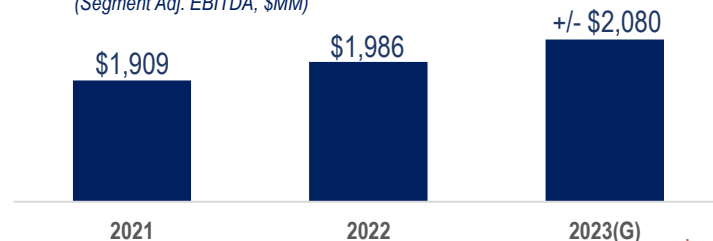
## 2023(G): \$2,080MM Adj. EBITDA<sup>(2)</sup>

Includes +/- \$200MM from Storage Terminals<sup>(3)</sup>



### Annual

(Segment Adj. EBITDA, \$MM)



2023(G): Furnished August 4, 2023. (1) Permian JV, Cactus II & Red River volumes on a consolidated (8/8ths) basis. (2) Attributable to PAA.

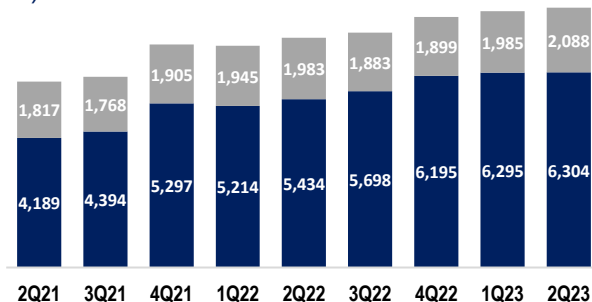
(3) Terminals include Cushing, Patoka, St. James & others.

# Quarterly Crude Oil Segment Detail: Adj. EBITDA & Volumes

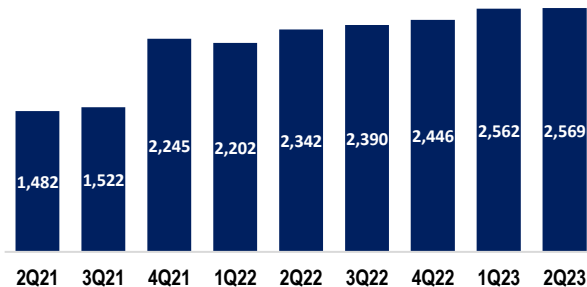
**Quarterly**  
(Segment Adj. EBITDA, \$MM)



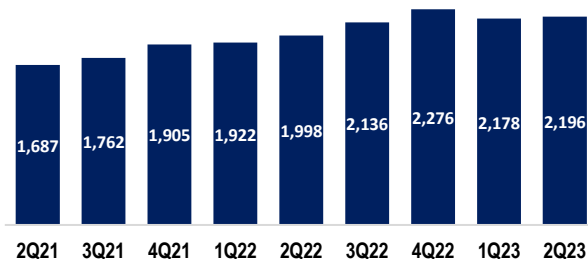
**Pipeline Tariff Volumes (Permian / Other)**  
(Mb/d)



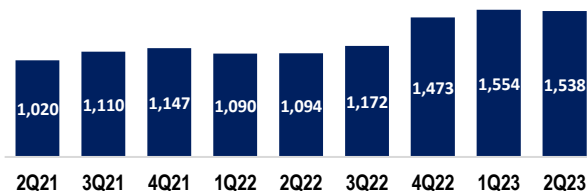
**Permian Gathering Volumes**  
(Mb/d)



**Permian Intra-Basin Volumes**  
(Mb/d)



**Permian Long-Haul Volume**  
(Mb/d)



Note: Permian JV, Cactus II & Red River volumes on a consolidated (8/8ths) basis.

# NGL Segment 2023(G) Detail

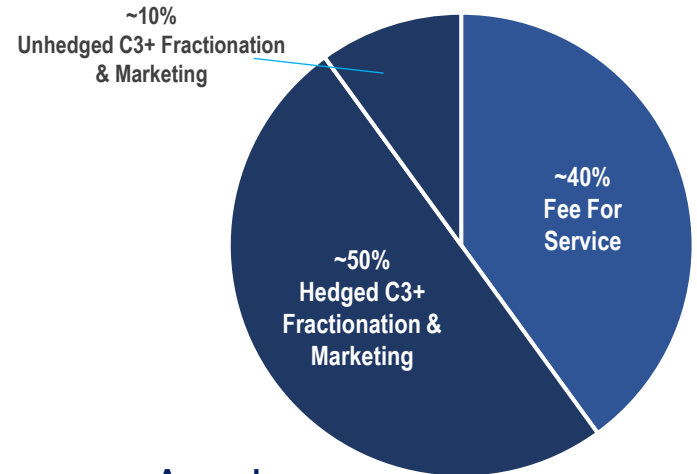
## Majority of EBITDA generated by C3+ frac spread benefit

- Pro-actively hedge Frac Spread exposure
- Purchase AECO natural gas & sell spec products (C3+) on Mont Belvieu pricing<sup>(1)</sup>
- ~53 Mb/d of total NGL sales has Frac Spread exposure

## Fee-for-Service

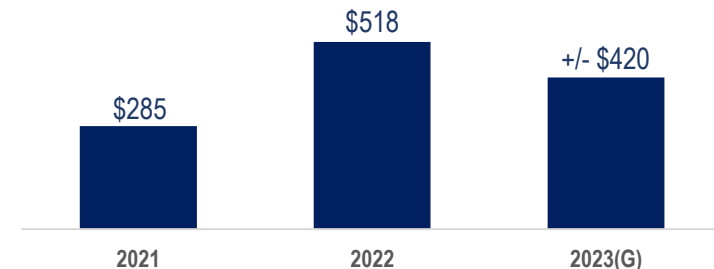
- Third-party throughput<sup>(2)</sup>: fractionate, store, and transport (~45 Mb/d not included in reported NGL sales)
- Net purchased volume (purity and Y-grade): transport, fractionate, store & sell (~45 Mb/d)

## 2023(G): \$420MM Adj. EBITDA<sup>(3)</sup>



## Annual

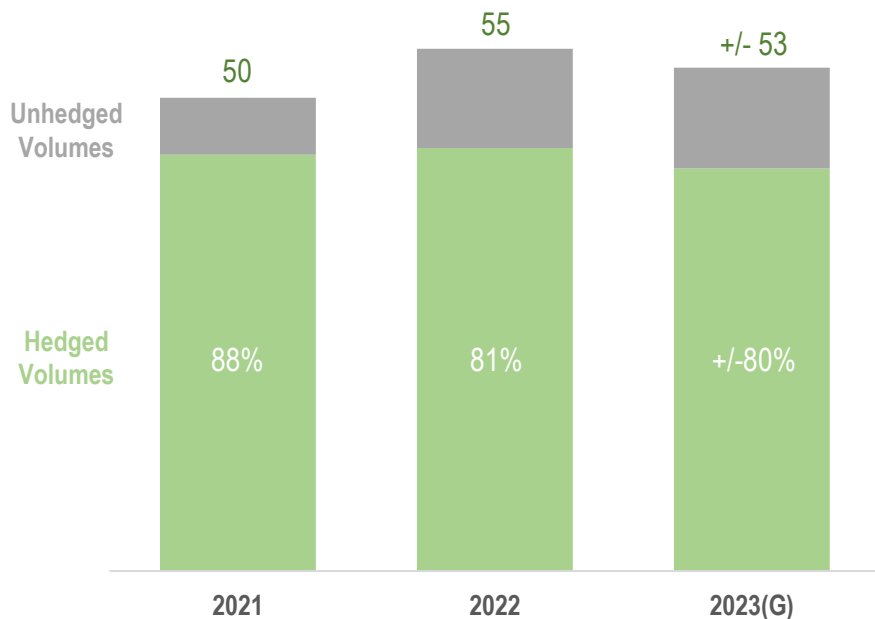
(Segment Adj. EBITDA, \$MM)





# NGL Segment Frac Spread & Hedging Profile

## C3+ Spec Product Sales<sup>(1)</sup> (Mb/d)

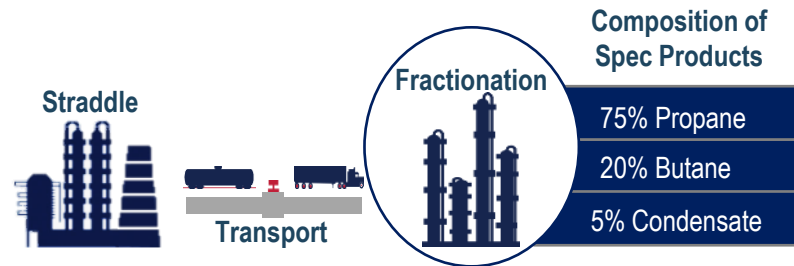


## Hedging Profile (2021 – 2023(G))

(table data reflects full-year averages)

	2021	2022	2023(G)
<b>NGL Segment</b>			
C3+ Spec Product Sales <sup>(1)</sup> (Mb/d)	50	55	+/- 53
% of C3+ Sales Hedged <sup>(2)</sup>	88%	81%	+/- 80%

## +/- 53Mb/d Benefit from Frac Spread (+/- 80% of 2023 volumes hedged)



2023(G): Furnished August 4, 2023. (1) C3+ sales on this slide refers to the sale of spec C3, C4 and C5+ exposed to frac spread.  
(2) Annual Frac spread volume hedged as a percentage of total C3+ volume produced / forecasted that is exposed to frac spread.

# Quarterly NGL Segment Detail: Adj. EBITDA & Volumes

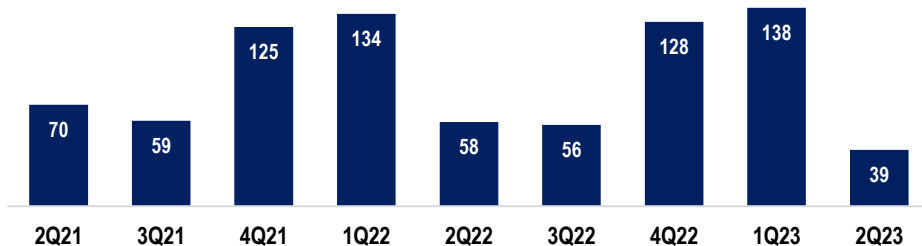
## Quarterly

(Segment Adj. EBITDA, \$MM)

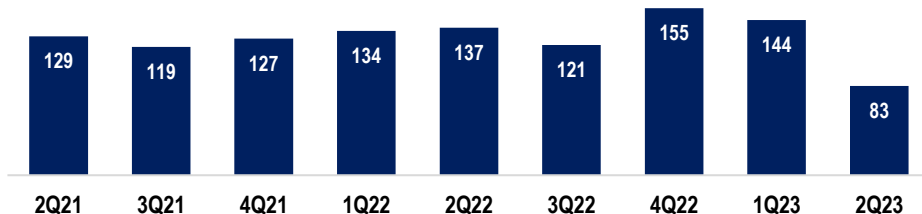
Stronger earnings in winter months (Q1 & Q4)



## Propane & Butane Sales Volumes<sup>(1)</sup> (Mb/d)



## Fractionation Volumes (Mb/d)



(1) During 4Q22, we modified NGL sales volumes reported to include only propane and butane. Presented periods have been recast.

# Overview of 2023 Goals

Run a safe, reliable and responsible operation



Increase returns of capital to equity holders



Generate meaningful Free Cash Flow



Strengthen balance sheet / financial flexibility



# Free Cash Flow: Historical Detail

## GAAP CFFO to Non-GAAP FCF

	2020	2021	2022	1Q23	2Q23	YTD
Net Cash Provided by Op. Activities (GAAP)	\$ 1,514	\$ 1,996	\$ 2,408	\$ 743	\$ 888	\$ 1,631
Net Cash (Used in) / Provided by Investing Activities	(1,093)	386	(526)	158	(165)	(6)
Cash Contributions from Noncontrolling Interests	12	1	26	-	-	-
Cash Distributions Paid to Noncontrolling Interests <sup>(1)</sup>	(10)	(14)	(298)	(78)	(73)	(151)
Sale of Noncontrolling Interest in a Sub	-	-	-	-	-	-
<b>Free Cash Flow (non-GAAP)</b>	<b>\$ 423</b>	<b>\$ 2,369</b>	<b>\$ 1,610</b>	<b>\$ 823</b>	<b>\$ 650</b>	<b>\$ 1,474</b>
Cash Distributions <sup>(2)</sup>	(853)	(715)	(782)	(242)	(246)	(489)
<b>FCF after Distributions (non-GAAP)</b>	<b>\$ (430)</b>	<b>\$ 1,654</b>	<b>\$ 828</b>	<b>\$ 581</b>	<b>\$ 404</b>	<b>\$ 985</b>

(1) Cash distributions paid during the period presented.

(2) Cash distributions paid to our preferred and common unitholders during the period presented.

Management uses the non-GAAP financial measures Free Cash Flow ("FCF") and Free Cash Flow after Distributions ("FCFaD") to assess the amount of cash that is available for distributions, debt repayments, equity repurchases and other general partnership purposes. FCF is defined as net cash provided by operating activities, less net cash used in investing activities, which primarily includes acquisition, expansion and maintenance capital expenditures, investments in unconsolidated entities and the impact from the purchase and sale of linefill and base gas, net of proceeds from the sales of assets and further impacted by distributions to, contributions from and proceeds from the sale of noncontrolling interests. FCF is further reduced by cash distributions paid to preferred and common unitholders to arrive at FCF after Distributions.

Our definition and calculation of FCF may not be comparable to similarly-titled measures of other companies. FCF and FCF after Distributions are reconciled to net cash flows from operating activities, the most directly comparable measures as reported in accordance with GAAP, and should be viewed in addition to, and not in lieu of, our Consolidated Financial Statements and accompanying notes.

# Condensed Consolidating Balance Sheet of Plains GP Holdings (PAGP)

	June 30, 2023			December 31, 2022		
	PAA	Consolidating Adjustments <sup>(1)</sup>	PAGP	PAA	Consolidating Adjustments <sup>(1)</sup>	PAGP
<b>ASSETS</b>						
Current assets	\$ 4,657	\$ 3	\$ 4,660	\$ 5,355	\$ 3	\$ 5,358
Property and equipment, net	15,221	1	15,222	15,250	3	15,253
Investments in unconsolidated entities	3,062	—	3,062	3,084	—	3,084
Intangible assets, net	1,999	—	1,999	2,145	—	2,145
Deferred tax asset	—	1,263	1,263	—	1,309	1,309
Linefill	966	—	966	961	—	961
Long-term operating lease right-of-use assets, net	339	—	339	349	—	349
Long-term inventory	270	—	270	284	—	284
Other long-term assets, net	386	—	386	464	—	464
<b>Total assets</b>	<b>\$ 26,900</b>	<b>\$ 1,267</b>	<b>\$ 28,167</b>	<b>\$ 27,892</b>	<b>\$ 1,315</b>	<b>\$ 29,207</b>
<b>LIABILITIES AND PARTNERS' CAPITAL</b>						
Current liabilities	\$ 4,652	\$ 2	\$ 4,654	\$ 5,891	\$ 2	\$ 5,893
Senior notes, net	7,239	—	7,239	7,237	—	7,237
Other long-term debt, net	49	—	49	50	—	50
Long-term operating lease liabilities	299	—	299	308	—	308
Other long-term liabilities and deferred credits	1,059	—	1,059	1,081	—	1,081
<b>Total liabilities</b>	<b>13,298</b>	<b>2</b>	<b>13,300</b>	<b>14,567</b>	<b>2</b>	<b>14,569</b>
Partners' capital excluding noncontrolling interests	10,379	(8,811)	1,568	10,057	(8,533)	1,524
Noncontrolling interests	3,223	10,076	13,299	3,268	9,846	13,114
<b>Total partners' capital</b>	<b>13,602</b>	<b>1,265</b>	<b>14,867</b>	<b>13,325</b>	<b>1,313</b>	<b>14,638</b>
<b>Total liabilities and partners' capital</b>	<b>\$ 26,900</b>	<b>\$ 1,267</b>	<b>\$ 28,167</b>	<b>\$ 27,892</b>	<b>\$ 1,315</b>	<b>\$ 29,207</b>

<sup>(1)</sup> Represents the aggregate consolidating adjustments necessary to produce consolidated financial statements for PAGP.

# Definitions

- **Adjusted EBITDA:** adjusted earnings before interest, taxes, depreciation and amortization (Consolidated)
  - Attributable to PAA where noted; Segment Adjusted EBITDA by definition is attributable to PAA
- **Implied Distributable Cash Flow (DCF) Per Common Unit & Common Unit Equivalent (CUE):** Adjusted EBITDA (Consolidated) less interest expense net of certain non-cash items, maintenance capital, current income tax expense, investment capital of noncontrolling interests, distributions from unconsolidated entities in excess of/(less than) adjusted equity earnings, distributions to noncontrolling interests and preferred unit distributions paid adjusted for Series A preferred unit cash distributions paid, divided by the weighted average common units and common unit equivalents outstanding for the period
- **Cash Flow from Operations (CFFO):** Net Cash Provided by Operating Activities (GAAP)
- **Free Cash Flow (FCF):** net cash provided by operating activities (CFFO), less net cash used in investing activities, further impacted by distributions to, contributions from and proceeds from the sale of noncontrolling interests
- **Free Cash Flow after Distributions (FCFaD):** FCF further reduced by cash distributions paid to preferred and common unitholders
- **CFFO, FCF & FCFaD** estimates do not factor in material, unforeseen changes in ST working capital (i.e. hedged inventory storage activities / volume / price / margin)
- **Leverage Ratio:** Total Debt plus 50% of PAA Preferred Securities less cash divided by LTM Adj. EBITDA attributable to PAA
- **Pipeline Volumes:** pipeline volumes associated with the Permian JV, Cactus II JV & Red River JV are presented on a consolidated (8/8ths) basis; all other volumes are presented net to our interest



# 2Q23 Earnings Call

August 4, 2023



**PLAINS**

