Plains All American Pipeline, L.P. and Plains GP Holdings Announce Results of Leverage & Distribution Review

Conference Call Scheduled for This Afternoon - Friday, August 25, at 4:30 p.m. ET (3:30 p.m. CT)

Plains All American Pipeline, L.P. (NYSE:PAA) and Plains GP Holdings (NYSE: PAGP) today announced planned actions related to their leverage and distribution review and will host a conference call to discuss these actions at 4:30 p.m. ET this afternoon.

"We are taking significant steps to strengthen our financial position and enhance PAA's long-term franchise value for all stakeholders," stated Greg Armstrong, Chairman and CEO of PAA. "PAA has leading crude oil midstream positions in nearly all U.S. regions and trading hubs and the premier network in the Permian Basin. Additionally, we continue to generate meaningful year-over-year growth in our fee-based segments and believe PAA has very attractive long-term growth opportunities.

"We believe the steps we are taking represent a solid, executable and measurable plan that will reduce debt by approximately $1.4 billion and enable us to reach our targeted credit metrics within the next 6 quarters. Additionally, these actions will minimize, if not eliminate common equity issuance to fund our current and future routine capital projects and position PAA for sustainable multi-year distribution growth in 2019, underpinned by healthy fee-based distribution coverage."

At a meeting held on Thursday, August 24, PAA's Board of Directors endorsed the following:

1. Intention to reset PAA's and PAGP's annualized distribution per unit to $1.20, starting with the third-quarter distribution payable in November 2017. This will reduce annual distribution outflow by approximately $725 million per year, representing approximately $1.1 billion over 6 quarters;
2. Completion of pending and/or in progress non-core/strategic asset sales totaling approximately $700 million;
3. Reduction of hedged crude oil and NGL inventory volumes and related debt by approximately $300 million (based on current prices);
4. Fund PAA's second-half 2017 and full-year 2018 expansion capital program (which currently totals approximately $1.15 billion) with a combination of non-convertible, perpetual preferred equity totaling approximately $600 million and a portion of the asset sale proceeds; and
5. Apply retained cash flow and remaining asset sales proceeds to steadily reduce total debt from $11.15 billion at June 30, 2017 to approximately $9.7 billion by March 31, 2019.

Please join us for a conference call webcast and Q&A session this afternoon at 4:30 p.m. ET (3:30 p.m. CT), where several members of PAA's management team will further discuss these actions and the expected results therefrom.

Armstrong acknowledged the inconvenience of a Friday afternoon press release and conference call, but noted that the timing was driven by a desire to timely communicate this information to the market following the board's Thursday afternoon meeting and avoid potential delays associated with Hurricane Harvey. The forecast is calling for severe weather conditions and imminent flooding in Houston over the weekend and into early next week.

Webcast Access Instructions

The conference call will be webcast live and is accessible through either of the addresses below. Registering for the webcast in advance is recommended.

www.plainsallamerican.com (Navigate to: Investor Relations/ either "PAA" or "PAGP"/ News & Events/ Conference Calls)

or

https://event.webcasts.com/starthere.jsp?ei=1160565&tp_key=234de45208

Webcast Replay Instructions

An audio replay in MP3 format will be available approximately two hours after the end of the call at www.plainsallamerican.com under the "Investor Relations" sections of the website (Navigate to: Investor Relations/ either "PAA" or "PAGP"/ News & Events/ Conference Calls).

Forward Looking Statements

Except for the historical information contained herein, the matters discussed in this release consist of forward-looking statements that involve certain risks and uncertainties that could cause actual results or outcomes to differ materially from results or outcomes anticipated in the forward-looking statements. These risks and uncertainties include, among other things, declines in the volume of crude oil and NGL shipped, processed, purchased, stored, fractionated and/or gathered at or through the use of our assets, whether due to declines in production from existing oil and gas reserves, reduced demand, failure to develop or slowdown in the development of additional oil and gas reserves, whether from reduced cash flow to fund drilling or the inability to access capital, or other factors; the effects of competition; market distortions caused by producer over-commitments to new or recently constructed infrastructure projects, which impacts volumes, margins, returns and overall earnings; unanticipated changes in crude oil and NGL market structure, grade differentials and volatility (or lack thereof); maintenance of our credit rating and ability to receive open credit from our suppliers and trade counterparties; environmental liabilities or events that are not covered by an indemnity, insurance or existing reserves; fluctuations in refinery capacity in areas supplied by our mainlines and other factors affecting demand for various grades of crude oil, refined products and natural gas and resulting changes in pricing conditions or transportation throughput requirements; the occurrence of a natural disaster, catastrophe, terrorist attack (including eco-terrorist attacks) or other event, including attacks on our electronic and computer systems; failure to implement or capitalize, or delays in implementing or capitalizing, on expansion projects, whether due to permitting delays, permitting withdrawals or other factors; tightened capital markets or other factors that increase our cost of capital or limit our ability to obtain debt or equity financing on satisfactory terms to fund additional acquisitions, expansion projects, working capital requirements and the repayment or refinancing of indebtedness; the successful integration and future performance of acquired assets or businesses and the risks associated with operating in lines of business that are distinct and separate from our historical operations; the failure to consummate, or significant delay in consummating, sales of assets or interests as part of our strategic divestiture program; the currency exchange rate of the Canadian dollar; continued creditworthiness of, and performance by, our counterparties, including financial institutions and trading companies with which we do business; inability to recognize current revenue attributable to deficiency payments received from customers who fail to ship or move more than minimum contracted volumes until the related credits expire or are used; non-utilization of our assets and facilities; increased costs, or lack of availability, of insurance; weather interference with business operations or project construction, including the impact of extreme weather events or conditions; the availability of, and our ability to consummate, acquisition or combination opportunities; the effectiveness of our risk management activities; shortages or cost increases of supplies, materials or labor; the impact of current and future laws, rulings, governmental regulations, accounting standards and statements, and related interpretations; fluctuations in the debt and equity markets, including the price of our units at the time of vesting under our long-term incentive plans; risks related to the development and operation of our assets, including our ability to satisfy our contractual obligations to our customers; factors affecting demand for natural gas and natural gas storage services and rates; general economic, market or business conditions and the amplification of other risks caused by volatile financial markets, capital constraints and pervasive liquidity concerns; and other factors and uncertainties inherent in the transportation, storage, terminalling and marketing of crude oil and refined products, as well as in the storage of natural gas and the processing, transportation, fractionation, storage and marketing of natural gas liquids as discussed in the Partnerships' filings with the Securities and Exchange Commission.

Plains All American Pipeline, L.P. is a publicly traded master limited partnership that owns and operates midstream energy infrastructure and provides logistics services for crude oil, NGLs, natural gas and refined products. PAA owns an extensive network of pipeline transportation, terminalling, storage and gathering assets in key crude oil and NGL producing basins and transportation corridors and at major market hubs in the United States and Canada. On average, PAA handles over 5 million barrels per day of crude oil and NGL in its Transportation segment. PAA is headquartered in Houston, Texas. More information is available at www.plainsallamerican.com.

Plains GP Holdings 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. PAGP is headquartered in Houston, Texas. More information is available at www.plainsallamerican.com.

Plains All American Pipeline, L.P. and Plains GP Holdings
Roy Lamoreaux, (866) 809-1291
VP, Investor Relations & Communications
or
Brett Magill, (866) 809-1291
Manager, Investor Relations