

PART III**Item 10. Directors and Executive Officers of Our General Partner and Corporate Governance****Partnership Management and Governance**

As with many publicly traded partnerships, we do not directly have officers, directors or employees. Our operations and activities are managed by Plains All American GP LLC (“GP LLC”), which employs our management and operational personnel (other than our Canadian personnel, who are employed by Plains Midstream Canada ULC (“PMC” or “Plains Midstream Canada”). GP LLC is the general partner of Plains AAP, L.P. (“AAP”), which is the sole member of PAA GP LLC, our general partner. Plains GP Holdings, L.P. (“PAGP”) is the sole member of GP LLC, and PAA GP Holdings LLC (“PAGP GP”) is the general partner of PAGP. Prior to the Simplification Transactions completed on November 15, 2016, the board of directors of GP LLC managed the business and affairs of PAA and AAP. As a result of the Simplification Transactions, the board of directors of GP LLC was eliminated and the board of directors of PAGP GP now has responsibility for managing the business and affairs of PAGP, PAA and AAP. References to our directors are references to the directors of GP LLC prior to November 15, 2016 and to the directors of PAGP GP after November 15, 2016 or both as the context requires. References to our officers and employees are references to the officers and employees of GP LLC (or, in the case of our Canadian operations, Plains Midstream Canada).

GP LLC manages our day-to-day operations and activities; however, PAGP effectively controls our business and affairs through the exercise of its rights as the sole and managing member of GP LLC. The business and affairs of GP LLC are managed by or under the direction of the board of directors of PAGP GP, which we refer to as our “board of directors” or “board”.

As provided in the Third Amended and Restated Limited Liability Company Agreement of PAGP GP (the “PAGP GP LLC Agreement”), our board of directors consists of 12 members divided into three classes (excluding those directors who are also officers), with each class serving a three-year term as follows:

Name	Class	Expiration of Initial Term
Officer Directors:		
Greg L. Armstrong	N/A	N/A
Harry N. Pefanis	N/A	N/A
Willie Chiang	N/A	N/A
Designated Directors:		
John T. Raymond	I	2020
Robert V. Sinnott	II	2019
Bernard (Ben) Figlock	III	2018
Independent Directors:		
Everardo Goyanes	I	2020
J. Taft Symonds	I	2020
Victor Burk	II	2019
Gary R. Petersen	II	2019
Bobby S. Shackouls	III	2018
Christopher M. Temple	III	2018

Pursuant to the PAGP GP LLC Agreement, the directors of PAGP GP are appointed as follows:

- Three of the members are designated to serve on the board of directors of PAGP GP by the three members of PAGP GP that currently hold board designation rights (affiliates of The Energy & Minerals Group, Kayne Anderson Investment Management Inc. and Occidental Petroleum Corporation);
- Six of the members (three of whom must be independent directors eligible to serve on the audit committee) are elected, and may be removed, by the board of directors of PAGP GP; and

- One of the members is the Chief Executive Officer and two of the members are appointed by majority vote of the board of directors of PAGP GP.

Any member of PAGP GP that accumulates a qualifying interest in AAP of at least 20% (based on the outstanding interests of AAP as of the closing of the Simplification Transactions) and does not otherwise have a PAGP GP board designation right may designate a PAGP GP director, except that there may be no more than three designated directors serving on the PAGP GP board at any one time. If PAA fails to make three distributions on its Series A Convertible Preferred Units (the “Preferred Units”) (whether or not consecutive), the holders of Preferred Units will have the right to appoint a new member of the board to serve until such time as all accrued and unpaid distributions on the Preferred Units have been paid in full.

Beginning in 2018, PAGP will hold an annual meeting of its shareholders for the purpose of electing PAGP GP directors with expiring terms other than the designated directors, any directors who are officers of PAGP GP and any director subject to appointment by the holders of the Preferred Units. PAA, which holds all of PAGP’s issued and outstanding Class C shares, will hold an annual meeting of its limited partners in advance of PAGP’s annual meeting. The purpose of the PAA annual meeting will be to allow its limited partners, other than AAP, to cast a “pass-through” vote instructing PAA how to vote its PAGP Class C shares in the election of eligible PAGP GP directors. PAA will vote (or refrain from voting) its Class C shares for the election of eligible PAGP GP directors in the same proportion as the votes received from or withheld by its limited partners. At the PAA annual meeting, PAA common units held by AAP will not be voted and will not be counted for purposes of determining whether a quorum exists.

Our unitholders are limited partners and do not directly or indirectly participate in our management or operation. Unlike holders of common stock in a corporation, our unitholders have only limited voting rights on matters affecting our business or governance, including the limited director voting rights described above. In addition, our partnership agreement limits any fiduciary duties our general partner might owe to our unitholders. As a general partner, our general partner is liable for all of our debts (to the extent not paid from our assets), except for indebtedness or other obligations that are made specifically non-recourse to it. Our general partner has the sole discretion to incur indebtedness or other obligations on our behalf on a non-recourse basis to the general partner. Our general partner has in the past exercised such discretion, in most instances involving payment liability, and intends to exercise such discretion in the future.

Board Leadership Structure and Role in Risk Oversight

Our CEO also serves as Chairman of the Board. The board has no policy with respect to the separation of the offices of chairman and CEO; rather, that relationship is currently defined and governed by the PAGP GP LLC Agreement and the employment agreement with the CEO, which currently require coincidence of the offices. However, pursuant to the terms of the PAGP GP LLC Agreement, if and when our board of directors elects a successor to our current CEO, by majority vote our board of directors may determine to separate the offices of CEO and Chairman of the Board. We do not have a lead independent director.

The management of enterprise-level risk (ELR) may be defined as the process of identifying, managing and monitoring events that present opportunities and risks with respect to creation of value for our unitholders. The board has delegated to management the primary responsibility for ELR management, while the board has retained responsibility for oversight of management in that regard. Management provides an ELR assessment to the board at least once every year.

Non-Management Executive Sessions and Shareholder Communications

Non-management directors meet in executive session in connection with each regular board meeting. On a rotating basis (determined alphabetically by last name), one of the non-management directors acts as presiding director at each such regularly scheduled executive session. As circumstances warrant, non-management directors may also meet in executive sessions of special meetings of the board.

Interested parties can communicate directly with non-management directors by mail in care of the General Counsel and Secretary or in care of the Vice President of Internal Audit at Plains All American Pipeline, L.P., 333 Clay Street, Suite 1600, Houston, Texas 77002. Such communications should specify the intended recipient or recipients. Commercial solicitations or communications will not be forwarded.

Independence Determinations and Audit Committee

Because we are a limited partnership, the listing standards of the NYSE do not require that we or our general partner have a majority of independent directors on the board, or that we establish or maintain a nominating or compensation committee of the board. We are, however, required to have an audit committee consisting of at least three members, all of whom are required to be “independent” as defined by the NYSE.

To be considered independent under NYSE listing standards, our board of directors must determine that a director has no material relationship with us other than as a director. The standards specify the criteria by which the independence of directors will be determined, including guidelines for directors and their immediate family members with respect to employment or affiliation with us or with our independent public accountants.

We have an audit committee that reviews our external financial reporting, engages our independent auditors, and reviews the adequacy of our internal accounting controls. The charter of our audit committee is available on our website. See “—Meetings and Other Information” for information on how to access or obtain copies of this charter. The board of directors has determined that each member of our audit committee (Messrs. Burk, Goyanes and Symonds) is (i) “independent” under applicable NYSE rules and (ii) an “Audit Committee Financial Expert,” as that term is defined in Item 407 of Regulation S-K.

None of the members of our audit committee has any relationships with either PAGP GP, PAGP or us, other than as a director, shareholder or unitholder. For additional information regarding the experience and qualifications of our directors, please read the biographical descriptions under “—Directors, Executive Officers and Other Officers” below.

Compensation Committee

Although not required by NYSE listing standards, we have a compensation committee that reviews and makes recommendations to the board regarding the compensation for the executive officers and administers our equity compensation plans for officers and key employees. The charter of our compensation committee is available on our website. See “—Meetings and Other Information” for information on how to access or obtain copies of this charter. The compensation committee currently consists of Messrs. Petersen, Raymond and Sinnott. Under applicable stock exchange rules, none of the members of our compensation committee is required to be “independent.” The compensation committee has the sole authority to retain any compensation consultants to be used to assist the committee, but did not retain any consultants in 2016. The compensation committee has delegated limited authority to the CEO to administer our long-term incentive plans with respect to employees other than executive officers.

Governance and Other Committees

Although not required by NYSE listing standards, we also have a governance committee that periodically reviews our governance guidelines. The charter of our governance committee is available on our website. See “—Meetings and Other Information” for information on how to access or obtain copies of this charter. The governance committee currently consists of Messrs. Petersen, Shackouls and Symonds. Under applicable stock exchange rules, none of the members of our governance committee is required to be “independent.” With respect to any director nominations to be made by the board in connection with the commencement of director elections in 2018 or in the event of a vacancy in the three required independent director seats on our board, the governance committee will assist in identifying and screening potential candidates. Upon request, the governance committee is also available to assist in identifying and screening potential candidates for any vacancy with respect to directors other than independent directors or directors designated by a designating member. The governance committee will base any recommendations on an assessment of the skills, experience and characteristics of the candidate in the context of the needs of the board. The governance committee does not have a policy with regard to the consideration of diversity in identifying director nominees; therefore, diversity may or may not be considered in connection with the assessment process. As a minimum requirement for the three required independent board seats, any candidate must be “independent” and qualify for service on the audit committee under applicable SEC and NYSE rules and the PAGP GP LLC Agreement.

In addition, our partnership agreement allows for the establishment or activation of a conflicts committee as circumstances warrant to review conflicts of interest between us and our general partner or its owners. Such committee will typically consist of a minimum of two independent, non-employee members of the PAGP GP board. Our partnership agreement provides that any matters approved by the conflicts committee will be conclusively deemed to be fair and reasonable to us, approved by all of our partners, and not a breach by our general partner of any duties owed to us or our unitholders. See Item 13. “Certain Relationships and Related Transactions, and Director Independence—Review, Approval or Ratification of Transactions with Related Persons.”

Meetings and Other Information

During the last fiscal year, including meetings of the board of GP LLC and applicable committees thereof prior to the closing of the Simplification Transactions and meetings of the PAGP GP board and applicable committees thereof following such closing, our board of directors had seven meetings, our audit committee had nine meetings and our compensation committee had two meetings. All directors have access to members of management, and a substantial amount of information transfer and informal communication occurs between meetings. None of our directors attended fewer than 75% of the aggregate number of meetings of the applicable board of directors and applicable committees of the board on which the director served.

As discussed above, GP LLC manages our operations and activities, and since the closing of the Simplification Transactions, GP LLC is managed by or under the direction of the PAGP GP board of directors, whose members will, until director elections commence for eligible directors starting in 2018, continue to be either designated by certain members of PAGP GP or appointed by vote of the board of directors. Accordingly, unlike holders of common stock in a corporation, our unitholders have only limited voting rights on matters affecting our business or governance, subject in all cases to any specific unitholder rights contained in our partnership agreement. As a result, we have not historically held regular annual meetings of unitholders for the purpose of electing directors or soliciting approval of any other routine matters. See, however, “Partnership Management and Governance” above for information regarding annual meetings to be held beginning in 2018.

All of our standing committees have charters. Our committee charters and governance guidelines, as well as our Code of Business Conduct and our Code of Ethics for Senior Financial Officers (which applies to our principal executive officer, principal financial officer and principal accounting officer), are available under the Structure and Governance tab under “Company Information” in the Investor Relations section of our Internet website at <http://www.plainsallamerican.com>. We intend to disclose any amendment to or waiver of the Code of Ethics for Senior Financial Officers and any waiver of our Code of Business Conduct on behalf of an executive officer or director either on our Internet website or in an 8-K filing.

Audit Committee Report

The audit committee of our board of directors oversees the Partnership’s financial reporting process on behalf of the board of directors. Management has the primary responsibility for the financial statements and the reporting process, including the systems of internal controls.

In fulfilling its oversight responsibilities, the audit committee reviewed and discussed with management the audited financial statements contained in this Annual Report on Form 10-K.

The Partnership’s independent registered public accounting firm, PricewaterhouseCoopers LLP, is responsible for expressing an opinion on the conformity of the audited financial statements with accounting principles generally accepted in the United States of America. The audit committee reviewed with PricewaterhouseCoopers LLP the firm’s judgment as to the quality, not just the acceptability, of the Partnership’s accounting principles and such other matters as are required to be discussed with the audit committee under generally accepted auditing standards.

The audit committee discussed with PricewaterhouseCoopers LLP the matters required to be discussed by Public Company Accounting Oversight Board Auditing Standard No. 16, Communications with Audit Committees. The audit committee received written disclosures and the letter from PricewaterhouseCoopers LLP required by applicable requirements of the Public Company Accounting Oversight Board regarding PricewaterhouseCoopers LLP’s communications with the audit committee concerning independence, and has discussed with PricewaterhouseCoopers LLP its independence from management and the Partnership.

Based on the reviews and discussions referred to above, the audit committee recommended to the board of directors that the audited financial statements be included in the Annual Report on Form 10-K for the year ended December 31, 2016 for filing with the SEC.

Everardo Goyanes, *Chairman*

Victor Burk

J. Taft Symonds

Directors, Executive Officers and Other Officers

The following table sets forth certain information with respect to our current board members, executive officers (for purposes of Item 401(b) of Regulation S-K) and certain other officers of us and our subsidiaries. Directors are elected annually and all executive officers are appointed by the board of directors. There is no family relationship between any executive officer and director. As discussed above, three of the owners of membership interests in PAGP GP currently each have the right to separately designate a member of the board of directors. Such designees are indicated in footnote 2 to the following table.

Name	Age (as of 12/31/16)	Position ⁽¹⁾
Greg L. Armstrong* ⁽²⁾	58	Chairman of the Board, Chief Executive Officer and Director
Harry N. Pefanis*	59	President and Chief Operating Officer and Director
Wilfred (Willie) C. Chiang*	56	Executive Vice President and Chief Operating Officer (U.S.) and Director
Mark J. Gorman	62	Executive Vice President
Richard K. McGee*	55	Executive Vice President, General Counsel and Secretary
Daniel J. Nerbonne*	59	Executive Vice President—Operations and Engineering
Al Swanson*	52	Executive Vice President and Chief Financial Officer
John P. vonBerg*	62	Executive Vice President—Commercial Activities
Samuel N. Brown	60	Senior Vice President
Lawrence J. Dreyfuss	62	Senior Vice President, General Counsel—Commercial & Litigation and Assistant Secretary
John Keffer	57	Senior Vice President
Alfred A. Lindseth	47	Senior Vice President—Technology, Process & Risk Management
Phil Smith	58	Senior Vice President—Operations
Jason Balasch	48	President, Plains Midstream Canada
Kevin L. Cantrell	56	Vice President—Internal Audit
Brad Deets	43	Senior Vice President, NGL Commercial and Facilities, Plains Midstream Canada
Steve Falgoust	53	Vice President—Asset Integrity
James Ferrell	45	Vice President—Supply Chain Management
Bill Forward	50	Vice President, Finance, Plains Midstream Canada
James B. Fryfogle	65	Vice President—Bulk Supply and Logistics
Jeremy L. Goebel	39	Vice President—Acquisitions and Strategic Planning
Dean Gore	58	Vice President—Environmental and Regulatory Compliance
Chris Herbold*	44	Vice President—Accounting and Chief Accounting Officer
Barry Holtzman	57	Vice President—Safety, Security and Training
Keith Jalbert	51	Vice President—Commercial Activities
Christopher M. Kean	52	Vice President, Engineering, Plains Midstream Canada
Sterling Koch	47	Vice President, Health, Safety, Environment & Regulatory, Plains Midstream Canada
Dwayne Koehn	43	Vice President—Engineering
Don Lacey	62	Vice President, Operations, Plains Midstream Canada
Mark Mazerolle	52	Vice President, Pipelines & Supply, Plains Midstream Canada
James H. Pinchback	51	Vice President—Pipeline Business Development
Michelle Podavin	43	Vice President—NGL Supply and Facilities, Plains Midstream Canada
George N. Polydoros	53	Vice President—Land and Office Services
Megan Prout	40	Vice President—Commercial Law and Litigation
Tyler Rimbey	50	Senior Vice President, Crude Commercial and Pipelines, Plains Midstream Canada

Name	Age (as of 12/31/16)	Position ⁽¹⁾
James Roberts	50	Vice President—Lease Supply
Robert M. Sanford	67	Vice President—Lease Supply
David Schwarz	47	Vice President, Human Resources, Plains Midstream Canada
James Shelford	34	Vice President, LPG Commercial, Plains Midstream Canada
Scott Sill	54	Senior Vice President, Operations, Plains Midstream Canada
Sharon S. Spurlin	51	Vice President and Treasurer
Jim Tillis	49	Vice President—Human Resources
Walter van Zanten	60	Vice President—Tax
Sandi Wingert	46	Senior Vice President and Chief Financial Officer, Plains Midstream Canada
Victor Burk	67	Director and Member of Audit Committee
Bernard (Ben) Figlock ⁽²⁾	56	Director
Everardo Goyanes	72	Director and Member of Audit** Committee
Gary R. Petersen	70	Director and Member of Compensation and Governance Committees
John T. Raymond ⁽²⁾	46	Director and Member of Compensation Committee
Bobby Shackouls	66	Director and Member of Governance** Committee
Robert V. Sinnott ⁽²⁾	67	Director and Member of Compensation** Committee
J. Taft Symonds	77	Director and Member of Audit and Governance Committees
Christopher M. Temple	49	Director

* Indicates an “executive officer” for purposes of Item 401(b) of Regulation S-K.

** Indicates chairman of committee.

(1) Unless otherwise described, the position indicates the position held with GP LLC; directors serve on the board of directors of PAGP GP.

(2) The PAGP GP LLC Agreement specifies that the Chief Executive Officer of PAGP GP will be a member of the board of directors. Under the PAGP GP LLC Agreement, three of the members of PAGP GP each have the right to appoint one director each to the PAGP GP board of directors. Mr. Raymond is serving as a member of our board of directors by virtue of his appointment by EMG Investment, LLC (“EMG”), of which he is the sole member of the general partner of its manager. Mr. Sinnott is serving as a member of our board of directors by virtue of his appointment by KAFU Holdings, L.P., which is affiliated with Kayne Anderson Investment Management, Inc., of which he is President. Mr. Figlock is serving as a member of our board of directors by virtue of his appointment by Occidental Holding Company (Pipeline), Inc., a subsidiary of Occidental Petroleum Corporation (“Oxy”), of which he is Vice President and Treasurer. The remaining directors, other than Mr. Armstrong who serves as a director by virtue of his capacity as CEO of PAGP GP, were appointed pursuant to the PAGP GP LLC Agreement. See Item 12. “Security Ownership of Certain Beneficial Owners and Management and Related Unitholder Matters—Beneficial Ownership of General Partner Interest.”

Greg L. Armstrong has served as Chairman of the Board and Chief Executive Officer of PAGP GP since July 2013 and as Chairman of the Board and Chief Executive Officer of GP LLC since PAA’s formation in 1998. He also served as a director of PAA’s general partner or former general partner from PAA’s formation until November 2016. In addition, he was President, Chief Executive Officer and director of Plains Resources Inc. from 1992 to May 2001. He previously served Plains Resources as: President and Chief Operating Officer from October to December 1992; Executive Vice President and Chief Financial Officer from June to October 1992; Senior Vice President and Chief Financial Officer from 1991 to 1992; Vice President and Chief Financial Officer from 1984 to 1991; Corporate Secretary from 1981 to 1988; and Treasurer from 1984 to 1987. Mr. Armstrong is a director and Deputy Chairman of the Federal Reserve Bank of Dallas, and a director of National Oilwell Varco, Inc. Mr. Armstrong is also a member of the advisory board of the Maguire Energy Institute at the Cox School of Business at Southern Methodist University, and the Foundation for The Council on Alcohol and Drugs Houston and is Vice Chairman of the National Petroleum Council.

Harry N. Pefanis has served as a Director of PAGP GP since February 2017 and as President and Chief Operating Officer since our formation in 1998. He was also a director of our former general partner. In addition, he was Executive Vice President—Midstream of Plains Resources from May 1998 to May 2001. He previously served Plains Resources as: Senior Vice President from February 1996 until May 1998; Vice President—Products Marketing from 1988 to February 1996; Manager of Products Marketing from 1987 to 1988; and Special Assistant for Corporate Planning from 1983 to 1987. Mr. Pefanis was also President of several former midstream subsidiaries of Plains Resources until our formation. Mr. Pefanis is a director of Settoon Towing. Mr. Pefanis has also served as President and Chief Operating Officer of PAGP GP since July 2013.

Wilfred (Willie) C. Chiang has served as a Director of PAGP GP since February 2017 and as Executive Vice President and Chief Operating Officer (U.S.) since August 2015. Prior to joining Plains, Mr. Chiang served as Executive Vice President — Operations for Occidental Petroleum Corporation from 2012 until 2015. From 1996 until 2012, he served in various positions at ConocoPhillips, including most recently as Senior Vice President — Refining, Marketing, Transportation and Commercial. Mr. Chiang has also served as Executive Vice President and Chief Operating Officer (U.S.) of PAGP GP since August 2015.

Mark J. Gorman has served as Executive Vice President since August 2016 and served as Executive Vice President — Operations and Engineering from December 2015 until August 2016. He served as Executive Vice President—Operations and Business Development from February 2013 until December 2015, and served as Senior Vice President—Operations and Business Development from August 2008 until February 2013. He previously served as Vice President from November 2006 until August 2008. Prior to joining Plains, he was with Genesis Energy in differing capacities as a Director, President and CEO, and Executive Vice President and COO from 1996 through August 2006. From 1992 to 1996, he served as a President for Howell Crude Oil Company. Mr. Gorman began his career with Marathon Oil Company, spending 13 years in various disciplines. Mr. Gorman is also a director of Butte. Mr. Gorman also serves as Executive Vice President of PAGP GP.

Richard K. McGee has served as Executive Vice President, General Counsel and Secretary since February 2013. He served as Vice President, General Counsel and Secretary from March 2012 until February 2013 and served as Vice President and Deputy General Counsel from August 2011 through March 2012. He also served as Vice President—Legal and Business Development of PAA’s natural gas storage business from September 2009 through March 2012. From January 1999 to July 2009, he was employed by Duke Energy, serving as President of Duke Energy International from October 2001 through July 2009 and serving as general counsel of Duke Energy Services from January 1999 through September 2001. He previously spent 12 years at Vinson & Elkins L.L.P., where he was a partner with a focus on acquisitions, divestitures and development work for various clients in the energy industry. Mr. McGee also serves as Executive Vice President, General Counsel and Secretary of PAGP GP.

Daniel J. Nerbonne has served as Executive Vice President - Operations and Engineering since August 2016. He served as Senior Vice President—Engineering from February 2013 until August 2016 and as Vice President—Engineering from February 2005 until February 2013. Prior to joining Plains, Mr. Nerbonne was General Manager of Portfolio Projects for Shell Oil Products US and served in various capacities with Shell Pipeline Company or its predecessors from 1998 to January 2005. From 1980 to 1998, Mr. Nerbonne held numerous positions of increasing responsibility in engineering, operations, and business development, including Vice President of Business Development with Texaco Trading and Transportation or its affiliates. Mr. Nerbonne also serves as Executive Vice President - Operations and Engineering of PAGP GP.

Al Swanson has served as Executive Vice President and Chief Financial Officer since February 2011. He previously served as Senior Vice President and Chief Financial Officer from November 2008 through February 2011, as Senior Vice President—Finance from August 2008 until November 2008 and as Senior Vice President—Finance and Treasurer from August 2007 until August 2008. He served as Vice President—Finance and Treasurer from August 2005 to August 2007, as Vice President and Treasurer from February 2004 to August 2005 and as Treasurer from May 2001 to February 2004. In addition, he held finance related positions at Plains Resources including Treasurer from February 2001 to May 2001 and Director of Treasury from November 2000 to February 2001. Prior to joining Plains Resources, he served as Treasurer of Santa Fe Snyder Corporation from 1999 to October 2000 and in various capacities at Snyder Oil Corporation including Director of Corporate Finance from 1998, Controller—SOCO Offshore, Inc. from 1997, and Accounting Manager from 1992. Mr. Swanson began his career with Apache Corporation in 1986 serving in internal audit and accounting. Mr. Swanson also serves as Executive Vice President and Chief Financial Officer of PAGP GP.

John P. vonBerg has served as Executive Vice President—Commercial Activities since February 2014. Previously he served as Senior Vice President—Commercial Activities from August 2008 until February 2014, as Vice President—Commercial Activities from August 2007 until August 2008 and as Vice President—Trading from May 2003 until August 2007. He served as Director of these activities from January 2002 until May 2003. Prior to joining us in January 2002, he was with

Genesis Energy in differing capacities as a Director, Vice Chairman, President and CEO from 1996 through 2001, and from 1993 to 1996 he served as a Vice President and a Crude Oil Manager for Phibro Energy USA. Mr. vonBerg began his career with Marathon Oil Company, spending 13 years in various disciplines. Mr. vonBerg also serves as Executive Vice President — Commercial Activities of PAGP GP.

Samuel N. Brown has served as Senior Vice President since July 2015. He previously served as Vice President—Pipeline Business Development from October 2009 until July 2015. Prior to joining PAA in October 2009, Mr. Brown served TEPPCO for over 10 years, most recently as Vice President—Commercial Downstream and previously as Vice President—Pipeline Marketing and Business Development for the Upstream segment. Prior to joining TEPPCO, Mr. Brown was with Duke Energy Transport and Trading Company. Mr. Brown serves as a director of Frontier and Eagle Ford Pipeline.

Lawrence J. Dreyfuss has served as Senior Vice President, General Counsel—Commercial and Litigation and Assistant Secretary since February 2013, and served as Vice President, General Counsel—Commercial & Litigation and Assistant Secretary from August 2006 until February 2013. Mr. Dreyfuss was Vice President, Associate General Counsel and Assistant Secretary of our general partner from February 2004 to August 2006 and Associate General Counsel and Assistant Secretary of our general partner from June 2001 to February 2004 and held a senior management position in the Law Department since May 1999. In addition, he was a Vice President of Scurlock Permian LLC from 1987 to 1999.

John Keffer has served as Senior Vice President since July 2015. He previously served as Vice President—Terminals from November 2006 until July 2015. Mr. Keffer joined Plains Marketing, L.P. in October 1998 and prior to his appointment as Vice President, he served as Managing Director—Refinery Supply, Director of Trading and Manager of Sales and Trading. Prior to joining Plains, Mr. Keffer was with Prebon Energy, an energy brokerage firm, from January 1996 through September 1998. Mr. Keffer was with the Permian Corporation/Scurlock Permian from January 1990 through December 1995, where he served in several capacities in the marketing department including Director of Crude Oil Trading. Mr. Keffer began his career with Amoco Production Company and served in various capacities beginning in June 1982.

Alfred A. Lindseth has served as Senior Vice President—Technology, Process & Risk Management since June 2003 and as Vice President—Administration from March 2001 to June 2003. He served as Risk Manager from March 2000 to March 2001. Mr. Lindseth previously served PricewaterhouseCoopers LLP in its Financial Risk Management Practice section as a Consultant from 1997 to 1999 and as Principal Consultant from 1999 to March 2000. He also served GSC Energy, an energy risk management brokerage and consulting firm, as Manager of its Oil & Gas Hedging Program from 1995 to 1996 and as Director of Research and Trading from 1996 to 1997.

Phil Smith has served as Senior Vice President - Operations since August 2016. He served as Vice President—Operations from April 2010 until August 2016. He joined PAA in 2002 from Shell Pipeline. Mr. Smith is responsible for the Partnership's operations and maintenance activities on its domestic pipeline and terminal facilities.

Jason Balasch has served as President of Plains Midstream Canada since January 1, 2016. He served as Executive Vice President, NGL Commercial and Facilities of Plains Midstream Canada throughout 2015 and is responsible for the day-to-day operation of all of PMC's business activities. He previously served as Senior Vice President, LPG Commercial and Facilities of PMC from September 2013 through December 2014 and as Vice President of LPG of PMC from September 2011 until September 2013. Prior to joining PMC, he was with Enterprise Products Partners L.P. from June 2000 to August 2011, where he served in various capacities, most recently as Vice President, U.S. Gulf Coast Gathering & Processing in their Houston, Texas office. Mr. Balasch has also worked for Chevron and TransCanada Corporation in both engineering and business development roles.

Kevin L. Cantrell has served as Vice President—Internal Audit since February 2011 and served as Managing Director of Internal Audit from April 2009 to February 2011. Prior to joining PAA, Mr. Cantrell was a managing director and founding member of Protiviti, Inc., a global risk consulting and internal audit firm, from May 2002 to April 2009, and a manager in Andersen's Risk Consulting practice in Houston, Texas, from February 1999 to May 2002, where he lead internal audit, risk management, and Sarbanes-Oxley compliance projects for clients in the Energy industry. Mr. Cantrell began his professional career at J.P. Morgan Chase, where he held positions of increasing responsibilities in the internal audit and capital markets compliance groups from July 1986 through February 1999.

Brad Deets has served as Senior Vice President, NGL Commercial and Facilities of Plains Midstream Canada since January 1, 2016. He served as Vice President, LPG Commercial of Plains Midstream Canada from September 2013 through December 2015. He served as Vice President of Strategic Planning from June 2013 through August 2013, and previously served as Director of Strategic Planning. He has served in a number of roles at PMC including butane trading, risk management and

acquisitions. Prior to joining PMC, Mr. Deets worked with CANPET Energy Group Inc. for a number of years, focusing on crude oil trading.

Steve Falgoust has served as Vice President — Asset Integrity since February 2016. Mr. Falgoust has been with PAA since 1991, most recently serving as Managing Director — Integrity. Prior to joining PAA, Mr. Falgoust was employed at Scurlock Oil Company.

James Ferrell has served as Vice President—Supply Chain Management since August 2011. He joined Plains in 2006 from ConocoPhillips, where he served as the Director of Market Intelligence and Strategy for their Global Procurement Services organization. Prior to that, he spent eight years as a Senior Manager in the Supply Chain consulting practice of Accenture.

Bill Forward has served as Vice President, Finance of Plains Midstream Canada since September 2013. Prior to joining PMC, he held senior management positions in accounting and finance for several midstream energy companies, most recently serving as Corporate Controller for Pembina Pipelines Corp. Previously, he was Vice-President at Provident Energy Ltd. and served in financial reporting and accounting roles at ENMAX, TransCanada and PricewaterhouseCoopers.

James B. Fryfogle has served as Vice President—Bulk Supply and Logistics since April 2014. He previously served as Vice President—Refinery Supply from March 2005 through March 2014. He served as Vice President—Lease Operations from July 2004 until March 2005. Prior to joining Plains in January 2004, Mr. Fryfogle served as Manager of Crude Supply and Trading for Marathon Ashland Petroleum. Mr. Fryfogle had held numerous positions of increasing responsibility with Marathon Ashland Petroleum or its affiliates or predecessors since 1975.

Jeremy L. Goebel has served as Vice President — Acquisitions and Strategic Planning since July 2015. He previously served as Managing Director of Acquisitions from 2013 until July 2015. Prior to joining Plains in 2013, Mr. Goebel worked at Simmons & Company International, where he served as an advisor to Plains on several acquisitions.

Dean Gore has served as Vice President — Environmental and Regulatory Compliance since February 2016. Mr. Gore has been with PAA since 2011, most recently serving as Managing Director — Environmental and Regulatory Compliance. Prior to joining PAA, Mr. Gore was employed at Environering, Inc.

Chris Herbold has served as Vice President—Accounting and Chief Accounting Officer since August 2010. He served as Controller of PAA from 2008 until August 2010. He previously served as Director of Operational Accounting from 2006 to 2008, Director of Financial Reporting and Accounting from 2003 to 2006 and Manager of SEC and Financial Reporting from 2002 to 2003. Prior to joining PAA in April 2002, Mr. Herbold spent seven years working for the accounting firm Arthur Andersen LLP. Mr. Herbold also serves as Vice President — Accounting and Chief Accounting Officer of PAGP GP.

Barry Holtzman has served as Vice President — Safety, Security and Training since February 2016. Mr. Holtzman has been with PAA since 2013, most recently serving as Managing Director — Safety, Security and Training. Prior to joining PAA, Mr. Holtzman was employed at BP North America.

Keith Jalbert has served as Vice President — Commercial Activities since December 2014. He previously served as Managing Director of Commercial Activities from 2008 until December 2014, and as a Trader from 2002 through 2008. Before joining Plains, he was employed by Genesis Energy as a Crude Oil Trader. Prior to that, he held various analyst, scheduling, trading and management positions with Basis Petroleum and Phibro Energy.

Christopher M. Kean has served as Vice President, Engineering of Plains Midstream Canada since September 2012. He has over 25 years of experience in global projects and operations across the oil and gas, chemical and oil sands sectors. Prior to joining PMC, Mr. Kean worked with Enbridge Pipelines for over four years, where he served in various capacities, most recently as Project Director for the Cabin Gas Plant project. Mr. Kean has also worked in both engineering and project management leadership roles for Canadian Natural Resources Limited (11 years), Petro-Canada, and Amoco Chemical and Production Companies.

Sterling Koch has served as Vice President, Health, Safety, Environment & Regulatory of Plains Midstream Canada since January 2013. He is responsible for providing strategic direction and oversight to the environment, health & safety, regulatory, legal and land activities of our Canadian operations. Mr. Koch brings over 20 years of energy industry experience, including regulatory and legal affairs, commercial operations, compliance and security. Prior to joining PMC, Mr. Koch worked with TransAlta for over 14 years, where he served in various vice president roles including regulatory and legal affairs,

commercial management and business development. He also brings to PMC a background as legal counsel, originating from his days with Western Gas Marketing, Northridge Petroleum and TransCanada.

Dwayne Koehn has served as Vice President—Engineering since February 2014. Mr. Koehn previously served as Managing Director of Engineering from July 2008 to February 2014, and as Director of Engineering from September 2005 to June 2008. He initially joined Plains in 2004 in connection with the acquisition of Link Energy where he was a Manager of Engineering. Mr. Koehn has also served in various manager and director roles with Koch Industries and PF Net Construction.

Don Lacey has served as Vice President, Operations of Plains Midstream Canada since July 2016 and is responsible for PMC’s Crude Oil, NGL and LPG operations in Canada and the United States. He joined PMC in 2014, serving most recently as Director, Operations, overseeing various facilities and assets. Prior to joining PMC, Mr. Lacey spent 8 years with Spectra Energy, working as Director of Operations. He brings over 10 years of energy industry experience to this role and 30 years of senior leadership experience across several different industries, including Pulp & Paper, Manufacturing, Electrical Generation and Natural Gas Processing.

Mark Mazerolle has served as Vice President, Pipelines & Supply of Plains Midstream Canada since June 2016 and is responsible for PMC’s pipeline logistics, crude oil supply distribution and optimization activities. He has been with PMC since 2012, serving most recently as Director, Facilities Business Development, Joint Ventures. Mr. Mazerolle has over 19 years of senior management experience in the oil and gas industry serving in various operations, commercial and business development roles.

James H. Pinchback has served as Vice President — Pipeline Business Development since July 2015. He previously served as Managing Director — Pipeline Business Development. Mr. Pinchback joined Plains in 2006.

Michelle Podavin has served as Vice President, NGL Supply and Facilities of Plains Midstream Canada since April 2015 and is responsible for providing leadership and direction on NGL supply, storage, fractionation, and logistics. Ms. Podavin has been with PMC for over 14 years, serving most recently as Director of NGL Supply. Prior to joining PMC, she spent 6 years at major accounting firms in various roles.

George N. Polydoros has served as Vice President—Land and Office Services since February 2013. He served as Managing Director—Land and Office Services from April 2011 until February 2013. Prior to joining PAA, Mr. Polydoros was a partner at the law firm of Mayer Brown. Before joining Mayer Brown, he worked as an attorney at American General Corporation (now part of AIG) and Bracewell LLP.

Megan Prout has served as Vice President — Commercial Law and Litigation since February 2016. Ms. Prout has been with PAA since 2005 in various legal roles, most recently serving as Associate General Counsel — Commercial Litigation and Law. Prior to joining PAA, Ms. Prout was employed at the law firm Chadbourne & Parke LLP.

Tyler Rimbey has served as Senior Vice President, Crude Commercial and Pipelines of Plains Midstream Canada since July 2014 and is responsible for overseeing commercial areas of the business including crude oil trading, crude oil business development, pipelines and logistics, acquisitions and rail and truck transportation. Mr. Rimbey brings over 25 years of energy industry experience, including commodity trading, marketing and business development. Prior to joining PMC, Mr. Rimbey worked with Platino Energy Corp., serving as Vice President of Business Development. He has also worked in executive and senior leadership roles with BP Canada Energy Trading Company, BP Energy Company, Goldman Sachs and Shell in Canada, the U.S. and United Kingdom.

James Roberts has served as Vice President — Lease Supply since February 2016. Mr. Roberts has been with PAA since 1998, most recently serving as Managing Director — Lease Supply. Prior to joining PAA, Mr. Roberts was employed at Link Energy.

Robert M. Sanford has served as Vice President—Lease Supply since June 2006. He served as Managing Director—Lease Acquisitions and Trucking from July 2005 to June 2006 and as Director of South Texas and Mid Continent Business Units from April 2004 to July 2005. Mr. Sanford was with Link Energy/EOTT Energy from 1994 to April 2004, where he held various positions of increasing responsibility.

David Schwarz has served as Vice President, Human Resources of Plains Midstream Canada since October 2012. He previously served as Vice President of Human Resources and Corporate Communications of Plains Midstream Canada from February 2011 to October 2012. He joined Plains Midstream Canada in August 2009 and brings over 18 years of experience to this role. Prior to joining PMC, Mr. Schwarz held various senior human resources roles in Calgary, and most recently served as

Senior Manager, Human Resources in the ATCO Group of Companies. He has also gained experience working for such companies as Fluor Daniel, Manalta Coal and Superior Propane.

James Shelford has served as Vice President, LPG Commercial of Plains Midstream Canada since January 1, 2016. He is responsible for PMC's propane and butane commercial activities across North America. Mr. Shelford has 13 years' experience in various commercial roles in the oil and gas industry including the last 6 with PMC, serving most recently as Director of North American Propane. Prior to joining PMC, Mr. Shelford spent 5 years with Superior Gas Liquids, where he served in various capacities including market analysis, product distribution and marketing. Mr. Shelford also spent two years with Willis, a global risk management firm where he worked primarily with Husky Energy as well as other midsized E&P companies based in Calgary.

Scott Sill has served as Senior Vice President, Operations of Plains Midstream Canada since July 2016 and is responsible for PMC's crude oil, NGL and LPG operations. He served as Vice President, Operations of Plains Midstream Canada from September 2013 until July 2016. He previously served as Vice President of LPG Operations from March 2010 until September 2013. He joined Plains Midstream Canada in April 2006 through PAA's acquisition of the Shafter gas liquids processing facility. Prior to his most recent role as Managing Director of U.S. and Canadian LPG Operations, Mr. Sill performed the role of West Coast District Superintendent, overseeing an LPG isomerization/hydrotreating facility, salt cavern terminal, fractionation plant and various storage terminals. Mr. Sill brings over 25 years of LPG operations experience to this role.

Sharon S. Spurlin has served as Vice President and Treasurer since October 2014. Before re-joining PAA, Ms. Spurlin served as Chief Financial Officer of PetroLogistics from 2009 until 2014. She originally joined PAA in 2002 and served as Director of Internal Audit and as Assistant Treasurer until 2009. Ms. Spurlin also serves as Vice President and Treasurer of PAGP GP.

Jim Tillis has served as Vice President — Human Resources since February 2016. Mr. Tillis has been with PAA since 2015, most recently serving as Managing Director — Human Resources. Prior to joining PAA, Mr. Tillis was employed at Mattress Firm.

Walter van Zanten has served as Vice President—Tax since February 2013. He served as Director of Tax from December 2008 until February 2013. Before joining PAA, Mr. van Zanten worked in various leadership and functional capacities for Chimerical, Inc., El Paso Corp., Tenneco Energy, The Coastal Corporation, Tangram Transmission Corp. and Arthur Young. Mr. van Zanten also serves as Vice President - Tax of PAGP GP.

Sandi Wingert has served as Senior Vice President and Chief Financial Officer of Plains Midstream Canada since January 1, 2016. She served as Vice President, Corporate Services of Plains Midstream Canada from September 2013 through December 2015. She served as Vice President of Accounting of PMC from February 2008 until September 2013. She has been with PMC and its predecessor CANPET acting as Controller since 2000. Prior to joining our Canadian operations, she held various accounting roles with Koch Petroleum and Ernst & Young.

Victor Burk has served as a director of PAGP GP since January 2014. He has been a Managing Director for Alvarez and Marsal, a privately owned professional services firm since April 2009. From 2005 to 2009, Mr. Burk was the global energy practice leader for Spencer Stuart, a privately owned executive recruiting firm. Prior to joining Spencer Stuart, Mr. Burk served as managing partner of Deloitte & Touche's global oil and natural gas group from 2002 to 2005. He began his professional career in 1972 with Arthur Andersen and served as managing partner of Arthur Andersen's global oil and natural gas group from 1989 until 2002. Mr. Burk is on the board of directors of EV Management, LLC, the ultimate general partner of EV Energy Partners, L.P., a publicly traded limited partnership engaged in the acquisition, development and production of oil and natural gas. Mr. Burk served as a director and as chairman of the audit committee of PNGS GP LLC, the general partner of PAA Natural Gas Storage, L.P., from April 2010 through December 2013. Mr. Burk also serves as a board member of the Sam Houston Area Council of the Boy Scouts of America. He received a BBA in Accounting from Stephen F. Austin State University, graduating with highest honors. The board has determined that Mr. Burk is "independent" under applicable NYSE rules and qualifies as an "Audit Committee Financial Expert." We believe that Mr. Burk's background, spanning over 30 years of extensive public accounting and consulting in the energy industry, coupled with his demonstrated leadership abilities, brings valuable experience and insight to the board.

Bernard (Ben) Figlock has served as a director of PAGP GP since January 2015. He served as a director of PAA's general partner from January 2015 until November 2016. Mr. Figlock currently serves as Vice President and Treasurer at Oxy, where he directs and oversees management of Oxy's treasury and risk management functions including finance, investments, insurance and operational risk, commodities trading credit and market risk, and currencies. Mr. Figlock joined Oxy in 1987,

advancing to positions of increasing responsibility in Internal Audit, Corporate Finance Planning & Analysis, Corporate Development, and Treasury. Mr. Figlock holds a BS in Accounting from Wake Forest University and an MBA from Loyola Marymount University. We believe that Mr. Figlock's financial and analytical background provides the board a distinctive and valuable perspective.

Everardo Goyanes has served as a director of PAGP GP since October 2013. He served as a director of PAA's general partner or former general partner from May 1999 until November 2016. He is Founder of Ex Cathedra LLC (a consulting firm). Mr. Goyanes served as Chairman of Liberty Natural Resources from April 2009 until August 2011. From May 2000 to April 2009, he was President and Chief Executive Officer of Liberty Energy Holdings, LLC (an energy investment firm). From 1999 to May 2000, he was a financial consultant specializing in natural resources. From 1989 to 1999, he was Managing Director of the Natural Resources Group of ING Barings Furman Selz (a banking firm). He was a financial consultant from 1987 to 1989 and was Vice President—Finance of Forest Oil Corporation from 1983 to 1987. From 1967 to 1982, Mr. Goyanes served in various financial and management capacities at Chase Bank, where his major emphasis was international and corporate finance to large independent and major oil companies. Mr. Goyanes received a BA in Economics from Cornell University and a Masters degree in Finance (honors) from Babson Institute. The board of directors has determined that Mr. Goyanes is "independent" under applicable NYSE rules and qualifies as an "Audit Committee Financial Expert." Mr. Goyanes' qualifications as an Audit Committee Financial Expert are supplemented by extensive experience comprising direct involvement in the energy sector over a span of more than 30 years. We believe that this experience, coupled with the leadership qualities demonstrated by his executive background bring important experience and skill to the board.

Gary R. Petersen has served as a director of PAGP GP since November 2016. He served as a director of PAA's general partner from June 2001 until November 2016. Mr. Petersen is a Managing Partner of EnCap Investments L.P., an investment management firm which he co-founded in 1988. He is also a director of EV Energy Partners, L.P. He had previously served as Senior Vice President and Manager of the Corporate Finance Division of the Energy Banking Group for RepublicBank Corporation. Prior to his position at RepublicBank, he was Executive Vice President and a member of the Board of Directors of Nicklos Oil & Gas Company from 1979 to 1984. He served from 1970 to 1971 in the U.S. Army as a First Lieutenant in the Finance Corps and as an Army Officer in the Army Security Agency. He is a member of the Independent Petroleum Association of America, the Houston Producers Forum and the Petroleum Club of Houston. Mr. Petersen holds BBA and MBA degrees in finance from Texas Tech University. The board of directors has determined that Mr. Petersen is "independent" under applicable NYSE rules. Mr. Petersen has been involved in the energy sector for a period of more than 35 years, garnering extensive knowledge of the energy sectors' various cycles, as well as the current market and industry knowledge that comes with management of approximately \$18 billion of energy-related investments. In tandem with the leadership qualities evidenced by his executive background, we believe that Mr. Petersen brings numerous valuable attributes to the board.

John T. Raymond has served as a director of PAGP GP since October 2013. He served as a director of PAA's general partner from December 2010 until November 2016. Mr. Raymond is an owner and founder of The Energy & Minerals Group, which is the management company for a series of specialized private equity funds. EMG was founded in 2006 and focuses on investing across various facets of the global natural resource industry including the upstream and midstream segments of the energy complex. As of September 30, 2016, EMG has approximately \$14.6 billion of regulatory assets under management and approximately \$9.8 billion in commitments have been allocated across the energy sector since inception. Previous to that time, Mr. Raymond held leadership positions with various energy companies, including President and CEO of Plains Resources Inc. (the predecessor entity for Vulcan Energy), President and Chief Operating Officer of Plains Exploration and Production Company and Director of Development for Kinder Morgan, Inc. Mr. Raymond has been a direct or indirect owner of PAA's general partner since 2001 and served on the board of PAA's general partner from 2001 to 2005. He serves on numerous other boards, including NGL Energy Holdings LLC, the general partner of NGL Energy Partners, L.P., Tallgrass MLP GP, LLC, the general partner of Tallgrass Energy Partners, L.P. and Tallgrass Management, LLC, the general partner of Tallgrass Energy GP, L.P. Mr. Raymond received a BSM degree from the A.B. Freeman School of Business at Tulane University with dual concentrations in finance and accounting. We believe that Mr. Raymond's experience with investment in and management of a variety of upstream and midstream assets and operations provides a valuable resource to the board.

Bobby S. Shackouls has served as a director of PAGP GP since January 2014. Mr. Shackouls served as Chairman of Burlington Resources Inc. from 1997 until its acquisition by ConocoPhillips in 2006, and continued to serve on the ConocoPhillips Board of Directors until his retirement in May 2011. Prior thereto, Mr. Shackouls served as President and Chief Executive Officer of Meridian Oil, Inc, a wholly owned subsidiary of Burlington Resources, from 1994-1995, and as President and Chief Executive Officer of Burlington Resources from 1995 until 2006. Mr. Shackouls currently serves as a director and member of the audit and corporate governance committees of The Kroger Co. and as a director and member of the compensation committee of Oasis Petroleum. He served as a director and member of the audit committee of PNGS GP LLC, the general partner of PAA Natural Gas Storage, L.P., from April 2010 through December 2013. The board of directors has

determined that Mr. Shackouls is “independent” under applicable NYSE rules. We believe that Mr. Shackouls’ extensive experience within the energy industry offers valuable perspective and, in tandem with his long history of leadership as the CEO of a public company, make him highly qualified to serve as a member of the board.

Robert V. Sinnott has served as a director of PAGP GP since October 2013. He served as a director of PAA’s general partner or former general partner from September 1998 until November 2016. Mr. Sinnott is Co-Chairman of Kayne Anderson Capital Advisors, L.P. (an investment management firm). He also served as a Managing Director from 1992 to 1996, Senior Managing Director from 1996 until 2010 and Chief Executive Officer and Chief Investment Officer from 2010 until 2016. He is also President of Kayne Anderson Investment Management, Inc., the general partner of Kayne Anderson Capital Advisors, L.P. Mr. Sinnott served as a director of Kayne Anderson Energy Development Company from 2006 through June 2013. He was Vice President and Senior Securities Officer of the Investment Banking Division of Citibank from 1986 to 1992, and previously held positions with United Energy Resources, a pipeline company, and Bank of America in its oil and gas finance department. Mr. Sinnott also serves as a director of California Resources Corporation. Mr. Sinnott received a BA from the University of Virginia and an MBA from Harvard. Mr. Sinnott’s extensive investment management background includes his current role of managing approximately \$17 billion of energy-related investments. Coupled with his direct involvement in the energy sector, spanning more than 30 years, the breadth of his current market and industry knowledge is enhanced by the depth of his knowledge of the various cycles in the energy sector. We believe that as a result of his background and knowledge, as well as the attributes of leadership demonstrated by his executive experience, Mr. Sinnott brings substantial experience and skill to the board.

J. Taft Symonds has served as a director of PAGP GP since November 2016. He served as a director of PAA’s general partner from June 2001 until November 2016. Mr. Symonds is Chairman of the Board of Symonds Investment Company, Inc. (a private investment firm). From 1978 to 2004 he was Chairman of the Board and Chief Financial Officer of Maurice Pincoffs Company, Inc. (an international marketing firm). Mr. Symonds has a background in both investment and commercial banking, including merchant banking in New York, London and Hong Kong with Paine Webber, Robert Fleming Group and Banque de la Societe Financiere Europeenne. He was Chairman of the Houston Arboretum and Nature Center and currently serves as a director of Howard Supply Company LLC. Mr. Symonds previously served as a director of Tetra Technologies Inc., Schilling Robotics LLC and Free Flow Wines LLC, where he served on the audit committee. Mr. Symonds received a BA from Stanford University and an MBA from Harvard. The board of directors has determined that Mr. Symonds is “independent” under applicable NYSE rules and qualifies as an “Audit Committee Financial Expert.” In addition to his qualifications as an Audit Committee Financial Expert, Mr. Symonds has a broad background in both commercial and investment banking, as well as investment management, all with a heavy emphasis on the energy sector. We believe that Mr. Symonds’ background offers to the board a distinct and valuable knowledge base representative of both the capital and physical markets and refined by the leadership qualities evident from his executive experience.

Christopher M. Temple has served as a director of PAGP GP since November 2016. He served as a director of PAA’s general partner from May 2009 until November 2016. He is President of DelTex Capital LLC (a private investment firm) and served as Chairman of Brawler Industries, LLC, a Midland, Texas based distributor of engineered plastics used in the exploration and production of oil and gas, from September 2012 to July 2016. Mr. Temple served as the President of Vulcan Capital, the private investment group of Vulcan Inc., from May 2009 until December 2009 and as Vice President of Vulcan Capital from September 2008 to May 2009. Mr. Temple has served on the board of directors and audit committee of Clear Channel Outdoor Holdings since April 2011. Mr. Temple previously served on the board of directors and audit committee of Charter Communications, Inc. from November 2009 through January 2011. Prior to joining Vulcan in September 2008, Mr. Temple served as a managing director at Tailwind Capital LLC from May to August 2008. Prior to joining Tailwind, Mr. Temple was a managing director at Friend Skoler & Co., Inc. from May 2005 to May 2008. From April 1996 to December 2004, Mr. Temple was a managing director at Thayer Capital Partners. Additionally, Mr. Temple was a licensed CPA serving clients in the energy sector with KPMG in Houston, Texas from 1989 to 1993. Mr. Temple holds a BBA, magna cum laude, from the University of Texas and an MBA from Harvard. The board of directors has determined that Mr. Temple is “independent” under applicable NYSE rules. Mr. Temple has a broad investment management background across a variety of business sectors, as well as experience in the energy sector. We believe that this background, along with the leadership attributes indicated by his executive experience, provide an important source of insight and perspective to the board.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires directors, executive officers and persons who beneficially own more than ten percent of a registered class of our equity securities to file with the SEC and the NYSE initial reports of ownership and reports of changes in ownership of such equity securities. Such persons are also required to furnish us with copies of all Section 16(a) forms that they file. Such reports are accessible on or through our Internet website at <http://www.plainsallamerican.com>.

Based solely upon a review of the copies of Forms 3, 4 and 5 furnished to us, or written representations from certain reporting persons that no Forms 5 were required, we believe that our executive officers and directors complied with all filing requirements with respect to transactions in our equity securities during 2016; however, in January 2017 PAA GP LLC filed a late Form 3 to report its non-economic general partner interest in us.

Item 11. Executive Compensation

Compensation Committee Report

The compensation committee reviews and makes recommendations to the board of directors regarding the compensation for the executive officers and directors.

In fulfilling its oversight responsibilities, the compensation committee reviewed and discussed with management the compensation discussion and analysis contained in this Annual Report on Form 10-K. Based on those reviews and discussions, the compensation committee recommended to the board of directors that the compensation discussion and analysis be included in the Annual Report on Form 10-K for the year ended December 31, 2016 for filing with the SEC.

Robert V. Sinnott, *Chairman*

Gary R. Petersen

John T. Raymond

Compensation Committee Interlocks and Insider Participation

Messrs. Petersen, Raymond and Sinnott currently serve on the compensation committee and served on the compensation committee throughout 2016. During 2016, none of the members of the compensation committee was an officer or employee of us or any of our subsidiaries, or served as an officer of any company with respect to which any of our executive officers served on such company's board of directors. In addition, none of the members of the compensation committee are former employees of ours or any of our subsidiaries. Mr. Petersen is associated with EnCap Investments, L.P. ("EnCap"), Mr. Raymond is associated with EMG and Mr. Sinnott is associated with Kayne Anderson and its affiliates. We have relationships with these entities. See Item 13. "Certain Relationships and Related Transactions, and Director Independence—Transactions with Related Persons."

Compensation Discussion and Analysis

Background

All of our named executive officers are employed by GP LLC. Under our partnership agreement, we are required to reimburse our general partner and its affiliates for all employment-related costs, including compensation for our named executive officers. For 2016, we are including our CEO, CFO and the three most highly compensated executive officers (other than our CEO and CFO) as well as an additional individual as a Named Executive Officer (defined in the Summary Compensation Table below). Therefore, as used throughout this Compensation Discussion and Analysis, the term Named Executive Officers includes Messrs. Armstrong, Pefanis, Chiang, Swanson, McGee and Nerbonne.

Objectives

Since our inception, we have employed a compensation philosophy that emphasizes pay for performance, both on an individual and entity level, and places the majority of each Named Executive Officer's (defined in the Summary Compensation Table below) compensation at risk. The primary long-term measure of our performance is our ability to sustain and increase our quarterly distribution to our unitholders, however, we also use other measures such as the amount of distributable cash flow we generate over a specified period of time. We believe our pay-for-performance approach aligns the interests of our executive officers with that of our equity holders, and at the same time enables us to maintain a lower level of base overhead in the event our operating and financial performance is below expectations. Our executive compensation is designed to attract and retain individuals with the background and skills necessary to successfully execute our business model in a demanding environment, to motivate those individuals to reach near-term and long-term goals in a way that aligns their interest with that of our unitholders, and to reward success in reaching such goals. We use three primary elements of compensation to fulfill that design—salary, cash bonus and long-term equity incentive awards. Cash bonuses and equity incentives (as opposed to salary)

represent the performance driven elements. They are also flexible in application and can be tailored to meet our objectives. The determination of specific individuals' cash bonuses is based on their relative contribution to achieving or exceeding annual goals and/or performance against opportunity and the determination of specific individuals' long-term incentive awards is based on their expected contribution in respect of longer term performance objectives. We do not maintain a defined benefit or pension plan for our executive officers as we believe such plans primarily reward longevity and not performance. We provide a basic benefits package generally to all employees, which includes a 401(k) plan and health, disability and life insurance. In instances considered necessary for the execution of their job responsibilities, we also reimburse certain of our Named Executive Officers and other employees for club dues and similar expenses. We consider these benefits and reimbursements to be typical of other employers, and we do not believe they are distinctive of our compensation program.

Elements of Compensation

Salary. We do not "benchmark" our salary or bonus amounts. In practice, we believe our salaries are generally competitive with the narrower universe of large-cap master limited partnerships, but are moderate relative to the broad spectrum of energy industry competitors for similar talent.

Cash Bonuses. Our cash bonuses include annual discretionary bonuses in which all of our Named Executive Officers potentially participate.

Long-Term Incentive Awards. The primary long-term measure of our performance is our ability to sustain and increase our quarterly distribution to our unitholders, however, we also use other measures such as the amount of distributable cash flow we generate over a specified period of time. Historically, we have generally used performance-indexed phantom unit grants issued under our Long-Term Incentive Plans to encourage and reward timely achievement of targeted distribution levels and align the long-term interests of our Named Executive Officers with those of our unitholders. These grants require minimum service periods as further described below in order to encourage long-term retention. A phantom unit is the right to receive, upon the satisfaction of vesting criteria specified in the grant, a common unit (or cash equivalent). We do not use options as a form of incentive compensation. Unlike "vesting" of an option, vesting of a phantom unit results in delivery of a common unit or cash of equivalent value as opposed to a right to exercise. Terms of historical phantom unit grants have varied, but generally phantom units vest upon the later of achievement of targeted distribution threshold levels and continued employment for periods ranging from two to five years. These distribution performance thresholds are generally consistent with our targeted range for distribution growth. To encourage accelerated performance, if we meet certain distribution or other performance thresholds prior to meeting the minimum service requirement for vesting, our current Named Executive Officers have the right to receive distributions on phantom units prior to vesting in the underlying common units (referred to as distribution equivalent rights, or "DERs").

In 2007, the owners of AAP authorized the creation of Class B units of AAP ("AAP Management Units"), each of which represents a profits interest in AAP, and authorized the compensation committee to issue grants of AAP Management Units to create additional long-term incentives for our management designed to attract talent and encourage retention over an extended period of time.

The AAP Management Units are subject to restrictions on transfer and generally become incrementally "earned" (entitled to receive a portion of the distributions that would otherwise be paid to holders of AAP units) upon achievement of certain performance thresholds related to achievement of targeted distribution levels and/or targeted distributable cash flow levels, which are aligned with the interests of our common unitholders. As of February 15, 2017, 100% of the outstanding AAP Management Units granted in 2007, 2009, 2010 and 2011 (including those held by Mr. McGee) had been earned, 75% of the AAP Management Units granted in 2013 (including a portion held by Mr. McGee) had been earned, and 25% of the AAP Management Units granted in 2014 had been earned. None of the AAP Management Units issued in 2015 (including those held by Messrs. Chiang and Nerbonne) have been earned. No AAP Management Units were granted in 2008, 2012 or 2016.

To encourage retention following achievement of the applicable performance benchmarks, AAP retained a call right to purchase any earned AAP Management Units at a discount to fair market value that is generally exercisable upon the termination of a holder's employment with GP LLC and its affiliates (other than termination under certain circumstances such as a termination without cause or by the employee for good reason) prior to certain stated dates. If a holder of an AAP Management Unit remains employed past such designated date (or prior to such date such holder is terminated without cause or quits for good reason), any earned units are no longer subject to the call right and are deemed to have "vested." As of January 1, 2017, AAP Management Units granted in 2007, 2009 and 2010 (including those held by Messrs. Armstrong, Pefanis, and Swanson) were no longer subject to such call right and have vested. A significant portion of the vested AAP Management Units (including all or a portion of those held by Messrs. Armstrong, Pefanis and Swanson) have been converted as described

below and are no longer outstanding. The applicable vesting dates for the remaining AAP Management Unit grants range from January 1, 2020 for AAP Management Units granted in 2011 to January 1, 2023 for AAP Management Units granted in 2015. The size of the discount to fair market value reflected in the potential call right purchase price decreases over time pursuant to a formula set forth in each AAP Management Unit grant agreement. AAP Management Unit grants also provide that all earned AAP Management Units and a portion of any unearned and unvested AAP Management Units will vest upon a change of control. All earned AAP Management Units will also vest if AAP does not timely exercise its call right.

As long as the PAGP Class A shares are publicly traded, each vested AAP Management Unit may be converted into AAP units and a like number of PAGP Class B shares based on a conversion ratio of approximately 0.941. Following any such conversion, the resulting AAP units and PAGP Class B shares are exchangeable for PAGP Class A shares or, subject to certain limitations, redeemable for PAA common units, in each case on a one-for-one basis as provided in the AAP limited partnership agreement. Between January 1, 2016 and February 15, 2017, approximately 17.1 million AAP Management Units became vested, of which 10.0 million were converted into 9.4 million AAP units and PAGP Class B shares and 5.9 million were converted and then exchanged for an aggregate of 5.6 million PAGP Class A shares. See Item 13. “Certain Relationships and Related Transactions, and Director Independence—Our General Partner—AAP Management Units.”

Prior to the Simplification Transactions, the entire economic burden of the AAP Management Units was borne by AAP. However, in connection with the closing of the Simplification Transactions, AAP received one PAA common unit for each outstanding earned and vested AAP Management Unit, and PAA withheld approximately 841,000 units from the Simplification consideration for future distribution or issuance when and if such units become earned.

Relation of Compensation Elements to Compensation Objectives

Our compensation program is designed to motivate, reward and retain our executive officers. Cash bonuses serve as a near-term motivation and reward for achieving the annual goals established at the beginning of each year. Phantom unit awards (and associated DERs) and AAP Management Units provide motivation and reward over both the near-term and long-term for achieving performance thresholds necessary for earning and vesting. The level of annual bonus and phantom unit awards reflect the moderate salary profile and the significant weighting towards performance based, at-risk compensation. Salaries and cash bonuses, as well as currently payable DERs associated with unvested phantom units and earned AAP Management Units subject to AAP’s call right, serve as near-term retention tools. Longer-term retention is facilitated by the minimum service periods of up to five years associated with phantom unit awards, the long-term vesting profile of the AAP Management Units and, in the case of certain executives directly involved in activities that generate partnership earnings, annual bonuses that are payable over a three-year period. To facilitate the compensation committee in reviewing and making recommendations, a compensation “tally sheet” is prepared by the CEO and General Counsel and provided to the compensation committee.

We stress performance-based compensation elements to attempt to create a performance-driven environment in which our executive officers are (i) motivated to perform over both the short term and the long term, (ii) appropriately rewarded for their services and (iii) encouraged to remain with us even after meeting long-term performance thresholds in order to meet the minimum service periods and by the potential for rewards yet to come. We believe our compensation philosophy as implemented by application of the three primary compensation elements (i) aligns the interests of our Named Executive Officers with our unitholders, (ii) positions us to achieve our business goals, and (iii) effectively encourages the exercise of sound judgment and risk-taking that is conducive to creating and sustaining long-term value. We believe the processes employed by the compensation committee and by the board in applying the elements of compensation (as discussed in more detail below) provide an adequate level of oversight with respect to the degree of risk being taken by management to achieve short-term performance goals. See “Relation of Compensation Policies and Practices to Risk Management.”

We believe our compensation program has been instrumental in our achievement of stated objectives. Over the five-year period ended December 31, 2016, our annual distribution per common unit has grown at a compound annual rate of 2.0% and the total return realized by our unitholders for that period averaged approximately 3.8% per annum as compared to the AMZ total return of 2.2%. During this period, we have enjoyed a very high rate of retention among executive officers.

Application of Compensation Elements

Salary. We do not make systematic annual adjustments to the salaries of our Named Executive Officers. We do, however, make salary adjustments as necessary to maintain hierarchical relationships among senior management levels after new senior management members are added to keep pace with our overall growth. Since the date of our initial public offering in 1998 (or date of employment, if later) through December 31, 2016, Messrs. Armstrong and Pefanis have each received one salary adjustment and Mr. Swanson, Mr. McGee and Mr. Nerbonne have received four, one and two salary adjustments,

respectively, in connection with taking on increasing responsibilities and promotions. During 2016 and 2017, Mr. Armstrong unilaterally elected to forego approximately 90% of his annual base salary.

Annual Discretionary Bonuses. Annual discretionary bonuses are determined based on our performance relative to our annual plan forecast and public guidance (typically provided quarterly in conjunction with release of earnings), our distribution growth targets, and other quantitative and qualitative goals established at the beginning of each year. Such annual objectives are discussed and reviewed with the board of directors in conjunction with the review and authorization of the annual plan.

At the end of each year, the CEO performs a quantitative and qualitative assessment of our performance relative to our goals. Key quantitative measures include earnings before interest, taxes, depreciation and amortization (including our proportionate share of depreciation and amortization of unconsolidated entities) and adjusted for certain selected items impacting comparability (“Adjusted EBITDA”), relative to established guidance, as well as the growth in the annualized quarterly distribution level per common unit relative to annual growth targets. Our primary performance metric is our ability to sustain and increase cash distributions to our unitholders; we also use distributable cash flow as a performance metric. Accordingly, although net income and net income per common unit are monitored to highlight inconsistencies with primary performance metrics, as is our market performance relative to our MLP peers and major indices, these metrics are considered secondary performance measures. The CEO’s written analysis of our performance examines our accomplishments, shortfalls and overall performance against opportunity, taking into account controllable and non-controllable factors encountered during the year.

The resulting document and supporting detail is submitted to the board of directors for review and comment. Based on the conclusions set forth in the annual performance review, the CEO submits recommendations to the compensation committee for bonuses to our other Named Executive Officers taking into account the relative contribution of the individual officer. There are no set formulas for determining the annual discretionary bonus for our Named Executive Officers; however, pursuant to his employment agreement, Mr. Chiang is entitled to a minimum bonus of \$1.25 million for each of 2016 and 2017. Factors considered by the CEO in determining the level of bonus in general include (i) whether or not we achieved the goals established for the year and any notable shortfalls relative to expectations; (ii) the level of difficulty associated with achieving such objectives based on the opportunities and challenges encountered during the year; (iii) current year operating and financial performance relative to both public guidance and prior year’s performance; (iv) significant transactions or accomplishments for the period not included in the goals for the year; (v) our relative prospects at the end of the year with respect to future growth and performance; and (vi) our positioning at the end of the year with respect to our targeted credit profile. The CEO takes these factors into consideration as well as the relative contributions of each of our Named Executive Officers to the year’s performance in developing his recommendations for bonus amounts.

These recommendations are discussed with the compensation committee, adjusted as appropriate, and submitted to the board of directors for its review and approval. Similarly, the compensation committee typically assesses the CEO’s contribution toward meeting our goals, and recommends a bonus for the CEO it believes to be commensurate with such contribution. In several historical instances, the CEO and the President have requested that the bonus amount recommended by the compensation committee be reduced to maintain a closer relationship to bonuses awarded to the other Named Executive Officers. With respect to 2016, despite executing a number of positive transactions in a difficult environment and several positive qualitative accomplishments, in consideration of weaker than expected financial and operating performance for 2016 and challenging industry conditions, each of the Named Executive Officers indicated that they will neither request nor accept a cash bonus for 2016. Accordingly, the typical practice of having the CEO submit to the compensation committee a preliminary draft of bonus recommendations was modified for 2016, and the CEO did not recommend any cash bonuses for our Named Executive Officers for 2016.

Long-Term Incentive Awards. We do not make systematic annual grants of phantom unit awards to our Named Executive Officers. Although we may make “off cycle” awards from time to time, generally our objective is to time the granting of awards such that the creation of new long-term incentives coincides with the satisfaction of performance thresholds under existing awards. Thus, performance is rewarded by relatively greater frequency of awards, and lack of performance by relatively lesser frequency of awards. Generally, we believe that a grant cycle of approximately three years (and extended time-vesting requirements) provides a balance between a meaningful retention period for us and a visible, reachable reward for the executive officer. Achievement of performance targets does not shorten the minimum service period requirement. If top performance targets on outstanding awards are achieved in the early part of this cycle, new awards are granted with higher performance thresholds, and the minimum service periods of the new awards are generally synchronized with the remaining time-vesting requirements of outstanding awards in a manner designed to encourage extended retention of our Named Executive Officers. Accordingly, these new arrangements inherently take into account the value of awards where performance levels have been achieved but have not yet vested due to ongoing service period requirements, but do not take into consideration previous awards that have fully vested.

AAP Management Units (each of which represents a “profits interest” in AAP) have been previously issued to provide an additional longer-term, performance-based officer incentive. As of December 31, 2016, 872,298 AAP Management Units were held by our Named Executive Officers. The compensation committee does not plan to issue any additional AAP Management Units.

Application in 2016

At the beginning of 2016, we established internal quantitative and qualitative goals that included implementing strategic plan initiatives; advancing multi-year programs and initiatives to prepare the organization for future growth; and enhancing and improving our focus on safe, compliant and reliable operations. Such goals were generally consistent with or overlapped our publicly stated objectives to:

1. Maintain a solid balance sheet, sound credit metrics and ample liquidity;
2. Execute our capital program in order to facilitate cash flow growth underpinned by MVCs and position PAA to benefit meaningfully as U.S. production volumes increase; and
3. Optimize our assets and focus our organization to deliver the best results possible under whatever conditions we encounter in the near term.

2016 was a challenging year for the energy industry in general and PAA specifically, as industry sentiments and overall activity levels generally followed oil price movements throughout 2016. Accordingly, the overall environment for the crude oil and MLP sectors was extremely unfavorable for the first six months of 2016, recovered some over the next five months and then strengthened in relative terms throughout December in response to positive OPEC actions. In response to the drop in oil prices and severely limited capital market access, oil producers revised down their 2016 capital budgets relative to prior indications, and the lower 48 onshore oil rig count declined approximately 50% from year end 2015 levels of around 600 rigs to bottom at approximately 300 rigs in May 2016. The reduced activity level adversely impacted expected crude oil production levels which, in conjunction with pressures associated with MVC over-commitments, intensified competition for the marginal barrel for gathering, marketing and transport and exacerbated the already severe pressure on margins.

PAA’s operating and financial results in 2016 came in below public guidance despite aggressive steps to compete in the highly competitive environment. However, PAA accomplished a number of positive events that included raising capital in a challenging environment, orchestrating a complex simplification transaction and executing a number of transactions that reduced risk and lowered leverage. PAA also executed its expansion capital program on time and on budget and advanced a number of multi-year efforts to improve our efficiency, lower operating costs and enhance our focus on safe, compliant and reliable operations. Selected actions/transactions included:

- Raising \$2.4 billion of common and preferred equity on terms considered by us to be fair and reasonable during challenging and volatile market conditions;
- Completing a complex simplification transaction that significantly reduced PAA’s cost of equity capital and enhanced its ability to fund its activities;
- Executing a \$1.4 billion capital expansion program generally on time and on budget;
- Initiating and completing approximately \$550 million of asset sales at attractive multiples and advancing discussions on an additional \$670 million of asset sales transactions that are now fully contracted and expected to close during the first half of 2017;
- Entering into various joint venture transactions that reduced risk and the level of PAA’s capital commitments;
- Initiating a review to challenge and reduce operating costs to adapt and strengthen PAA’s organization for the future; and
- Executing a strategic NGL acquisition for approximately \$204 million and positioning PAA to complete the acquisition of a strategic crude oil gathering system in the Northern Delaware Basin in early 2017 for approximately \$1.2 billion.

For 2016, the elements of compensation were applied as described below.

Salary. Other than Mr. Armstrong's unilateral election to forego a significant portion of his base salary in 2016 and an increase in Mr. Nerbonne's base salary in connection with his promotion to Executive Vice President, no salary adjustments for Named Executive Officers were recommended or made in 2016. See "—Employment Contracts" for additional information regarding the base salaries of our Named Executive Officers with employment contracts.

Cash Bonuses. Given the weaker than expected financial and operating performance for 2016 and challenging industry conditions, each of the Named Executive Officers indicated that they will neither request nor accept a cash bonus for 2016. Accordingly, we did not pay a cash bonus for 2016 to our Named Executive Officers.

Long-Term Incentive Awards. Prior to 2016, the last grant cycle of equity awards to Named Executive Officers occurred in 2013. All of the performance thresholds for vesting of the 2013 awards have been met, however, vesting under such awards remains subject to minimum service periods that extend to August 2018. Consistent with our policy of issuing new grants with extended time-vesting periods when attainment of the distribution performance thresholds of existing grants has occurred, in August 2016, the board of directors granted new awards to certain of our Named Executive Officers designed to incentivize continued growth and fundamental performance, as well as encourage retention. The phantom units covered by these awards will vest as follows: (i) one-third shall vest on the August 2019 distribution date, (ii) one-sixth shall vest on the August 2020 distribution date, (iii) one-sixth shall vest on the August 2021 distribution date, (iv) one-sixth shall vest on the date on which we pay an annualized quarterly distribution of at least \$2.50 per common unit; however, in the event the \$2.50 distribution threshold is not met prior to the August 2022 distribution date, the applicable phantom units will vest on such distribution date provided that on or prior to such date, PAA shall have achieved a minimum annualized distribution rate of \$2.30 per common unit, and (v) one-sixth shall vest on the date on which we pay an annualized quarterly distribution of at least \$2.65 per common unit; however, in the event the \$2.65 distribution threshold is not met prior to the August 2022 distribution date, the applicable phantom units will vest on such distribution date provided that on or prior to such date, PAA shall have achieved a minimum annualized distribution rate of \$2.30 per common unit. Any phantom units that have not vested as of the August 2022 distribution date will be forfeited. Upon vesting, the phantom units are payable on a one-for-one basis in PAA common units. These phantom units include tandem DERs that will vest (i.e., commence receiving cash distributions as if the underlying common units were owned) as follows: (i) one-third shall vest upon and effective with the earlier to occur of the August 2018 distribution date and the first date following the date of grant on which we pay an annualized quarterly distribution of at least \$2.30 per common unit (\$0.575 per quarter), (ii) one-third shall vest upon and effective with the earlier to occur of the August 2019 distribution date and the first date following the date of grant on which we pay an annualized quarterly distribution of at least \$2.40 per common unit (\$0.60 per quarter), and (iii) one-third shall vest upon and effective with the earlier to occur of the August 2020 distribution date and the first date following the date of grant on which we pay an annualized quarterly distribution of at least \$2.50 per common unit (\$0.625 per quarter). The 2016 awards included grants to our Named Executive Officers as follows: Mr. Armstrong - 0; Mr. Pefanis - 0; Mr. Chiang - 165,000; Mr. Swanson - 138,000; Mr. McGee - 138,000 and Mr. Nerbonne - 95,000.

In connection with his promotion to Executive Vice President in 2016, Mr. Nerbonne received an additional grant of 25,000 phantom units. These phantom units, which include associated DERs payable in cash, will vest in full on December 14, 2018.

In addition, in connection with the Simplification Transactions, certain modifications were made to the phantom units previously granted to Mr. Chiang in 2015. Specifically, the vesting terms of such award were modified so that 40% of such award will vest on the later of the August 2018 distribution date and the date PAA pays an annualized quarterly distribution of \$2.30 per common unit; 30% of such award will vest on the later of the August 2019 distribution date and the date PAA pays an annualized quarterly distribution of \$2.40 per common unit; and 30% of such award will vest on the later of the August 2020 distribution date and the date PAA pays an annualized quarterly distribution of \$2.50 per common unit.

Outstanding unearned AAP Management Units, including those held by Messrs. Chiang, McGee and Nerbonne, were also modified in connection with the Simplification Transactions. Specifically, the following modifications were made:

For Mr. Chiang, the AAP Management Units originally granted in August 2015 (approximately 375,000 units) will become earned as follows: (i) subsequent to March 31, 2017, 50% upon the payment by PAA of an annualized quarterly distribution of \$2.20 per common unit and the generation by PAA of distributable cash flow of \$1.5 billion or more on a trailing four quarter basis (subject to adjustment under certain circumstances to account for significant asset sales); (ii) 25% upon the payment by PAA of an annualized quarterly distribution of \$2.50 per common unit; and (iii) 25% upon the payment by PAA of an annualized quarterly distribution of \$2.80 per common unit.

For Mr. McGee, the remaining 25% of the AAP Management Units originally granted in March 2013 (approximately 61,000 units) will become earned on the first date subsequent to March 31, 2017 upon which PAA pays an annualized quarterly

distribution of \$2.20 per common unit and generates distributable cash flow of \$1.5 billion or more on a trailing four quarter basis (subject to adjustment under certain circumstances to account for significant asset sales).

For Mr. Nerbonne, the AAP Management Units originally granted in July 2015 (approximately 56,000 units) will become earned as follows: (i) subsequent to March 31, 2017, 25% upon the payment by PAA of an annualized quarterly distribution of \$2.20 per common unit and the generation by PAA of distributable cash flow of \$1.5 billion or more on a trailing four quarter basis; (ii) 25% upon the payment by PAA of an annualized quarterly distribution of \$2.30 per common unit and the generation by PAA of distributable cash flow of \$1.75 billion or more on a trailing four quarter basis; (iii) 25% upon the payment by PAA of an annualized quarterly distribution of \$2.40 per common unit and the generation by PAA of distributable cash flow of \$1.9 billion or more on a trailing four quarter basis; and (iv) 25% upon the payment by PAA of an annualized quarterly distribution of \$2.40 per common unit and the generation by PAA of distributable cash flow of \$2.05 billion or more on a trailing four quarter basis. Distributable cash flow will be subject to adjustment under certain circumstances to account for significant asset sales.

Other Compensation Related Matters

Equity Ownership. Our Named Executive Officers collectively own substantial equity in the Partnership as well as interests in the general partner. Although we encourage our Named Executive Officers to acquire and retain ownership in the Partnership, we do not have a policy requiring maintenance of a specified equity ownership level. Our policies prohibit our Named Executive Officers from using puts, calls or options to hedge the economic risk of their ownership. As of February 15, 2017, our Named Executive Officers beneficially owned, in the aggregate, directly or indirectly approximately 16 million PAA common units with an approximate market value of over \$500 million, which was significantly greater than the combined aggregate salaries and bonuses of these individuals for 2016.

Recovery of Prior Awards. Except as provided by applicable laws and regulations, we do not have a policy with respect to adjustment or recovery of awards or payments if relevant company performance measures upon which previous awards were based are restated or otherwise adjusted in a manner that would have reduced the size of such award or payment if previously known.

Section 162(m). With respect to the deduction limitations under Section 162(m) of the Code, we are a limited partnership and do not fall within the definition of a “corporation” under Section 162(m).

Change in Control Triggers. The employment agreements for Messrs. Armstrong, Pefanis and Chiang, the long-term incentive plan grants to our Named Executive Officers, and the AAP Management Unit grant agreements to which our Named Executive Officers are a party include severance payment provisions or accelerated vesting triggered upon a change of control, as defined in the respective agreements. In the case of the long-term incentive plan grants, the provision becomes operative only if the change in control is accompanied by a change in status (such as the termination of employment by GP LLC). We believe this “double trigger” arrangement is appropriate because it provides assurance to the executive, but does not offer a windfall to the executive when there has been no real change in employment status. The provisions in the employment agreements for Messrs. Armstrong and Pefanis become operative only if the executive terminates employment within three months of the change in control. Messrs. Armstrong and Pefanis agreed to a conditional waiver of these provisions with respect to all prior qualifying transactions. Mr. Chiang’s employment agreement provides for accelerated vesting of his 2015 long-term incentive plan grant and AAP Management Unit grant in the event of a change of control prior to December 31, 2018 if, in connection therewith, he is not designated to receive a promotion to the top leadership position of GP LLC and terminates his employment within a period of 90 days following such change of control. See “—Employment Contracts” and “—Potential Payments Upon Termination or Change-in-Control.” The provision of severance or equity acceleration for certain terminations and change of control help to create a retention tool by assuring the executive that the benefit of the employment arrangement will be at least partially realized despite the occurrence of an event that would materially alter the employment arrangement.

Relation of Compensation Policies and Practices to Risk Management

Our compensation policies and practices are designed to provide rewards for short-term and long-term performance, both on an individual basis and at the entity level. In general, optimal financial and operational performance, particularly in a competitive business, requires some degree of risk-taking. Accordingly, the use of compensation as an incentive for performance can foster the potential for management and others to take unnecessary or excessive risks to reach the performance thresholds. For us, such risks would primarily attach to certain commercial activities conducted in our Supply and Logistics segment as well as to the execution of capital expansion projects and acquisitions and the realization of associated returns.

[Table of Contents](#)

From a risk management perspective, our policy is to conduct our commercial activities within pre-defined risk parameters that are closely monitored and are structured in a manner intended to control and minimize the potential for unwarranted risk-taking. See “Impact of Commodity Price Volatility and Dynamic Market Conditions on Our Business Model—Risk Management” in Part I of this annual report. We also routinely monitor and measure the execution and performance of our capital projects and acquisitions relative to expectations.

Our compensation arrangements contain a number of design elements that serve to minimize the incentive for unwarranted risk-taking to achieve short-term, unsustainable results, including splitting the awards into a number of tranches and delaying the vesting date for various tranches, in addition to subjecting such awards to forfeiture for terminations related to violations of our risk management policies and practices or of our Code of Business Conduct. In addition, the vesting criteria for our long-term incentive awards are typically based on the passage of time and/or the payment of distributions from currently available cash. See “Compensation Discussion and Analysis—Relation of Compensation Elements to Compensation Objectives.”

In combination with our risk-management practices, we do not believe that risks arising from our compensation policies and practices for our employees are reasonably likely to have a material adverse effect on us.

Summary Compensation Table

The following table sets forth certain compensation information for our Chief Executive Officer, Chief Financial Officer, President and Chief Operating Officer plus the three most highly compensated executive officers in 2016 other than our CEO and CFO (collectively, our “Named Executive Officers”). We reimburse our general partner and its affiliates for expenses incurred on our behalf, including the costs of officer compensation. Mr. Chiang joined PAA in August 2015; therefore, his salary and bonus amounts for 2015 reflect a partial year of employment.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$) ⁽¹⁾	All Other Compensation (\$) ⁽²⁾	Total (\$)
Greg L. Armstrong Chairman and Chief Executive Officer	2016	40,000	—	—	2,575	42,575
	2015	375,000	—	—	17,340	392,340
	2014	375,000	3,900,000	—	17,040	4,292,040
Harry N. Pefanis President and Chief Operating Officer	2016	300,000	—	—	17,340	317,340
	2015	300,000	—	—	17,340	317,340
	2014	300,000	3,800,000	—	17,040	4,117,040
Wilfred (Willie) C. Chiang Executive Vice President and Chief Operating Officer (U.S.)	2016	250,000	—	2,542,650	17,340	2,809,990
	2015	89,102	500,000	5,330,830	5,886	5,925,818
Al Swanson Executive Vice President and Chief Financial Officer	2016	250,000	—	2,126,580	17,340	2,393,920
	2015	250,000	900,000	—	17,340	1,167,340
	2014	250,000	1,650,000	—	17,040	1,917,040
Richard McGee Executive Vice President, General Counsel and Secretary	2016	250,000	—	3,265,760	17,340	3,533,100
Daniel J. Nerbonne Executive Vice President - Operations and Engineering	2016	232,292	—	2,122,694	25,638	2,380,624

- (1) Grant date fair values are presented for (i) LTIP phantom unit grants awarded to Messrs. Swanson, Chiang, McGee and Nerbonne in 2016, (ii) LTIP phantom unit grants awarded to Mr. Chiang in 2015, (iii) AAP Management Unit grants awarded to Mr. Chiang in 2015, and (iv) a portion of an AAP Management Unit grant awarded to Mr. McGee in 2013 and amended in 2016. Dollar amounts in the table represent the aggregate grant date fair value of phantom units and AAP Management Units awarded based on the probable outcome of underlying performance conditions pursuant to FASB ASC Topic 718. The amount presented for Mr. McGee includes incremental grant date fair value of \$1,139,180 resulting from the modification in 2016 of previously granted AAP Management Unit awards. Specifically, the AAP Management Unit award originally granted to Mr. McGee in March 2013 was amended in 2016 in connection with the Simplification Transactions so that the portion of such grant that had not yet become earned (approximately 61,000 units or 25%) would, instead of becoming earned upon the payment by PAA of an annualized quarterly distribution of \$2.85 per common unit, become earned on the first date subsequent to March 31, 2017 upon which PAA pays an annualized quarterly distribution of \$2.20 per common unit and generates distributable cash flow of \$1.5 billion or more on a trailing four quarter basis (subject to adjustment under certain circumstances to account for significant asset sales). The incremental grant date fair value of \$1,139,180 represents the increase in grant date fair value of such award relative to the original March 2013 grant date fair value of such AAP Management units. The modification in 2016 of previously granted LTIP phantom unit awards and AAP Management Unit awards for Messrs. Chiang and Nerbonne did not result in any incremental grant date fair value relative to the grant date fair value of such awards as of their respective dates of issuance. For LTIP phantom unit grants and AAP Management Unit grants awarded in 2015, the performance threshold for the first tranche of vesting was deemed probable of occurring on the grant date. The aggregate maximum grant date fair value of phantom unit grants and AAP Management Unit grants awarded to Mr. Chiang in 2015, assuming that the highest level of performance conditions will be met, was \$17,197,332. For LTIP phantom unit grants awarded in 2016, the performance thresholds for the first, second and third tranches of vesting were deemed probable of occurring on the grant date. The maximum grant date fair value of phantom unit grants awarded in 2016, assuming that the highest level of performance conditions will be met, was: \$3,115,120 for Mr. Swanson, \$3,724,600 for Mr. Chiang, \$3,115,120 for Mr. McGee and \$2,803,217 for Mr. Nerbonne. See Note 16 to our Consolidated Financial Statements for further discussion regarding the calculation of grant date fair values.
- (2) GP LLC matches 100% of employees' contributions to its 401(k) plan in cash, subject to certain limitations in the plan. All Other Compensation for 2016 includes \$2,348 in such contributions for Mr. Armstrong and \$15,900 for each of Messrs. Pefanis, Chiang, Swanson, McGee and Nerbonne. The remaining amount represents premium payments on behalf of such Named Executive Officer for group term life insurance and, for Mr. Nerbonne only, a car allowance of \$8,400.

Grants of Plan-Based Awards Table

The following table sets forth summary information regarding all grants of plan-based awards made to our Named Executive Officers during the fiscal year ended December 31, 2016:

Name	Grant Date	All Other Stock Awards: Number Of Shares Of Stock or Units (#)	Grant Date Fair Value Of Stock and Option Awards (\$) ⁽⁴⁾
Al Swanson	8/25/16	138,000 ⁽¹⁾	\$ 2,126,580
Wilfred (Willie) C. Chiang	8/25/16	165,000 ⁽¹⁾	\$ 2,542,650
Richard McGee	8/25/16	138,000 ⁽¹⁾	\$ 2,126,580
	9/15/16	61,174 ⁽²⁾	\$ 1,139,180
Dan Nerbonne	8/25/16	95,000 ⁽¹⁾	\$ 1,463,944
	8/25/16	25,000 ⁽³⁾	\$ 658,750

⁽¹⁾ For a description of the vesting terms of these awards, see “Compensation Discussion and Analysis—Application in 2016—Long Term Incentive Awards”.

⁽²⁾ Represents incremental grant date fair value resulting from the modification in 2016 of the unearned portion of AAP Management Unit awards originally granted in March 2013. See Footnote 1 to the Summary Compensation Table for a description.

⁽³⁾ These phantom units, which include associated DERs payable in cash, will vest 100% on December 14, 2018.

- (4) Represents the grant date fair values of LTIP phantom units granted in 2016 based on the probable outcome of underlying performance conditions pursuant to FASB ASC Topic 718. The performance thresholds for the first, second and third tranches of vesting of the LTIP phantom units granted in 2016 was deemed probable of occurring on the grant date. The aggregate maximum grant date fair value of phantom unit grants awarded in 2016, assuming that the highest level of performance conditions will be met, was \$3,115,120 for Mr. Swanson, \$3,724,600 for Mr. Chiang, \$3,115,120 for Mr. McGee and \$2,803,217 for Mr. Nerbonne.

Narrative Disclosure to Summary Compensation Table

A narrative description of all material factors necessary to an understanding of the information included in the above Summary Compensation Table is included in “—Compensation Discussion and Analysis” and in the footnotes to such table.

Employment Contracts

Mr. Armstrong is employed as Chairman and Chief Executive Officer. The initial three-year term of Mr. Armstrong’s employment agreement commenced on June 30, 2001, and is automatically extended for one year on June 30 of each year (such that the term is reset to three years) unless Mr. Armstrong receives notice from the chairman of the compensation committee that the board of directors has elected not to extend the agreement. Mr. Armstrong has agreed, during the term of the agreement and for five years thereafter, not to disclose (subject to typical exceptions, including, but not limited to, requirement of law or prior disclosure by a third party) any confidential information obtained by him while employed under the agreement. The agreement provided for a base salary of \$330,000 per year, subject to annual review. In 2005, Mr. Armstrong’s annual salary was increased to \$375,000. For 2016 and 2017, Mr. Armstrong unilaterally elected to forego approximately 90% of his annual base salary.

Mr. Pefanis is employed as President and Chief Operating Officer. The initial three-year term of Mr. Pefanis’ employment agreement commenced on June 30, 2001, and is automatically extended for one year on June 30 of each year (such that the term is reset to three years) unless Mr. Pefanis receives notice from the Chairman of the Board that the board of directors has elected not to extend the agreement. Mr. Pefanis has agreed, during the term of the agreement and for one year thereafter, not to disclose (subject to typical exceptions) any confidential information obtained by him while employed under the agreement. The agreement provided for a base salary of \$235,000 per year, subject to annual review. In 2005, Mr. Pefanis’ annual salary was increased to \$300,000.

In connection with Mr. Chiang’s employment in August 2015, GP LLC and Mr. Chiang entered into an agreement setting forth the terms of his employment. The agreement, which may be terminated by either party at any time, provides for a base salary of \$250,000 per year, and a minimum bonus of \$500,000 for 2015 and \$1.25 million for each of 2016 and 2017. GP LLC’s obligation to pay the minimum bonus is subject to Mr. Chiang’s continued employment through the bonus payment date. For 2016, in consideration of weaker than expected financial and operating performance and challenging industry conditions, Mr. Chiang has elected to forego his right to receive a cash bonus. Mr. Chiang was hired with the expectation that, contingent on his performance, he would be offered the top executive leadership position of GP LLC (the “Executive Promotion”) no later than December 31, 2018 (the “Reference Date”). Consistent with such expectation and as an inducement to Mr. Chiang, Mr. Chiang’s employment agreement provides for the accelerated vesting of the phantom units and AAP Management Units he received in 2015 in the event his employment is terminated under certain circumstances prior to the Reference Date. These circumstances include the following: (i) if Mr. Chiang has not received the Executive Promotion and is terminated other than for cause prior to the Reference Date; (ii) if Mr. Chiang has not received the Executive Promotion by the Reference Date and Mr. Chiang resigns within 90 days thereafter or if Mr. Chiang has not received the Executive Promotion and terminates his employment for “good reason” prior to the Reference Date; and (iii) if a change of control occurs prior to the Reference Date and in connection therewith Mr. Chiang is not designated to receive the Executive Promotion and terminates his employment within 90 days of such change of control. Mr. Chiang’s employment agreement also provides that in the event of his death or disability prior to the second anniversary of his employment date under circumstances where less than 187,760 of his AAP Management Units have previously become “earned”, he will immediately vest in such number of AAP Management Units as may be necessary to cause the number of vested AAP Management Units to equal 187,760. Mr. Chiang also entered into ancillary agreements pursuant to which he has agreed to maintain confidentiality and not to solicit customers, assets or employees for a period of two years following termination of his employment.

See “—Compensation Discussion and Analysis” for a discussion of how we use salary and bonus to achieve compensation objectives. See “—Potential Payments upon Termination or Change-In-Control” for a discussion of the provisions in Messrs. Armstrong’s, Pefanis’ and Chiang’s employment agreements related to termination, change of control and related payment obligations.

Outstanding Equity Awards at Fiscal Year-End

The following table sets forth certain information regarding outstanding equity awards at December 31, 2016 with respect to our Named Executive Officers:

Name	Unit Awards			
	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$) ⁽¹⁾	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$) ⁽¹⁾
Greg L. Armstrong	100,000 ⁽²⁾	3,229,000	—	—
Harry N. Pefanis	90,000 ⁽²⁾	2,906,100	—	—
Wilfred (Willie) C. Chiang	—	—	375,521 ⁽³⁾	12,258,999
	—	—	120,000 ⁽⁷⁾	3,874,800
	110,000 ⁽⁸⁾	3,551,900	55,000 ⁽⁸⁾	1,775,950
Al Swanson	66,667 ⁽²⁾	2,152,677	—	—
	92,000 ⁽⁸⁾	2,970,680	46,000 ⁽⁸⁾	1,485,340
Richard McGee	60,000 ⁽²⁾	1,937,400	—	—
	195,755 ⁽⁴⁾	6,390,449	—	—
	183,520 ⁽⁴⁾	5,991,074	61,174 ⁽⁵⁾	1,997,048
	92,000 ⁽⁸⁾	2,970,680	46,000 ⁽⁸⁾	1,485,340
Dan Nerbonne	36,000 ⁽²⁾	1,162,440	—	—
	—	—	56,328 ⁽⁶⁾	1,838,838
	63,333 ⁽⁸⁾	2,045,023	31,667 ⁽⁸⁾	1,022,527
	25,000 ⁽⁹⁾	807,250	—	—

⁽¹⁾ Market value of phantom units reported in these columns is calculated by multiplying the closing market price (\$32.29) of our common units at December 30, 2016 (the last trading day of the fiscal year) by the number of units. No discount is applied for remaining performance threshold or service period requirements. Market value of AAP Management Units is calculated by (i) assuming that such AAP Management Units are converted into AAP units based on the conversion factor of approximately 0.941 AAP units and PAGP Class B shares for each AAP Management Unit, (ii) assuming the exchange of the resulting AAP units and PAGP Class B shares for PAGP Class A shares on a one-for-one basis, and (iii) multiplying such resulting number of PAGP Class A shares by the closing market price (\$34.68) of PAGP's Class A shares at December 30, 2016 (the last trading day of the fiscal year).

⁽²⁾ Represents the unvested portion of phantom units granted in 2013 under our Long-Term Incentive Plan. All performance thresholds have been met. Accordingly, subject to continued employment, these phantom units will vest as follows: (i) one-half will vest on the August 2017 distribution date, and (ii) one-half will vest on the August 2018 distribution date. Upon vesting, the phantom units are payable on a one-for-one basis in PAA common units. All of the DERs associated with these phantom units are currently payable. The DERs expire when the associated phantom units vest.

- (3) Represents the pre-conversion number of AAP Management Units held by Mr. Chiang, each of which represents a profits interest in AAP, entitling him to participate in future profits and losses from operations, current distributions from operations, and an interest in future appreciation or depreciation in AAP's asset values, but does not represent an interest in the capital of AAP on the applicable grant date of the AAP Management Units. These AAP Management Units become earned as follows: 50% will become earned on the first date subsequent to March 31, 2017 upon which we pay a quarterly distribution of at least \$0.55 per common unit (\$2.20 annualized) and generate distributable cash flow of \$1.5 billion or more on a trailing four quarter basis (subject to adjustment under certain circumstances to account for significant asset sales), 25% will become earned on the first date subsequent to March 31, 2017 upon which we pay a quarterly distribution of at least \$0.625 per common unit (\$2.50 annualized, and 25% will become earned on the first date subsequent to March 31, 2017 on which we pay a quarterly distribution of at least \$0.70 per common unit (\$2.80 annualized). These AAP Management Units are subject to a call right in the event Mr. Chiang's employment is terminated under certain circumstances prior to December 31, 2022. If Mr. Chiang remains employed after such date, his AAP Management Units will be deemed to have vested. Mr. Chiang's employment agreement provides for the accelerated vesting of his AAP Management Units under certain circumstances prior to December 31, 2018. See "—Employment Contracts" and "—Potential Payments Upon Termination or Change-in-Control."
- (4) Represents the pre-conversion number of earned AAP Management Units held by Mr. McGee. Despite the fact that these AAP Management Units are earned, they are treated as stock that has not vested for purposes of this table due to the fact that they remain subject to a call right held by AAP that entitles AAP to purchase such AAP Management Units for (i) an amount equal to 75% of their fair market value upon the termination of employment prior to December 31, 2019 (with respect to 195,755 AAP Management Units) or (ii) an amount equal to 50-75% of their fair market value upon the termination of employment prior to December 31, 2020 (with respect to 183,520 AAP Management Units).
- (5) Represents the remaining 25% of the AAP Management Units originally granted to Mr. McGee in March 2013. These AAP Management Units will become earned on the first date subsequent to March 31, 2017 upon which PAA pays an annualized quarterly distribution of \$2.20 per common unit and PAA generates distributable cash flow of \$1.5 billion or more on a trailing four quarter basis (subject to adjustment under certain circumstances to account for significant asset sales).
- (6) Represents AAP Management Units originally granted to Mr. Nerbonne in July 2015. These AAP Management Units will become earned as follows: (i) subsequent to March 31, 2017, 25% upon the payment by PAA of an annualized quarterly distribution of \$2.20 per common unit and the generation by PAA of distributable cash flow of \$1.5 billion or more on a trailing four quarter basis; (ii) 25% upon the payment by PAA of an annualized quarterly distribution of \$2.30 per common unit and the generation by PAA of distributable cash flow of \$1.75 billion or more on a trailing four quarter basis; (iii) 25% upon the payment by PAA of an annualized quarterly distribution of \$2.40 per common unit and the generation by PAA of distributable cash flow of \$1.9 billion or more on a trailing four quarter basis; and (iv) 25% upon the payment by PAA of an annualized quarterly distribution of \$2.40 per common unit and the generation by PAA of distributable cash flow of \$2.05 billion or more on a trailing four quarter basis. Distributable cash flow will be subject to adjustment under certain circumstances to account for significant asset sales.
- (7) Represents phantom units granted to Mr. Chiang in 2015 under our Long-Term Incentive Plan. In August 2016, the terms of these phantom units were modified such that they will vest 40% on the later of the August 2018 distribution date and the date PAA pays an annualized quarterly distribution of \$2.30 per common unit; 30% on the later of the August 2019 distribution date and the date PAA pays an annualized quarterly distribution of \$2.40 per common unit; and 30% on the later of the August 2020 distribution date and the date PAA pays an annualized quarterly distribution of \$2.50 per common unit. The phantom units also vest upon termination of employment under certain circumstances. See "—Employment Contracts" and "—Potential Payments Upon Termination or Change-in-Control." Any phantom units that have not vested as of the August 2021 distribution date will be forfeited. Upon vesting, the phantom units are payable on a one-for-one basis in common units. The phantom units have associated DERs that are currently vested and payable in cash on each distribution payment date.
- (8) Represents phantom units granted in 2016 under our Long-Term Incentive Plan. For a description of the vesting terms of these awards, see "Compensation Discussion and Analysis—Application in 2016—Long-Term Incentive Awards".
- (9) Represents phantom units granted to Mr. Nerbonne in 2016 under our Long-Term Incentive Plan. These phantom units, which include DERs payable in cash, will vest 100% on December 14, 2018.

Option Exercises and Units Vested

The following table sets forth certain information regarding the vesting of phantom units during the fiscal year ended December 31, 2016 with respect to our Named Executive Officers.

Name	Unit Awards	
	Number of Units Acquired on Vesting (#)	Value Realized on Vesting (\$)
Greg L. Armstrong	50,000 ⁽¹⁾	1,457,500 ⁽³⁾
Harry N. Pefanis	45,000 ⁽¹⁾	1,311,750 ⁽³⁾
Wilfred (Willie) C. Chiang	—	—
Al Swanson	33,333 ⁽¹⁾	966,657 ⁽²⁾
Richard McGee	30,000 ⁽¹⁾	870,000 ⁽²⁾
Dan Nerbonne	18,000 ⁽¹⁾	522,000 ⁽²⁾

(1) Represents the gross number of phantom units that vested during the year ended December 31, 2016. The actual number of units delivered was net of income tax withholding.

(2) Consistent with the terms of the applicable Long-Term Incentive Plan, the value realized upon vesting is computed by multiplying the closing market price (\$29.00) of our common units on August 11, 2016 (the date preceding the vesting date) by the number of units that vested.

(3) Consistent with the terms of the applicable Long-Term Incentive Plan, the value realized upon vesting is computed by multiplying the closing market price (\$29.15) of our common units on August 12, 2016 (the vesting date) by the number of units that vested.

Pension Benefits

We sponsor a 401(k) plan that is available to all U.S. employees, but we do not maintain a pension or defined benefit program.

Nonqualified Deferred Compensation and Other Nonqualified Deferred Compensation Plans

We do not have a nonqualified deferred compensation plan or program for our officers or employees.

Potential Payments upon Termination or Change-in-Control

The following table sets forth potential amounts payable to the Named Executive Officers upon termination of employment under various circumstances, and as if terminated on December 30, 2016.

	By Reason of Death (\$)	By Reason of Disability (\$)	By Company without Cause (\$)	By Executive with Good Reason (\$)	In Connection with a Change In Control (\$)
Greg L. Armstrong					
Salary and Bonus	8,550,000 ⁽¹⁾	8,550,000 ⁽¹⁾	8,550,000 ⁽¹⁾	8,550,000 ⁽¹⁾	12,825,000 ⁽²⁾
Equity Compensation	3,229,000 ⁽³⁾	3,229,000 ⁽³⁾	3,229,000 ⁽⁴⁾	3,229,000 ⁽⁴⁾	3,229,000 ⁽⁵⁾
Health Benefits	N/A	36,844 ⁽⁶⁾	36,844 ⁽⁶⁾	36,844 ⁽⁶⁾	36,844 ⁽⁶⁾
Tax Gross-up	N/A	N/A	N/A	N/A	112,219 ⁽⁷⁾
AAP Management Units	N/A	N/A	N/A ⁽⁸⁾	N/A ⁽⁸⁾	N/A ⁽⁹⁾
Total	11,779,000	11,815,844	11,815,844	11,815,844	16,203,063

	By Reason of Death (\$)	By Reason of Disability (\$)	By Company without Cause (\$)	By Executive with Good Reason (\$)	In Connection with a Change In Control (\$)
Harry N. Pefanis					
Salary and Bonus	8,200,000 ⁽¹⁾	8,200,000 ⁽¹⁾	8,200,000 ⁽¹⁾	8,200,000 ⁽¹⁾	12,300,000 ⁽²⁾
Equity Compensation	2,906,100 ⁽³⁾	2,906,100 ⁽³⁾	2,906,100 ⁽⁴⁾	2,906,100 ⁽⁴⁾	2,906,100 ⁽⁵⁾
Health Benefits	N/A	57,286 ⁽⁶⁾	57,286 ⁽⁶⁾	57,286 ⁽⁶⁾	57,286 ⁽⁶⁾
Tax Gross-up	N/A	N/A	N/A	N/A	603,349 ⁽⁷⁾
AAP Management Units	N/A	N/A	N/A ⁽⁸⁾	N/A ⁽⁸⁾	N/A ⁽⁹⁾
Total	11,106,100	11,163,386	11,163,386	11,163,386	15,866,735
Wilfred (Willie) C. Chiang ⁽¹⁰⁾					
Equity Compensation	— ⁽³⁾	— ⁽³⁾	3,874,800 ⁽⁴⁾	3,874,800 ⁽⁴⁾	9,202,650 ⁽⁵⁾
AAP Management Units	6,129,499 ⁽¹¹⁾	6,129,499 ⁽¹¹⁾	12,258,999 ⁽⁸⁾	12,258,999 ⁽⁸⁾	12,258,999 ⁽⁹⁾
Total	6,129,499	6,129,499	16,133,799	16,133,799	21,461,649
Al Swanson ⁽¹⁰⁾					
Equity Compensation	2,152,645 ⁽³⁾	2,152,645 ⁽³⁾	2,152,645 ⁽⁴⁾	N/A	6,608,665 ⁽⁵⁾
AAP Management Units	N/A	N/A	N/A ⁽⁸⁾	N/A ⁽⁸⁾	N/A ⁽⁹⁾
Total	2,152,645	2,152,645	2,152,645	—	6,608,665
Richard McGee ⁽¹⁰⁾					
Equity Compensation	1,937,400 ⁽³⁾	1,937,400 ⁽³⁾	1,937,400 ⁽⁴⁾	N/A	6,393,420 ⁽⁵⁾
AAP Management Units	N/A	N/A	7,189,285 ⁽⁸⁾	7,189,285 ⁽⁸⁾	8,187,801 ⁽⁹⁾
Total	1,937,400	1,937,400	9,126,685	7,189,285	14,581,221
Dan Nerbonne ⁽¹⁰⁾					
Equity Compensation	1,162,440 ⁽³⁾	1,162,440 ⁽³⁾	1,162,440 ⁽⁴⁾	N/A	5,037,240 ⁽⁵⁾
AAP Management Units	N/A	N/A	— ⁽⁸⁾	— ⁽⁸⁾	459,709 ⁽⁹⁾
Total	1,162,440	1,162,440	1,162,440	—	5,496,949

⁽¹⁾ The employment agreements between GP LLC and Messrs. Armstrong and Pefanis provide that if (i) their employment with GP LLC is terminated as a result of their death, (ii) they terminate their employment with GP LLC (a) because of a disability (as defined in Section 409A of the Code) or (b) for good reason (as defined below), or (iii) GP LLC terminates their employment without cause (as defined below), they are entitled to a lump-sum amount equal to the product of (1) the sum of their (a) highest annual base salary paid prior to their date of termination and (b) highest annual bonus paid or payable for any of the three years prior to the date of termination, and (2) the lesser of (i) two or (ii) the number of days remaining in the term of their employment agreement divided by 360. The amount provided in the table assumes for each executive a termination date of December 30, 2016, and also assumes a highest annual base salary of \$375,000 and highest annual bonus of \$3,900,000 for Mr. Armstrong, and a highest annual base salary of \$300,000 and highest annual bonus of \$3,800,000 for Mr. Pefanis.

The employment agreements between GP LLC and Messrs. Armstrong and Pefanis define “cause” as (i) willfully engaging in gross misconduct, or (ii) conviction of a felony involving moral turpitude. Notwithstanding, no act, or failure to act, on their part is “willful” unless done, or omitted to be done, not in good faith and without reasonable belief that such act or omission was in the best interest of GP LLC or otherwise likely to result in no material injury to GP LLC. However, neither Mr. Armstrong nor Mr. Pefanis will be deemed to have been terminated for cause unless and until there is delivered to them a copy of a resolution of the board of directors at a meeting held for that purpose (after reasonable notice and an opportunity to be heard), finding that Mr. Armstrong or Mr. Pefanis, as applicable, was guilty of the conduct described above, and specifying the basis for that finding. If Mr. Armstrong or Mr. Pefanis were terminated for cause, GP LLC would

be obligated to pay base salary through the date of termination, with no other payment obligations triggered by the termination under the employment agreement or other employment arrangement.

The employment agreements between GP LLC and Messrs. Armstrong and Pefanis define “good reason” as the occurrence of any of the following circumstances: (i) removal by GP LLC from, or failure to re-elect them to, the positions to which Messrs. Armstrong and Pefanis were appointed pursuant to their respective employment agreements, except in connection with their termination for cause (as defined above); (ii) (a) a reduction in their rate of base salary (other than in connection with across-the-board salary reductions for all executive officers of GP LLC) unless such reduction reduces their base salary to less than 85% of their current base salary, (b) a material reduction in their fringe benefits, or (c) any other material failure by GP LLC to comply with its obligations under their employment agreements to pay their annual salary and bonus, reimburse their business expenses, provide for their participation in certain employee benefit plans and arrangements, furnish them with suitable office space and support staff, or allow them no less than 15 business days of paid vacation annually; or (iii) the failure of GP LLC to obtain the express assumption of the employment agreements by a successor entity (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of GP LLC.

- (2) Pursuant to their employment agreements, if Messrs. Armstrong and Pefanis terminate their employment with GP LLC within three (3) months of a change in control (as defined below), they are entitled to a lump-sum payment in an amount equal to the product of (i) three and (ii) the sum of (a) their highest annual base salary previously paid to them and (b) their highest annual bonus paid or payable for any of the three years prior to the date of such termination. The amount provided in the table assumes a change in control and termination date of December 30, 2016, and also assumes a highest annual base salary of \$375,000 and highest annual bonus of \$3,900,000 for Mr. Armstrong, and a highest annual base salary of \$300,000 and highest annual bonus of \$3,800,000 for Mr. Pefanis.

In conjunction with events occurring in 2005, 2010 and 2013, Messrs. Armstrong and Pefanis executed various agreements waiving their rights to terminate employment and receive separation benefits under their employment agreements. In connection with such waivers, the definition of “Change in control” in the employment agreements was also modified to mean, and will be deemed to occur upon, one or more of the following events: (i) any person (other than PAGP or its wholly owned subsidiaries), including any partnership, limited partnership, syndicate or other group deemed a “person” for purposes of Section 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended, becomes the beneficial owner, directly or indirectly, of 50% or more of the membership interest in GP LLC or 50% or more of the outstanding limited partnership interest of PAGP; (ii) any person (other than PAGP or its wholly owned subsidiaries, including any partnership, limited partnership, syndicate or other group deemed a “person” for purposes of Section 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended, becomes the beneficial owner, directly or indirectly, of 50% or more of the membership interest in PAGP GP; (iii) PAGP ceases to beneficially own, directly or indirectly, more than 50% of the membership interest in GP LLC; (iv) the “Owner Affiliates”, as defined in such agreements, cease to beneficially own, directly or indirectly, more than 50% of the membership interest in PAGP GP; or (v) there has been a direct or indirect transfer, sale, exchange or other disposition in a single transaction or series of transactions (whether by merger or otherwise) of all or substantially all of the assets of PAGP or PAA to one or more persons who are not affiliates of PAGP (“third party” or “parties”), other than a transaction in which the Owner Affiliates continue to beneficially own, directly or indirectly, more than 50% of the issued and outstanding voting securities of such third party or parties immediately following such transaction.

- (3) The letters evidencing the 2013 phantom unit grants awarded to our Named Executive Officers, and the 2015 phantom unit grant awarded to Mr. Chiang, provide that in the event of their death or disability (as defined below), all of their then outstanding phantom units and associated DERs will be deemed nonforfeitable, and (i) any unvested phantom units that had satisfied all of the vesting criteria as of the date of their termination but for the passage of time would vest on the next following distribution date and (ii) the remaining unvested outstanding phantom units will vest on the distribution date on which the vesting criteria is met. The letters evidencing the 2016 phantom unit grants awarded to our Named Executive Officers provide that in the event of their death or disability (as defined below), the following terms shall apply: (a) if such death or disability takes place prior to the second anniversary of the date of the applicable grant (August 25, 2018), all of their then outstanding phantom units and associated DERs will be automatically forfeited as of such date, and (b) if such death or disability takes place on or after such second anniversary, all of their then outstanding phantom units will be deemed nonforfeitable and will vest on the next following distribution date (and any associated DERs shall not be forfeited but shall vest, be payable and expire according to the terms of the applicable phantom unit grant letter). For these purposes, “disability” means a physical or mental infirmity that impairs the ability substantially to perform duties for a period of eighteen (18) months or that the general partner otherwise determines constitutes a disability.

Assuming death or disability occurred on December 31, 2016, (A) all of the phantom unit grants and associated DERs held by our Named Executive Officers pursuant to their 2013 grant letters would have become nonforfeitable effective as of December 31, 2016, and would vest on February 14, 2017 (the February 2017 distribution date) given that the performance

vesting criteria for all of the phantom units issued pursuant to such 2013 grant letters has already been satisfied, (B) all of the phantom unit grants and associated DERs held by our Named Executive Officers pursuant to their 2016 grant letters would have become automatically forfeited as of such date given that such death or disability would have taken place prior to the second anniversary of the date of such grants, and (C) all of the phantom units and associated DERs held by Mr. Chiang pursuant to his 2015 phantom unit grant letter would not have been forfeited but would vest on the future distribution date on which the applicable distribution vesting criteria is satisfied. At December 30, 2016, an annualized distribution level of \$2.20 was deemed probable of occurrence. Because none of the performance thresholds contained in Mr. Chiang's 2015 phantom unit grant letter were deemed probable of occurrence as of December 31, 2016, no value is given in the table. All of the performance thresholds for the 2013 LTIP grants have been satisfied and all outstanding 2013 grants were assumed to vest as a result. The dollar value given for the Named Executive Officers who hold 2013 phantom units is based on the market value of PAA's common units on December 30, 2016 (\$32.29 per unit) without discount for service period.

- (4) Pursuant to the 2013 phantom unit grants held by our Named Executive Officers, in the event their employment is terminated other than in connection with a change of control (as defined in footnote 5 below) or by reason of death or disability (as defined in footnote 3 above), all of the phantom units and associated DERs (regardless of vesting) then outstanding under such phantom unit grants would automatically be forfeited as of the date of termination; provided, however, that if GP LLC terminated their employment other than for cause (as defined in footnote 5 below), any unvested phantom units that had satisfied all of the vesting criteria as of the date of their termination but for the passage of time would be deemed nonforfeitable and would vest on the next following distribution date. Pursuant to the 2016 phantom unit grants held by our Named Executive Officers, in the event their employment is terminated other than in connection with a change of control (as defined in footnote 5 below) or by reason of death or disability (as defined in footnote 3 above), all of the phantom units and associated DERs (regardless of vesting) then outstanding under such phantom unit grants would automatically be forfeited as of the date of termination; provided, however, that if GP LLC terminated their employment other than for cause (as defined in footnote 5 below), any unvested phantom units that would, but for such termination and forfeiture, vest on a specified distribution date (either August 2019, August 2020, August 2021 or August 2022) during the twelve month period immediately following such termination, shall be deemed nonforfeitable on the date of such termination and shall vest on the next following distribution date. Mr. Chiang's employment agreement also provides that his 2015 phantom unit grant will vest in full if he has not received the Executive Promotion and is terminated by GP LLC other than for cause or he terminates his employment for good reason prior to December 31, 2018 (see "—Employment Contracts" for additional information regarding Mr. Chiang's employment agreement). The dollar value amount provided assumes that (i) our Named Executive Officers (other than Mr. Chiang) were terminated without cause on December 30, 2016, and (ii) Mr. Chiang had not received the Executive Promotion and was terminated without cause or terminated his employment for good reason on December 30, 2016. As a result of the foregoing, in the event of the termination of our Named Executive Officers under the circumstances described above on December 31, 2016, (i) all of the phantom units covered by the 2013 phantom unit grants held by our Named Executive Officers and the 2015 phantom unit grant held by Mr. Chiang would have vested on or before February 14, 2017 (the February 2017 distribution date), and (ii) all remaining phantom units held by our Named Executive Officers would have become automatically forfeited as of such date of termination. That portion of the dollar value given that is attributable to PAA phantom units is based on the market value of PAA's common units on December 30, 2016 (\$32.29 per unit).

Under the waiver signed in 2010 by Mr. Armstrong and Mr. Pefanis (see footnote 2 above), upon a termination of employment by GP LLC without cause or by the executive for good reason (in each case as defined in the relevant employment agreement), all of the executive's outstanding awards under the Long-Term Incentive Plan would immediately vest.

- (5) The letters evidencing phantom unit grants awarded to our Named Executive Officers provide that in the event of a change in status (as defined below), all of the then outstanding phantom units and associated DERs will be deemed nonforfeitable, and such phantom units will vest in full (i.e., the phantom units will become payable in the form of one common unit per phantom unit) upon the next following distribution date. Additionally, Mr. Chiang's employment agreement provides that his phantom unit grants will vest in full if he terminates his employment within 90 days after a change of control (as defined below) prior to December 31, 2018 and in connection therewith he does not receive the Executive Promotion (see "—Employment Contracts" for additional information regarding Mr. Chiang's employment agreement). Assuming (i) that a change in status occurred on December 30, 2016, (ii) that a change of control occurred 90 days prior to December 30, 2016, and (iii) that, in connection with the change of control, Mr. Chiang did not receive the Executive Promotion and terminated his employment on December 30, 2016, all outstanding phantom units and the associated DERs would have become nonforfeitable as of December 30, 2016, and such phantom units would vest on the February 2017 distribution date. That portion of the dollar value given that is attributable to PAA phantom units is based on the market value of PAA's common units on December 30, 2016 (\$32.29 per unit), without discount for service period.

The phrase “change in status” means, with respect to a Named Executive Officer, the occurrence, during the period beginning two and a half months prior to and ending one year following a change of control (as defined below), of any of the following: (A) the termination of employment by GP LLC other than a termination for cause (as defined below), or (B) the termination of employment by the Named Executive Officer due to the occurrence, without the Named Executive Officer’s written consent, of (i) any material diminution in the Named Executive Officer’s authority, duties or responsibilities, (ii) any material reduction in the Named Executive Officer’s base salary or (iii) any other action or inaction that would constitute a material breach of the agreement by GP LLC.

The phrase “change of control” is defined in the phantom unit grants awarded to our Named Executive Officers other than Mr. Chiang to mean, and is deemed to have occurred upon the occurrence of, one or more of the following events: (i) GP LLC ceasing to be the general partner of our general partner; (ii) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of our partnership or GP LLC to any person and/or its affiliates, other than to us or GP LLC, including any employee benefit plan thereof; (iii) the consolidation, reorganization, merger, or any other similar transaction involving (A) a person other than us or GP LLC and (B) us, GP LLC or both; (iv) the persons who own membership interests in GP LLC as of the grant date ceasing to beneficially own, directly or indirectly, more than 50% of the membership interests of GP LLC; or (v) any person, including any partnership, limited partnership, syndicate or other group deemed a “person” for purposes of Section 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended, becoming the beneficial owner, directly or indirectly, of more than 49.9% of the membership interest in GP LLC. Notwithstanding the definition of change of control, no change of control is deemed to have occurred in connection with a restructuring or reorganization related to the securitization and sale to the public of direct or indirect equity interests in the general partner if (x) GP LLC retains direct or indirect control over the general partner and (y) the current members of GP LLC continue to own more than 50% of the member interest in GP LLC. The initial public offering of PAGP did not constitute a change of control under the phantom unit grant letters. The term “cause” means (i) the failure to perform the duties and responsibilities of a position at an acceptable level as reasonably determined in good faith by the CEO of GP LLC (or by the board in the case of the CEO), or (ii) the violation of GP LLC’s Code of Business Conduct (unless waived in accordance with the terms thereof), in each case, with the specific failure or violation described in writing.

With respect to Mr. Chiang’s phantom units, “Change of Control” means the determination by the board that one of the following events has occurred: (i) the Persons who owned member interests in PAGP GP immediately following the closing of PAGP’s initial public offering, including PAGP, and the respective Affiliates of such Persons (such owners and Affiliates being referred to as the “Owner Affiliates”), cease to own directly or indirectly at least 50% of the membership interests of such entity; (ii) (x) a “person” or “group” other than the Owner Affiliates becomes the “beneficial owner” directly or indirectly of 25% or more of the member interest in the general partner of PAGP, and (y) the member interest beneficially owned by such “person” or “group” exceeds the aggregate member interest in the general partner of PAGP beneficially owned, directly or indirectly, by the Owner Affiliates; or (iii) a direct or indirect transfer, sale, exchange or other disposition in a single transaction or series of transaction (whether by merger or otherwise) of all or substantially all of the assets of PAGP or PAA to one or more Persons who are not Affiliates of PAGP (“third party or parties”), other than a transaction in which the Owner Affiliates continues to beneficially own, directly or indirectly, more than 50% of the issued and outstanding voting securities of such third party or parties immediately following such transaction. “Cause” is defined in Mr. Chiang’s phantom unit grant agreement as (i) substantial failure to perform the duties and responsibilities of his position at an acceptable level as reasonably determined in good faith by the CEO and President-COO of GP LLC (or if Mr. Chiang is the CEO, by vote of the board of directors) and after written notice specifying such failure in detail and after a reasonable period under the circumstances (determined by the CEO, or alternatively the board of directors, in good faith) such failure has continued without full correction by the executive, (ii) the executive’s conviction of or guilty plea to the committing of an act or acts constituting a felony under the laws of the United States or any state thereof or any misdemeanor involving moral turpitude, or (iii) violation of GP LLC’s Code of Business Conduct (unless waived in accordance with the terms thereof), in each case with the specific failure or violation described in writing.

- (6) Pursuant to their employment agreements with GP LLC, if Messrs. Armstrong or Pefanis are terminated other than (i) for cause (as defined in footnote 1 above), (ii) by reason of death or (iii) by resignation (unless such resignation is due to a disability or for good reason (each as defined in footnote 1 above)), then they are entitled to continue to participate, for a period which is the lesser of two years from the date of termination or the remaining term of the employment agreement, in such health and accident plans or arrangements as are made available by GP LLC to its executive officers generally. The amounts provided in the table assume a termination date of December 30, 2016.
- (7) Pursuant to their employment agreements, Messrs. Armstrong and Pefanis will be reimbursed for any excise tax due under Section 4999 of the Code as a result of compensation (parachute) payments made under their respective employment agreements. The values provided for this benefit assume that Messrs. Armstrong and Pefanis were terminated in connection with a change in control effective as of December 30, 2016.

- (8) Pursuant to the AAP Management Unit grant agreements of Messrs. Chiang, McGee and Nerbonne, AAP retained a call right to purchase any earned AAP Management Units at a discount to fair market value equal to 25%, 50%, or 75% of fair market value depending on the date of exercise of the call right (which value is referred to in the AAP Management Unit grant agreements as the “Call Value” as defined below) of such AAP Management Units, which call right is exercisable upon the termination of such Named Executive Officer’s employment with GP LLC and its affiliates prior to a stated date (January 1, 2020 for Mr. McGee’s 2011 grant, January 1, 2021 for Mr. McGee’s 2013 grant and January 1, 2023 for the grants to Messrs. Chiang and Nerbonne; such dates being referred to as the “Applicable Stated Date”); provided, however, that such call right is not applicable (i) in the case of the termination of such Named Executive Officer’s employment without cause (defined below), (ii) in the event of a resignation by such Named Executive Officer with good reason (defined below), and (iii) in Mr. Chiang’s case, in the event of his death or disability. Additionally, Mr. Chiang’s employment agreement provides that his AAP Management Units will vest in full if he has not received the Executive Promotion and is terminated by GP LLC other than for cause (as defined below) or he terminates his employment for good reason prior to December 31, 2018 (see “—Employment Contracts” for additional information regarding Mr. Chiang’s employment agreement). If Messrs. Chiang, McGee and Nerbonne are terminated without cause or terminate their employment for good reason, or if such Named Executive Officer remains employed past their Applicable Stated Date, any earned AAP Management Units are no longer subject to the call right and are deemed to have “vested.” As of December 31, 2016, approximately 86% of the AAP Management Units held by Mr. McGee had been earned, but all of such AAP Management Units remained subject to AAP’s call right, and none of the AAP Management Units held by Mr. Chiang or Mr. Nerbonne had been earned. Assuming a termination of employment without cause or for good reason on December 31, 2016 and assuming that Mr. Chiang had not received the Executive Promotion prior to that date, all of the AAP Management Units held by Mr. Chiang, 86% of the AAP Management Units held by Mr. McGee, and none of the AAP Management Units held by Mr. Nerbonne would become vested and would no longer be subject to the call right. Because the call right provides for a discounted purchase price equal to 50% of fair market value in the case of Mr. McGee, in such event the applicable Named Executive Officer would “benefit” by virtue of the fact that such officer’s AAP Management Units could no longer be purchased by AAP at a discount. The value reflected in the table above for Mr. McGee represents the implied value of such “benefit”, calculated as of December 31, 2016 by (i) assuming that Mr. McGee’s earned AAP Management Units are converted into AAP units based on the conversion factor of approximately 0.941 AAP units and PAGP Class B shares for each AAP Management Unit, (ii) assuming the exchange of the resulting AAP units and PAGP Class B shares for PAGP Class A shares on a one-for-one basis, and (iii) multiplying such resulting number of PAGP Class A shares by an amount equal to 50% of the closing market price (\$34.68) of PAGP’s Class A shares at December 30, 2016 (the last trading day of the fiscal year). The value reflected in the table above for Mr. Chiang represents the implied value of such “benefit”, calculated as of December 30, 2016 by (i) assuming that Mr. Chiang’s AAP Management Units are converted into AAP units based on the conversion factor of approximately 0.941 AAP units and PAGP Class B shares for each AAP Management Unit, (ii) assuming the exchange of the resulting AAP units and PAGP Class B shares for PAGP Class A shares on a one-for-one basis, and (iii) multiplying such resulting number of PAGP Class A shares by an amount equal to 100% of the closing market price (\$34.68) of PAGP’s Class A shares at December 30, 2016 (the last trading day of the fiscal year).

“Cause” is defined in the AAP Management Unit grant agreements of Messrs. McGee and Nerbonne as (i) a reasonable determination made in good faith by the CEO that the executive has substantially failed to perform the duties and responsibilities of his position at an acceptable level and after written notice specifying such failure in reasonable detail, (ii) the executive’s conviction of or guilty plea to the committing of an act or acts constituting a felony under the laws of the United States or any state thereof or any misdemeanor involving moral turpitude, or (iii) executive’s violation of PAA’s Code of Business Conduct (unless waived), provided that executive is provided written notice of such violation. For Mr. Chiang, “Cause” is defined as (i) substantial failure to perform the duties and responsibilities of his position at an acceptable level as reasonably determined in good faith by the CEO and President-COO of GP LLC (or if Mr. Chiang is the CEO, by vote of the board of directors) and after written notice specifying such failure in detail and after a reasonable period under the circumstances (determined by the CEO, or alternatively the board of directors, in good faith) such failure has continued without full correction by the executive, (ii) the executive’s conviction of or guilty plea to the committing of an act or acts constituting a felony under the laws of the United States or any state thereof or any misdemeanor involving moral turpitude, or (iii) violation of GP LLC’s Code of Business Conduct (unless waived in accordance with the terms thereof), in each case with the specific failure or violation described in writing.

“Good Reason” is defined in the AAP Management Unit grant agreements as (i) any material breach by AAP of executive’s AAP Management Unit grant agreement, (ii) the failure of any successor of AAP to assume executive’s AAP Management Unit grant agreement, or (iii) any material overall reduction the executive’s authority, responsibilities or duties.

“Call Value” is defined in the AAP Management Unit grant agreements as the product of the applicable conversion factor and the closing sales price of the PAGP Class A shares on the applicable date.

- (9) Pursuant to the AAP Management Unit grant agreements, upon the occurrence of a Change in Control, any earned AAP Management Units (and any AAP Management Units that will become earned in less than 180 days) become vested units and, to the extent any AAP Management Units remain unearned, an incremental 25% of the number of AAP Management Units originally granted pursuant to the applicable grant becomes vested. Mr. Chiang's employment agreement also provides that his AAP Management Units will vest in full if he terminates his employment within 90 days after a change of control prior to December 31, 2018 and in connection therewith he does not receive the Executive Promotion (see "—Employment Contracts" for additional information regarding Mr. Chiang's employment agreement). As of December 31, 2016, none of the AAP Management Units held by Mr. Chiang or Mr. Nerbonne had been earned, but all of Mr. McGee's AAP Management Units had become earned with the exception of 25% of the units covered by his 2013 grant. Accordingly, assuming that a Change in Control occurred on December 30, 2016 (or in the case of Mr. Chiang, 90 days prior to December 30, 2016) and that in connection with such Change in Control, Mr. Chiang had not received the Executive Promotion, all of the AAP Management Units held by Mr. Chiang and Mr. McGee, and 25% held by Mr. Nerbonne would become vested and would no longer be subject to the call right. Because the call right provides for a discounted purchase price relative to fair market value as described above, the applicable Named Executive Officer would "benefit" from a Change in Control by virtue of the fact that such officer's AAP Management Units could no longer be purchased by AAP at such discount. The value reflected in the table above for Messrs. Chiang, McGee and Nerbonne represents the implied value of such "benefit", calculated as of December 30, 2016 by (i) assuming that such executive's vested AAP Management Units are converted into AAP units based on the conversion factor of approximately 0.941 AAP units and PAGP Class B shares for each AAP Management Unit, (ii) assuming the exchange of the resulting AAP units and PAGP Class B shares for PAGP Class A shares on a one-for-one basis, and (iii) multiplying such resulting number of PAGP Class A shares by an amount equal to the applicable percentage (100% for Mr. Chiang, 50% for Mr. McGee's 2011 grant, 62.5% for Mr. McGee's 2013 grant, and 25% for Mr. Nerbonne) (taking any applicable discount into account) of the closing market price (\$34.68) of PAGP's Class A shares at December 30, 2016 (the last trading day of the fiscal year).
- "Change in Control" means the determination by the board that one of the following events has occurred: (i) the Persons who own member interests in PAGP GP immediately following the closing of the GP IPO, including PAGP, and the respective Affiliates of such Persons (such owners and Affiliates being referred to as the "Owner Affiliates"), cease to own directly or indirectly at least 50% of the membership interests of such entity; (ii) (x) a "person" or "group" other than the Owner Affiliates becomes the "beneficial owner" directly or indirectly of 25% or more of the member interest in the general partner of PAGP, and (y) the member interest beneficially owned by such "person" or "group" exceeds the aggregate member interest in the general partner of PAGP beneficially owned, directly or indirectly, by the Owner Affiliates; or (iii) a direct or indirect transfer, sale, exchange or other disposition in a single transaction or series of transaction (whether by merger or otherwise) of all or substantially all of the assets of PAGP or PAA to one or more Persons who are not Affiliates of PAGP ("third party or parties"), other than a transaction in which the Owner Affiliates continue to beneficially own, directly or indirectly, more than 50% of the issued and outstanding voting securities of such third party or parties immediately following such transaction.
- (10) If Messrs. Swanson, Chiang, McGee or Nerbonne were terminated for cause, GP LLC would be obligated to pay base salary through the date of termination, with no other payment obligation triggered by the termination under any employment arrangement.
- (11) Mr. Chiang's employment agreement provides that in the event of his death or disability prior to December 31, 2018, if less than 187,760 of his AAP Management Units have been earned, he shall vest in such number of additional AAP Management Units as may be necessary to cause the total number of vested AAP Management Units to equal 187,760. Mr. Chiang's AAP Management Unit grant agreement also provides that in the event of his death or disability, AAP will not have a call right and all of his earned AAP Management Units will vest. As of December 30, 2016, none of Mr. Chiang's AAP Management Units had been earned. The dollar value given assumes Mr. Chiang's death or disability on December 30, 2016 and represents the implied value of such "benefit," calculated as of December 30, 2016 by (i) assuming that Mr. Chiang's vested AAP Management Units are converted into AAP units based on the conversion factor of approximately 0.941 AAP units and PAGP Class B shares for each AAP Management Unit, (ii) assuming the exchange of the resulting AAP units and PAGP Class B shares for PAGP Class A shares on a one-for-one basis, and (iii) multiplying such resulting number of PAGP Class A shares by the closing market price (\$34.68) of PAGP's Class A shares at December 30, 2016 (the last trading day of the fiscal year).

Confidentiality, Non-Compete and Non-Solicitation Arrangements

Pursuant to his employment agreement, Mr. Armstrong has agreed to maintain the confidentiality of PAA information for a period of five years after the termination of his employment. Mr. Pefanis has agreed to a similar restriction for a period of one year following the termination of his employment. Mr. Chiang has agreed to maintain confidentiality and not to solicit customers, assets and employees for two years following termination of his employment. Mr. Nerbonne and Mr. McGee have

each agreed to maintain confidentiality and not to solicit customers for a period of two years after termination of his employment.

Compensation of Directors

As a result of the Simplification Transactions completed in November 2016, the board of directors of GP LLC was eliminated and the board of directors of PAGP GP now has responsibility for managing the business and affairs of PAGP, PAA and AAP. The following table sets forth a summary of the compensation paid to each person who served as a non-employee director of GP LLC or PAGP GP in 2016:

Name	Fees Earned or Paid in Cash (\$) ⁽¹⁾	Stock Awards (\$) ⁽²⁾	Total (\$)
Victor Burk	42,500	45,040	87,540
Ben Figlock ⁽³⁾	45,000	n/a	45,000
Everardo Goyanes	75,000	172,774	247,774
Gary R. Petersen	121,250	72,875	194,125
John T. Raymond	45,000	72,875	117,875
Bobby S. Shackouls	40,875	45,040	85,915
Robert V. Sinnott	47,000	72,875	119,875
J. Taft Symonds	138,250	145,750	284,000
Christopher M. Temple	155,000	145,750	300,750

(1) For Messrs. Petersen, Symonds and Temple, fees paid in 2016 include fees for service on the conflicts committee established by the board of directors of GP LLC in connection with the Simplification Transactions.

(2) The dollar value of LTIPs granted during 2016 is based on the grant date fair value computed in accordance with FASB ASC Topic 718. See Note 16 to our Consolidated Financial Statements for additional discussion regarding the calculation of grant date fair values. In connection with the August 2016 vesting of director LTIP awards issued prior to the consummation of the Simplification Transactions, Messrs. Goyanes, Symonds and Temple each were granted 5,000 PAA phantom units, and Messrs. Petersen, Raymond and Sinnott each were granted 2,500 PAA phantom units by virtue of the automatic re-grant feature of the vested awards. Upon vesting of such PAA director LTIP awards in August 2016 (other than the incremental audit committee awards), a cash payment of \$89,600 was made to Oxy as directed by Mr. Figlock. Such cash payment was based on the unit value of Mr. Sinnott's award on the previous year's vesting date. In connection with the February 2016 vesting of PAGP director LTIP awards, Messrs. Burk and Shackouls each were granted 3,004 phantom PAGP Class A shares and Mr. Goyanes was granted 1,803 phantom PAGP Class A shares by virtue of the automatic re-grant feature of the vested awards. As of December 31, 2016, the number of outstanding PAA LTIPs held by our directors was as follows: Goyanes - 20,000; Petersen - 10,000; Raymond - 10,000; Sinnott - 10,000; Symonds - 20,000; and Temple - 20,000. As of December 31, 2016, the number of outstanding PAGP LTIPs held by our directors was as follows: Burk - 12,016; Goyanes - 7,210; and Shackouls - 12,016. These arrangements were modified in February 2017 (see below for a description of the modified arrangements).

(3) Mr. Figlock's compensation is assigned to Oxy.

Each director who is not an employee of GP LLC is reimbursed for any travel, lodging and other out-of-pocket expenses related to meeting attendance or otherwise related to service on the board (including, without limitation, reimbursement for continuing education expenses). Each non-employee director is currently paid an annual retainer fee of \$45,000; however, the annual retainer fee for the director designated by Oxy is paid to Oxy. Messrs. Armstrong, Chiang and Pefanis are otherwise compensated for their services as employees and therefore receive no separate compensation for services as directors. In addition to the annual retainer, each committee chairman (other than the chairman of the audit committee) receives \$2,000 annually. The chairman of the audit committee receives \$30,000 annually, and the other members of the audit committee receive \$15,000 annually, in each case, in addition to the annual retainer.

Our non-employee directors receive LTIP awards or cash equivalent awards as part of their compensation. In February 2017, the board of directors approved a modified equity compensation structure for non-employee directors and a plan for transitioning to the new structure. Specifically, the board of directors approved making new grants, cancelling existing grants

or amending and restating the director's existing grants as necessary to effect the following (with the grants described below being denominated in either PAA phantom units or PAGP phantom units based on a one-time election to be made by each director): (i) for each designated director other than the Oxy designee (i.e., Messrs. Raymond and Sinnott, but excluding Mr. Figlock), a phantom unit grant of 10,000 units vesting 25% on the August distribution date of each year, with an automatic re-grant of an additional 25% immediately upon each such vesting, together with associated DERs, (ii) for each independent director who is not serving on the Audit Committee (Messrs. Petersen, Shackouls and Temple), a phantom unit grant of 15,000 units vesting 25% on the August distribution date of each year, with an automatic re-grant of an additional 25% immediately upon each such vesting, together with associated DERs, (iii) for each independent director who is serving on the Audit Committee (Messrs. Burk, Goyanes and Symonds), two phantom unit grants of 10,000 units each (one for service as an independent director and a supplemental grant for service on the Audit Committee, for a total of 20,000 units) vesting 25% on the August distribution date of each year, with an automatic re-grant of an additional 25% immediately upon each such vesting, together with associated DERs, and (iv) for the director designated by Oxy (Mr. Figlock), concurrent with the annual August vesting of the awards made to the other designated directors, a cash payment will be made to Oxy based on the unit value of Mr. Sinnott's award on the previous year's vesting date.

All director LTIP awards vest in full upon the next following distribution date after the death or disability (as determined in good faith by the board) of the director. For supplemental audit committee grants, the awards also vest in full if such director (i) retires (no longer with full-time employment and no longer serving as an officer or director of any public company) or (ii) is removed from the board of directors or the Audit Committee or is not reelected to the board of directors or the Audit Committee, unless such removal or failure to reelect is for "good cause," as defined in the letter granting the units.

During 2016, prior to the closing of the Simplification Transactions, Messrs. Figlock, Goyanes, Raymond and Sinnott also served as directors of PAGP GP, and Mr. Goyanes served as chairman of the PAGP GP audit committee. Messrs. Figlock, Raymond and Sinnott did not receive additional compensation for their service on the PAGP GP board. During 2016, prior to the closing of the Simplification Transactions, Messrs. Sinnott and Goyanes served as chairmen of the compensation and audit committees, respectively, of the GP LLC board. Mr. Symonds served as chairman of the governance committee of the GP LLC board prior to the Simplification Transactions; Mr. Shackouls has served as chairman of the governance committee of the PAGP GP board since the Simplification Transactions.

During 2016, prior to the Simplification Transactions, Messrs. Burk and Shackouls each received an annual retainer of \$40,000 for service on the PAGP GP board and audit committee. Messrs. Burk and Shackouls each also received initial equity compensation in the form of an LTIP award for 12,016 phantom Class A shares of PAGP. Mr. Goyanes did not receive additional cash compensation for his service as a director and chairman of the audit committee of the PAGP GP board, but he received initial equity compensation in the form of an LTIP award for 7,210 phantom Class A shares of PAGP.

Reimbursement of Expenses of Our General Partner and its Affiliates

We do not pay our general partner a management fee, but we do reimburse our general partner for all direct and indirect costs of services provided to us, incurred on our behalf, including the costs of employee, officer and director compensation and benefits allocable to us, as well as all other expenses necessary or appropriate to the conduct of our business, allocable to us. We record these costs on the accrual basis in the period in which our general partner incurs them. Our partnership agreement provides that our general partner will determine the expenses that are allocable to us in any reasonable manner determined by our general partner in its sole discretion.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Unitholder Matters

Beneficial Ownership of Limited Partner Interest

Our common units and Preferred Units outstanding represent 100% of our equity (limited partner interest). Ownership of the non-economic general partner interest is discussed separately below under "—Beneficial Ownership of General Partner Interest." The following table sets forth the beneficial ownership of limited partner units held by beneficial owners of 5% or more of our common units and Preferred Units, directors, the Named Executive Officers, and all directors and executive officers as a group as of February 15, 2017.

Name of Beneficial Owner and Address (in the case of Owners of more than 5%)	Common Units	Percentage of Common Units	Preferred Units ⁽¹⁾	Percentage of Preferred Units
EnCap Partners LLC ⁽²⁾	—	—	23,426,064	35.7%
EMG Fund IV PAA Holdings, LLC ⁽³⁾	—	—	18,824,515	28.7%
FR KA Plains Holdings LLC ⁽⁴⁾	—	—	11,713,032	17.8%
Stonepeak Partners LLC ⁽⁵⁾	—	—	5,856,515	8.9%
Plains AAP, L.P.	243,383,735	36.1%	—	—
Richard A. Kayne/Kayne Anderson Capital Advisors, L.P. ⁽⁶⁾	13,361,597	2.0%	5,856,500	8.9%
Greg L. Armstrong	1,467,871 ⁽⁷⁾	*	—	—
Harry N. Pefanis	847,532 ⁽⁷⁾	*	—	—
Wilfred (Willie) C. Chiang	— ⁽⁷⁾	—	—	—
Al Swanson	100,998 ⁽⁷⁾	*	—	—
Richard McGee	113,420 ⁽⁷⁾	*	—	—
Daniel J. Nerbonne	— ⁽⁷⁾	—	—	—
Victor Burk	14,543 ⁽⁷⁾	*	—	—
Ben Figlock	—	—	—	—
Everardo Goyanes	88,400 ⁽⁷⁾	*	—	—
Gary R. Petersen ⁽²⁾	49,450 ⁽⁷⁾	*	23,426,064	35.7%
John T. Raymond ⁽³⁾	1,599,616 ⁽⁷⁾	*	18,824,515	28.7%
Bobby Shackouls	19,418	*	—	—
Robert V. Sinnott	346,393 ⁽⁷⁾⁽⁸⁾	*	—	—
J. Taft Symonds	104,050 ⁽⁷⁾	*	—	—
Christopher M. Temple	31,250 ⁽⁷⁾	*	—	—
All directors and executive officers as a group (18 persons)	5,212,489 ⁽⁷⁾⁽⁹⁾	*	42,250,579	64.4%

* Less than 1%.

(1) The Preferred Units will vote on an as-converted basis with the common units and will have certain other class voting rights with respect to any amendment to our partnership agreement that would adversely affect any rights, preferences or privileges of the Preferred Units. The Preferred Units are convertible, generally on a one-for-one basis and subject to customary anti-dilution adjustments, (i) by the holders after January 28, 2018, and (ii) by us after January 28, 2019.

(2) The Preferred Units are owned by funds managed by EnCap Partners, LLC, whose address is 1100 Louisiana, Suite 4900, Houston, Texas 77002. Gary R. Petersen may be deemed to be the beneficial owner of the Preferred Units owned by these holders by virtue of being a member of EnCap Partners, LLC, the managing member of each holder's general partner. Mr. Petersen disclaims beneficial ownership of the Preferred Units except to the extent of his pecuniary interest therein.

(3) The address for this holder is 811 Main Street, Suite 4200, Houston, Texas 77002. John T. Raymond has sole voting and dispositive power over the Preferred Units and may be deemed to be the beneficial owner of the Preferred Units owned by the holder by virtue of being the sole member of the general partner of the holder's manager. Mr. Raymond disclaims beneficial ownership of the Preferred Units except to the extent of his pecuniary interest therein.

(4) The address for this holder is 600 Travis, Suite 6000, Houston, Texas 77002.

(5) The Preferred Units are owned by a fund managed by Stonepeak Partners LLC, whose address is 717 Fifth Avenue, 25th Floor, New York, New York 10022.

(6) Richard A. Kayne is Chief Executive Officer and Director of Kayne Anderson Investment Management, Inc., which is the general partner of Kayne Anderson Capital Advisors, L.P. ("KACALP"). Various accounts under the management or control of KACALP own 9,918,015 common units and 5,856,500 Preferred Units. Mr. Kayne may be deemed to beneficially own such units. In addition, Mr. Kayne directly owns or has sole voting and dispositive power over 3,443,582 common units. Mr. Kayne disclaims beneficial ownership of any of our partner interests other than units held by him or interests attributable to him by virtue of his interests in the accounts that own our partner interests. The address for

Mr. Kayne and Kayne Anderson Investment Management, Inc. is 1800 Avenue of the Stars, 3rd Floor, Los Angeles, California 90067.

- (7) Does not include unvested phantom units granted under our Long-Term Incentive Plans, none of which will vest within 60 days of the date hereof. See Item 11. “Executive Compensation—Outstanding Equity Awards at Fiscal Year-End” and “— Director Compensation.”
- (8) Pursuant to the PAGP GP LLC Agreement, Mr. Sinnott is designated as a member of the board of directors of PAGP GP by KAFU Holdings, L.P., which is controlled by Kayne Anderson Investment Management, Inc., of which he is President. Mr. Sinnott disclaims any deemed beneficial ownership of the interests owned by KAFU Holdings, L.P. or its affiliates, beyond his pecuniary interest therein, if any. Mr. Sinnott has a non-controlling ownership interest in KACALP, which is the general partner of KAFU Holdings, L.P. KACALP is entitled to a percentage of the profits earned by the funds invested in KAFU Holdings, L.P. The address for KAFU Holdings, L.P. is 1800 Avenue of the Stars, 3rd Floor, Los Angeles, California 90067.
- (9) As of February 15, 2017, no units were pledged by directors or Named Executive Officers.

Beneficial Ownership of General Partner Interest

AAP owns a significant limited partner interest in us and, through its 100% member interest in PAA GP LLC, our non-economic general partner interest. GP LLC owns a limited partner interest and non-economic general partner interest in AAP. The Class A limited partners of AAP, together with the holders of the AAP Management Units, collectively own 100% of the economic interests in AAP. The following table sets forth the percentage ownership of each of the Class A limited partners of AAP and the resulting economic interest of each such limited partner and the holders of the AAP Management Units as a group, in each case as of February 15, 2017:

Name of Owner and Address (in the case of Owners of more than 5%)	Percentage Ownership of Plains AAP, L.P. Class A LP Interest	Economic Interest in Plains AAP, L.P. ⁽¹⁾
Plains GP Holdings, L.P. and Plains All American GP LLC 333 Clay Street, Suite 1600 Houston, TX 77002	42.8%	42.3%
EMG Investment, LLC 811 Main, Suite 4200 Houston, TX 77002	18.9%	18.7%
KAFU Holdings, L.P. and Affiliates 1800 Avenue of the Stars, 3rd Floor Los Angeles, CA 90067	11.2%	11.0%
Oxy Holding Company (Pipeline), Inc. 5 Greenway Plaza Houston, TX 77046	12.4%	12.3%
Strome PAA, L.P. and Affiliate	2.8%	2.8%
Windy, L.L.C.	2.8%	2.7%
Lynx Holdings I, LLC	1.3%	1.3%
Various Individual Investors and Former PAA Management LP Investors ⁽²⁾⁽³⁾	7.8%	7.7%
AAP Management Unitholders ⁽⁴⁾	—	1.2%

(1) AAP owns approximately 243.4 million common units and a 100% member interest in PAA GP LLC, which owns our non-economic general partner interest.

(2) Prior to December 31, 2016, PAA Management, L.P. owned an approximate 3.3% interest in AAP represented by approximately 8.2 million AAP units. Effective as of December 31, 2016, PAA Management, L.P. was liquidated and the AAP units owned by it (together with the associated Class B shares and GP Units) were distributed pro rata to its owners, including certain current and former members of senior management. AAP units received by our Named Executive Officers in connection with this pro rata distribution included 2,071,859 for Mr. Armstrong; 1,181,676 for Mr. Pefanis;

[Table of Contents](#)

433,620 for Mr. Swanson; 14,739 for Mr. McGee and 4,913 for Mr. Nerbonne; all executive officers as a group received an aggregate of 4,840,602 AAP units. Mr. Chiang did not have an ownership interest in PAA Management, L.P.

- (3) Includes, among others, certain current and former members of management who (i) have converted AAP Management Units into AAP units and PAGP Class B shares and (ii) received AAP units and PAGP Class B shares as a result of the pro rata distribution by PAA Management, L.P. described in footnote 2 above.
- (4) Represents a profits interest in AAP in the form of AAP Management Units owned by certain members of management. On January 1, 2016, a significant number of AAP Management Units vested and a portion of such vested units have since been converted into AAP units and PAGP Class B shares. Additionally, a portion of the resulting AAP units and PAGP Class B shares has been exchanged for PAGP Class A shares. As a result of such conversions and exchanges as well as open market purchases, as of February 15, 2017, Named Executive Officers and executive officers as a group owned the following AAP Management Units, AAP units and PAGP Class A shares (none of our outside directors own any AAP Management Units):

Name of Owner	AAP Management Units	AAP Units*	PAGP Class A Shares
Greg L. Armstrong	—	5,757,268	450,625
Harry N. Pefanis	—	3,768,988	183,654
Wilfred (Willie) C. Chiang	375,521	—	75,104
Al Swanson	—	433,620	918,219
Richard McGee	440,449	14,739	—
Daniel J. Nerbonne	56,328	4,913	184,010
All executive officers as a group	1,019,115	11,113,323	3,739,871

* Includes AAP units acquired upon liquidation of PAA Management, L.P. See footnote 2 above.

Equity Compensation Plan Information

The following table sets forth certain information with respect to our equity compensation plans as of December 31, 2016. For a description of these plans, see Item 13. “Certain Relationships and Related Transactions, and Director Independence—Equity-Based Long-Term Incentive Plans.”

Plan Category	Number of Units to be Issued upon Exercise/Vesting of Outstanding Options, Warrants and Rights (a)	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Units Remaining Available for Future Issuance under Equity Compensation Plans (c)
Equity compensation plans approved by unitholders: 2013 Long Term Incentive Plan	4,095,569 ⁽¹⁾	N/A ⁽²⁾	7,502,103 ⁽¹⁾⁽³⁾
Equity compensation plans not approved by unitholders: PNG Successor LTIP	581,670 ⁽⁴⁾	N/A ⁽²⁾	570,607 ⁽³⁾⁽⁴⁾

(1) The 2013 Long-Term Incentive Plan (the “2013 Plan”), which was approved by our unitholders in November 2013, consolidated three prior plans (the Plains All American GP LLC 1998 Long-Term Incentive Plan (the “1998 Plan”), the Plains All American GP LLC 2005 Long-Term Incentive Plan (the “2005 Plan”), and the PPX Successor Long-Term Incentive Plan (the “PPX Successor Plan”). The 2013 Plan contemplates the issuance or delivery of up to 13,074,686 common units to satisfy awards under the plan, which amount is net of 4,774,932 common units previously issued under the prior plans. The number of units presented in column (a) assumes that all remaining grants will be satisfied by the issuance of new units upon vesting unless such grants are by their terms payable only in cash. In fact, a substantial number of phantom units that have vested were satisfied without the issuance of units. These phantom units were settled in cash or withheld for taxes. Any units not issued upon vesting will become “available for future issuance” under column (c).

(2) Phantom unit awards under the 2013 Plan and PNG Successor Plan vest without payment by recipients.

- (3) In accordance with Item 201(d) of Regulation S-K, column (c) excludes the securities disclosed in column (a). However, as discussed in footnotes (1) and (4), any phantom units represented in column (a) that are not satisfied by the issuance of units become “available for future issuance.”
- (4) In December 2013, in connection with the PNG Merger, we adopted and assumed the PAA Natural Gas Storage, L.P. 2010 Long Term Incentive Plan (the “PNG Legacy Plan”), and all outstanding awards of PNG phantom units were converted into comparable awards of PAA phantom units by applying the merger exchange ratio of 0.445 PAA common units for each PNG common unit and rounding down for any fractions. The GP LLC board of directors amended and restated the PNG Legacy Plan, which is now known as the PNG Successor Long-Term Incentive Plan (the “PNG Successor Plan”). The PNG Successor Plan contemplates the issuance or delivery of up to 1,319,983 units to satisfy awards under the plan, which amount is net of 15,017 common units previously issued under the PNG Legacy Plan. The number of units presented in column (a) assumes that all outstanding grants will be satisfied by the issuance of new units upon vesting unless such LTIPs are by their terms payable only in cash. In fact, some portion of the phantom units may be settled in cash and some portion will be withheld for taxes. Any units not issued upon vesting will become “available for future issuance” under column (c).

Item 13. *Certain Relationships and Related Transactions, and Director Independence*

For a discussion of director independence, see Item 10. “Directors and Executive Officers of Our General Partner and Corporate Governance.”

Our General Partner

Our operations and activities are managed, and our officers and personnel are employed, by our general partner (or, in the case of our Canadian operations, Plains Midstream Canada). We do not pay our general partner a management fee, but we do reimburse our general partner for all expenses incurred on our behalf (other than expenses related to the AAP Management Units). Total costs reimbursed by us to our general partner for the year ended December 31, 2016 were approximately \$514 million.

Prior to completion of the Simplification Transactions on November 15, 2016, our general partner was entitled to receive (i) distributions resulting from its ownership of a 2% economic general partner interest in us, and (ii) incentive distributions resulting from its ownership of all of the incentive distribution rights (“IDRs”) in us if the amount we distributed with respect to any quarter exceeded certain specified levels. Under the quarterly distribution provisions in our partnership agreement in effect prior to the Simplification Transactions, our general partner was generally entitled, without duplication and except for the agreed upon adjustments discussed below, to 2% of amounts we distributed up to \$0.2250 (\$0.90 annualized) per common unit, 15% of amounts we distributed in excess of \$0.2250 (\$0.90 annualized) per common unit, 25% of the amounts we distributed in excess of \$0.2475 (\$0.99 annualized) per common unit and 50% of amounts we distributed in excess of \$0.3375 (\$1.35 annualized) per common unit. Our general partner’s incentive distributions were reduced by approximately \$23 million, \$22 million and \$18 million in 2014, 2015 and 2016, respectively. These reductions were agreed to in connection with certain acquisitions and other transactions.

As a result of the Simplification Transactions, the IDRs were eliminated and our general partner now owns a non-economic general partner interest in us and, as of December 31, 2016, approximately 241.7 million common units, representing an approximate 33% limited partner interest in us. This limited partner interest entitles our general partner to receive quarterly distributions at the same rate as other common unitholders.

Equity-Based Long-Term Incentive Plans

In November 2013, our unitholders approved the adoption of the 2013 Plan, which consolidated three prior plans (the 1998 LTIP, the 2005 LTIP, and the PPX Successor Plan). In December 2013, in connection with the PNG Merger, we adopted and assumed the PNG Legacy Plan, and all outstanding awards of PNG phantom units were converted into comparable awards of PAA phantom units by applying the merger exchange ratio of 0.445 PAA common units for each PNG common unit and rounding down for any fractions. The board of directors amended and restated the PNG Legacy Plan, which is now known as the PNG Successor Plan (together with the 2013 Plan, the “Plans”). The provisions of the PNG Successor Plan are substantially the same as the 2013 Plan, except that new awards under the PNG Successor Plan may only be made to employees hired after the date of the PNG Merger. Awards contemplated by the Plans include phantom units, distribution equivalent rights (DERs), unit appreciation rights, restricted units, and unit options. The 2013 Plan authorizes the grant of awards covering an aggregate of 13,074,686 common units deliverable upon vesting or exercise (as applicable) of such awards. The PNG Successor Plan authorizes the grant of awards covering an aggregate of 1,319,983 common units deliverable upon

vesting or exercise (as applicable) of such awards. Our board of directors has the right to alter or amend the Plans from time to time, including, subject to any applicable NYSE listing requirements, increasing the number of common units with respect to which awards may be granted; provided, however, that no change in any outstanding grant may be made that would materially impair the rights of the participant without the consent of such participant.

Common units to be delivered upon the vesting of rights may be common units acquired in the open market or, common units acquired from us, any of our affiliates or any other person, or any combination of the foregoing. Our general partner will be entitled to reimbursement by us for the cost incurred in acquiring common units. In addition, over the term of the Plans we may issue new common units to satisfy delivery obligations under the grants. When we issue new common units upon vesting of grants, the total number of common units outstanding increases.

Phantom Units. A phantom unit entitles the grantee to receive, upon the vesting of the phantom unit, a common unit (or cash equivalent, depending on the terms of the grant). The issuance of the common units upon vesting of phantom units is primarily intended to serve as a means of incentive compensation for performance. Therefore, no consideration is paid to us by the plan participants upon receipt of the common units.

As of December 31, 2016, grants of approximately 4,377,736 and 587,073 unvested phantom units were outstanding under the 2013 Plan and PNG Successor Plan, respectively, and approximately 7,502,103 and 570,607 remained available for future grant, respectively. The compensation committee or board of directors may, in the future, make additional grants under the Plans to employees and directors containing such terms as the compensation committee or board of directors shall determine, including DERs with respect to phantom units. DERs entitle the grantee to a cash payment, either while the award is outstanding or upon vesting, equal to any cash distributions paid on a unit while the award is outstanding.

Unit Appreciation Rights. A unit appreciation right is an award that, upon exercise, entitles the holder to receive the excess, if any, of the fair market value of a common unit on the exercise date over the grant price of the unit appreciation right. The excess may be paid in cash and/or common units as determined by the plan administrator in its discretion. No unit appreciation rights have been granted under the Plans to date.

Restricted Unit Awards. A restricted unit is a common unit granted under the Plan that is subject to a risk of forfeiture, restrictions on transferability, and any other restrictions that may be imposed by the plan administrator in its discretion. No restricted unit awards have been granted under the Plans to date.

Unit Options. Options may be granted under the Plan to purchase a specific number of common units at a set exercise price. The exercise price of each option granted under the Plan will be determined by the plan administrator at the time the option is granted, provided that each option may not have an exercise price that is less than the fair market value of the common units on the date of grant. No options have been granted under the Plans to date.

AAP Management Units

In August 2007, the owners of AAP authorized the creation and issuance of AAP Management Units and authorized the compensation committee to issue grants of AAP Management Units to create long-term incentives for our management. Each AAP Management Unit represents a “profits interest” in AAP, which entitles the holder to participate in future profits and losses from operations, current distributions from operations, and an interest in future appreciation or depreciation in AAP’s asset values. As of December 31, 2016, 3,414,812 AAP Management Units were issued and outstanding. The compensation committee does not plan to issue any additional AAP Management Units.

The outstanding AAP Management Units are subject to restrictions on transfer and generally become “earned” (entitled to receive a portion of the distributions that would otherwise be paid to holders of AAP units) in percentage increments when certain performance thresholds related to achievement of targeted distribution levels and/or targeted distributable cash flow levels are achieved. As of February 15, 2017, approximately 73% of the outstanding AAP Management Units had been earned. The remaining AAP Management Units will be earned upon achievement of certain distribution and distributable cash flow levels.

To encourage retention following achievement of the applicable performance benchmarks, AAP retained a call right to purchase any earned AAP Management Units at a discount to fair market value that is generally exercisable upon the termination of a holder’s employment with GP LLC and its affiliates (other than termination under certain circumstances such as a termination without cause or by the employee for good reason) prior to certain stated dates. If a holder of an AAP Management Unit remains employed past such designated date (or prior to such date such holder is terminated without cause or quits for good reason), any earned units are no longer subject to the call right and are deemed to have “vested.” As of

January 1, 2017, AAP Management Units granted in 2007, 2009 and 2010 are no longer subject to such call right and have vested. The applicable vesting dates for the remaining AAP Management Unit grants range from January 1, 2020 for AAP Management Units granted in 2011 to January 1, 2023 for AAP Management Units granted in 2015. The size of the discount to fair market value reflected in the potential call right purchase price decreases over time pursuant to a formula set forth in each AAP Management Unit grant agreement. AAP Management Unit grants also provide that all earned AAP Management Units and a portion of any unearned and unvested AAP Management Units will vest upon a change of control. All earned AAP Management Units will also vest if AAP does not timely exercise its call right.

As long as the PAGP Class A shares are publicly traded, each vested AAP Management Unit may be converted into AAP units and a like number of PAGP Class B shares based on a conversion ratio of approximately 0.941 AAP units and PAGP Class B shares for each AAP Management Unit. Following any such conversion, the resulting AAP units and PAGP Class B shares are exchangeable for PAGP Class A shares or, subject to certain limitations, redeemable for PAA common units, in each case on a one-for-one basis as provided in the AAP limited partnership agreement. Between January 1, 2016 and February 15, 2017, approximately 17.1 million AAP Management Units became vested, of which 10.0 million were converted into 9.4 million AAP units and PAGP Class B shares, and 5.9 million were converted and then exchanged for an aggregate of 5.6 million PAGP Class A shares. As of February 15, 2017, none of the converted AAP Management Units had been redeemed for PAA common units.

Prior to the Simplification Transactions, the entire economic burden of the AAP Management Units was borne by AAP. However, in connection with the closing of the Simplification Transactions, AAP received one PAA common unit for each outstanding earned and vested AAP Management Unit, and PAA withheld approximately 841,000 units from the Simplification consideration for future distribution or issuance when and if such units become earned.

Administrative Agreement

In connection with the closing of the initial public offering of PAGP in 2013, PAA entered into an administrative agreement (the “Administrative Agreement”) with PAGP, PAGP GP, AAP, PAA GP LLC and GP LLC to address, among other things, potential conflicts with respect to business opportunities that may arise among PAGP, PAGP GP, AAP, PAA, PAA GP LLC and GP LLC. The agreement provides that if any business opportunity is presented to PAGP, PAGP GP, AAP, PAA, PAA GP LLC or GP LLC, then PAA will have the first right to pursue such business opportunity. PAGP will have the right to pursue and/or participate in such business opportunity if invited to do so by PAA, or if PAA abandons the business opportunity and GP LLC so notifies PAGP GP. PAA also granted PAGP a license to use the names “PAA” and “Plains” and any associated or related marks.

Under the Administrative Agreement, AAP was required to pay GP LLC an annual fee for general and administrative services performed by GP LLC on behalf of PAGP. During 2016, the annual fee paid by AAP to GP LLC totaled \$1.5 million. The Administrative Agreement also provided that any direct expenses incurred by PAGP, PAGP GP and AAP (other than income taxes payable by PAGP) would be borne by AAP and that AAP would be required to reimburse GP LLC and PAGP GP for any additional expenses incurred by them on PAGP’s or PAGP GP’s behalf.

In connection with the Simplification Transactions completed in November 2016, the Administrative Agreement was amended to remove the annual fee payment obligation and expense allocation provisions; allocation expense provisions are now included in the Omnibus Agreement described below.

Simplification Transactions

The Simplification Transactions completed in November 2016 included, among other things:

- the permanent elimination of our IDRs and the economic rights associated with our 2% general partner interest in exchange for the issuance by us to AAP of 245.5 million PAA common units (including approximately 0.8 million units to be issued in the future) and the assumption by us of all of AAP’s outstanding debt (\$642 million);
- the implementation of a unified governance structure pursuant to which the board of directors of GP LLC was eliminated and an expanded board of directors of PAGP GP assumed oversight responsibility over both us and PAGP;
- the provision for annual PAGP shareholder elections beginning in 2018 with certain directors with expiring terms in 2018, and the participation of our common unitholders and Series A preferred unitholders in such elections through our ownership of newly issued Class C shares in PAGP, which provide us, as the sole holder, the right to vote in elections of eligible PAGP directors together with the holders of PAGP Class A and Class B shares;

- the execution by AAP of a reverse split to adjust the number of AAP units such that the number of outstanding AAP units (assuming the conversion of AAP Management Units into AAP units) equaled the number of our common units received by AAP at the closing of the Simplification Transactions. Simultaneously, PAGP executed a reverse split to adjust the number of PAGP Class A and Class B shares outstanding to equal the number of AAP units it owns following AAP's reverse unit split. These reverse splits, along with the Omnibus Agreement described below, resulted in economic alignment between our common unitholders and PAGP's Class A shareholders, such that the number of outstanding PAGP Class A shares equals the number of AAP units owned by PAGP, which in turn equals the number of our common units held by AAP. We also entered into an Omnibus Agreement with the PAGP Entities, pursuant to which such one-to-one relationship will be maintained subsequent to the closing of the Simplification Transactions; and
- the creation of a right, subject to certain limitations, for certain holders of the AAP units to cause AAP to redeem such AAP units in exchange for an equal number of our common units held by AAP (an "AAP Unit Redemption").

Omnibus Agreement

In connection with the Simplification Transactions completed in November 2016, PAA entered into an omnibus agreement (the "Omnibus Agreement") with PAGP, PAGP GP, AAP, PAA GP LLC and GP LLC (collectively with PAA, the "Plains Entities"), which provides for, among other things, the following:

- that all direct or indirect expenses of any of the Plains Entities will be paid by PAA, other than income taxes, if any, of PAGP GP, PAGP, GP LLC, AAP and PAA GP LLC. Such direct or indirect expenses include, but are not limited to (i) compensation for the directors of PAGP GP, (ii) director and officer liability insurance, (iii) listing exchange fees, (iv) investor relations expenses, and (v) fees related to legal, tax, financial advisory and accounting services;
- the mechanics by which the number of PAGP Class C shares outstanding will equal, at all times, the number of PAA's units that are outstanding and entitled to vote, other than such voting units held by AAP;
- the mechanics by which (i) the total number of PAGP's outstanding Class A shares will equal the number of AAP Units held by PAGP, and (ii) the total number of PAA common units held by AAP will equal the sum of the number of outstanding AAP units and the number of AAP units that are issuable to the holders of vested and earned AAP Management Units;
- the ability of PAGP to issue additional Class A shares and related obligation of PAGP to use the net proceeds therefrom to purchase a like number of AAP units from AAP, and the corresponding obligation of AAP to use the net proceeds therefrom to purchase a like number of PAA common units from PAA; and
- the ability of PAGP to lend proceeds of any future indebtedness incurred by it to AAP, and AAP's corresponding obligation to lend such proceeds to PAA, in each case on substantially the same terms as incurred by PAGP (also clarifying that PAA will reimburse the net fees and expenses in connection with the incurrence of such debt; provided that PAA will only be required to reimburse such net fees and expenses on one occasion with respect to each incurrence of indebtedness by PAA from AAP).

AAP Credit Agreement

In connection with the Simplification Transactions completed in November 2016, PAA assumed all of the outstanding indebtedness, obligations and liabilities of AAP under the Second Amended and Restated Credit Agreement dated as of September 26, 2013 among AAP, Citibank, N.A. and the lenders party thereto (the "AAP Credit Agreement"). Immediately prior to the closing of the Simplification, AAP had \$550 million of term loan borrowings and \$92 million of revolving credit facility borrowings outstanding under the AAP Credit Agreement. On November 15, 2016, PAA repaid the AAP Credit Agreement in full and terminated the AAP Credit Agreement.

Registration Rights Agreement

In connection with the Simplification Transactions completed in November 2016, the holders of AAP Units other than PAGP and GP LLC (the "Holders") entered into a Registration Rights Agreement with PAA, pursuant to which PAA agreed to use commercially reasonable efforts to file, and cause to be continuously effective, a shelf registration statement to permit the public resale of the PAA common units held by AAP immediately following the closing of the Simplification Transactions that

are distributable to the Holders pursuant to an AAP Unit Redemption. Additionally, PAA agreed to register the resale of any PAA common units issued to AAP following the closing of the Simplification Transactions pursuant to the Omnibus Agreement in respect of certain of the AAP Management Units. In certain circumstances, the Holders will have piggyback registration rights on offerings initiated by persons (other than PAA) for whom PAA has the obligation to undertake an underwritten offering (including the holders of its Series A Preferred Units), and certain Holders will collectively have the right to request up to a total of twelve underwritten offerings, subject to size limitations and customary rights of PAA to delay such offerings.

Preferred Unit Offering

In January 2016, we sold approximately 61.0 million unregistered Series A Convertible Preferred Units (the “Preferred Units”) in a private placement offering to a group of purchasers that included affiliates of EnCap, KAFU and EMG. Net proceeds of the sale, after deducting offering expenses and a transaction fee due to the purchasers and including our general partner’s 2% equity contribution, were approximately \$1.6 billion.

In connection with the closing of our private placement of Preferred Units, we entered into a Registration Rights Agreement (the “Registration Rights Agreement”) with the purchasers of the Preferred Units relating to the registered resale of the common units issuable upon conversion of the Preferred Units. Pursuant to the Registration Rights Agreement, we are required to file or cause to be filed a registration statement for such registered resale and are required to cause the registration statement to become effective no later than two years after the closing. In certain circumstances, the holders of registrable securities (as defined in the Registration Rights Agreement) will have piggyback registration rights on offerings initiated by other holders, and certain purchasers will have rights to request an underwritten offering as described in the Registration Rights Agreement. Holders of registrable securities will cease to have registration rights under the Registration Rights Agreement on the later of (i) the fourth anniversary of the date on which all Preferred Units have been converted into common units pursuant to our partnership agreement and (ii) the earlier of (x) the date on which such holder is no longer an “affiliate” as such term is defined in Rule 144 promulgated under the Securities Act of 1933, as amended, and (y) the tenth anniversary of the closing.

Other

During 2016, we recognized sales and transportation revenues of approximately \$655 million from companies affiliated with Oxy. During 2016, we also purchased approximately \$42 million of petroleum products from companies affiliated with Oxy. These transactions were conducted at posted tariff rates or prices that we believe approximate market. Included in these transactions was a crude oil buy/sell agreement that includes a multi-year minimum volume commitment. These amounts do not include revenues from unconsolidated equity investments.

During 2016, we recognized sales and transportation and storage revenues of approximately \$9 million from companies affiliated with EMG. During 2016, we also purchased approximately \$191 million of oil from companies affiliated with EMG. These transactions were conducted at posted tariff rates or prices that we believe approximate market.

During 2016, we purchased approximately \$5 million of oil from companies owned and controlled by funds managed by KACALP. We pay the same amount per barrel to these companies that we pay to other producers in the area.

An employee in our marketing department is the son of Phil Kramer, who served as an executive officer during 2016. Mr. Kramer’s son’s total compensation for 2016 (which amount includes the grant date fair value of LTIPs awarded to him on terms consistent with all eligible employees) was approximately \$231,000.

An employee in our supply chain management department is the son of Daniel J. Nerbonne, one of our executive officers. Mr. Nerbonne’s son’s total compensation for 2016 (which amount includes the grant date fair value of LTIPs awarded to him on terms consistent with all eligible employees) was approximately \$140,000.

An employee in our marketing department is the son of Daniel J. Nerbonne, one of our executive officers. Mr. Nerbonne’s son’s total compensation for 2016 (which amount includes the grant date fair value of LTIPs awarded to him on terms consistent with all eligible employees) was approximately \$189,000.

An employee with our Canadian operations is the son of W. David Duckett, who served as an executive officer during 2016. Mr. Duckett’s son’s total compensation for 2016 (which amount includes the grant date fair value of LTIPs awarded to him on terms consistent with all eligible employees) was approximately \$649,000.

Review, Approval or Ratification of Transactions with Related Persons

Pursuant to our Governance Guidelines, a director is expected to bring to the attention of the CEO or the board any conflict or potential conflict of interest that may arise between the director or any affiliate of the director, on the one hand, and PAGP GP, PAA, PAGP or their respective affiliates, on the other. The resolution of any such conflict or potential conflict should, at the discretion of the board in light of the circumstances, be determined by a majority of the disinterested directors.

If a conflict or potential conflict of interest arises between PAA and its limited partners, on the one hand, and our general partner and its owners and affiliates, on the other, the resolution of any such conflict or potential conflict should be addressed by the board in accordance with the applicable provisions of the partnership agreements of PAA and PAGP. At the discretion of the board in light of the circumstances, the resolution may be determined by the board of directors or by a “conflicts committee” meeting the definitional requirements for such a committee under the partnership agreements.

Pursuant to our Code of Business Conduct, any executive officer must avoid conflicts of interest unless approved by the board of directors of our general partner.

In the case of any sale of equity by the Partnership in which an owner or affiliate of an owner of our general partner participates, our practice would be to obtain board approval for the transaction. The board typically delegates authority to set the specific terms to a pricing committee, consisting of the CEO and one independent director. Actions by the pricing committee require unanimous approval of such committee.

Item 14. *Principal Accountant Fees and Services*

The following table details the aggregate fees billed for professional services rendered by our independent auditor for services provided to us and to our subsidiaries (in millions):

	Year Ended December 31,	
	2016	2015
Audit fees ⁽¹⁾	\$ 5.3	\$ 4.6
Audit-related fees ⁽²⁾	1.0	0.1
Tax fees ⁽³⁾	1.4	1.5
Total	\$ 7.7	\$ 6.2

(1) Audit fees include those related to (a) our annual audit (including internal control evaluation and reporting); (b) the audit of certain joint ventures of which we are the operator, and (c) work performed on our registration of publicly held debt and equity.

(2) Audit-related fees for the year ended December 31, 2016 are primarily comprised of fees associated with the audits of financial statements prepared in conjunction with divestiture transactions. Such fees were reimbursed to us by the purchasers. Audit-related fees also include fees for the audits of our benefit plan in both periods presented.

(3) Tax fees are related to tax processing as well as the preparation of Forms K-1 for our unitholders and international tax planning work associated with the structure of our Canadian investment.

Pre-Approval Policy

As discussed above, we have an audit committee that reviews our external financial reporting, engages our independent auditors and reviews the adequacy of our internal accounting controls. All services provided by our independent auditor are subject to pre-approval by our audit committee. The audit committee has instituted policies that describe certain pre-approved non-audit services. We believe that the descriptions of services are designed to be sufficiently detailed as to particular services provided, such that (i) management is not required to exercise judgment as to whether a proposed service fits within the description and (ii) the audit committee knows what services it is being asked to pre-approve. The audit committee is informed of each engagement of the independent auditor to provide services under the respective policy. All services provided by our independent auditor during the years ended December 31, 2016 and 2015 were approved in advance by our audit committee.