



PAA Announces Settlement Agreement with EPA & DOJ

(Houston - August 10, 2010) Plains All American Pipeline, L.P. (NYSE: [PAA](#)) announced today that it has reached a settlement agreement with the U.S. Environmental Protection Agency and the U.S. Department of Justice regarding a 2004 crude oil release that reached the Pecos River and a 2005 crude oil release that reached the Sabine River, as well as eight smaller releases. The terms of the settlement are set forth in a Consent Decree, which will become effective only after approval by the United States District Court for the Southern District of Texas. The Consent Decree calls for the payment of \$3.25 million and requires PAA to adhere to certain operational procedures and restrictions. This agreement represents more than four years of information sharing and negotiation, which began shortly after the incidents occurred.

As discussed in PAA's Annual Reports on Form 10-K filed with the Securities and Exchange Commission (SEC), over the last several years PAA has proactively developed and implemented risk assessment, pipeline integrity and leak detection procedures that are incremental to those mandated by regulation. As a result of this effort and the ongoing process with EPA and DOJ, many of the operational requirements contained in the Consent Decree have already been incorporated into PAA's operating practices and the anticipated costs of compliance with the operational terms of the Consent Decree are reflected in PAA's operating and financial guidance furnished to the SEC on Form 8-K. Additionally, the full amount of the cash settlement was included in PAA's contingency accruals at June 30, 2010.

Plains All American Pipeline, L.P. is a publicly traded master limited partnership engaged in the transportation, storage, terminalling and marketing of crude oil, refined products and liquefied petroleum gas and other natural gas related petroleum products. Through its general partner interest and majority equity ownership position in PAA Natural Gas Storage, L.P. (NYSE: PNG), PAA is also engaged in the development and operation of natural gas storage facilities. PAA is headquartered in Houston, Texas.

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