



PAA Announces Expansions of Its Cushing Terminal Facility

(Houston - November 1, 2010) Plains All American Pipeline, L.P. (NYSE:[PAA](#)) announced today that it is adding a new pipeline interconnect and approximately four million barrels of storage capacity at its Cushing Terminal Facility in three phases. In the aggregate, the construction of Phase IX, X and XI expansion projects will expand PAA's existing crude oil storage capacity by approximately 30% and enhance the connectivity of PAA's Cushing, Oklahoma terminal. The Partnership expects these projects to cost a total of approximately \$85 million.

The Phase IX expansion consists of making a high-capacity connection to Keystone Pipeline, completing certain terminal modifications to enable Keystone deliveries at full line rates, and constructing two 270,000 barrel tanks at a total cost of approximately \$20 million. The Partnership plans to be ready to accept Keystone deliveries in the first quarter of 2011. The Phase X & XI expansions include constructing fourteen 270,000 barrel tanks for a total of approximately 3.8 million barrels of crude oil storage capacity. These expansions are expected to be placed into service in stages from the second through fourth quarters of 2011, at a total cost of approximately \$65 million. Approximately \$25 million of the total capital is expected to be invested in 2010 and the remainder in 2011.

"These expansions are substantially underpinned by long-term contracts with third-party customers and highlight the continued strong demand for storage capacity that we are experiencing at our key market hub terminals," said Greg L. Armstrong, Chairman and CEO of Plains All American. "The expansions announced today will bring total storage capacity at our Cushing Terminal to over 18 million barrels, approximately nine times its original size. As a result of its strategic location, operational flexibility and expansion capabilities, the Cushing Terminal has been a cornerstone asset for the Partnership and continues to serve as a template for the development of PAA's and PNG's other market hub storage facilities, including St. James, Patoka, Edmonton and Pine Prairie."

PAA's Cushing Terminal is among the largest crude oil terminalling facilities in the United States and incorporates a variety of operational enhancements and environmental safeguards designed to safely and efficiently terminal, store, segregate and aggregate large volumes and multiple varieties of domestic and foreign crude oil.

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.

Forward Looking Statements

Except for the historical information contained herein, the matters discussed in this news release are forward-looking statements that involve certain risks and uncertainties. These risks and uncertainties include, among other things, unanticipated shortages or cost increases in power supplies, materials and skilled labor, weather interference with business operations or project construction, and other factors and uncertainties inherent in the transportation, storage, terminalling and marketing of crude oil as discussed in the Partnership's filings with the Securities and Exchange Commission.

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