



Plains All American Pipeline Announces Cactus II Pipeline is Fully Committed with Long-Term Third-Party Contracts

A subsidiary of Plains All American Pipeline, L.P. (NYSE: [PAA](#)) today announced the successful conclusion of the recent open season for its Cactus II pipeline, a new pipeline system with an initial capacity of 585,000 barrels per day extending from the Permian Basin to the Corpus Christi/Ingleside area.

Cactus II pipeline capacity is fully committed with long-term third-party shipper contracts totaling 525,000 barrels per day, composed of 425,000 barrels per day of long-term minimum volume commitments and an additional 100,000 barrels per day of commitments associated with long-term acreage dedications. Approximately 60,000 barrels per day is reserved for walk-up shippers. Affiliates of certain third-party contracted shippers have options (exercisable no later than mid-2018) to participate as joint venture partners for up to 35% of Cactus II. PAA is expected to retain 65% ownership and will serve as operator.

The Cactus II pipeline system will have origination points at Orla, Wink, Midland, Crane and McCamey, Texas and will be capable of transporting multiple quality segregations. The system includes a combination of capacity on existing pipelines and two new 26-inch pipelines and is expandable to approximately 670,000 barrels per day through the addition of incremental pumping capacity. The first new pipeline will extend from Wink to McCamey, TX, and the second new pipeline (which is expected to be owned within the Joint Venture) will extend from McCamey to the Corpus Christi/Ingleside area, and have flexibility to access multiple docks.

The capital cost of the two new pipelines is expected to total approximately \$1.1 billion, with PAA's portion representing approximately \$700 to \$750 million, which amount was included in PAA's capital plan disclosed earlier this month and assumes exercise of the third party options to participate in the joint venture. Permitting, right-of-way and procurement activities are underway, and the pipeline system is targeted to be operational in the third quarter of 2019.

Forward Looking Statements

Certain matters discussed in this release are forward-looking statements that involve risks and uncertainties that could cause actual results or outcomes to differ materially from results or outcomes anticipated in the forward-looking statements. These risks and uncertainties include, among other things, shortages, cost increases or delays in receipt of supplies, materials or labor; inability to obtain, delays in the receipt of, or other issues associated with necessary licenses, permits, approvals, consents, rights of way or other governmental or third party requirements; the impact of current and future laws, rulings, orders, governmental regulations, accounting standards and statements and related interpretations; weather interference with business operations or project construction, including the impact of extreme weather events or conditions; environmental liabilities, issues or events that result in construction delays or otherwise impact targeted in-service dates; interruptions in service on third-party pipelines or facilities; general economic, market or business conditions and the amplification of other risks caused by volatile financial markets, capital constraints and pervasive liquidity concerns; and other factors and uncertainties inherent in the transportation, storage, terminalling and marketing of crude oil as discussed in PAA's filings with the Securities and Exchange Commission.

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

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