ENERGY TRANSFER

First Quarter 2020 Earnings

May 11, 2020
Management of Energy Transfer LP (ET) will provide this presentation in conjunction with ET’s 1st quarter earnings conference call. On the call, members of management may make statements about future events, outlook and expectations related to Panhandle Eastern Pipe Line Company, LP (PEPL), Sunoco LP (SUN), USA Compression Partners, LP (USAC), Energy Transfer Operating, L.P. (ETO) and ET (collectively, the Partnerships), and their subsidiaries and this presentation may contain statements about future events, outlook and expectations related to the Partnerships and their subsidiaries all of which statements are forward-looking statements. Any statement made by a member of management of the Partnerships on the earnings call and any statement in this presentation that is not a historical fact will be deemed to be a forward-looking statement. These forward-looking statements rely on a number of assumptions concerning future events that members of management of the Partnerships believe to be reasonable, but these statements are subject to a number of risks, uncertainties and other factors, many of which are outside the control of the Partnerships. While the Partnerships believe that the assumptions concerning these future events are reasonable, we caution that there are inherent risks and uncertainties in predicting these future events that could cause the actual results, performance or achievements of the Partnerships and their subsidiaries to be materially different. These risks and uncertainties are discussed in more detail in the filings made by the Partnerships with the Securities and Exchange Commission (SEC), copies of which are available to the public. In addition to the risks and uncertainties disclosed in our SEC filings, the Partnership have also been, or may in the future be, impacted by new or heightened risks related to the COVID-19 pandemic and the recent sharp declines in commodity prices, and we cannot predict the length and ultimate impact of those risks. The Partnerships expressly disclaim any intention or obligation to revise or publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise.

This presentation includes certain forward looking non-GAAP financial measures as defined under SEC Regulation G, including estimated adjusted EBITDA. Due to the forward-looking nature of the aforementioned non-GAAP financial measures, management cannot reliably or reasonably predict certain of the necessary components of the most directly comparable forward-looking GAAP measures without unreasonable effort. Accordingly, we are unable to present a quantitative reconciliation of such forward-looking non-GAAP financial measures to their most directly comparable forward-looking GAAP financial measures.

All references in this presentation to capacity of a pipeline, processing plant or storage facility relate to maximum capacity under normal operating conditions and with respect to pipeline transportation capacity, is subject to multiple factors (including natural gas injections and withdrawals at various delivery points along the pipeline and the utilization of compression) which may reduce the throughput capacity from specified capacity levels.
Q1 2020 HIGHLIGHTS

Operational:
- Reported record NGL fractionation and transportation volumes
- Midstream gas gathering, Intrastate natural gas and crude oil transportation volumes increased over Q1’19
- Placed Panther II Processing Plant into full service in January 2020
- Placed Frac VII into service in February 2020

Financial:
- Adjusted EBITDA: $2.64B
  - Impacted by $213mm inventory valuation adjustment
- DCF: $1.42B
- Distribution coverage ratio: 1.72x
- Growth Capital spend: ~$1.0B
- Distributable cash flow in excess of distributions of $594mm

Strategic:
- Issued $4.5B of Senior Notes and $1.6B of Preferred Units in January 2020
- Strong liquidity of $4B at end of Q1 provides financial flexibility
- Completed integration of SemGroup assets and began to realize financial savings

Primarily demand-fee based, fully integrated franchise with nation-wide scope
2020 EBITDA OUTLOOK

2020E EBITDA ~$10.6-$10.8 billion

<table>
<thead>
<tr>
<th>2019 to 2020 Drivers</th>
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<tr>
<td>+ SEMG integration/synergies</td>
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<tr>
<td>- Legacy contracts/renewals</td>
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<tr>
<td>- Crude/gas spreads</td>
</tr>
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+ Organic Projects
  + Mariner East system
  + Fractionation plants (VI, VII)
  + PE4 Pipeline
  + Lone Star Express Expansion
  + Permian processing plants
  + JC Nolan Diesel Pipeline
  + Red Bluff Express Pipeline

2020E Adjusted EBITDA Breakout

- Commodity Spread
  - 2.5-5%
- Fee
  - 90-95%

- Taking additional steps to keep assets running efficiently and cash flows steady, including cost reduction measures and reduced 2020 growth capital expenditures
- Identified and executing on significant cost cutting initiatives, and expect to save $200 to $250 million relative to 2020 budget

1. Spread margin is pipeline basis, cross commodity and time spreads
2. Fee margins include transport and storage fees from affiliate customers at market rates
EARNINGS SUPPORTED BY PREDOMINANTLY FEE-BASED CONTRACTS

Q1 2020 Adjusted EBITDA by Segment

<table>
<thead>
<tr>
<th>Segment</th>
<th>Contract Structure</th>
<th>Strength</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crude Oil</td>
<td>Fees from transporting and terminalling</td>
<td>More than 9,500 miles connecting Permian, Bakken and Midcon Basins to U.S. markets, including Nederland terminal</td>
</tr>
<tr>
<td>NGL &amp; Refined Products</td>
<td>Fees from dedicated capacity and take-or-pay contracts, storage fees and throughput fees, and fractionation fees, which are primarily frac-or-pay structures</td>
<td>~60 facilities connected to ET’s NGL pipelines, and new frac expansions will bring total fractionation capacity at the Mont Belvieu complex to more than 1 million bpd</td>
</tr>
<tr>
<td>Interstate Transport &amp; Storage</td>
<td>Fees based on reserved capacity, regardless of usage</td>
<td>Connected to all major U.S. supply basins and demand markets, including exports</td>
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2019 Midstream Segment Contract Mix By Volume

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<tr>
<th>Segment</th>
<th>Contract Structure</th>
<th>Strength</th>
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</thead>
<tbody>
<tr>
<td>Midstream</td>
<td>Minimum volume commitment (MVC), acreage dedication, utilization-based fees and percent of proceeds (POP)</td>
<td>Significant acreage dedications, including assets in Permian, Eagle Ford, and Marcellus/Utica Basins</td>
</tr>
<tr>
<td>Intrastate Transport &amp; Storage</td>
<td>Reservation charges and transport fees based on utilization</td>
<td>Largest intrastate pipeline system in the U.S. with interconnects to TX markets, as well as major consumption areas throughout the US</td>
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1. Energy Transfer Operating Segments
### REVISED CAPEX OUTLOOK – A DISCIPLINED, QUICKER CASH GENERATION CYCLE

| NGL & Refined Products | • Lone Star Express Expansion  
|                        | • Mariner East system (ME2, ME2X)  
|                        | • Nederland LPG facilities  
|                        | • Fractionation plant VII (placed in service in February)  
|                        | • Fractionation plant VIII (delaying construction of Frac VIII based on current expectations)\(^1\)  
|                        | • Orbit Export facilities (Nederland and Mt. Belvieu)  
|                        | • Multiple projects < $50mm  
| Midstream              | • Gathering and processing projects primarily in West Texas, the Northeast, and Eagle Ford (slowed pace of development in accordance with demand)  
| Crude Oil             | • Bakken pipeline optimization  
|                       | • Ted Collins Link\(^1\) (transitioned Ted Collins Pipeline into Ted Collins Link)  
|                       | • Multiple projects < $50mm  

### 2020E Growth Capital: ~$3.6 billion  
(Previously ~$3.9-$4.1 billion)  

For 2020, evaluating another $300-400 million for potential reduction

Capex run-rate over next 3-4 years: under $2 billion

- Continuing to evaluate future opportunities with increased return thresholds  
- Unlikely to add major organic growth projects to backlog in current market uncertainty  

Believe long-term capex run-rate will result in positive free cash flow starting in 2021

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\(^1\) With delays/revisions to projects, some capital has moved back into 2021
In January 2020, completed registered offering of $4.5 billion of senior notes, as well as $1.6 billion of Preferred Units

- Aggregate proceeds were used to redeem all 2020 senior note maturities and partially refinance amounts outstanding under Energy Transfer’s revolving credit facility

Liquidity as of March 31, 2020: ~$4 billion
In 2020, Energy Transfer insiders and independent board members have purchased ~10.6 million units, totaling ~$110 million

CEO: ~7.9mm units; ~$91mm
Board of Directors: ~2.5mm units; ~$18mm
CFO: ~87k units; ~$595k
COO: ~53k units; ~$375k
CCO: ~24k units; ~$194k

Total ET insider ownership is ~14.5%

Source: Bloomberg/Company Filings; as of 5/8/2020
FULLY INTEGRATED FRANCHISE FROM WELLHEAD TO WATER

Fully-integrated midstream platform enhances ability to offer wide range of services to both domestic and international markets.
## DELIVERING ON PROJECT BACKLOG

<table>
<thead>
<tr>
<th>PROJECT</th>
<th>SCOPE</th>
<th>IN-SERVICE TIMING</th>
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<tbody>
<tr>
<td><strong>NGL &amp; Refined Products</strong></td>
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<tr>
<td>Mont Belvieu’s Frac VI</td>
<td>150 Mbpd fractionator at Mont Belvieu complex</td>
<td>In service Q1 2019</td>
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<tr>
<td>Mont Belvieu’s Frac VII</td>
<td>150 Mbpd fractionator at Mont Belvieu complex</td>
<td>In service Q1 2020</td>
</tr>
<tr>
<td>Mont Belvieu’s Frac VIII</td>
<td>150 Mbpd fractionator at Mont Belvieu complex</td>
<td>Q1 2022</td>
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<tr>
<td>Lone Star Express Expansion</td>
<td>24-inch, 352 mile expansion to LS Express Pipeline adding 400,000 bbls/d from Wink, TX to Fort Worth, TX</td>
<td>Q4 2020</td>
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<td>Mariner East 2</td>
<td>NGLs from Marcellus Shale to MHIC with 275Mbpd capacity upon full completion</td>
<td>In service Q4 2018</td>
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<td>Mariner East 2X</td>
<td>Increase NGL takeaway from the Marcellus to the East Coast w/ storage at Marcus Hook complex</td>
<td>Q1 2021</td>
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<td>J.C. Nolan Diesel Pipeline (1)</td>
<td>30,000 bbls/d diesel pipeline from Hebert, TX to newly-constructed terminal in Midland, TX</td>
<td>In service Q3 2019</td>
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<td>LPG Expansion</td>
<td>235,000 bbls/d expansion at Nederland to further integrate Mont Belvieu and Nederland assets and expand LPG export capabilities</td>
<td>Q4 2020</td>
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<tr>
<td>Orbit Ethane Export Terminal (1)</td>
<td>800,000 bbl refrigerated ethane storage tank and 175,000 bbl/d ethane refrigeration facility and 20-inch ethane pipeline to connect Mont Belvieu to export terminal</td>
<td>Q4 2020</td>
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<tr>
<td><strong>Midstream</strong></td>
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<tr>
<td>Revolution</td>
<td>110 miles of gas gathering pipeline, cryogenic processing plant, NGL pipelines, and frac facility in PA</td>
<td>Plant complete; awaiting pipeline restart</td>
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<tr>
<td>Arrowhead III</td>
<td>200 MMcf/d cryogenic processing plant in Delaware Basin</td>
<td>In service Q3 2019</td>
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<tr>
<td>Panther II</td>
<td>200 MMcf/d cryogenic processing plant in Midland Basin</td>
<td>In full service Jan. 2020</td>
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<tr>
<td><strong>Crude Oil</strong></td>
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<td>Bayou Bridge (1)</td>
<td>212 mile crude pipeline connecting Nederland to Lake Charles / St. James, LA</td>
<td>In service Q1 2019</td>
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<td>Permian Express 4 (1)</td>
<td>Provides incremental Permian takeaway capacity, with total capacity of 120Mbpd</td>
<td>Fully in service Oct. 1, 2019</td>
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<tr>
<td>Ted Collins Link (2)</td>
<td>Up to 275 MBbls/d pipeline connecting Nederland Terminal to Houston Terminal</td>
<td>Q4 2021</td>
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<tr>
<td><strong>Intrastate Transport &amp; Storage</strong></td>
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<tr>
<td>Red Bluff Express Pipeline (1)</td>
<td>80-mile pipeline with capacity of at least 1.4 Bcf/d; extension will add an incremental 25 miles of pipeline</td>
<td>Fully in service Q3 2019</td>
</tr>
<tr>
<td>NTP Pipeline Expansion (1)</td>
<td>36-inch natural gas pipeline expansion, providing 160,000 Mmbtu/d of additional capacity from WTX for deliveries into Old Ocean</td>
<td>In service January 2019</td>
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1. Joint Venture
2. Transitioned Ted Collins Pipeline into the Ted Collins Link
Distribution coverage ratio for the three months ended March 31, 2020 is calculated as Distributable Cash Flow divided by adjusted EBITDA. ET expects to pay the following distributions to its unitholders for the quarter ending June 30, 2020: $825 million.

Notes

(1) All figures as of March 31, 2020.

(2) The impact of the ETO Merger is included in Energy Transfer's consolidated financial statements commencing as of the date of the close of the merger, while the impact of the ETO Merger is included in Energy Transfer's consolidated financial statements commencing as of the date of the close of the merger.

(3) Pro forma EBITDA is a non-GAAP financial measure that excludes the impact of transactions as if they had occurred for the periods presented. Pro forma EBITDA is presented to provide investors with a more comprehensive view of Energy Transfer's performance and better facilitates comparisons across periodic reporting periods.

(4) Adjusted EBITDA has been defined in accordance with Energy Transfer's calculations, as shown in the table below. Adjusted EBITDA is a non-GAAP financial measure that Energy Transfer uses as a measure of segment and operating performance.

(5) The definitions of non-GAAP financial measures in this presentation are consistent with those used in Energy Transfer's financial statements and filings with the Securities and Exchange Commission.