ENERGY TRANSFER

ENERGY TRANSFER

Investor Presentation

August 2020

ET
LISTED
NYSE

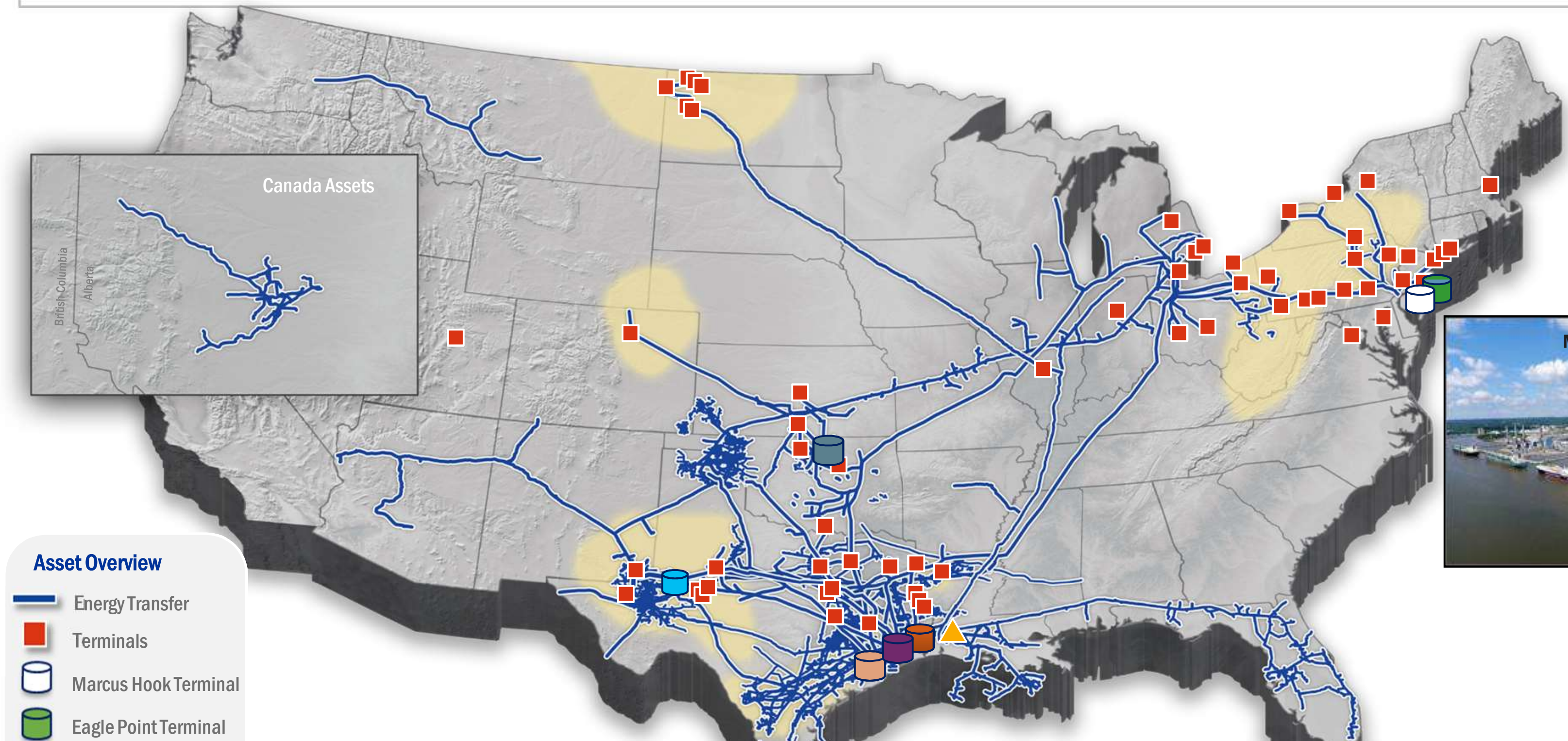
FORWARD-LOOKING STATEMENTS / LEGAL DISCLAIMER

Management of Energy Transfer LP (ET) will provide this presentation to analysts and/or investors at meetings to be held throughout August 2020. At the meetings, 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 at these meetings 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, copies of which are available to the public. In addition to the risks and uncertainties disclosed in our SEC filings, the Partnership may 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. 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.

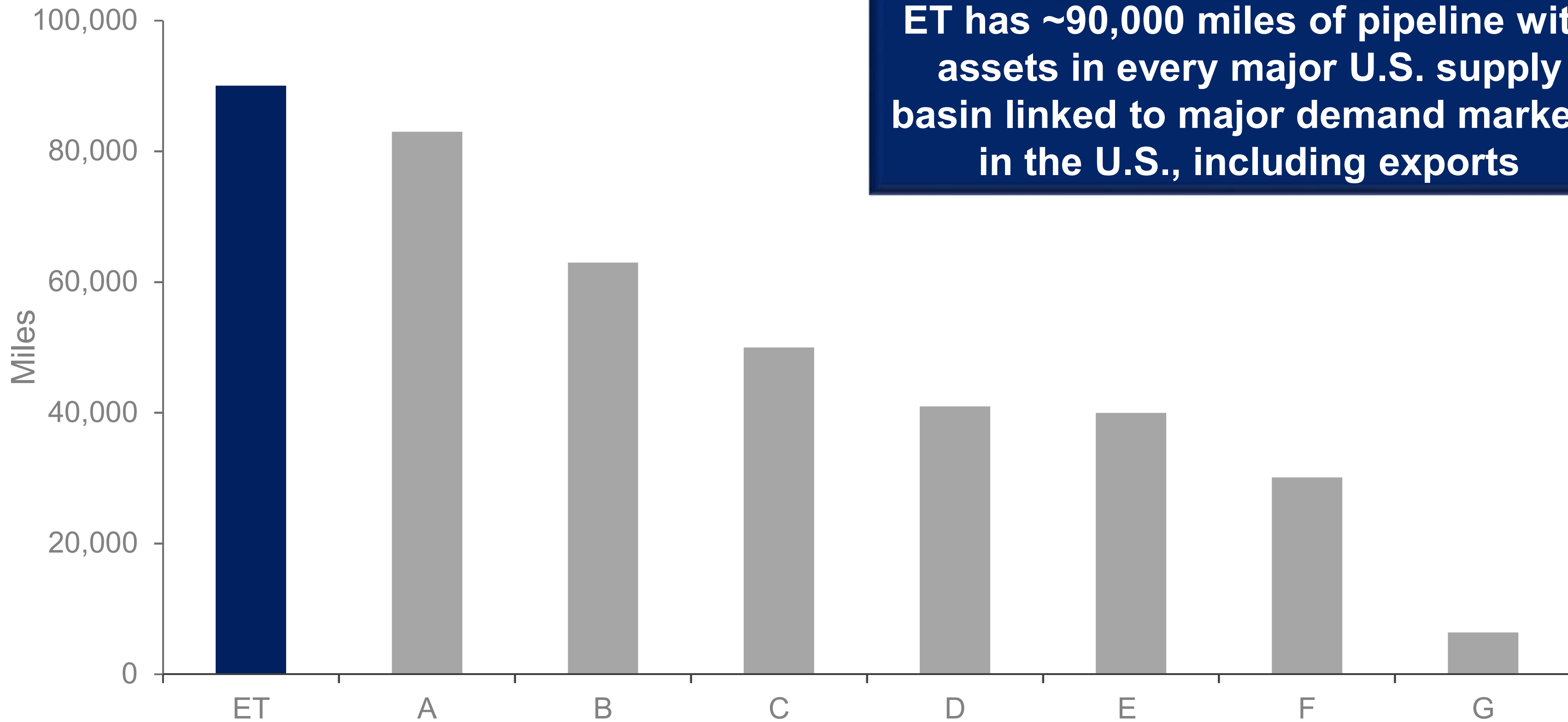
FULLY INTEGRATED FRANCHISE FROM WELLHEAD TO WATER



Diversified midstream platform enhances ability to offer wide range of services to both domestic and international markets

SUPPORTED BY A LEADING PIPELINE FRANCHISE

Miles of Pipeline



ET has ~90,000 miles of pipeline with assets in every major U.S. supply basin linked to major demand markets in the U.S., including exports

Peer Group: KMI, EPD, DCP, OKE, TRGP, ENB (excluding ENB utilities and power pipe mileage), TCP
Source: Company websites/filings

FULLY INTEGRATED LARGE CAP FRANCHISE

Scale/Scope of Business

- ~90,000 miles of crude oil, natural gas, NGL and refined products pipelines
- ~30% of U.S. natural gas and crude oil is moved on ET pipelines
- Operations covering 38 states in the U.S. along with international facilities in Canada and China

Diversity of Earnings

- Exceptional product and geographic diversity
- Business segments generate high-quality, balanced earnings, with no segment contributing more than 30 percent of consolidated Adjusted EBITDA
- Assets located in every major supply basin in the U.S. with access to all major demand markets in the U.S., including exports
- Multiple products with crude oil, NGL, natural gas and refined products assets

Financial Highlights Q2'20

- Adjusted EBITDA: $2.44B
- DCF: $1.27B
- Distribution coverage ratio: 1.54x
- Distributable cash flow in excess of distributions of $448mm
- Vast majority of margins are fee-based with low commodity price sensitivity
- Expect to be Free Cash Flow positive in 2021 after capex and distributions

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

UPDATED 2020 ADJUSTED EBITDA OUTLOOK

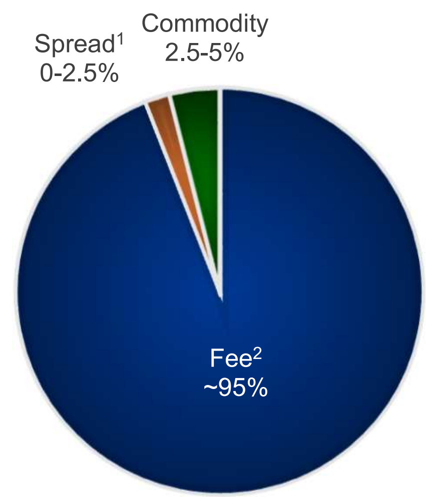
2020E Adjusted EBITDA ~$10.2-$10.5 billion

2019 to 2020 Drivers

+ SEMG integration/synergies
- Legacy contracts/renewals
- Crude/gas spreads
- Economic slow down/volumes

+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

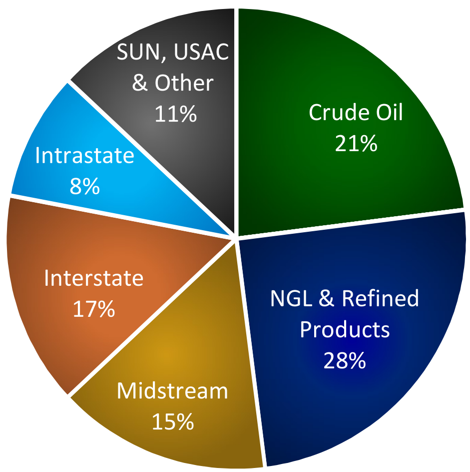


- ➢ Increased operating efficiencies from lower cost structure
- ➢ Pricing and spread assumptions based on current futures markets

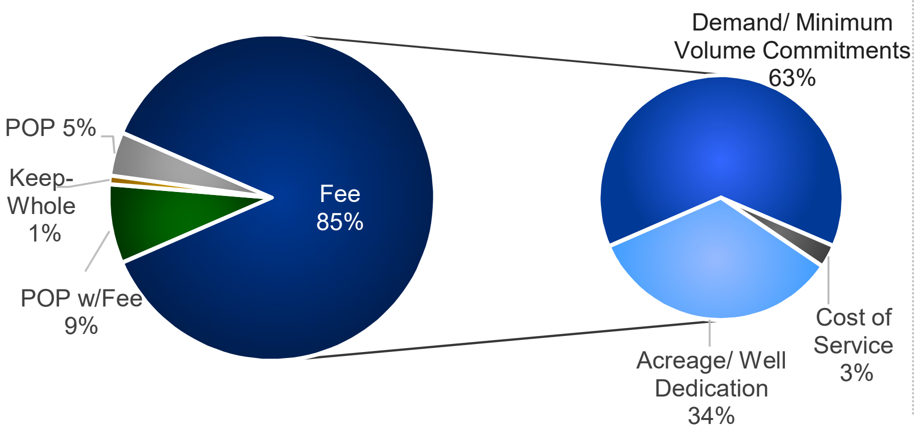
1. *Spread margin is pipeline basis, cross commodity and time spreads*
2. *Fee margins include transport and storage fees from affiliate customers at market rates*

EARNINGS SUPPORTED BY PREDOMINANTLY FEE-BASED CONTRACTS

Q2 2020 Adjusted EBITDA by Segment



2019 Midstream Segment Contract Mix By Volume



Segment	Contract Structure	Strength
Crude Oil	Fees from dedicated acreage, take-or-pay and throughput-based transportation, terminalling and storage	More than 9,500 miles connecting Permian, Bakken and Midcon Basins to U.S. markets, including Nederland terminal
NGL & Refined Products	Fees from plant dedications and take-or-pay transportation contracts, storage fees and fractionation fees, which are primarily frac-or-pay structures	~60 facilities connected to ET’s NGL pipelines, and benefit from recent frac expansions at the Mont Belvieu complex
Interstate Transport & Storage	Fees based on reserved capacity, take-or-pay contacts	Connected to all major U.S. supply basins and demand markets, including exports
Midstream	Minimum volume commitment (MVC), acreage dedication, utilization-based fees and percent of proceeds (POP)	Significant acreage dedications, including assets in Permian, Eagle Ford, and Marcellus/Utica Basins
Intrastate Transport & Storage	Reservation charges and transport fees based on utilization	Largest intrastate pipeline system in the U.S. with interconnects to TX markets, as well as major consumption areas throughout the US

DISCIPLINED INVESTMENTS WITH HIGHER RETURNS FOCUS

2020E Growth Capital: ~$3.4 billion

15% reduction from original estimate[1]

		% of 2020E[2]
NGL & Refined Products	• Lone Star Express Expansion • Mariner East system (ME2, ME2X) • Nederland LPG facilities • Fractionation plant VII (placed in service in February) • Orbit Export facilities (Nederland and Mt. Belvieu) • Multiple projects < $50mm	70-75%
Midstream	• Gathering and processing projects primarily in West Texas, the Northeast, and Eagle Ford (slowed pace of development in accordance with demand)	10-15%
Crude Oil	• Bakken pipeline optimization • Ted Collins Link • Multiple projects < $50mm	5-10%

2021E Growth Capital: ~$1.3 billion

28% reduction from original estimate[1]

2022E and 2023E Growth Capital: ~$500-700 million per year

Expect to be free cash flow positive in 2021, after growth capital and equity distributions

1. *As provided in February 2020*
2. *Intra/Interstate and other segments estimated at ~5%*

INVESTMENT IN HIGH-QUALITY GROWTH PROJECTS

Major growth projects added since 2017

2017	Bakken Pipeline System* Trans Pecos/Comanche Trail Pipeline* Permian Express 3* Panther Plant Arrowhead Plant
2018	Rover Pipeline* Frac V Rebel II Plant Arrowhead II Plant Mariner East 2
2019	Bayou Bridge Phase II* Permian Express 4* Frac VI Red Bluff Express Pipeline* JC Nolan Diesel Pipeline* Arrowhead III Plant Panther II Plant
2020	Frac VII Lone Star Express Expansion[1] Orbit*[1] Mariner East 2X[1] LPG Expansion[1]

Organic Growth Capital[2]

2017
$5.5B

Adjusted EBITDA[3]

2020E
$10.2-10.5B

2021E
$1.3B

2017
$7.3B

*Joint Ventures
[1]Currently under construction
[2]Includes ET's proportionate share of JV spend
[3]Adjusted EBITDA includes 100% of EBITDA related to non-wholly-owned subsidiaries

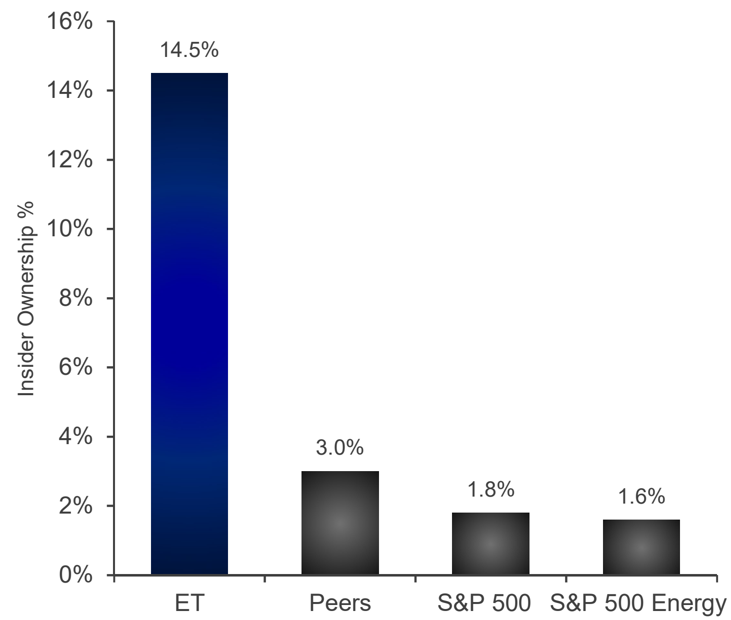
SIGNIFICANT MANAGEMENT OWNERSHIP

In 2020, Energy Transfer insiders and independent board members have purchased ~10.6 million units, totaling ~$110 million

2020 Insider Purchases

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

Insider Ownership vs Peers



Total ET insider ownership is ~14.4%

Source: Bloomberg/Company Filings; as of 8/11/2020
Peer Group: KMI, EPD, DCP, OKE, TRGP, ENB

CORPORATE RESPONSIBILITY
ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)

WE DO THE RIGHT THING

Energy Transfer is dedicated to responsibly and safely delivering America's energy

Program Highlights

- **Committed to pursuing a zero incident culture**
- **Overall year-to-year incident rate improvements**
- **Significant use of renewable energy in operations**
- Comprehensive investigation and risk reduction for reported EHS incidents
- Compliance tracking and trending through a comprehensive Environmental Management System
- Methane reduction program
- Support pipeline safety and environmental research through membership in the Pipeline Research Council International (PRCI) and the Intelligent Pipeline Integrity Program (iPIPE)

Program Accomplishments

- **2018 EHSQ Alliance Award for Environmental Stewardship for outstanding leadership in environmental management and performance**
- **Awarded the AGA Industry Leader Accident Prevention Award for 2018 in the Large Transmission Company category**
- **Achieved TRIR safety incidents and PHMSA incident rate better than industry benchmark**
- **20% of electrical energy purchased by ET originates from solar or wind sources**
- Ducks Unlimited partnership provided $5 MM donation for wetlands restoration in Louisiana and Ohio
- Reduced emissions with ET patented Dual-drive compressors used in ozone non-attainment areas
- Landfill gas renewable electric power generation via Energy Transfer-owned PEI Power

Program Highlights

- **$39 MM donated to charitable organizations between 2017 and 2018**
- **4,000+ volunteer hours by ET employees**
- Comprehensive Stakeholder Engagement Program that promotes proactive outreach and respect for all people
- Committed to an inclusive and diverse workforce
- Adopted America's Natural Gas Transporters' Commitment to Landowners
- On-going emergency response and public awareness outreach programs

Program Accomplishments

- **2019 Forbes America's Best Large Employers**
- **70+ nonprofit organizations served in 2018 – local to our assets**
- 2019 National Excellence in Construction® Eagle Award in the Mega Projects category
- Texas Gulf Coast Blood Center 2019 Corporation of the Year
- $4.5 MM donated to MD Anderson for cancer research
- $2.1 MM in grants to Philabundance, Delaware Valley's largest hunger relief organization
- $1.2 MM in support provided to American Red Cross

Program Highlights

- **EHS Compliance and ESG issues oversight by Independent BOD Audit Committee**
- Compensation aligned with business strategies – performance based with retention focus
- Strong enforcement of integrity and compliance standards
- ET's EVP-Legal serves as Chief Compliance Officer
- Quarterly compliance certifications from senior management
- Alignment of management/unitholders

Program Accomplishments

- **2018 Risk Clarity Compliance Survey**
- **Increased transparency with redesigned and updated website**
- Mandatory inclusion and diversity leadership training
- Annual Senior Management compliance review
- Added resources to oversee and manage compliance
- CEO/Executive Team/Board of Directors own > 14% of units

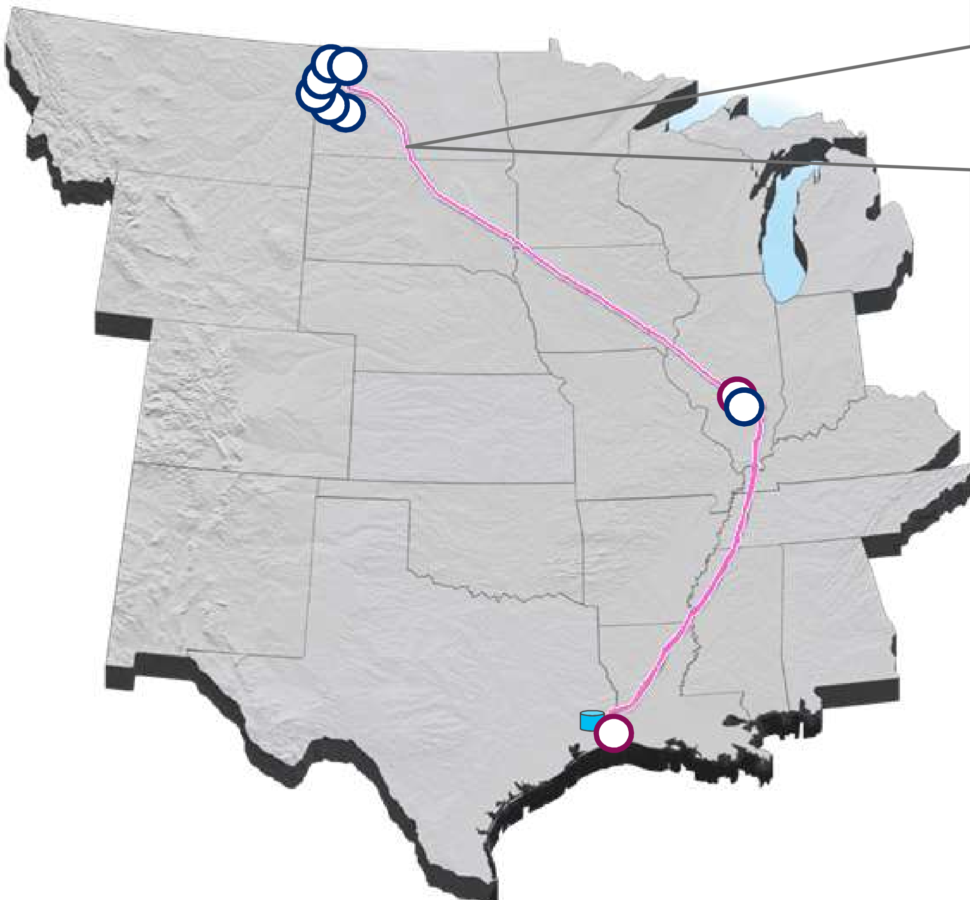
Annual Engagement Report available at energytransfer.com

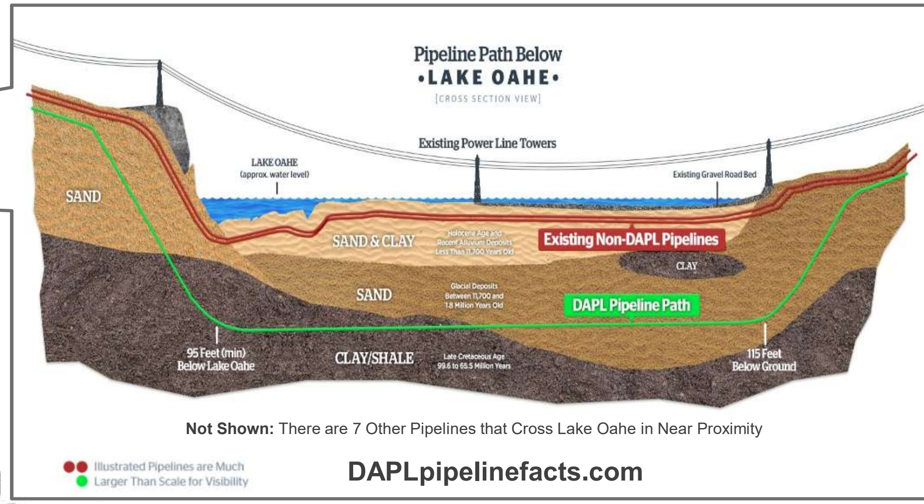
DELIVERING ON PROJECT BACKLOG

PROJECT	SCOPE	IN-SERVICE TIMING	
NGL & Refined Products			
Mont Belvieu's Frac VI	150 Mbpd fractionator at Mont Belvieu complex	In service Q1 2019	✓
Mont Belvieu's Frac VII	150 Mbpd fractionator at Mont Belvieu complex	**In service Q1 2020**	✓
Lone Star Express Expansion	24-inch, 352 mile expansion to LS Express Pipeline adding 400,000 bbls/d from Wink, TX to Fort Worth, TX	Q4 2020	
Mariner East 2	NGLs from Marcellus Shale to MHIC with 275Mbpd capacity upon full completion	In service Q4 2018	✓
Mariner East 2X	Increase NGL takeaway from the Marcellus to the East Coast w/ storage at Marcus Hook complex	Q4 2020	
J.C. Nolan Diesel Pipeline [(1)]	30,000 bbls/d diesel pipeline from Hebert, TX to newly-constructed terminal in Midland, TX	In service Q3 2019	✓
LPG Expansion	235,000 bbls/d expansion at Nederland to further integrate Mont Belvieu and Nederland assets and expand LPG export capabilities	Q4 2020	
Orbit Ethane Export Terminal[(1)]	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	Q4 2020	
Midstream			
Revolution	110 miles of gas gathering pipeline, cryogenic processing plant, NGL pipelines, and frac facility in PA	Plant complete; awaiting pipeline restart	✓
Arrowhead III	200 MMcf/d cryogenic processing plant in Delaware Basin	In service Q3 2019	✓
Panther II	200 MMcf/d cryogenic processing plant in Midland Basin	**In full service Jan. 2020**	✓
Crude Oil			
Bayou Bridge[(1)]	212 mile crude pipeline connecting Nederland to Lake Charles / St. James, LA	In service Q1 2019	✓
Permian Express 4[(1)]	Provides incremental Permian takeaway capacity, with total capacity of 120Mbpd	Fully in service Oct. 2019	✓
Ted Collins Link[(2)]	Up to 275 MBbls/d pipeline connecting Nederland Terminal to Houston Terminal	Q4 2021	
Intrastate Transport & Storage			
Red Bluff Express Pipeline[(1)]	80-mile pipeline with capacity of at least 1.4 Bcf/d; extension will add an incremental 25 miles of pipeline	Fully in service Q3 2019	✓
NTP Pipeline Expansion [(1)]	36-inch natural gas pipeline expansion, providing 160,000 Mmbtu/d of additional capacity from WTX for deliveries into Old Ocean	In service January 2019	✓

1. *Joint Venture*
2. *Transitioned Ted Collins Pipeline into the Ted Collins Link.*

CRUDE OIL SEGMENT – BAKKEN PIPELINE PROJECT





Bakken Pipeline System[1]

- 1,915 mile system connecting Bakken production to ET's Nederland terminal on the Gulf Coast
- Placed into service June, 2017
- Completed successful open season to bring current system capacity to 570,000 barrels per day
- Expect additional capacity to service commitments received through recent open seasons to be in-service in the third quarter of 2021

Delivery Points
Origin Sites
Bakken Pipeline
Nederland Terminal

1. *Ownership is ET: 36.37%, MarEn: 36.75%, PSXP: 25%, XOM: ~2%*

NGL & REFINED PRODUCTS SEGMENT – NORTHEAST NGL FRANCHISE

Comprehensive Marcellus/Utica Shale solution reaching local, regional and international markets

Mariner East Pipeline System

- Provides transportation, storage, and terminaling services from OH / Western PA to the Marcus Hook Terminal on the East Coast
- Products include ethane, propane, butane, C3+, and developing capabilities for natural gasoline and refined products
- Supported by long-term, fee-based contracts
- Diversified customer base includes producers, midstream providers and major integrated energy companies

Mariner East 1	Mariner East 2	Mariner East 2X
• 12-inch / 8-inch pipeline • Capacity of ~70,000 bbls/d	• 20-inch pipeline • Placed into initial service Dec. 2018 • 275,000 bbls/d capacity upon full completion	• 16-inch pipeline • Expected to be in-service in Q2 2021

Marcus Hook Terminal

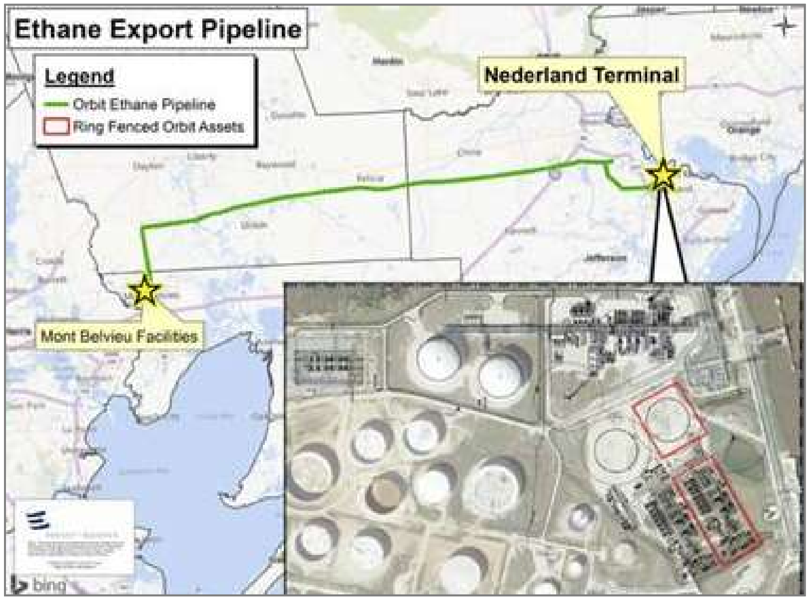
- ~800 acre site: inbound and outbound pipeline, along with truck, rail and marine capabilities
- ~340,000 bbls/d of combined NGL and ethane export capacity, approaching 400,000 bbls/d upon completion of 50,000 bbls/d expansion at Marcus Hook Terminal in Q1 2021
- ~2 million bbls underground NGL storage; ~3.2 million bbls refrigerated above-ground NGL storage; ~1 million bbls refined products storage capacity; ~1 million bbls crude storage capacity[1]
- 4 export docks accommodate VLGC & VLEC sized vessels
- Mariner system will have ability to bring natural gasoline to Marcus Hook Terminal for gasoline blending and local consumption by early 2021
- Positioned for further expansion and development of exports, processing, storage and manufacturing

- ME2 Pipeline
- Existing Third Party Pipeline
- ME1 Pipeline
- ET Terminal Facilities
- Third Party Facility
- Pennsylvania Propane Delivery
- Marcellus Shale Formation
- Marcus Hook Terminal

1. *Note: crude storage reported in Crude Oil Transportation & Services segments*

NGL & REFINED PRODUCTS SEGMENT – ORBIT ETHANE EXPORT PROJECT

Orbit Export Pipeline and Facility



Construction of Satellite’s Ethane Receiving Terminal

Orbit Pipeline JV

- Orbit Joint Venture with Satellite Petrochemical USA Corp includes construction of a new ethane export terminal on the U.S. Gulf Coast to provide ethane to Satellite
- At the terminal, Orbit is constructing
  - 800,000 barrel refrigerated ethane storage tank
  - ~180,000 barrel per day ethane refrigeration facility
  - 20-inch ethane pipeline originating at our Mont Belvieu facilities that will make deliveries to the export terminal, as well as domestic markets in the region
- ET will be the operator of the Orbit assets, provide storage and marketing services for Satellite, and provide Satellite with approximately 150,000 barrels per day of ethane under a long-term, demand-based agreement
- In addition, ET is constructing and will wholly-own the infrastructure required to supply ethane to the pipeline and to load ethane onto carriers destined for Satellite’s newly-constructed ethane crackers in China
- Expect all facilities in the U.S. and China to be ready for commercial service in the 4th quarter of 2020, with first ship arriving in November 2020 for commissioning

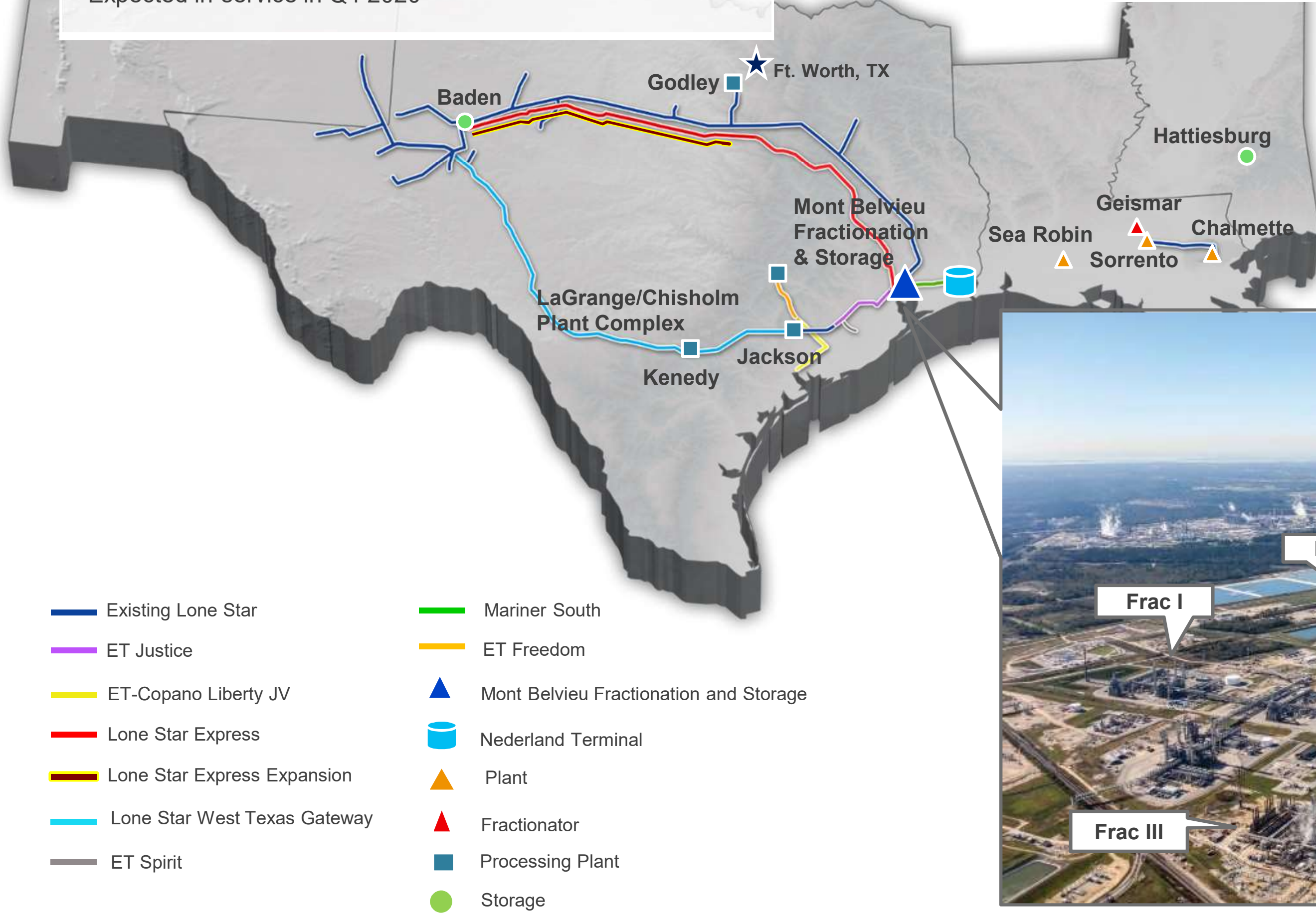
NGL & REFINED PRODUCTS SEGMENT – PIPELINE AND FRACTIONATION EXPANSION

Lone Star Express Expansion

- 24-inch, 352-mile expansion
- Will add 400,000 bbls/d of NGL pipeline capacity from Lone Star's pipeline system near Wink, Texas to the Lone Star Express 30-inch pipeline south of Fort Worth, Texas
- Expected in-service in Q4 2020

Mont Belvieu Fractionation Expansions

- Total of 7 fractionators at Mont Belvieu
- 150,000 bbls/d Frac VI went into service in February 2019
- 150,000 bbls/d Frac VII went into service in Q1 2020



GROWING UNIQUE EXPORT CAPABILITIES

Houston Terminal

- 330 acres on Houston Ship Channel
- 18.2 million barrels of storage
- 5 ship docks, 7 barge docks
- Connectivity to Gulf Coast refining complex
- Pipeline connectivity to all major basins
- Deepwater marine access
- Rail and truck loading and unloading

Marcus Hook Terminal

- ~800 acre site: inbound and outbound pipeline along with truck, rail and marine capabilities
- ~340 thousand bbls/d of combined NGL and ethane export capacity, approaching 400 thousand bbls/d in Q1 2021
- ~2 million bbls underground NGL storage; ~3.2 million bbls refrigerated above-ground NGL storage; ~1 million bbls crude storage capacity
- 4 export docks accommodate VLGC and VLEC sized vessels
- Positioned for further expansion and development of exports, processing, storage and manufacturing

Nederland Terminal

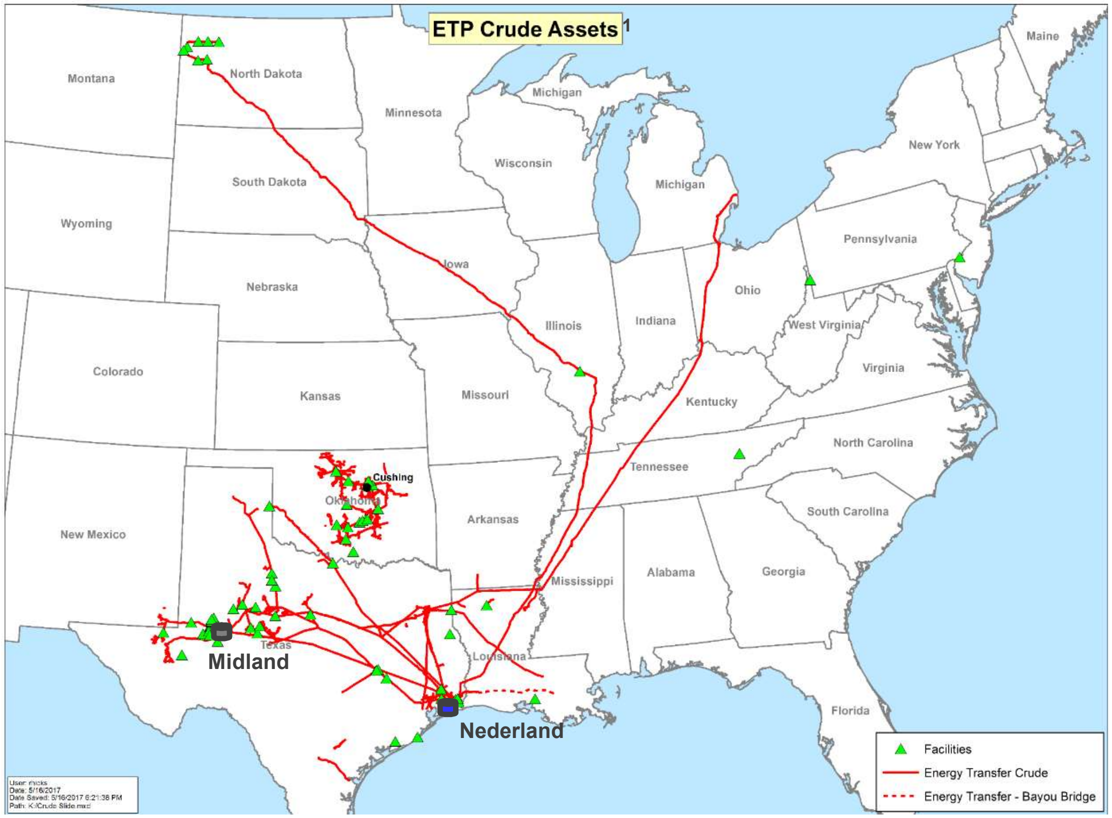
- ~1,200 acre site on USGC
- ~29 million bbls crude storage capacity; 1.2 million bbls refrigerated propane/butane storage capacity
- 5 ship docks and 4 barge docks accommodate Suez Max sized ships
- Rail and truck unloading capabilities
- 800 thousand bbls refrigerated ethane storage under construction as part of Orbit export project
- Permian and Mont Belvieu expansions provide future growth opportunities
- Started loading first barge with natural gasoline in July 2019
- Moving forward with LPG expansion which will bring total export capacity to approximately 500,000 bbls/d by the end of 2020
- Space available for further dock and tank expansion

APPENDIX

CRUDE OIL SEGMENT

Crude Oil Pipelines

- ~10,770 miles of crude oil trunk and gathering lines located in the Southwest and Midwest United States
- Interest in 5 crude oil pipeline systems
  - Bakken Pipeline (36.4%)
  - Bayou Bridge Pipeline (60%)
  - Permian Express Partners (87.7%)
  - White Cliffs (51%)
  - Maurepas (51%)



1. *Map excludes assets acquired via SemGroup merger that was completed in Dec. 2019*

Crude Oil Acquisition & Marketing

- Crude truck fleet of approximately 575 trucks, 360 trailers, and 150 crude oil truck unloading facilities
- Purchase crude at the wellhead from ~3,000 producers in bulk from aggregators at major pipeline interconnections and trading locations
- Marketing crude oil to major pipeline interconnections and trading locations
- Marketing crude oil to major, integrated oil companies, independent refiners and resellers through various types of sale and exchange transactions
- Storing inventory during contango market conditions

Crude Oil Terminals

- Nederland, TX Crude Terminal - ~29 million barrel capacity
- Houston Terminal - ~18 million barrel capacity
- Northeast Crude Terminals - ~3 million barrel capacity
- Midland, TX Crude Terminal - ~2 million barrel capacity
- Cushing, OK - ~7.6 million barrel capacity

NGL & REFINED PRODUCTS SEGMENT

NGL Storage

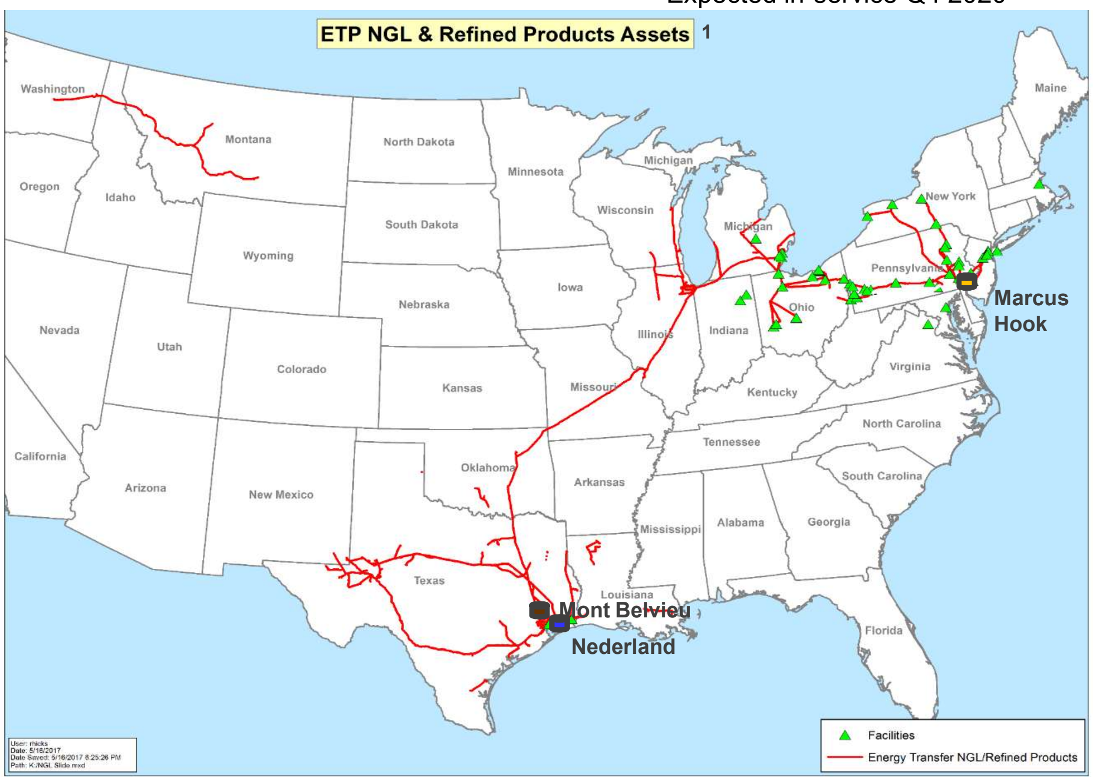
- TET Mont Belvieu Storage Hub ~50 million barrels NGL storage
- ~6 million barrels of NGL storage at Marcus Hook, Nederland and Inkster
- Hattiesburg Butane Storage ~3 million barrels

NGL Pipeline Transportation

- ~4,515 miles of NGL Pipelines throughout Texas, Midwest, and Northeast
- Conversion of White Cliffs NGL Pipeline, completed December 2019
- Lone Star Express Expansion
  - ~352 mile, 24-inch NGL pipeline
  - Expected in-service Q4 2020

Fractionation

- 7 Mont Belvieu fractionators (over 900 Mbpd)
- 40 Mbpd King Ranch, 25 Mbpd Geismar
- 50 Mbpd Houston DeEthanizer and 30 to 50 Mbpd Marcus Hook C3+ Frac in service Q4 2017
- 150 Mbpd Frac VI placed in-service Q1 2019
- 150 Mbpd Frac VII placed in-service Q1 2020



Mariner Franchise

- ~200 Mbpd Mariner South LPG from Mont Belvieu to Nederland
- 50 Mbpd Mariner West ethane to Canada
- 70 Mbpd ethane capacity to Marcus Hook, expandable
- 275 Mbpd[2] NGLs to Marcus Hook, expandable (Placed into initial service Q4 2018)
- 50 Mbpd refined products capacity, expandable
- Next phase of project expected in-service in Q4 2020; final phase expected in service Q2 2021

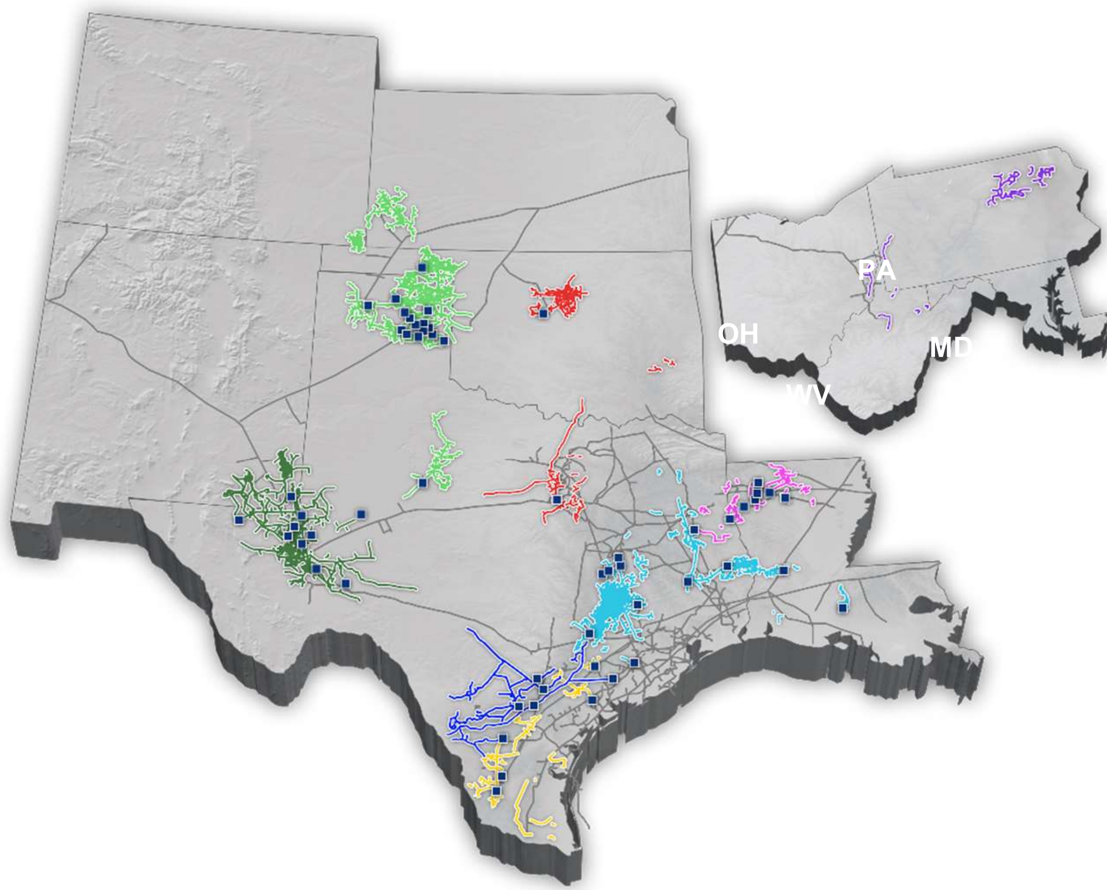
Refined Products

- ~3,265 miles of refined products pipelines in the northeast, Midwest and southwest US markets
- ~35 refined products marketing terminals with ~8 million barrels storage capacity

1. *Map excludes assets acquired via SemGroup merger that was completed in Dec. 2019*
2. *Upon full completion*

MIDSTREAM SEGMENT

Midstream Asset Map



Midstream Highlights

- Volume growth in key regions:
  - Q2 2020 gathered volumes were ~13.0 million mmbtu/d, and NGLs produced were ~602,000 bbls/d
- Permian Capacity Additions:
  - 400 MMcf/d of processing capacity came online in 2018 (Rebel II and Arrowhead II)
  - 200 MMcf/d Arrowhead III processing plant came online in July 2019
  - 200 MMcf/d Panther II processing plant in the Midland Basin was placed into full service January 2020
  - With completion of Panther II processing plant, have more than 2.7 Bcf/d of processing capacity in the Permian Basin
  - Have nearly 3.7 million acres dedicated to ET processing plants in the Permian Basin with an average of 7+ years remaining on contracts

Current Processing Capacity

	Bcf/d	Basins Served
Permian	2.7	Permian, Midland, Delaware
Midcontinent/Panhandle	1.4	Granite Wash, Cleveland, DJ, STACK
North Texas	0.7	Barnett, Woodford
South Texas	1.9	Eagle Ford
North Louisiana	1.4	Haynesville, Cotton Valley
Southeast Texas	0.4	Eagle Ford, Eagle Bine
Eastern	0.2	Marcellus Utica

More than 41,000 miles of gathering pipelines with ~8.8 Bcf/d of processing capacity

INTERSTATE PIPELINE SEGMENT

Interstate Asset Map

Interstate Highlights

Our interstate pipelines provide:

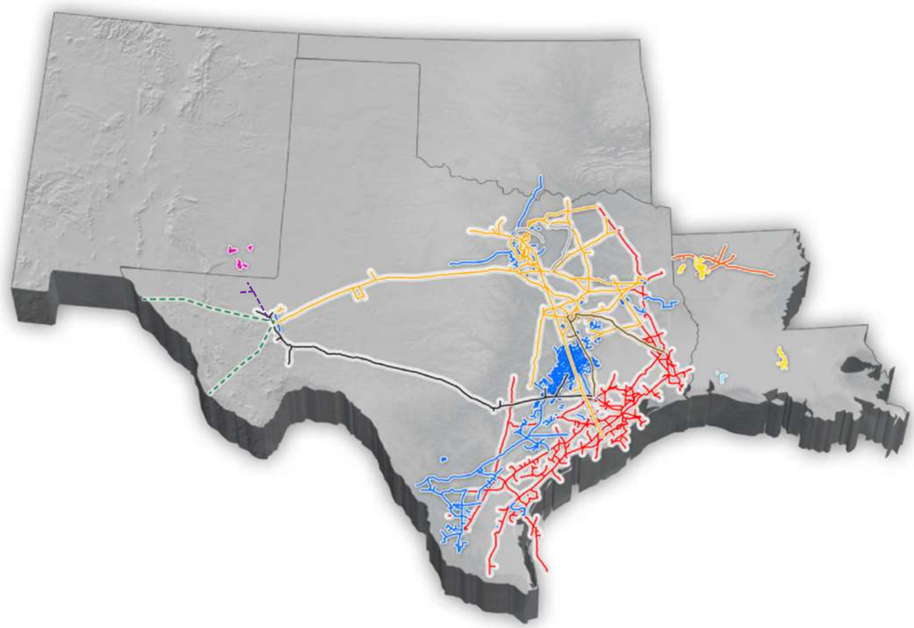
- Stability
  - Approximately 95% of revenue is derived from fixed reservation fees
- Diversity
  - Access to multiple shale plays, storage facilities and markets
- Growth Opportunities
  - Well-positioned to capitalize on changing supply and demand dynamics
  - In addition, expect to receive significant revenues from backhaul capabilities on Panhandle and Trunkline

	PEPL	TGC	TW	FGT	SR	FEP	Tiger	MEP	Gulf States	Rover	Total
Miles of Pipeline	6,402	2,231	2,614	5,362	785	185	197	512	10	713	19,270
Capacity (Bcf/d)	2.8	0.9	2.1	3.5	2.0	2.0	2.4	1.8	0.1	3.25	20.85
Owned Storage (Bcf)	73.4	13	--	--	--	--	--	--	--	--	86.4
Ownership	100%	100%	100%	50%	100%	50%	100%	50%	100%	32.6%	

~19,270 miles of interstate pipelines with ~21Bcf/d of throughput capacity

INTRASTATE PIPELINE SEGMENT

Intrastate Asset Map



- ***~ 9,400 miles of intrastate pipelines***
- ***~22 Bcf/d of throughput capacity***

Intrastate Highlights

- Well-positioned to capture additional revenues from anticipated changes in natural gas supply and demand in the next five years
- Red Bluff Express Pipeline connects the Orla Plant, as well as 3rd party plants, to the Waha Oasis Header
  - Phase I went into service in Q2 2018 and Phase II went into service in August 2019
- Beginning in 2021, have locked in additional volumes under long-term contracts with third parties

In Service

	Capacity (Bcf/d)	Pipeline (Miles)	Storage Capacity (Bcf)	Bi-Directional Capabilities	Major Connect Hubs
Trans Pecos & Comanche Trail Pipelines	2.5	338	NA	No	Waha Header, Mexico Border
ET Fuel Pipeline	5.2	3,150	11.2	Yes	Waha, Katy, Carthage
Oasis Pipeline	2	750	NA	Yes	Waha, Katy
Houston Pipeline System	5.3	3,920	52.5	No	HSC, Katy, Aqua Dulce
ETC Katy Pipeline	2.9	460	NA	No	Katy
RIGS	2.1	450	NA	No	Union Power, LA Tech
Red Bluff Express	1.4	108	NA	No	Waha

NON-GAAP RECONCILIATION

Energy Transfer LP
Reconciliation of Non-GAAP Measures

	Full Year 2017 [b]	Full Year 2018 [b]	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2019 YTD	2020 Q1	2020 Q2	2020 YTD
Net income [a]	$ 2,315	$ 3,420	$ 1,118	$ 1,209	$ 1,187	$ 1,311	$ 4,825	$ (964)	$ 672	$ (292)
(Income) loss from discontinued operations	177	265	-	-	-	-	-	-	-	-
Interest expense, net	1,922	2,055	590	578	579	584	2,331	602	579	1,181
Impairment losses	1,039	431	50	-	12	12	74	1,325	4	1,329
Income tax expense (benefit) from continuing operations	(1,833)	4	126	34	54	(19)	195	28	99	127
Depreciation, depletion and amortization	2,554	2,859	774	785	784	804	3,147	867	936	1,803
Non-cash compensation expense	99	105	29	29	27	28	113	22	41	63
(Gains) losses on interest rate derivatives	37	(47)	74	122	175	(130)	241	329	3	332
Unrealized (gains) losses on commodity risk management activities	(59)	11	(49)	23	(64)	95	5	(51)	48	(3)
Losses on extinguishments of debt	89	112	18	-	-	-	18	62	-	62
Inventory valuation adjustments	(24)	85	(93)	(4)	26	(8)	(79)	227	(90)	137
Impairment of investment in unconsolidated affiliates	313									
Equity in (earnings) losses of unconsolidated affiliates	(144)	(344)	(65)	(77)	(82)	(78)	(302)	7	(85)	(78)
Adjusted EBITDA related to unconsolidated affiliates	716	655	146	163	161	156	626	154	157	311
Adjusted EBITDA from discontinued operations	223	(25)	-	-	-	-	-	-	-	-
Other, net	(155)	(21)	17	(37)	(47)	13	(54)	27	74	101
Adjusted EBITDA (consolidated)	7,269	9,565	2,735	2,825	2,812	2,768	11,140	2,635	2,438	5,073
Adjusted EBITDA related to unconsolidated affiliates	(716)	(655)	(146)	(163)	(161)	(156)	(626)	(154)	(157)	(311)
Distributable Cash Flow from unconsolidated affiliates	431	407	93	107	107	108	415	113	112	225
Interest expense, net	(1,958)	(2,057)	(590)	(578)	(579)	(584)	(2,331)	(602)	(579)	(1,181)
Preferred unitholders' distributions	(12)	(170)	(53)	(64)	(68)	(68)	(253)	(89)	(96)	(185)
Current income tax (expense) benefit	(39)	(472)	(28)	7	(2)	45	22	14	(15)	(1)
Transaction-related income taxes	-	470	-	-	-	(31)	(31)	-	-	-
Maintenance capital expenditures	(479)	(510)	(92)	(170)	(178)	(215)	(655)	(103)	(136)	(239)
Other, net	67	49	18	19	18	30	85	22	18	40
Distributable Cash Flow (consolidated)	4,563	6,627	1,937	1,983	1,949	1,897	7,766	1,836	1,585	3,421
Distributable Cash Flow attributable to Sunoco LP (100%)	(449)	(445)	(97)	(101)	(132)	(120)	(450)	(159)	(122)	(281)
Distributions from Sunoco LP	259	166	41	41	41	42	165	41	41	82
Distributable Cash Flow attributable to USAC (100%)	-	(148)	(55)	(54)	(55)	(58)	(222)	(55)	(58)	(113)
Distributions from USAC	-	73	21	21	24	24	90	24	24	48
Distributable Cash Flow attributable to PennTex Midstream Partners, LP (100%)	(19)									
Distributions from PennTex Midstream Partners, LP	8									
Distributable Cash Flow attributable to noncontrolling interests in other non-wholly-owned subsidiaries	(350)	(875)	(251)	(293)	(283)	(286)	(1,113)	(290)	(209)	(499)
Distributable Cash Flow attributable to the partners of ET - pro forma for ETO merger	4,012	5,398	1,596	1,597	1,544	1,499	6,236	1,397	1,261	2,658
Transaction-related adjustments	57	52	(2)	5	3	8	14	20	10	30
Distributable Cash Flow attributable to the partners of ET, as adjusted - pro forma for ETO merger	$ 4,069	$ 5,450	$ 1,594	$ 1,602	$ 1,547	$ 1,507	$ 6,250	$ 1,417	$ 1,271	$ 2,688

Notes

(a) Effective January 1, 2020, the Partnership elected to change its accounting policy related to certain barrels of crude oil that were previously accounted for as inventory. Under the revised accounting policy, certain amounts of crude oil that are not available for sale have been reclassified from inventory to non-current assets. The results for prior periods have been adjusted to reflect this change in accounting policy.

(b) The closing of the ETO Merger impacted the Partnership's calculation of Distributable Cash Flow attributable to partners, as well as the number of ET Common Units outstanding and the amount of distributions to be paid to partners. In order to provide information on a comparable basis for pre-ETO Merger and post-ETO Merger periods, the Partnership has included certain pro forma information. Pro forma Distributable Cash Flow attributable to partners reflects the following ETO Merger related impacts:

- ETO is reflected as a wholly-owned subsidiary and pro forma Distributable Cash Flow attributable to partners reflects ETO's consolidated Distributable Cash Flow (less certain other adjustments, as follows).
- Distributions from Sunoco LP and USAC include distributions to both ET and ETO.
- Distributions from PennTex are separately included in Distributable Cash Flow attributable to partners.
- Distributable Cash Flow attributable to noncontrolling interest in our other non-wholly-owned subsidiaries is subtracted from consolidated Distributable Cash Flow to calculate Distributable Cash Flow attributable to partners.

Pro forma distributions to partners include actual distributions to legacy ET partners, as well as pro forma distributions to legacy ETO partners. Pro forma distributions to ETO partners are calculated assuming (i) historical ETO common units converted under the terms of the ETO Merger and (ii) distributions on such converted common units were paid at the historical rate paid on ET Common Units. Pro forma Common Units outstanding include actual Common Units outstanding, in addition to Common Units assumed to be issued in the ETO Merger, which are based on historical ETO common units converted under the terms of the ETO Merger.

Definitions

Adjusted EBITDA, Distributable Cash Flow and distribution coverage ratio are non-GAAP financial measures used by industry analysts, investors, lenders and rating agencies to assess the financial performance and the operating results of ET's fundamental business activities and should not be considered in isolation or as a substitute for net income, income from operations, cash flows from operating activities, or other GAAP measures. There are material limitations to using measures such as Adjusted EBITDA, Distributable Cash Flow and distribution coverage ratio, including the difficulty associated with using either as the sole measure to compare the results of one company to another, and the inability to analyze certain significant items that directly affect a company's net income or loss or cash flows. In addition, our calculations of Adjusted EBITDA, Distributable Cash Flow and distribution coverage ratio may not be consistent with similarly titled measures of other companies and should be viewed in conjunction with measurements that are computed in accordance with GAAP, such as segment margin, operating income, net income and cash flow from operating activities.

We define Adjusted EBITDA as total partnership earnings before interest, taxes, depreciation, depletion, amortization and other non-cash items, such as non-cash compensation expense, gains and losses on disposals of assets, the allowance for equity funds used during construction, unrealized gains and losses on commodity risk management activities, inventory valuation adjustments, non-cash impairment charges, losses on extinguishments of debt and other non-operating income or expense items. Adjusted EBITDA reflects amounts for less than wholly-owned subsidiaries based on 100% of the subsidiaries' results of operations. Adjusted EBITDA reflects amounts for unconsolidated affiliates based on the same recognition and measurement methods used to record equity in earnings of unconsolidated affiliates. Adjusted EBITDA related to unconsolidated affiliates excludes the same items with respect to the unconsolidated affiliate as those excluded from the calculation of Adjusted EBITDA, such as interest, taxes, depreciation, depletion, amortization and other non-cash items. Although these amounts are excluded from Adjusted EBITDA related to unconsolidated affiliates, such exclusion should not be understood to imply that we have control over the operations and resulting revenues and expenses of such affiliates. We do not control our unconsolidated affiliates; therefore, we do not control the earnings or cash flows of such affiliates.

Distributable Cash Flow is used by management to evaluate our overall performance. Our partnership agreement requires us to distribute all available cash, and Distributable Cash Flow is calculated to evaluate our ability to fund distributions through cash generated by our operations. We define Distributable Cash Flow as net income, adjusted for certain non-cash items, less distributions to preferred unitholders and maintenance capital expenditures. Non-cash items include depreciation, depletion and amortization, non-cash compensation expense, amortization included in interest expense, gains and losses on disposals of assets, the allowance for equity funds used during construction, unrealized gains and losses on commodity risk management activities, inventory valuation adjustments, non-cash impairment charges, losses on extinguishments of debt and deferred income taxes. For unconsolidated affiliates, Distributable Cash Flow reflects the Partnership's proportionate share of the investee's distributable cash flow.

On a consolidated basis, Distributable Cash Flow includes 100% of the Distributable Cash Flow of ET's consolidated subsidiaries. However, to the extent that noncontrolling interests exist among the Partnership's subsidiaries, the Distributable Cash Flow generated by our subsidiaries may not be available to be distributed to our partners. In order to reflect the cash flows available for distributions to the partners of ET, the Partnership has reported Distributable Cash Flow attributable to the partners of ET, which is calculated by adjusting Distributable Cash Flow (consolidated), as follows:

- For subsidiaries with publicly traded equity interests, other than ETO, Distributable Cash Flow (consolidated) includes 100% of Distributable Cash Flow attributable to such subsidiary, and Distributable Cash Flow attributable to the our partners includes distributions to be received by the parent company with respect to the periods presented.
- For consolidated joint ventures or similar entities, where the noncontrolling interest is not publicly traded, Distributable Cash Flow (consolidated) includes 100% of Distributable Cash Flow attributable to such subsidiaries, but Distributable Cash Flow attributable to the partners reflects only the amount of Distributable Cash Flow of such subsidiaries that is attributable to our ownership interest.

For Distributable Cash Flow attributable to partners, as adjusted, certain transaction-related and non-recurring expenses that are included in net income are excluded.

Our use of "DCF" herein refers to the Partnership's Distributable Cash Flow attributable to the partners of ET, as adjusted (as described above).
Distribution coverage ratio for the three months ended June 30, 2020 is calculated as Distributable Cash Flow attributable to partners, as adjusted, divided by distributions expected to be paid to the partners of ET in respect of the second quarter of 2020, which expected distributions total $823 million.