



ENERGY TRANSFER

Moving America's Energy

Q1 2022 Earnings

May 4, 2022



Forward-looking Statements / Legal Disclaimer

Management of Energy Transfer LP (ET) will provide this presentation in conjunction with ET's 1st quarter 2022 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), 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 we cannot predict the length and ultimate impact of those risks. The Partnership has also been, and may in the future be, impacted by the winter storm in February 2021 and the resolution of related contingencies, including credit losses, disputed purchases and sales, litigation and/or potential legislative action. 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.

Operational

- Completed construction of the final phase of the Mariner East Pipeline in Q1'22
- During Q1'22, construction began on the Gulf Run Pipeline project, which is expected to be complete by year-end
- Completed Phase II of Cushing South Pipeline in Q1'22 which brings capacity to 120,000 Bbls/d
- Placed expansion of Permian Bridge project into service in March 2022 which brings capacity to over 200,000 Mcf/d
- Placed Ted Collins Link into service in April 2022, providing additional connectivity for ET's Houston Terminal, the Gulf Coast oil pipeline network and the Houston Ship Channel

Financials

- 2022 Guidance:
 - Adjusted EBITDA: \$12.2-\$12.6B
 - Growth Capital: \$1.8-\$2.1B
- Adjusted EBITDA
 - Q1'22: \$3.3B
- Distributable Cash Flow (DCF)
 - Q1'22: \$2.1B
- Excess cash flow after distributions
 - Q1'22: ~\$1.5B
- Q1'22 Capital Expenditures
 - Growth: ~\$390mm
 - Maintenance: ~\$110mm
- Extended maturity on revolving credit facility to April 2027 under substantially same terms and pricing

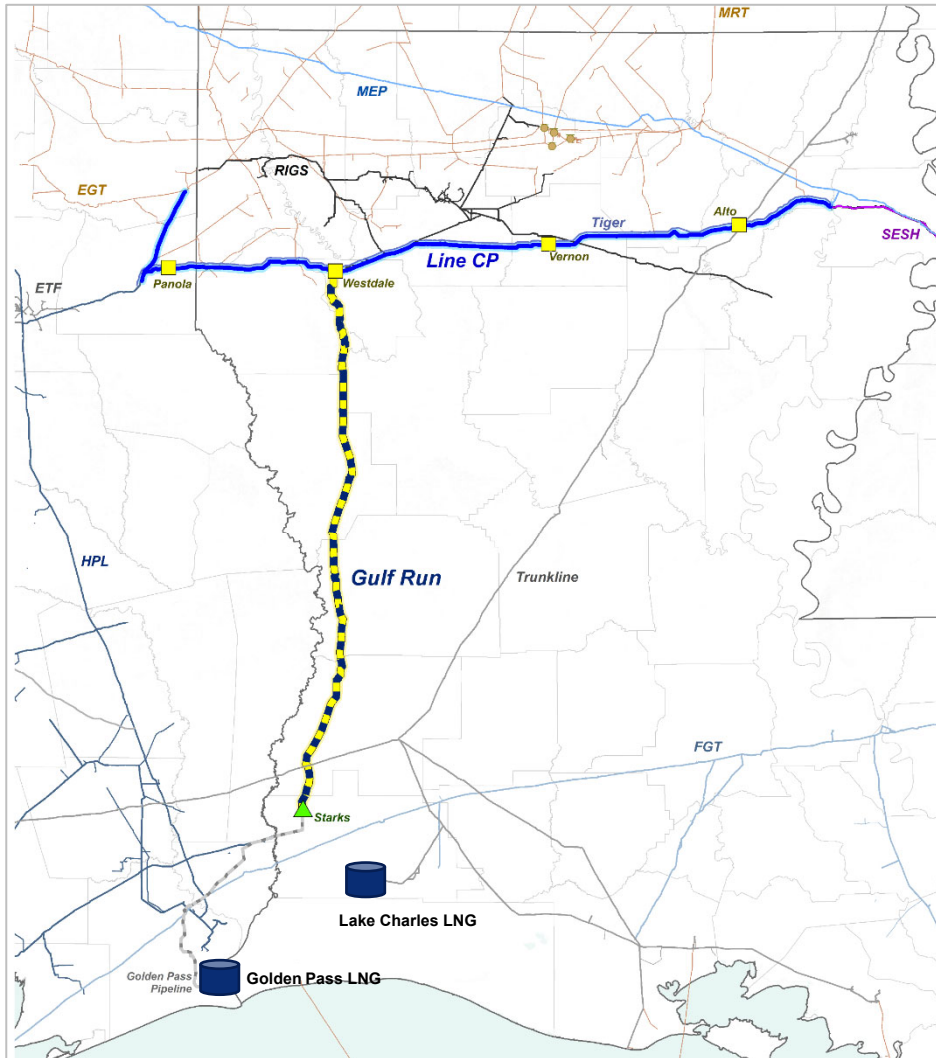
Strategic

- Lake Charles LNG executed four LNG off-take agreements for an aggregate of 5.1 mtpa
- Developing new Permian Basin takeaway pipeline utilizing existing Energy Transfer assets along with a new build pipeline to connect Permian supply to markets along the Gulf Coast
- Continued feasibility and development work on NGL pipeline in Panama
- Announced agreement to sell ET Canada at a strong value – allows redeployment of capital to core footprint and further debt reduction
- Completed bolt-on acquisition of underground storage assets and ethylene header system that further enhance Mont Belvieu and Nederland positions

Strategic franchise positioned to deliver top-tier performance

Gulf Run Pipeline Project

Provides An Efficient Gulf Coast Connection



Gulf Run Pipeline Project Overview

- 135-mile, 42" interstate pipeline with an expected capacity of 1.65 Bcf/d
- Backed by a 20-year commitment for 1.1 Bcf/d with cornerstone shipper Golden Pass LNG (Qatar Petroleum & Exxon Mobil)
- Unparalleled access to prolific natural gas producing regions in the U.S. with ability to deliver Haynesville-area gas to Gulf Coast Region
- Currently under construction and expected to be complete by year-end 2022
- Developing future expansion as demand builds



Strategic fit with other ET natural gas pipelines to provide access to markets across the Texas and Louisiana Gulf Coast

Lake Charles LNG Export Terminal

Renewed Interest As Global LNG Demand Grows



Current Lake Charles Terminal Assets

- 152-acre site
- Two existing deep-water docks to accommodate ships up to 215,000 m3 capacity
- Four LNG storage tanks with capacity of 425,000 m3
- Proximity to multiple natural gas producing basins and major pipelines, including direct connection to ET's Trunkline pipeline system

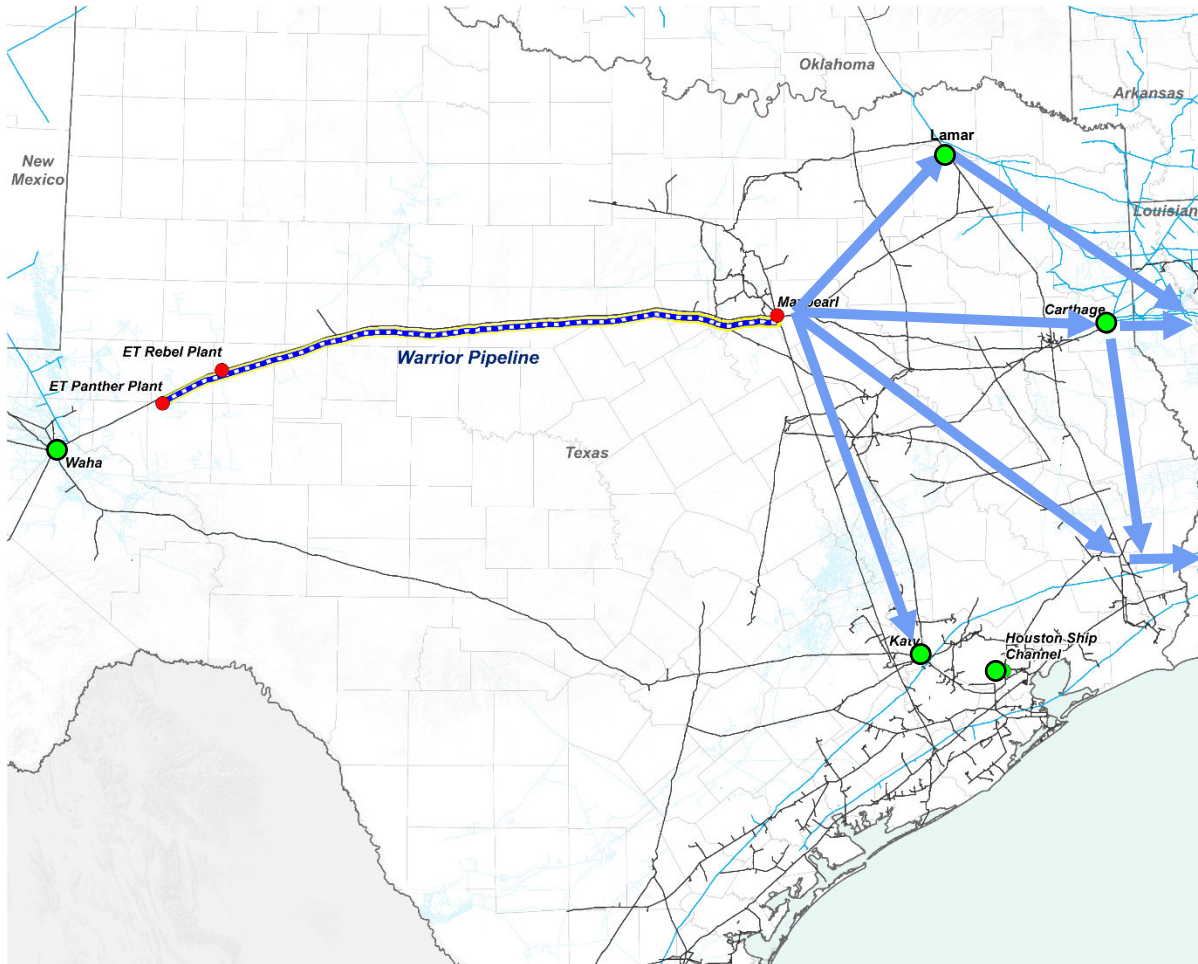
Lake Charles LNG Export Project

- Executed LNG Sale and Purchase Agreements (SPA) with first deliveries expected to commence as early as 2026
 - ENN Natural Gas – 1.8 million tonnes per annum for 20 years
 - ENN Energy – 0.9 million tonnes per annum for 20 years
 - Gunvor Group – 2.0 million tonnes per annum for 20 years
 - SK Gas – 0.4 million tonnes per annum for 18 years
 - The purchase price for all agreements is indexed to the Henry Hub benchmark, plus a fixed liquefaction charge, and the LNG will be delivered on a free-on-board (FOB) basis
 - SPAs become fully effective upon satisfaction of the conditions precedent by ET, including reaching a Final investment decision (FID)
- In active negotiations with a number of high-quality customers, and expect to make announcements of additional offtake agreements in the weeks ahead
- The only brownfield project among those proposed on the U.S. Gulf Coast, providing timeline and cost advantages
- Estimated export capacity of up to 16.5 million tonnes per year
- ET is currently targeting making a FID by year-end 2022

Recent contracts provide positive momentum in moving the Lake Charles LNG project toward FID

Permian Natural Gas Takeaway Pipeline

With Cost, Time and Market Access Advantages



Permian Natural Gas Pipeline Project

- Evaluating a Permian natural gas takeaway project that would utilize existing Energy Transfer assets, along with a new-build pipeline, to address growing need for additional natural gas takeaway
 - Project would include construction of a new, large-diameter intrastate pipeline from Permian/Midland Basin to interconnect with ET's existing pipeline network southwest of Ft. Worth, TX
 - From there, ET's vast pipeline systems provide significant flexibility to deliver natural gas to premier markets along the Texas Gulf Coast including Katy, Beaumont, and the Houston Ship Channel, as well as to Carthage, with potential deliveries to most major U.S trading hubs and markets
 - New-build pipeline is expected to parallel existing right-of-way
 - Project can be completed more quickly and at significantly less cost than competitor projects
 - In active customer discussions to finalize commitments for the project
 - Time-sensitive survey work and regulatory process has begun
 - Once FID is reached, construction of the project could be completed in less than 2 years

New pipeline is ideal solution for natural gas growth out of the Permian Basin

Focused on Increased Returns and Shorter Cash Cycle

2022E Growth Capital: \$1.8 billion to \$2.1 billion¹

		% of 2022E ¹
Midstream	<ul style="list-style-type: none"> • Grey Wolf high-recovery cryogenic processing plant • 2nd cryogenic Permian processing plant • Efficiency improvements and emissions reductions projects • Modernization and debottlenecking of existing system • Permian Bridge Pipeline project • Multiple gathering & processing and compression projects (primarily W. Texas, Northeast) 	~35%
Interstate	<ul style="list-style-type: none"> • Gulf Run Pipeline project • Multiple smaller projects 	~22%
NGL & Refined Products	<ul style="list-style-type: none"> • Mariner East Pipeline System • Nederland LPG facilities • Mont Belvieu frac and storage facilities • Multiple smaller projects 	~20%
Intrastate	<ul style="list-style-type: none"> • New Permian gas takeaway pipeline • Oasis pipeline optimization • Multiple smaller projects 	~17%
Crude Oil	<ul style="list-style-type: none"> • Ted Collins Link • Cushing South Pipeline • Multiple smaller projects 	~6%

Balanced investing across ET's growing asset base with majority completed at ~6x EBITDA

1. Includes ET legacy and recently acquired ENBL projects; Other segment growth capex makes up ~1% of 2022E growth capital

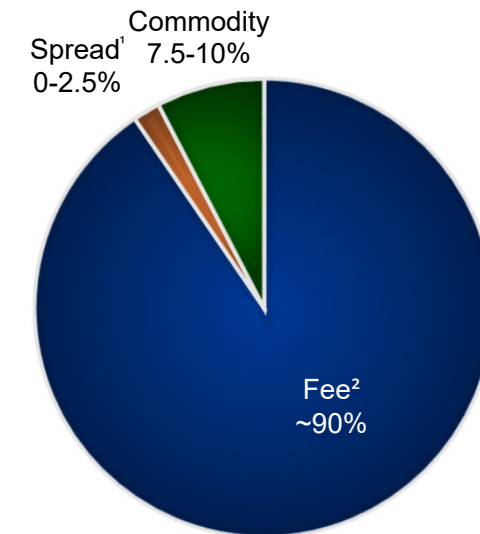
2022 Outlook Supported by Strong Core Business

Updated ET 2022E Adjusted EBITDA \$12.2 - \$12.6 billion

2021 to 2022 Adjusted EBITDA Drivers

- + Enable Acquisition
- + NGL pipeline and export activities
- + NGL / gas prices
- Lower asset optimization
- Rising costs
- + Organic Projects
 - + Orbit Ethane Export Terminal
 - + Nederland LPG Expansions
 - + Mariner East Pipeline System/PA Access
 - + Permian Bridge
 - + Cushing South
 - + Bakken optimization project

2022E Adjusted EBITDA Breakout



Pricing/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

Alternative Energy Group – Leveraging asset base and expertise to develop projects to reduce environmental footprint

Focused on leveraging significant asset base and energy industry expertise to develop projects to reduce environmental footprint throughout operations



Dual Drive Compressors - Established in 2012

- Patented technology that allows for switching between electric motors and natural gas engines to drive compressors, and offers the industry a more efficient compression system, helping reduce greenhouse gas emissions
- In 2021, this technology allowed ET to reduce Scope 1 CO2 emissions by more than 765,000 tons, a 53% improvement over 2019
- In June 2021, our patented Dual Drive Technologies natural gas compression system was awarded a GPA Midstream Environmental Excellence award for its impact on reducing CO2 emissions



Carbon Capture Utilization and Sequestration

- Currently pursuing projects related to G&P facilities, and evaluating opportunities to capture carbon from ET and third-party facilities in the Northeast and transport CO2 through existing underutilized ET pipelines near CO2 sources
- Provide cash flows to Energy Transfer with minimal capital requirements due to structures that allow monetization of federal tax credits



Renewable Energy Use

- Approximately 20% of the electrical energy ET purchases originates from a renewable energy source



Renewable Fuels

- Evaluating opportunities to transport renewable diesel and renewable natural gas
- Benefit from significant current asset footprint



Solar

- Entered into first-ever dedicated solar contract, which anchors a 28 megawatt solar facility (Maplewood 2) in West Texas
- Operate approximately 18,000 solar panel-powered metering stations across the country
- Entered into second renewable energy power purchase agreement for 120 megawatts of electricity from facility in NE Texas



Repurpose Existing Assets

- Evaluating repurposing extensive acreage in WV, VA, KY and ND to develop solar and wind projects
- Pursuing opportunities to utilize ET's significant asset footprint for the transportation of renewable fuels, CO2 and other products



Partnership with the Arbor Day Foundation to plant 25,000 trees in 3 states in 2022. Tree planting is underway in the Michigan State Lands and will be Complete by mid-May.



Appendix / Non-GAAP Reconciliations



Non-GAAP Reconciliation

Energy Transfer LP Reconciliation of Non-GAAP Measures*

	2019	2020	2021					2022
	Full Year	Full Year	Q1	Q2	Q3	Q4	Year	Q1
Net income	\$ 4,825	\$ 140	\$ 3,641	\$ 908	\$ 907	\$ 1,231	\$ 6,687	\$ 1,487
Interest expense, net	2,331	2,327	589	566	558	554	2,267	559
Impairment losses	74	2,880	3	8	-	10	21	300
Income tax expense (benefit) from continuing operations	195	237	75	82	77	(50)	184	(9)
Depreciation, depletion and amortization	3,147	3,678	954	940	943	980	3,817	1,028
Non-cash compensation expense	113	121	28	27	26	30	111	36
(Gains) losses on interest rate derivatives	241	203	(194)	123	(1)	11	(61)	(114)
Unrealized (gains) losses on commodity risk management activities	5	71	(46)	(47)	19	(88)	(162)	45
Losses on extinguishments of debt	18	75	7	1	-	30	38	-
Inventory valuation adjustments (Sunoco LP)	(79)	82	(100)	(59)	(9)	(22)	(190)	(120)
Impairment of investment in unconsolidated affiliates	-	129	-	-	-	-	-	-
Equity in (earnings) losses of unconsolidated affiliates	(302)	(119)	(55)	(65)	(71)	(55)	(246)	(56)
Adjusted EBITDA related to unconsolidated affiliates	626	628	123	136	141	123	523	125
Other, net (including amounts related to discontinued operations in 2018)	(54)	79	15	(4)	(11)	57	57	59
Adjusted EBITDA (consolidated)	11,140	10,531	5,040	2,616	2,579	2,811	13,046	3,340
Adjusted EBITDA related to unconsolidated affiliates	(626)	(628)	(123)	(136)	(141)	(123)	(523)	(125)
Distributable Cash Flow from unconsolidated affiliates	415	452	76	89	103	78	346	86
Interest expense, net	(2,331)	(2,327)	(589)	(566)	(558)	(554)	(2,267)	(559)
Preferred unitholders' distributions	(253)	(378)	(96)	(99)	(110)	(113)	(418)	(118)
Current income tax (expense) benefit	22	(27)	(9)	(15)	(10)	(10)	(44)	41
Transaction-related income taxes	(31)	-	-	-	-	-	-	(42)
Maintenance capital expenditures	(655)	(520)	(76)	(140)	(155)	(210)	(581)	(118)
Other, net	85	74	19	17	14	18	68	5
Distributable Cash Flow (consolidated)	7,766	7,177	4,242	1,766	1,722	1,897	9,627	2,510
Distributable Cash Flow attributable to Sunoco LP (100%)	(450)	(516)	(108)	(145)	(146)	(143)	(542)	(142)
Distributions from Sunoco LP	165	165	41	42	41	41	165	41
Distributable Cash Flow attributable to USAC (100%)	(222)	(221)	(53)	(52)	(52)	(52)	(209)	(50)
Distributions from USAC	90	97	24	24	25	24	97	24
Distributable Cash Flow attributable to noncontrolling interests in other non-wholly-owned subsidiaries	(1,113)	(1,015)	(251)	(251)	(284)	(327)	(1,113)	(317)
Distributable Cash Flow attributable to the partners of Energy Transfer	6,236	5,687	3,895	1,384	1,306	1,440	8,025	2,066
Transaction-related adjustments	14	55	19	9	6	160	194	12
Distributable Cash Flow attributable to the partners of Energy Transfer, as adjusted	\$ 6,250	\$ 5,742	\$ 3,914	\$ 1,393	\$ 1,312	\$ 1,600	\$ 8,219	\$ 2,078

* See definitions of non-GAAP measures on next slide

Definitions

Adjusted EBITDA and Distributable Cash Flow are non-GAAP financial measures used by industry analysts, investors, lenders and rating agencies to assess the financial performance and the operating results of Energy Transfer'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 and Distributable Cash Flow, 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 and Distributable Cash Flow 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. Inventory adjustments that are excluded from the calculation of Adjusted EBITDA represent only the changes in lower of cost or market reserves on inventory that is carried at last-in, first-out ("LIFO"). These amounts are unrealized valuation adjustments applied to Sunoco LP's fuel volumes remaining in inventory at the end of the period.

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 Energy Transfer'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 Energy Transfer, the Partnership has reported Distributable Cash Flow attributable to the partners of Energy Transfer, which is calculated by adjusting Distributable Cash Flow (consolidated), as follows:

- For subsidiaries with publicly traded equity interests, 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.