Plains All American Pipeline, L.P.

Energy Prospectus Group
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Company Profile

June 12, 2025

Management

Willie Chiang, Chairman and CEO
Harry Pefanis, President & Director
Al Swanson, EVP & CFO
Chris Chandler, EVP & COO
Jeremy Goebel, EVP & CCO
Richard McGee, EVP & General Counsel

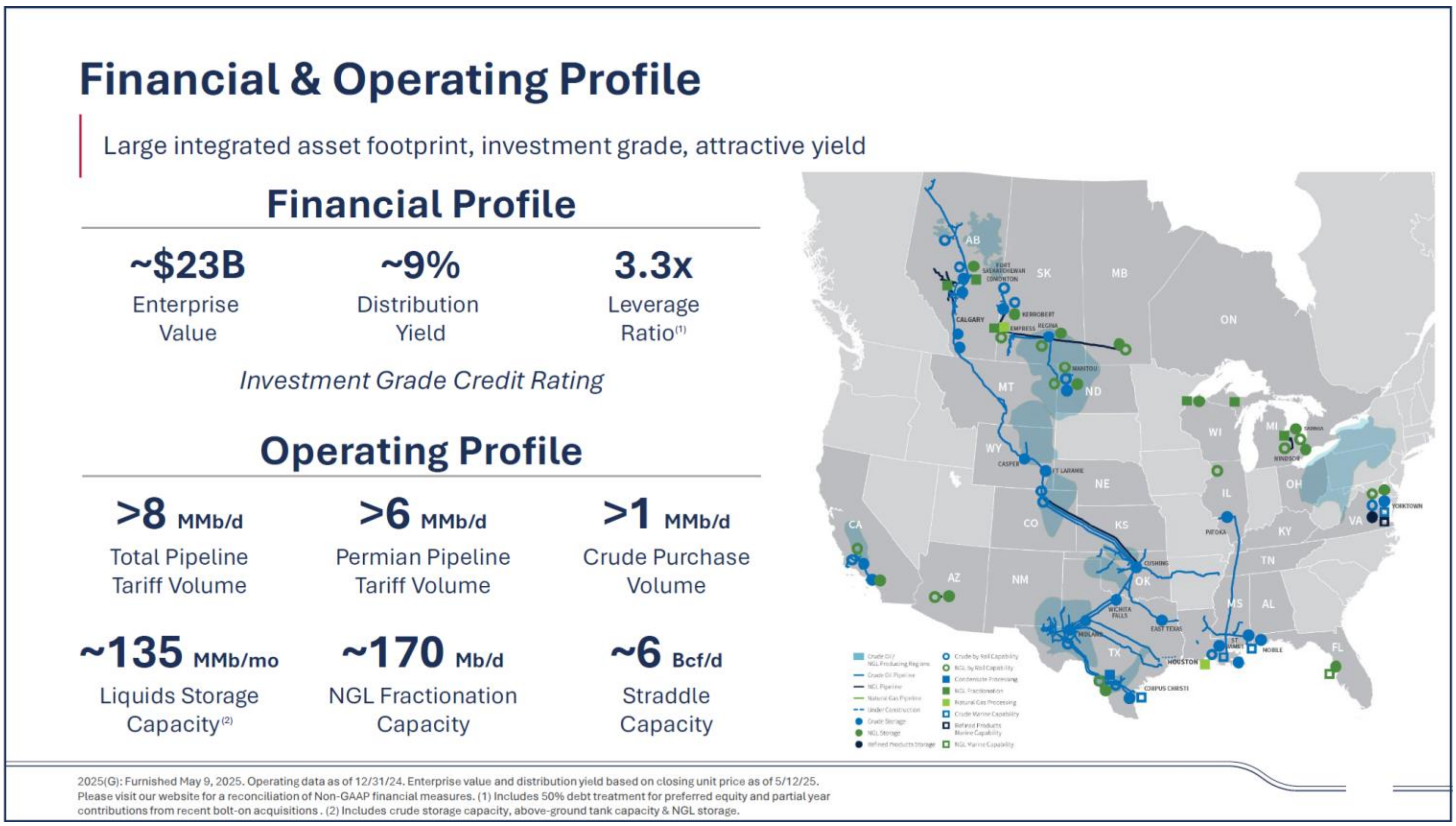
www.plains.com

EPG Commentary by Dan Steffens

Plains All American Pipeline LP (NYSE: PAA) is a midstream master limited partnership (MLP). **Plains GP Holdings (NYSE: PAGP)** is in our *High Yield Income Portfolio*. PAA is one of the largest midstream companies in North America and its business is tied directly to the production of liquids in North America (Oil & NGLs).

Both companies recently increased their quarterly dividends by $0.0625 to $0.38/share. Over the next 12 months annualized yield should be ~8.9% for PAA and ~8.4% for PAGP based on PAA's goal to raise dividends by $0.15 each year. *< For next nine years, PAGP's dividends are expected to be treated as return of capital (See page 14).*

PAA has told the market that it plans to increase distribution by at least $0.15/unit in 2026



Upstream companies are increasing production in the Permian Basin, much of which will be going into midstream assets owned by PAA. Most of PAA's revenues are Fee-Based Cash Flow generated from operating critical infrastructure, strategically located assets, significantly contracted, long-term partnerships and a strategy that is aligned with their customers.

The Company has a strong portfolio of long-haul pipelines, which are substantially backed by long-term 3rd party contracted commitments. Their combination of supply-push and demand-pull pipelines are integrated with Plains' owned hub terminals at Cushing, Midland, Patoka and St. James.

There are two ways to invest in this one. PAA is a Master Limited Partnership (MLP), and the General Partner (PAGP) is a C-Corp. Investors in PAGP do not get a K-1. Most of PAA's distributions are treated as return of capital (non-taxable until you sell the units).

Since PAGP is a C-Corp., it is more appropriate for an IRA.

PAGP is a classic "Growth & Income" stock for Buy & Hold Investors. Renewable energy sources are not going to reduce demand for the services provided by PAA for many more decades. As illustrated in the chart on page 3, gathering, transporting and storage of oil, natural gas and NGLs will be needed through at least 2050.

The Permian Basin is PAA's largest asset concentration with the highest leverage to growth.

My Fair Value Estimate for PAGP is $22.00/share

Compare to TipRank's Price Target of $20.00

Disclosure: I do not have a position in PAA or PAGP. I do not intend on buying or selling any shales in the next 72 hours. I wrote this profile myself, and it expresses my own opinions. I am not receiving compensation for it from the company. I have no business relationship with any company whose stock is mentioned in this article.

Company Overview

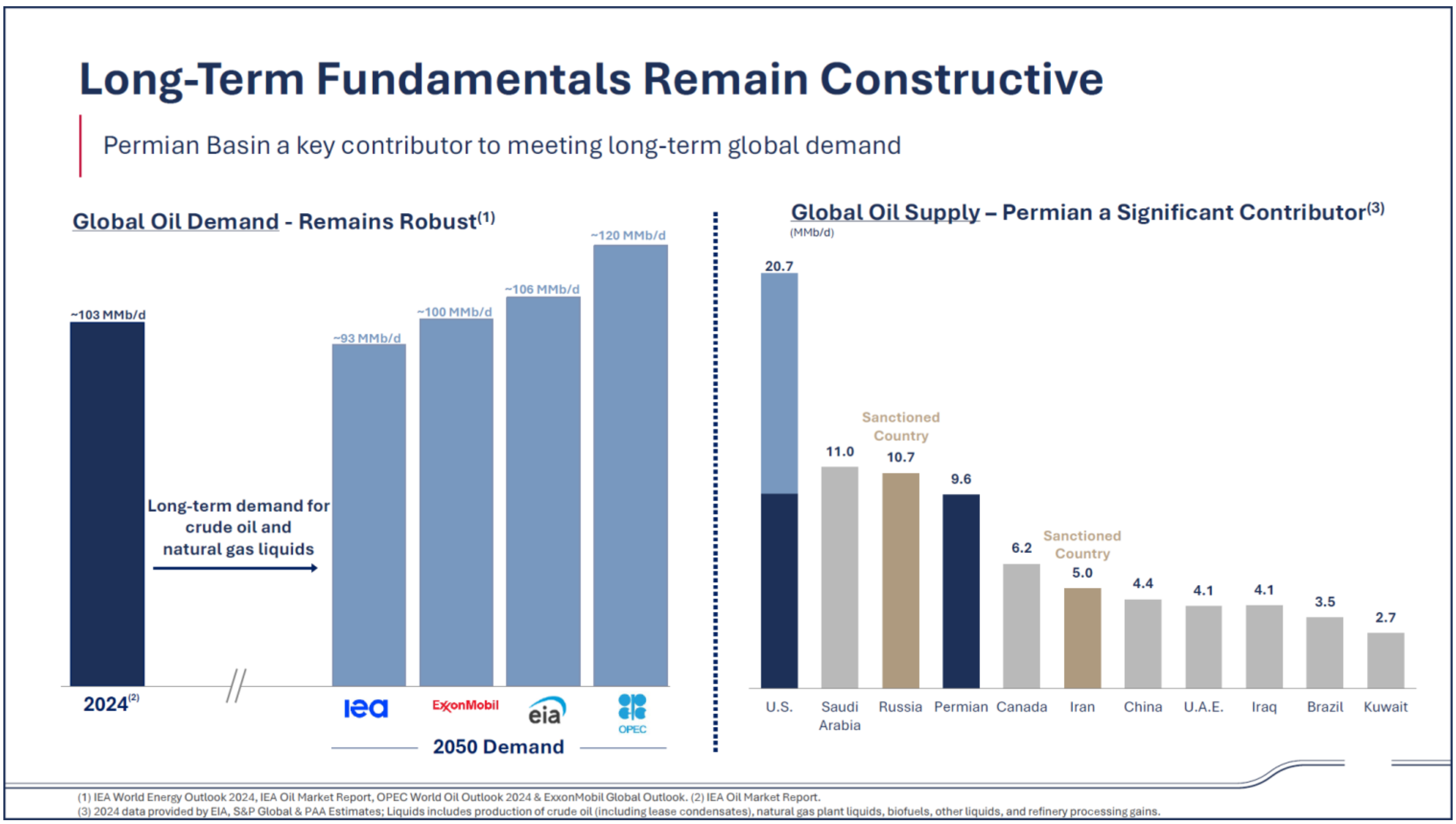
Plains All American Pipeline, L.P. (NYSE: PAA) is a Houston-based publicly traded **master limited partnership** that owns and operates midstream energy infrastructure and provides logistics services for crude oil, natural gas liquids and natural gas. PAA owns an extensive network of pipeline transportation, 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.

Plains GP Holdings (NYSE: PAGP) is a publicly traded entity that owns a non-economic controlling general partner interest in PAA and an indirect limited partner interest in PAA. **PAGP is a C-Corp. (no K-1)**.

Business Strategy

PAA's principal business strategy is to provide competitive and efficient midstream transportation, terminaling, storage, processing, fractionation, and supply & logistics services to producers, refiners and other customers. Toward this end, they endeavor to address regional supply and demand imbalances for crude oil and natural gas liquids in the United States and Canada by combining the strategic location and capabilities of their transportation, terminaling, storage, processing, and fractionation assets with their extensive supply, logistics, and distribution expertise.

- Commercially optimizing its existing assets and realizing cost efficiencies through operational improvements;
- Using its transportation (including pipeline, rail, barge and truck), terminal, storage, processing and fractionation assets in conjunction with its supply and logistics activities to capitalize on inefficient energy markets and to address physical market imbalances, mitigate inherent risks and increase margin;
- Developing and implementing internal growth projects that
    - Address evolving crude oil and NGL needs in the midstream transportation and infrastructure sector
    - Are well positioned to benefit from long-term industry trends and opportunities;
- Selectively pursuing strategic and accretive acquisitions that complement its existing asset base and distribution capabilities.



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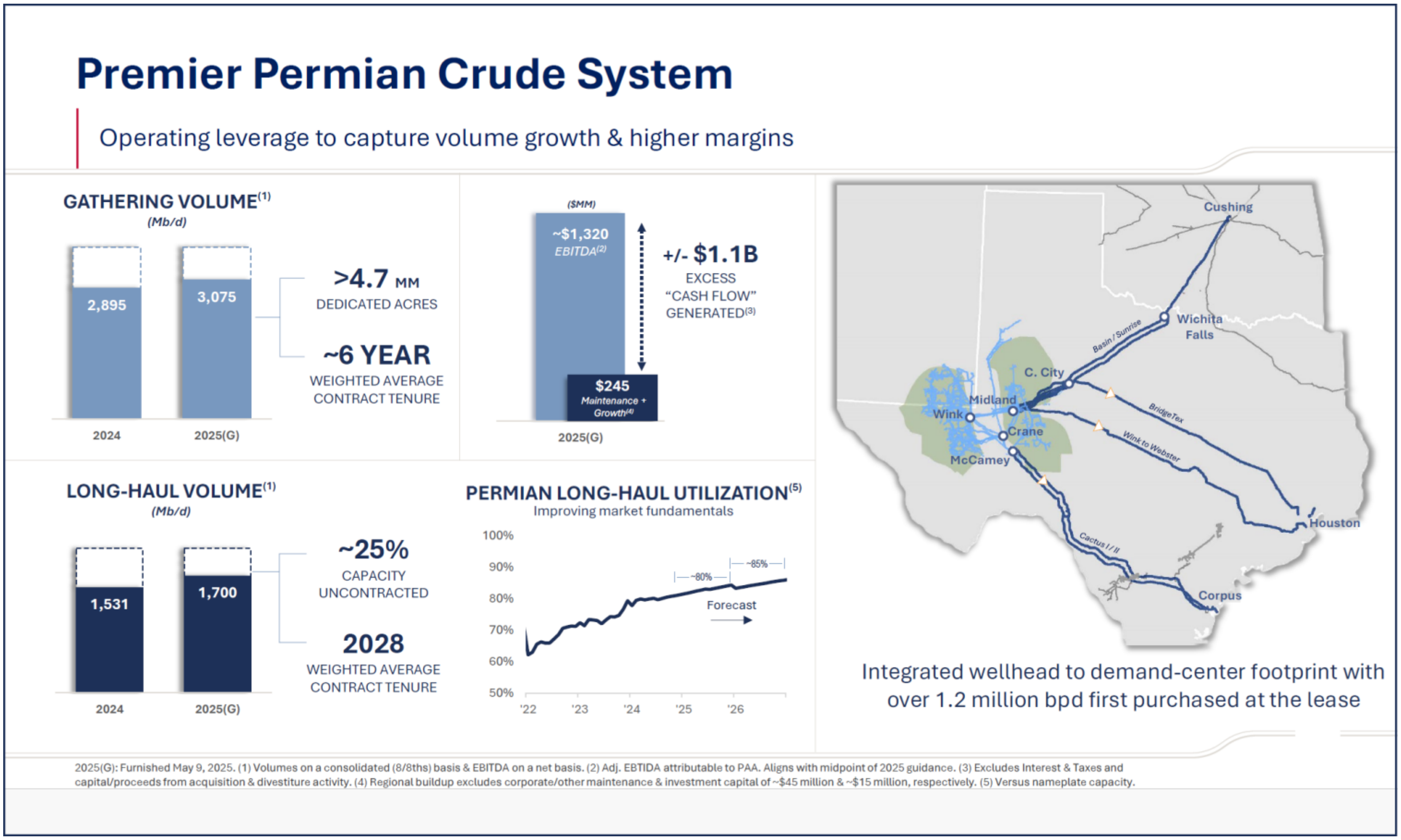

First Quarter 2025 Results

- Reported net income attributable to PAA of $443 million and net cash provided by operating activities of $639 million *< Adjusted Operating Cash Flow of $778 million ($1.105 per unit).*
- Delivered Adjusted EBITDA attributable to PAA of $754 million
- Exited the quarter with 3.3x leverage ratio, toward the low end of Plains' target range of 3.25x - 3.75x (includes previously announced and closed transactions)
- Paid a quarterly cash distribution of $0.38 per unit ($1.52 per unit annualized), representing a current distribution yield of ~9.0%

Business Highlights

- Plains acquired the remaining 50% interest in Cheyenne Pipeline, enhancing Plains' integration from the Guernsey market to pipelines supplying Cushing, Oklahoma, which closed on February 28, 2025

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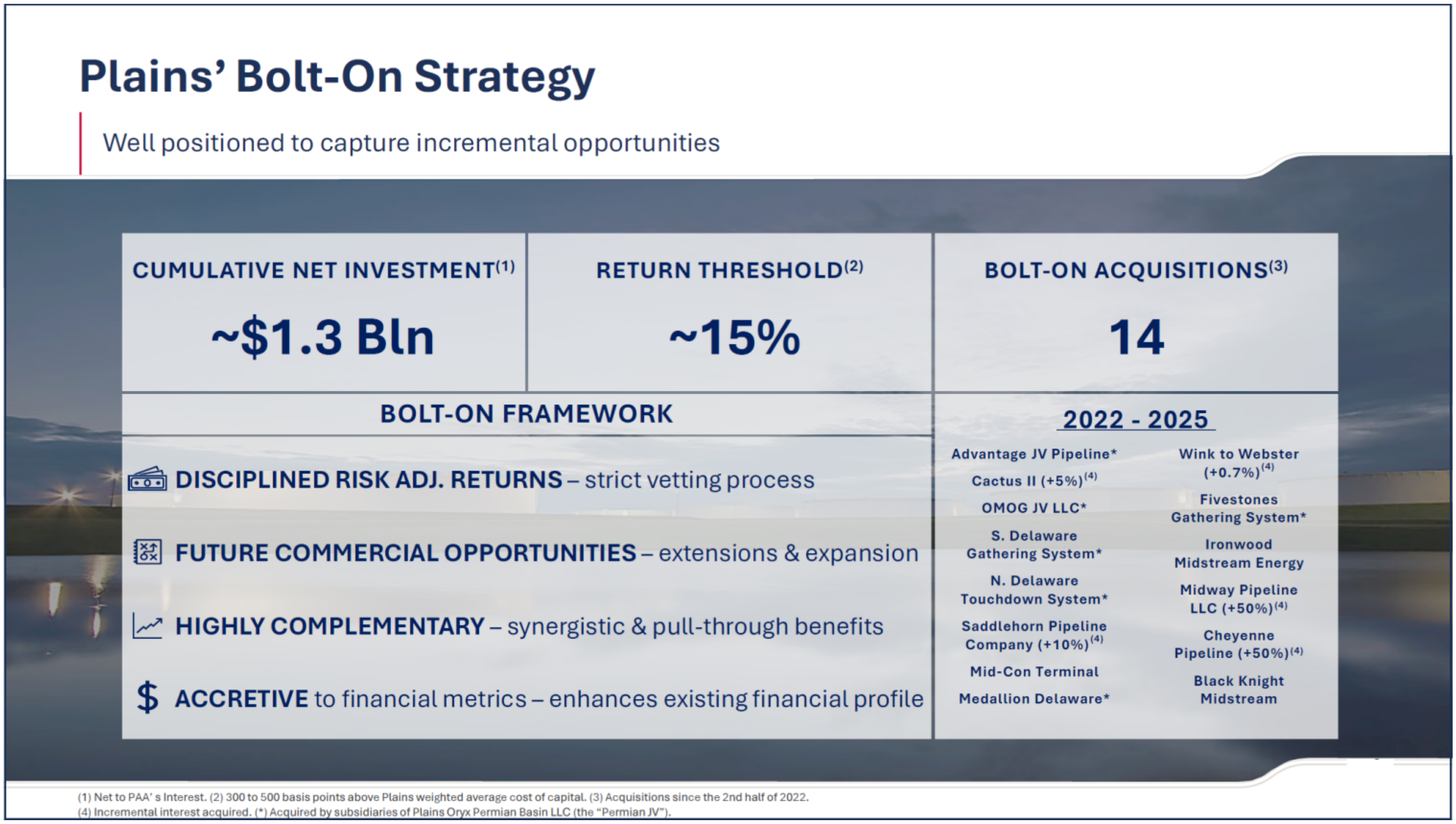
- Plains acquired Black Knight Midstream's Permian Basin crude oil gathering business, for approximately $55 million, which closed effective May 1, 2025
- Placed into service the 30,000 b/d Fort Saskatchewan fractionation complex debottleneck project enhancing Plains' fee-based cash flow in Canada
- Increased Plains' 2025 C3+ spec product sales hedge profile to approximately 80% at approximately $0.70 per gallon level

"Plains delivered another quarter of solid operational and financial performance… Substantial cash flow generation from our integrated Crude Oil and NGL footprints coupled with a strong balance sheet positions us well through a time of market volatility and uncertainty. Our focus on efficient growth remains consistent with the addition of two new bolt-on acquisitions and our Fort Saskatchewan fractionation complex debottleneck project now in service. Finally, our commitment to financial discipline and financial flexibility remains unchanged while continuing to return cash to unitholders through a strong distribution payout."
– Willie Chiang, Chairman and CEO of Plains.



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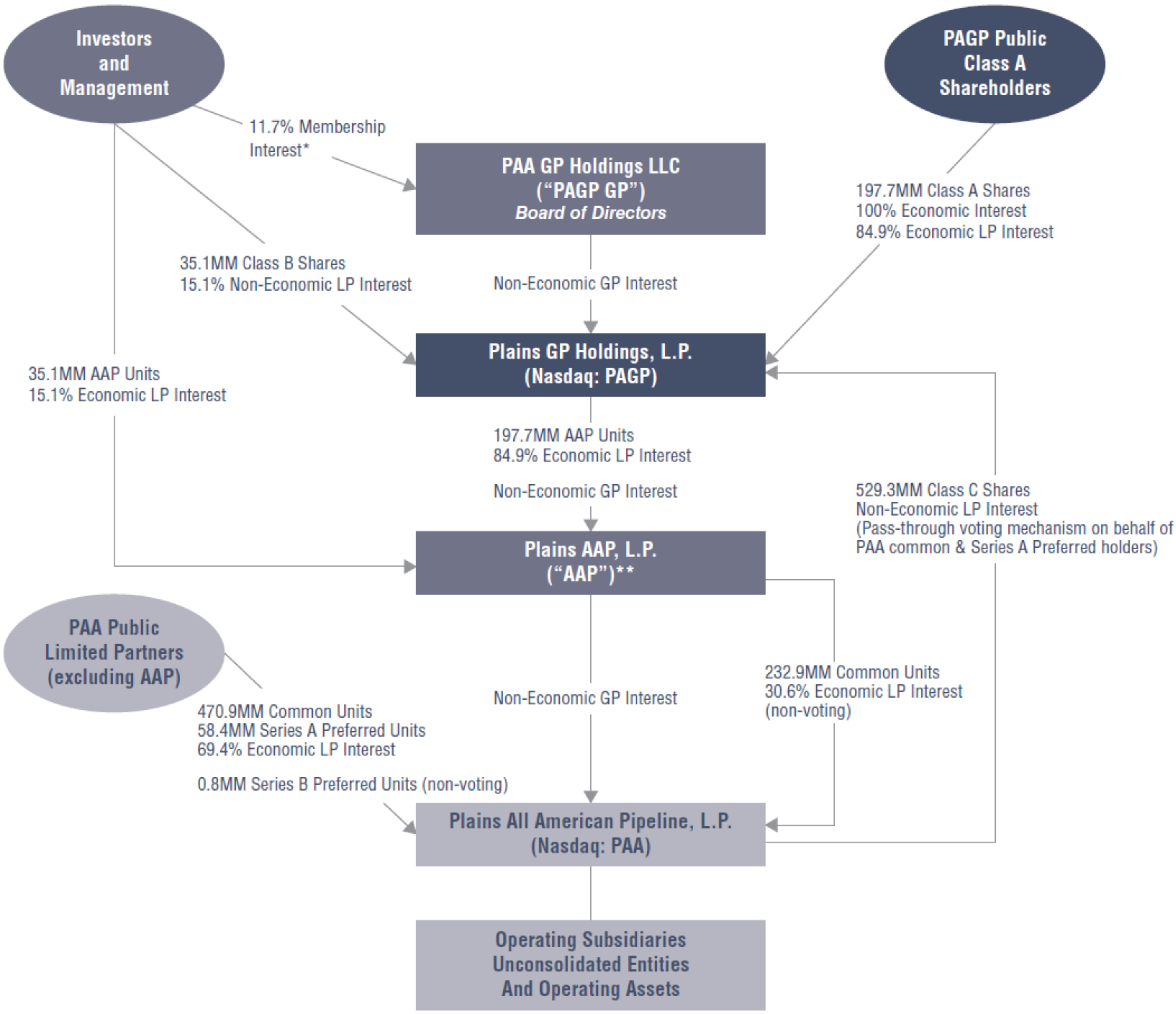
Ownership Structure



* The remaining 88.3% membership interest in PAGP GP is owned by PAGP.

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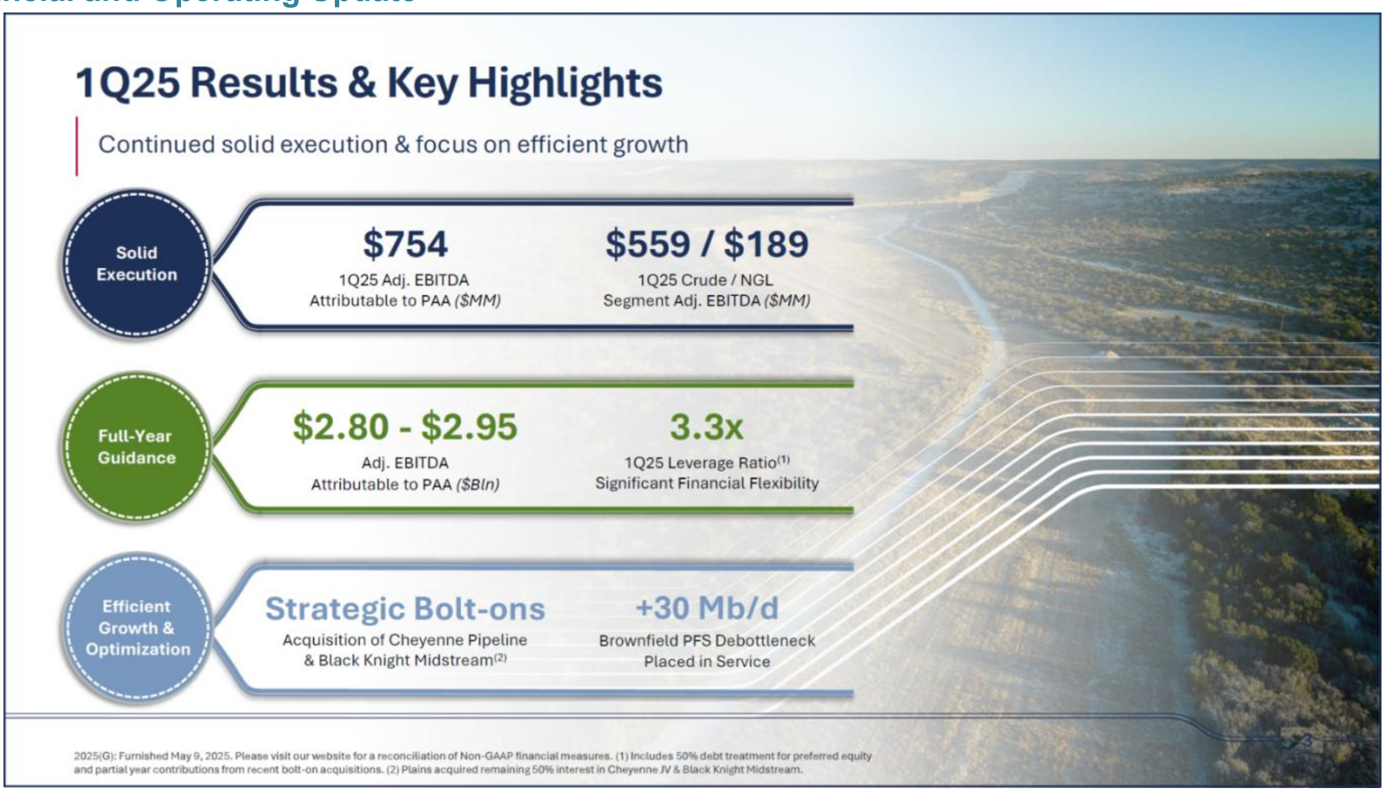
2024 Initiatives Delivered

- Delivered strong financial results, with 2024 Adjusted EBITDA attributable to PAA of $2.78 billion (~$105 million / ~4% above guidance) and Implied Distributable Cash Flow per Common Unit and Common Unit Equivalent of $2.49/unit ($0.05/unit / ~2% above guidance);
- Generated $1.17 billion in Adjusted Free Cash Flow (excluding changes in Assets and Liabilities), returned approximately $1.15 billion to Plains' common and preferred equity holders via distributions, and invested approximately $571 million of investment and maintenance capital (net to Plains' interest);
- Progressed Plains' efficient growth strategy and executed seven accretive bolt-on acquisitions in 2024 and early 2025 for an aggregate of approximately $800 million (net to Plains' interest), while maintaining capital discipline and generating strong returns;
- Extended contract terms and increased contracted volumes in Plains' Permian long-haul portfolio, providing greater cash flow stability while maintaining the flexibility to capture higher margins over time;
- Exited 2024 with a leverage ratio of ~3.0x (below Plains' leverage ratio target range) and received a credit rating upgrade from Moody's to Baa2 with a stable outlook, achieving Plains' long-term target of mid-BBB or equivalent investment grade ratings from all three credit rating agencies; and
- Increased Plains' annual distribution by $0.20/unit (19%) in 2024, and by another $0.25/unit (20%) in February 2025, and delivered strong total unitholder and shareholder returns in 2024 of 21% and 24% for PAA and PAGP, respectively.

Financial and Operating Update



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2025 Guidance

Lower half of guidance range in a $60 - $65/bbl WTI environment

Financial *($MM, except per-unit metrics)*	**2025(G)[1]**
Adjusted EBITDA attributable to PAA	**$2,800 - $2,950**
Crude Oil Segment	2,410
NGL Segment	450
Other	15
Distributable Cash Flow available to Common Unitholders	**$1,875**
Common Unit Distribution Coverage Ratio	**175%**
Adj. Free Cash Flow (excluding changes in Assets & Liabilities)[2]	**$1,095**

Key Sensitivities *($MM)*	**Annual Adj. EBITDA Change**
$10/bbl change in WTI prices	+/- $40
$0.01/gallon change in frac spread (Based on Hedge profile)	+/- $1 - $2
100 Mb/d change in total Permian Basin production	+/- $10 - $15

Operational *(Mb/d)*	
	Crude Oil
Crude Pipeline Volumes [3]	**9,650**
Permian	7,225
Other	2,425
	NGL
C3+ Spec Product Sales [4]	45
Fractionation Volumes	150

Capital *($MM)*	Net to PAA	Consolidated
Crude	**$290**	**$390**
Permian JV	*185*	*285*
Other	*105*	*105*
NGL	**110**	**110**
Investment	**+/- $400**	**+/- $500**
Maintenance	**+/- $240**	**+/- $260**
Total	**+/- $640**	**+/- $760**

Key Assumptions	
	Commodities
WTI	$75/bbl
Propane / Butane	42.5% / 52.5% of WTI
AECO	$2.30 CAD/GJ
	Operational
Permian Production	200 - 300 Mb/d
C3+ Sales Hedged [5]	+/- 80%

PAA manages its operations through two operating segments: Crude Oil & NGL. PAA's management team evaluates segment performance based on a variety of measures including segment profit, segment volumes, segment profit per barrel and maintenance capital investment. Previously, PAA managed operations through three operating segments, but the Company reorganized to the new structure in the fourth quarter of 2021.

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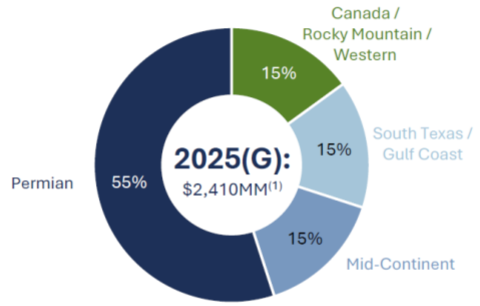
Crude Oil: First-quarter 2025 Crude Oil Segment Adjusted EBITDA was in line with comparable 2024 results. Favorable results in the 2025 period from (i) higher tariff volumes on its pipelines, (ii) tariff escalations and (iii) contributions from recently completed bolt-on acquisitions were largely offset by (iv) higher operating expenses and (v) the impact to its assets from refinery downtime.

Crude Oil Segment Detail *(consistent with Feb'25)*

Capturing growth via operating leverage & bolt-on acquisitions

Regional Breakdown



Annual
(Segment Adj. EBITDA, $MM)

Tariff Volumes (Mb/d)	2023FY	2024FY	2025(G)
Gathering	2,643	2,895	3,075
Intra-Basin	2,210	2,305	2,450
Long-Haul	1,503	1,531	1,700
Total [2]	**6,356**	**6,731**	**7,225**
Canada	341	346	345
Rocky Mountain	372	474	525
Western	214	256	260
Total	**927**	**1,076**	**1,130**
South Texas / Eagle Ford	410	403	560
Gulf Coast	260	218	225
Total	**670**	**621**	**785**
Mid-Continent [2]	**507**	**506**	**510**
Volumes	***8,460***	***8,934***	***9,650***

2025(G): Furnished May 9, 2025. (1) Adj. EBITDA attributable to PAA. Percentages intended to be +/-. (2) Permian JV, Cactus II JV & Red River JV volumes on a consolidated (8/8ths) basis.

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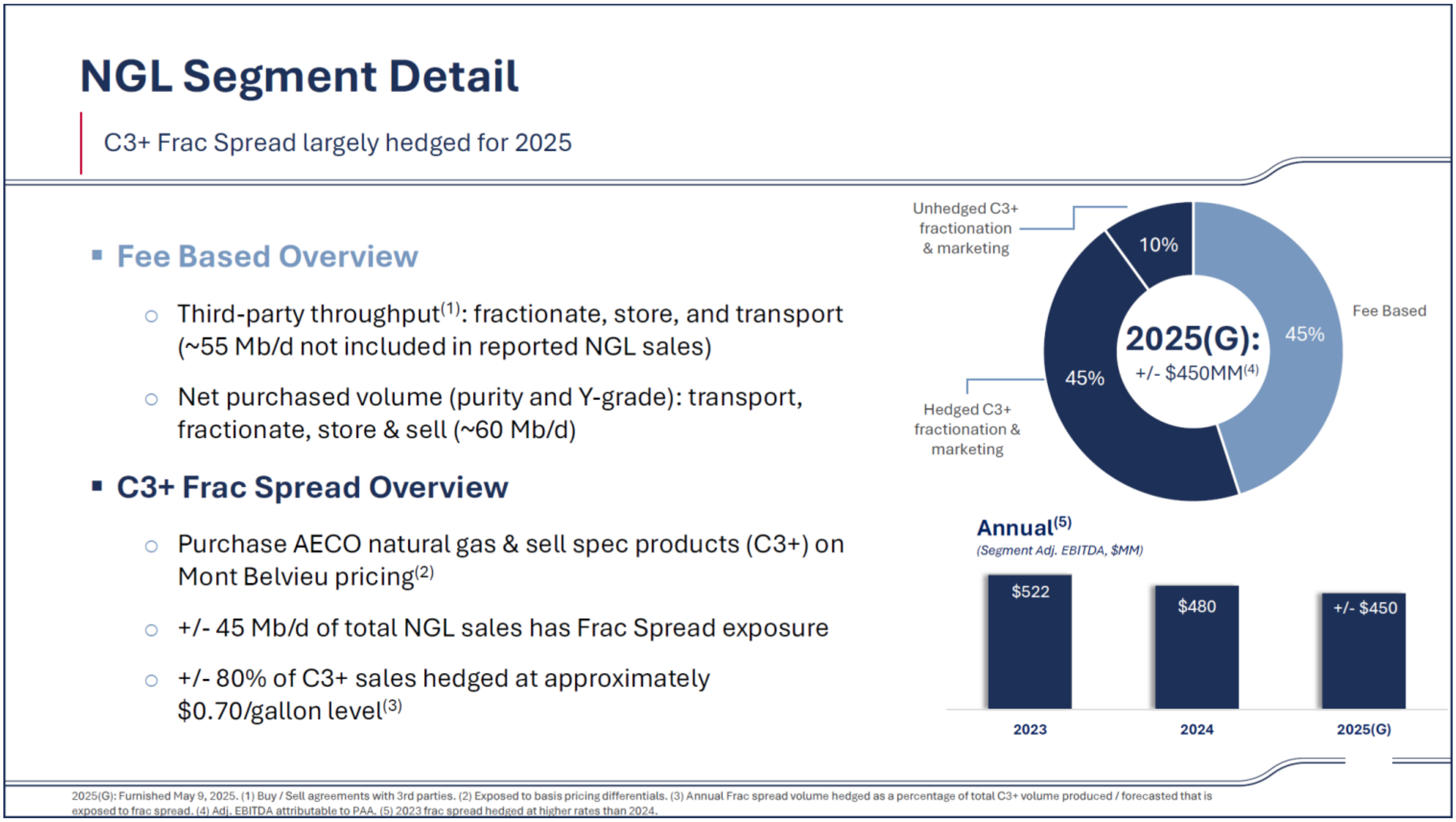
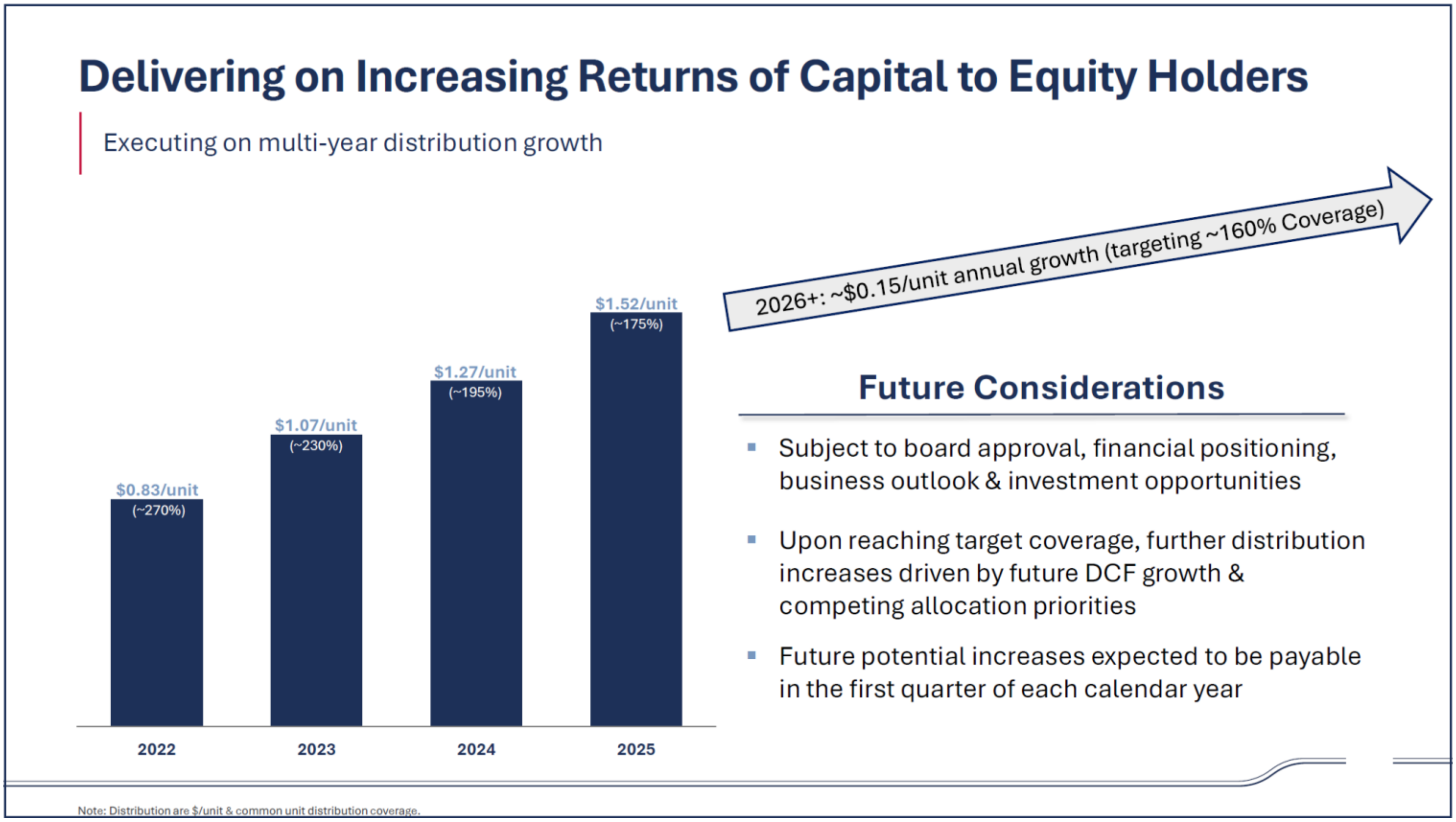
NGL: First-quarter 2025 NGL Segment Adjusted EBITDA increased 19% versus comparable 2024 results primarily due to higher weighted average frac spreads and NGL sales volumes in the first quarter of 2025.



Returns of Capital and Senior Notes



Leadership Changes

On March 26, 2025, Plains announced that Harry Pefanis will retire as President of Plains effective June 1, 2025. Willie Chiang, Chairman of the Board and CEO, will assume the role of President effective upon the retirement of Mr. Pefanis. In addition, Plains announced updates to the lead director position and certain committee assignments for its Board of Directors that will also be effective June 1, 2025.

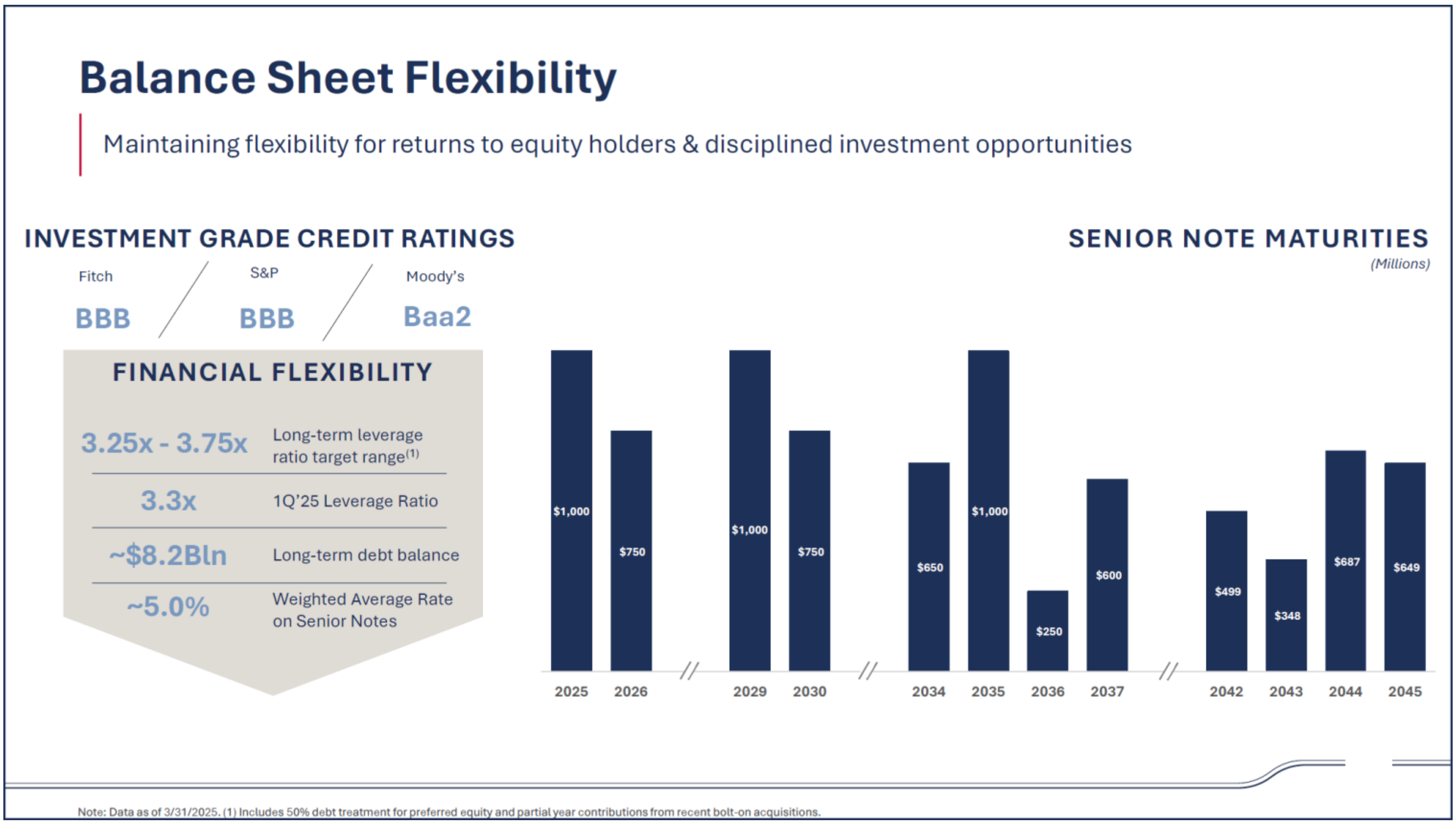
In line with Plains' long-term succession plan, Mr. Pefanis will retire as President after 27+ years of service to the company he co-founded. Including his time with Plains prior to its initial public offering in 1998, Mr. Pefanis has been with the organization for over four decades. Mr. Pefanis will continue to serve on the Board of Directors and as a Senior Advisor to Plains.

"Harry is a world class energy executive who played a key role in the founding of the Company almost three decades ago, and who has been instrumental to the growth of Plains into the modern energy transportation company it is today. His time at Plains has been marked by a relentless focus on customer service, developing lasting relationships, operational excellence, and financial strength, together with an unwavering commitment

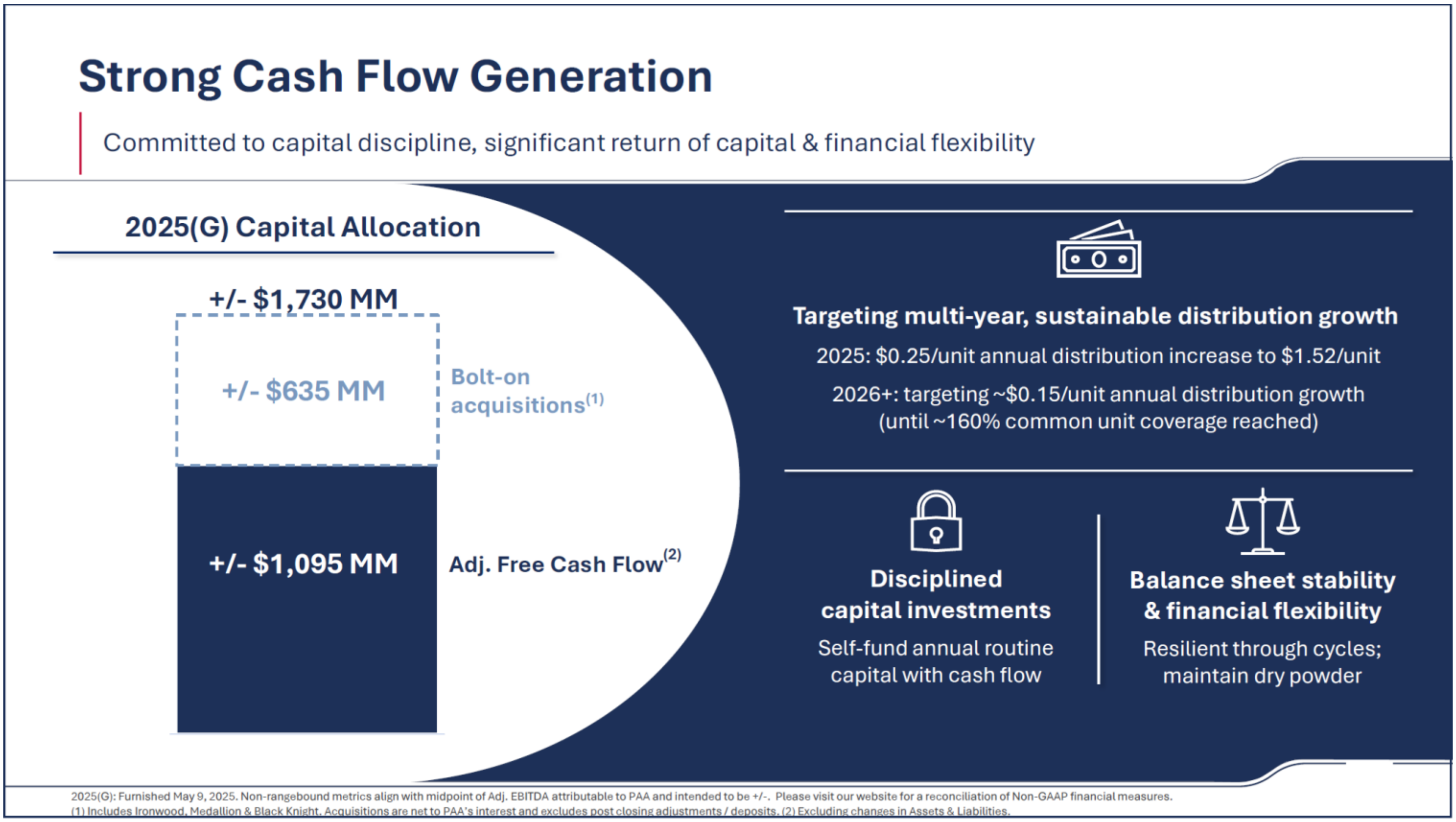
to integrity, accountability and teamwork… Harry lives our core values every day and has been an exceptional role model for our employees and an outstanding representative for our company and our industry. I want to thank him for his many contributions and I am very pleased that we will continue to benefit from his knowledge, experience and insights through his continued service as a Director and his new role as a Senior Advisor.” **– Willie Chiang, Chairman and CEO of Plains**

“It has been an incredible experience to be part of Plains during such a dynamic period. I have had the privilege of working with exceptionally talented teammates that have always been committed to developing lasting relationships, delivering value, driving results, and meeting the needs of our customers and stakeholders. I strongly believe that we will continue to see growth in crude oil production and that Plains is better positioned than ever to capitalize on the growing demand for our integrated asset base” **– Harry Pefanis, Chairman and CEO of Plains**

As part of the Board’s ongoing succession planning process, Plains also announced the following changes to its Board of Directors effective June 1, 2025. Bobby Shackouls will be succeeded in his roles as Lead Director and Chair of the Governance Committee by John Raymond. Mr. Shackouls will succeed Mr. Raymond as Chair of the Compensation Committee. In order to ensure continuity and a smooth transition, Mr. Raymond will remain a member of the Compensation Committee and Mr. Shackouls will remain a member of the Governance Committee.



Capital Expenditures Update



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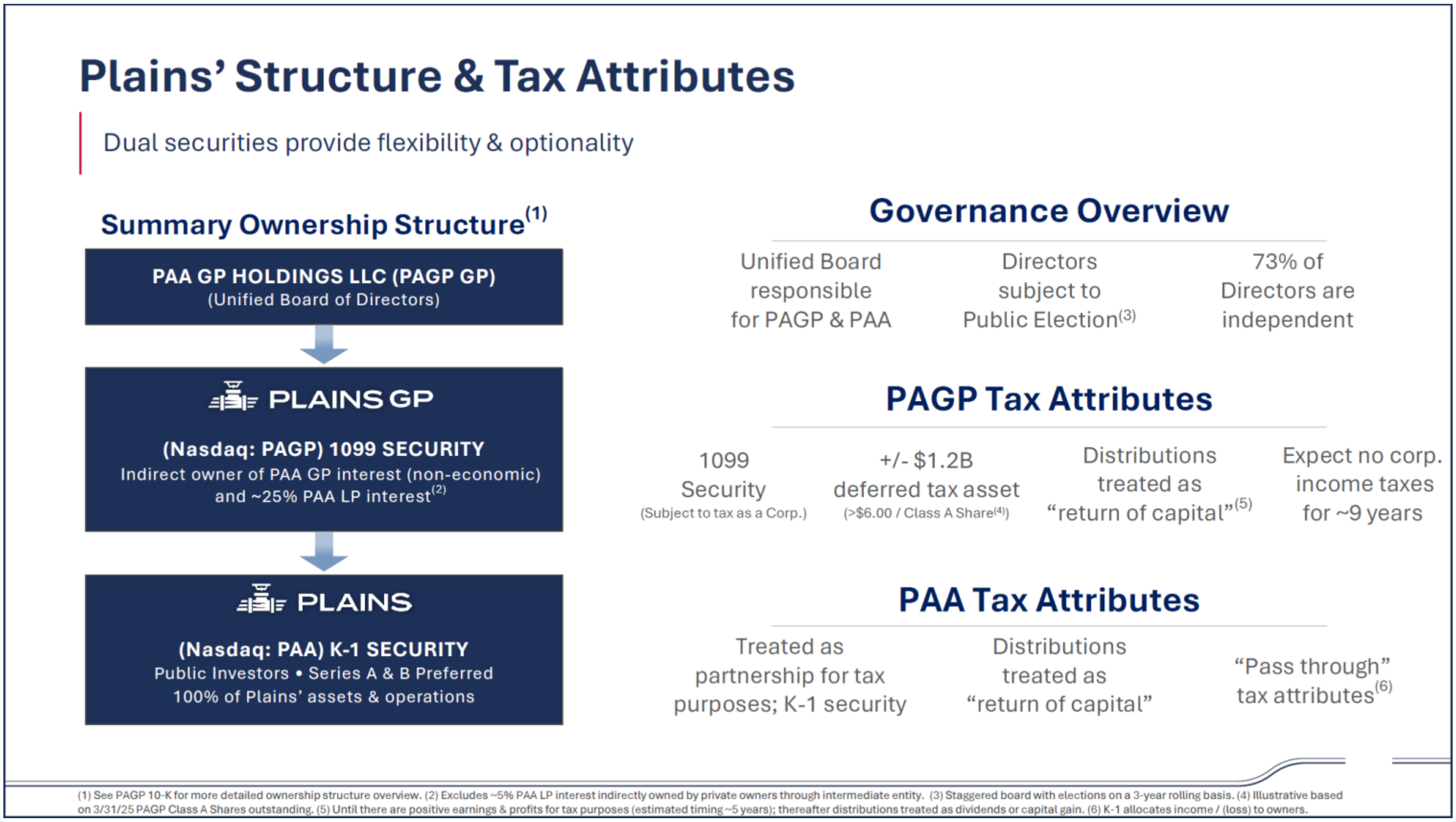
Distributions to PAA unit holders and PAGP are treated as "Return of Capital"



Recent Analysts Price Targets for PAA submitted to TipRanks

Analyst/Rank	Analyst firm	Rating	Date	Price target
Brandon Bingham ★★★★★	Scotiabank	Buy	06/05/2025	$19.00
Gabe Moreen ★★★★★	Mizuho Securities	Buy	05/20/2025	$20.00
Elvira Scotto ★★★★★	RBC Capital	Hold	05/15/2025	$20.00
John Mackay ★★★★★	Goldman Sachs	Sell	05/15/2025	$18.00

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Net Income and Cash Flow Forecast Model

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Plains All American Pipeline LP and Subsidiaries (NYSE: PAA)																	
Net Income and Cash Flow FYE 2022 - 2026 (updated 6/12/2025)									$ 13,530	$ 13,950	$ 14,690	$ 47,720	$ 56,640	< TipRanks' Revenue Forecasts			
All in $Million except for per share data	Actual 2022	Actual 2023	Actual Qtr1 2024	Actual Qtr2 2024	Actual Qtr3 2024	Actual Qtr4 2024	Forecast 2024	Actual Qtr1 2025	Forecast Qtr2 2025	Forecast Qtr3 2025	Forecast Qtr4 2025	Forecast 2025	Forecast 2026				
REVENUES:																	
All revenues	$57,342	$48,712	$11,995	$12,933	$12,743	$12,402	$50,073	$12,011	$13,500	$13,750	$14,000	$53,261	$55,000				
EXPENSES:																	
Purchases and related costs	53,176	44,531	10,917	11,859	11,557	11,227	45,560	10,761	12,218	12,444	12,670	48,092	49,775	< 90.5% of row 11			
Field operating costs	1,314	1,425	358	349	483	578	1,768	368	450	450	475	1,743	2,100	Includes most of the salaries & wages for			
G&A	285	278	88	84	64	38	274	82	80	80	90	332	350	PAA's ~5,000+ employees			
Equity compensation & other non-cash exp	40	72	8	10	34	55	107	18	20	20	25	83	100				
DD&A	964	1,048	254	257	257	258	1,026	262	275	280	290	1,107	1,200				
(Gain) loss on asset sales & impairment	270	(152)	0	0	1	159	160	(13)	0	0	0	(13)	0				
TOTAL EXPENSES	56,049	47,202	11,625	12,559	12,396	12,315	48,895	11,478	13,043	13,274	13,550	51,344	53,525				
OPERATING EARNING	1,293	1,510	370	374	347	87	1,178	533	458	476	450	1,917	1,475				
OTHER INCOME (EXPENSES)																	
Equity earnings in unconsolidated entities	402	369	95	106	97	154	452	103	105	105	105	418	440				
Gain on sale of investments in unconsolidated entitie	346	29	0	0	0	15	15	31	0	0	0	31	0				
Interest expense -cash	(407)	(398)	(97)	(115)	(115)	(114)	(441)	(129)	(130)	(128)	(125)	(512)	(500)				
Capitalized interest	4	11	2	5	2	2	11	2	1	1	1	5	4				
Other income (expense)	(219)	101	(5)	24	26	20	65	26	0	0	0	26	0				
INCOME BERORE INCOME TAXES	1,419	1,622	365	394	357	164	1,280	566	434	454	431	1,885	1,419				
INCOME TAXES																	
Current	84	144	53	70	20	52	195	46	43	45	43	178	142	< 10%			
Deferred	105	(24)	(39)	(7)	25	(7)	(28)	4	0	0	0	4	0				
NET INCOME	$1,230	$1,502	$351	$331	$312	$119	$1,113	$516	$390	$409	$388	$1,703	$1,277				
Less: Net income attrib. to noncontrolling int.	191	272	85	81	92	83	341	73	75	80	85	313	350				
NET INCOME ATTRIBUTABLE TO PAA	$1,039	$1,230	$266	$250	$220	$36	$772	$443	$315	$329	$303	$1,390	$927	PAA's EBITDA guidance for 2025: $2.80 to $2.95 Billion (2/7)			
														My EBITDA forecast for 2025 > >>>>		$ 2,912	
LTD PARTNERS UNITS outstanding (millions)	698.4	701.0	704.0	704.0	704.0	704.0	704.0	703.8	703.8	703.8	703.8	703.8	704.0	< 2025 us common units OS on 3-31-2025			
Earnings per Ltd Partner unit	$1.76	$2.14	$0.50	$0.47	$0.44	$0.17	$1.58	$0.73	$0.55	$0.58	$0.55	$2.42	$1.81	< Row 41 / Row 46			
								$0.73	$0.31	$0.34	$0.42	$1.80	$1.45	< TipRanks EPS Forecast			
Cash flow ($millions)	$2,599	$2,533	$611	$662	$647	$496	$2,416	$778	$664	$668	$602	$2,712	$2,123	< PAA should generate over $1.1 Billion of FCF in 2025			PAGP
Cashflow per LP unit (before CapEx)	$3.72	$3.61	$0.87	$0.94	$0.92	$0.70	$3.43	$1.11	$0.94	$0.95	$0.86	$3.85	$3.02	< Fair Value Est. at 6.5 X 2024 to 2026 CFPS =		$23.00	$22.00
Distributions to unit holders	$0.9200	$1.0700	$ 0.3175	$ 0.3175	$ 0.3175	$ 0.3800	$ 1.33	$ 0.3800	$ 0.3800	$ 0.3800	$ 0.4200	$ 1.56	$ 1.70	< Estimated distributions to Unit Holders going up ~$0.15 per year			
														TipRanks price target >>>		$ 20.25	$20.00
														Scotiabank	6/5/25	$ 19.00	BUY
DCF per common unit >>>	$ 2.26	$ 2.46	$ 0.67	$ 0.58	$ 0.61	$ 0.64	$ 2.50	$ 0.66	$ 0.68	$ 0.67	$ 0.68	$ 2.69	$ 2.80		Mizuho Securities	5/20/25	$ 20.00	BUY
								PAA Goal is to increase distributions by ~$0.15/unit each year						RBC Capital	5/15/25	$ 30.00	HOLD