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## Recent Notes

[OKE 4Q Earnings – Ready For Anything](#)  
[MPLX – Northeast G&P Deep Dive](#)

Feb. 26<sup>th</sup>  
Feb. 28<sup>th</sup>

## How Would a Utility Investor Value Midstream Stocks

In this note we attempt to value our coverage universe of 11 stocks from the perspective of a utility investor. This by no means is perfect, for instance we are using consensus EPS numbers for 2020 which would need to be adjusted/normalized for inconsistencies in depreciation, intangibles, income taxes etc. Having said that we think this is a good starting point for a generalist/utility investor to compare and contrast relative valuation of midstream names to utilities. Of our four top picks, **ET**, **MMP** and **EPD** screen favorably versus peers on a total shareholder return potential basis utilizing a target Price to Earnings (P/E) valuation approach consistent with how we value Evercore ISI covered utilities.

**Our coverage universe screens well versus utilities on multiple metrics.** As we stated in our launch note on 02/04/19, current average dividend yield for our covered stocks is 6.3%, which is almost double that of Evercore ISI covered electric/gas utilities of 3.2% (see Exhibit 1 within). Projected dividend growth of midstream names is also materially higher than utilities. In Exhibit 2 within we show average expected 2020 leverage of 4.2x for our stocks, which is half a turn lower than the average utility (but this may be warranted given the different risk profiles of the two groups). Finally on a forward price to earnings (P/E) basis our coverage universe trades at an average of 17.2x, which is 1.5x lower than utilities. As we stated earlier we compute the forward P/E for stocks in our coverage universe by dividing current price by consensus 2020 EPS. Note, we have adjusted consensus EPS for companies structured as MLPs for taxes at 21% (average 2018 effective tax rate of the C-Corps in our coverage universe). See Exhibit 3 within for additional detail.

**Our proprietary DDM shows midstream fair value 1.3x below utilities on a Forward P/E basis.** Our utility dividend discount model (DDM) computes fair valuation for an average utility at 17.7x on 2020 P/E. Utilizing the same tool and adjusting the inputs to reflect the characteristics of our midstream coverage universe we arrive at fair valuation for our stocks of 16.4x 2020 P/E (1.3x below utilities). For valuing midstream stocks through our DDM we use a higher cost of capital, higher payout ratio, higher initial growth (but lower terminal growth) versus utilities. See Exhibit 4 within for our assumptions and additional detail.

**Valuing midstream stocks like utilities on forward P/E. Not perfect, but it's a start.** Evercore ISI covered utilities trade at 18.6x on 2020P/E (see Exhibit 6). This would suggest a *relative* trading valuation for our coverage universe of 17.3x (1.3x lower as we stated earlier; implicitly assuming midstream valuations converge to current utility trading multiples). Utilizing 17.3x as our baseline multiple we assigned premium/discounts to companies in our coverage universe in accordance with a relative ranking system based upon balance sheet, cash flow quality, return on capital, growth and asset/basin exposure (outlined on Exhibit 7). Of our top picks ET, MMP and EPD screen favorably versus peers. See Exhibit 5 within for more detail.

## Exhibit 1: Midstream Dividend Yield & Dividend Growth vs. Utilities

### Dividend Yield

Ticker	Dividend Yield
DCP	9.7%
ET	8.1%
MPLX	7.8%
MMP	6.5%
EPD	6.3%
ENB	6.0%
WMB	5.5%
OKE	5.2%
PAA	5.1%
TRP	5.0%
KMI	4.1%
<b>Average</b>	<b>6.3%</b>

Dividend yield 311 bps above average utility dividend yield of 3.2%,

### DPS Growth

Ticker	DPS Growth
KMI	21.7%
PAA	12.0%
WMB	10.0%
OKE	10.0%
TRP	8.7%
ENB	7.0%
ET	6.0%
MPLX	5.9%
MMP	5.0%
EPD	2.3%
DCP	0.0%
<b>Average</b>	<b>8.0%</b>

DPS growth rate 222 bps higher than utility growth rate of 5.8%

Note: ET, MPLX and WMB are '19 - '21 CAGRs, due to equity issuances in order to fund dropdowns and/or merger. The rest are '18 - '21 CAGRs. Source: Evercore ISI Research, Factset, Company Reports

## Exhibit 2: MLP Leverage vs. Utilities

Ticker	Name	Leverage		
		2018E	2019E	2020E
TRP	TC Energy	6.0x	5.4x	5.1x
WMB	Williams Companies	5.1x	4.8x	4.7x
ET	Energy Transfer	4.7x	4.6x	4.6x
DCP	DCP Midstream	4.9x	4.9x	4.5x
KMI	Kinder Morgan	4.9x	4.5x	4.3x
ENB	Enbridge	5.0x	4.8x	4.2x
OKE	ONEOK	3.8x	4.6x	3.9x
MPLX	MPLX	3.6x	3.6x	3.7x
EPD	Enterprise Products Partners	3.7x	3.8x	3.7x
PAA	Plains All American Pipeline	3.4x	3.5x	3.7x
MMP	Magellan Midstream Partners	3.1x	3.6x	3.3x
<b>Average</b>		<b>4.4x</b>	<b>4.4x</b>	<b>4.2x</b>

0.6x lower than the average '20E utility leverage of 4.8x

Source: Evercore ISI Research, Factset, Company Reports

### Exhibit 3: Midstream 2020E Consensus EPS and P/E Multiple vs. Utilities

Ticker	Price	Consensus	P/E Multiple
		'20 EPS	'20E
WMB	\$27.4	\$1.11	24.7x
OKE	\$65.9	\$3.54	18.6x
KMI	\$19.7	\$1.09	18.0x
MMP	\$61.5	\$3.52	17.5x
EPD	\$27.8	\$1.63	17.0x
DCP	\$32.2	\$1.89	17.0x
ENB	C\$49.5	C\$3.0	16.7x
PAA	\$23.6	\$1.52	15.5x
TRP	C\$59.4	C\$3.9	15.4x
MPLX	\$33.2	\$2.21	15.0x
ET	\$15.0	\$1.14	13.1x
<b>Average</b>			<b>17.2x</b>

8% discount to utility '20E P/E Multiple of 18.6x

Note: EPS for MLPs have been adjusted downward for taxes at 21% (average effective tax rate of the C-Corps). Source: Evercore ISI Research, Factset, Company Reports

### Exhibit 4: Fair Value Using Our Proprietary Dividend Discount Model (DDM)

#### Utility Forward P/E - 17.7x

#### Midstream Forward P/E - 16.4x

Growth Assumptions	Base Case
Year 1 to 5 Rate Base Growth	5.25%
<b>Yr 6-10 RB Grwth</b>	<b>3.50%</b>
Yr 11 fwd and Terminal Growth	2.50%
<b>Terminal Value (beyond 35 years)</b>	<b>Yes</b>
35 Year Average Payout Ratio - Implied	71%

Growth Assumptions	Base Case
Year 1 to 5 Rate Base Growth	7.00%
<b>Yr 6-10 RB Grwth</b>	<b>5.00%</b>
Yr 11 fwd / Terminal Growth	2%/1%
<b>Terminal Value (beyond 35 years)</b>	<b>Yes</b>
35 Year Average Payout Ratio - Implied	100%

ROE and Ke Assumptions	Base Case
Yr 1 ROE	9.75%
Annual ROE Fade (+/-)	-0.10%
Final ROE	9.25%
Years Until LT Spread	5
Implied Annual Ke Change (+/-)	0.24%
Final year ROE / Ke Spread	2.25%
<b>2020 P/E Multiple</b>	<b>17.7x</b>

ROE and Ke Assumptions	Base Case
Yr 1 ROE	12.00%
Annual ROE Fade (+/-)	-0.10%
Final ROE	10.00%
Years Until LT Spread	20
Implied Annual Ke Change (+/-)	-0.04%
Final year ROE / Ke Spread	2.25%
<b>2020 P/E Multiple</b>	<b>16.4x</b>

Source: Evercore ISI Research, Factset, Company Reports

## Exhibit 5: DDM Implied Target Price & Total Shareholder Return

Ticker	Rating	Current Price	Target EV/ EBITDA Multiple	Premium/	P/E '20E Baseline Multiple	P/E '20E Target Multiple	'20E Consensus EPS	Implied Target Price	Implied Price Return	Current Div Yield	Implied Total Return
				(Discount) Baseline Multiple							
MPLX	Outperform	\$33.2	11.5x	5%	17.3x	18.1x	\$2.2	\$40.0	20.6%	7.8%	28.4%
ET	Outperform	\$15.0	9.9x	-10%	17.3x	15.6x	\$1.1	\$18.0	20.2%	8.1%	28.3%
MMP	Outperform	\$61.5	13.0x	18%	17.3x	20.4x	\$3.5	\$72.0	17.1%	6.5%	23.6%
TRP	In Line	C\$59.4	11.3x	2%	17.3x	17.7x	C\$3.9	C\$68.0	14.5%	5.0%	19.5%
PAA	In Line	\$23.6	11.5x	5%	17.3x	18.1x	\$1.5	\$27.0	14.3%	5.1%	19.4%
EPD	Outperform	\$27.8	12.3x	11%	17.3x	19.3x	\$1.6	\$31.0	11.6%	6.3%	17.9%
ENB	In Line	C\$49.5	11.5x	5%	17.3x	18.1x	C\$3.0	C\$54.0	9.1%	6.0%	15.0%
OKE	In Line	\$65.9	12.3x	11%	17.3x	19.3x	\$3.5	\$68.0	3.2%	5.2%	8.5%
DCP	In Line	\$32.2	10.0x	-9%	17.3x	15.7x	\$1.9	\$30.0	-6.9%	9.7%	2.8%
KMI	Outperform	\$19.7	10.8x	-2%	17.3x	16.9x	\$1.1	\$18.0	-8.8%	4.1%	-4.8%
WMB	Outperform	\$27.4	11.8x	7%	17.3x	18.5x	\$1.1	\$21.0	-23.4%	5.5%	-17.9%
<b>Average</b>									<b>6.5%</b>	<b>6.3%</b>	<b>12.8%</b>

Note: Highlighted names denote our top picks. Source: Evercore ISI Research, Factset, Company Reports

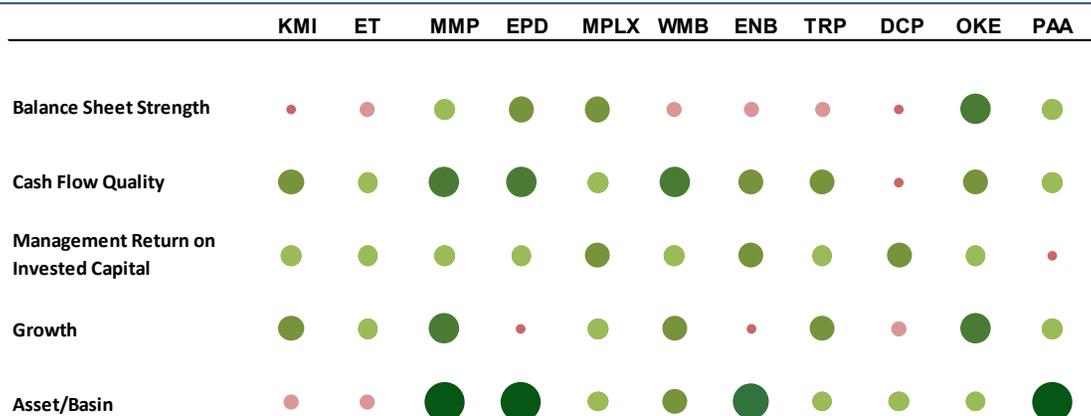
## Exhibit 6: Evercore ISI Covered Utility Comp Sheet & Debt Metrics

Regulated Utilities														
Ticker	Company Name	3/3/19 Price	ISI Rating	Shares Out	Market Cap	2018 Div Yld	2018 Payout	ISI EPS Estimate			P/E Multiple			'17-'20 EPS Growth
								2018	2019	2020	2018	2019	2020	
NEE	NextEra Energy, Inc.	\$187.56	Outperform	476	89,293	2.4%	58%	7.70	8.25	9.05	24.4x	22.7x	20.7x	10.6%
WEC	WEC Energy Group	\$76.03	In Line	317	24,094	2.9%	67%	3.32	3.52	3.72	22.9x	21.6x	20.4x	5.8%
PNM	PNM Resources, Inc.	\$44.79	In Line	80	3,584	2.4%	54%	1.95	2.15	2.22	23.0x	20.8x	20.2x	4.6%
CMS	CMS Energy Corp	\$54.10	Outperform	283	15,305	2.6%	61%	2.33	2.49	2.68	23.3x	21.7x	20.2x	7.3%
AEE	Ameren Corp	\$70.93	In Line	245	17,407	2.6%	54%	3.37	3.25	3.55	21.1x	21.9x	20.0x	7.8%
XEL	Xcel Energy Inc	\$54.92	In Line	511	28,085	2.7%	61%	2.47	2.62	2.80	22.3x	21.0x	19.6x	6.9%
NI	NiSource Inc	\$26.91	In Line	357	9,603	2.9%	60%	1.30	1.30	1.39	20.7x	20.7x	19.3x	4.3%
ES	Eversource Energy	\$69.74	In Line	318	22,174	2.9%	62%	3.25	3.45	3.65	21.5x	20.2x	19.1x	5.5%
EVRG	Eergy	\$55.03	Outperform	216	11,860	2.0%	40%	2.78	2.67	2.90	19.8x	20.6x	19.0x	11.1%
DTE	DTE Energy Co	\$122.90	In Line	181	22,280	2.9%	57%	6.30	6.20	6.55	19.5x	19.8x	18.8x	5.4%
AGR	Avangrid Inc.	\$48.71	In Line	310	15,087	3.6%	79%	2.21	2.25	2.60	22.0x	21.6x	18.7x	5.7%
AEP	American Electric Power Co Inc	\$81.40	In Line	494	40,189	3.1%	64%	3.95	4.10	4.35	20.6x	19.9x	18.7x	5.8%
OGE	OGE Energy Corp	\$42.43	In Line	200	8,505	3.2%	64%	2.12	2.13	2.27	20.0x	19.9x	18.7x	5.7%
ED	Consolidated Edison Inc	\$82.66	Underperform	316	26,111	3.5%	67%	4.28	4.00	4.45	19.3x	20.7x	18.6x	2.6%
PNW	Pinnacle West Capital Corp	\$92.78	In Line	113	10,442	3.0%	61%	4.54	4.85	5.00	20.4x	19.1x	18.6x	4.8%
HE	Hawaiian Electric Industries, Inc.	\$38.43	Underperform	109	4,192	3.2%	67%	1.85	1.92	2.07	20.8x	20.0x	18.5x	11.7%
DUK	Duke Energy Corp	\$89.53	In Line	710	63,558	4.1%	77%	4.75	5.00	5.25	18.8x	17.9x	17.1x	4.7%
D	Dominion Resources Inc	\$74.79	In Line	655	48,976	4.5%	82%	4.05	4.20	4.40	18.5x	17.8x	17.0x	6.9%
CNP	CenterPoint Energy Inc	\$30.17	In Line	434	13,094	3.7%	70%	1.58	1.68	1.78	19.1x	18.0x	17.0x	9.2%
SRE	Sempra Energy	\$121.26	Outperform	270	32,719	3.0%	66%	5.40	6.05	7.25	22.5x	20.0x	16.7x	10.2%
FE	FirstEnergy Corp	\$40.90	Outperform	537	21,971	3.5%	56%	2.59	2.60	2.50	15.8x	15.7x	16.4x	-6.6%
SO	Southern Company Inc	\$49.98	Underperform	1,024	51,159	4.8%	78%	3.07	3.00	3.10	16.3x	16.6x	16.1x	1.2%
PPL	PPL Corp	\$32.26	In Line	704	22,722	5.1%	68%	2.40	2.47	2.54	13.5x	13.0x	12.7x	4.2%
EIX	Edison International	\$61.31	In Line	327	20,048	3.9%	59%	4.10	4.50	4.90	15.0x	13.6x	12.5x	3.1%
PCG	PG&E Corp	\$17.91	In Line	517	9,259	0.0%	0%	3.85	4.05	4.35	4.7x	4.4x	4.1x	5.7%
<b>Regulated Group Average (Excludes PCG for Div Values)</b>						<b>3.3%</b>	<b>64%</b>				<b>19.4x</b>	<b>18.8x</b>	<b>17.5x</b>	<b>5.8%</b>
<b>Regulated Group Average (Excluding Stocks: PPL, EIX, and PCG)</b>						<b>3.2%</b>	<b>64%</b>				<b>20.6x</b>	<b>19.9x</b>	<b>18.6x</b>	<b>6.0%</b>
<b>Regulated Group Max (Excludes PCG for Div Values)</b>						<b>5.1%</b>	<b>82%</b>				<b>24.4x</b>	<b>22.7x</b>	<b>20.7x</b>	<b>11.7%</b>
<b>Regulated Group Min (Excludes PCG for Div Values)</b>						<b>2.0%</b>	<b>40%</b>				<b>4.7x</b>	<b>4.4x</b>	<b>4.1x</b>	<b>-6.6%</b>

<b>Regulated Utilities</b>				
<b>Ticker</b>	<b>Company Name</b>	<b>Debt/EBITDA</b>		
		<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>WEC</b>	WEC Energy Group	5.0x	5.6x	5.9x
<b>D</b>	Dominion Resources Inc	6.3x	5.6x	5.5x
<b>DTE</b>	DTE Energy Co	5.0x	5.6x	5.8x
<b>FE</b>	FirstEnergy Corp	5.3x	4.9x	5.0x
<b>OGE</b>	OGE Energy Corp	3.9x	4.0x	4.0x
<b>ES</b>	Eversource Energy	5.2x	5.5x	5.5x
<b>DUK</b>	Duke Energy Corp	6.1x	6.4x	6.3x
<b>SRE</b>	Sempra Energy	6.5x	5.5x	4.9x
<b>XEL</b>	Xcel Energy Inc	4.8x	5.3x	5.4x
<b>CMS</b>	CMS Energy Corp	4.6x	5.0x	4.9x
<b>NEE</b>	NextEra Energy, Inc.	4.1x	3.4x	3.6x
<b>NI</b>	NiSource Inc	12.6x	5.8x	5.7x
<b>AGR</b>	Avangrid Inc.	3.4x	4.7x	4.5x
<b>AEP</b>	American Electric Power Co Inc	4.9x	5.0x	5.1x
<b>PNM</b>	PNM Resources, Inc.	5.8x	5.6x	5.5x
<b>AEE</b>	Ameren Corp	4.0x	4.3x	4.3x
<b>SO</b>	Southern Company Inc	5.9x	5.4x	5.3x
<b>EVERG</b>	Evergy	4.2x	4.7x	4.9x
<b>PNW</b>	Pinnacle West Capital Corp	3.8x	4.0x	4.0x
<b>PPL</b>	PPL Corp	5.4x	5.5x	5.6x
<b>ED</b>	Consolidated Edison Inc	4.7x	4.3x	4.2x
<b>HE</b>	Hawaiian Electric Industries, Inc.	3.9x	3.5x	3.5x
<b>CNP</b>	CenterPoint Energy Inc	4.1x	4.2x	4.3x
<b>EIX</b>	Edison International	3.7x	3.4x	3.5x
<b>PCG</b>	PG&E Corp	3.7x	3.3x	3.3x
<b>Regulated Group Average (Excludes PCG for Div Values)</b>		<b>5.1x</b>	<b>4.8x</b>	<b>4.8x</b>
Regulated Group Max (Excludes PCG for Div Values)		12.6x	6.4x	6.3x
Regulated Group Min (Excludes PCG for Div Values)		3.4x	3.3x	3.3x

Source: Evercore ISI Research, Factset, Company Reports

### Exhibit 7: Valuation Matrix Positioning



Source: Evercore ISI Research

**Valuation Framework** - We utilized a relative-ranking framework (as shown above) to arrive at a target EV/EBITDA multiple to drive our target prices. Companies have been assigned a premium/discount to our baseline EV/EBITDA multiple in accordance with a relative ranking system that consisted of:

- **Balance Sheet Strength.** Each company was ranked proportionate to its assessed balance sheet strength, including gross leverage, distribution coverage and relative scale (EBITDA).
- **Cash Flow Quality.** We examined each company's relative amount of commodity-exposure, volumetric- risk and counterparty risk.
- **Management Return on Invested Capital.** Our ranking of the consequence of management's total spend on the business – both organic and inorganic.
- **Growth.** The three year expected forward CAGR of each company in terms of EBITDA and distribution growth per share.
- **Asset/Basin.** Our qualitative assessment of the name's asset and basin exposure.

Exhibit 8: Model and PT Revisions

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Ticker	Rationale
MPLX	We are lowering our 2020E EBITDA by >\$100MM to \$4.1B primarily due to lower expected volumes from the northeast. <b>Our target price is now \$39, rating remains Outperform.</b>

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Source: Evercore ISI Research, Company Reports

## Exhibit 9: Target Price &amp; Ratings

Ticker	Name	Rating	Mkt Cap (mm)	Tax Status	EBITDA (mm)						Current Px	Target	Target	Price	Div	Total
					2017A	2018E	2019E	2020E	2021E	CAGR		Multiple	Price	Return	Yield	Return
ET	Energy Transfer	Outperform	\$39,238	K-1	\$7,320	\$9,419	\$10,383	\$10,798	\$11,202	11.2%	\$14.98	9.90x	\$18.00	20.2%	8.1%	28.3%
MMP	Magellan Midstream Partners	Outperform	\$14,047	K-1	\$1,303	\$1,391	\$1,468	\$1,658	\$1,686	6.7%	\$61.50	13.00x	\$74.00	20.3%	6.5%	26.8%
MPLX	MPLX	Outperform	\$26,344	K-1	\$2,004	\$3,562	\$3,959	\$4,088	\$4,485	22.3%	\$33.18	11.50x	\$39.00	17.5%	7.8%	25.3%
KMI	Kinder Morgan	Outperform	\$44,685	1099	\$7,198	\$7,568	\$7,655	\$8,027	\$8,107	3.0%	\$19.74	10.75x	\$23.00	16.5%	4.1%	20.6%
EPD	Enterprise Products Partners	Outperform	\$60,634	K-1	\$5,615	\$7,223	\$7,261	\$7,916	\$8,374	10.5%	\$27.78	12.25x	\$32.00	15.2%	6.3%	21.5%
WMB	Williams Companies	Outperform	\$33,217	1099	\$4,531	\$4,500	\$5,039	\$5,456	\$5,816	6.4%	\$27.43	11.75x	\$31.00	13.0%	5.5%	18.6%
DCP	DCP midstream	In-line	\$4,619	K-1	\$1,017	\$1,087	\$1,172	\$1,346	\$1,438	9.0%	\$32.23	10.00x	\$34.00	5.5%	9.7%	15.2%
PAGP*	Plains GP Holdings	In-line	\$3,698	1099	NM	NM	NM	NM	NM	NM	\$23.19	NM	\$25.00	7.8%	5.2%	13.0%
PAA	Plains All American Pipeline	In-line	\$17,162	K-1	\$2,082	\$2,684	\$2,742	\$2,799	\$2,933	8.9%	\$23.62	11.50x	\$25.00	5.8%	5.1%	10.9%
TRP	TC Energy	In-line	C\$54,776	1099	C\$7,377	C\$7,875	C\$9,044	C\$9,808	C\$9,965	7.8%	C\$59.41	11.25x	C\$60.00	1.0%	5.0%	6.0%
OKE	ONEOK	In-line	\$27,113	1099	\$1,987	\$2,448	\$2,596	\$3,238	\$3,603	16.0%	\$65.87	12.25x	\$65.00	-1.3%	5.2%	3.9%
ENB	Enbridge	In-line	C\$100,098	1099	C\$10,317	C\$12,849	C\$13,237	C\$13,998	C\$15,239	10.2%	C\$49.51	11.50x	C\$48.00	-3.0%	6.0%	2.9%
<b>Average</b>										<b>10.6%</b>	<b>11.35x</b>					<b>16.3%</b>

Note; PAGP DPS is the economic equivalent of PAA but is taxed as a corporation. Source: Evercore ISI Research, Company Reports, Factset

## Exhibit 10: Ranked Financial Position

## Leverage

## Coverage

Ticker	Name	2018E	2019E	2020E	2021E
MMP	Magellan Midstream Partners	3.1x	3.6x	3.3x	3.3x
OKE	ONEOK	3.8x	4.6x	3.9x	3.5x
MPLX	MPLX	3.6x	3.6x	3.7x	3.6x
EPD	Enterprise Products Partners	3.7x	3.8x	3.7x	3.7x
PAA	Plains All American Pipeline	3.4x	3.5x	3.7x	3.7x
ENB	Enbridge	5.0x	4.6x	4.5x	4.1x
DCP	DCP Midstream	4.9x	4.9x	4.5x	4.3x
KMI	Kinder Morgan	4.9x	4.5x	4.3x	4.3x
ET	Energy Transfer	4.7x	4.6x	4.6x	4.6x
WMB	Williams Companies	5.1x	4.8x	4.7x	4.6x
TRP	TC Energy	6.0x	5.4x	5.1x	5.0x
<b>Average</b>		<b>4.4x</b>	<b>4.4x</b>	<b>4.2x</b>	<b>4.0x</b>

Ticker	Name	2018E	2019E	2020E	2021E
TRP	TC Energy	1.8x	2.0x	2.1x	2.0x
KMI	Kinder Morgan	2.7x	2.2x	1.9x	1.8x
ET	Energy Transfer	1.5x	1.8x	1.7x	1.7x
WMB	Williams Companies	2.0x	1.7x	1.7x	1.7x
EPD	Enterprise Products Partners	1.6x	1.5x	1.6x	1.6x
ENB	Enbridge	1.6x	1.5x	1.5x	1.6x
PAA	Plains All American Pipeline	2.0x	1.8x	1.7x	1.6x
OKE	ONEOK	1.4x	1.3x	1.5x	1.5x
DCP	DCP Midstream	1.1x	1.2x	1.4x	1.5x
MPLX	MPLX	1.5x	1.5x	1.4x	1.5x
MMP	Magellan Midstream Partners	1.3x	1.3x	1.4x	1.3x
<b>Average</b>		<b>1.6x</b>	<b>1.6x</b>	<b>1.6x</b>	<b>1.6x</b>

## Price to DCF/Share

## DPS Growth

Ticker	Name	2018E	2019E	2020E	2021E
MMP	Magellan Midstream Partners	12.6x	11.8x	10.4x	10.2x
OKE	ONEOK	14.7x	14.2x	11.1x	9.7x
ENB	Enbridge	11.1x	10.8x	10.2x	9.2x
EPD	Enterprise Products Partners	10.1x	10.7x	9.7x	9.1x
PAA	Plains All American Pipeline	9.5x	9.5x	9.3x	8.8x
TRP	TC Energy	12.3x	10.1x	9.0x	8.8x
WMB	Williams Companies	9.5x	10.2x	9.2x	8.5x
KMI	Kinder Morgan	9.0x	8.7x	8.0x	7.8x
MPLX	MPLX	9.0x	8.5x	8.3x	7.5x
ET	Energy Transfer	4.2x	6.5x	6.2x	5.9x
DCP	DCP Midstream	7.2x	6.5x	5.3x	4.9x
<b>Average</b>		<b>10.0x</b>	<b>9.8x</b>	<b>8.7x</b>	<b>8.2x</b>

Ticker	Name	2018E	2019E	2020E	2021E	CAGR*
KMI	Kinder Morgan	\$0.78	\$1.00	\$1.25	\$1.41	21.7%
PAA	Plains All American Pipeline	\$1.20	\$1.34	\$1.51	\$1.69	12.0%
WMB	Williams Companies	\$1.42	\$1.52	\$1.68	\$1.84	10.0%
OKE	ONEOK	\$3.25	\$3.58	\$3.93	\$4.33	10.0%
TRP	TC Energy	C\$2.70	C\$2.93	C\$3.18	C\$3.47	8.7%
ENB	Enbridge	C\$2.68	C\$2.95	C\$3.17	C\$3.29	7.0%
ET	Energy Transfer	\$1.10	\$1.30	\$1.38	\$1.46	6.0%
MPLX	MPLX	\$2.49	\$2.65	\$2.81	\$2.97	5.9%
MMP	Magellan Midstream Partners	\$3.87	\$4.06	\$4.27	\$4.48	5.0%
EPD	Enterprise Products Partners	\$1.73	\$1.77	\$1.81	\$1.85	2.3%
DCP	DCP Midstream	\$3.12	\$3.12	\$3.12	\$3.12	0.0%
<b>Average</b>						<b>7.4%</b>

## Trading EV/EBITDA Multiples

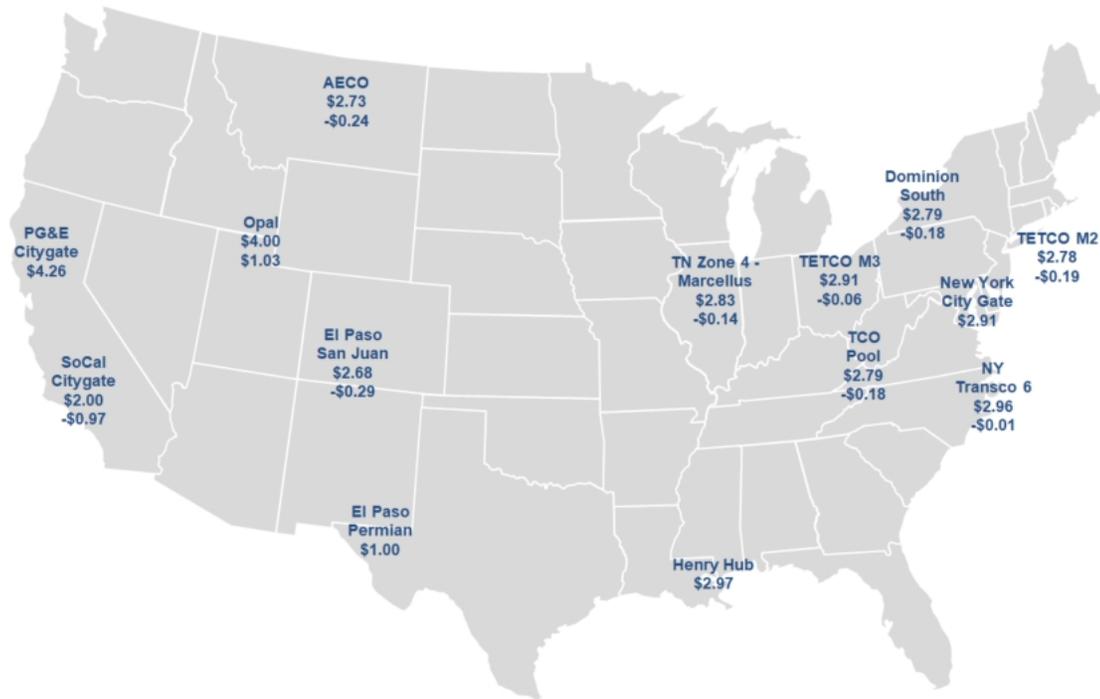
## Cash Flow Breakdown

Ticker	Company Name	2018E	2019E	2020E	2021E
ENB	Enbridge	13.6x	13.2x	12.4x	11.4x
MMP	Magellan Midstream Partners	13.0x	12.3x	10.9x	10.7x
EPD	Enterprise Products Partners	12.0x	12.0x	11.0x	10.4x
OKE	ONEOK	14.7x	13.9x	11.1x	10.0x
PAA	Plains All American Pipeline	10.8x	10.6x	10.4x	9.9x
KMI	Kinder Morgan	10.6x	10.4x	10.0x	9.9x
TRP	TC Energy	12.2x	10.7x	9.8x	9.7x
WMB	Williams Companies	12.4x	11.1x	10.3x	9.6x
MPLX	MPLX	11.3x	10.2x	9.9x	9.0x
DCP	DCP Midstream	11.1x	10.3x	8.9x	8.4x
ET	Energy Transfer	9.9x	9.0x	8.7x	8.4x
<b>Average</b>		<b>12.0x</b>	<b>11.2x</b>	<b>10.2x</b>	<b>9.6x</b>

Ticker	Name	Fee Based	Non Fee Based
ENB	Enbridge	98%	2%
WMB	Williams Companies	97%	3%
TRP	TC Energy	96%	4%
KMI	Kinder Morgan	90%	10%
MPLX	MPLX	90%	10%
ET	Energy Transfer	88%	12%
PAA	Plains All American Pipeline	85%	15%
MMP	Magellan Midstream Partners	85%	15%
OKE	ONEOK	84%	16%
EPD	Enterprise Products Partners	78%	22%
DCP	DCP Midstream	60%	40%
<b>Average</b>		<b>85%</b>	<b>15%</b>

Note: ET, MPLX, and WMB are '19-'21 CAGRs, due to equity issuance in order to fund dropdowns and/or merger. Source: Evercore ISI Research, Company Reports

**Exhibit 11: Major Domestic Natural Gas Hubs and Prices**

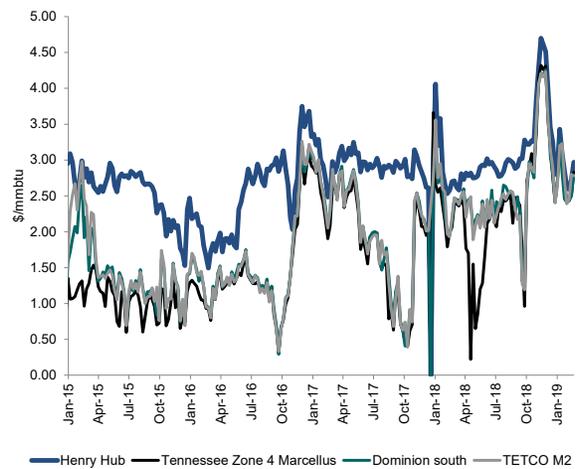


Source: Bloomberg, Evercore ISI Research

**Natural Gas Prices**

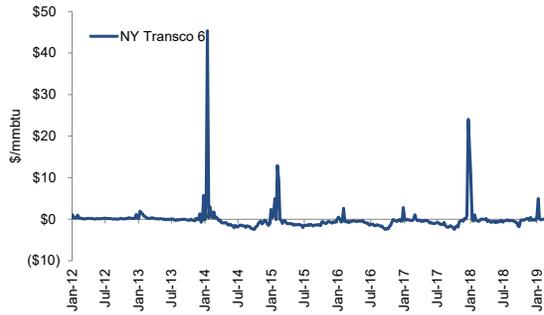
(US\$/mmbtu)	This Week 1-Mar-19	2019 YTD Avg Price	4Q 18 Avg Price	2018 Average Price
<b>Futures</b>				
NYMEX NG Front Month	\$2.85	\$2.92	\$3.72	\$3.07
NYMEX NG 12 Month Strip	\$2.99	\$2.89	\$3.05	\$2.90
<b>North Am Markets</b>				
Henry Hub	\$2.97	\$2.89	\$3.76	\$3.11
NY Transco 6	\$2.96	\$4.60	\$3.68	\$3.45
New York City Gate	\$2.91	\$3.46	\$3.53	\$3.30
North East Average	\$3.62	\$4.52	\$4.28	\$3.87
Dominion/ Appalachia	\$2.79	\$2.92	\$3.72	\$3.07
Chicago City Gate	\$2.92	\$2.77	\$3.63	\$2.95
Daw n Ontario, Canada	\$2.78	\$2.67	\$3.56	\$2.91
Midcon Average	\$2.94	\$2.72	\$3.51	\$2.85
PGE Citygate	\$4.26	\$5.41	\$4.54	\$3.32
Cal Border Average	\$4.22	\$6.00	\$4.30	\$3.04
SOCAL Border	N/A	N/A	\$3.20	\$2.45
Permian Basin	\$1.00	\$1.51	\$1.73	\$1.79
AECO Canada	\$2.73	\$1.95	\$1.20	\$1.13
San Juan Basin	\$2.68	\$2.62	\$2.81	\$2.27
Rockies Opal	\$4.00	\$5.29	\$4.04	\$2.69
<b>Appalachian Markets</b>				
TETCO M2	\$2.78	\$2.74	\$3.26	\$2.59
TETCO M3	\$2.91	\$3.46	\$3.53	\$3.30
TCO Pool	\$2.79	\$2.70	\$3.47	\$2.86
TN Zone 4 - Marcellus	\$2.83	\$2.69	\$3.27	\$2.38
Dominion South	\$2.79	\$2.64	\$3.27	\$2.60

**Marcellus Pricing**

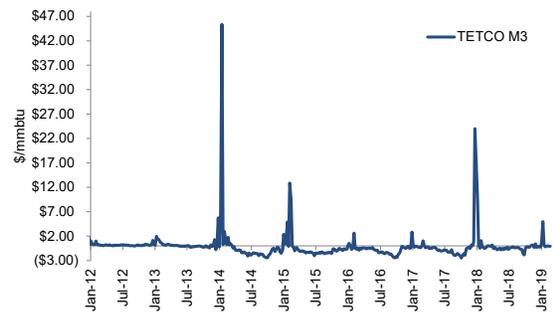


Source: Bloomberg, Evercore ISI Research

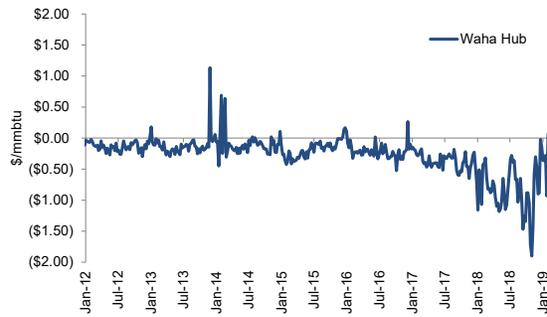
Henry Hub less NY Transco Zone 6



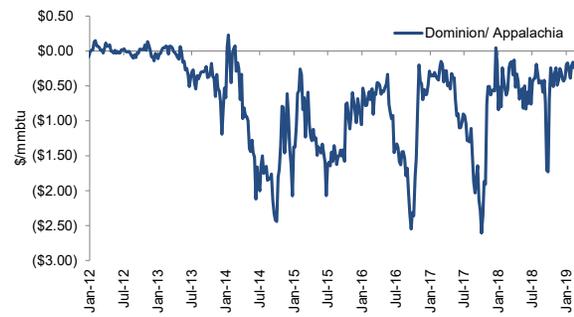
Henry Hub less TETCO M3



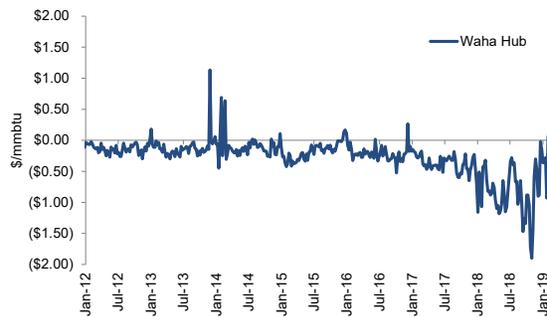
Henry Hub less Waha



Henry Hub less Dominion



Henry Hub less San Juan



Henry Hub less AECO



Source: Bloomberg, Evercore ISI Research

## Exhibit 12: Current Expansion, New Build, and Proposed US LNG Export Facilities

Terminal	Train Number	Operator	Baseload nameplate capacity per Train (Bcf/d)	Peak nameplate capacity per Train (Bcf/d)	Timing of Expansion/ Build Out	Location
Sabine Pass	Train 1	Cheniere Energy	0.593	0.690	Feb-16	LA
Sabine Pass	Train 2	Cheniere Energy	0.593	0.690	Aug-16	LA
Sabine Pass	Train 3	Cheniere Energy	0.593	0.690	Jan-17	LA
Sabine Pass	Train 4	Cheniere Energy	0.593	0.690	Aug-17	LA
Cove Point	Train 1	Dominion Energy	0.692	0.757	Feb-18	MD
Sabine Pass	Train 5	Cheniere Energy	0.593	0.690	Dec-18	LA
Corpus Christi	Train 1	Cheniere Energy	0.596	0.659	Dec-18	TX
<b>Completed</b>			<b>4.251</b>	<b>4.866</b>		
Elba Island	Trains 1-6	Kinder Morgan	0.198	0.216	Q1'19	GA
Cameron	Train 1	Sempra LNG	0.593	0.657	Q1'19	LA
Corpus Christi	Train 2	Cheniere Energy	0.596	0.659	Q2'19	TX
Freeport	Train 1	Freeport LNG	0.659	0.713	Q2'19	TX
Cameron	Train 2	Sempra LNG	0.593	0.657	Q2'19	LA
Elba Island	Trains 7-10	Kinder Morgan	0.132	0.144	Q3'19	GA
Freeport	Train 2	Freeport LNG	0.659	0.713	Q4'19	TX
Cameron	Train 3	Sempra LNG	0.593	0.657	Q4'19	LA
Freeport	Train 3	Freeport LNG	0.659	0.713	Q2'20	TX
Corpus Christi	Train 3	Cheniere Energy	0.596	0.659	Q2'21	TX
Golden Pass LNG		Qatar Petroleum, ExxonMobil	2.000	2.000	2022	TX
Driftwood LNG Terminal		Tellurian, C. Souki, Total	4.000	4.000	2023	LA
<b>Under Construction/Commissioning</b>			<b>11.275</b>	<b>11.789</b>		
Sabine Pass	Train 6	Cheniere Energy	0.690	0.690	Proposed	LA
Port Arthur		Sempra LNG	1.776	1.776	Proposed	TX
Cameron	Trains 4-5	Sempra LNG	1.461	1.461	Proposed	LA
Magnolia LNG		LNG Ltd	1.054	1.054	Proposed	LA
Lake Charles LNG		Lake Charles LNG Export Co	2.200	2.200	Proposed	LA
Delfin FLNG		Fairwood Group	1.580	1.580	Proposed	GOM
<b>Proposed</b>			<b>8.761</b>	<b>8.761</b>		
<b>Total</b>			<b>24.287</b>	<b>25.416</b>		

Source: EIA, Evercore ISI Research

Exhibit 13: EIA Short Term Energy Outlook for Domestic Natural Gas

	1Q17	2Q17	3Q17	4Q17	2017	1Q18	2Q18	3Q18	4Q18	2018	1Q19	2Q19	3Q19	4Q19	2019
<b>Supply (billion cubic feet per day)</b>															
Total Dry Gas Production	65.6	66.1	67.4	67.6	66.7	79.1	81.2	85.0	87.9	83.3	89.4	90.2	90.4	90.8	90.2
LNG Gross Imports	0.4	0.2	0.4	0.1	0.3	0.3	0.1	0.2	0.2	0.2	0.3	0.2	0.2	0.2	0.2
LNG Gross Exports	0.0	0.0	0.0	0.0	0.0	2.6	2.8	2.9	3.5	3.0	4.1	4.3	5.5	6.5	5.1
Pipeline Gross Imports	8.1	7.4	7.4	7.6	7.6	8.7	7.6	7.5	7.1	7.8	8.3	6.6	6.1	7.0	7.0
Pipeline Gross Exports	4.8	4.4	4.1	3.8	4.3	7.0	6.2	7.0	8.0	7.1	8.9	7.8	7.5	8.1	8.1
Supplemental Gaseous Fuels	0.1	0.1	0.2	0.2	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Net Inventory Withdrawals	18.8	-10.1	-9.8	7.3	1.5	18.3	-8.8	-8.3	2.7	1.0	14.5	-12.5	-9.6	3.1	-1.1
<b>Total Supply</b>	<b>88.2</b>	<b>59.3</b>	<b>61.4</b>	<b>78.9</b>	<b>71.9</b>	<b>97.0</b>	<b>71.3</b>	<b>74.6</b>	<b>86.6</b>	<b>82.4</b>	<b>99.7</b>	<b>72.5</b>	<b>74.4</b>	<b>86.7</b>	<b>83.3</b>
Balancing Item	0.5	0.8	-0.3	-1.7	-0.2	0.5	-0.6	-0.5	-2.3	-0.7	-0.2	-1.0	0.0	-1.1	-0.6
<b>Total Primary Supply</b>	<b>88.7</b>	<b>60.1</b>	<b>61.1</b>	<b>77.3</b>	<b>71.8</b>	<b>97.5</b>	<b>70.7</b>	<b>74.0</b>	<b>84.4</b>	<b>81.6</b>	<b>99.5</b>	<b>71.5</b>	<b>74.3</b>	<b>85.6</b>	<b>82.7</b>
<b>Consumption (billion cubic feet per day)</b>															
Residential	25.5	7.6	3.7	17.3	13.5	25.7	8.0	3.4	16.7	13.5	26.0	7.6	3.5	16.7	13.5
Commercial	14.4	6.1	4.5	11.1	9.0	15.3	6.6	4.6	10.8	9.3	15.3	6.8	4.6	10.5	9.3
Industrial	21.7	19.3	18.9	21.4	20.3	24.3	21.8	21.2	23.7	22.7	24.8	22.1	21.5	24.4	23.2
Electric Power	20.1	21.1	27.8	20.7	22.4	24.9	27.6	37.8	25.7	29.0	25.4	27.6	37.1	26.0	29.0
Lease and Plant Fuel	4.0	4.0	4.1	4.1	4.0	4.6	4.7	4.9	5.1	4.8	5.2	5.2	5.2	5.2	5.2
Pipeline and Distribution Use	3.0	2.0	2.0	2.6	2.4	2.6	1.9	2.0	2.3	2.2	2.7	2.0	2.2	2.6	2.4
Vehicle Use	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
<b>Total Consumption</b>	<b>88.7</b>	<b>60.1</b>	<b>61.1</b>	<b>77.3</b>	<b>71.8</b>	<b>97.5</b>	<b>70.7</b>	<b>74.0</b>	<b>84.4</b>	<b>81.6</b>	<b>99.5</b>	<b>71.5</b>	<b>74.3</b>	<b>85.6</b>	<b>82.7</b>

Source: EIA, Evercore ISI Research

**Exhibit 14: Incremental Fractionation Capacity Set to Come Online In the US**

Terminal	Operator	MBPD	Timing	Location
Mont Belvieu Frac IX	EPD	85	Completed 2018	Mont Belvieu
Fractionator VI	ET (Lone Star NGL)	150	Q1'19	Mont Belvieu
Mont Belvieu Frac Train 6	TRGP	100	Early Q2'19	Mont Belvieu
Robstown Fractionator	EPIC Midstream	100	Q1'20	Corpus Christi
Fractionator VII	ET (Lone Star NGL)	150	Q1'20	Mont Belvieu
Mont Belvieu Frac Train 7	TRGP	110	Q1'20	Mont Belvieu
MB-4 fractionator	OKE	125	Q1'20	Mont Belvieu
Mont Belvieu Frac Train 8	TRGP	110	Q2'20	Mont Belvieu
Fractionator	Permico Energia LLC	300	Q4'20	Corpus Christi
Sweeny Hub Expansion	PSX	300	Q4'20	Sweeny, TX
Mont Belvieu Frac	EPD	300	2020	Mont Belvieu
MB-5 fractionator	OKE	125	Q1'21	Mont Belvieu
<b>Total</b>		<b>1,955</b>		

Source: Evercore ISI Research

**Exhibit 15: Ethylene Cracking Projects Set to Come Online By Early 2020s**

Start-up Date (ISD)	Status	Project Type	Company	Plant Name	City	State	Capacity (MMlbs/y)	Ethane Demand (Mb/d)
1/1/2020	Under Construction	Greenfield	Westlake & Lotte Chemical	LACC	Lake Charles	LA	2200	57
5/1/2019	Under Construction	Greenfield	Formosa Plastics	Point Comfort #3	Point Comfort	TX	3500	90
12/1/2018	Under Construction	Greenfield	Shintech	Plaquemine Ethylene Plant-1	Plaquemine	LA	1100	29
12/1/2019	Under Construction	Brownfield	DowDuPont	Freeport LHC9 Expansion	Freeport	TX	1100	28
7/1/2020	Under Construction	Greenfield	Shell Chemical Company	Monaca, PA	Monaca	PA	3300	86
12/31/2020	Under Construction	Greenfield	Bayport Polymers	Port Arthur	Port Arthur	TX	2205	57
9/1/2018	Under Construction	Greenfield	Sasol	Lake Charles	Westlake	LA	3300	86
<b>Incremental Ethane Demand (mbpd)</b>								<b>433</b>

Source: Bloomberg, Evercore ISI Research

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**Exhibit 16: LPG Exports By Terminal & Company**


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Terminal	Owner	LPG Loading Capacity mb/d	Timing of Expansion/ Build Out	Location
Freeport	PSX	200.0	Completed	Gulf Coast
Enterprise Hydrocarbon Terminal	EPD	545.0	Completed	Gulf Coast
Galena Park	TRGP	233.3	Completed	Gulf Coast
Marcus Hook	ET	*60.0	Completed	East Coast
Nederland	ET	200.0	Completed	Gulf Coast
Ferndale	Petrogas	30.0	Completed	Pacific Northwest
Buckeye Texas Hub	BPL	*21.0	Completed	Gulf Coast
Riverside	ENLK	*9.0	Completed	Gulf Coast
Chesapeake (import facility)	DCP	NA	Completed	East Coast
<b>Under Construction/Planned</b>				
Ridley Island Propane Export Terminal	AltaGas/Royal Vopak	40.0	Q2'19	BC
Enterprise Hydrocarbon Terminal	EPD	175.0	H2'19	Gulf Coast
Galena Park	TRGP	116.7	2019/2020	Gulf Coast
Prince Rupert	Pembina	25.0	2020	BC
Vopak Pacific Canada	Royal Vopak	40.0	2022	BC
Kitimat Marine Terminal	Pacific Traverse Energy	40.0	2022/2023	BC

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Note: \* denotes average LPG export in 2018. Source: Company Reports, RBN Energy

### Exhibit 17: Current Expansion, New Build, and Proposed Incremental NGL Pipeline Capacity in the United States

Start-up Date	Status	Name	Owner	Primary	Secondary	Origin	Origin PADD	Destination	Capacity
3/1/2020	Expansion	West Texas	OKE	Y-Grade		Lea County, NM	PADD 3 (Permian)	Arbuckle Pipe	80
12/31/2018	Expansion	Sand Hills	DCP	Y-Grade		Permian	PADD 3 (Permian)	Mt. Belvieu, TX	60
12/1/2019	Expansion	Southern Hills	DCP	Y-Grade		DJ Basin	PADD 2 (DJ Basin)	Mt. Belvieu, TX	90
12/31/2018	Expansion	Sterling III	OKE	Y-Grade	Purity	Medford, OK	PADD 2 (Conway)	Mt. Belvieu, TX	60
10/1/2020	New Build	Mariner East	ET/Sunoco	Propane	Butane	Scio, OH	PADD 1	Marcus Hook, PA	100
9/1/2019	New Build	Mariner East 2	ET/Sunoco	Propane	Butane	Scio, OH	PADD 1	Marcus Hook, PA	275
6/1/2019	New Build	Shin Oak	EPD	Y-Grade		Permian	PADD 3 (Permian)	Mt. Belvieu, TX	550
1/1/2020	New Build	EPIC NGL	EPIC Y Grade Pipeline LP	Y-Grade		Benedum, TX	PADD 3	Corpus Christi, TX	440
6/1/2019	New Build	Grand Prix	TRGP	Y-Grade		Hughes County, North TX	PADD 2	North TX	150
6/1/2019	New Build	Grand Prix	TRGP	Y-Grade		Permian	PADD 3	Mt. Belvieu, TX	450
6/1/2019	New Build	Grand Prix	TRGP	Y-Grade		Permian	PADD 3 (Permian)		300
3/1/2020	Proposed	Arbuckle II	OKE	Y-Grade		Velma, OK	PADD 2 (Conway)	Mt. Belvieu, TX	400
11/1/2018	Proposed	Mariner East 2-Sunoco		LPG		Scio, OH	PADD 1	Marcus Hook, PA	150
3/1/2021	Proposed	Arbuckle II	OKE	Y-Grade		Velma, OK	PADD 2 (Conway)	Mt. Belvieu, TX	100
3/1/2019	Proposed	Dixie	EPD	Propane		Hattiesburg, MS	PADD 3	Mt. Belvieu, TX	90
3/1/2020	Proposed	Falcon	RDS	Ethane		Houston, PA	PADD 2	Monaca, PA	107
6/1/2019	Proposed	Texas Express	APC / DCP / ENB / EPD	Y-Grade		Skellytown, TX	PADD 3	Mt. Belvieu, TX	90
6/1/2019	Proposed	Front Range	APC / DCP / EPD	Y-Grade		Weld County, CO	PADD 4	Skellytown, TX	100
12/1/2020	Proposed	Companero	Pemico Energia	Y-Grade		Permian	PADD 3 (Permian)	Corpus Christi, TX	300
12/1/2020	Proposed	Simpatico	Pemico Energia	E/P Mix	Y-Grade	Corpus Christi, TX	PADD 3	Matagorda, TX	175
12/1/2020	Proposed	Simpatico Mont	Pemico Energia	Ethane	Propane	Corpus Christi, TX	PADD 3	Mt. Belvieu, TX	250
12/31/2020	Proposed	Orbit Gulf	ET	Ethane		Mt. Belvieu, TX	PADD 3 (Intrastate)		175
6/1/2019	Proposed	New Burgos	NuStar	LPG		Edinburg, TX	PADD 3 (Eagle Ford)	Tamulipas, MX	108
3/1/2019	Proposed	North Dakota	ANDX	Y-Grade		McKenzie County, Sidney, MT	PADD 2 (Williston)	Stark County, ND	15
12/1/2019	Proposed	Elk Creek	OKE	Y-Grade		Permian	PADD 4 (Williston)	Bushton, KS	240
TBD	Proposed	VelociFrac	SNMP	Ethane		La Salle County, TX	PADD 3	Corpus Christi, TX	
TBD	Proposed	Sand Hills	DCP	Y-Grade		Permian	PADD 3 (Permian)	Mt. Belvieu, TX	100
10/1/2018	Proposed	Pembina	Pembina Pipeline	Y-Grade	Condensate	Fox Creek, AB	Canada		180
TBD	Proposed	Southern	ENB	Natural	Diluent	Chicago, IL	PADD 2	Edmonton, Alberta	95
TBD	Proposed	Utopia West	KMI	Diluent		Harrison, OH	PADD 2	Kankakee County, IL	95
TBD	Proposed	Vantage	Pembina Pipeline	Ethane		North Dakota	PADD 2 (Williston)	Vantage Pipeline	26
TBD	Proposed	Woodsboro to	Southcross Energy	Y-Grade		Woodsboro, TX	PADD 3	Robstown, TX	
12/1/2019	Repurposed	White Cliffs		Y-Grade		DJ Basin	PADD 4 (DJ Basin)		90
12/1/2019	Repurposed	Cherry Creek	OKE	Y-Grade		McKenzie County, PADD 2 (Williston)		Williams County, ND	50
6/1/2018	Repurposed	Burgos	NuStar	LPG		Edinburg, TX	PADD 3 (Eagle Ford)	Tamulipas, MX	30
TBD	Repurposed	Cochin (Main)	KMI	C3 & C4	E/P Mix	Fort	Canada	Windsor, Ontario	70
TBD	Repurposed	Centennial	MPLX, EPD	Purity	Y-Grade	Bourbon, IL	PADD 2	Beaumont, TX	200
7/1/2018	Under	South Grand	TRP	Diluent		Edmonton, AB	Canada	Fort Saskatchewan, AB	
<b>Incremental Permian Y-Grade Capacity to USGC by YE2020</b>									<b>1920</b>
<b>Incremental Total Y-Grade Capacity to USGC by YE2020</b>									<b>3020</b>

Source: Platts, Evercore ISI Research

**Exhibit 18: Incremental Planned Permian Crude Oil Pipelines**

	Owner	Capacity (mb/d)	Expected Completion
SXL-Permian Express III	ET/Sunoco	300	1Q18
Midland-to-Sealy	EPD	540	2Q18
Sunrise Expansion	PAA	500	4Q18
Cactus II	PAA	585	3Q19
Gray Oak	PSX/ANDV/ENB	900	4Q19
EPIC Pipeline	EPIC Midstream	440	3Q19
Permian Gulf Coast (PGC) Pipeline	ET/MMP/MPLX/DK	600	2Q20
Jupiter Pipeline	Jupiter Midstream	1000	3Q20
PAA/XOM JV	XOM/PAA	1000	3Q20

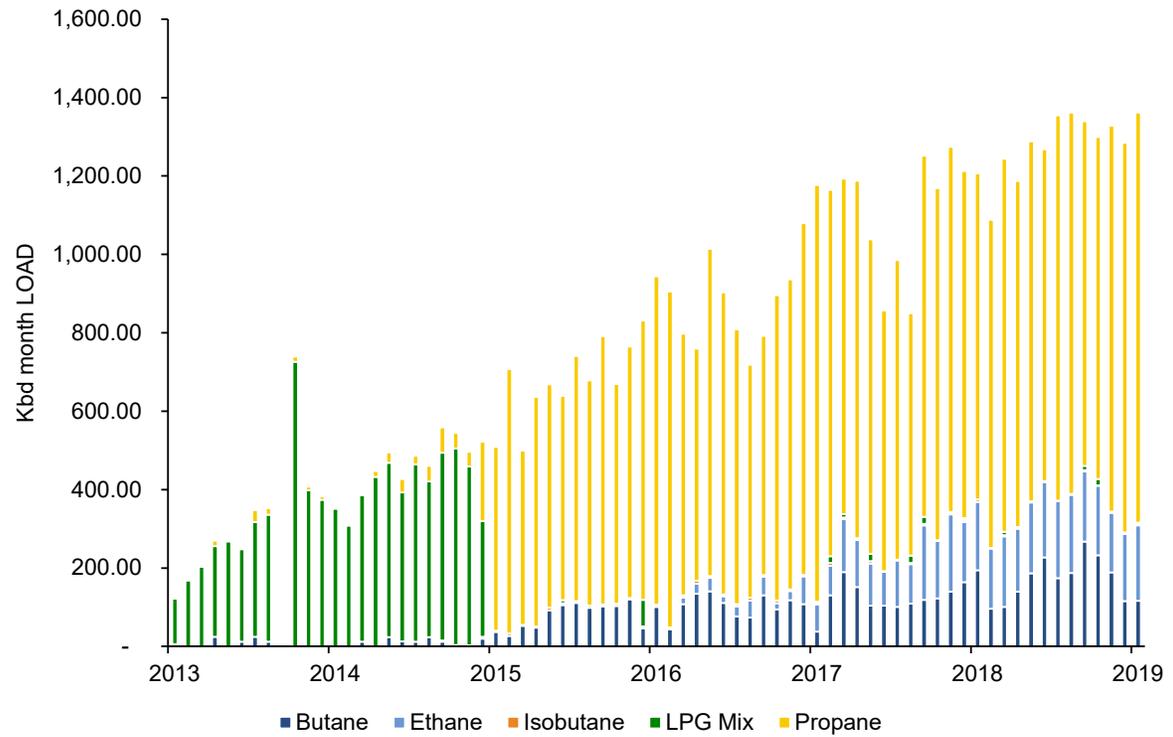
Note: does not include possible conversion of EPD NGL lines to crude service, which could provide as much as 650 mbpd additional crude service. Source: Rystad, Company Reports, Evercore ISI Research

**Exhibit 19: Existing and Proposed US Crude Export Terminals**

Terminal	Owner	Loading Capacity mb/d	Completion	Ability to Fully Load VLCC	Location
Louisiana Offshore Oil Port (LOOP)	LOOP LLC	857	Feb-18	Yes	Port Fourchon, LA
Seaway	EPD/ENB	840	Jun-18	No	Texas City, TX
Ingleside Energy Center	Moda Midstream	1,920	Dec-18	No	Ingleside, TX
<b>Completed</b>		<b>3,617</b>			
Offshore Texas Crude Oil Export Terminal	EPD	2,040	Proposed	Yes	Texas City, TX
Texas COLT Offshore Loading Terminal	ENB, KMI and Oiltanking	2,000	2021/222	Yes	Freeport, TX
Texas Gulf Terminals	Trafigura	500	H2'20	Yes	Corpus Christi, TX
PLT Pipeline Extension	Tallgrass Energy	NA	Q3'21	NA	St. James, LA
Lone Star Ports	The Carlyle Group and The Berry Group	NA	H2'20	No	Corpus Christi, TX
Jupiter Offshore Loading Terminal (JOLT)	Juniper Midstream	1,000	Early 2021	Yes	Brownsville, TX
Harbor Island	MMP and others	NA	NA	NA	Corpus Christi, TX
South Texas Gateway Terminal	BPL, PSXP, ANDV	NA	H2'19	No	Ingleside, TX
Midway Terminal	Vitol/Hilcorp	NA	NA	No	Corpus Christi
Flint Hills Resources Ingleside Terminal	Flint Hills Resources	NA	NA	No	Ingleside, TX
<b>Announced/Proposed (where loading capacity has been identified)</b>		<b>5,540</b>			
<b>Total</b>		<b>9,157</b>			

Source: Company Reports, RBN Energy, Morningstar

Exhibit 20: US LPG Exports By Product



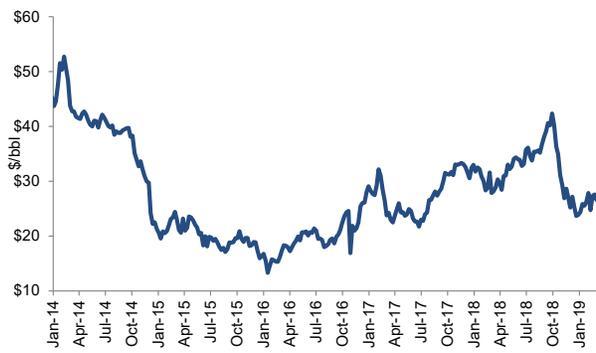
Source: Clipper Data, Evercore ISI Research

Exhibit 21: Major Domestic NGL Hubs and Prices

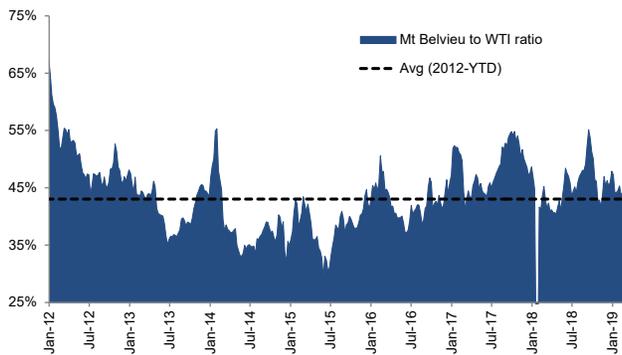
NGL Component Pricing



Henry Hub / Mt Belvieu Frac Spread



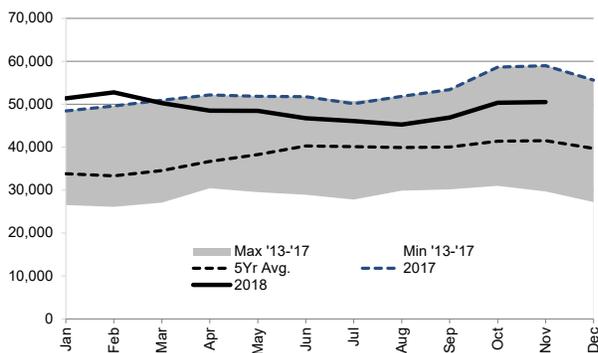
Mont Belvieu to WTI Ratio



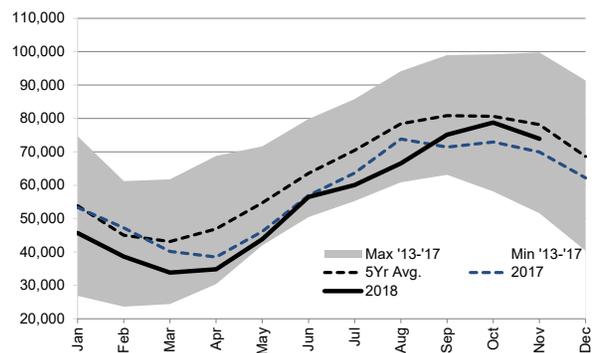
NGL Component Pricing

(US\$/gallon)	This Week 1-Mar-19	2019 YTD Avg Price	4Q18 Avg Price	2018 Average Price
<b>NGL component Pricing</b>				
Pentane	\$1.21	\$1.09	\$1.38	\$1.43
Ethane	\$0.29	\$0.31	\$0.38	\$0.33
Butane	\$0.81	\$0.82	\$1.06	\$1.02
Isobutane	\$0.85	\$0.84	\$1.09	\$1.10
Propane	\$0.69	\$0.66	\$0.89	\$0.88

DOE Ethane / Ethylene Stocks



DOE Propane / Propylene Stocks



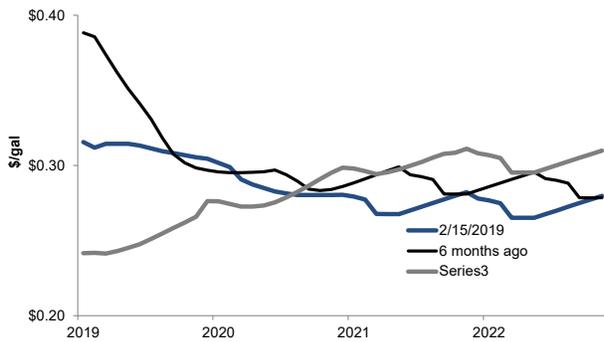
Source: Bloomberg, Evercore ISI Research

**Exhibit 22: Current NYMEX Strip Pricing, NGL Barrel Components (\$/gallon)**

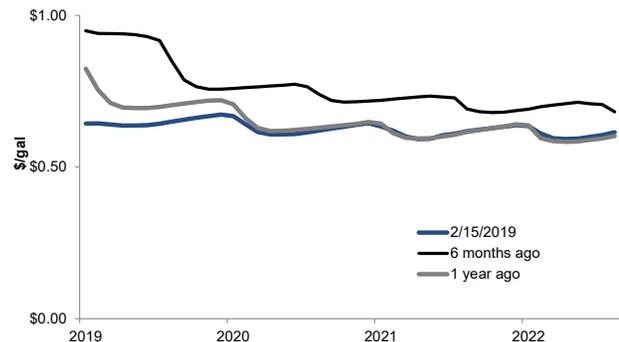
	2017A	2018	1Q19	2Q19	3Q19	4Q19	2019
Ethane	\$0.25	\$0.27	\$0.30	\$0.29	\$0.30	\$0.31	\$0.30
Propane	\$0.77	\$0.84	\$0.79	\$0.72	\$0.72	\$0.74	\$0.74
Butane	\$0.92	\$0.94	\$0.91	\$0.83	\$0.84	\$0.86	\$0.86
Isobutane	\$0.91	\$0.95	\$0.92	\$0.84	\$0.85	\$0.87	\$0.87
Natural Gasoline	\$1.13	\$1.27	\$1.24	\$1.19	\$1.29	\$1.18	\$1.22

Source: Bloomberg, Evercore ISI Research

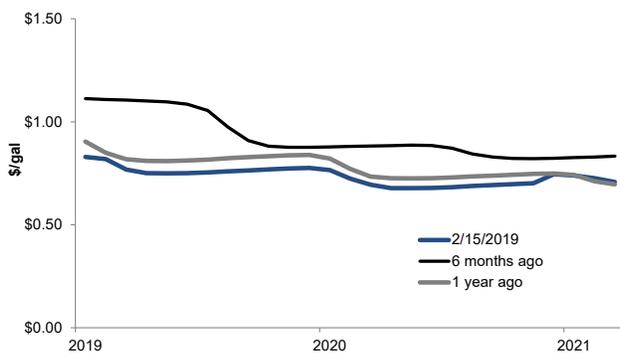
**Ethane NYMEX Strip**



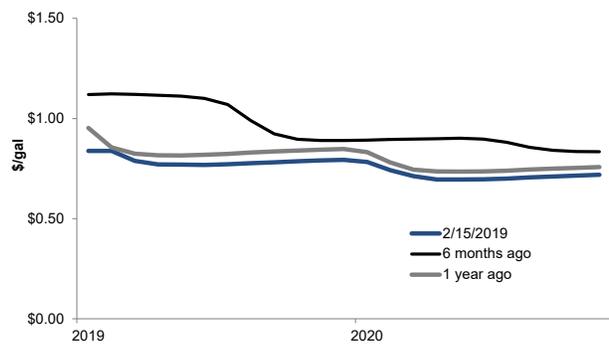
**Propane NYMEX Strip**



**Butane NYMEX Strip**



**iso-Butane NYMEX Strip**

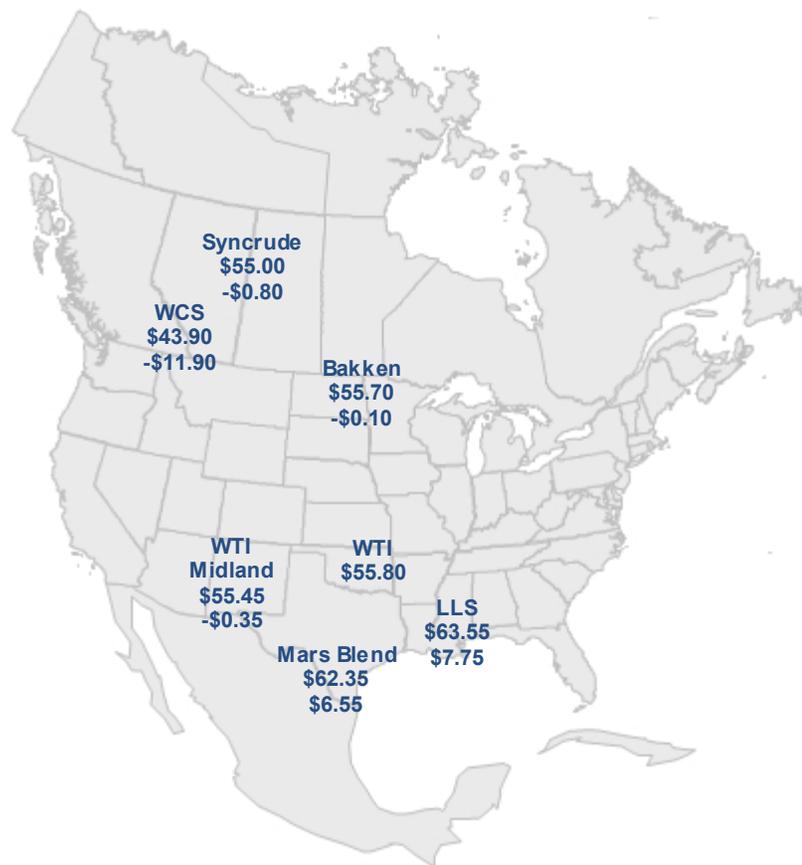


Source: Bloomberg, Evercore ISI Research

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**Exhibit 23: Major Crude Hubs and Prices**


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Source: Evercore ISI Energy Research, Bloomberg

**TIMESTAMP**

(Article 3(1)e and Article 7 of MAR)

Time of dissemination: March 03 2019 09:40

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**In Line-** the total forecasted return is expected to be in line with the expected total return of the analyst's universe

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Strong Buy- Return > 20%

Buy- Return 10% to 20%

Neutral - Return 0% to 10%

Cautious- Return -10% to 0%

Sell- Return < -10%

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 Equal-Weight- the stock is expected to perform in line with the average total return of the analyst's coverage universe over the next 12 months.  
 Underweight -the stock is expected to underperform the average total return of the analyst's coverage universe over the next 12 months.  
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Ratings	Count	Pct.	Ratings	Count	Pct.
Buy	367	52	Buy	243	66
Hold	277	39	Hold	138	50
Sell	40	6	Sell	18	45
Coverage Suspended	18	3	Coverage Suspended	13	72
Rating Suspended	8	1	Rating Suspended	5	63

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