



Open Season Notification

Magellan South West Leg - Potential Capacity Expansion

Refined Products Pipeline System

Background

Magellan is assessing interest in a potential expansion of the western portion (“West Leg”) of its Magellan South System to create additional capacity from Frost, TX to the Abilene, Midland/Odessa and El Paso regions, with further optionality to access markets in the states of New Mexico and Arizona, as well as international markets in Mexico via connections to other pipelines owned by Magellan and third parties. As part of the project, Magellan is also evaluating terminal enhancements and new terminal connections along the West Leg.

Magellan recently announced a project to expand capacity between the US Gulf Coast and its Frost, TX terminal. Shippers will have the opportunity to leverage this new capacity to serve growing west Texas markets and other destinations. In conjunction with this potential West Leg expansion, Magellan is evaluating storage and transportation of Arizona Grade Gasoline (“AZRBOB”).



The current capacity on Magellan's West Leg is approximately 100,000 barrels per day ("BPD") in refined products service. Once the expansion is completed, the capacity on the West Leg would increase to approximately 140,000 barrels per day.

In conjunction with the potential expansion, Magellan would develop a new tariff program that allows shippers to reserve firm transportation space between Gulf Coast origins and various destinations along Magellan's West Leg, in exchange for a long-term volume commitment. We are soliciting interest in this program through an Open Season process. Subject to the results of this Open Season and receipt of all necessary permits and approvals, the expanded capacity could be operational by mid-2020.

The Open Season process ends at 5:00 P.M. (Central) on Wednesday, May 9, 2018. To receive a copy of the tariff rates as well as the Volume Commitment Agreement, a Confidentiality Agreement is required. For more information on the Open Season or to execute a Confidentiality Agreement, please contact:

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