• Investment grade MLP with no incentive distribution rights
• Independent board elected by limited partners

Revolved Credit Facility

Refrigent Products – 59%*
Crude Oil – 34%*
Marine Storage – 7%*

* Percentage of 2018 operating margin
Refined Products & Marine Terminals

- Longest refined petroleum products pipeline system in the U.S., with 9,700 miles, 53 terminals and 45MM barrels of storage
- Access to nearly 50% of the U.S. refining capacity
- 6 marine storage facilities with 27MM barrels of aggregate storage and 1.8MM bpd of dock capacity
Crude Oil

- 2,200 miles of crude oil pipelines
- 33MM barrels of total crude oil storage, including ~21MM barrels used for contract storage
- Significant presence in Permian, Rocky Mountain, Midcontinent and Gulf Coast markets
Saddlehorn Pipeline

- JV with Plains & Western Gas Partners
- Operated by Magellan
- Capacity
  - Current: 190M bpd
  - Expanding to 290M bpd
- Crude Grades
  - Saddlehorn Crude (SHC)
  - Saddlehorn Intermediate Crude (SHI)
  - Saddlehorn Light Crude (SHL)
- Origins
  - Platteville, CO
  - Ft. Laramie, WY
  - Cheyenne, WY
  - Laramie County, WY
- Destination
  - Cushing, OK
Magellan Cushing Oklahoma Terminal

- ~13MM barrels of total storage
  - 3rd largest provider of lease storage in the Cushing Hub

- Over $70MM invested in infrastructure and new assets over the last two years

- Connectivity to All Major Cushing Hub Third Parties

- Direct Connections to Mainline Pipelines

- Crude Grades
  - Terminal typically carries ~20 different crude grades per month, but has handled over 50 foreign and domestic crude types
Corpus Christi Area

• Existing Corpus Christi Terminal
  o Four (4) public docks (3 ship and 1 barge)
  o 5.9MM barrels of storage
  o 50,000 bpd condensate splitter
  o Permitted for construction of a second 50,000 bpd condensate splitter

• Waterfront Property – Potential Expansion
  o Four (4) private ship docks permitted
  o Up to 10MM barrels of storage permitted
  o Connectivity to existing Corpus Christi Terminal and local area refineries
BridgeTex & Longhorn Pipelines

- **BridgeTex Overview**
  - JV with Plains & OMERS; Magellan operates
  - Capacity: 440M bpd
  - Grades: WTI, WTS, WTL & Eaglebine Select
  - Origins: Wink, Midland, Colorado City and Bryan

- **Longhorn Overview**
  - Capacity: 275M bpd
  - Grades: WTI, WTS & WTL
  - Origins: Midland, Crane and Barnhart

- Both pipelines have destinations of Magellan East Houston (MEH)
Magellan East Houston Terminal

- Daily trade pricing for WTI via Argus and Platts
- Current Crude Oil Storage
  - MEH storage capacity of 9MM barrels
  - Magellan total Houston area storage capacity of 12MM barrels
    - Includes Galena Park and Seabrook Crude Storage
- Crude Product Segregations
  - Permian WTI, WTS, WTL
  - Domestic Sweet, DJ Basin, Eaglebine Select, Heavy Canadian
- Connectivity
  - Inbound: Longhorn Pipeline, BridgeTex Pipeline, HoustonLink Pipeline, and truck offloading
  - Outbound: Magellan’s Houston Distribution System, Seabrook Terminal, Magellan Galena Park, Shell HoHo Pipeline (Zydeco), Kinder Morgan Splitter (Origins of MEH and Genoa Jct.)
- Intercontinental Exchange (ICE) Strategic Alliance
  - Physically Deliverable Crude Futures Contract launched in October 2018
  - Storage futures program launched in 2Q 2019
Magellan’s Houston Distribution System is a comprehensive system delivering crude oil and condensate to the Houston Gulf Coast area.

Access to all domestic inbound crude production.

Delivery capabilities to all Houston and Texas City refineries, as well as utilizing the Shell HoHo Pipeline.

Marine facility destinations on the system:
- Magellan’s Seabrook Terminal
- Magellan’s Galena Park Terminal
- Third-party marine terminals
Seabrook Terminal

• In August 2018, Seabrook commenced operations of recent storage, pipeline and export capable dock expansions
  o 2.4MM barrels of storage and one Aframax ship dock + two barge docks
  o Connection to Magellan’s Houston Distribution System, including MEH
  o 45’ draft
  o 30M bph load rates

• Further expansions are under construction with expectation to be in service by early 2020
  o Second ship dock (Suezmax) with 40M bph load rates
  o 800M barrels of storage

• Once fully constructed, Seabrook will have 5.7MM barrels of storage and a total dock capacity of 700M bpd
ICE - Permian WTI & Storage Futures

• ICE Permian WTI Futures (HOU)
  • HOU contract allows customers the ability to trade physical crude oil futures for ultimate delivery at MEH
  • HOU contract represents a controlled, predictable quality crude at a highly active trading hub on the US Gulf Coast

• ICE Crude Oil Storage Futures (HOS)
  • Physically settled Permian WTI crude oil storage futures contract for the right to store product at MEH
  • 500M Barrels currently offered per contract month

• ICE Dock Capacity Auction
  • Monthly auction that allows customers who purchase an ICE Permian WTI crude futures contract the optionality to load directly onto a vessel at Galena Park and Seabrook dock facilities
  • Currently servicing Panamax and Aframax size vessels, with Suezmax added in early 2020
Crude Quality Program

Why is Crude Quality important?

• Magellan’s customers command a premium value for their crude oil
  o Consistency in product quality allows end user to predict refining yields increasing refining margins

• Ensures product delivered meets specifications
  o Proactive approach that minimizes product contaminations and potential downgrades
  o Ensures compliance with regulatory, tariff, and contract obligations
  o Magellan is known throughout the industry as a good steward of our customer’s crude products
  o We work diligently with producers and connecting carriers to maintain tariff and contract specifications

• Magellan ensures Crude Quality through the following:
  o People
  o Processes
  o Data
  o Analysis
  o Transparency
Crude Quality Program

People & Processes

• Procedures
  o System Integrity Plan (SIP) – Magellan’s governing document that defines clear stakeholder roles and responsibilities for the Quality Control, Scheduling, Operations and Commercial teams
  o Site-Specific – Procedures that define sampling and testing performed on crude products daily, weekly, and monthly by operations teams

• Training
  o Quality Control Training program for our operations teams encompasses
    • Proper sampling and handling practices as defined by ASTM and API standards
    • Accurate and consistent execution of testing methods

• Auditing
  o Each facility is audited quarterly to ensure compliance with our quality program requirements
Crude Quality Program

Data Generation

• On-site - performed by Magellan operations personnel trained to conduct sampling and testing
  o Line Sampling
  o Tank Sampling
  o Auto-Composite Batch Sampling

• Third Party – oversight programs performed by a third party are thoroughly vetted by Magellan and laboratories audited periodically
  o Origin Oversight Program – outlines sampling and testing requirements for barrels delivered into origin systems
  o Delivery Oversight Program – outlines sampling and testing requirements for barrels delivered out of Magellan systems
  o ICE Oversight Program – defines quality requirements for barrels moving under the HOU contract
Sampling and testing is conducted at receipt and delivery points at ALL Magellan terminals.

For WTI and WTL deliveries out of Magellan East Houston and Seabrook, a more extensive testing slate is performed supporting the HOU Contract.
Analysis & Transparency

• Magellan’s Quality Management System (QMS) houses all internal and external generated data

• QMS is setup to identify off-spec or out-of-tolerance conditions which are reported to the Quality team

• Reporting from QMS can be customized to meet specific customer needs

• A key value of Magellan’s Crude Quality programs is being transparent with our customers on product quality
MEH WTI Program Overview

- Extensive testing slate performed on a monthly basis
- Monthly average WTI quality readings from BridgeTex & Longhorn Pipelines are posted on ICE’s website at [https://www.theice.com/crude-oil/futures/permian-wti](https://www.theice.com/crude-oil/futures/permian-wti)

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Summary

• Strategic existing assets reach some of the largest basins bringing reliable crude oil transportation services while consistently providing premium quality crude oil to major refining and export markets

• Export expansions planned at Seabrook and additional expansions being considered would allow our customers to efficiently reach international markets

• The ICE Permian WTI contract represents a controlled, predictable quality crude at a highly active trading hub on the US Gulf Coast at MEH, with plans for other enhancements