



## Media Advisory

September 10, 2020

Contact: Bruce Heine  
[bruce.heine@magellanlp.com](mailto:bruce.heine@magellanlp.com)  
918 574 7010 office  
918 645 8989 cell  
[www.magellanlp.com](http://www.magellanlp.com)

### **Magellan Midstream to Expand MEH-WTI Designation to Include Midland Quality WTI Crude Oil Delivered from Third-Party Pipelines Originating in the Permian Basin**

#### ***New Customer Option Creates Significant Flexibility While Maintaining Industry Leading Quality Program***

TULSA, Okla. – Magellan Midstream Partners, L.P. announced today a new customer option to allow Midland-quality WTI sourced from select third-party Permian Basin pipelines to access Magellan’s East Houston terminal and crude oil trading hub (MEH) and to be designated by Magellan as MEH-WTI. To participate in this new program, crude oil must be verified by Magellan as meeting its stringent quality standards. The current parameters are available at <https://magellanlp.com/WhatWeDo/meh-wtiprogram.aspx>. Historically, only crude oil transported on Magellan’s Longhorn and BridgeTex pipelines has qualified for such MEH-WTI designation.

Magellan has earned a strong reputation both domestically and internationally due to the rigorous quality oversight program it applies on the Longhorn and BridgeTex pipelines and at MEH, which creates consistency and maintains the quality of WTI handled at MEH’s strategic location. Increasing liquidity at MEH for select Permian originated barrels will not change Magellan’s quality commitment. MEH is also an established price assessment point for WTI in the Houston marketplace by ARGUS, S&P Global Platts and ICE’s Permian WTI futures contract (HOU).

Shippers delivering into MEH via third-party pipelines will have access not only to a liquid and widely accepted trading hub, but also to refining, exporting and trading counterparties. Crude oil can be distributed from MEH into Magellan’s Houston Distribution System (HDS), which has connectivity to all refineries in the Houston and Texas City region, representing more than 2 million barrels per day of refining capacity. Magellan’s HDS also has access to approximately 15 Suez/Aframax-size export docks along the Houston Ship Channel, including the Seabrook crude oil export terminal jointly owned by Magellan and LBC.

The expanded MEH-WTI service offering is expected to be available in early October. For customer inquiries, please write to [HoustonCrudeStorageInquiries@magellanlp.com](mailto:HoustonCrudeStorageInquiries@magellanlp.com).

###

*Except for statements of historical fact, this media advisory constitutes forward-looking statements as defined by federal law. Forward-looking statements can be identified by words such as: will, new and similar references to future periods. Although management believes such statements are based on reasonable assumptions, such statements necessarily involve known and unknown risks and uncertainties that may cause actual outcomes to be materially different. Among the key risk factors that may have an impact on the statements contained in this media advisory are: impacts from the COVID-19 pandemic; impacts of the oversupply of crude oil and petroleum products; claims for force majeure by customers or vendors; changes in the partnership's tariff rates or other terms as required by state or federal regulatory authorities; shut-downs or cutbacks at refineries, of hydrocarbon production or at other businesses that use or supply the partnership's services; changes in the throughput or interruption in service on pipelines or other facilities owned and operated by third parties and connected to the partnership's terminals, pipelines or other facilities; and the occurrence of operational hazards or unforeseen interruptions. Additional factors that could lead to material changes in performance are described in the partnership's filings with the Securities and Exchange Commission, including the partnership's Annual Report on Form 10-K for the fiscal year ended Dec. 31, 2019 and subsequent reports on Forms 8-K and 10-Q. You are urged to carefully review and consider the cautionary statements and other disclosures made in those filings, especially under the headings "Risk Factors" and "Forward-Looking Statements." Forward-looking statements made by the partnership in this media advisory are based only on information currently known, and the partnership undertakes no obligation to revise its forward-looking statements to reflect future events or circumstances.*