

Energy Transfer Partners' Mariner East Pipelines and Associated Improvements at the Marcus Hook Industrial Complex

ECONOMIC IMPACT

Energy Transfer Partners L.P., through its subsidiary Sunoco Pipeline, L.P. converted the Marcus Hook Industrial Complex from an oil refining and distribution facility to a natural gas liquids processing facility.

- The Marcus Hook Industrial Complex (MHIC) has been revived as a processing facility for natural gas liquids (NGLs) such as propane, butane and ethane, responding to changes in the international and domestic oil and natural gas markets.
 - Energy Transfer Partners (ETP) has reversed the flow of the existing Mariner East 1 pipeline to bring NGLs to MHIC.
 - Two additional pipelines are under construction, Mariner East 2 and Mariner East 2X.
 - ETP has constructed a new fractionation facility at MHIC.

Energy Transfer Partners Expanding Marcus Hook Operations

- The Mariner East 1 project changed the westward flow of refined products such as gasoline, diesel and jet fuel, to an eastward transport of propane, butane, and ethane from the Marcellus shale to the MHIC facility for storage, processing and distribution.
- Mariner East 2 and 2X will serve as supplements to Mariner East 1 operations, allowing for a higher volume of NGLs to be transported from the Marcellus and Utica shale areas to various on- loading and off- loading sites within Pennsylvania, terminating at MHIC.
- The fractionation facility allows ETP to produce NGLs including ethane, propane, and butane for distribution. The fractionation of these NGLs at MHIC expands opportunities of NGL distribution in the northeast and mid-Atlantic regions.

Projected Impact of the Mariner East Projects and Associated Improvements at Marcus Hook

- The construction of the Mariner East projects is estimated to generate a potential one-time economic impact of nearly \$9.1 billion in the Commonwealth.
- Construction expenditures will generate estimated one-time tax revenues of \$122 million to the Commonwealth over the length of the construction period from the direct, indirect, and induced economic activity.
- By 2020 the Mariner East projects, the fractionation facility and the associated improvements at MHIC will produce between \$140 and \$210 million of ongoing annual economic impacts in the Commonwealth, supporting between 360 and 530 jobs direct, indirect, and induced jobs with employee compensation between \$30 and \$45 million.

Increase to Local Real Estate Taxes

- With all of the improvements at MHIC, the properties were reassessed in 2017. When fully operational, ETP will remit \$7 million in combined property taxes to Chichester School District, Marcus Hook Borough and Delaware County, triple what was due in 2017.