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## **Enbridge to enter into JV connecting Permian Basin natural gas supply to growing LNG and USGC demand**

Enbridge Inc. has announced its definitive agreement to form a joint venture with WhiteWater/I Squared Capital and MPLX LP. The venture will focus on developing, constructing, owning, and operating natural gas pipeline and storage assets linking Permian Basin natural gas supply to expanding LNG and U.S. Gulf Coast demand.

### Key Points:

Acquisition of a strategic equity interest in the joint venture

Immediate accretion to DCF per share with approximately 90 percent contracted cash flows

Receipt of immediate, recurring, and growing cash flow from operating assets with minimal commodity exposure

Optimisation of balance sheet by boosting EBITDA and reducing Enbridge's share of future Rio Bravo pipeline project capex in proportion to its economic interest

The joint venture will have ownership stakes as follows: WhiteWater/I Squared (50.6 percent), MPLX (30.4 percent), and Enbridge (19.0 percent). It will include assets such as:

Whistler pipeline: A ~450-mile, 42-inch intrastate pipeline transporting natural gas from the Permian Basin to Agua Dulce, TX

Rio Bravo pipeline project: ~137 miles of new pipelines transporting natural gas from Agua Dulce to NextDecade's Rio Grande LNG project

ADCC pipeline: A ~40-mile, 42-inch proposed intrastate pipeline designed to transport natural gas from Agua Dulce to Cheniere's Corpus Christi LNG export facility

Waha Gas Storage: A ~2.0 Bcf gas storage cavern facility

Nearly 98 percent of capacity is contracted under long-term, take-or-pay contracts with an average contract length exceeding 10 years. Most counterparties are investment grade.

Enbridge will contribute its Rio Bravo pipeline project and ~US\$350 million in cash to the joint venture. It will fund the first ~US\$150MM of post-closing capex to complete the Rio Bravo pipeline project and retain a 25 percent economic interest in the project.

"This joint venture enhances our super-system approach, bringing energy supply to places where it is needed most and providing last mile connectivity to domestic and export customers," said Cynthia Hansen, EVP and president, gas transmission and midstream of Enbridge.

The transaction, expected to close in Q2 2024, is subject to regulatory approvals and customary closing conditions.

For more information visit [www.enbridge.com](http://www.enbridge.com)