Risk Factors Comparison 2024-02-29 to 2023-03-01 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text Moved Text Section

We are reliant on the continuous and uninterrupted operation of our various technology systems. User access to our sites and information technology systems are critical elements of our operations, as is cloud security and protection against cyber security incidents. In the ordinary course of our business, we collect and store sensitive data in our data centers and on our networks, including intellectual property, proprietary business information, critical operating information and data, information regarding our customers, suppliers, royalty owners and business partners, and personally identifiable information of our employees. We also engage third parties, such as service providers and vendors, who provide a broad array of software, technologies, tools and other products, services and functions that enable us to conduct, monitor and / or protect our business, operations systems and data assets. The secure processing, maintenance and transmission of this information is critical to our operations and business strategy. Despite our security measures, the information technology and infrastructure we rely on may be vulnerable to attacks by third parties, such as hackers, or breached due to human error, malfeasance or other disruptions. Any such breach could compromise our networks and the information stored there could be accessed, publicly disclosed, lost or stolen. Any such access, disclosure or other loss of information could result in legal claims or proceedings, liability under laws that protect the privacy of personal information, regulatory penalties for divulging shipper information, disruption of our operations, damage to our reputation, and loss of confidence in our services, which could adversely affect our business. We and certain of our service providers have, from time to time, been subject to cyberattacks. The frequency and magnitude of cyberattacks is expected to increase and attackers are becoming more sophisticated. We may be unable to anticipate, detect or prevent future attacks, particularly as the methodologies used by attackers change frequently or are not recognized until launched, and we may be unable to investigate or remediate incidents because attackers are increasingly using techniques and tools designed to circumvent controls, to avoid detection, and to remove or obfuscate forensic evidence. The information technology infrastructure we use is critical to the efficient operation of our business and essential to our ability to perform day- to- day operations. Risks to our information technology systems include: unauthorized or inadvertent extraction of business sensitive, confidential or personal information; denial of access extortion; corruption of information; or disruption of business processes. Breaches of our information technology infrastructure or physical facilities, or other disruptions, could result in damage to our assets, safety incidents, damage to the environment, remediation costs, liability, regulatory enforcement, violation of privacy or securities laws and regulations, the loss of contracts or the inability to fulfil our contractual obligations, any of which could have a material adverse effect on our operations, financial position and results of operations. In addition, we may be required to invest significant additional resources to enhance our information security and controls or to comply with evolving cybersecurity laws or regulations. We self- insure and thus do not carry insurance specifically for cybersecurity events; however, certain of our insurance policies may allow for coverage of associated damages resulting from such events. If we were to incur a significant liability for which we were not fully insured, or if we incurred costs in excess of reserves established for uninsured or self- insured risks, it could have a material adverse effect on our financial position, results of operations and cash flows. Index to Financial Statements Our ~~business, results of~~ **and our customers'** operations **are subject to various risks arising out of** ~~,~~ ~~financial condition, cash flows and unit price can be adversely affected by pandemics, epidemics or other~~ -- **the** ~~public health events~~ **threat of climate change** . Our ~~business, results of~~ **and our customers'** operations **are subject to a number of risks arising out of the threat of climate change** , ~~financial condition~~ **including the adoption of energy conservation measures** , **initiatives that stimulate demand** ~~cash flows and unit price can be adversely affected by pandemics, epidemics or~~ **for** ~~other public health events. Such events may cause widespread~~ **alternative forms of energy or limit production of petroleum products, or technological advances in fuel** ~~economic~~ **economy** ~~disruption~~ and **energy generation devices. Any of these could** result in ~~material~~ **increased operating costs, limits on the areas in which oil and natural gas** ~~reductions~~ - **production may occur, and reduced demand for our services or the products we handle. Government initiatives or technological advances may also create new competitive conditions that result** in **reduced demand for the products our customers produce and, in turn, the services we provide. The potential impact of changing** demand for crude oil **and natural gas services and products may have a material adverse effect on our business** , ~~NGL~~ **financial condition, results of operations and cash flows. Additionally, the threat of climate change may negatively impact our business if it results in us restricting, delaying or canceling development activities and new projects. We are also subject to litigation risks related to climate change as investors, landowners, government agencies** and other **plaintiffs may target companies in the** petroleum ~~products~~ **industry with lawsuits seeking damages allegedly caused by climate change. Should Plains be targeted by any such litigation, we may incur liability** , which **, to the extent that societal pressures or political or other factors are involved, could be imposed without regard to causation or contribution to the asserted damage, or to other mitigating factors. Involvement** in ~~turn may result~~ **such a case could have adverse reputational impacts and an unfavorable ruling** in **any such case could adversely impact our operations and financial condition. Climate changes that have** significant ~~declines in~~ **physical effects, such as increased frequency and severity of storms, droughts, floods and** ~~the~~ **other climatic events** ~~volume of crude oil and NGL shipped~~ , **as well as shifts in temperature** ~~processed, purchased, stored, fractionated~~ and **precipitation patterns have** ~~/ or gathered at or through~~ the **potential to** ~~use~~ **cause** ~~of many of~~ **physical damage to** our assets **or disrupt our supply chains and thus could have an adverse effect on our operations. Our ability to manage the adverse impacts of these events depends in part on the effectiveness our disaster preparedness and response and business continuity planning, which may not have considered or be prepared for every eventuality** . The ~~effects~~ **full impact** of

climate change ~~a public health event depend~~ on ~~a wide variety~~ **our business, as well as the businesses of our customers and suppliers is unknown. Any** of factors **discussed above,** ~~that are outside of our~~ - **or any** ~~control, including the~~ **other unanticipated** ~~clinical severity and transmissibility of the virus or pathogen; the development~~ **developments** , ~~deployment~~ **could have a material adverse effect on our business** , **results** ~~adoption and effectiveness~~ of ~~treatments~~ **operations** and **financial condition** ~~vaccines; the capacity of healthcare systems and public health infrastructure; and the response of public health authorities, governments and individuals in areas impacted by such event~~ . We may face opposition from various groups to the development or operation of our pipelines and facilities and our business may be subject to societal and political pressures. We may face opposition to the development or operation of our pipelines and facilities from environmental groups, landowners, indigenous groups, local groups and other advocates. Such opposition could take many forms, including organized protests, attempts to block or sabotage our operations, intervention in regulatory or administrative proceedings involving our assets, or lawsuits or other actions designed to prevent, disrupt or delay the development or operation of our assets and business. For example, repairing our pipelines often involves securing consent from individual landowners to access their property; one or more landowners may resist our efforts to make needed repairs, which could lead to an interruption in the operation of the affected pipeline or other facility for a period of time that is significantly longer than would have otherwise been the case. In addition, acts of sabotage or eco- terrorism could cause significant damage or injury to people, property or the environment or lead to extended interruptions of our operations. Any such event that interrupts the revenues generated by our operations, or which causes us to make significant expenditures not covered by insurance, could reduce our cash available for paying distributions to our partners and, accordingly, adversely affect our financial condition and the market price of our securities. Our business plans are based upon the assumption that societal sentiment and applicable laws and regulations will continue to allow and enable the future development, transportation and use of hydrocarbon- based fuels. Policy decisions relating to the production, refining, transportation and marketing of hydrocarbon- based fuels are subject to political pressures, the negative portrayal of the industry in which we operate by the media and others, and the influence and protests of environmental and other special interest groups. Such negative sentiment regarding the hydrocarbon energy industry could influence consumer preferences and government or regulatory actions, which could, in turn, have an adverse impact on our business. Activists concerned about the potential effects of climate change have directed their attention towards sources of funding for hydrocarbon energy companies, which has resulted in certain financial institutions, funds and other sources of capital restricting or eliminating their investment in energy- related activities. Ultimately, this could make it more difficult to secure funding for exploration and production activities or energy infrastructure related projects and ongoing operations, and consequently could both indirectly affect demand for our services and directly affect our ability to fund construction or other capital projects and our ongoing operations. We are subject to **scrutiny** ~~increased concern~~ by ~~institutional investors~~ **financial stakeholders** with respect to the perceived social and environmental cost of our industry and our governance structure, which may adversely impact our ability to raise capital from such investors. ~~In recent years, certain~~ **Certain** financial stakeholders, including **certain** institutional investors such as public pension funds **and banks** , have placed ~~increased~~ importance on the implications and social cost of ~~ESG~~ **sustainability** matters. ~~ESG~~ **Sustainability** factors **play** ~~are playing~~ an ~~increasingly~~ important role in the investment decisions made by **certain** investors **and banks** , and companies involved in certain industries or with certain governance structures, such as master limited partnerships, are receiving increased scrutiny. ~~Investors~~ **Financial stakeholders** ' ~~increased~~ focus and activism related to ~~ESG~~ **sustainability** and similar matters could constrain our ability to raise capital. Any material limitations on our ability to access capital as a result of such scrutiny could limit our ability to obtain future financing on favorable terms, or at all, or could result in increased financing costs in the future. Similarly, such activism could negatively impact our unit price **or the price of our debt** , limiting our ability to raise capital through equity issuances or debt financing, or could negatively affect our ability to engage in, expand or pursue our business activities, and could also prevent us from engaging in certain transactions that might otherwise be considered beneficial to us. Businesses across all industries **receive** ~~are facing increasing~~ attention from stakeholders related to their ~~ESG~~ **sustainability** practices. Businesses that do not adapt to or comply with investor or stakeholder expectations and standards, which are continuing to evolve, or businesses that are perceived to have not responded appropriately to ~~the growing concern~~ **concerns** ~~for ESG issues~~ **related to sustainability matters** , regardless of whether there is a legal requirement to do so, may suffer ~~from~~ reputational damage and the business, financial condition, and / or equity value of such business entity could be materially and adversely affected. ~~Increasing attention to~~ **A focus on** climate change, societal expectations on companies to address climate change, investor expectations regarding voluntary ~~ESG~~ **sustainability-** related disclosures, increasing mandatory ~~ESG~~ **sustainability** disclosures, and consumer demand for alternative forms of energy may result in increased costs, reduced demand for our services or the products we handle, reduced profits, increased legislative and judicial scrutiny, investigations and litigation, reputational damage, and negative impacts on our access to capital markets. We could also be subject to additional governmental investigations, private litigation, or activist campaigns as unitholders may attempt to effect changes to our business or governance practices. In March 2022, the SEC issued a proposed rule that would mandate extensive disclosure of climate- related risks, including financial impacts, physical and transition risks, climate- related governance and strategy, and GHG emissions, for all U. S.- listed public companies. The SEC missed its self- imposed October 2022 deadline for issuing a final rule and ~~most~~ **many** commentators now expect a final rule to be issued in **the first half of** ~~2023~~ **2024** . Although the final form and substance of this rule and its requirements are not yet known and its ultimate impact on our business is uncertain, compliance with the proposed rule, if finalized, will result in additional legal, accounting and financial compliance costs. In addition, enhanced climate- related disclosure requirements could **influence** ~~accelerate the trend of certain~~ stakeholders and lenders **to** ~~restricting~~ --- **restrict** or ~~seeking~~ **seek** more stringent conditions with respect to their investments in certain carbon- intensive sectors. Our crude oil and NGL merchant activities are influenced by the overall forward market for crude oil and NGL, and certain market structures, the absence of pricing volatility and other market factors may adversely impact our results. The profitability of our crude oil and

NGL merchant activities are dependent on a variety of factors affecting the markets for crude oil and NGL, including regional and international supply and demand imbalances, takeaway availability and constraints, transportation costs and the overall forward market for crude oil and NGL products. Periods when differentials are wide or when there is volatility in the forward market structure are generally more favorable for our merchant activities. During periods where midstream infrastructure is over- built and / or there is a lack of volatility in the pricing structure, our results may be negatively impacted. Depending on the overall duration of these transition periods, how we have allocated our assets to particular strategies and the tenor of our crude oil purchase and sale contracts and storage agreements, these periods may have either an adverse or beneficial effect on the profitability of our merchant activities. In the past, the results of such activities have varied significantly based on market conditions and these activities may continue to experience highly variable results as a result of future changes to the markets for crude oil and NGL. Joint ventures, joint ownership arrangements and other projects pose unique challenges and we may not be able to fully implement or realize synergies, expected returns or other anticipated benefits associated with such projects. We are involved in many strategic joint ventures and other joint ownership arrangements. We may not always be in complete alignment with our joint venture or joint owner counterparties; we may have differing strategic or commercial objectives and may be outvoted by our joint venture partners or we may disagree on governance matters with respect to the joint venture entity or the jointly owned assets. When we enter into joint ventures or joint ownership arrangements we may be subject to the risk that our counterparties do not fund their obligations. In some joint ventures and joint ownership arrangements we may not be responsible for construction or operation of such projects and will rely on our joint venture or joint owner counterparties for such services. Joint ventures and joint ownership arrangements may also require us to expend additional internal resources that could otherwise be directed to other projects. If we are unable to successfully execute and manage our existing and proposed joint venture and joint owner projects, it could adversely impact our financial and operating results. We are undertaking, or are participating with various counterparties in, a number of projects that involve the expansion, modification, divestiture or combination of existing assets or the construction of new midstream energy infrastructure assets. Many of these projects involve numerous regulatory, environmental, commercial, economic, weather- related, political and legal uncertainties that are beyond our control, including the following: • We may be unable to realize our forecasted commercial, operational or administrative synergies in connection with our joint ventures and joint ownership arrangements, including the Plains Oryx Permian Basin LLC joint venture; • Joint ventures and other joint ownership arrangements may demand substantial internal resources and may divert resources and attention from other areas of our business; • We may construct pipelines, facilities or other assets in anticipation of market demand that dissipates or market growth that never materializes; • Despite the fact that we will expend significant amounts of capital during the construction phase of growth or expansion projects, revenues associated with these organic growth projects will not materialize until the projects have been completed and placed into commercial service, and the amount of revenue generated from these projects could be significantly lower than anticipated for a variety of reasons; • As these projects are undertaken, required approvals, permits and licenses may not be obtained, may be delayed, may be obtained with conditions that materially alter the expected return associated with the underlying projects or may be granted and then subsequently withdrawn; • We may face opposition to our planned projects from environmental groups, landowners, local groups and other advocates, including lawsuits or other actions designed to disrupt or delay our planned projects; • We may not be able to obtain, or we may be significantly delayed in obtaining, all of the rights of way or other real property interests we need to complete such projects, or the costs we incur in order to obtain such rights of way or other interests may be greater than we anticipated; • Due to unavailability or costs of materials, supplies, power, labor or equipment, including increased costs associated with any import duties or requirements to source certain supplies or materials from U. S. suppliers or manufacturers, the cost of completing these projects could turn out to be significantly higher than we budgeted and the time it takes to complete construction of these projects and place them into commercial service could be significantly longer than planned; and • The completion or success of our projects may depend on the completion or success of third- party facilities over which we have no control. As a result of these uncertainties, the anticipated benefits associated with our joint ventures and joint ownership arrangements may not be achieved or could be delayed. In turn, this could negatively impact our cash flow and our ability to make or increase cash distributions to our partners. We may enter into new businesses in connection with our strategy to participate in emerging energy opportunities. If we are unable to execute on this strategy or operate these new lines of business effectively, our future growth could be limited. These new lines of business may never develop or may present risks that we cannot effectively manage. As part of our strategy, we intend to evaluate the potential to repurpose certain under- utilized assets for an alternative use in emerging energy opportunities. This may involve entering into new lines of businesses, which present different challenges and risks. We may be unable to execute on our business plans, demand for these new services may not develop on a large or economic scale, or we may fail to operate these businesses effectively. In addition, we may not be able to compete with companies who also plan to enter into these new lines of business, and who may be larger than us and may have greater financial resources to devote to these businesses. These new businesses may also present novel issues in law, taxation, safety or environmental policy, and other areas that we may not be able to manage effectively. Management' s assessment of the risks in these new lines of business may be inexact and not identify or resolve all the problems that we would face. If we are not able to enter into these new lines of business effectively or at all, it could limit our future growth if such emerging energy businesses grow and become a more important part of the energy industry **. Our business, results of operations, financial condition, cash flows and unit price can be adversely affected by pandemics, epidemics or other public health events. Our business, results of operations, financial condition, cash flows and unit price can be adversely affected by pandemics, epidemics or other public health events. Such events may cause widespread economic disruption and result in material reductions in demand for crude oil, NGL and other petroleum products, which in turn may result in significant declines in the volume of crude oil and NGL shipped, processed, purchased, stored, fractionated and / or gathered at or through the use of many of our assets. The effects of a public health event depend on a wide variety of factors that are outside of our**

control, including the clinical severity and transmissibility of the virus or pathogen; the development, deployment, adoption and effectiveness of treatments and vaccines; the capacity of healthcare systems and public health infrastructure; and the response of public health authorities, governments and individuals in areas impacted by such event . Loss of our investment grade credit rating or the ability to receive open credit could negatively affect our borrowing costs, ability to purchase crude oil, NGL and natural gas supplies or to capitalize on market opportunities. Our business is dependent on our ability to maintain an attractive credit rating and continue to receive open credit from our suppliers and trade counterparties. Our senior unsecured debt is currently rated as " investment grade " by Standard & Poor' s, Moody' s Investors Service and Fitch Ratings Inc. A downgrade by such agencies to a level below investment grade could increase our borrowing costs, reduce our borrowing capacity and cause our counterparties to reduce the amount of open credit we receive from them. This could negatively impact our ability to capitalize on market opportunities. For example, our ability to utilize our crude oil storage capacity for merchant activities to capture contango market opportunities is dependent upon having adequate credit facilities, both in terms of the total amount of credit facilities and the cost of such credit facilities, which enables us to finance the storage of the crude oil from the time we complete the purchase of the crude oil until the time we complete the sale of the crude oil. Accordingly, loss of our investment grade credit ratings could adversely impact our cash flows, our ability to make distributions and the value of our outstanding equity and debt securities. We are exposed to the credit risk of our customers and other counterparties we transact with in the ordinary course of our business activities. Risks of nonpayment and nonperformance by customers or other counterparties are a significant consideration in our business. Although we have credit risk management policies and procedures that are designed to mitigate and limit our exposure in this area, there can be no assurance that we have adequately assessed and managed the creditworthiness of our existing or future counterparties or that there will not be an unanticipated deterioration in their creditworthiness or unexpected instances of nonpayment or nonperformance, all of which could have an adverse impact on our cash flow and our ability to pay or increase our cash distributions to our partners. We have a number of minimum volume commitment contracts that support our pipelines. In addition, certain of the pipelines in which we own a joint venture interest have minimum volume commitment contracts. Pursuant to such contracts, shippers are obligated to pay for a minimum volume of transportation service regardless of whether such volume is actually shipped (typically referred to as a deficiency payment), subject to the receipt of credits that typically expire if not used by a certain date. While such contracts provide greater revenue certainty, if the applicable shipper fails to transport the minimum required volume and is required to make a deficiency payment, under applicable accounting rules, the revenue associated with such deficiency payment may not be recognized until the applicable transportation credit has expired or has been used. Deferred revenue associated with non-performance by shippers under minimum volume contracts could be significant and could adversely affect our profitability and earnings. In addition, in those cases in which we provide division order services for crude oil purchased at the wellhead, we may be responsible for distribution of proceeds to all parties. In other cases, we pay all of or a portion of the production proceeds to an operator who distributes these proceeds to the various interest owners. These arrangements expose us to operator credit risk, and there can be no assurance that we will not experience losses in dealings with such operators and other parties. Further, to the extent one or more of our major customers experiences financial distress or commences bankruptcy proceedings, contracts with such customers (including contracts that are supported by acreage dedications) may be subject to renegotiation or rejection under applicable provisions of the United States Bankruptcy Code. Any such renegotiation or rejection could have an adverse effect on our revenue and cash flows and our ability to make cash distributions to our unitholders. We have also undertaken numerous projects that require cooperation with and performance by joint venture co- owners. In addition, in connection with various acquisition, divestiture, joint venture and other transactions, we often receive indemnifications from various parties for certain risks or liabilities. Nonperformance by any of these parties could result in increased costs or other adverse consequences that could decrease our earnings and returns. We also rely to a significant degree on the banks that lend to us under our revolving credit facility for financial liquidity, and any failure of those banks to perform their obligations to us could significantly impair our liquidity. Furthermore, nonpayment by the counterparties to our interest rate and / or commodity derivatives could expose us to additional interest rate and / or commodity price risk. Acquisitions and divestitures involve risks that may adversely affect our business. Our ability to execute our financial strategy is in part dependent on our ability to complete strategic transactions, including acquisitions, divestitures or sales of interests to strategic partners. If we are unable to successfully complete, integrate or realize the anticipated benefits of future acquisitions or planned divestitures (due to reduced investment in the energy sector, governmental action, litigation, counterparty non- performance or other factors), it may be more difficult for us to implement our business strategies, ~~achieve~~ **maintain** our desired leverage levels, increase returns to equity holders or otherwise accomplish our financial goals. In addition, in connection with our divestitures, we may agree to retain responsibility for certain liabilities that relate to our period of ownership, which could adversely impact our future financial performance. Acquisitions also involve potential risks, including: • performance from the acquired businesses or assets that is below the forecasts we used in evaluating the acquisition; • a significant increase in our indebtedness and working capital requirements; • the inability to timely and effectively integrate the operations of recently acquired businesses or assets; • the incurrence of substantial unforeseen environmental and other liabilities arising out of the acquired businesses or assets for which we are either not fully insured or indemnified, including liabilities arising from the operation of the acquired businesses or assets prior to our acquisition; • risks associated with operating in lines of business that are distinct and separate from our historical operations; • customer or key employee loss from the acquired businesses; and • the diversion of management' s attention from other business concerns. Any of these factors could adversely affect our ability to achieve anticipated levels of cash flows or other benefits from our acquisitions, pay distributions to our partners or meet our debt service requirements. Tightened capital markets or other factors that increase our cost of capital or otherwise limit our access to capital could impair our ability to achieve our strategic objectives. Any limitations on our access to capital or increase in the cost of that capital could significantly impair the implementation of our strategy. Our inability to maintain our targeted credit profile, including maintaining our credit

ratings, could adversely affect our cost of capital as well as our ability to execute our strategy. In addition, a variety of factors beyond our control could impact the availability or cost of capital, including domestic or international economic conditions, increases in key benchmark interest rates and / or credit spreads, the adoption of new or amended banking or capital market laws or regulations, the re- pricing of market risks and volatility in capital and financial markets. Due to these factors, we cannot be certain that funding for our capital needs will be available from bank credit arrangements, capital markets or other sources on acceptable terms. If funding is not available when needed, or is available only on unfavorable terms, we may be unable to implement our development plans, enhance our existing business, complete strategic projects and transactions, take advantage of business opportunities or respond to competitive pressures, any of which could have a material adverse effect on our cash flows and results of operations. Our risk policies cannot eliminate all risks and the insufficiency of, or non- compliance with our risk policies could result in significant financial losses. Generally, it is our policy to establish a margin for crude oil or other products we purchase by selling such products for physical delivery to third- party users, or by entering into a future delivery obligation under derivative contracts. Through these transactions, we seek to maintain a position that is substantially balanced between purchases on the one hand, and sales or future delivery obligations on the other hand. Our policy is not to acquire and hold physical inventory or derivative products for the purpose of speculating on commodity price changes. These policies and practices cannot, however, eliminate all risks. For example, any event that disrupts our anticipated physical supply of crude oil or other products could expose us to risk of loss resulting from price changes. We are also exposed to basis risk when crude oil or other products are purchased against one pricing index or benchmark and sold against a different index or benchmark. We may also face disruptions to futures markets for crude oil, NGL and other petroleum products, which may impair our ability to execute our commercial or hedging strategies. Margin requirements due to spikes or crashes in commodity prices may require us to exit hedge strategies at inopportune times. We are also exposed to some risks that are not hedged, including risks on certain of our inventory, such as linefill, which must be maintained in order to transport crude oil on our pipelines. In an effort to maintain a balanced position, specifically authorized personnel can purchase or sell crude oil, refined products and NGL, up to predefined limits and authorizations. Although this activity is monitored independently by our risk management function, it exposes us to commodity price risks within these limits. ~~In addition, our operations involve the risk of non- compliance with our risk policies.~~ We have taken steps within our organization to implement processes and procedures designed to detect unauthorized trading **and non- compliance with our risk policies** ; however, we can provide no assurance that these steps will detect and prevent all violations of our risk policies and procedures, particularly if deception, collusion or other intentional misconduct is involved. Our insurance coverage may not fully cover our losses and we may in the future encounter increased costs related to, and lack of availability of, insurance. While we maintain insurance coverage at levels that we believe to be reasonable and prudent, we can provide no assurance that our current levels of insurance will be sufficient to cover any losses that we have incurred or may incur in the future, whether due to deductibles, coverage challenges or other limitations. In addition, over the last several years, as the scale and scope of our business activities has expanded, the breadth and depth of available insurance markets has contracted. As a result of these factors and other market conditions, as well as the fact that we have experienced several incidents in the past, premiums and deductibles for certain insurance policies have increased substantially. Accordingly, we can give no assurance that we will be able to maintain adequate insurance in the future at rates or on other terms we consider commercially reasonable. In addition, although we believe that we currently maintain adequate insurance coverage, insurance will not cover many types of interruptions or events that might occur and will not cover all risks associated with our operations. In addition, the proceeds of any such insurance may not be paid in a timely manner and may be insufficient if such an event were to occur. The occurrence of a significant event, the consequences of which are either not covered by insurance or not fully insured, or a significant delay in, or denial of, the payment of a major insurance claim, could materially and adversely affect our financial position, results of operations and cash flows. For a discussion of our Line 901 Incident insurance receivable, please read Item 7. " Management' s Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Policies and Estimates — Line 901 Incident Insurance Receivable " and Note ~~19~~ **18** to our Consolidated Financial Statements. The terms of our indebtedness may limit our ability to borrow additional funds or capitalize on business opportunities. In addition, our current or future debt levels, or inability to borrow additional funds or capitalize on business opportunities, may limit our future financial and operating flexibility. As of December 31, ~~2022~~ **2023** , the face value of our consolidated debt outstanding was approximately $ **7.** 8 ~~. 5~~ billion (excluding unamortized discounts and debt issuance costs of approximately $ ~~46~~ **41** million), consisting of approximately $ 7. 3 billion face value of long- term debt (including senior notes and finance lease obligations) and approximately $ **446** ~~1. 2 billion~~ **million** of short- term borrowings. As of December 31, ~~2022~~ **2023** , we had ~~approximately~~ **over** $ ~~3~~ **2. 6** billion of liquidity available, including cash and cash equivalents and available borrowing capacity under our senior unsecured revolving credit facility and our senior secured hedged inventory facility, subject to continued covenant compliance. Lower Adjusted EBITDA could increase our leverage ratios and effectively reduce our ability to incur additional indebtedness. The amount of our current or future indebtedness could have significant effects on our operations, including, among other things: • a significant portion of our cash flow will be dedicated to the payment of principal and interest on our indebtedness and may not be available for other purposes, including the payment of distributions on our units and capital expenditures; • credit rating agencies may view our debt level negatively; • covenants contained in our existing debt arrangements will require us to continue to meet financial tests that may adversely affect our flexibility to plan for and react to changes in our business; • our ability to obtain additional financing for working capital, capital expenditures, acquisitions and general partnership purposes may be limited; • we may be at a competitive disadvantage relative to similar companies that have less debt; and • we may be more vulnerable to adverse economic and industry conditions as a result of our significant debt level. Our credit agreements prohibit distributions on, or purchases or redemptions of, units if any default or event of default is continuing. In addition, the agreements contain various covenants limiting our ability to, among other things, incur indebtedness if certain financial ratios are not maintained, grant liens, engage in transactions with affiliates, enter into sale- leaseback

transactions, and sell substantially all of our assets or enter into a merger or consolidation. Our credit facilities treat a change of control as an event of default and also requires us to maintain a certain debt coverage ratio. Our senior notes do not restrict distributions to unitholders, but a default under our credit agreements will be treated as a default under the senior notes. Please read Item 7. " Management' s Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources — Credit Agreements, Commercial Paper Program and Indentures. " Our ability to access capital markets to raise capital on favorable terms will be affected by our debt level, our operating and financial performance, the amount of our current maturities and debt maturing in the next several years, and by prevailing market conditions. In addition, if the rating agencies were to downgrade our credit ratings, then we could experience an increase in our borrowing costs, face difficulty accessing capital markets or incurring additional indebtedness, be unable to receive open credit from our suppliers and trade counterparties, be unable to benefit from swings in market prices and shifts in market structure during periods of volatility in the crude oil market or suffer a reduction in the market price of our common units. If we are unable to access the capital markets on favorable terms at the time a debt obligation becomes due in the future, we might be forced to refinance some of our debt obligations through more expensive and restrictive bank credit, as opposed to long- term public debt securities or equity securities, or the sale of assets. The price and terms upon which we might receive such extensions or additional bank credit, if at all, could be more onerous than those contained in existing debt agreements. Any such arrangements could, in turn, increase the risk that our leverage may adversely affect our future financial and operating flexibility and thereby impact our ability to execute our capital allocation strategies and priorities. Increases in interest rates could adversely affect our business and the trading price of our units. As of December 31, ~~2022~~ **2023** , the face value of our consolidated debt was approximately $ **7.** 8 ~~. 5~~ billion (excluding unamortized discounts and debt issuance costs of approximately $ ~~46~~ **41** million), substantially all of which was at fixed interest rates. ~~We are exposed to market risk due to the short- term nature of our commercial paper borrowings and the floating interest rates on our credit facilities. Our results of operations, cash flows and financial position could be adversely affected by significant~~ **Significant** increases in interest rates above current levels ~~. Additionally, increases in interest rates~~ could adversely affect our ~~merchant~~ **results of operations, cash flows and financial position due to, among other things: • Our exposure to market risk due to the short- term nature of our commercial paper borrowings and the floating interest rates on our credit** ~~activities -~~ **facilities** ~~by~~ **; • Any potential refinancing of our indebtedness at rates higher than historical amounts; •** ~~increasing~~ **Increasing** interest costs associated with the storage of hedged crude oil and NGL inventory ~~. In addition,~~ **in our merchant activities; and •** ~~distributions~~ **Distributions payable** on our Series B preferred units **, which** accumulate for each distribution period at a percentage of the liquidation preference equal to the applicable three- month ~~LIBOR~~ **Secured Overnight Financing Rate** (**SOFR** ~~or, if discontinued, a substitute or successor rate determined by the calculation agent~~), plus a **credit** spread **adjustment** of **0. 2621 %, plus** 4. 11 % **per annum** . Further, the trading price of our common units may be sensitive to changes in interest rates and any rise in interest rates could adversely impact such trading price. Changes in currency exchange rates could adversely affect our operating results. Because we are a U. S. dollar reporting company and also conduct operations in Canada, we are exposed to currency fluctuations and exchange rate risks that may adversely affect the U. S. dollar value of our earnings, cash flow and partners' capital under applicable accounting rules. For example, if the U. S. dollar appreciates against the Canadian dollar, the U. S. dollar value of our Canadian dollar denominated earnings is reduced for U. S. reporting purposes. Our business requires the retention and recruitment of a skilled workforce, and difficulties retaining and recruiting our workforce could result in a failure to implement our business plans. Our operations and management require the retention and recruitment of a skilled workforce, including engineers, technical personnel and other professionals. We and our affiliates compete with other companies both within and outside the energy industry for this skilled workforce, and other employers may be able to offer potential employees higher salaries, more attractive benefits or work arrangements or opportunities to work in industries with greater perceived status or growth potential. If we are unable to (i) retain current employees; and / or (ii) recruit new employees of comparable knowledge and experience, our business could be negatively impacted. In addition, we could experience increased costs to retain current employees and recruit new employees. An impairment of long- term assets could reduce our earnings. At December 31, ~~2022~~ **2023** , we had approximately $ 15. ~~3~~ **8** billion of net property and equipment, $ ~~961~~ **976** million of linefill, $ ~~3~~ **2** . ~~1~~ **8** billion of investments accounted for under the equity method of accounting and approximately $ ~~2.~~ 1 **. 9** billion of net intangible assets capitalized on our balance sheet. GAAP requires an assessment for impairment in certain circumstances, including when there is an indication that the carrying value of property and equipment may not be recoverable. If we were to determine that any of our property and equipment, linefill, intangibles or equity method investments was impaired, we could be required to take an immediate charge to earnings, which could adversely impact our operating results, with a corresponding reduction of partners' capital and increase in balance sheet leverage as measured by debt- to- total capitalization. See Item 7. " Management' s Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Policies and Estimates " for additional discussion of our accounting policies and use of estimates associated with impairments. ~~During the year ended December 31, 2022, we recognized non- cash impairment charges of approximately $ 330 million related to the write- down of certain long- lived crude oil assets in California. See Note 6 to our Consolidated Financial Statements for additional information regarding these impairments.~~ We are dependent on the use or availability of third- party assets for certain of our operations. Certain of our business activities require the use or availability of third- party assets over which we may have little or no control. If at any time the availability of these assets is limited or denied, and if access to alternative assets cannot be arranged, it could have an adverse effect on our business, results of operations and cash flow. Significant under- utilization of certain assets could significantly reduce our profitability due to fixed costs incurred to obtain the right to use such assets. From time to time in connection with our business, we may lease or otherwise secure the right to use certain assets (such as railcars, trucks, barges, ships, pipeline capacity, storage capacity and other similar assets) with the expectation that the revenues we generate through the use of such assets will be greater than the fixed costs we incur pursuant to the applicable leases or other arrangements. However, when such assets are not utilized or are

under- utilized, our profitability could be negatively impacted because the revenues we earn are either non- existent or reduced, but we remain obligated to continue paying any applicable fixed charges, in addition to the potential of incurring other costs attributable to the non- utilization of such assets (such as maintenance, storage or other costs). Significant under- utilization of assets we lease or otherwise secure the right to use in connection with our business could have a significant negative impact on our profitability and cash flows. Many of our assets have been in service for many years and require significant expenditures to maintain them **or remove them from service** . As a result, our maintenance ~~or~~ **,** repair **or asset retirement** costs may increase in the future. Our pipelines, terminals, storage and processing and fractionation assets are generally long- lived assets, and many of them have been in service for many years. The age and condition of our assets could result in increased maintenance ~~or~~ **,** repair **or asset retirement** expenditures in the future. Any significant increase in these expenditures could adversely affect our results of operations, financial position or cash flows, as well as our ability to make cash distributions to our unitholders. We do not own all of the land on which our pipelines and facilities are located, which could result in disruptions to our operations. We do not own all of the land on which our pipelines and facilities have been constructed, and therefore are potentially subject to more onerous terms and / or increased costs to retain necessary land use if we do not have valid rights- of- way or if such rights- of- way lapse or terminate. In some instances, we obtain the rights to construct and operate our pipelines on land owned by third parties and governmental agencies for a specific period of time. Following a decision issued in May 2017 by the Tenth Circuit Court of Appeals, tribal ownership of even a very small fractional interest in tribal land owned or at one time owned by an individual ~~Indian~~ **Native American** landowner bars condemnation of any interest in the allotment. Consequently, the inability to condemn such allotted lands under circumstances where existing pipeline rights- of- way may soon lapse or terminate serves as an additional potential impediment for pipeline operations. Additionally, parts of our operations cross land that has historically been apportioned to various Native American / First Nations tribes, who may exercise significant jurisdiction and sovereignty over their lands. For more information, see our regulatory disclosure entitled " Indigenous Protections. " We cannot guarantee that we will always be able to renew existing rights- of- way or obtain new rights- of- way on favorable terms without experiencing significant delays and costs. Any loss of rights with respect to real property, through our inability to renew right- of- way contracts or otherwise, could have a material adverse effect on our business, results of operations, and financial position. If we fail to obtain materials or commodities in the quantity and the quality we need, and at commercially acceptable prices, whether due to supply disruptions, inflation, tariffs, quotas or other factors, our results of operations, financial condition and cash flows could be materially and adversely affected. Our business requires access to steel and other materials to construct and maintain new and existing pipelines and facilities. If we experience a shortage in the supply of these materials or are unable to source sufficient quantities of high quality materials at acceptable prices and in a timely manner, it could materially and adversely affect our ability to construct new infrastructure and maintain our existing assets. Our business also depends on having access to significant amounts of electricity and other commodities. If we are unable to obtain commodities sufficient to operate and maintain our assets, or only able to do so at commercially unreasonable prices, it could materially and adversely affect our business. Supply chain disruptions and inflation of prices for commodities, materials, products and shipping may make it more challenging to obtain sufficient quantities of high quality materials at acceptable prices and in a timely manner. If we are unable to source such materials, it could materially and adversely affect our ability to construct new infrastructure and operate and maintain our existing assets. In addition, some of the materials used in our business are imported. Existing and future import duties and quotas could materially increase our costs of procuring imported or domestic steel and / or create shortages or difficulties in procuring sufficient quantities of steel meeting our required technical specifications. A material increase in our costs of construction and maintenance or any significant delays in our ability to complete our infrastructure projects could have a material adverse effect on our financial position, results of operations and cash flows. **The pace of development of natural gas infrastructure could have an adverse impact on expected crude oil production growth in the Permian Basin. In certain areas where we operate (e. g., the Permian Basin), development of natural gas infrastructure is or may be required to increase accessible supply in order to meet projected demand. Slowdowns in the development of such natural gas infrastructure, whether due to the regulatory environment, permitting process delays or lower financial investment by producers, could have an adverse impact on expected crude oil production growth. In turn, such limitations could lead to lower volumes of crude oil we purchase in connection with our operations and reduced throughput on our pipelines and at our other facilities, which, depending on the impact to production growth, could have a material adverse effect on our financial position, results of operations and cash flows.** Risks Related to Laws and Regulations Our operations are subject to laws and regulations relating to protection of the environment (people, property and natural resources), operational safety, climate change and related matters that may expose us to significant costs and liabilities. The current laws and regulations affecting our business are subject to change and in the future we may be subject to additional laws, executive orders and regulations, which could adversely impact our business. Our operations involving the storage, treatment, processing, and transportation of liquid hydrocarbons, including crude oil, NGL and refined products, are subject to stringent federal, state, and local laws and regulations governing the discharge of materials into the environment. Our operations are also subject to laws and regulations relating to protection of the environment, natural resources, operational safety, climate change and related matters. Compliance with these laws and regulations may increase our overall cost of doing business, including our capital costs to construct, maintain and upgrade equipment and facilities. Also, new or additional laws and regulations, new interpretations of existing requirements or changes in our operations could trigger new permitting requirements applicable to our operations, which could result in increased costs or delays of, or denial of rights to conduct, our development programs. The failure to comply with any such laws and regulations could result in the assessment of administrative, civil, and criminal penalties, the imposition of investigatory or remedial obligations or the incurrence of capital expenditures. Any such failure could also result in the imposition of restrictions, delays or cancellations in the permitting or performance of projects, or the issuance of injunctions that may subject us to additional operational requirements and constraints, or claims of damages to property or

persons. The laws and regulations applicable to our operations are subject to change and interpretation by the relevant governmental agency, including the possibility that exemptions we currently qualify for may be modified or changed in ways that require us to incur significant additional compliance costs. Our business and operations may also become subject to new or additional laws or regulations. For example, President Biden has made the combat of climate change arising from GHG emissions a priority under his Administration and has issued, and may continue to issue, executive orders or other regulatory initiatives in pursuit of his regulatory agenda that could curtail oil and natural gas production and transportation. Potential examples include laws, rules, executive orders or regulations that limit fracturing of oil and natural gas wells, restrictions on flaring and venting during natural gas production on federal properties, limitations or bans on oil and gas leases on federal lands and offshore waters, increased requirements for construction and permitting of pipeline infrastructure and LNG export facilities, and further restrictions on GHG emissions from oil and gas facilities. Any new laws, executive orders or regulations, or changes to or interpretations of existing laws or regulations, adverse to us could have a material adverse effect on our **financial position, results of** operations ~~, revenues, expenses~~ and ~~profitability~~ **cash flows** . We have a history of making incremental additions to the miles of pipelines we own, both through acquisitions and investment capital projects. We have also increased our terminal and storage capacity and operate several facilities on or near navigable waters and domestic water supplies. Although we have implemented programs intended to maintain the integrity of our assets (discussed below), as we increase the capacity of our existing assets or acquire additional assets we are at risk for an increase in the number and / or volume of releases of liquid hydrocarbons into the environment. These releases expose us to potentially substantial expense, including clean- up and remediation costs, fines and penalties, and third- party claims for personal injury or property damage related to past or future releases. Some of these expenses could increase by amounts disproportionately higher than the relative increase in pipeline mileage and the increase in revenues associated therewith. Our refined products terminal assets are also subject to significant compliance costs and liabilities. In addition, because of the increased volatility of refined products and their tendency to migrate farther and faster than crude oil when released, releases of refined products into the environment can have a more significant impact than crude oil and require significantly higher expenditures to respond and remediate. The incurrence of such expenses not covered by insurance, indemnity or reserves could materially adversely affect our results of operations. We currently devote substantial resources to comply with DOT- mandated pipeline integrity rules. The DOT regulations include requirements for the establishment of pipeline integrity management programs and for protection of HCAs where a pipeline leak or rupture could produce significant adverse consequences. Pipeline safety regulations are revised frequently. For more information, please see our regulatory disclosure entitled " Pipeline Safety / Integrity Management. " The adoption of new regulations requiring more comprehensive or stringent safety standards could require us to install new or modified safety controls, pursue new capital projects, or conduct maintenance programs on an accelerated basis, all of which could require us to incur increased operational costs that could be significant. Although we continue to focus on pipeline and facility integrity management as a primary operational emphasis, doing so requires substantial time and resources and cannot eliminate all risk of releases. We have an internal review process pursuant to which we examine various aspects of our pipeline and gathering systems that are not currently subject to the DOT pipeline integrity management mandate. The purpose of this process is to review the surrounding environment, condition and operating history of these pipeline and gathering assets to determine if such assets warrant additional investment or replacement. Accordingly, in addition to potential cost increases related to unanticipated regulatory changes or injunctive remedies resulting from regulatory agency enforcement actions, we may elect (as a result of our own internal initiatives) to spend substantial sums to enhance the integrity of and upgrade our pipeline systems to maintain environmental compliance and, in some cases, we may take pipelines out of service if we believe the cost of upgrades will exceed the value of the pipelines. We cannot provide any assurance as to the ultimate amount or timing of future pipeline integrity expenditures but any such expenditures could be significant. See " Environmental — General " in Note ~~19~~ **18** to our Consolidated Financial Statements. In addition, despite our pipeline and facility integrity management efforts, we can provide no assurance that our pipelines and facilities will not experience leaks or releases or that we will be able to fully comply with all of the federal, state and local laws and regulations applicable to the operation of our pipelines or facilities; any such leaks or releases could be material and could have a significant adverse impact on our reputation, financial position, cash flows and ability to pay or increase distributions to our unitholders. Our assets are subject to federal, state and provincial regulation. Rate regulation or a successful challenge to the rates we charge on our U. S. and Canadian pipeline systems may reduce the amount of cash we generate. Our U. S. interstate common carrier liquids pipelines are subject to regulation by various federal regulatory agencies, including the FERC under the ICA. The ICA requires that tariff rates and terms and conditions of service for liquids pipelines be just and reasonable and not unduly discriminatory. We are also subject to the Pipeline Safety Regulations of the DOT. Our intrastate pipeline transportation activities are subject to various state laws and regulations as well as orders of state regulatory bodies. For our U. S. interstate common carrier liquids pipelines subject to FERC regulation under the ICA, shippers may protest our pipeline tariff filings or file complaints against our existing rates or complaints alleging that we are engaging in discriminatory behavior. The FERC can also investigate on its own initiative. Under certain circumstances, the FERC could limit our ability to set rates based on our costs, or could order us to reduce our rates and could require the payment of reparations to complaining shippers for up to two years prior to the complaint. In addition, we routinely monitor the public filings and proceedings of other parties with the FERC and other regulatory agencies in an effort to identify issues that could potentially impact our business. Under certain circumstances we may choose to intervene in such third- party proceedings in order to express our support for, or our opposition to, various issues raised by the parties to such proceedings. For example, if we believe that a petition filed with, or order issued by, the FERC is improper, overbroad or otherwise flawed, we may attempt to intervene in such proceedings for the purpose of protesting such petition or order and requesting appropriate action such as a clarification, rehearing or other remedy. Despite such efforts, we can provide no assurance that the FERC and other agencies that regulate our business will not issue future orders or declarations that increase our costs or otherwise adversely affect our operations. Our

Canadian pipelines are subject to regulation by the CER and by provincial authorities. Under the Canadian Energy Regulator Act, the CER could investigate the tariff rates or the terms and conditions of service relating to a jurisdictional pipeline on its own initiative upon the filing of a toll or tariff application, or upon the filing of a written complaint. If the CER found the rates or terms of service relating to such pipeline to be unjust or unreasonable or unjustly discriminatory, the CER could require us to change our rates, provide access to other shippers, or change our terms of service. A provincial authority could, on the application of a shipper or other interested party, investigate the tariff rates or our terms and conditions of service relating to our provincially- regulated proprietary pipelines. If it found our rates or terms of service to be contrary to statutory requirements, it could impose conditions it considers appropriate. A provincial authority could declare a pipeline to be a common carrier pipeline, and require us to change our rates, provide access to other shippers, or otherwise alter our terms of service. Any reduction in our tariff rates would result in lower revenue and cash flows. Some of our operations cross the U. S. / Canada border and are subject to cross- border regulation. Our cross border activities subject us to regulatory matters, including import and export licenses, tariffs, Canadian and U. S. customs and tax issues and toxic substance certifications. Such regulations include the Short Supply Controls of the EAA, the USMCA and the TSCA. Violations of these licensing, tariff and tax reporting requirements could result in the imposition of significant administrative, civil and criminal penalties. Furthermore, Presidential Permits that allow cross- border movements of crude oil may be revoked or terminated at any time. Our purchases and sales of crude oil, natural gas and NGL, and hedging activities, expose us to potential regulatory risks. The FTC, the FERC and the CFTC hold statutory authority to monitor certain segments of the physical and futures energy commodities markets. These agencies have imposed broad regulations prohibiting fraud and manipulation of such markets. With regard to our physical purchases and sales of crude oil, natural gas or NGL and any related hedging activities that we undertake, we are required to observe the market- related regulations enforced by these agencies, which hold substantial enforcement authority. Our purchases and sales may also be subject to certain reporting and other requirements. Additionally, to the extent that we enter into transportation contracts with pipelines that are subject to FERC regulation, we are subject to FERC requirements related to the use of such capacity. Any failure on our part to comply with the regulations and policies of the FERC, the FTC or the CFTC could result in the imposition of civil and criminal penalties. Failure to comply with such regulations, as interpreted and enforced, could have a material adverse effect on our business, results of operations, financial condition and our ability to make cash distributions to our unitholders. The enactment and implementation of derivatives legislation could have an adverse impact on our ability to use derivative instruments to reduce the effect of commodity price, interest rate and other risks associated with our business and increase the amount of working capital required to conduct these hedging activities. The Dodd- Frank Wall Street Reform and Consumer Protection Act (the " Dodd- Frank Act ") ~~, enacted on July 21, 2010,~~ established federal oversight and regulation of derivative markets and entities, such as us, that participate in those markets. The Dodd- Frank Act requires the CFTC and the SEC to promulgate rules and regulations implementing the Dodd- Frank Act. Although the CFTC has finalized certain regulations, others remain to be finalized or implemented and it is not possible at this time to predict when this will be accomplished. The CFTC has designated certain interest rate swaps and credit default swaps for mandatory clearing, and the associated rules require us, in connection with covered derivative activities, to comply with clearing and trade- execution requirements or take steps to qualify for an exemption from such requirements. We do not utilize credit default swaps and we qualify for, and expect to continue to qualify for, the end- user exception from the mandatory clearing requirements for swaps entered into to hedge our interest rate risks. Should the CFTC designate commodity derivatives for mandatory clearing, we would expect to qualify for an end- user exception from the mandatory clearing requirements for swaps entered into to hedge our commodity price risk. However, the majority of our financial derivative transactions used for hedging commodity price risks are currently executed and cleared over exchanges that require the posting of margin or letters of credit based on initial and variation margin requirements. Pursuant to the Dodd Frank Act, however, the CFTC or federal banking regulators may require the posting of collateral with respect to uncleared interest rate and commodity derivative transactions. Certain banking regulators and the CFTC have adopted final rules establishing minimum margin requirements for uncleared swaps. Although we qualify for the end- user exception from margin requirements for swaps entered into to hedge commercial risks, if any of our swaps do not qualify for the commercial end- user exception, or if we are otherwise required to post additional cash margin or collateral it could reduce our ability to execute hedges necessary to reduce commodity price exposures and protect cash flows. Posting of additional cash margin or collateral could affect our liquidity (defined as unrestricted cash on hand plus available capacity under our credit facilities) and reduce our ability to use cash for capital expenditures or other partnership purposes. Even if we ourselves are not required to post additional cash margin or collateral for our derivative contracts, the banks and other derivatives dealers who are our contractual counterparties will be required to comply with other new requirements under the Dodd- Frank Act and related rules. The costs of such compliance may be passed on to customers such as ourselves, thus decreasing the benefits to us of hedging transactions or reducing our profitability. In addition, implementation of the Dodd- Frank Act and related rules and regulations could reduce the overall liquidity and depth of the markets for financial and other derivatives we utilize in connection with our business, which could expose us to additional risks or limit the opportunities we are able to capture by limiting the extent to which we are able to execute our hedging strategies. Finally, the Dodd- Frank Act was intended, in part, to reduce the volatility of oil and gas prices, which some legislators attributed to speculative trading in derivatives and commodity instruments related to oil and gas. Our financial results could be adversely affected if a consequence of the Dodd- Frank Act and implementing regulations is lower commodity prices. The full impact of the Dodd- Frank Act and related regulatory requirements upon our business will not be known until the regulations are implemented and the market for derivatives contracts has adjusted. The Dodd- Frank Act and any new regulations could significantly increase the cost of derivative contracts, materially alter the terms of derivative contracts, reduce the availability of derivatives to protect against risks we encounter, reduce our ability to monetize or restructure our existing derivative contracts. If we reduce our use of derivatives as a result of the Dodd- Frank Act and regulations implementing the Dodd- Frank Act, our results of operations may

become more volatile and our cash flows may be less predictable. Any of these consequences could have a material adverse effect on us, our financial condition and our results of operations. Legislation, executive orders and regulatory initiatives relating to **climate change** ~~hydraulic fracturing or other hydrocarbon development activities~~ could **have** ~~reduce domestic production of crude oil and natural gas. Hydraulic fracturing is an important and common practice that is used to stimulate production of hydrocarbons from unconventional geological formations. The process involves the injection of water, sand and chemicals under pressure into the formation to fracture the surrounding rock and stimulate production, and it is typically regulated by state and provincial oil and gas commissions. Hydraulic fracturing continues to be~~ a **material adverse effect** ~~controversial practice, resulting in increased scrutiny and regulation of the hydraulic fracturing process, including by federal and state agencies and local municipalities. We do not perform hydraulic fracturing, but much of the production that flows~~ on our **business** ~~assets was produced with the benefit of hydraulic fracturing. There have been a variety of legislative and regulatory proposals to prohibit~~ , restrict, or more closely regulate various......, and could thereby result in reduced demand for our ~~transportation, terminalling and storage~~ services **, financial condition, results of** ~~as well as our merchant activities. Our and our customers'~~ operations ~~are subject to various risks arising out of the threat of climate change, energy conservation measures, or initiatives that stimulate demand for alternative forms of energy that could result in increased costs, limits on the areas in which oil~~ and **cash flows** ~~natural gas production may occur and reduced demand for our services. Our and our customers' operations are subject to a number of risks arising out of the threat of climate change, energy conservation measures, or initiatives that stimulate demand for alternative forms of energy that could result in increased operating costs, limits on the areas in which oil and natural gas production may occur, and reduced demand for the crude oil and natural gas. Risks arising out of the threat of climate change, fuel conservation measures, governmental requirements for renewable energy resources, increasing consumer demand for alternative forms of energy, and technological advances in fuel economy and energy generation devices may create new competitive conditions that result in reduced demand for the crude oil and natural gas our customers produce and, in turn, the services we provide~~ . The adoption and implementation of any international, federal, regional or state legislation, executive actions, regulations or other regulatory and policy initiatives that impose more stringent standards for GHG emissions ~~from~~ **, restrict the areas in which** the oil and ~~natural~~ gas ~~industry, restrict the areas in which this~~ industry may produce crude oil and natural gas or generate GHG emissions, increase scrutiny of environmental permitting or delay such permitting reviews, or require enhanced disclosure of such GHG emission and other climate- related information, could result in ~~increased compliance costs, which if passed on to the customer could also result in increased fossil fuel consumption costs, and thereby reduce~~ **reduced** demand for crude oil and natural gas, and thus our services ~~. The potential impact of changing demand for crude oil and natural gas services and products may have a material adverse effect on our business, financial condition, results of operations and cash flows. Additionally, political, financial and litigation risks may result in us restricting, delaying or canceling development activities and new projects, incurring liability for infrastructure damages as a result of climatic changes, or impairing the ability to continue to operate in an economic manner. Litigation risks are also increasing as a number of cities, local governments and other plaintiffs have filed lawsuits against various oil and natural gas companies in state or federal court, alleging, among other things, that such companies created public nuisances by producing fuels that contributed to climate change and its effects, such as rising sea levels, and therefore are responsible for roadway and infrastructure damages as a result, or alleging that the companies have been aware of the adverse effects of climate change for some time but defrauded their investors by failing to adequately disclose those impacts. Should Plains be targeted by any such litigation, we may incur liability, which, to the extent that societal pressures or political or other factors are involved, could be imposed without regard to causation or contribution to the asserted damage, or to other mitigating factors. Involvement in such a case could have adverse reputational impacts and an unfavorable ruling in any such case could adversely impact our operations and financial condition. Climate changes that have significant physical effects, such as increased frequency and severity of storms, droughts, floods and other climatic events~~ , as well as **increase** ~~shifts in temperature and precipitation patterns have the potential to cause physical damage to our assets or~~ **our compliance costs** ~~disrupt our supply chains and thus could have an adverse effect on our operations. Additionally, changing meteorological conditions, particularly temperature, may result in changes to the amount, timing, or location of demand for energy or our customer' s production, which could reduce the need for our services. While our consideration of changing climatic conditions and inclusion of safety factors in our design is intended to reduce the uncertainties that climate change and other events may potentially introduce, our ability to mitigate the adverse impacts of these events depends in part on the effectiveness of our facilities, particularly those located in coastal or flood prone areas, and our disaster preparedness and response and business continuity planning, which may not have considered or be prepared for every eventuality~~ . Although it is not possible at this time to predict how legislation or new regulations that may be adopted to address GHG emissions and climate change ~~would~~ **could** impact our business, any such future laws and regulations could ~~result in increased compliance costs or additional operating restrictions, and could~~ have a material adverse effect on our business, demand for our services, financial condition, results of operations and cash flows ~~prohibit,~~ restrict,or more closely regulate various forms of hydraulic fracturing;for example,the Governor of California issued an order **in April 2021** directing the Department of Conservation' s Geologic Energy Management Division to initiate regulatory action to end the issuance of new permits for hydraulic fracturing by ~~early~~ **January** 2024.Moreover,the Biden Administration has pursued policy initiatives that have resulted in temporary suspensions of new oil and gas leasing,more stringent emissions and operating regulations,and increased royalty rates for oil and gas operations on federal lands and waters.These actions,as well as any other legislation,executive orders or regulatory initiatives that curtail hydraulic fracturing or otherwise limit producers' ability to drill or complete wells could reduce the production of crude oil and natural gas in the United States or Canada,and could thereby result in reduced ~~demand~~ . Laws and regulations pertaining to the protection of threatened and endangered species or to critical habitat, wetlands and natural resources could delay, restrict or prohibit our and our customers' operations and cause us or our customers to incur substantial costs that may have a material adverse effect on our results of operations. In the United States, the

Endangered Species Act (" ESA ") and comparable state laws were established to protect endangered and threatened species. Under the ESA, if a species is listed as threatened or endangered, restrictions may be imposed on activities that have the potential to adversely affect that species' habitat. Similar protections are given to migratory birds under the Migratory Bird Treaty Act, Canada' s Species at Risk Act, and analogous provincial laws and regulations. Some of our operations are conducted in areas where protected species or their habitats are known to exist, and from time to time our development plans have been impacted in these areas. We may be obligated to develop and implement plans to avoid potential adverse effects to protected species and their habitats, and we may be delayed, restricted or prohibited from conducting operations in certain locations or during certain seasons, such as breeding and nesting seasons, when our operations could have an adverse effect on the species. Additionally, the designation of previously unprotected species or the re- designation of under- protected species as threatened or endangered in areas where we or our customers conduct operations could cause us to incur increased costs arising from species protection measures or could result in delays, restrictions or prohibitions on our customers' development and production activities that could have a material adverse effect on our results of operations. Risks Inherent in an Investment in Us Cost reimbursements due to our general partner may be substantial and will reduce our cash available for distribution to unitholders. Prior to making any distribution on our common units, we will reimburse our general partner and its affiliates, including officers and directors of the general partner, for all expenses incurred on our behalf. In addition, we are required to pay all direct and indirect expenses of the Plains Entities, other than income taxes of any of the PAGP Entities. The reimbursement of expenses and the payment of fees and expenses could adversely affect our ability to make distributions. The general partner has sole discretion to determine the amount of these expenses. In addition, our general partner and its affiliates may provide us with services for which we will be charged reasonable fees as determined by the general partner. Cash distributions are not guaranteed and may fluctuate with our performance and the establishment of financial reserves. Because distributions on our common units are dependent on the amount of cash we generate, distributions may fluctuate based on our performance. The actual amount of cash that is available to be distributed each quarter will depend on numerous factors, some of which are beyond our control and the control of the general partner. Cash distributions are dependent primarily on cash flow, levels of financial reserves and working capital borrowings, and not solely on profitability, which is affected by non- cash items. Our levels of financial reserves are established by our general partner and include reserves for the proper conduct of our business (including future capital expenditures and anticipated credit needs), compliance with legal or contractual obligations and funding of future distributions to our Series A and Series B preferred unitholders. Therefore, cash distributions might be made during periods when we record losses and might not be made during periods when we record profits. Our preferred units have rights, preferences and privileges that are not the same as, and are preferential to, the rights of holders of our common units. Our Series A preferred units and Series B preferred units (together, our " preferred units ") rank senior to all of our other classes or series of equity securities with respect to distribution rights and rights upon liquidation. These preferences could adversely affect the market price for our common units, or could make it more difficult for us to sell our common units in the future. In addition, distributions on the preferred units accrue and are cumulative, at a fixed rate with respect to our Series A preferred units and at a floating rate with respect to our Series B preferred units. Our Series A preferred units are convertible into common units by the holders of such units or by us in certain circumstances. Our Series B preferred units are not convertible into common units, but are redeemable by us in certain circumstances. Our obligation to pay distributions on our preferred units, or on the common units issued following the conversion of our Series A preferred units, could impact our liquidity and reduce the amount of cash flow available for working capital, capital expenditures, growth opportunities, acquisitions, and other general partnership purposes. Our obligations to the holders of preferred units could also limit our ability to obtain additional financing or increase our borrowing costs, which could have an adverse effect on our financial condition. Unitholders may not be able to remove our general partner even if they wish to do so. Our general partner manages and operates the Partnership. If unitholders are dissatisfied with the performance of our general partner, they currently have little practical ability to remove our general partner. Our general partner may not be removed except upon the vote of the holders of at least 662 / 3 % of our outstanding units (including units held by our general partner or its affiliates). Because AAP owns approximately ~~31~~ **30** % of our outstanding Common Unit Equivalents and the owners of our general partner, along with directors and executive officers and their affiliates, own a significant percentage of our outstanding common units, the removal of our general partner would be difficult without the consent of both our general partner and its affiliates. In addition, the following provisions of our partnership agreement may discourage a person or group from attempting to remove our general partner or otherwise change our management: • generally, if a person acquires 20 % or more of any class of units then outstanding other than from our general partner or its affiliates, the units owned by such person cannot be voted on any matter, except that such shares constituting up to 19. 9 % of the total shares outstanding may be voted in the election of PAGP GP directors; • the PAGP GP Board is composed of three classes of directors, which limits our unitholders' ability to make significant changes to the board in any given year; and • limitations upon the ability of unitholders to call meetings or to acquire information about our operations, as well as other limitations upon the unitholders' ability to influence the manner or direction of management. As a result of these provisions, the price at which our common units will trade may be lower because of the absence or reduction of a takeover premium in the trading price. We may issue additional common units without unitholder approval, which would dilute a unitholder' s existing ownership interests. Our general partner may cause us to issue an unlimited number of common units without unitholder approval (subject to applicable Nasdaq rules). We may also issue at any time an unlimited number of equity securities ranking junior or senior to the common units without unitholder approval (subject to applicable Nasdaq rules). The issuance of additional common units or other equity securities of equal or senior rank may have the following effects: • an existing unitholder' s proportionate ownership interest in the Partnership will decrease; • the amount of cash available for distribution on each unit may decrease; • the ratio of taxable income to distributions may increase; • the relative voting strength of each previously outstanding unit may be diminished; and • the market price of the common units may decline. In addition, our Series A preferred units are convertible into common units

at any time by the holders of such units, or under certain circumstances, at our option. If a substantial portion of the Series A preferred units were converted into common units, common unitholders could experience significant dilution. In addition, if holders of such converted Series A preferred units were to dispose of a substantial portion of these common units in the public market, whether in a single transaction or series of transactions, it could adversely affect the market price for our common units. In addition, these sales, or the possibility that these sales may occur, could make it more difficult for us to sell our common units in the future. Our general partner has a limited call right that may require unitholders to sell their units at an undesirable time or price. If at any time our general partner and its affiliates own 80 % or more of the common units, the general partner will have the right, but not the obligation, which it may assign to any of its affiliates, to acquire all, but not less than all, of the remaining common units held by unaffiliated persons at a price generally equal to the then current market price of the common units. As a result, unitholders may be required to sell their common units at a time when they may not desire to sell them and / or at a price that is less than the price they would like to receive. They may also incur a tax liability upon a sale of their common units. Unitholders may not have limited liability if a court finds that unitholder actions constitute control of our business and unitholders may have liability to repay distributions under certain circumstances. Under Delaware law, a unitholder could be held liable for our obligations to the same extent as a general partner if a court determined that the right of unitholders to remove our general partner or to take other action under our partnership agreement constituted participation in the “ control ” of our business. Our general partner generally has unlimited liability for our obligations, such as our debts and environmental liabilities, except for those contractual obligations that are expressly made without recourse to our general partner. Our partnership agreement allows the general partner to incur obligations on our behalf that are expressly non- recourse to the general partner. The general partner has entered into such limited recourse obligations in most instances involving payment liability and intends to do so in the future. Furthermore, under Section 17- 607 of the Delaware Revised Uniform Limited Partnership Act we may not make a distribution to our unitholders if the distribution would cause our liabilities to exceed the fair value of our assets. Liabilities to partners on account of their partnership interests and liabilities that are non- recourse to the partnership are not counted for purposes of determining whether a distribution is permitted. Delaware law provides that for a period of three years from the date of an impermissible distribution, limited partners who received the distribution and who knew at the time of the distribution that it violated Delaware law will be liable to the limited partnership for the distribution amount. Conflicts of interest could arise among our general partner and us or the unitholders. These conflicts may include the following: • under our partnership agreement, we reimburse the general partner for the costs of managing and for operating the partnership; • the amount of cash expenditures, borrowings and reserves in any quarter may affect available cash to pay quarterly distributions to unitholders; • the general partner tries to avoid being liable for partnership obligations. The general partner is permitted to protect its assets in this manner by our partnership agreement. Under our partnership agreement the general partner would not breach its fiduciary duty by avoiding liability for partnership obligations even if we can obtain more favorable terms without limiting the general partner’ s liability; under our partnership agreement, the general partner may pay its affiliates for any services rendered on terms fair and reasonable to us. The general partner may also enter into additional contracts with any of its affiliates on behalf of us. Agreements or contracts between us and our general partner (and its affiliates) are not necessarily the result of arms length negotiations; and • the general partner would not breach our partnership agreement by exercising its call rights to purchase limited partnership interests or by assigning its call rights to one of its affiliates or to us. The control of our general partner may be transferred to a third party without unitholder consent. A change of control may result in defaults under certain of our debt instruments and the triggering of payment obligations under compensation arrangements. Our general partner may transfer its general partner interest to a third party in a merger or in a sale of all or substantially all of its assets without the consent of our unitholders. Furthermore, there is no restriction in our partnership agreement on the ability of the ultimate owners of our general partner to directly or indirectly transfer their ownership interest in our general partner to a third party. Any new owner of our general partner would, subject to obtaining any approvals or consents required under the applicable governing documents for the PAGP entities, be able to replace the board of directors and officers with its own choices and to control their decisions and actions. In addition, a change of control would constitute an event of default under our revolving credit agreements. During the continuance of an event of default under our revolving credit agreements, the administrative agent may terminate any outstanding commitments of the lenders to extend credit to us under our revolving credit facility and / or declare all amounts payable by us under our revolving credit facility immediately due and payable. A change of control also may trigger payment obligations under various compensation arrangements with our officers. Risks Related to an Investment in Our Debt Securities The right to receive payments on our outstanding debt securities is unsecured and will be effectively subordinated to our existing and future secured indebtedness and will be structurally subordinated as to any existing and future indebtedness and other obligations of our subsidiaries, other than subsidiaries that may guarantee our debt securities in the future. Our debt securities are effectively subordinated to claims of our secured creditors and to any existing and future indebtedness and other obligations of our subsidiaries, including trade payables, other than subsidiaries that may guarantee our debt securities in the future. In the event of the insolvency, bankruptcy, liquidation, reorganization, dissolution or winding up of the business of a subsidiary, other than a subsidiary that may guarantee our debt securities in the future, creditors of that subsidiary would generally have the right to be paid in full before any distribution is made to us or the holders of our debt securities. Our leverage may limit our ability to borrow additional funds, comply with the terms of our indebtedness or capitalize on business opportunities. Our leverage is significant in relation to our partners’ capital. At December 31, ~~2022~~ **2023** , the face value of our total outstanding long- term debt was approximately $ 7. 3 billion, and the face value of our total outstanding short- term debt was approximately $ **446** ~~1. 2 billion~~ **million** . We will be prohibited from making cash distributions during an event of default under any of our indebtedness. Various limitations in our credit facilities and other debt instruments may reduce our ability to incur additional debt, to engage in some transactions and to capitalize on business opportunities. Any subsequent refinancing of our current indebtedness or any new indebtedness could have similar or greater restrictions. Our leverage could have important

consequences to investors in our debt securities. We will require substantial cash flow to meet our principal and interest obligations with respect to our debt securities and our other consolidated indebtedness. Our ability to make scheduled payments, to refinance our obligations with respect to our indebtedness or our ability to obtain additional financing in the future will depend on our financial and operating performance, which, in turn, is subject to prevailing economic conditions and to financial, business and other factors. We believe that we will have sufficient cash flow from operations and available borrowings under our bank credit facilities to service our indebtedness, although the principal amount of our debt securities will likely need to be refinanced at maturity in whole or in part. A significant downturn in the hydrocarbon industry or other development adversely affecting our cash flow could materially impair our ability to service our indebtedness. If our cash flow and capital resources are insufficient to fund our debt service obligations, we may be forced to refinance all or a portion of our debt or sell assets. We can give no assurance that we would be able to refinance our existing indebtedness or sell assets on terms that are commercially reasonable. Our leverage may adversely affect our ability to fund future working capital, capital expenditures and other general partnership requirements, future acquisition, construction or development activities, or to otherwise fully realize the value of our assets and opportunities because of the need to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness or to comply with any restrictive terms of our indebtedness. Our leverage may also make our results of operations more susceptible to adverse economic and industry conditions by limiting our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate and may place us at a competitive disadvantage as compared to our competitors that have less debt. The ability to transfer our debt securities may be limited by the absence of an organized trading market. Our debt securities are not listed for trading on any securities exchange or stock market and we do not currently intend to apply for any such listing. The liquidity of any market for our debt securities will depend on the number of holders of those debt securities, the interest of securities dealers in making a market in those debt securities and other factors. Accordingly, we can give no assurance as to the development, continuation or liquidity of any market for the debt securities. We have a holding company structure in which our subsidiaries conduct our operations and own our operating assets, which may restrict our ability to receive funds from such subsidiaries and make payments on our debt securities. We are a holding company, and our subsidiaries conduct all of our operations and own all of our operating assets. We have no significant assets other than the ownership interests in our subsidiaries. As a result, our ability to make required payments on our debt securities depends on the performance of our subsidiaries and their ability to distribute funds to us. The ability of our subsidiaries to make distributions to us may be restricted by, among other things, credit facilities and applicable state partnership laws and other laws and regulations. Pursuant to our credit facilities, we may be required to establish cash reserves for the future payment of principal and interest on the amounts outstanding under our credit facilities. If we are unable to obtain the funds necessary to pay the principal amount at maturity of our debt securities, or to repurchase our debt securities upon the occurrence of a change of control, we may be required to adopt one or more alternatives, such as a refinancing of our debt securities. We can give no assurance that we would be able to refinance our debt securities. We do not have the same flexibility as other types of organizations to accumulate cash, which may limit cash available to service our debt securities or to repay them at maturity. Unlike a corporation, our partnership agreement requires us to distribute, on a quarterly basis, 100 % of our available cash to our unitholders of record. Available cash is generally defined as all of our cash and cash equivalents on hand at the end of each quarter less reserves established in the discretion of our general partner for future requirements. Our available cash also includes cash on hand resulting from borrowings made after the end of the quarter. Our general partner will determine the amount and timing of such distributions and has broad discretion to establish and make additions to our reserves or the reserves of our operating partnerships in amounts the general partner determines in its reasonable discretion to be necessary or appropriate: • to provide for the proper conduct of our business and the businesses of our operating partnerships (including reserves for future capital expenditures and for our anticipated future credit needs); • to comply with applicable law or any loan agreement, security agreement, mortgage, debt instrument or other agreement or obligation; • to provide funds to make payments on the preferred units; or • to provide funds for distributions to our common unitholders for any one or more of the next four calendar quarters. Although our payment obligations to our unitholders are subordinate to our payment obligations to debtholders, the value of our units may decrease in direct correlation with decreases in the amount we distribute per unit. Accordingly, if we experience a liquidity problem in the future, we may not be able to issue equity to recapitalize. Tax Risks to Unitholders Our tax treatment depends on our status as a partnership for U. S. federal income tax purposes and not being subject to a material amount of entity-level taxation. If the IRS were to treat us as a corporation for U. S. federal income tax purposes, or we become subject to entity-level taxation for state or foreign tax purposes, our cash available for distributions to our unitholders would be substantially reduced. The anticipated after- tax economic benefit of an investment in our units depends largely on our being treated as a partnership for U. S. federal income tax purposes. A publicly traded partnership such as us may be treated as a corporation for U. S. federal income tax purposes unless it satisfies a " qualifying income " requirement, as defined in Section 7704 of the Internal Revenue Code of 1986, as amended. Based upon our current operations and current Treasury Regulations, we believe we satisfy the qualifying income requirement. However, no ruling has been or will be requested regarding our treatment as a partnership for U. S. federal income tax purposes. Failing to meet the qualifying income requirement or a change in current law could cause us to be treated as a corporation for U. S. federal income tax purposes or otherwise subject us to taxation as an entity. If we were treated as a corporation for U. S. federal income tax purposes, we would pay U. S. federal income tax on our taxable income at the corporate tax rate, and would likely pay state income taxes at varying rates. Distributions to our unitholders would generally be taxed again as corporate distributions, and no income, gains, losses or deductions would flow through to our unitholders. Because a tax would be imposed upon us as a corporation, the cash available for distributions to our unitholders would be substantially reduced. Therefore, treatment of us as a corporation would result in a material reduction in cash flow and after- tax return to our unitholders, likely causing a substantial reduction in the value of our units. In addition, several states have been evaluating ways to subject partnerships to entity- level taxation through the imposition of state income,

franchise and other forms of taxation. For example, we are subject to entity- level tax on the portion of our income apportioned to Texas. Imposition of any similar taxes or additional federal or foreign taxes on us will reduce the cash available for distribution to our unitholders. The tax treatment of publicly traded partnerships or an investment in our units could be subject to potential legislative, judicial or administrative changes or differing interpretations, possibly applied on a retroactive basis. The present U. S. federal income tax treatment of publicly traded partnerships, including us, or an investment in our units may be modified by administrative, legislative or judicial changes or differing interpretations at any time. Members of Congress have proposed and considered substantive changes to the existing U. S. federal income tax laws that would affect publicly traded partnerships, including proposals that would eliminate our ability to qualify for partnership tax treatment. **Further, while unitholders of publicly traded partnerships are, subject to certain limitations, entitled to a deduction equal to 20 % of their allocable share of a publicly traded partnership' s " qualified business income, " this deduction is scheduled to expire with respect to taxable years beginning after December 31, 2025.** In addition, the Treasury Department has issued, and in the future may issue, regulations interpreting those laws that affect publicly traded partnerships. There can be no assurance that there will not be further changes to U. S. federal income tax laws or the Treasury Department' s interpretation of the qualifying income rules in a manner that could impact our ability to qualify as a partnership in the future. Any modification to the U. S. federal income tax laws and interpretations thereof may or may not be retroactively applied and could make it more difficult or impossible for us to meet the exception for certain publicly traded partnerships to be treated as partnerships for U. S. federal income tax purposes. We are unable to predict whether any changes or other proposals will ultimately be enacted. Any future legislative changes could negatively impact the value of an investment in our units. You are urged to consult with your own tax advisor with respect to the status of regulatory or administrative developments and proposals and their potential effect on your investment in our units. Non- U. S. unitholders will be subject to U. S. taxes and withholding with respect to their income and gain from owning our units. Non- U. S. unitholders are generally taxed and subject to income tax filing requirements by the United States on income effectively connected with a U. S. trade or business (" effectively connected income "). Income allocated to our unitholders and any gain from the sale of our units will generally be considered to be " effectively connected " with a U. S. trade or business. As a result, distributions to a Non- U. S. unitholder will be subject to withholding at the highest applicable effective tax rate and a Non- U. S. unitholder who sells or otherwise disposes of a unit will also be subject to U. S. federal income tax on the gain realized from the sale or disposition of that unit to the extent the gain is effectively connected with a U. S. trade or business of the Non- U. S. unitholder. In addition to the withholding tax imposed on distributions of effectively connected income, distributions to a non- U. S. unitholder will also be subject to a 10 % withholding tax on the amount of any distribution in excess of our cumulative net income. As we do not compute our cumulative net income for such purposes due to the complexity of the calculation and lack of clarity in how it would apply to us, we intend to treat all of our distributions as being in excess of our cumulative net income for such purposes and subject to such 10 % withholding tax. Accordingly, distributions to a non- U. S. unitholder will be subject to a combined withholding tax rate equal to the sum of the highest applicable effective tax rate and 10 %. Moreover, the transferee of an interest in a partnership that is engaged in a U. S. trade or business is generally required to withhold 10 % of the amount realized by the transferor unless the transferor certifies that it is not a foreign person. While the determination of a partner' s " amount realized " generally includes any decrease of a partner' s share of the partnership' s liabilities, the Treasury regulations provide that the " amount realized " on a transfer of an interest in a publicly traded partnership will generally be the amount of gross proceeds paid to the broker effecting the applicable transfer on behalf of the transferor, and thus will be determined without regard to any decrease in that partner' s share of a publicly traded partnership' s liabilities. For a transfer of interest in a publicly traded partnership that is effected through a broker on or after January 1, 2023, the obligation to withhold is imposed on the transferor' s broker. Prospective foreign unitholders should consult their tax advisors regarding the impact of these rules on an investment in our units. Tax Risks to Common Unitholders If the IRS makes audit adjustments to our income tax returns for tax years beginning after December 31, 2017, it (and some states) may assess and collect any taxes (including any applicable penalties and interest) resulting from such audit adjustments directly from us, in which case our cash available for distribution to our unitholders might be substantially reduced. Pursuant to the Bipartisan Budget Act of 2015, for tax years beginning after December 31, 2017, if the IRS makes audit adjustments to our income tax returns, it (and some states) may assess and collect any taxes (including any applicable penalties and interest) resulting from such audit adjustments directly from us. To the extent possible under these rules, our general partner may elect to either pay the taxes (including any applicable penalties and interest) directly to the IRS or, if we are eligible, issue a revised information statement to each unitholder and former unitholder with respect to an audited and adjusted return. Although our general partner may elect to have our unitholders and former unitholders take such audit adjustment into account and pay any resulting taxes (including applicable penalties or interest) in accordance with their interests in us during the tax year under audit, there can be no assurance that such election will be practical, permissible or effective in all circumstances. As a result, our current unitholders may bear some or all of the tax liability resulting from such audit adjustment, even if such unitholders did not own units in us during the tax year under audit. If, as a result of any such audit adjustment, we are required to make payments of taxes, penalties and interest, our cash available for distribution to our unitholders might be substantially reduced. These rules are not applicable for tax years beginning on or prior to December 31, 2017. If the IRS or CRA contests the federal income tax positions or inter- country allocations we take, the market for our common units may be adversely impacted and the cost of any IRS or CRA contest or incremental taxes paid will reduce our cash available for distribution or debt service. The IRS has made no determination as to our status as a partnership for U. S. federal income tax purposes or as to any other matter affecting us. The IRS or CRA may adopt positions that differ from the positions we take or challenge the inter- country allocations we make. It may be necessary to resort to administrative or court proceedings to sustain some or all of the positions we take. A court may not agree with some or all of the positions we take. Any contest with the IRS or CRA may materially and adversely impact the market for our common units and the price at which they trade. In addition, our costs of any

contest with the IRS or CRA and any incremental taxes required to be paid will be borne indirectly by our unitholders and our general partner because the costs will reduce our cash available for distribution or debt service. See Note ~~15~~ **14** for additional information regarding CRA challenge of intercompany transactions. Our unitholders may be required to pay taxes on their share of our income even if they do not receive any cash distributions from us. Because our unitholders will be treated as partners to whom we will allocate taxable income that could be different in amount than the cash we distribute, they will be required to pay any U. S. federal income taxes and, in some cases, state and local income taxes on their share of our taxable income even if they receive no cash distributions from us. Unitholders may not receive cash distributions from us equal to their share of our taxable income or even equal to the actual tax liability that results from that income. Taxable gain or loss on the disposition of our common units could be more or less than expected. If a unitholder sells common units, the unitholder will recognize gain or loss equal to the difference between the amount realized and that unitholder' s tax basis in those common units. Because distributions in excess of a unitholder' s allocable share of our net taxable income decrease such unitholder' s tax basis in its common units, the amount, if any, of such prior excess distributions with respect to the units a unitholder sells will, in effect, become taxable income to a unitholder if it sells such units at a price greater than its tax basis in those units, even if the price such unitholder receives is less than its original cost. In addition, because the amount realized includes a unitholder' s share of our nonrecourse liabilities, if a unitholder sells its units, a unitholder may incur a tax liability in excess of the amount of cash received from the sale. A substantial portion of the amount realized from a unitholder' s sale of our units, whether or not representing gain, may be taxed as ordinary income to such unitholder due to potential recapture items, including depreciation recapture. Thus, a unitholder may recognize both ordinary income and capital loss from the sale of units if the amount realized on a sale of such units is less than such unitholder' s adjusted basis in the units. Net capital loss may only offset capital gains and, in the case of individuals, up to $ 3, 000 of ordinary income per year. In the taxable period in which a unitholder sells its units, such unitholder may recognize ordinary income from our allocations of income and gain to such unitholder prior to the sale and from recapture items that generally cannot be offset by any capital loss recognized upon the sale of units. Unitholders may be subject to limitation on their ability to deduct interest expense incurred by us. In general, we are entitled to a deduction for interest paid or accrued on indebtedness properly allocable to our trade or business during our taxable year. However, for taxable years beginning after December 31, 2017, our deduction for " business interest " is limited to the sum of our business interest income and 30 % of our " adjusted taxable income. " For the purposes of this limitation, our adjusted taxable income is computed without regard to any business interest expense or business interest income. If our " business interest " is subject to limitation under these rules, our unitholders will be limited in their ability to deduct their share of any interest expense that has been allocated to them. As a result, unitholders may be subject to limitation on their ability to deduct interest expense incurred by us. Tax- exempt entities face unique tax issues from owning our common units that may result in adverse tax consequences to them. Investment in our common units by tax- exempt entities, such as employee benefit plans and individual retirement accounts (known as IRAs) raises issues unique to them. For example, virtually all of our income allocated to organizations that are exempt from U. S. federal income tax, including IRAs and other retirement plans, will be unrelated business taxable income and will be taxable to them. Tax- exempt entities should consult a tax advisor before investing in our common units. We treat each purchaser of our common units as having the same tax benefits without regard to the common units actually purchased. The IRS may challenge this treatment, which could adversely affect the value of our common units. Because we cannot match transferors and transferees of common units, we have adopted certain methods for allocating depreciation and amortization deductions that may not conform to all aspects of existing Treasury Regulations. A successful IRS challenge to the use of these methods could adversely affect the amount of tax benefits available to our unitholders. It also could affect the timing of these tax benefits or the amount of gain from the sale of common units and could have a negative impact on the value of our common units or result in audit adjustments to our unitholders' tax returns. Our unitholders will likely be subject to state, local and non- U. S. taxes and return filing requirements in states and jurisdictions where they do not live as a result of investing in our units. In addition to U. S. federal income taxes, our unitholders will likely be subject to other taxes, including foreign, state and local taxes, unincorporated business taxes and estate, inheritance or intangible taxes that are imposed by the various jurisdictions in which we conduct business or own property now or in the future, even if our unitholders do not live in any of those jurisdictions. Our unitholders will likely be required to file state and local income tax returns and pay state and local income taxes in some or all of these various jurisdictions. Further, our unitholders may be subject to penalties for failure to comply with those requirements. We currently own property and conduct business in multiple states that currently impose a personal income tax on individuals and an income tax on corporations and other entities. It is our unitholders' responsibility to file all U. S. federal, state, local and non- U. S. tax returns, as applicable. Unitholders should consult with their own tax advisors regarding the filing of such tax returns, the payment of such taxes, and the deductibility of any taxes paid. We have adopted certain valuation methodologies in determining a unitholder' s allocations of income, gain, loss and deduction. The IRS may challenge these methodologies or the resulting allocations, which could adversely affect the value of our common units. In determining the items of income, gain, loss and deduction allocable to our unitholders, we must routinely determine the fair market value of our respective assets. Although we may from time to time consult with professional appraisers regarding valuation matters, we make many fair market value estimates using a methodology based on the market value of our common units as a means to measure the fair market value of our respective assets. The IRS may challenge these valuation methods and the resulting allocations of income, gain, loss and deduction. A successful IRS challenge to these methods or allocations could adversely affect the amount, character, and timing of taxable income or loss being allocated to our unitholders. It also could affect the amount of gain from our unitholders' sale of common units and could have a negative impact on the value of the common units or result in audit adjustments to our unitholders' tax returns without the benefit of additional deductions. A unitholder whose common units are the subject of a securities loan (e. g., a loan to a " short seller " to cover a short sale of common units) may be considered to have disposed of those common units. If so, such unitholder would no longer be treated for tax purposes as a partner with respect to

those common units during the period of the loan and may recognize gain or loss from the disposition. Because there are no specific rules governing the U. S. federal income tax consequences of loaning a partnership interest, a unitholder whose common units are the subject of a securities loan may be considered to have disposed of the loaned units. In that case, the unitholder may no longer be treated for tax purposes as a partner with respect to those common units during the period of the loan to the short seller and the unitholder may recognize gain or loss from such disposition. Moreover, during the period of the loan, any of our income, gain, loss or deduction with respect to those common units may not be reportable by the unitholder and any cash distributions received by the unitholder as to those common units may be fully taxable as ordinary income. Unitholders desiring to assure their status as partners and avoid the risk of gain recognition from a securities loan are urged to consult a tax advisor to determine whether it is advisable to modify any applicable brokerage account agreements to prohibit their brokers from borrowing their common units. We generally prorate our items of income, gain, loss and deduction between transferors and transferees of our units each month based upon the ownership of our units on the first day of each month, instead of on the basis of the date a particular unit is transferred. The IRS may challenge this treatment, which could change the allocation of items of income, gain, loss and deduction among our unitholders. We generally prorate our items of income, gain, loss and deduction between transferors and transferees of our units each month based upon the ownership of our units on the first day of each month (the " Allocation Date "), instead of on the basis of the date a particular unit is transferred. Similarly, we generally allocate certain deductions for (i) depreciation and amortization of capital additions, (ii) gain or loss realized on a sale or other disposition of our assets, and (iii) in the discretion of the general partner, any other extraordinary item of income, gain, loss or deduction based upon ownership on the Allocation Date. Treasury Regulations allow a similar monthly simplifying convention, but such regulations do not specifically authorize all aspects of our proration method. If the IRS were to challenge our proration method, we may be required to change the allocation of items of income, gain, loss and deduction among our unitholders. Taxable income from our non- U. S. businesses is not eligible for the 20 % deduction for qualified publicly traded partnership income. For taxable years beginning after December 31, 2017 and ending on or before December 31, 2025, an individual unitholder is generally allowed a deduction equal to 20 % of our " qualified publicly traded partnership income " that is allocated to such unitholder. For purposes of the deduction, the term qualified publicly traded partnership income includes the net amount of such unitholder' s allocable share of our income that is effectively connected to our U. S. trade or business activities. Because our non- U. S. business operations earn income that is not effectively connected with a U. S. trade or business, unitholders may not apply the 20 % deduction for qualified publicly traded partnership income to that portion of our income. Tax Risks to Series B Preferred Unitholders Treatment of income attributable to distributions on our Series B Preferred Units as guaranteed payments for the use of capital creates a different tax treatment for the holders of our Series B Preferred Units than the holders of our common units and such income is not eligible for the 20 % deduction for qualified publicly traded partnership income. The tax treatment of distributions on our Series B Preferred Units is uncertain. We will treat the holders of Series B Preferred Units as partners for tax purposes and will treat distributions on the Series B Preferred Units as guaranteed payments for the use of capital that will generally be taxable to the holders of Series B Preferred Units as ordinary income. A holder of our Series B Preferred Units could recognize taxable income from the accrual of such income even in the absence of a contemporaneous cash distribution. We anticipate accruing and making quarterly guaranteed payment distributions on February 15th, May 15th, August 15th and November 15th of each year. Because the guaranteed payment for each unit must accrue as income to a holder during the taxable year of the accrual, the guaranteed payment attributable to the period beginning November 15th and ending December 31st will accrue to the holder of record of a Series B Preferred Unit on December 31st for such period. If you are a taxpayer reporting your income using the accrual method, or using a taxable year other than the calendar year, you should consult your tax advisor with respect to the consequences of our guaranteed payment distribution accrual and reporting convention. Otherwise, the holders of Series B Preferred Units are generally not anticipated to share in the partnership' s items of income, gain, loss or deduction, except to the extent necessary to (i) achieve parity with the Series A Preferred Units or (ii) provide, to the extent possible, the Series B Preferred Units with the benefit of the liquidation preference. The Partnership will not allocate any share of our nonrecourse liabilities to the holders of Series B Preferred Units. If the Series B Preferred Units were treated as indebtedness for tax purposes, rather than as guaranteed payments for the use of capital, distributions likely would be treated as payments of interest by us to the holders of Series B Preferred Units. Although we expect that a substantial portion of the income we earn will be eligible for the 20 % deduction for qualified publicly traded partnership income **for taxable years beginning before December 31, 2025** , Treasury Regulations provide that income attributable to a guaranteed payment for the use of capital is not eligible for the 20 % deduction for qualified business income. As a result, income attributable to a guaranteed payment for use of capital recognized by holders of our Series B Preferred Units is not eligible for the 20 % deduction for qualified business income. A holder of Series B Preferred Units will be required to recognize gain or loss on a sale of Series B Units equal to the difference between the amount realized by such holder and such holder' s tax basis in the Series B Preferred Units. The amount realized generally will equal the sum of the cash and the fair market value of other property such holder receives in exchange for such Series B Preferred Units. Subject to general rules requiring a blended basis among multiple partnership interests, the tax basis of a Series B Preferred Unit will generally be equal to the sum of the cash and the fair market value of other property paid by the holder to acquire such Series B Preferred Unit. Gain or loss recognized by a holder on the sale or exchange of a Series B Preferred Unit held for more than one year generally will be taxable as long- term capital gain or loss. Because holders of Series B Preferred Units will generally not be allocated a share of our items of depreciation, depletion or amortization, it is not anticipated that such holders would be required to recharacterize any portion of their gain as ordinary income as a result of the recapture rules. Investment in the Series B Preferred Units by tax- exempt investors, such as employee benefit plans and individual retirement accounts, and non- U. S. persons raises issues unique to them. The treatment of guaranteed payments for the use of capital to tax- exempt investors is not certain and such payments may be treated as unrelated business taxable income for U. S. federal income tax purposes. Although the issue is not

free from doubt, we will treat a substantial portion of our distributions to non- U. S. holders of the Series B Preferred Units as " effectively connected income " (which will subject holders to U. S. net income taxation and possibly the branch profits tax) that is subject to withholding taxes imposed at the highest effective tax rate applicable to such non- U. S. holders. If the amount of withholding exceeds the amount of U. S. federal income tax actually due, non- U. S. holders may be required to file U. S. federal income tax returns in order to seek a refund of such excess. All holders of our Series B Preferred Units are urged to consult a tax advisor with respect to the consequences of owning our Series B Preferred Units.