Message

From: Garcia, David [Garcia.David@epa.gov]
Sent: 2/28/2020 1:59:28 PM
To: Magee, Melanie [Magee.Melanie@epa.gov]
Subject: FW: Bluewater Texas Terminal Joint Venture Announcement

FYI

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From: Bertolatus, Kathleen W (LDZX) <Kathleen.W.Bertolatus@p66.com>
Sent: Friday, February 28, 2020 7:43 AM
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Subject: Bluewater Texas Terminal Joint Venture Announcement

Anne and David –

Following up on our conversation of last week, we wanted to share the news below for the BWTX Deepwater Port crude export project. We are excited for this development and wanted to make sure that your teams are aware.

We will be reaching out later today to schedule face-to-face meetings with Region 6 to discuss this news and the topics raised in our recent teleconference.

Thank you.

Best,
Kathleen Bertolatus

Phillips 66 and Trafigura Form Joint Venture to Develop Deepwater Port

02/28/2020

HOUSTON--(BUSINESS WIRE)-- Phillips 66 (NYSE: PSX) and Trafigura Group Pte. Ltd announce they have formed a 50/50 joint venture, Bluewater Texas Terminal LLC ("Bluewater Texas"), to develop an offshore deepwater port project located approximately 21 nautical miles east of the entrance to the Port of Corpus Christi.

The proposed project, to be constructed by Phillips 66, will consist of up to two single point mooring buoys capable of fully loading Very Large Crude Carriers (VLCCs) to export crude oil. The project is currently in the permitting stage. The joint venture owners expect to make a final investment decision later this year, pending permit approval and customer volume commitments that support the project meeting the owners' economic return thresholds.

Trafigura has withdrawn its application to develop the Texas Gulf Terminals deepwater port facility that was submitted to the United States Maritime Administration (MARAD) in July 2018.

The Bluewater Texas joint venture combines the unique market position that Trafigura has built in the United States as a leading exporter and marketer of crude oil with Phillips 66's commercial expertise, existing infrastructure network on the U.S. Gulf Coast, and proven operating experience, including the safe operation of a single point mooring buoy in the United Kingdom since 1971.

The Bluewater Texas joint venture is working with the Port of Corpus Christi Authority to provide a safe and environmentally sustainable infrastructure for the export of crude oil to global markets while benefitting the regional economy.

For additional information regarding commercial services at Bluewater Texas Terminal, please contact bluewatertexasterminal@p66.com.

About Phillips 66

Phillips 66 is a diversified energy manufacturing and logistics company. With a portfolio of Midstream, Chemicals, Refining, and Marketing and Specialties businesses, the company processes, transports, stores and markets fuels and products globally. Phillips 66 Partners, the company's master limited partnership, is integral to the portfolio. Headquartered in Houston, the company has 14,500 employees committed to safety and operating excellence. Phillips 66 had $59 billion of assets as of Dec. 31, 2019. For more information, visit http://www.phillips66.com or follow us on Twitter @Phillips66Co.

About Trafigura

Founded in 1993, Trafigura is one of the largest physical commodities trading groups in the world. Trafigura sources, stores, transports and delivers a range of raw materials (including oil and refined products and metals and minerals) to clients around the world. The trading business is supported by industrial and financial assets, including 49.3 percent owned global oil products storage and distribution company Puma Energy; global terminals, warehousing and logistics operator Impala Terminals; Trafigura's Mining Group; and Galena Asset Management. The Company is owned by over 700 of its 8,000 employees who work in 80 offices in 41 countries around the world. Trafigura has achieved substantial growth over recent years, growing revenue from USD12 billion in 2003 to USD 171.5 billion in 2019. The Group has been connecting its customers to the global economy for more than two decades, growing prosperity by advancing trade. Visit: https://www.trafigura.com.

CAUTIONARY STATEMENT FOR THE PURPOSES OF THE "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

This news release contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbors created thereby. Words and phrases such as "continues," "expects," "will," "pursue," "propose," and similar expressions are used to identify such forward-looking statements. However, the absence of these words does not mean that a statement is not forward-looking.

Forward-looking statements relating to Phillips 66's operations (including joint venture operations) are based on management's expectations, estimates and projections about the company, its interests and the energy industry in general on the date this news release was prepared. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements. Factors that could cause actual results or events to differ materially from those described in the forward-looking statements include fluctuations in crude oil and crude oil transportation or terminalling prices and refining margins; unexpected changes in costs for constructing, modifying or operating our facilities (including joint venture facilities); unexpected difficulties in, lack of, or disruptions in, adequate and reliable refining, transporting, or terminalling of crude oil; weather interference with project construction, including the impact of extreme weather events or conditions; potential liability from litigation or for remedial actions, including removal and reclamation obligations under environmental regulations; limited access to capital or significantly higher cost of capital related to illiquidity or uncertainty in the domestic or international financial markets; the impact of adverse market conditions, capacity overbuild, permitting delays, permitting denials, or other similar risks to those identified herein affecting Phillips 66, as well as the ability of Phillips 66 to successfully execute its growth plans; and other economic, business, competitive and/or regulatory factors affecting Phillips 66's businesses generally as set forth in our filings with the Securities and Exchange Commission. Phillips 66 is under no obligation (and expressly disclaims any such obligation) to update or alter its forward-looking statements, whether as a result of new information, future events or otherwise.

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