Pembina Pipeline Corporation

Presented by:

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Pembina Pipeline Corporation

"The Twilight of Canadian Midstream is Here"

Portfolio Manager: Lukas Fairley

Investment Analyst: Dylan Westlake

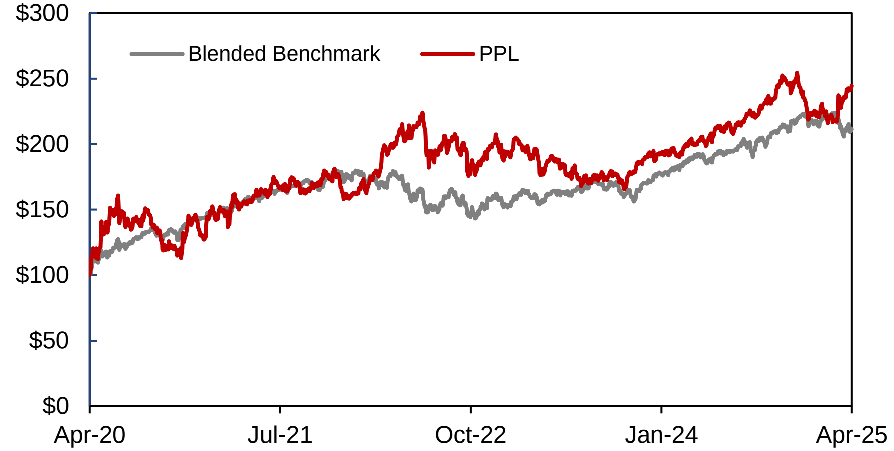
Company Overview

Pembina Overview

- Founded in 1954, Pembina Pipeline Corporation (TSX: PPL) or (the "Company") operates energy transportation and midstream assets across the WCSB
- PPL's operations are divided across three primary segments:

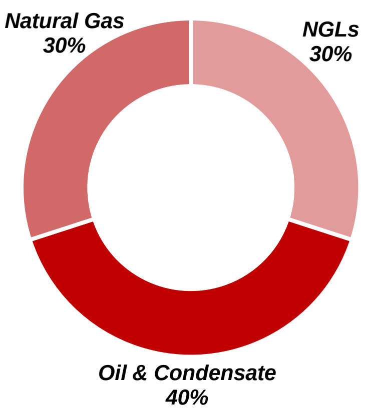
1. **Pipelines:** Transports crude, condensate, NGLs, and natural gas across Canada and the U.S.
2. **Facilities:** Provides natural gas, C5+, and NGL services through gas processing capacity, NGL fractionation, and cavern storage
3. **Marketing & New Ventures:** Focuses on expanding market opportunities by developing infrastructure, enhancing global access to hydrocarbons, and pursuing low-carbon initiatives, and LNG projects

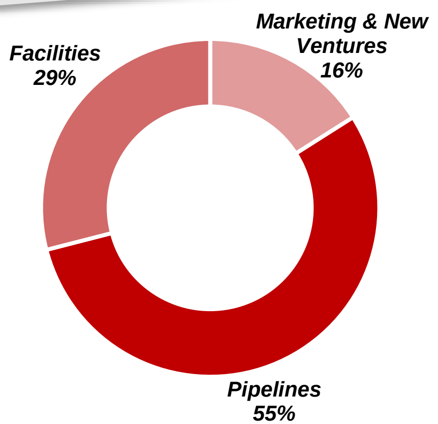
Trading Performance[1] (Indexed to $100)



FY2024 EBITDA Segmentation

FY2024 EBITDA: $4.4B



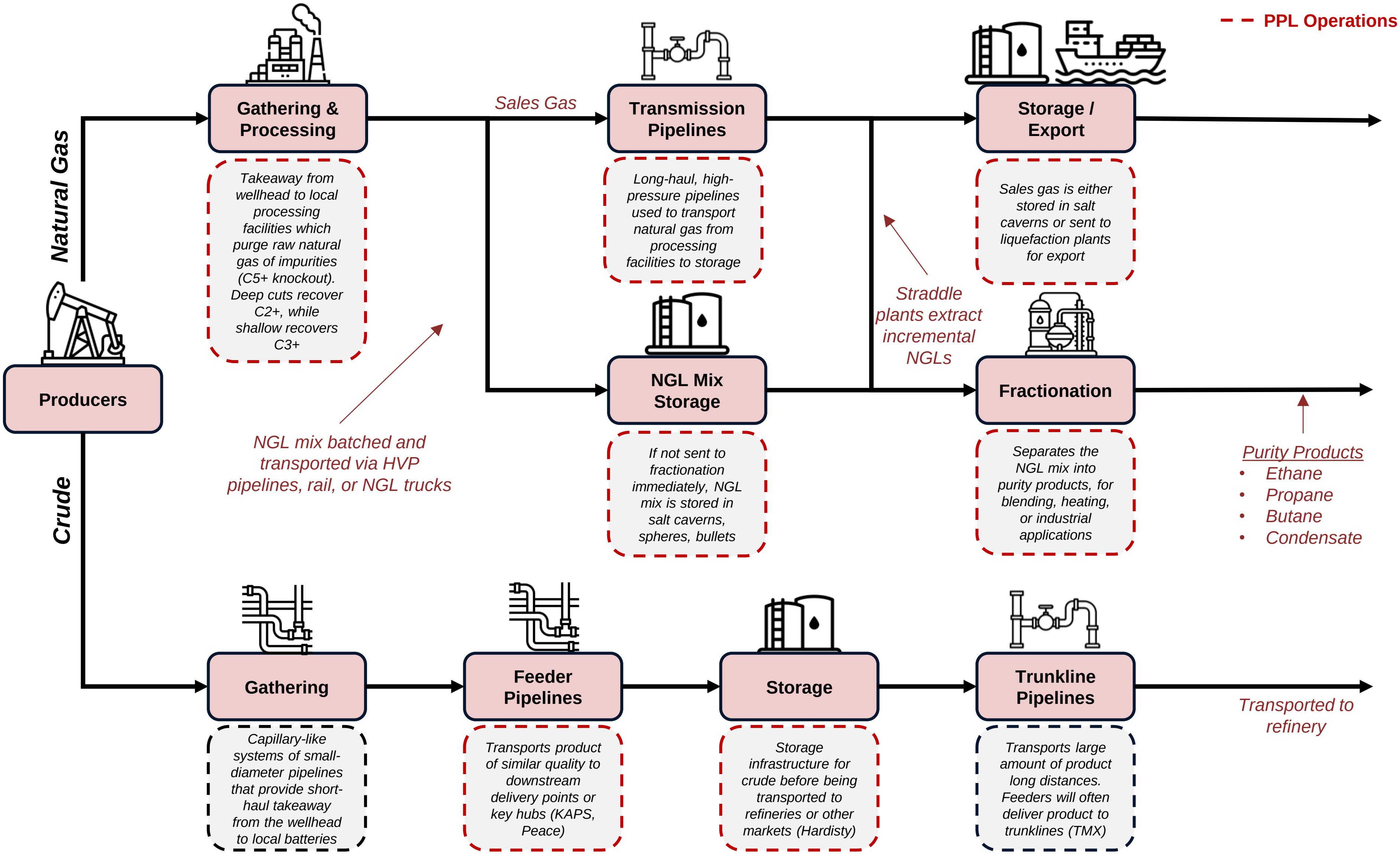


Key Stats

Market Capitalization	$30.7B
Enterprise Value	$49.0B
Dividend Yield	4.85%
EV/NTM EBITDA	11.1x
Beta	1.02

Source: Company Filings, S&P Capital IQ
(1) Market data as of April 4, 2024.

Midstream Value Chain



Source: Company Filings

Industry Overview

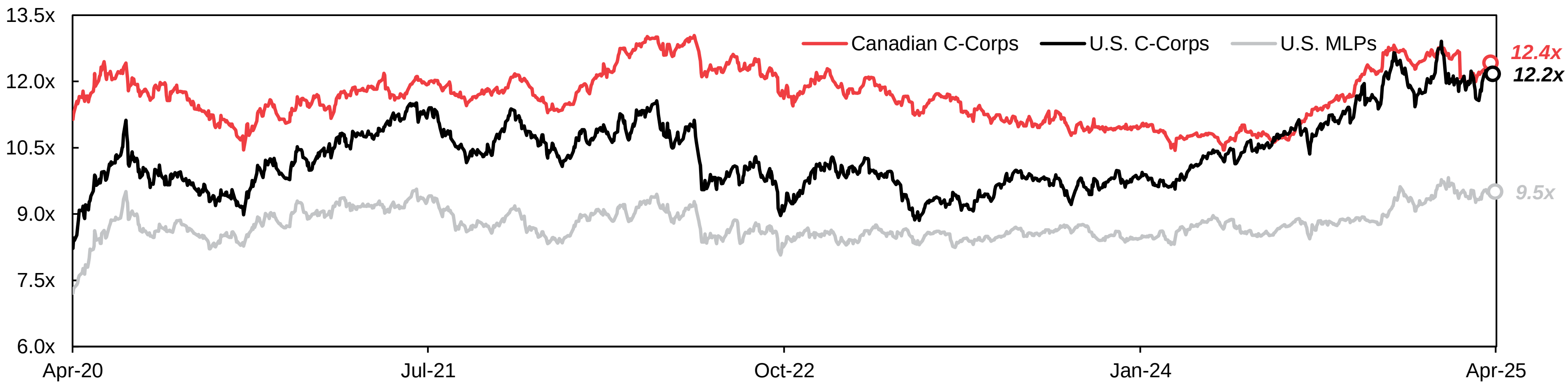
Overview

- The Canadian midstream industry is structured as an oligopoly, with few companies operating due to high capital requirements and tight regulatory oversight
- Due to the large size of midstream assets, large financings are required to develop a new facility. Additionally, federal and provincial regulations impose heavy restrictions on the development of new assets
- Alongside PPL, the main Canadian players include AltaGas (TSX: ALA), Enbridge (TSX: ENB) Keyera (TSX: KEY), South Bow (TSX: SOBO), and TC Energy (TSX: TRP)
- Additionally, in the U.S. analogous peers include Enterprise Product Partners NYSE: EPD), Kinder Morgan (NYSE: KMI), ONEOK (NYSE: OKE), Targa Resources (NYSE: TRGP), and The Williams Companies (NYSE: WMB)
- Competition within the industry is primarily predicated on an operator's ability to provide cost-effective transportation, reliable and quality service, market connectivity and access to supply, and contract flexibility

C-Corps vs MLPS

- Master Limited Partnerships (MLPs) are publicly traded partnerships that combine the tax benefits of limited partnerships with the liquidity and legal advantages of publicly traded corporations
- Investors purchase units of the partnership becoming limited partners in the business. The business is managed by a general partner
- Among other requirements, MLPs must distribute at least 90% of annual earnings to unitholders through distributions. This creates issues when reinvesting cash into the business
- Trading multiples between MLPs and C-Corps has remained wide, signalling investor preference towards C-Corps over MLPs due to funding restraints and tax considerations
- All unitholders must file a form K-1 each year with the IRS to declare MLP income, which is taxes at the unitholders personal tax rate

C-Corp vs MLP EV/NTM EBITDA (1) (2) (3)



Sources: Bloomberg, Company Filings
(1) Canadian C-Corps include: ENB, KEY, PPL, and TRP
(2) U.S. C-Corps include: KMI, OKE, TRGA, and WMB
(3) U.S. MLPs include: CQP, EPD, ET, GEL, HESM, MPLX, PAA, SUN, USAC, and WES

Midstream Contracting Overview

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Forms of Contracting

- **Firm Contracts:** Midstreamers focus on securing base volumes on each asset. For PPL, this is done on its Peace Pipeline and Northern Pipeline systems. A fee-for-service toll is implemented and includes operating cost flow through to customers. Under firm contracts, PPL is paid a minimum revenue for volume commitment, known as a take-or-pay
- **Cost-of-Service Contracts:** PPL's conventional pipelines in BC are operated through this method. The Company flows through the operating costs to customers while recovering a pre-specified return on equity. PPL is obligated to hold a fixed capacity for a customer, which have an obligation to pay their share of the rate base cand operating costs, regardless of actual use
- **Non-Firm Contracts:** Unsecured capacity, usually on a month-to-month agreement on an interruptible basis. The Company can adjust tolls, cost recovery, and capital expenditures based on actual volumes received. Customers nominate volumes monthly to PPL

Regional and Macro Contracting

- Most volumes shipped on PPL's Peace Pipeline and Northern Pipeline systems are contracted though long-term take-or-pay contracts. The weighted average remaining term on these systems is ~7 years
- Services provided on the remainder of the Company's conventional assets are under interruptible contracts
- PPL has expanded its Peace Pipeline and Northern pipeline to accommodate increased production in the Deep Basin and Montney, extending its long-term contracted EBITDA proportion
- The Company's oil sands provide services under long-term, extendible contracts, allowing the Company to flow through eligible operating costs and capital expenditure to shippers
- PPL's oil sands customers include large, highly stable producers including CNQ and SU

Midstream Service Charges

Equalization

Equalization charges are based off of product quality particularly on crude pipelines. They are set by each individual operator but are influenced by the trunkline operators. Under this formula, shippers are rewarded or penalized based on quality of their product. Metrics include density, H2S content, as well as TAN rating

Tolls/Tariffs

Tolls and tariffs are service charges when the midstreamer acts in an agency capacity. Tariffs are set based off of the receipt point and the destination point. Tariffs are adjust annually based off of competitive factors, economic factors, and other business needs

Other Charges

Other charges involve demurrage fees, various non-performance fees, as well as loss allowances. These fees allow mainstreamers to enforce particular rules, flow through costs, and hedge risk

Sources: Company Filings, Morgan Stanley Research

West Coast Exports

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Overview

- Exports from Canada's West Coast is uniquely positioned to capitalize on Asian NGL demand. Exports are quicker and more cost effective than Gulf Coast exports, reducing shipping times by ~10 days
- The largest operators of West Coast energy export terminals include AltaGas (TSX: ALA), PPL, and various private operators
- Historically West Coast shipping has been geared towards coal and propane exports, however, with numerous other products are growing in export capacity such as hydrogen, ammonia, and LNG
- The Company owns and operates a propane export facility in the Port of Prince Rupert, on Watson Island
  - Watson Island is located East of Ridley Island
  - The facility is equipped with propane handling and storage capabilities

Legislative and Regulatory Overview

- Oil Tanker Moratorium Act (Bill C-48): Bill C-48 became law in 2019. The Bill prohibits oil tankers that are carrying more than 12,500 metric tons of crude oil from stopping or unloading crude oil at ports or marine terminals located along British Columbia's north coast from the northern tip of Vancouver Island to the Alaska border
- Offshore Oil and Gas Drilling Ban: In 1972, the Government of Canada banned the granting of additional permits for offshore oil drilling off of the West Coast. In February 2024, Chevron (NYSE: CVX) announced that it relinquished 23 offshore drilling permits, which were the last remaining outstanding permits
- Due to the lack of pipelines from Alberta to Northern B.C., all energy exported from West Coast terminals are delivered via rail, primarily by Canadian National Railway (TSX: CNR) and Canadian Pacific Kansas City (TSX: CP)
- Recent tariffs imposed by the U.S. have prompted called to build the Northern Gateway pipeline, but an operator is unlikely to fund the project due to regulatory and legislative risk

PPL Watson Island Map

West Coast Shipping Travel Time

West Coast LNG export to drive natural gas production growth and associated NGLs production

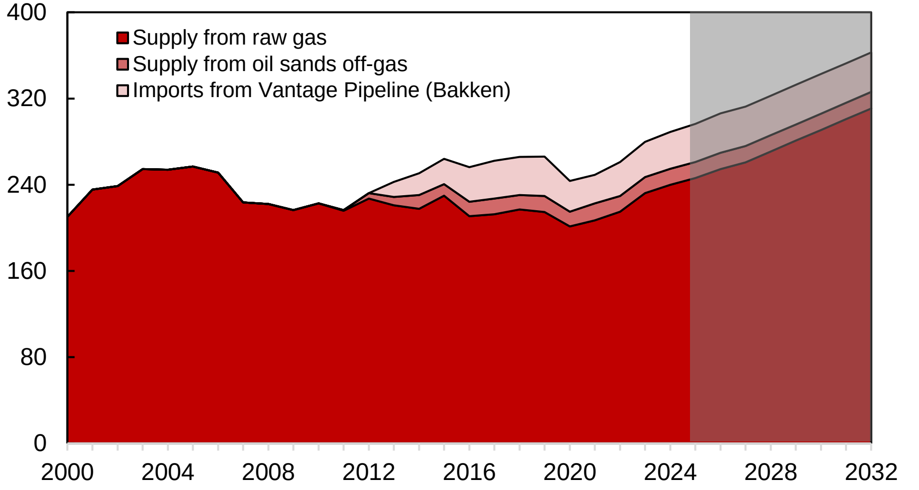
Sources: Company Filings, Government of Canada

Dow Path2Zero Cracker

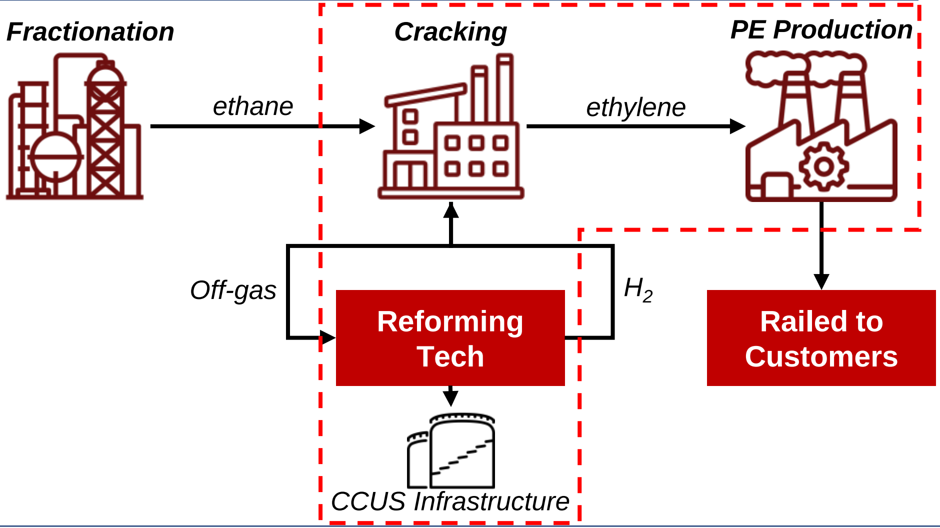
Dow Path2Zero Cracker

- In 2023, Dow announced a positive FID to expand its Fort Saskatchewan ethylene cracker for ~$9B, which will more than double the system's capacity
  - Phase 1 (ISD 2027) will provide an additional 1.29 mtpa of ethylene and polyethylene capacity, requiring up to ~70,000 boe/d of C2 as a feedstock
  - Phase 2, scheduled for completion in 2029, will supplement total capacity by 0.6 mtpa, equating to a 40 mboe/d increase in ethane demand
- Including the facility's initial capacity, both phases of the expansion will bring total site demand for ethane to 205,000 boe/d by 2029 (adding >110,000 boe/d)
- As a result, operators involved in providing NGL services are expected to benefit over from the expected uptick in WSCB C2 demand
  - PPL will supply and transport 50,000 boe/d of ethane as apart of its commitment to Dow's project, with potential volumetric upside
  - Additionally, ongoing expansions at Redwater as well as the potential to import Bakken ethane via PPL's Vantage system are expected to drive throughput growth for PPL

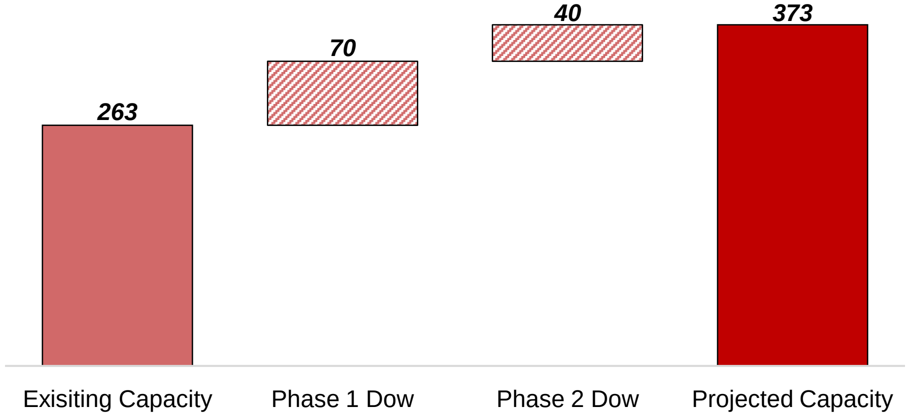
Alberta Ethane Supply Outlook (mboe/d)



Project Components



Alberta Ethylene Cracker Capacity (mboe/d)



Increased ethylene capacity to drive increased utilization of C2+ pipelines, fractionators, and new infrastructure development

Sources: AER, Company Filings, CPMT Estimates

Data Centres

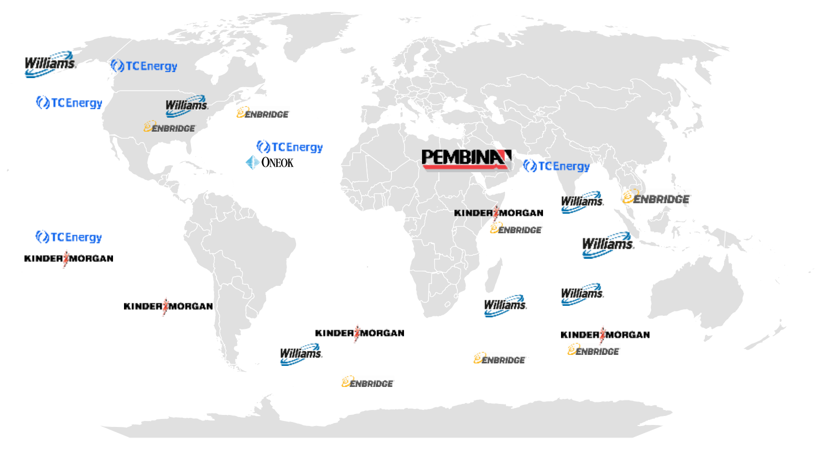
Overview

- AI data centers are creating a structural long-term demand for electricity, which in turn is boosting demand for natural gas pipelines—particularly in regions with competitive or constrained electricity grids
  - $12.6B in gas pipeline projects tied to AI & power generation already announced (up from $5.9B in Dec 2024)
- Firms like WMB, KMI, and TRP have seen strong performance as investors expect more natural gas pipeline projects linked to AI data centers.
  - These projects are attractive because they offer long-term contracts, solid returns, and average build multiples around average EBITDA build multiples of ~6x (typical midstream infrastructure ranges from 7x to 9x)
- Investor expectations are high, Wells Fargo estimates that around $16B in future AI-related gas pipeline capex is already priced into midstream equities, making continued project announcements critical to sustaining valuations
  - However, not all firms can pursue growth equally. KMI and TRP face high sustaining capex, limiting flexibility, while PPL and KEY have lower sustaining capital, allowing more room for AI-related investments

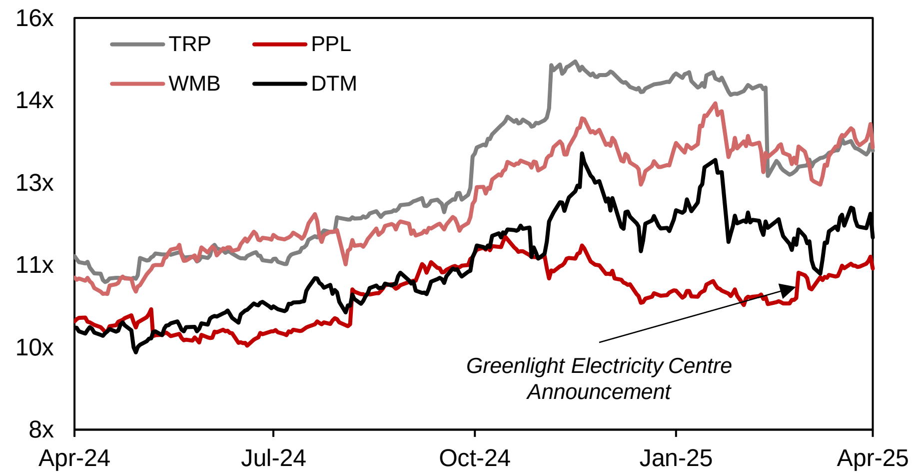
Gas Pipeline Projects Tied to Data Centers Under Construction (>$500mm)

Asset	Date Announced	Pipeline Operator	Pipeline System	Investment *($mm)*	Region
Southeast Supply	*Jan-24*	*WMB*	Transco	*$1,280*	*Southeast*
Heartland	*Mar-24*	*TRP*	ANR	*$625*	*Midwest*
Tennessee Ridgeland	*May-24*	*ENB*	ETNG	*$1,100*	*Tenessee*
South System 4 Expansion	*Jun-24*	*KMI*	SNG	*$3,000*	*Southeast*
Kosci Junction (phase 1)	*Sep-24*	*BWP*	Gulf South	*$1,000*	*Southeast*
Dalton	*Oct-24*	*WMB*	Transco	*$625*	*Southeast*
Hugh Brinson (phase 1)	*Dec-24*	*ET*	Intrastate	*$2,000*	*Texas*
Mississippi Crossing	*Dec-24*	*KMI*	TGP	*$1,400*	*Southeast*
Williams BTM project	*Mar-25*	*WMB*	TBD	*$1,600*	*TBD*

Data Center Capacity Additions (MW) and Pipeline Operators



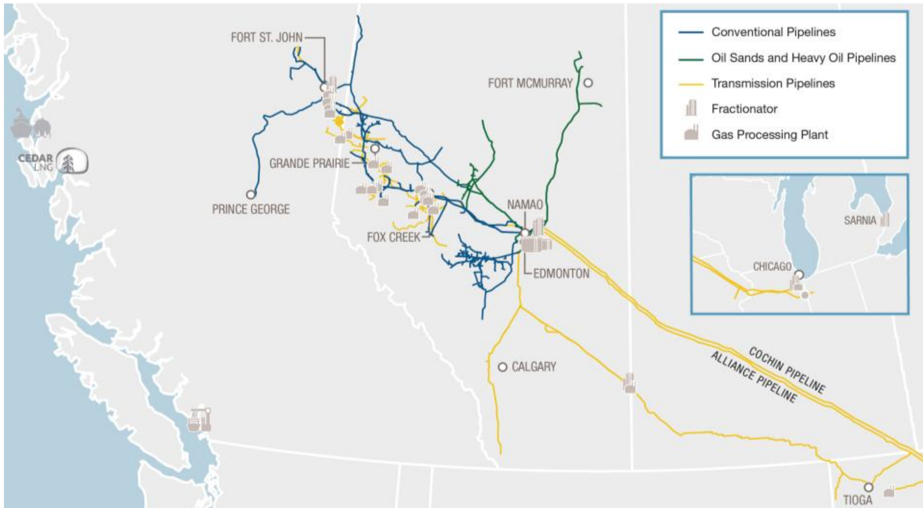
Trailing One-Year EV/NTM EBITDA vs Peers



Source: S&P Capital IQ Street Research

Pipelines

Pipelines Footprint and Overview

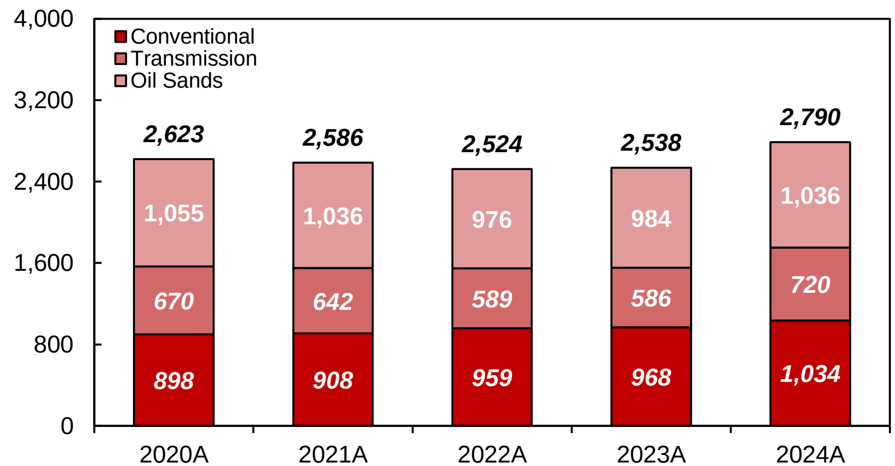


Pipeline	Segment	Capacity	Product	Contract Type
Peace Pipeline	Conventional	1.1 mmboe/d	C2+, C3+, Crude, C5+	Take-or-Pay, Non-Firm
Syncrude Pipeline System	Oil Sands & Heavy	389 mboe/d	SCO	Cost-of-Service (until 2035)
Horizon Pipeline System	Oil Sands & Heavy	335 mboe/d	SCO	25-Year Fixed Return (until 2034)
Nipisi Pipeline System	Oil Sands & Heavy	100 mboe/d	Crude	Take-or-pay, Cost-of-Service
Alliance Pipeline System	Transmission	1.7 bcf/d	Gas	Long-term Take-or-Pay, Interruptible
Cochin Pipeline System	Transmission	110 mboe/d	C5+	Long-term Take-or-Pay (until 2030)

Segment Overview

- PPL's pipeline segment provides transportation, storage, terminalling, and rail services for crude oil, condensate, NGLs and natural gas with a total transportation capacity of 2.9 mmboe/d
- **Conventional Pipelines:** Feeder systems which move product from oil batteries and processing facilities to major hubs
  - Comprises pipeline systems and assets including Pembina Peace, Northern Pipeline, the Edmonton North Terminal, and the Canadian Diluent Hub
- **Oil Sands:** Transports heavy oil from various oil sands projects to key delivery points near Edmonton, Alberta
  - Includes Syncrude, Horizon, the Nipisi pipeline, the Swan Hills pipeline, and 34 merchant tanks with a capacity of ~11.5 mmboe of storage and ~210 mmboe/d of crude-by-rail capacity
- **Transmission Pipelines:** Long-haul pipelines transport natural gas, ethane, and condensate across North America
  - Comprises Alliance, Cochin, Vantage, the Alberta Ethane Gathering System

Pipeline Throughput Segmentation (mboe/d)



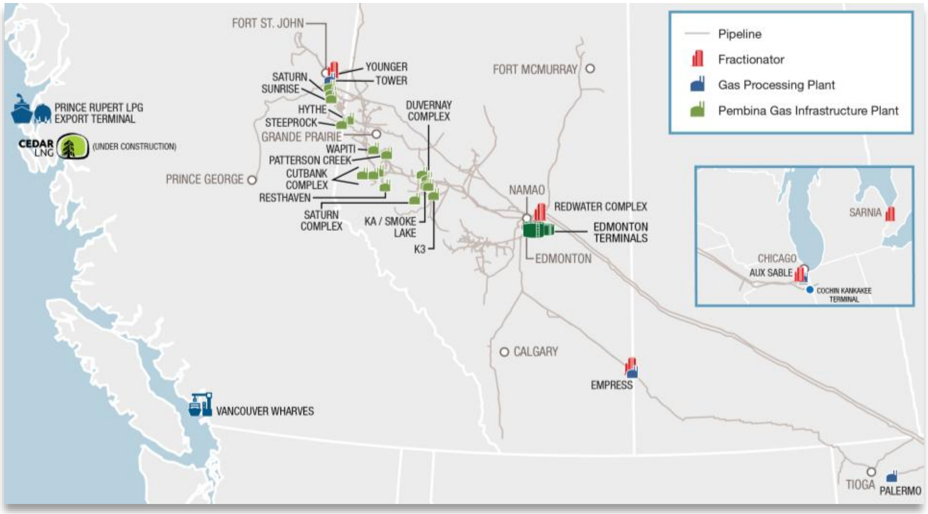
Source: Company Filings

Facilities

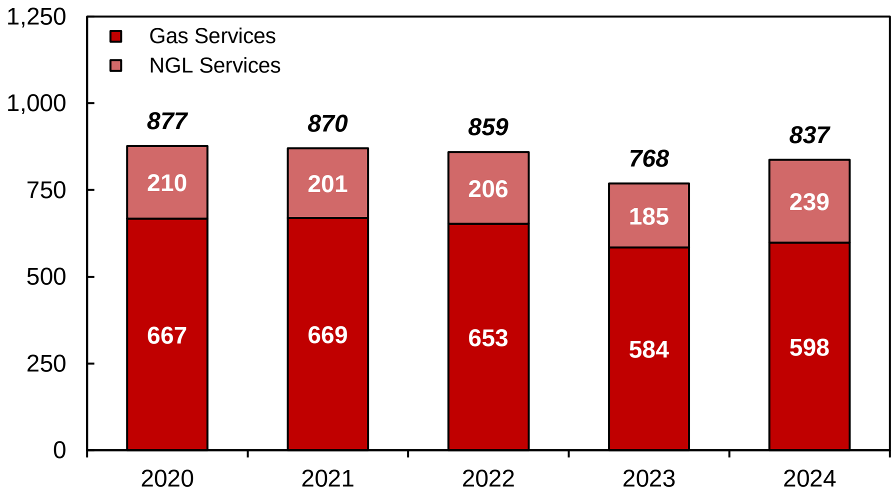
Segment Overview

- The Facilities segment supports natural gas, condensate, and NGL services through processing, storage, and export infrastructure
- Facilities are strategically located in liquids-rich areas of the WCSB and Williston Basin, integrating with PPL's pipeline network
- Competition within the segment is primarily arises from other processors and infrastructure (including E&P owned) located near PPL's operational footprint
  - PPL maintains a competitive edge through its integrated offering which enables seamless wellhead-to-market solutions
- **Natural Gas Services Assets:** Comprises gas processing facilities associated with Pembina Gas Infrastructure, the Younger NGL Extraction Facility, and the Empress NGL Extraction Facility, and Burstal Ethane Storage
- **NGL Services Assets:** Includes the Redwater Complex, the NGL System, the Prince Rupert Terminal, and the Vancouver Wharves facilities

Facilities Asset Footprint



Facilities Throughput Segmentation (mboe/d)



Key Figures

1. Total Capacity of ~**6.3bcf/d**
2. Virtually all condensate and NGL's extracted through Canada-based facilities are transported by PPL owned pipelines
3. ~410mbpd NGL fractionation, 21mmbbl cavern storage and associate pipeline & rail terminalling facilities
4. 125-acre bulk marine export terminal in Vancouver, BC. Consists of 4 vessel berths with rail infrastructure serviced by CP, CN, & BNSF

Source: Company Filings

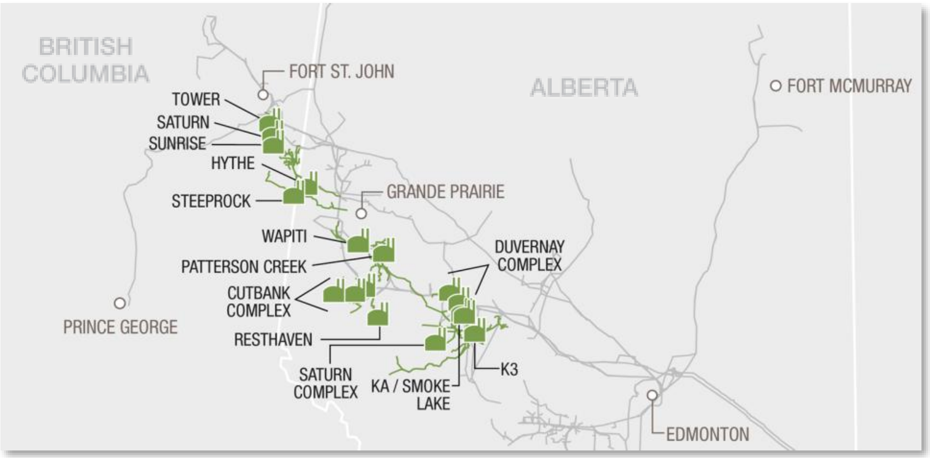
Pembina Gas Infrastructure

PGI Overview

- Pembina Gas Infrastructure (PGI) owns and operates 25 gas processing facilities across the WCSB with a total capacity of ~5 bcf/d
  - Additionally, PGI operates liquids handling and storage assets alongside ~3,350km of gathering and transport pipelines including: (1) Tupper-Hythe Pipeline, (2) Mid-Tupper Pipeline, (3) Tupper South Gas Pipeline, and (4) Tupper South Pipeline Loop
- The JV benefits from over $4.6B in tax pools alongside the ability to pass through ~94% if operating costs to the customer enabling significant downside protection and stable cash flow generation
- PGI was established in 2022, when PPL and KKR announced an $11.4B JV to merge their Western Canadian natural gas processing assets
  - **Strategic Rationale:** Strengthened competitive positioning and increased value to customers through cost-efficient services. Scale better positions the JV to capitalize on growth opportunities across the Montney and Duvernay

Largest third-party WCSB gas processing entity

PGI Processing Footprint



Facility Name	Capacity *(MMcf/d)*	Gas Type	Cut Type
Hythe	719	Both	Shallow
K3 Processing Plant	671	Sour	Shallow
Saturn Gas Plant	518	Sweet	Shallow
Saturn I/II	440	Sweet	Deep
Sunrise Gas Plant	400	Sweet	Shallow
KA	395	Sour	Shallow
Patterson Creek	395	Sweet	Shallow
Duvernay Gas Plant	330	Sour	Deep
Duvernay Complex	300	Sour	Deep
Resthaven	300	Sweet	Deep
Tower Gas Plant	264	Sweet	Shallow
Musreau I	255	Sweet	Shallow
Kakwa River	250	Both	Deep
Steeprock	215	Sour	Shallow
Musreau DC	205	Residue	Deep
Musreau II/III	200	Sweet	Shallow
Wapiti	200	Sour	Shallow
West Fox Creek Plant	16	Sour	Shallow

Source: Company Filings

Redwater Facility

Asset Overview

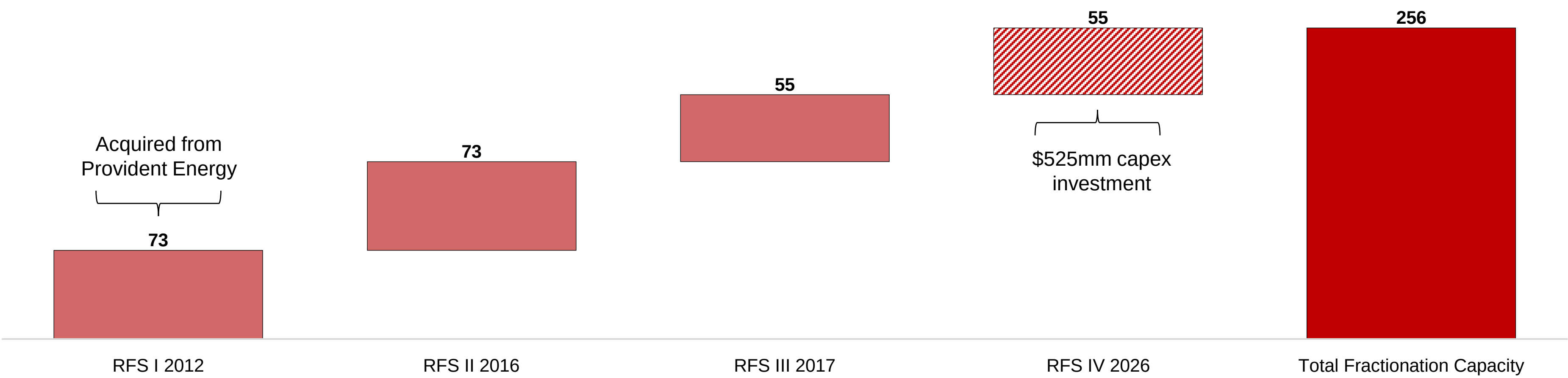
- The Redwater Fractionation Complex is a NGL Fractionation Complex located North of Fort Saskatchewan, Alberta. With the addition of RFS IV, the fractionation capacity at the Redwater Complex will total 256,000 boe/d
- In addition to fractionation capacity, the facility includes a 45 MW cogeneration plant, storage caverns and brine ponds, as well as capacity to load 250+ rail cars per day with LPG, diesel, propylene, and condensate
  - The cogeneration plant was built to support RFS II & III
- The complex is made up of 3 sections, with the fourth being recently sanctioned
  - RFS I and II are C2+ fractionators, with 73,000 boe/d of capacity
  - RFS III is a C3+ fractionator, with 55,000 boe/d of storage
- The Redwater Complex is uniquely positioned to accept inputs from the nearby NWR Sturgeon Refinery
- In 2023, PPL sanctioned construction of a new 55,000 boe/d (RFS IV) C2+ fractionator with additional rail loading capacity
  - RFS IV is expected to be in-service in H1 2026

RFS Asset Footprint

1. *RFS I – C2+*
2. *RFS II – C3+*
3. *RFS III – C3+*
4. *Cogeneration*
5. *Storage Cavern / Brine Pod*
6. *Rail Loading*
7. *NWR Sturgeon Terminal*
8. *Control Centre & Office*

RFS is the largest fractionation facility in Alberta with ample opportunity to expand operations

RFS Expansion History



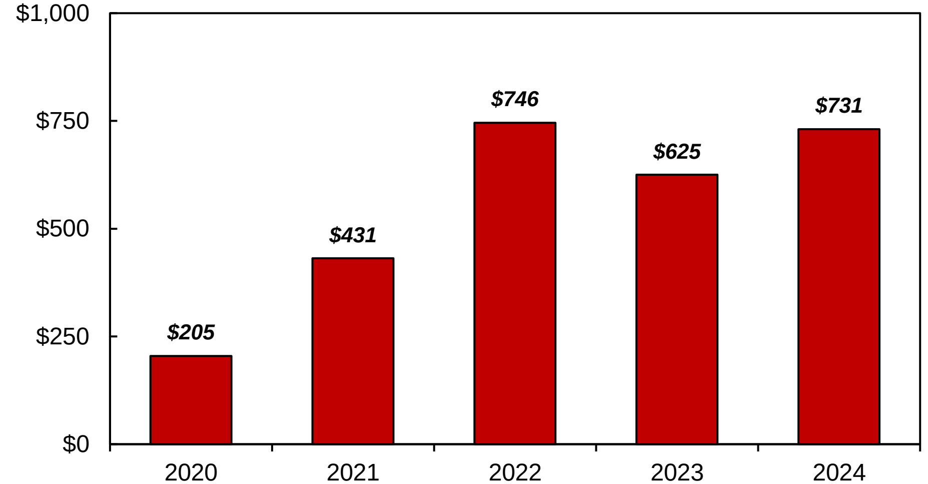
Source: Company Filings

Marketing & New Ventures

Segment Overview

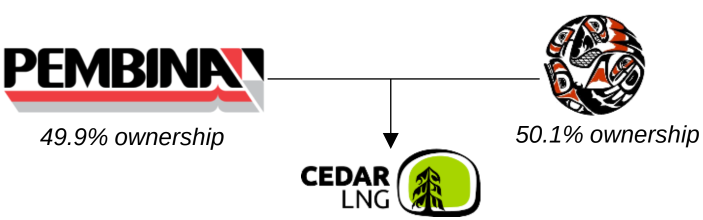
- **Marketing:** Focuses on value-added commodity marketing, which includes buying and selling product, commodity arbitrage, storage optimization, and contracting capacity on both PPL's and third-party infrastructure to handle proprietary and customer volumes
- **Trading:** The Company's trading team employs hedging, trading, and other market-based strategies to increase operational efficiency within the company and maximize asset profitability and margins. This includes hedging inputs for its fractionation facilities, interest rates, and currencies
- **New Ventures:** Consists of development of new large-scale, or value chain extending projects, including those that provide enhanced access to global markets, and support energy transition
  - Key initiatives in the New Ventures segment currently comprise the Alberta Carbon Grid, Cedar LNG, the Pembina Low Carbon Complex, and Greenlight Electricity Centre

Marketing & New Ventures Adjusted EBITDA ($mm)



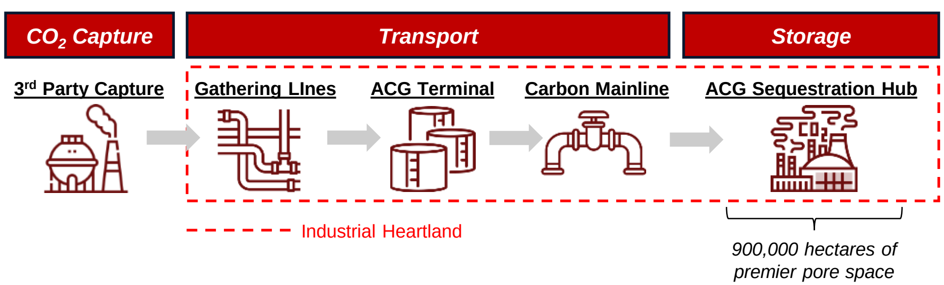
Cedar LNG

- In June 2024, PPL and the Haisla Nation, announced a positive FID in respect of the Cedar LNG Project, a 3.3 mtpa floating LNG facility in Kitimat, B.C.
- The Cedar LNG Project will provide a valuable outlet for WCSB natural gas to access global markets and is expected to achieve higher prices for Canadian producers and enhance global energy security



Alberta Carbon Grid

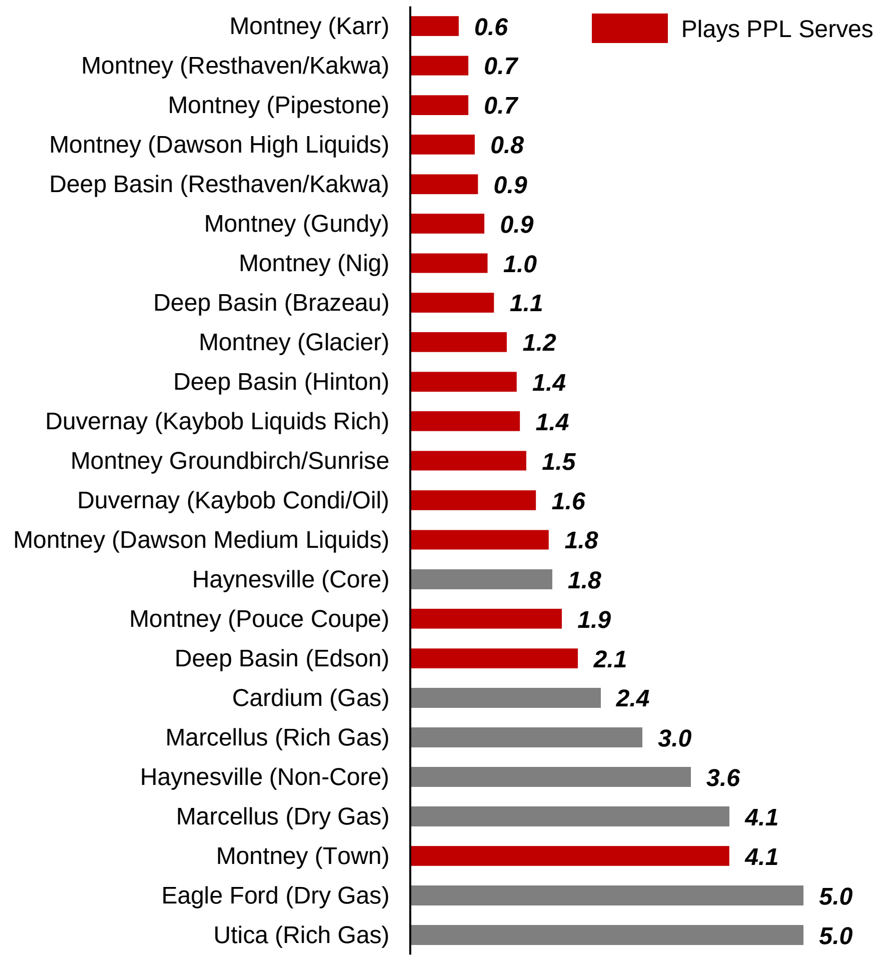
- The Alberta Carbon Grid (ACG) is a CO_2 transportation and storage platform and partnership between PPL and TRP focused on developing independent CO_2 storage hubs across Alberta
- ACG's current initiative , the Industrial Heartland project, is CCUS development near Fort Saskatchewan designed to store up to 10Mt of CO_2 annually
- The Industrial Heartland project to play a key role in the CCUS value chain



Competitive Advantage

Payback Period by North American Gas Resource Play[1] (years)

Significant footprint in the most economic gas plays in North American to drive long-term throughput growth



Overview

- PPL holds a significant supply advantage over its NA midstream peers, benefiting from access to some of the most economic regions in the WCSB
- Until the completion of KAPS in 2023, PPL maintained a monopoly on NGL transport out of the WCSB. Despite increased competition, the Company has been able to reinforce its moat through brownfield expansions in the region
  - PPL's Phase VIII Peace expansion added ~235 mboe/d, boosting total capacity to ~1,100 mboe/d and improving segregated NGL transportation. This compares to KAPS's which has ~350 mboe/d capacity with only C3+ and C5+ transport capabilities
- Unlike peers such as TRP, KMI, and ENB, which have much higher sustaining capital requirements due to aging assets and expiring contracts, PPL operates a more efficient and capital light business that allow it to pursue growth initiatives without compromising its stability
- The Company' integrated offering enables a more convenient, efficient, and reliable service compared to peers with siloed assets driving customer stickiness

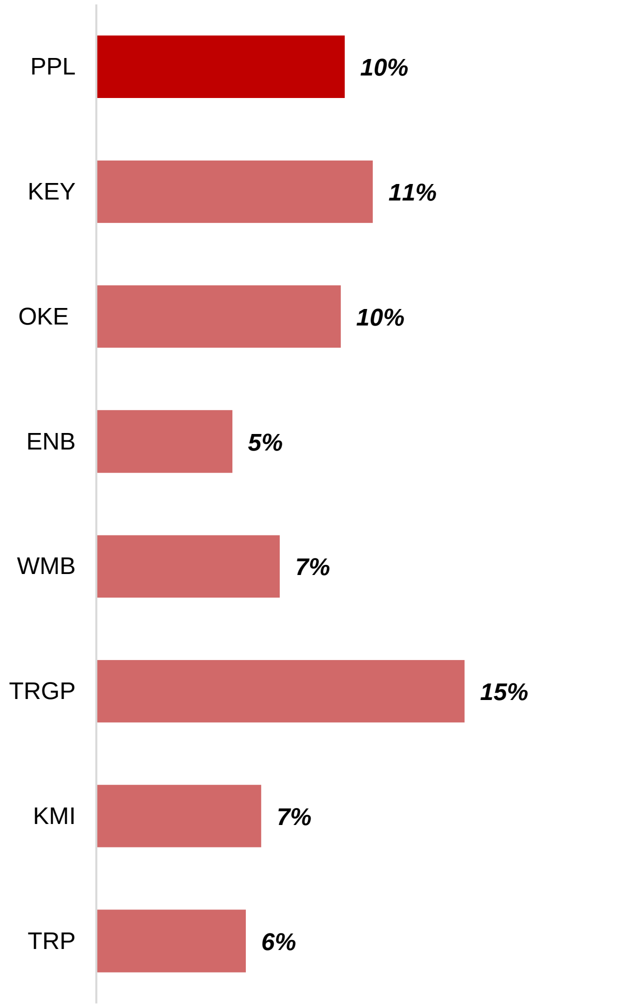
Full-service Offering vs Canadian Peers

	PPL	ENB	TRP	ALA	KEY
Gas Gathering & Processing	✓			✓	✓
Gas Domestic Transportation		✓	✓		
Gas Export	✓	✓	✓		
C2+ Transportation	✓				
C3+ Transportation	✓	✓			✓
Fractionation	✓			✓	✓
NGL Marketing	✓	✓		✓	✓
LPG Export	✓			✓	
C5+ Domestic Transportation	✓	✓	✓		
C5+ Import	✓	✓			
Crude Domestic Transport	✓	✓	✓		
Crude Storage	✓	✓	✓		
Crude Export		✓	✓		

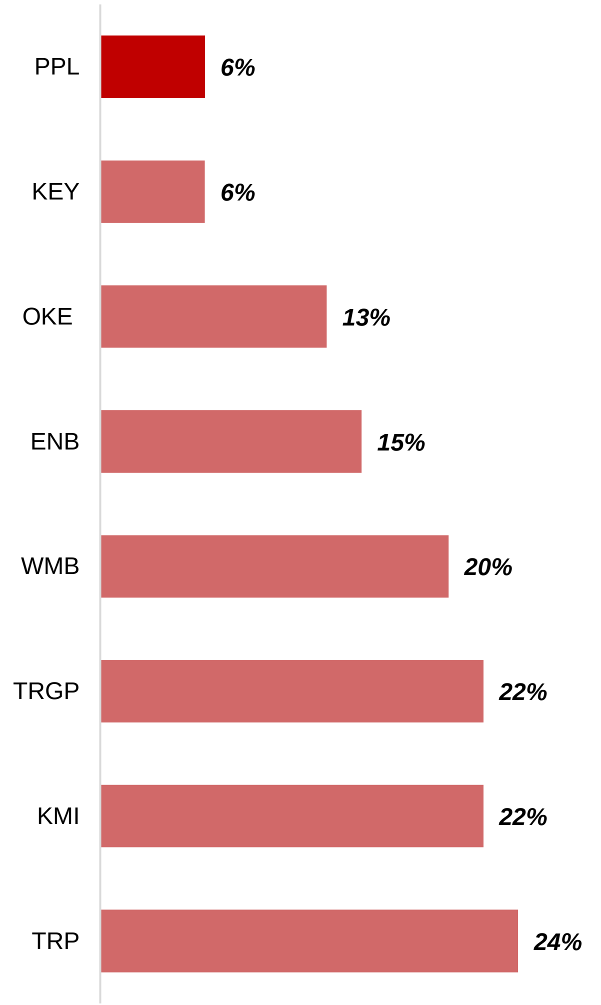
Source: Company Filings
(1) Estimates based on US$70/bbl WTI, US$3.00/mcf NYMEX, and C$2.67/mcf AECO prices

Peer Benchmarking

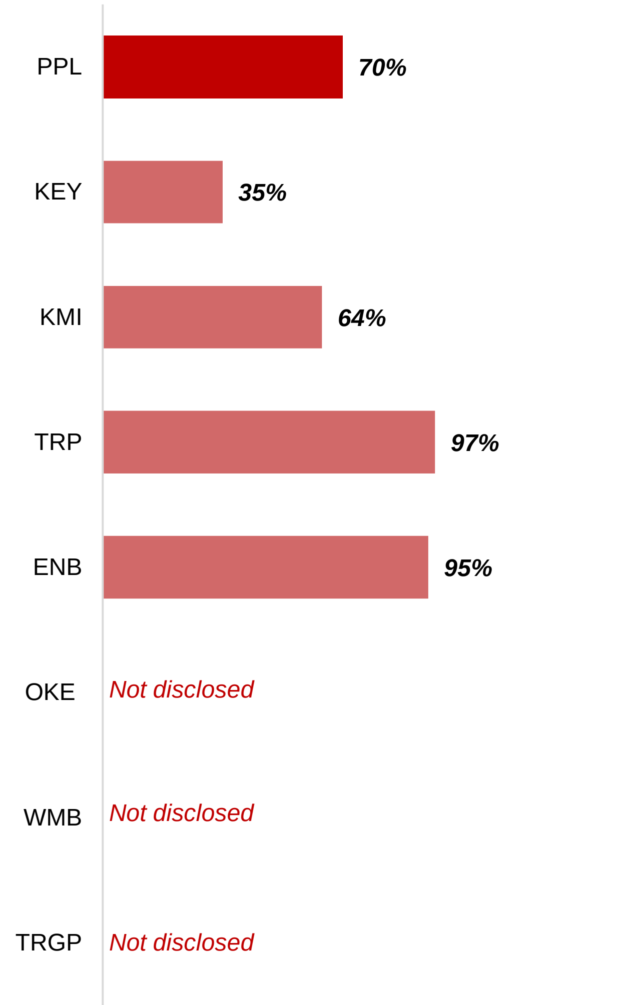
ROIC *(%)*



Sustaining Capex % of EBITDA[(1)(2)] *(%)*



Rate Regulated / Take-or-Pay EBITDA *(%)*



Source: Bloomberg, Street Research
(1) Per Wells Fargo
(2) Calculated as of April 4, 2025

Quality Management

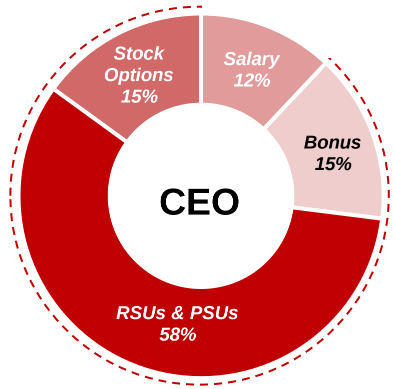
Management Overview

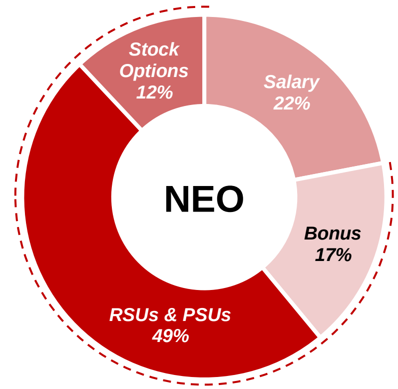
Scott Burrows *(President & Chief Executive Officer)*
- **Previous Experience:** CFO at PPL (2015-2021), Vice President, Corporate Development & Investor Relations at PPL (2013-2015)
- **Years at Pembina:** 15

Cam Goldade *(Chief Financial Officer)*
- **Previous Experience:** Vice President, Capital Markets at PPL (2017-2021), Director at Scotia Waterous (2011-2014)
- **Years at Pembina:** 10

Chris Scherman, *(Chief Operating Officer)*
- **Previous Experience**: COO, Pipelines at PPL (2018-2022) Vice President, Gas Services at PPL (2015-2018)
- **Years at Pembina:** 10

FY2024 Compensation Mix





In FY2024, compensation for the CEO and NEOs consisted of ~88% and ~78% at-risk pay, respectively

Performance Factors

- PPL sets its short-term incentive through a blend of five key categories:

	Strengthen Franchise	Financial Excellence	Stakeholder Experience	Environmental Leadership	Resilient Portfolio
Weight	*17.5%*	*35%*	*17.5%*	*10%*	*20%*
Factors	*Project Delivery, Cost Per Unit, Sustaining Capital*	*Adjusted EBTIDA per Share Growth*	*Safety & Environment, Supplier Diversity*	*GHG Reductions*	*Contract renewals and new customers, new projects*

- The Company's medium-term incentive is determined based on the relative TSR over a specific time-frame vs peers
  - Performance multiplier peers include ALA, ENB, EPD, KEY, KMI, PAA, TRP, WMB, TRGP

Commentary

- Over the last five years PPL's management team has been key in leading the Company to realize a TSR of 212%
  - This outperforms ENB and TRP who have realized a five-year TSR of 134% and 74%, respectively
- PPL's management team has demonstrated exceptional operational capabilities pertaining to the Company's execution of ongoing projects in addition to integrating major acquisitions
  - This operational excellence is exemplified by the Company's successful delivery of over $6B in major projects on-time and on-budget since 2017
  - On the acquisition side, a key example of PPL's operational expertise is the purchase of the Redwater Fractionation Facility from Provident Energy in 2012. Since acquiring the asset, PPL has successfully integrated it into its broader value chain and expanded the facility's total fractionation capacity from 76,000 boe/d to 256,000 boe/d, making it the largest fractionation facility in Alberta

Source(s): Company Filings

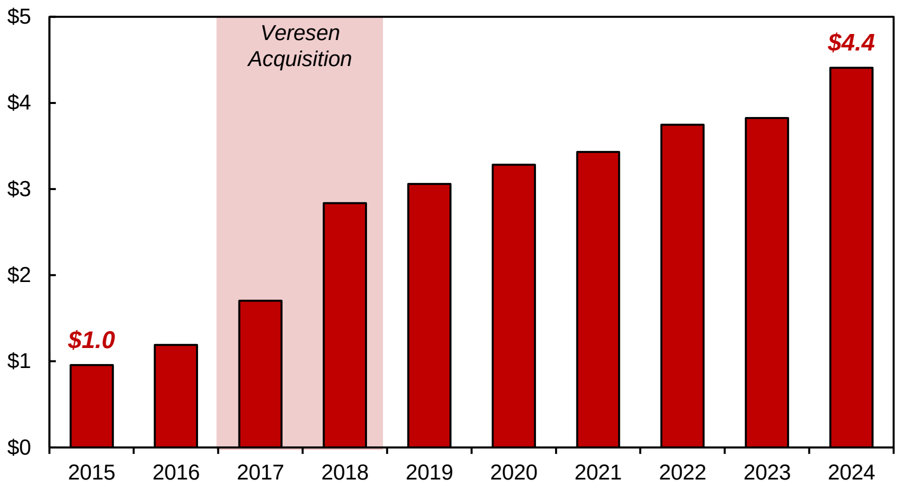
Track Record

Project Execution

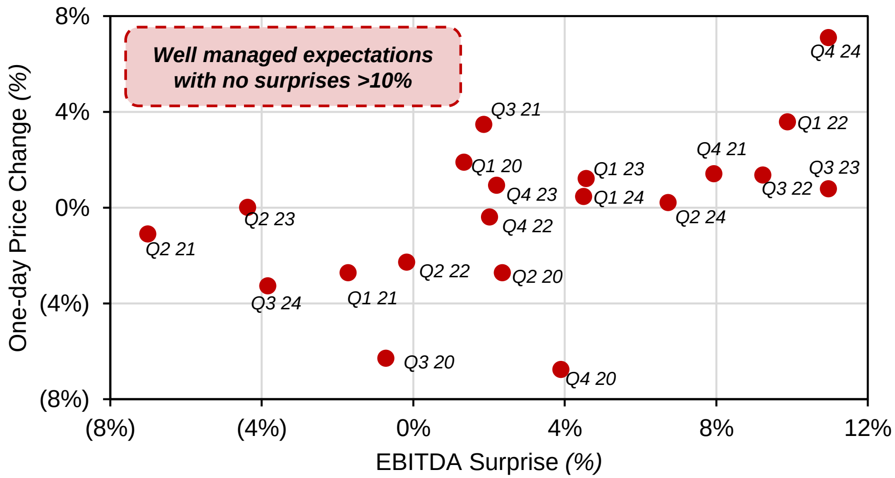
Key Projects Placed into Service since 2017	On-Time?	On-Budget?
Facilities		
RFS II	*Ahead of Schedule*	*Under Budget*
Canadian Diluent Hub	*On-Time*	*Under Budget*
Duvernay I	*Ahead of Schedule*	*Under Budget*
Redwater Cogen	*On-Time*	*Under Budget*
Duvernay II	*On-Time*	*Under Budget*
Duvernay III	*On-Time*	*Under Budget*
Prince Rupert Export Terminal	*On-Time*	*Over Budget*
Hythe Developments (PGI)	*On-Time*	*On Budget*
Empress Cogen	*On-Time*	*On Budget*
Pipelines		
Phase III	*On-Time*	*Under Budget*
NEBC Expansion	*On-Time*	*On Budget*
Phase IV & V	*On-Time*	*Slightly Over Budget*
Phase VI	*On-Time*	*Over Budget*
Phase VII	*Ahead of Schedule*	*Under Budget*
Phase IX	*On-Time*	*Under Budget*

Strong track record of delivering >$6B of major projects on-time and on-budget since 2017

Adjusted EBITDA ($B)



One-day Price Change vs Quarterly EBITDA Surprise



Source(s): Bloomberg, Company Filings, Street Research

Capital Allocation

Select M&A Activity

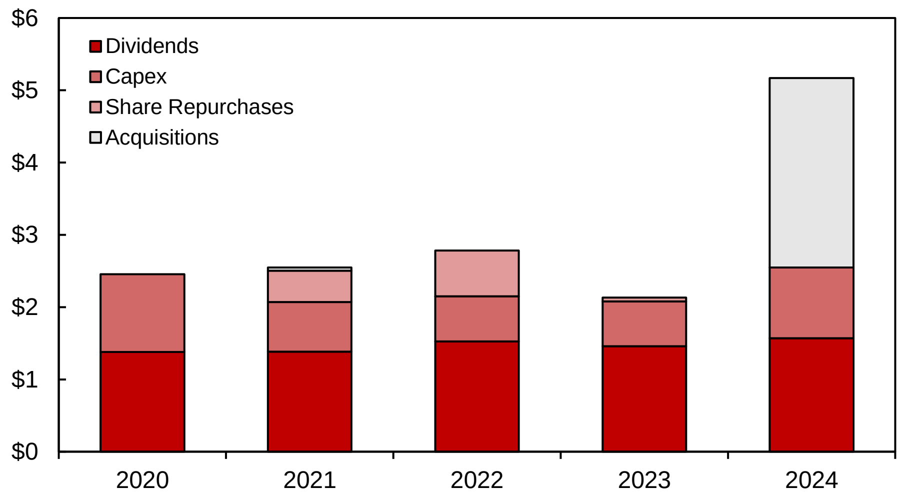
Company	Year	Type	Asset Overview	Value
Williams	*2024*	*Acquisition*	*Acquired remaining 14.6% working interest in Aux Sable completely consolidating the asset*	*$160mm*
Enbridge	*2024*	*Acquisition*	*Consolidated working interest in the Alliance Pipeline and additional interest in Aux Sable*	*$3.1B*
Stonepeak	*2023*	*Divestiture*	*KAPS pipeline – previously acquired through Energy Transfer(1)*	*$663mm*
Energy Transfer	*2022*	*Acquisition*	*51% interest in Energy Transfer Canada to PGI inclusive of 6 processing facilities and G&P infra*	*$1.6B*
Kinder Morgan Inc.	*2019*	*Acquisition*	*Acquired KMI Canada (Cochin, Edmonton storage terminals, and Vancouver Wharfs)*	*$4.4B*
Veresen Midstream	*2017*	*Acquisition*	*Gas processing infrastructure, Alliance Pipeline, and Aux Sable*	*$9.7B*
Provident Energy Ltd	*2012*	*Acquisition*	*Redwater Fractionation Facility*	*$3.2B*

Several major acquisitions have played a key role in the development of PPL's integrated offering

Commentary

- PPL's main capital allocation priorities include strengthening its balance sheet and returning capital to shareholders by increasing the Company's common share dividend
- The Company's capital program strategy centres on enhancing existing infrastructure while supporting strategic growth projects that align with PPL's integrated service offering
- PPL aims to deploy the remaining of its cash flow towards its $1.1B capital program which includes brownfield expansions for RFS, NEBC pipeline system, and Wapiti as well contributions to Cedar LNG
  - Additionally, the capital program comprises development spending on related to the Dow Supply Agreement including the additional de-ethanzier tower at RFS III
- Historically, PPL has undergone major acquisitions strengthen its competitive position and expand its offerings to producers

Capital Allocation ($B)



Source(s): Bloomberg, Company Filings, Street Research

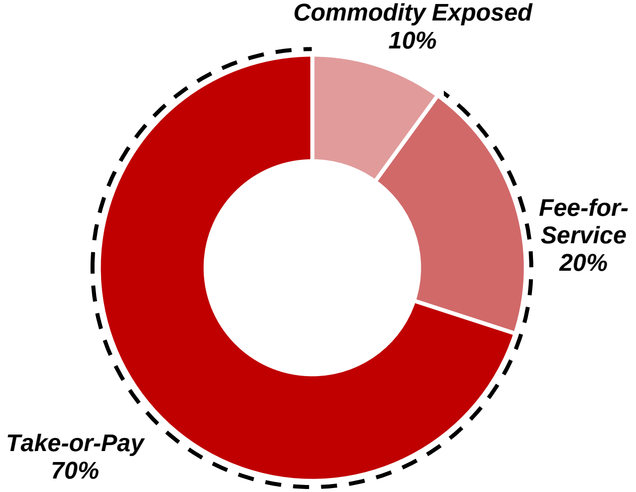
(1): The Competition Bureau of Canada required PPL and KKR to sell Energy Transfer Canada's interest in the KAPS pipeline project to preserve competitive pricing in WCSB NGL transportation.

Growing Free Cash Flow

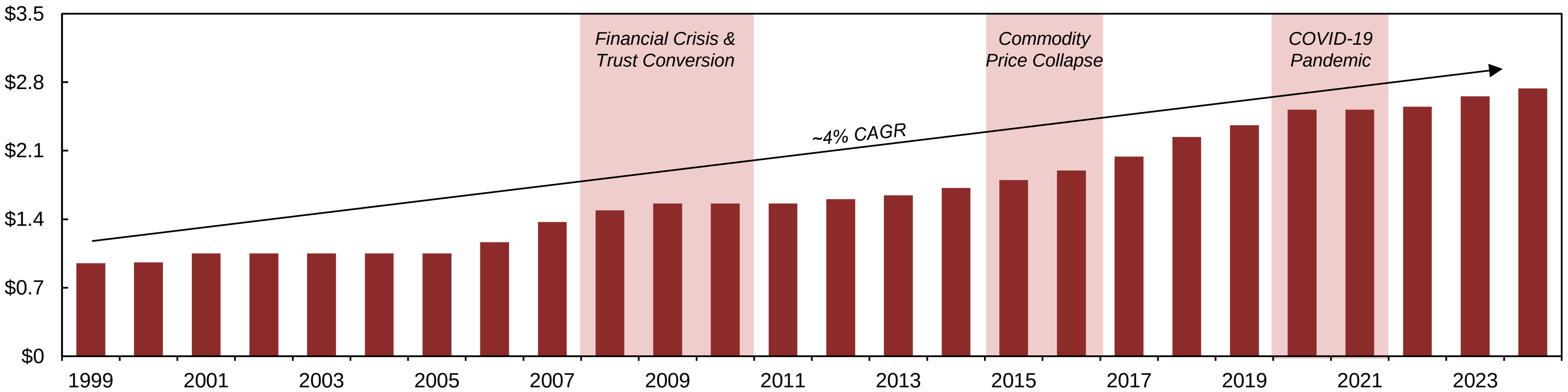
Overview

- Over the past five years, PPL has grown EBITDA at a ~6% CAGR. The Company's low-risk business model underpinned by long-term, predominantly take-or-pay contracts provides PPL with predictable, recurring, and stable FCF
- As a result of the Company's stability, PPL has been able to consistently drive dividend growth at a ~4% CAGR over the past 25 years
- PPL aims to unlock additional growth through the execution of ~$4B of projects currently underway including RFS IV, K3 Cogen, and Cedar LNG
- Relative to its diversified C-Corp peers, the Company exhibits superior capital efficiency, with sustaining capex comprising ~6% of EBITDA versus the peer average of ~18%
- Compared to its main Canadian Peers, PPL alongside KEY are the only players to produce positive FCF after dividends
- Volume growth and utilization improvements across PPL's asset base driven by West Coast egress and the continued integration of the Alliance Pipeline is expected to drive FCF growth for the Company.

EBITDA Contract Segmentation



Dividend Per Share



Source: Company Filings

Project Pipeline

Projects Under Construction and Evaluation

Asset	Investment	ISD	Overview
Under Construction			
RFS IV	~$525mm	H1 2026	RFS 55,000 boe/d propane-plus fractionator at the existing Redwater fractionation and storage complex. With the addition of RFS IV, the fractionation capacity at the Redwater Complex will total 256,000 boepd.
Wapiti Expansion	~$140mm	H1 2026	Expansion to increase processing capacity at the Wapiti Plant by 115 Mcf/d (gross to PGI). The project includes a new sales gas pipeline and other related infrastructure
K3 Cogeneration	~$70mm *(net)*	H1 2026	28 MW cogeneration facility at its K3 Plant, which is expected to reduce overall operating costs, and reduce customers' exposure to power prices.
Cedar LNG	~$2,750mm *(net)*	H2 2028	3.3 mtpa LNG export facility; extends PPL's integrated value chain
Under Evaluation/Development			
Alberta Carbon Grid	n/a	Pre-FID	CCUS system connecting multiple key sequestration locations
Pembina Low Carbon Complex	n/a	Pre-FID	Complex for sustainable energy infrastructure. PPL to lease the land and provide services, logistics, and infrastructure
Greenlight Electricity Centre	n/a	Pre-FID	Planned 1,800 MW natural gas-fired power and data centre complex developed by Kineticor and PPL

Incremental growth driven by expansions alongside longer term projects which extend PPL's offering to customers

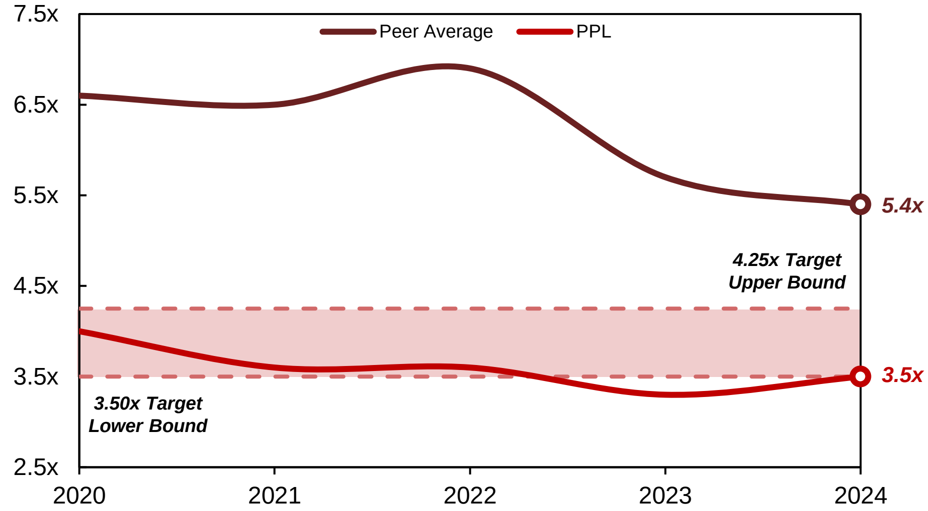
Source: Company Filings

Strong Balance Sheet

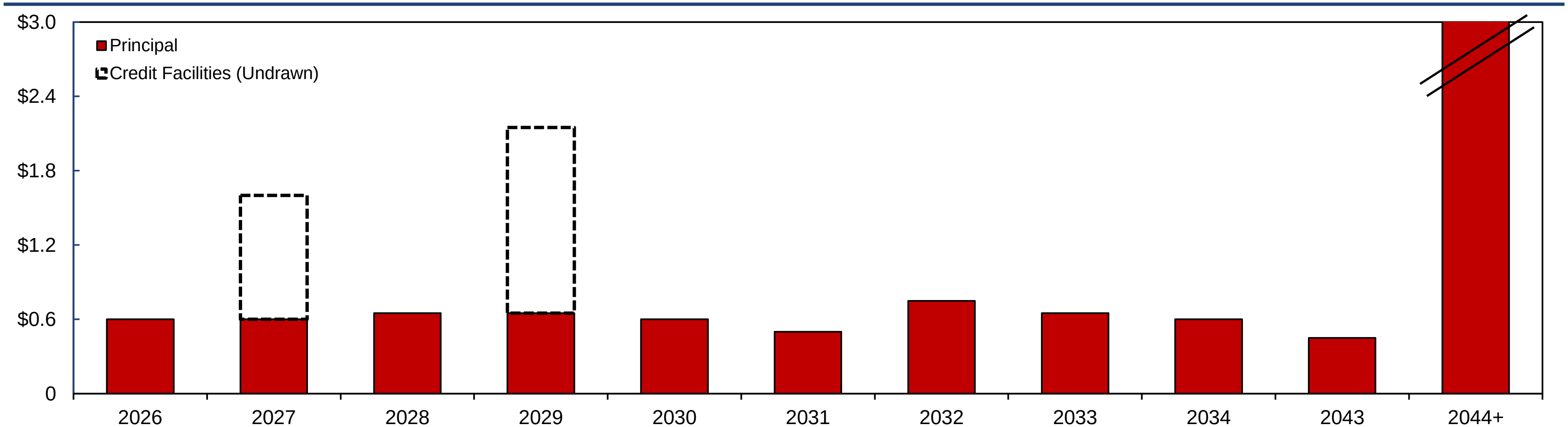
Overview

- PPL maintains a strong balance sheet with a Net Debt/EBITDA of 3.5x, under the peer average of 5.4x
- The Company's debt maturity profile is well managed, with ~93% of debt at fixed rates and an average maturity of ~13 years
- PPL's balance sheet is centred on four main principles: (1) Maintain a target of 80% fee-based contribution to adjusted EBITDA, (2) target <100% payout of fee-based distributable cash flow, (3) target >75% exposure to investment grade counterparties, and (4) Maintain investment grade credit rating
- As of December 31, 2024, PPL's credit facilities consisted of:
  - (1) An unsecured $1.5B revolving credit facility, which includes a $750mm accordion feature, providing PPL with the ability to increase the credit facility subject to lender approval, and matures in June 2029
  - (2) An unsecured $1.0B sustainability linked revolving credit facility, which matures in June 2027

Net Debt/EBITDA vs Peers



Debt Maturity Schedule ($mm)



Source: Bloomberg, Company Filings

Comparable Analysis

Comparable Metrics[1]

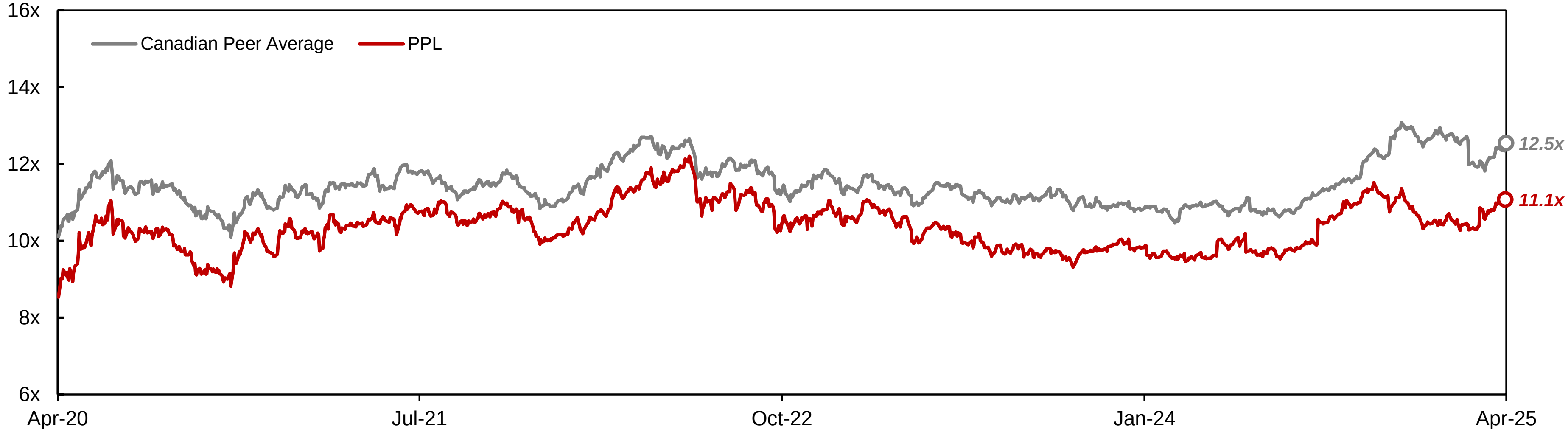
	Diversified Large-Cap C-Corp Peers				Canadian C-Corp Peers			Coverage Co.
	ONEOK	TARGA	Williams	KINDER MORGAN	KEYERA	ENBRIDGE	TC Energy	PEMBINA
Enterprise Value ($B)	$124	$73	$136	$128	$13	$244	$140	$46
2024 EBITDA ($B)	$9.3	$5.7	$9,7	$7.9	$1.3	$18.6	$11.3	$4.4
Net Debt ($B)	$45	$20	$38	$46	$4	$100	$60	$13
Rate-regulated or Take-or-pay EBITDA	n/a	n/a	n/a	64%	35%	95%	97%	70%
EV/NTM EBITDA	11.9x	12.7x	13.5x	11.7x	11.8x	12.5x	13.2x	11.0x
ROIC	10%	15%	7%	7%	11%	5%	6%	10%
Dividend Yield	4.0%	1.5%	3.1%	4.0%	4.4%	5.7%	5.1%	4.7%
Beta	0.99	1.19	0.66	0.73	1.05	0.95	0.92	1.02
Net Debt/EBITDA	5.1x	3.4x	4.7x	4.9x	3.1x	6.7x	6.2x	3.4x

PPL trades at a marginal discount vs peers while exhibiting a strong return profile, dividend yield, and balance sheet

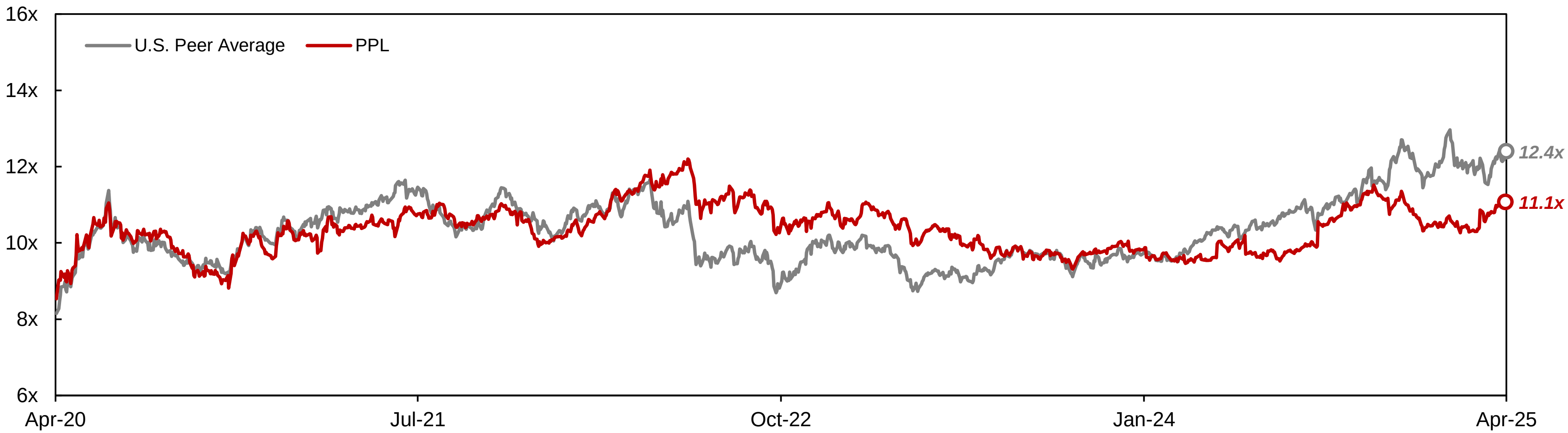
Sources: Bloomberg, Company Filings
(1) Market Data as of April 4, 2025

Valuation

EV/NTM EBITDA vs Canadian Peers[1]



EV/NTM EBITDA vs U.S. Peers[2]



Sources: S&P Capital IQ
(1) Canadian peers comprise ENB, KEY, TRP
(2) U.S. peers comprise KMI, OKE, TRGP, WMB

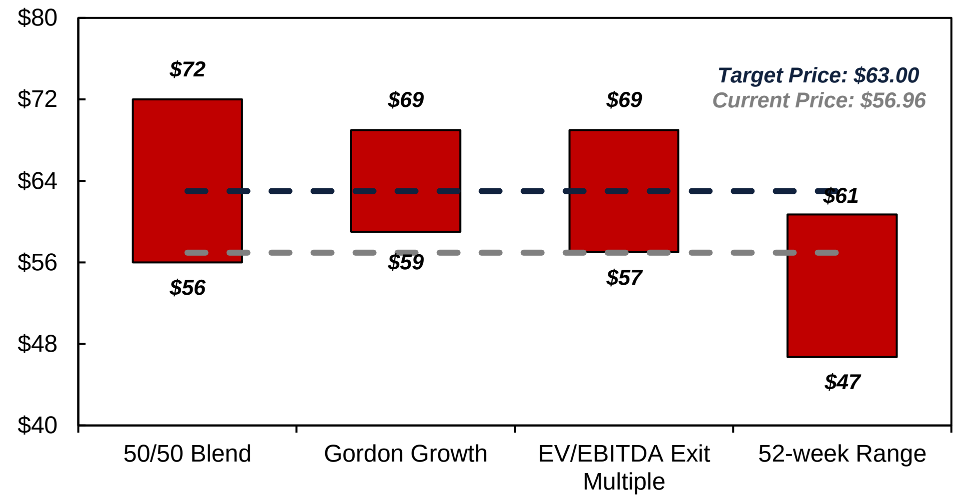
Investment Recommendation

Investment Thesis

PPL was valued through a 50/50 blend between an EV/EBITDA exit multiple of 12.0x, and the Gordon growth model using a WACC of 7.1% and a terminal growth rate of 1.0%. This resulted in a target price of $63

The CPMT favours PPL's growth runway over its peers. The Company has demonstrated cost leadership through its scale and integrated network, allowing it to form a competitive advantage over its peers, particularly in the Montney and Oil Sands. As well, the gathering and processing capabilities offered by PGI differentiate PPL from its international peers, providing additional margin. Finally, NGL export capabilities through its West Coast shipping projects provide opportunities to capture additional demand from growing Asian markets.

Football Field Valuation



Mandate Fit

Quality Management?	✓
Competitive Advantage?	✓
Strong Balance Sheet?	✓
Growing Free Cash Flow?	✓
Attractive Valuation?	✓

Investment Recommendation

ACTION	BUY
CONVICTION	2
CURRENT PRICE	$56.93
TARGET PRICE	$63.00
IMPLIED RETURN	15%

Source: CPMT Estimates