



Moda Midstream and EnCap Flatrock Midstream Agree to Sell Moda Ingleside Energy Center and Other Assets to Enbridge for \$3 Billion

- Alongside its financial sponsor EnCap Flatrock Midstream, Moda Midstream will retain its ownership interest in Vopak Moda Houston, a 50/50 joint venture between Moda and Royal Vopak.
- Vopak Moda Houston recently commissioned its deepwater dock and has constructed storage and terminaling infrastructure for its industrial gas product line.
- Moda will continue to pursue additional liquids terminaling opportunities.

HOUSTON and SAN ANTONIO – September 7, 2021 – Liquids terminaling and logistics company [Moda Midstream, LLC](#) (“Moda”) and Moda’s financial sponsor [EnCap Flatrock Midstream](#) (“EFM”) today announced they have entered into a definitive agreement to sell the Moda Ingleside Energy Center (“MIEC”) and other Moda assets to [Enbridge Inc.](#) (NYSE, TSX: ENB) for an enterprise value, net of working capital and cash, of approximately \$3 billion, subject to closing adjustments.

Located in Ingleside, Texas, MIEC is the nation’s largest crude export terminal by volume, having loaded more than 25 percent of all U.S. Gulf Coast crude exports in 2020. MIEC has an aggregate storage capacity of more than 15 million barrels and an export capacity of 1.6 million barrels per day. The asset serves as a critical link connecting Permian and Eagle Ford production to international markets. MIEC’s proximity to open water combined with its very large crude carrier (VLCC) capability and rapid loading rates position it globally as one of the most important export facilities in the world. MIEC provides customers an unparalleled advantage due to its wellhead-to-water access and direct connectivity to next-generation long-haul crude pipelines, including Cactus I, Cactus II, Gray Oak, EPIC and the Harvest Ingleside pipeline.

Other assets included in the transaction are Moda’s Taft Terminal located near MIEC; a minority, non-operating interest in the Cactus II Pipeline; a 100 percent interest in Moda’s Viola Pipeline; and Moda’s St. James Development Project, a brownfield joint-development opportunity to build independent third-party logistics solutions for customers in the St. James, Louisiana, area. Both the Cactus II and Viola pipelines connect to MIEC.

At closing, Moda Executive Vice President, COO and Founder Javier del Olmo will join Enbridge as Vice President, USGC Terminaling Operations. Key Moda personnel and the entire MIEC team will join Mr. del Olmo at Enbridge as the core of the new USGC Terminaling team in Enbridge’s

Liquids Pipelines business unit. The transaction is subject to customary regulatory approvals and closing conditions and is expected to close by the end of this year.

Moda and EFM will retain ownership in Vopak Moda Houston, a world-class deepwater storage and terminaling facility in the Port of Houston, the number one port in the United States in terms of total waterborne tonnage and home to the nation's largest and world's second-largest petrochemical complex. Vopak Moda Houston is the first greenfield terminal development in the port in more than a decade and will serve as a vital growth platform for its joint-venture partners, Royal Vopak and Moda Midstream.

Vopak Moda Houston recently commissioned its deepwater dock and has constructed storage and terminaling infrastructure for its industrial gas product line. Moda's success in Houston is a testament to the determination and hard work across the organization since the formation of Vopak Moda Houston. Moda is confident the team will continue to provide new innovative liquids supply chain solutions and support for customers' energy transition logistics needs by capitalizing on Vopak Moda Houston's strong foundation and ideal location.

To execute on continued growth at Vopak Moda Houston and other terminaling opportunities, Moda Midstream President, CEO and Founder Bo McCall will become Chairman of Moda Midstream, and current Executive Vice President, CFO and Founder Jonathan Ackerman will serve as President and CEO. Ian Levine, Moda's current Vice President of Corporate Strategy and Treasurer will become Vice President, Strategy and CFO.

From Moda Midstream

"MIEC is a flagship asset," said Moda Midstream President, CEO and Founder Bo McCall. "We are very proud of the safe and responsible growth we have achieved since we purchased the asset less than three years ago. The site was originally designed by the U.S. Navy to support a carrier battle group and, despite the uncertainty following its closure, has developed into the nation's largest exporter of crude oil, creating jobs and economic prosperity for the Coastal Bend. I want to congratulate everyone on the Moda team for their excellent work and many accomplishments. We are all excited to watch and support MIEC's continued development and operational excellence under the ownership of a world-class company like Enbridge."

From EnCap Flatrock Midstream

"When we first backed the Moda management team, we had high expectations of what this talented group would achieve," said EnCap Flatrock Managing Partner Billy Lemmons. "Bo, Jon, Javier and their outstanding team have exceeded our every expectation. This is a significant transaction that will produce strong results for our investors and add value to Enbridge's impressive asset portfolio. In addition, we are excited to continue our partnership with the Moda team to further enhance Vopak Moda Houston's growth and development and explore new opportunities."

Advisers

Credit Suisse Securities (USA) LLC acted as exclusive financial adviser to Moda, and Vinson & Elkins LLP acted as legal counsel. Shearman & Sterling acted as legal counsel to EnCap Flatrock. Barclays acted as financial adviser to Enbridge, and Sidley Austin LLP acted as legal counsel.

About Moda Midstream, LLC

Moda Midstream, LLC is a liquids terminaling and logistics company that provides independent terminal, storage and distribution solutions to refiners, petrochemical manufacturers, marketers and producers of crude oil, condensate, NGLs, refined products and other bulk liquids. Moda concentrates on providing safe, reliable solutions to third parties. Moda's mission is to be the logistics and terminaling provider of choice. Moda is backed by EnCap Flatrock Midstream. Please visit www.modamidstream.com.

About EnCap Flatrock Midstream

EnCap Flatrock Midstream provides value-added growth capital to proven management teams focused on midstream infrastructure opportunities across North America. The firm was formed in 2008 by a partnership between EnCap Investments L.P. and Flatrock Energy Advisors, LLC. Based in San Antonio with offices in Oklahoma City and Houston, the firm manages investment commitments of nearly \$9 billion from a broad group of prestigious institutional investors. EnCap Flatrock Midstream is currently making commitments to new management teams from EFM Fund IV, a \$3.25 billion fund. For more information, please visit www.efmidstream.com.

###

Media Contact:

Casey Nikoloric, Managing Principal
TEN|10 Group, LLC
303.433.4397, x101 o
303.507.0510 m
casey.nikoloric@ten10group.com