



# ENERGY TRANSFER

Moving America's Energy

---

## Q3 2023 Earnings

November 1, 2023



# Forward-looking Statements / Legal Disclaimer



Management of Energy Transfer LP (“Energy Transfer” or “ET”) will provide this presentation in conjunction with ET’s 3<sup>rd</sup> quarter 2023 earnings conference call. On the call, members of management may make statements about future events, outlook and expectations related to Panhandle Eastern Pipe Line Company, LP (PEPL), Sunoco LP (SUN), USA Compression Partners, LP (USAC), and ET (collectively, the Partnerships), and their subsidiaries and this presentation may contain statements about future events, outlook and expectations related to the Partnerships and their subsidiaries, all of which statements are forward-looking statements. This presentation includes certain forward looking non-GAAP financial measures as defined under SEC Regulation G, including estimated adjusted EBITDA. Due to the forward-looking nature of the aforementioned non-GAAP financial measures, management cannot reliably or reasonably predict certain of the necessary components of the most directly comparable forward-looking GAAP measures without unreasonable effort. Accordingly, we are unable to present a quantitative reconciliation of such forward-looking non-GAAP financial measures to their most directly comparable forward-looking GAAP financial measures.

All references in this presentation to capacity of a pipeline, processing plant or storage facility relate to maximum capacity under normal operating conditions and with respect to pipeline transportation capacity, is subject to multiple factors (including natural gas injections and withdrawals at various delivery points along the pipeline and the utilization of compression) which may reduce the throughput capacity from specified capacity levels.

## Forward-Looking Statements

This presentation contains “forward-looking statements.” In this context, forward-looking statements often address future business and financial events, conditions, expectations, plans or ambitions, and often include, but are not limited to, words such as “believe,” “expect,” “may,” “will,” “should,” “could,” “would,” “anticipate,” “estimate,” “intend,” “plan,” “seek,” “see,” “target” or similar expressions, or variations or negatives of these words, but not all forward-looking statements include such words. Forward-looking statements by their nature address matters that are, to different degrees, uncertain, such as statements about the consummation of the transaction and the anticipated benefits thereof. All such forward-looking statements are based upon current plans, estimates, expectations and ambitions that are subject to risks, uncertainties and assumptions, many of which are beyond the control of Energy Transfer, that could cause actual results to differ materially from those expressed in such forward-looking statements. Important risk factors that may cause such a difference include, but are not limited to: anticipated tax treatment, unforeseen liabilities, future capital expenditures, revenues, expenses, earnings, synergies, economic performance, indebtedness, financial condition, losses, future prospects, business and management strategies for the management, expansion and growth of the combined company’s operations; the ability of Energy Transfer to integrate the business successfully and to achieve anticipated synergies and value creation; potential litigation relating to the transaction; the risk that disruptions from the transaction will harm Energy Transfer’s business, including current plans and operations and that management’s time and attention will be diverted on transaction-related issues; potential adverse reactions or changes to business relationships, including with employees suppliers, customers, competitors or credit rating agencies, resulting from the completion of the transaction; rating agency actions and Energy Transfer’s ability to access short- and long-term debt markets on a timely and affordable basis; legislative, regulatory and economic developments, changes in local, national, or international laws, regulations, and policies affecting Energy Transfer; acts of terrorism or outbreak of war, hostilities, civil unrest, attacks against Energy Transfer, and other political or security disturbances; dilution caused by Energy Transfer’s issuance of additional common units in connection with the transaction; the impacts of pandemics or other public health crises, including the effects of government responses on people and economies; changes in the supply, demand or price of oil, natural gas, and natural gas liquids; those risks described in Item 1A of Energy Transfer’s Annual Report on Form 10-K, filed with the Securities and Exchange Commission (the “SEC”) on February 17, 2023, and its subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K; and those risks that are more fully described in the registration statement on Form S-4 and accompanying proxy statement/prospectus filed with the SEC in connection with the transaction.

While the list of factors presented here is, and the list of factors presented in the registration statement and the proxy statement/prospectus are, considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. Energy Transfer cautions you not to place undue reliance on any of these forward-looking statements as they are not guarantees of future performance or outcomes and that actual performance and outcomes, including, without limitation, our actual results of operations, financial condition and liquidity, and the development of new markets or market segments in which we operate, may differ materially from those made in or suggested by the forward-looking statements contained in this communication. Energy Transfer does not assume any obligation to publicly provide revisions or updates to any forward-looking statements, whether as a result of new information, future developments or otherwise, should circumstances change, except as otherwise required by securities and other applicable laws. Neither future distribution of this communication nor the continued availability of this communication in archive form on Energy Transfer’s website should be deemed to constitute an update or re-affirmation of these statements as of any future date.

## Important Information about the Transaction and Where to Find It

In connection with the proposed transaction between Energy Transfer and Crestwood, Energy Transfer and Crestwood have filed relevant materials with the SEC, including a registration statement on Form S-4 filed by Energy Transfer includes a proxy statement of Crestwood that also constitutes a prospectus of Energy Transfer. A definitive proxy statement/prospectus was mailed to unitholders of Crestwood. This presentation is not a substitute for the registration statement, proxy statement or prospectus or any other document that Energy Transfer or Crestwood (as applicable) have filed or may file with the SEC in connection with the proposed transaction. BEFORE MAKING ANY VOTING OR INVESTMENT DECISION, INVESTORS AND SECURITY HOLDERS OF ENERGY TRANSFER AND CRESTWOOD ARE URGED TO READ THE REGISTRATION STATEMENT, THE PROXY STATEMENT/PROSPECTUS AND ANY OTHER RELEVANT DOCUMENTS THAT ARE FILED OR WILL BE FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND RELATED MATTERS. Investors and security holders may obtain free copies of the registration statement and the proxy statement/prospectus, as well as other filings containing important information about Energy Transfer or Crestwood, without charge at the SEC’s website, at <http://www.sec.gov>. Copies of the documents filed with the SEC by Energy Transfer are available free of charge on Energy Transfer’s website at [www.energytransfer.com](http://www.energytransfer.com) under the tab “Investor Relations” and then under the tab “SEC Filings” or by directing a request to Investor Relations, Energy Transfer LP, 8111 Westchester Drive, Suite 600, Dallas, TX 75225, Tel. No. (214) 981-0795 or to [investorrelations@energytransfer.com](mailto:investorrelations@energytransfer.com). Copies of the documents filed with the SEC by Crestwood are available free of charge on Crestwood’s website at [www.crestwoodlp.com](http://www.crestwoodlp.com) under the tab “Investors” and then under the tab “SEC Filings” or by directing a request to Investor Relations, Crestwood Equity Partners LP, 811 Main Street, Suite 3400, Houston, TX 77002, Tel. No. (832) 519-2200 or to [investorrelations@crestwoodlp.com](mailto:investorrelations@crestwoodlp.com). The information included on, or accessible through, Energy Transfer’s or Crestwood’s website is not incorporated by reference into this presentation.

## Participants in the Solicitation

Energy Transfer, Crestwood and the directors and certain executive officers of their respective general partners may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information about the directors and executive officers of Crestwood’s general partner is set forth in its proxy statement for its 2023 annual meeting of unitholders, which was filed with the SEC on March 31, 2023, and in its Annual Report on Form 10-K for the year ended December 31, 2022, which was filed with the SEC on February 27, 2023. Information about the directors and executive officers of Energy Transfer’s general partner is set forth in its Annual Report on Form 10-K for the year ended December 31, 2022, which was filed with the SEC on February 17, 2023. Additional information regarding the participants in the proxy solicitation and a description of their direct or indirect interests, by security holdings or otherwise, will be contained in the proxy statement/prospectus and other relevant materials filed with the SEC when they become available.

## No Offer or Solicitation

This presentation is for informational purposes only and is not intended to, and shall not, constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, nor shall there be any offer, issuance, exchange, transfer, solicitation or sale of securities in any jurisdiction in which such offer, issuance, exchange, transfer, solicitation or sale would be in contravention of applicable law. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act.

# What's New?

## Operational

- NGL transportation and fractionation volumes both reached new records in Q3'23
- Total NGL exports out of the Nederland and Marcus Hook Terminals reached a new record in Q3'23
- Crude transportation and terminal volumes both reached new records in Q3'23
- In August 2023, placed Frac VIII at Mont Belvieu into service, bringing total frac capacity at Mont Belvieu to over 1.15 MMBbls/d

## Financials

- Updated 2023 Adjusted EBITDA guidance:
  - Expected Adj. EBITDA: \$13.5 – \$13.6B<sup>1</sup>
- 2023 growth capital guidance:
  - Expected to be slightly below \$2.0B<sup>1,2</sup>
- Adjusted EBITDA:
  - Q3'23: \$3.5B
- Distributable Cash Flow (DCF):
  - Q3'23: \$2.0B
- Excess cash flow after distributions:
  - Q3'23: ~\$1.0B
- Q3'23 Capital Expenditures:
  - Growth: \$418mm
  - Maintenance: \$180mm
- Announced increase to quarterly cash distribution to \$0.3125 per unit

## Strategic

- On October 30, 2023, Crestwood Equity Partners unitholders voted to approve the merger with Energy Transfer
  - Currently on track to close the transaction on November 3, 2023
- Targeting annual distribution growth rate of 3% to 5%
- Expect to be at the lower end of 4-4.5x target leverage ratio range<sup>3</sup> going forward
- Expect long-term annual growth capital run rate to be between \$2 billion and \$3 billion

***Base business continues to deliver outstanding operating performance with record volumes reported across several of ET's segments***

1. Includes Crestwood  
2. Energy Transfer excluding SUN and USA Compression capital expenditures.  
3. Based on ET's calculation of the Rating Agency leverage ratios

# Nationwide Footprint

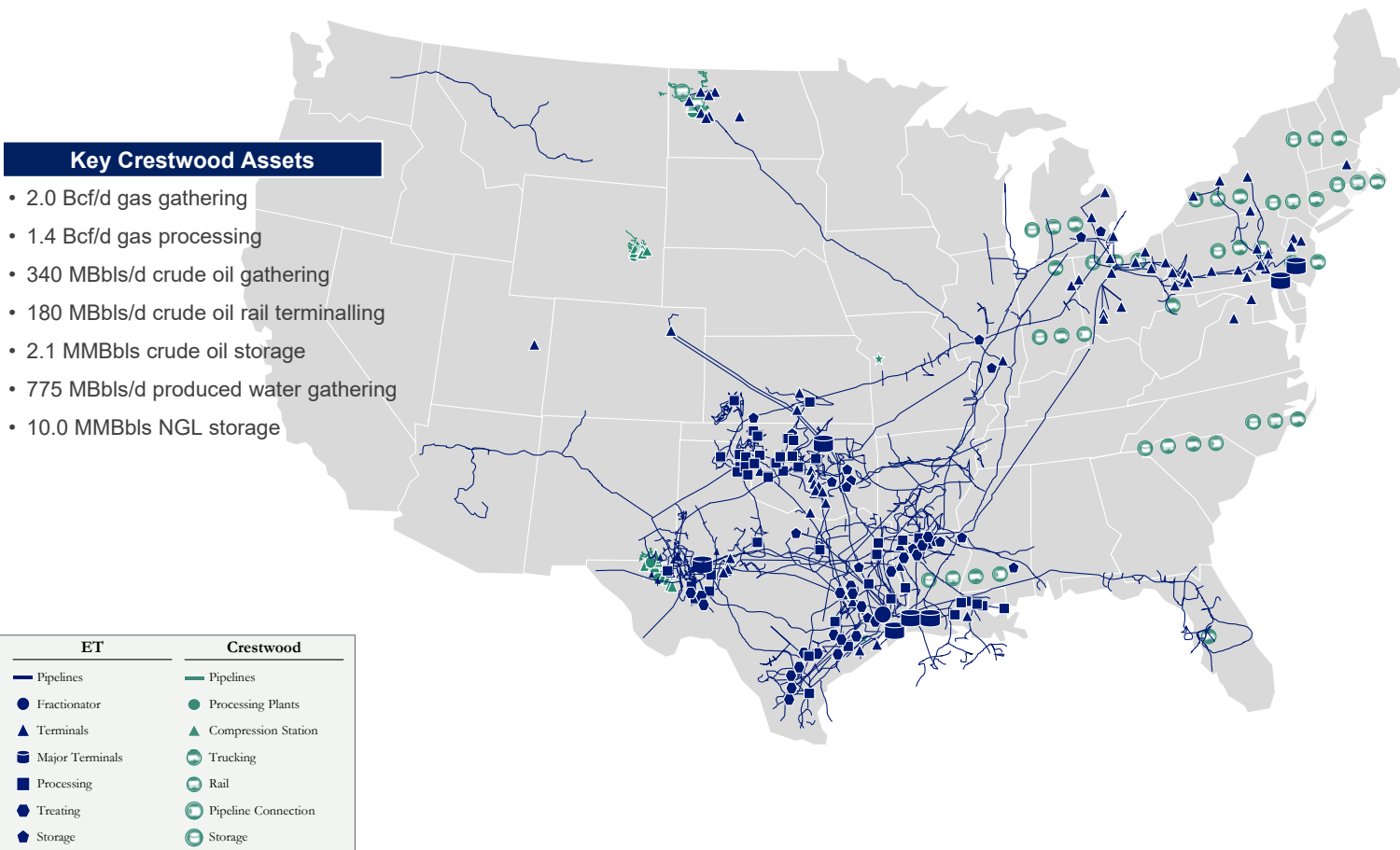
Expanded operating footprint in oil-weighted basins drives competitive scale and growth opportunities

## Key Crestwood Assets

- 2.0 Bcf/d gas gathering
- 1.4 Bcf/d gas processing
- 340 MBbls/d crude oil gathering
- 180 MBbls/d crude oil rail terminalling
- 2.1 MMBbls crude oil storage
- 775 MBbls/d produced water gathering
- 10.0 MMBbls NGL storage

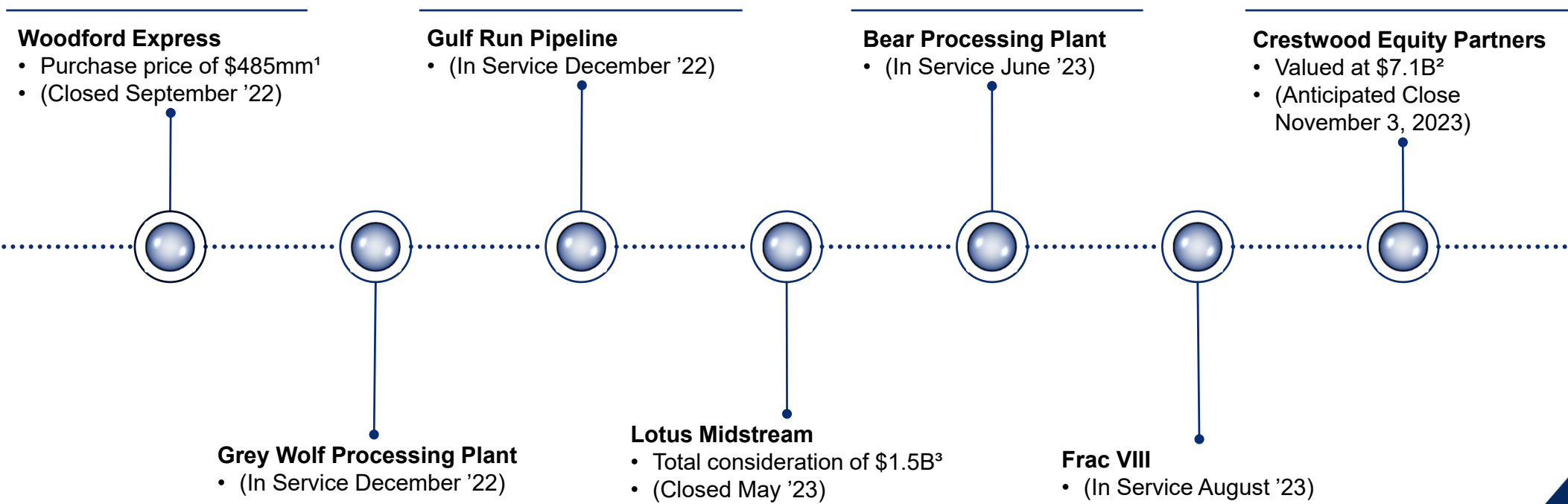
## Crestwood Transaction Update

- Transaction adds strategic assets, extending Energy Transfer's footprint deeper into the Williston and Delaware basins while providing entry into the Powder River Basin
- Complements ET's downstream fractionation capacity at Mont Belvieu
- Complements ET's hydrocarbon export capabilities from both its Nederland and Marcus Hook terminals
- Focused on integration of businesses and delivering on targeted cost synergies



# Growth Through Organic Projects and M&A

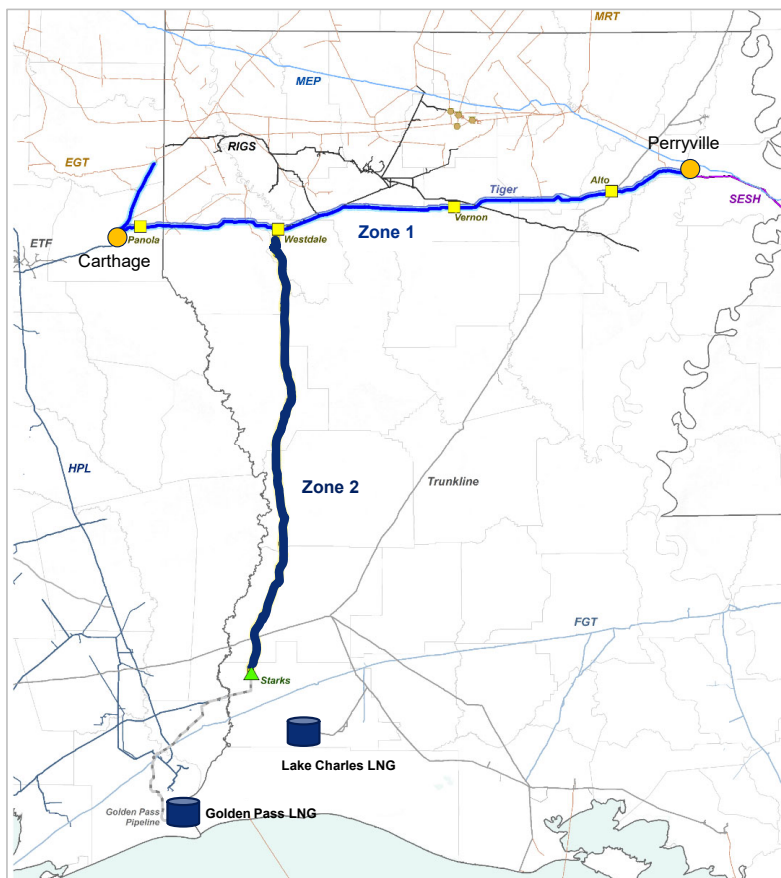
## ➤ Key asset additions since the end of Q3 2022



1. Plus working capital  
2. At time of announcement  
3. Consideration included \$930mm in cash and ~44.5mm newly issued ET common units, which had an aggregate acquisition-date fair value of \$574mm

# Gulf Run Pipeline

## Providing An Efficient Gulf Coast Connection



### Gulf Run Pipeline

- Unparalleled access to prolific natural gas producing regions in the U.S. with ability to deliver Haynesville-area gas to Gulf Coast Region
- Zone 1 (Formerly Line CP): ~200-mile, interstate pipeline with a capacity of ~1.4 Bcf/d<sup>1</sup>
- Zone 2 (New Build): 135-mile, 42" interstate pipeline with a capacity of 1.65 Bcf/d
- Backed by a 20-year commitment for 1.1 Bcf/d with cornerstone shipper Golden Pass LNG (Qatar Petroleum & Exxon Mobil)
  - Rate step-up on 1.1 Bcf Golden Pass contract July 1, 2023
- Zone 2 has very limited available capacity in the near term, and is fully subscribed beginning in January 2025
- Continue to have discussions to add ~1 Bcf of capacity via compression, which would require minimal capital investment
- Also have the ability to loop Zone 2 to add another ~2 Bcf of capacity, depending on demand

**Placed in service December 2022, on time and on budget**

1. Excludes ~0.4 Bcf/d of capacity leased by EGT on Zone 1

# Strong Investment Returns With Shorter Cash Cycle

2023E Growth Capital: ~\$2 billion		
		% of 2023E
<b>Midstream</b>	<ul style="list-style-type: none"> <li>• Bear high-recovery cryogenic processing plant</li> <li>• New treating capacity in the Haynesville</li> <li>• Efficiency improvements and emissions reduction projects</li> <li>• Multiple gathering &amp; processing and compression projects (primarily WTX, STX, Northeast)</li> </ul>	<b>~40%</b>
<b>NGL &amp; Refined Products</b>	<ul style="list-style-type: none"> <li>• Mont Belvieu Frac VIII</li> <li>• Mont Belvieu Frac and storage facilities optimization</li> <li>• Nederland LPG facilities optimization</li> <li>• Nederland NGL expansion</li> <li>• Multiple smaller projects</li> </ul>	<b>~30%</b>
<b>Interstate</b>	<ul style="list-style-type: none"> <li>• Compression and optimization projects on existing pipelines</li> <li>• New Gulf Run customer connections</li> <li>• Multiple smaller projects</li> </ul>	<b>~15%</b>
<b>Crude</b>	<ul style="list-style-type: none"> <li>• Projects associated with Lotus acquisition</li> <li>• New customer pipeline connections</li> </ul>	<b>~10%</b>
<b>Other<sup>1</sup></b>	<ul style="list-style-type: none"> <li>• New customer pipeline connections</li> <li>• Compression and optimization projects on existing pipelines</li> </ul>	<b>~5%</b>

1. Other includes the Intrastate and All Other segments

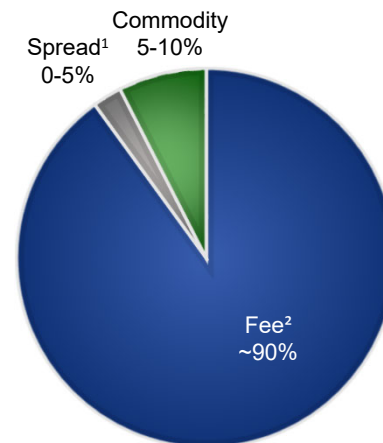
# Outlook Supported by Strong Core Business

ET 2023E Adjusted EBITDA \$13.5 - \$13.6 billion

## 2022 to 2023 Adjusted EBITDA Drivers

- + Volume growth on existing assets
- + NGL pipeline, frac and export activities
- + Lotus acquisition
- + Crestwood acquisition
- Lower commodity prices
- 2022 one-time items
- + Organic Projects
  - + Gulf Run Pipeline
  - + Grey Wolf Processing Plant
  - + Bear Processing Plant

## 2023E Adjusted EBITDA Breakout



Pricing/spread assumptions based on current futures markets

1. Spread margin is pipeline basis, cross commodity and time spreads  
2. Fee margins include transport and storage fees from affiliate customers at market rates



# Leveraging asset base and expertise to develop projects to reduce environmental footprint



## Dual Drive Compressors - Established in 2012

- Proprietary technology that allows for switching between electric motors and natural gas engines to drive compressors, and offers the industry a more efficient compression system, helping reduce greenhouse gas emissions
- In 2022, this technology allowed ET to operate using electric power on our units over 80% of the time, reducing CO2 emissions by approximately 752,000 tons annually
- In 2021, our proprietary Dual Drive Technologies natural gas compression system was awarded a GPA Midstream Environmental Excellence award for its impact on reducing CO2 emissions



## Carbon Capture Utilization and Sequestration

- Currently pursuing projects related to G&P facilities, and evaluating opportunities to capture carbon from ET and third-party facilities in the Northeast and transport CO2 through existing underutilized ET pipelines near CO2 sources
- Provide cash flows to Energy Transfer with minimal capital requirements due to structures that allow monetization of federal tax credits
- Continue to make progress on CCS project with CapturePoint related to ET's north Louisiana processing plants, which would provide a compelling solution for Haynesville area carbon capture, and is expected to generate attractive financial returns



## Renewable Energy Use

- Approximately 20% of the electrical energy ET purchases originates from a renewable energy source – enough energy to power ~40,000 homes



## Renewable Fuels

- Utilizing our extensive gas system, ET is able to safely and reliably transport renewable natural gas (RNG).
- In 2022, ET had 8 RNG plants/interconnects transporting over 5 Bcf/d of product



## Solar

- Since 2019, ET has entered into dedicated solar contracts to purchase 108 megawatts of solar power to support the operations of our assets
- Operate approximately 32,500 solar panel-powered metering stations across the country



## Repurpose Existing Assets

- Evaluating repurposing extensive acreage in WV, VA and KY to develop solar, wind, forestry credits and other uses
- Pursuing opportunities to utilize ET's significant asset footprint for the transportation of renewable fuels, CO2 and other products

➤ ET and Oxy are working together to obtain long-term commitments of CO2 from industrial customers in the Lake Charles, LA area.

➤ If the project reaches FID, ET would construct a CO2 pipeline to connect the customers to Oxy's sequestration site in Allen Parish, LA.

➤ Continue to have discussions with third parties related to the development of ammonia facilities at sites on the Gulf Coast where ET has docks with deep water access

# Appendix / Non-GAAP Reconciliations

---



# Non-GAAP Reconciliation



## Energy Transfer LP Reconciliation of Non-GAAP Measures\*

	2018	2019	2020	2021	2022	2023			
	Full Year	Full Year	Full Year	Full Year	Full Year	Q1	Q2	Q3	Year To Date
Net income	\$ 3,365	\$ 4,899	\$ 140	\$ 6,687	\$ 5,868	\$ 1,447	\$ 1,233	\$ 1,047	\$ 3,727
Loss from discontinued operations	265	-	-	-	-	-	-	-	-
Interest expense, net	2,055	2,331	2,327	2,267	2,306	619	641	632	1,892
Impairment losses and other	431	74	2,880	21	386	1	10	1	12
Income tax expense from continuing operations	4	195	237	184	204	71	108	77	256
Depreciation, depletion and amortization	2,859	3,147	3,678	3,817	4,164	1,059	1,061	1,107	3,227
Non-cash compensation expense	105	113	121	111	115	37	27	35	99
(Gains) losses on interest rate derivatives	(47)	241	203	(61)	(293)	20	(35)	(32)	(47)
Unrealized (gains) losses on commodity risk management activities	11	5	71	(162)	(42)	130	(55)	107	182
Losses on extinguishments of debt	112	18	75	38	-	-	-	-	-
Inventory valuation adjustments (Sunoco LP)	85	(79)	82	(190)	(5)	(29)	57	(141)	(113)
Impairment of investment in unconsolidated affiliates	-	-	129	-	-	-	-	-	-
Equity in earnings of unconsolidated affiliates	(344)	(302)	(119)	(246)	(257)	(88)	(95)	(103)	(286)
Adjusted EBITDA related to unconsolidated affiliates	655	626	628	523	565	161	171	182	514
Adjusted EBITDA from discontinued operations	(25)	-	-	-	-	-	-	-	-
Non-operating litigation-related costs	-	-	-	-	-	-	-	625	625
Other, net (including amounts related to discontinued operations in 2018)	(21)	(54)	79	57	82	5	(1)	4	8
Adjusted EBITDA (consolidated)	9,510	11,214	10,531	10,531	10,531	3,433	3,122	3,541	10,096
Adjusted EBITDA related to unconsolidated affiliates	(655)	(626)	(628)	(523)	(565)	(161)	(171)	(182)	(514)
Distributable Cash Flow from unconsolidated affiliates	407	415	452	346	359	118	115	131	364
Interest expense, net	(2,057)	(2,331)	(2,327)	(2,267)	(2,306)	(619)	(641)	(632)	(1,892)
Preferred unitholders' distributions	(170)	(253)	(378)	(418)	(471)	(120)	(127)	(129)	(376)
Current income tax (expense) benefit	(472)	22	(27)	(44)	(18)	(18)	(26)	(25)	(69)
Transaction-related income taxes	470	(31)	-	-	(42)	-	-	-	-
Maintenance capital expenditures	(510)	(655)	(520)	(581)	(821)	(162)	(237)	(202)	(601)
Other, net	49	85	74	68	20	5	5	11	21
Distributable Cash Flow (consolidated)	6,572	7,840	7,177	7,177	7,177	2,476	2,040	2,513	7,029
Distributable Cash Flow attributable to Sunoco LP (100%)	(446)	(450)	(516)	(542)	(648)	(160)	(173)	(181)	(514)
Distributions from Sunoco LP	166	165	165	165	166	43	44	43	130
Distributable Cash Flow attributable to USAC (100%)	(148)	(222)	(221)	(209)	(221)	(63)	(67)	(71)	(201)
Distributions from USAC	73	90	97	97	97	24	24	25	73
Distributable Cash Flow attributable to noncontrolling interests in other non-wholly-owned subsidiaries	(874)	(1,113)	(1,015)	(1,113)	(1,240)	(314)	(324)	(345)	(983)
Distributable Cash Flow attributable to the partners of Energy Transfer <sup>(a)</sup>	5,343	6,310	5,687	5,687	5,687	2,006	1,544	1,984	5,534
Transaction-related adjustments	52	14	55	194	44	2	10	2	14
Distributable Cash Flow attributable to the partners of Energy Transfer, as adjusted <sup>(a)</sup>	\$ 5,395	\$ 6,324	\$ 5,742	\$ 5,881	\$ 5,731	\$ 2,008	\$ 1,554	\$ 1,986	\$ 5,548

\* See definitions of non-GAAP measures on next slide

# Non-GAAP Reconciliation



## Definitions

Adjusted EBITDA and Distributable Cash Flow are non-GAAP financial measures used by industry analysts, investors, lenders and rating agencies to assess the financial performance and the operating results of Energy Transfer's fundamental business activities and should not be considered in isolation or as a substitute for net income, income from operations, cash flows from operating activities, or other GAAP measures. There are material limitations to using measures such as Adjusted EBITDA and Distributable Cash Flow, including the difficulty associated with using either as the sole measure to compare the results of one company to another, and the inability to analyze certain significant items that directly affect a company's net income or loss or cash flows. In addition, our calculations of Adjusted EBITDA and Distributable Cash Flow may not be consistent with similarly titled measures of other companies and should be viewed in conjunction with measurements that are computed in accordance with GAAP, such as segment margin, operating income, net income and cash flow from operating activities.

We define Adjusted EBITDA as total partnership earnings before interest, taxes, depreciation, depletion, amortization and other non-cash items, such as non-cash compensation expense, gains and losses on disposals of assets, the allowance for equity funds used during construction, unrealized gains and losses on commodity risk management activities, inventory valuation adjustments, non-cash impairment charges, losses on extinguishments of debt and other non-operating income or expense items, as well as certain non-recurring gains and losses. Inventory adjustments that are excluded from the calculation of Adjusted EBITDA represent only the changes in lower of cost or market reserves on inventory that is carried at last-in, first-out ("LIFO"). These amounts are unrealized valuation adjustments applied to Sunoco LP's fuel volumes remaining in inventory at the end of the period.

Adjusted EBITDA reflects amounts for less than wholly-owned subsidiaries based on 100% of the subsidiaries' results of operations. Adjusted EBITDA reflects amounts for unconsolidated affiliates based on the same recognition and measurement methods used to record equity in earnings of unconsolidated affiliates. Adjusted EBITDA related to unconsolidated affiliates excludes the same items with respect to the unconsolidated affiliate as those excluded from the calculation of Adjusted EBITDA, such as interest, taxes, depreciation, depletion, amortization and other non-cash items. Although these amounts are excluded from Adjusted EBITDA related to unconsolidated affiliates, such exclusion should not be understood to imply that we have control over the operations and resulting revenues and expenses of such affiliates. We do not control our unconsolidated affiliates; therefore, we do not control the earnings or cash flows of such affiliates.

Distributable Cash Flow is used by management to evaluate our overall performance. Our partnership agreement requires us to distribute all available cash, and Distributable Cash Flow is calculated to evaluate our ability to fund distributions through cash generated by our operations. We define Distributable Cash Flow as net income, adjusted for certain non-cash items, less distributions to preferred unitholders and maintenance capital expenditures. Non-cash items include depreciation, depletion and amortization, non-cash compensation expense, amortization included in interest expense, gains and losses on disposals of assets, the allowance for equity funds used during construction, unrealized gains and losses on commodity risk management activities, inventory valuation adjustments, non-cash impairment charges, losses on extinguishments of debt and deferred income taxes. For unconsolidated affiliates, Distributable Cash Flow reflects the Partnership's proportionate share of the investee's distributable cash flow.

On a consolidated basis, Distributable Cash Flow includes 100% of the Distributable Cash Flow of Energy Transfer's consolidated subsidiaries. However, to the extent that noncontrolling interests exist among the Partnership's subsidiaries, the Distributable Cash Flow generated by our subsidiaries may not be available to be distributed to our partners. In order to reflect the cash flows available for distributions to the partners of Energy Transfer, the Partnership has reported Distributable Cash Flow attributable to the partners of Energy Transfer, which is calculated by adjusting Distributable Cash Flow (consolidated), as follows:

- For subsidiaries with publicly traded equity interests, Distributable Cash Flow (consolidated) includes 100% of Distributable Cash Flow attributable to such subsidiary, and Distributable Cash Flow attributable to the our partners includes distributions to be received by the parent company with respect to the periods presented.
- For consolidated joint ventures or similar entities, where the noncontrolling interest is not publicly traded, Distributable Cash Flow (consolidated) includes 100% of Distributable Cash Flow attributable to such subsidiaries, but Distributable Cash Flow attributable to the partners reflects only the amount of Distributable Cash Flow of such subsidiaries that is attributable to our ownership interest.

For Distributable Cash Flow attributable to partners, as adjusted, certain transaction-related and non-recurring expenses that are included in net income are excluded.

<sup>(a)</sup> For 2018, Distributable Cash Flow attributable to the partners of Energy Transfer is presented on a pro forma basis for the restructuring transaction in October 2018 (the "Energy Transfer Merger").