

CONVENTIONAL OIL PIPELINES



SEGMENT OVERVIEW

Inter Pipeline's Conventional Oil Pipelines business involves the transportation of petroleum products, and related blending and handling services in both Alberta and Saskatchewan. It is comprised of the 100% owned Mid-Saskatchewan, Bow River and Central Alberta (CAPL) pipeline systems, which in total have 3,900 kms of pipeline and over 1.3 million barrels of storage capacity. Inter Pipeline also carries out midstream marketing activities related to the optimization of crude streams on each of the pipeline systems. During 2019 we transported 186,300 b/d of crude oil and serviced over 100 producers in Western Canada.

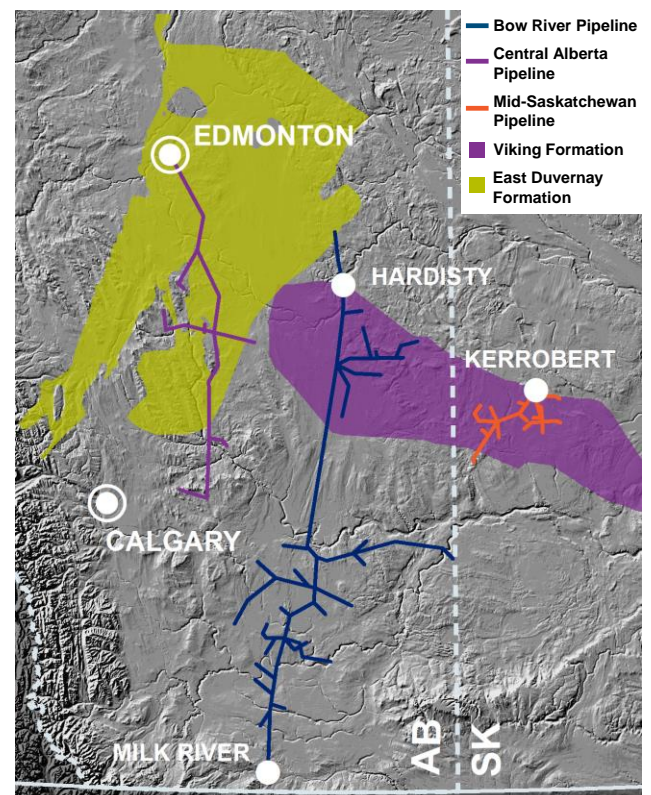
PIPELINE SYSTEMS

(000's b/d)	Product	2019 Throughput
Bow River	Crude Oil	97.6
Mid-Sask	Heavy Blend & Light Sweet Crude Oil	58.0
Central Alberta	Light Sour & Light Sweet Crude Oil	30.7
Total		186.3

MILESTONES

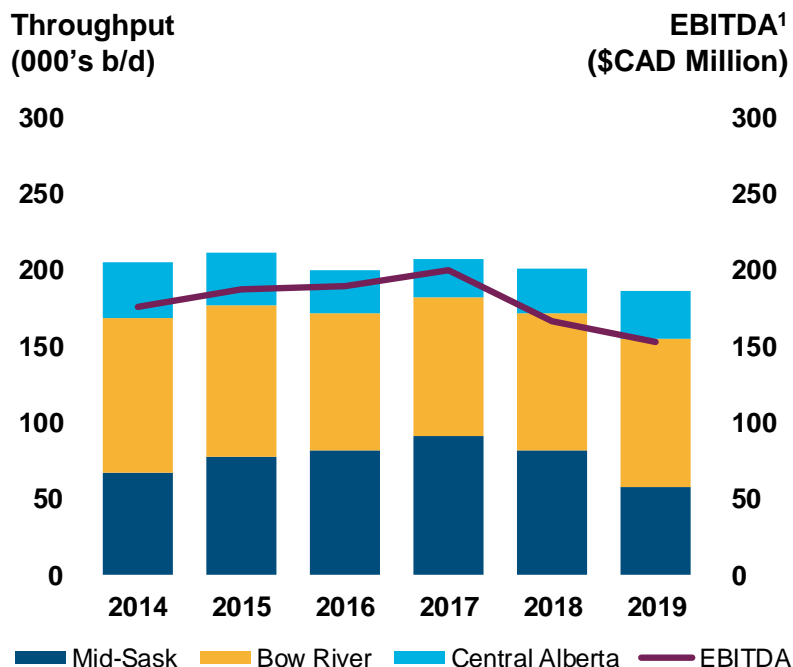
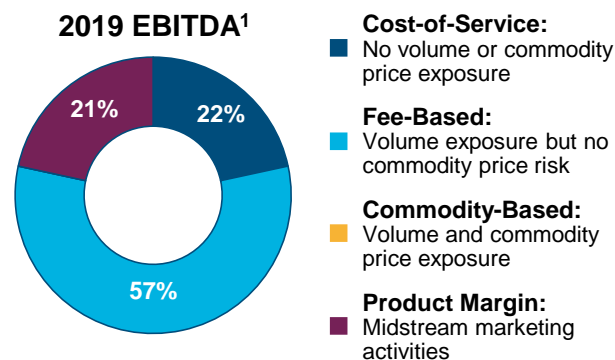
- 2010** Completed a \$72 million expansion of the Bow River pipeline to enhance delivery capabilities to Milk River, Alberta
- 2015** Completed a \$112 million expansion of the Mid-Saskatchewan pipeline that added 95,000 b/d of new transportation capacity
- 2016** Completed a \$59 million, 400,000 barrel crude oil storage, expansion project at the Kerrobert terminal in Saskatchewan
- 2016** Executed a 10-year 32,500 b/d take-or-pay agreement on the Bow River pipeline with CHS Inc.
- 2018** Approved the first phase of a multi-phase CAPL expansion, which is a \$82 million project to expand storage and truck offloading at Stettler, Alberta
- 2019** Announced the second phase of a multi-phase CAPL expansion, which is a \$100 million project to pipeline connect the Bow River and CAPL systems

AREA OF OPERATIONS



CONTRACTUAL FRAMEWORK AND EBITDA GENERATION

Conventional oil pipeline transportation services are generally provided through short-term fee-based contracts, with a fixed tolling arrangement. Inter Pipeline also generates EBITDA through cost-of-service transportation agreements, as well as midstream marketing activities that capitalize on crude pricing differentials. Such activities are managed to capture incremental value without taking a speculative view on commodity pricing.



2019 Contract Summary

Length	Typically short-term
Counterparties	100+ producers

2019 Significant Customers



CONVENTIONAL OIL PIPELINES FINANCIAL HIGHLIGHTS

(\$CAD Million)	2014	2015	2016	2017	2018	2019
Revenue	\$364	\$322	\$365	\$517	\$697	\$717
EBITDA ¹	\$176	\$188	\$189	\$201	\$167	\$153
% of Total Consolidated EBITDA	25%	19%	18%	17%	13%	15%
Capital expenditures ²	\$53	\$131	\$57	\$33	\$43	\$134

¹ See Non-GAAP Financial Measures section of Inter Pipeline's most recent Management's Discussion and Analysis

² Capital expenditures include growth, sustaining and acquisition capital

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