

NuStar Energy L.P. Completes Three Major Capital Projects to Expand Capacity to Transport and Export Permian Crude Oil, and Move Refined Products Into Northern Mexico

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SAN ANTONIO--(BUSINESS WIRE)--Sep. 4, 2019-- **NuStar Energy L.P.(NYSE: NS)** announced today that it has completed and is moving volumes on three key pipeline projects that will significantly expand the partnership's capacity to move Permian crude oil to Corpus Christi for export, and to move refined products into Northern Mexico.

On the heels of completing a project connecting the partnership's existing 16" pipeline in South Texas to the Plains Cactus II pipeline that transports WTI volumes from the Permian Basin to South Texas, NuStar completed the second stage of its WTI export project, a new eight-mile, 30" pipeline to transport crude oil from a connection to the Plains Cactus II long-haul pipeline in Taft, Texas, to NuStar's Corpus Christi terminal. NuStar is also building 600,000 barrels of additional storage at the Corpus Christi terminal, which will bring its total capacity to 3.9 million barrels. This storage expansion is expected to be completed in December 2019.

"We are very excited about the continued growth of our South Texas Crude System, which is once again experiencing throughput at near the historically high levels we saw in the Eagle Ford's heyday in 2015, and the increased utilization of our Corpus Christi export terminal, which is now handling the leading edge of the impending wave of Permian long-haul crude oil," said NuStar President and CEO Brad Barron. "And we expect continued growth for both Permian and Eagle Ford barrels going forward."

On the same day, NuStar began moving volumes on its newly expanded Valley Pipeline System in South Texas after increasing the system's capacity to supply refined products from Corpus Christi to the Rio Grande Valley and Northern Mexico. The expansion essentially doubled the pipeline's capacity from 45,000 barrels per day (BPD) to approximately 90,000 BPD. The expansion included adding a 75-mile loop of 12" pipeline between Seeligson, TX and Edinburg, TX, and making improvements at pump stations along the system, which includes delivery points in Brownsville, TX, Edinburg, TX and Harlingen, TX.

And, NuStar also began moving volumes of diesel into Northern Mexico following the reactivation of the partnership's existing 11-mile, 8" refined products pipeline connecting its Laredo Terminal in South Texas and its Nuevo Laredo Terminal in Mexico. The reactivation included the installation of a new border crossing by horizontal drill under the Rio Grande River. NuStar is currently building additional tankage and truck loading bays at the Nuevo Laredo Terminal, all of which are expected to be completed in February 2020. The expansion efforts are related to a previously announced contract agreement between NuStar and Valero to move refined products from Valero's Corpus Christi and Three Rivers, TX refineries.

"We are pleased that we were able to utilize and expand existing assets to help address the supply imbalance in Northern Mexico that is expected to continue growing and exceeding that country's infrastructure," Barron said. "In addition to the agreement with Valero on the Nuevo Laredo project, there was an outstanding response from customers on the Valley Pipeline expansion with our recent open season being fully subscribed and resulting in seven-year contract terms.

"It's an amazing coincidence that all three of these projects, each of which has been years in the making, all began moving volumes within 24 hours of each other," Barron added. "Each project is backed by long-term commitments with strong customers, and completing these projects on time and on budget is a testament to the outstanding work of our employees and contractors. And we look forward to even more growth opportunities in the future."

About NuStar Energy L.P.

NuStar Energy L.P., a publicly traded master limited partnership based in San Antonio, is one of the largest independent liquids terminal and pipeline operators in the nation. NuStar Energy currently has approximately 9,800 miles of pipeline and 74 terminal and storage facilities that store and distribute crude oil, refined products and specialty liquids. The partnership's combined system has approximately 74 million barrels of storage capacity, and the partnership has operations in the United States, Canada and Mexico. For more information, visit NuStar Energy L.P.'s website at www.nustarenergy.com.

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