



FOR IMMEDIATE RELEASE

Next Wave Energy Partners to Build Ethylene-to-Alkylate Production Facility Near Houston Ship Channel

HOUSTON – November 20, 2019 – [Next Wave Energy Partners, LP](#) (“Next Wave”) today announced it has made a positive final investment decision (FID) to construct a new alkylate production facility, known as Project Traveler, which will be located adjacent to the Houston Ship Channel at Next Wave’s 53-acre site in Pasadena, Texas. Next Wave will convert a portion of North America’s growing ethylene supply to alkylate by utilizing licensed and commercially proven process technologies at the facility, which will have a nameplate capacity of 28,000 barrels per day of alkylate. Next Wave expects initial production by mid-2022. Project Traveler is underpinned by long-term customer contracts for a majority of the nameplate capacity. Equity financing for the project is being provided by Energy Capital Partners and members of Next Wave’s senior management. The total cost for the project was not disclosed.

“Project Traveler was conceived to benefit from two important trends in our industry – growing demand for additional octane and abundant domestic supplies of natural gas liquids and their derivatives,” said Next Wave Executive Chairman Patrick Diamond. “By starting with a chemically pure feedstock and thereby avoiding the feedstock constraints typically found in refinery alkylation, our facility will produce one of the highest-quality alkylate products available in North America, which is particularly attractive for blending the cleaner-burning gasoline required by the high performance engines of today and tomorrow.”

Alkylate is a valuable gasoline blending component that is one of the cleanest petroleum products that can be produced and typically comprises about 11% to 13% of the overall gasoline pool in the United States. Alkylate is prized for its high octane, low vapor pressure and low sulfur properties. Next Wave’s alkylate product, marketed under the trade name Optimate, offers qualities superior to traditional refinery alkylate because it can be produced with 96.0 road octane (98.0 Research Octane Number), a low 3.5 Reid vapor pressure and five parts per million or less of sulfur.

“We are very excited to announce our final investment decision for Project Traveler,” said Next Wave President and CEO Michael Bloesch. “Our technical team has invested considerable time and effort in the design of the facility, which includes the built-in ability to cost-effectively expand production capacity in the future. Working with potential suppliers and offtake partners, we have already commenced engineering for a second alkylation unit at our Pasadena site to capitalize on incremental demand for our services. We believe our premier location near the Houston Ship Channel offers our customers unsurpassed connectivity to feedstock supply, product offtake and gasoline blending and distribution infrastructure.”

The Next Wave facility will have the capability to consume in excess of 1.2 billion pounds per year of ethylene feedstock, which will be delivered to the site by multiple pipelines. The Optimate product will be delivered via direct-connection pipelines to major gasoline blending terminals in Pasadena, which have dock access to marine movements through the Houston Ship Channel as well as connections to major refined product distribution pipelines. The Next Wave facility also has been designed to accommodate receipt of feedstock and delivery of product by rail as future business opportunities warrant.

The project is expected to create up to 750 jobs during construction and approximately 30 direct permanent jobs once completed.

About Next Wave

Next Wave Energy Partners, LP is an independent energy company focused on the development, operation, acquisition and expansion of midstream and downstream petrochemical and fuels assets. Next Wave's core capabilities include customized toll processing, manufacturing and logistics solutions for natural gas liquids, petrochemicals and gasoline blending components. The company is headquartered in Houston, Texas. www.nextwaveenergy.com

About Energy Capital Partners

Energy Capital Partners is an energy infrastructure-focused private investment firm with approximately \$19 billion in capital commitments. With offices in Summit, NJ, New York, NY, Houston, TX, San Diego, CA and Seoul, South Korea, Energy Capital Partners leverages its team's decades of energy industry experience and expertise in investing and managing energy infrastructure assets and businesses to serve its investors and portfolio companies. The firm focuses on investing in the traditional and renewable power generation, midstream, environmental infrastructure, and related energy services sectors of North America's energy infrastructure. www.ecpartners.com

###

Commercial Contact:

Sean Diamond
Vice President, Operations & Commercial
sean.diamond@nextwaveenergy.com

Media Contact:

Casey Nikoloric
TEN|10 Group
303.344.4375, x101 office
303.507.0510 mobile
casey.nikoloric@ten10group.com