



UTAH PETROLEUM ASSOCIATION ANNUAL MEETING

REMAPPING WESTERN PETROLEUM MARKETS

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March 2026

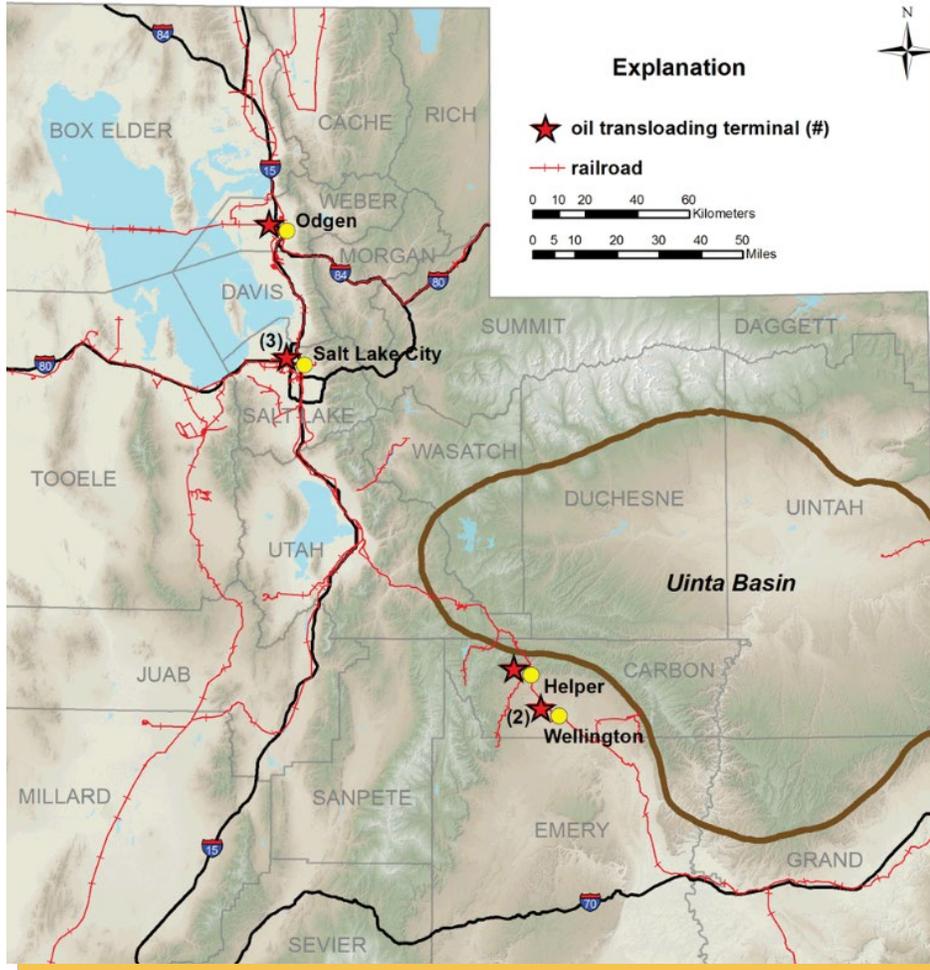
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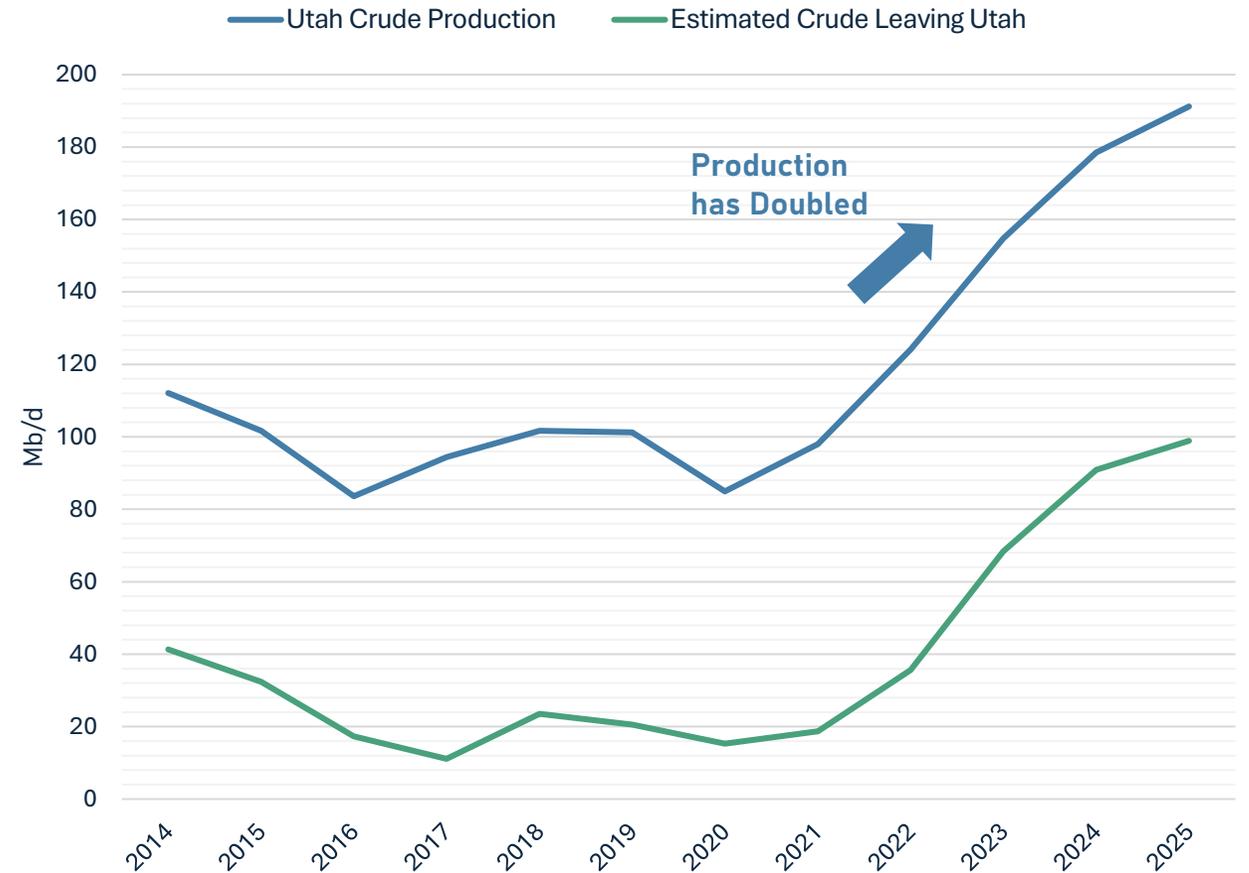
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Utah Crude Oil Balance

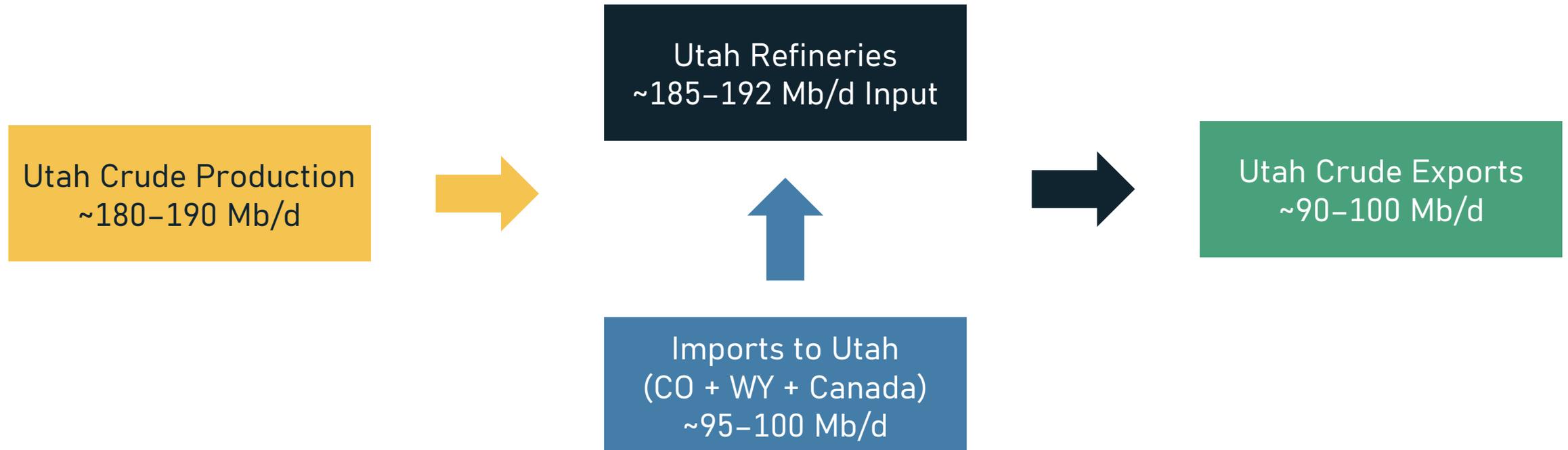


Sources: Utah Geological Survey, East Daley Analytics, EIA

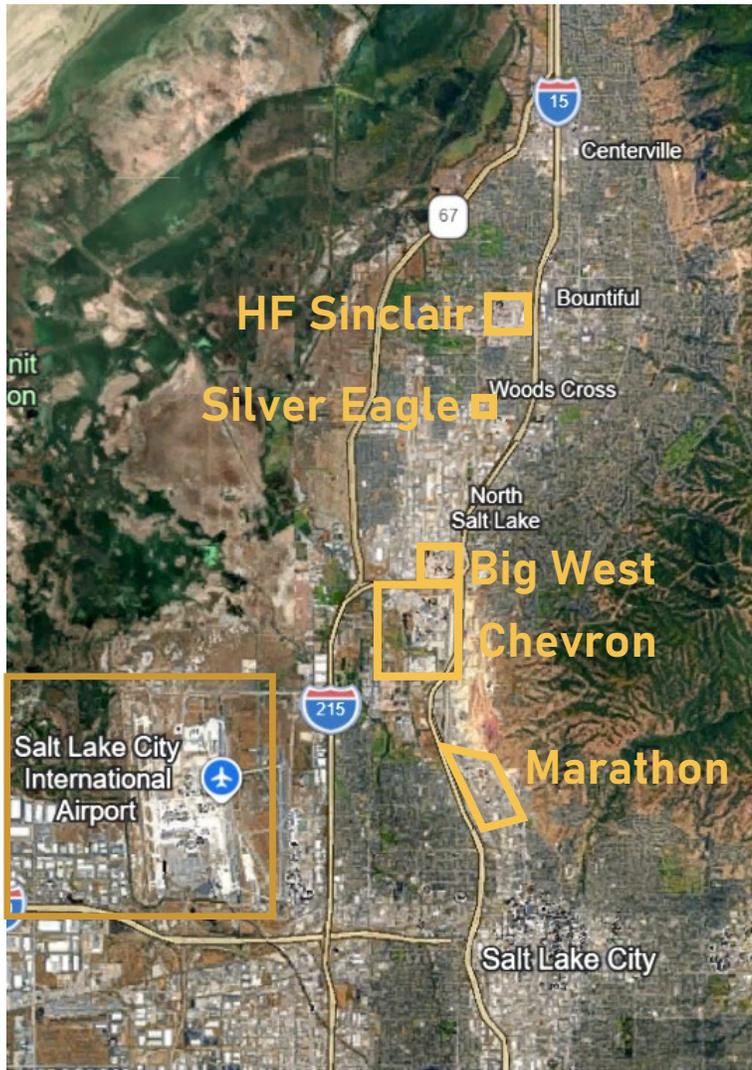
Utah Crude Production and Exports



Utah Crude Oil Flow Structure (Illustrative 2024–2025)



Utah Refineries



Source: Google Earth

- Total crude oil refining capacity of 206 Mb/d across five refineries
 - Can process 70-90 Mb/d of Uinta waxy crude
- High utilization of refinery capacity and conversion units
 - High yield of light oil products (>90%)
- Serve Salt Lake City, Idaho, Eastern Washington, Southern Utah, and Las Vegas

Crude Truck Unloading at Big West



Utah Crude Exports

- Historically, basin growth was limited to regional consumption via Salt Lake City refineries, approximately 70-90 Mb/d, leading to the development of crude by rail facilities to export Uinta crude to the USGC.
- New crude by rail terminals have been approved:
 - Wildcat Midstream – will be expanded from 40 Mb/d to more than 100 Mb/d in Q1 2026
 - Price River Terminal Rail loading facility will double from 70 Mb/d to 140 Mb/d in late 2026



Utah Crude Oil Transloading Terminals

Company	Location	Date Opened	Estimated Capacity	Future Capacity
Chevron Corporation	Salt Lake City	1980s	Not available	Not available
Wildcat Midstream	Helper	2010	40,000 bpd	100,000 bpd
Energy Transfer /Price River Terminal	Wellington	2013	70,000 bpd	140,000 bpd
Savage Infrastructure	Price	2013	5,000 bpd	5,000 bpd
Savage Infrastructure	Wellington	TBD	0	50,000 bpd
Total			115,000 bpd	295,000 bpd

Sources: Company websites, Utahrails.net; Utah.gov

Canadian Crude Egress Pipeline Expansions

- The Trans Mountain pipeline expansion (TMX) increased from roughly 300 to 890 Mb/d capacity in 2024
 - The primary markets are China, CA and WA refineries
 - Prior to the expansion, the available pipeline capacity ("egress capacity") was closely matched to the available production net of local Canadian refinery use
 - The expansion created a large overhang of egress capacity, resulting in higher netback prices for heavy Canadian crudes
- Net Western Canadian production growth of ~100 Mb/d annually anticipated through 2035 will need new egress capacity
 - Enbridge 150 Mb/d expansion by end of 2027
 - TMX is seeking to add 90 Mb/d by 2027
 - Enbridge assessing another 250 Mb/d by mid-2028
 - TMX assessing another 210 Mb/d by 2030

Crude Oil Pipelines – Simplified Flows



Western U.S. Product Pipelines

- Denver market is balanced with products from the Texas panhandle and Kansas refineries
- The Yellowstone pipeline from Billings to Spokane tends to operate at capacity as does the Pioneer pipeline from Wyoming to Salt Lake City
- Las Vegas is served by Kinder Morgan Santa Fe Pacific Pipelines (SFPP) from Los Angeles
- Reno is also served by Kinder Morgan Santa Fe Pacific Pipeline (SFPP) from San Francisco
- Phoenix is served from the East (El Paso) and West (Los Angeles)
- SFPP East pipeline from El Paso to Phoenix is typically full

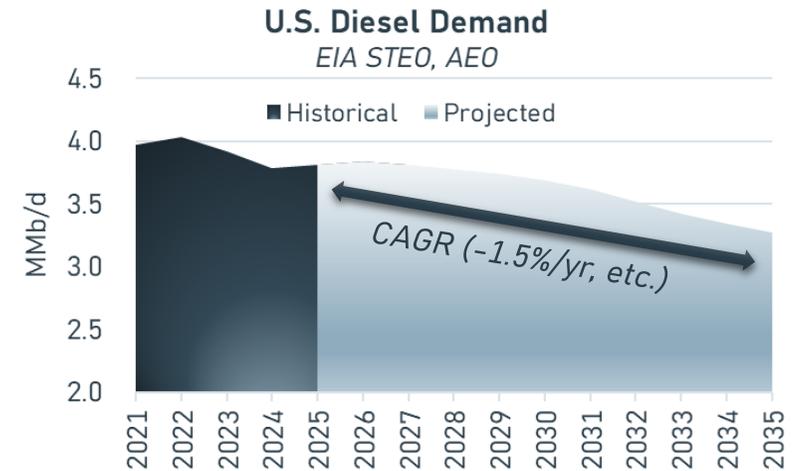
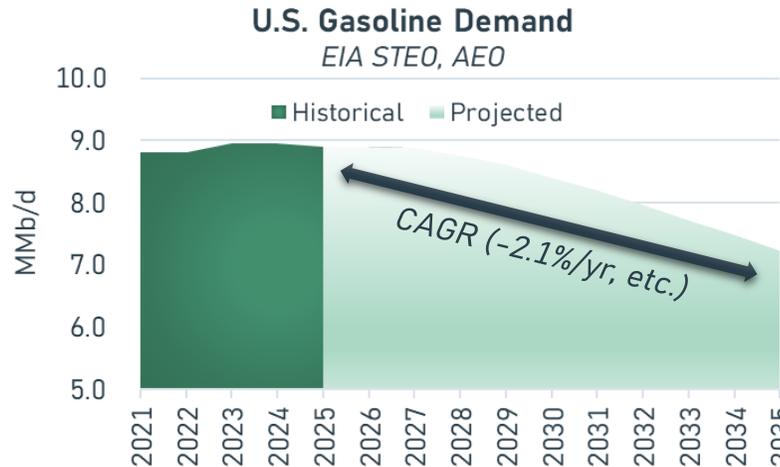
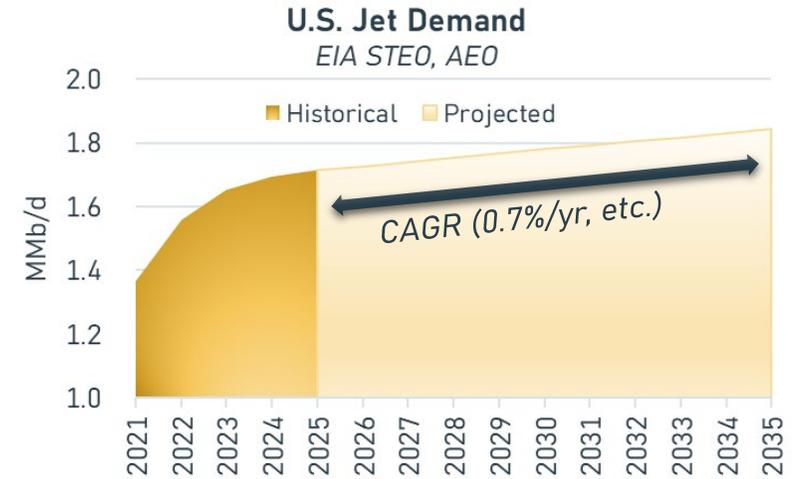


U.S. Transportation Fuel Demands

- Jet fuel demand is increasing as air travel continues to recover and expand.
- Future gasoline demand is gradually declining due to higher vehicle efficiency and EV penetration.
- Diesel demand softening amid slower freight growth and ongoing fleet efficiency gains and decarbonization

Compound Annual Growth Rates

CAGR (%)	2021-2024	2025-2035
Jet	7.4%	0.7%
Gasoline	0.5%	-2.1%
Diesel	-1.6%	-1.5%



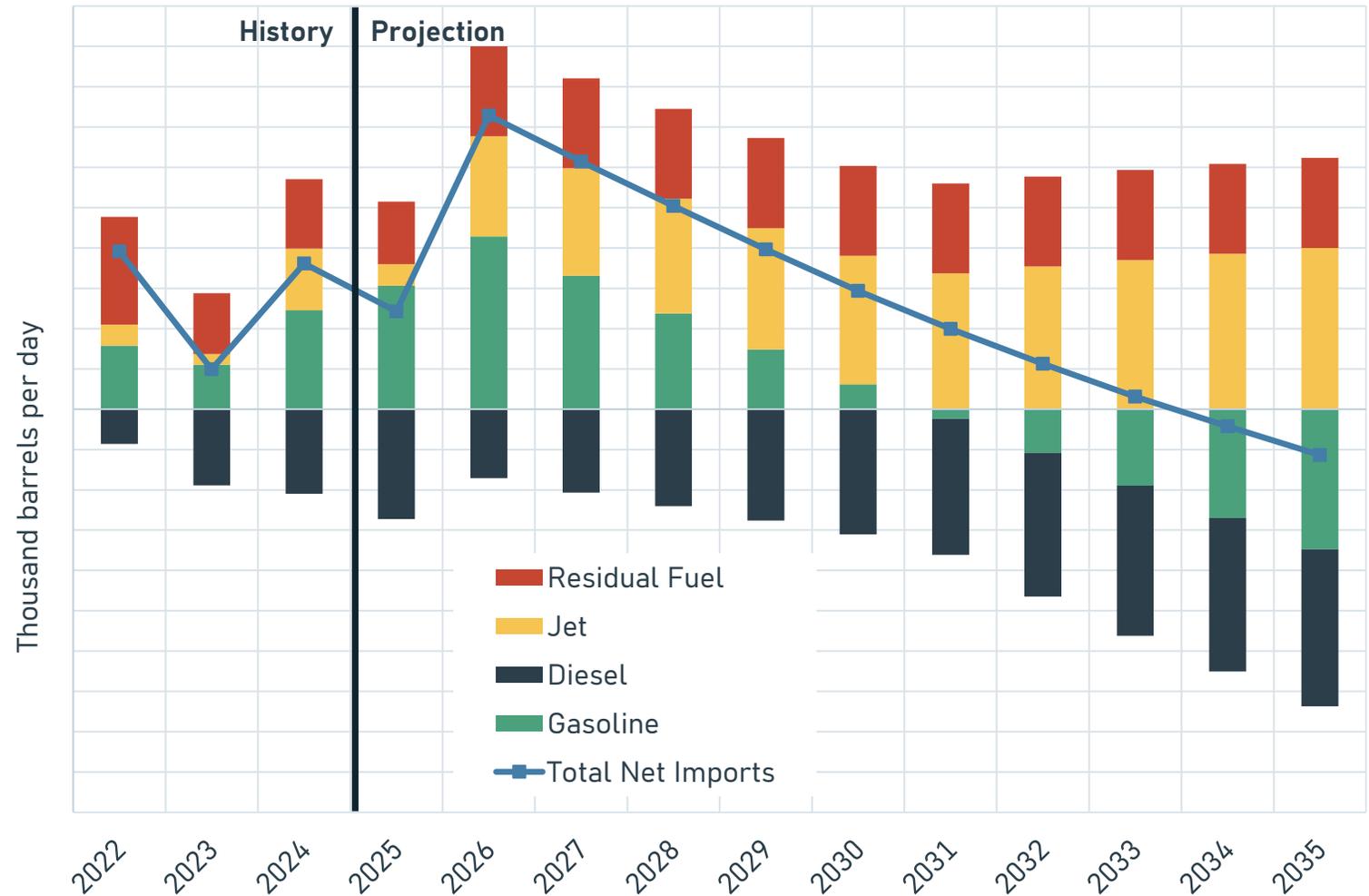
Sources: EIA AEO 2025, EIA STEO 2025, Baker & O'Brien analysis

MMb/d = Millions of barrels per day

Clean Fuels Regs Impacts PADD 4 Transfers to PADD 5

- Lower PADD 5 demand reduces the need for gasoline/diesel supply from PADD 4
 - California Low Carbon Fuel Standard (LCFS) replaced 60% of petroleum (fossil) diesel with Renewable Diesel (RD)
 - WA Clean Fuels Standard (CFS) and OR Clean Fuels Program (CFP) are following
 - Gasoline demand declines slowly as fleet turns over higher mileage autos
- Jet fuel demand increases, increasing imports required

CA Refinery Net Product Imports



New “Go West” Pipeline Development

- ONEOK’s Proposed **Sun Belt Connector** from EL Paso, TX to Phoenix, AZ.
 - Capacity: 200,000 bpd
 - Timeline: 2029
- Phillips 66/Kinder Morgan JV Proposed **Western Gateway** Pipeline from Borger, TX to Phoenix, AZ.
 - Will also reverse the Gold Line running from Borger to St Louis to allow mid-Continent and USGC-sourced barrels into the system
 - Capacity: 200,000 bpd
 - Timeline: 2029
- HF Sinclair
 - New pipeline from **SLC to Reno, NV.**
 - Expanded capacity on the **UNEV pipeline** to Las Vegas
 - Expanded capacity on the **Pioneer pipeline** into SLC

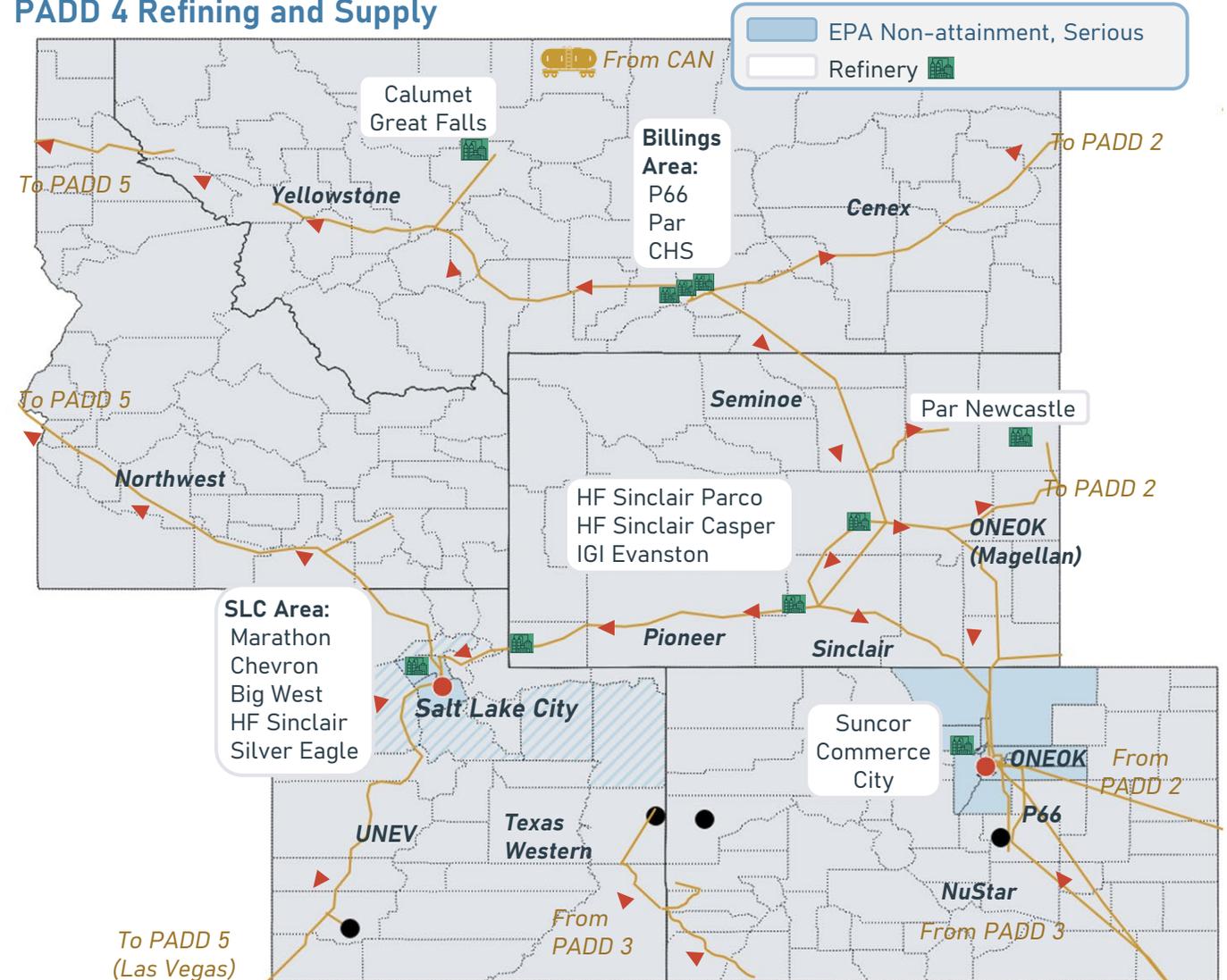


PADD 4 Supply and Demand

PADD 4 has ample refining capacity; however, logistics require both imports and exports

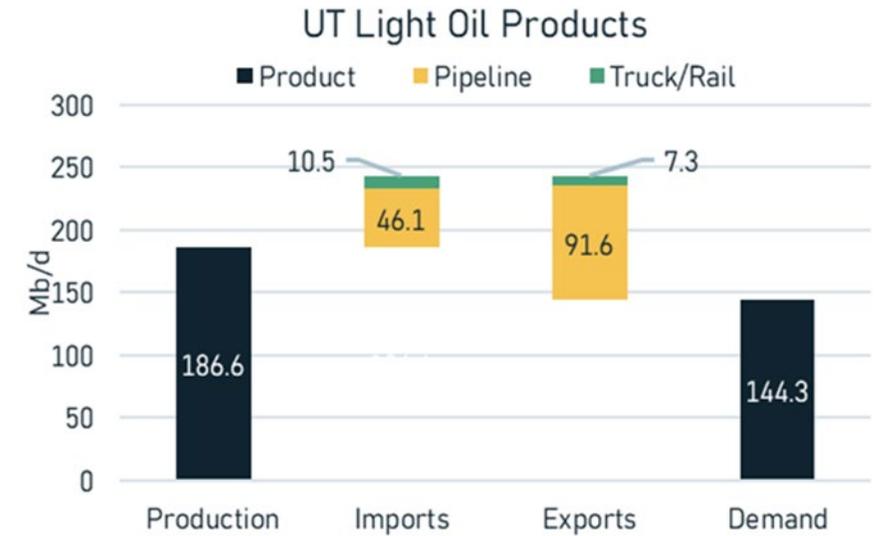
- In late 2024, Enterprise opened the Texas Western (TW) Pipeline to Utah with 20 Mb/d capacity – supplies ~6% of Utah/Colorado demand
- ONEOK 35 Mb/d pipeline expansion to Denver will provide swing/seasonal volumes (3Q 2026)
 - ONEOK expansion into Denver in 2026 from PADD 2 eases any losses from Wyoming
- California refinery shut-downs incentivize SLC barrels to Las Vegas via the UNEV pipeline

PADD 4 Refining and Supply



Source: EIA, Baker & O'Brien

Utah Refined Products Balance



- The NW Products pipeline from Salt Lake City to Pasco, WA, is typically full
- Salt Lake City refineries supply Southern Utah and Las Vegas via the UNEV pipeline
- Pioneer pipeline provides swing volume into SLC (~50 Mb/d); currently operates near capacity, 35 Mb/d expansion planned

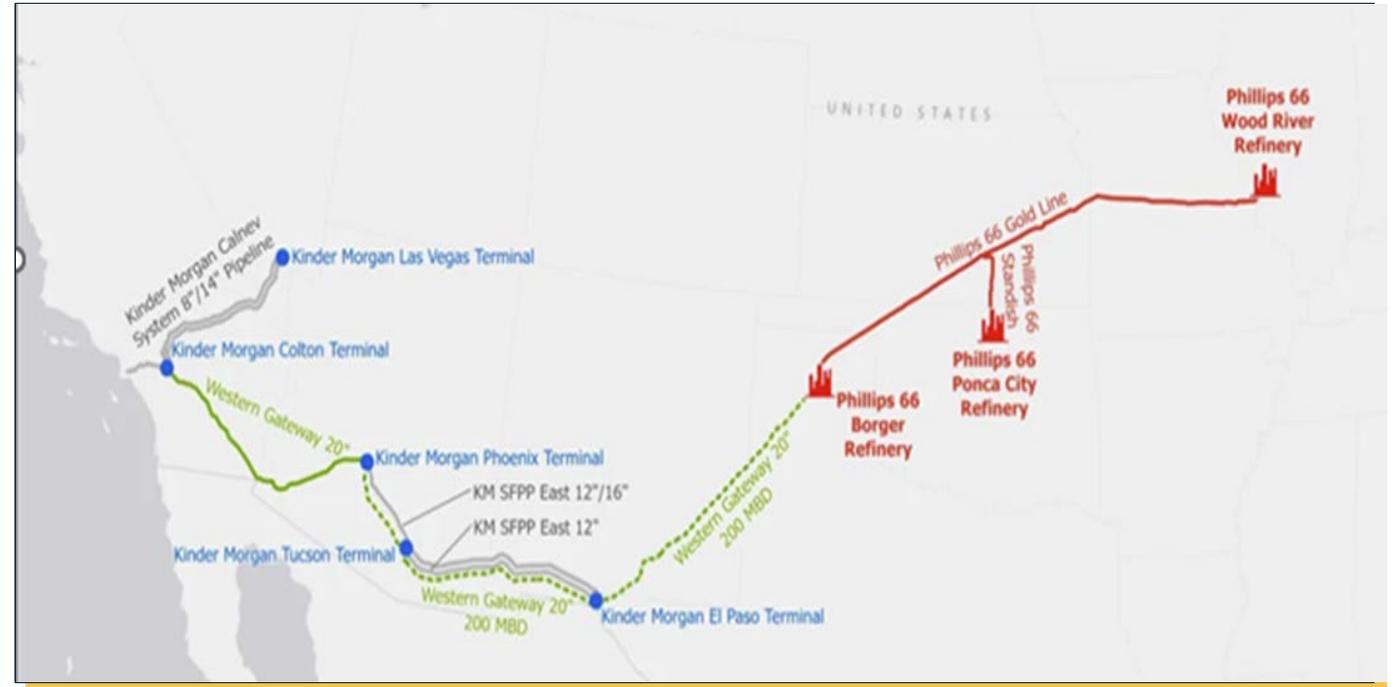
Sources: EIA, State tax data, FERC, Baker & O'Brien analysis.

New Pipelines from PADD 2 to PADD 5

P66/Kinder Morgan – Western Gateway Pipeline

- Proposed timeframe – 2029
- Reverse the Gold Line from the Midwest
 - Gives access to all three Phillips 66 mid-Continent refineries
- Add a new 20”-200 Mb/d pipeline from Borger to El Paso, TX
- Add a new 20”-200 Mb/d pipeline from El Paso, TX to Phoenix, AZ
- Reverse the East-SFPP pipeline from Phoenix, AZ to Colton, CA
 - Allows access to the CalNev pipeline to Las Vegas, NV

P66/Kinder Morgan – Western Gateway Pipeline



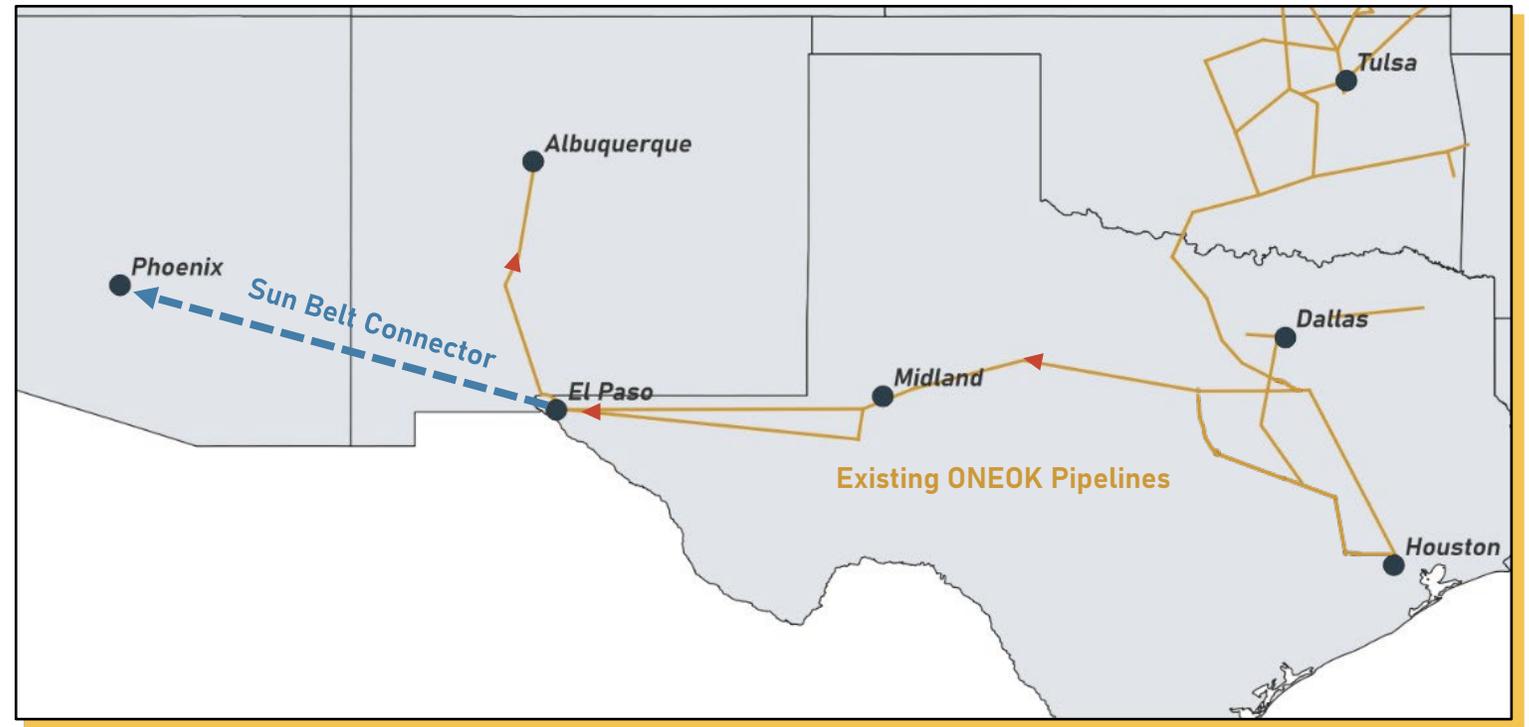
Source: Phillips 66

New Pipelines from PADD 3 to PADD 5

ONEOK – Sun Belt Connector

- Expected timeline – mid-2029
- 24”-200 Mb/d connector from El Paso, TX to Phoenix, AZ
- Debottleneck the existing Pipelines to El Paso, TX, including routes from the USGC

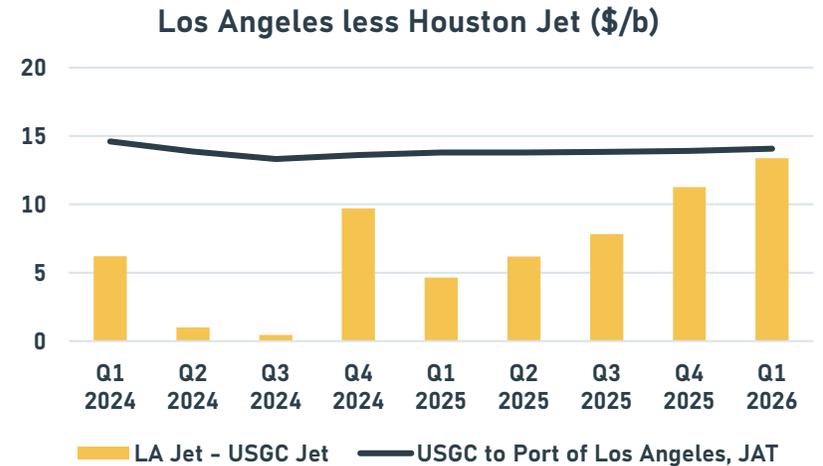
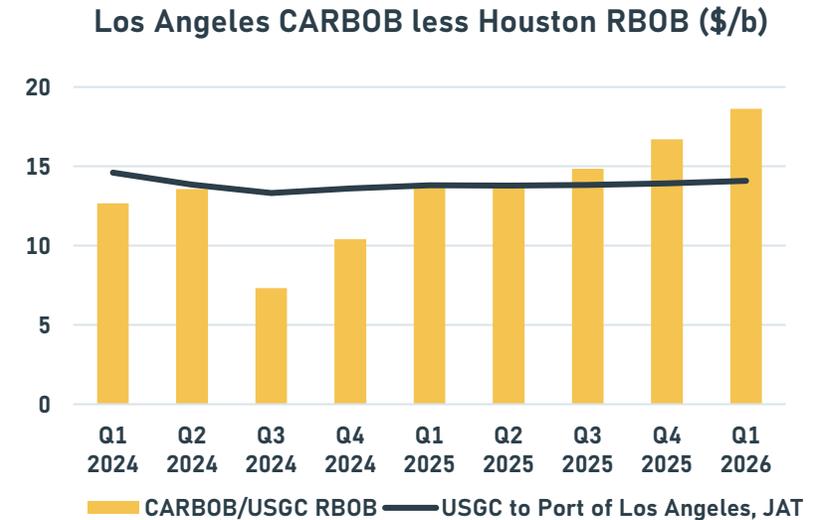
ONEOK – Sunbelt Connector



Source: ONEOK, Baker & O'Brien

West Coast Prices Now Support Gulf Coast Imports

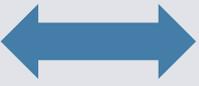
- California Refinery Shutdowns
 - P66 shut down its 139 Mb/d Los Angeles refinery in 2025
 - Valero shut down its 170 Mb/d Benica refinery in early 2026
- Additional product will be supplied by Pacific Northwest refineries, long-haul imports from Asia, and from the USGC using high-cost Jones Act tankers (JAT)
- Gasoline and jet fuel prices in California will likely increase to parity with water movement from USGC
- LA gasoline (“CARBOB”) has moved above Jones Act tanker parity from the USGC and jet fuel is now at parity
 - Tanker shipping costs have been \$13 - \$15/b (highly variable)
 - LA prices plus CalNev pipeline tariff can set Las Vegas prices after pipeline capacity from El Paso is expanded
 - Adding pipeline tariff of about \$2/b, Las Vegas delivered price could be USGC + \$15 - \$17/b



Source: Argus Media Ltd and Baker & O'Brien Analysis

Summary

Directional Benefits to Utah Refiners

Oil Production Growth	
California Refineries Shutting	
ONEOK to Denver / Pioneer Pipeline Growth	
Las Vegas Pipeline Expansion	
New Products Pipeline to Reno	
Canadian Crude Pipeline Growth	
New Phoenix Supply Pipelines	

THANK YOU

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