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EnLink Midstream Partners LP (ENLK)

Q2 2014 Earnings Call

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MANAGEMENT DISCUSSION SECTION

Operator: Ladies and gentlemen, thank you for standing by. Welcome to the EnLink Midstream Partners' LP Second Quarter 2014 Financial Results Conference Call. During the call, all participants will be in a listen-only mode. After the presentation, we will conduct a question-and-answer session. [Operator Instructions] Please note that this call is being recorded today, Wednesday, August 6, 2014 at 10 AM Eastern Time.

I would now like to turn the meeting over to your host for today's call, Jill McMillan at EnLink Midstream. Please go ahead.

Jill McMillan

Director-Communications & Investor Relations, EnLink Midstream LLC

Thank you, Andrea, and good morning, everyone. Thank you for joining us today to discuss EnLink Midstream's second quarter 2014 results. On the call today are Barry Davis, President and Chief Executive Officer; Mike Garberding, Executive Vice President and Chief Financial Officer; Steve Hoppe, Executive Vice President and President of the Gathering, Processing and Transportation business; and Mac Hummel, Executive Vice President and President of the Natural Gas Liquids, Crude and Condensate business.

We issued our second quarter 2014 earnings release yesterday evening and the 10-Qs will be filed this morning. We also issued a press release yesterday afternoon, announcing new key growth projects for EnLink Midstream, which we will also discuss today. If you want to listen to a recording of today's call, you have 90 days to access a replay by phone or webcast on our website.

I will remind you that any statements that include our expectations or predictions should be considered forward-looking statements within the meaning of the federal securities laws. Forward-looking statements are subject to a number of assumptions and uncertainties that may cause our actual results to differ materially from those

expressed in these statements; and we undertake no obligation to update or revise any forward-looking statements.

We will also discuss certain non-GAAP measures and you'll find reconciliations of these non-GAAP measures to comparable GAAP measures in our earnings release. We encourage you to review the cautionary statements and other disclosures made in our SEC filings, specifically those under the heading Risk Factors.

I will now turn the call over to Barry Davis.

Barry E. Davis

President, Chief Executive Officer & Director, EnLink Midstream LLC

Thank you, Jill. Good morning, everyone, and thank you for joining us on the call today. Having completed our first full quarter as EnLink Midstream, I am pleased to report outstanding second quarter results. The Partnership's adjusted EBITDA was \$111.6 million, and we raised distributions to \$36.05 for unitholders of ENLK. The General Partners' cash available for distribution was \$69.1 million, and we increased distributions to \$0.22 for unitholders of ENLC.

We are well positioned to secure and execute sizable organic development and acquisition opportunities across the midstream value chain, driving growth over the near and long term. We will continue to take advantage of the opportunities from our growing asset base, increased financial capacity, and unique partnership with Devon Energy.

As you know, earlier this year, we laid out four avenues of growth, which will enable us to reach our goal of doubling in size by the end of 2017. We made significant progress toward our strategic plan during the quarter, including the new growth projects we announced last night.

Steve Hoppe, who operates our gas business unit and Mac Hummel, who operates our liquids business unit will discuss these growth projects in greater detail later in the call. These are exactly the types of projects we discussed that will help us reach our goal of doubling in size. These projects and our existing assets are located in key growth areas, where we see tremendous opportunity. There is a lot of activity around our core areas of operation, which is where you should expect to see EnLink continue to grow.

Our four avenues of growth, coupled with the positioning of our assets will allow us to take advantage of the many opportunities ahead. You may recall our first growth opportunity is to take advantage of drop-downs from our GP and Devon into the MLP. Our plan remains to turn ENLC into a pure play GP by dropping down multiple assets over the next few years.

These opportunities include ENLC's interest in the legacy Devon Midstream assets, now referenced as EnLink Midstream Holdings as well as Devon's VEX pipeline in the Eagle Ford and the Access pipeline in Canada, both of which were recently completed. While no official decision has been made, it is likely that both of these high-quality pipelines will be dropped down to EnLink within the next year or two.

In the Ohio River Valley, condensate solutions continue to be integral to the development of this region. We are making an additional investment in two natural gas compression and condensate stabilization facilities in the liquids rich window of the Utica. The new facilities are incremental to the three compression and condensate stabilization facilities we announced last year, which are now complete and in service.

All five stations are supported by long-term fee-based contracts with Antero Resources, a leading oil and gas exploration and production company in the region. Our intent is to drop-down all five of these facilities by the end of the year. Mac will discuss this opportunity in greater detail.

We also have the opportunity to grow from providing services to Devon, to support their growing production and midstream infrastructure needs. Our newly announced Bearkat expansion project, which increases our natural gas gathering and processing capabilities in the Permian Basin is a great example. This growth project will allow us to capitalize on our strategic sponsorship with Devon. Additionally, we believe there will be other opportunities in areas where Devon is growing their production, including the Eagle Ford, Permian Basin, and Oklahoma as well as new basins.

Expansion in our core businesses and organic growth projects also provide an important growth opportunity for EnLink. Yesterday, we announced our new joint venture with a subsidiary of Marathon Petroleum Corporation to construct an NGL pipeline extension from our existing Riverside fractionation and terminal complex to Marathon's Garyville refinery on the Mississippi river. This represents the next phase of growth from our Cajun-Sibon expansion project. The opportunity to grow through the expansion of our core businesses, including our new joint venture with Marathon in South Louisiana and the Bearkat expansion project in West Texas are because of the strategic locations of our assets. We will continue to identify stable, executable projects in areas we know well.

Finally, we are active from an M&A perspective. In the current market environment, we are primarily focusing our efforts on opportunities that are complementary to our core business. We will also pursue larger scale opportunities to enter new basins, products or service lines particularly in areas where Devon is active. As always, we will remain disciplined in our approach.

So in summary, we are off to a great start as EnLink Midstream and we look forward to executing on the many opportunities ahead.

I will now turn the call over to Steve Hoppe.

Barry E. Davis

President, Chief Executive Officer & Director, EnLink Midstream LLC

Thank you, Barry, and good morning, everyone. In West Texas, we're optimistic about the recent activity we're seeing from E&P companies in close proximity to our assets. Specifically in the Wolfcamp play, which includes Martin, Howard, Glasscock and Reagan counties where we have well positioned facilities.

Today, there are over 550 rigs in the Permian Basin and we are well positioned to take advantage of the significant opportunities that are being explored. The Bearkat expansion project is exactly the type of opportunity that allows us to increase our asset base in the Permian Basin and further capitalize on what has become an important growth area for EnLink. Growth opportunities like this are driven by a relationship with Devon and because of the strategic locations of our assets including West Texas.

As part of the expansion project, we have signed a long-term fee-based agreement with Devon to provide gathering and processing services for over 18,000 acres under development in Martin County. We will construct multiple low-pressure gathering pipelines and a new 23-mile 12-inch high-pressure gathering pipeline that will tie into the previously announced Bearkat natural gas gathering system. We expect these new pipelines to be operational in the first quarter of 2015.

In conjunction with the pipeline expansion, EnLink will construct a new \$120 million a day – 120 million cubic foot per day cryogenic processing plant, which will be strategically located near our existing assets. The new plant will provide gas processing capabilities to producer customers in the region and is expected to be operational in the second half of 2015. Upon completion of the plant, the partnership's total operated processing capacity in the Permian Basin will increase to approximately 240 million cubic feet per day.

The entire project is expected to cost over \$200 million and increases our total investment in capital in the Bearkat System to over \$400 million. In the near-term, we're making progress on our other growth projects, including the Bearkat Gathering and Processing complex. This project includes 65 miles of gathering pipelines, 5 compressor stations, as well as 60 million cubic feet per day cryogenic gas processing plant, which we expect to be operational in the fourth quarter. The Permian Basin continues to be a terrific play that provides abundant growth opportunities and we are confident this region will remain an integral part of EnLink success moving forward.

In North Texas, our assets continue to perform well. During the quarter, our gathering volumes averaged approximately 2 billion cubic feet per day and our processing and transportation volumes were over 1 billion cubic feet per day. We remain focused on the integration process and are making progress, realizing operational synergies from the combination. Although activity in the area is slow today, we believe that our customers have great future potential to resume drilling the thousands of rich gas locations that are around and dedicated to our North Texas assets.

In Oklahoma, we continue to see strong and even increasing producer activity. Our customers in the region, including Devon in particular are acquiring additional acreage in the vicinity of our assets and have successfully re-completed wells to increase their production.

We have already utilized our assets to take advantage of these opportunities. In fact, we had a record setting quarter on volumes. The Cana plant is operating near its capacity and the area continues to be one of increasing growth for EnLink.

We're evaluating additional growth opportunities, particularly around Cana, and are actively pursuing other opportunities in the SCOOP and STACK plays. We will continue to capture opportunities with our existing assets and are well positioned to expand the producer's needs as they develop in these areas.

I now turn the call over to Mac Hummel who will give you an update on our natural gas liquids, and crude and condensate business.

McMillan Hummel

Executive Vice President & Head of Natural Gas Liquids & Crude Oil Business, EnLink Midstream LLC

Thanks, Steve. And good morning, everyone. I'm excited to announce new growth projects impacting our liquid's business unit. They are precisely the type of projects we expect to continue to develop in support of our customers as we grow our business. As Barry mentioned earlier, we announced a joint venture with a subsidiary of Marathon Petroleum. This joint venture and the related pipeline expansion and storage and supply agreements are natural extensions of our NGL business in South Louisiana.

We are excited about the additional connectivity this project creates. We are equally excited about our relationship with such an important customer as Marathon. While we continue to make progress on Phase II of our Cajun-Sibon NGL expansion, we are already finding opportunities to grow that system. This project with Marathon clearly represents growth beyond what was included through Cajun-Sibon Phase II.

From an operational perspective, our Cajun-Sibon Phase I pipeline is flowing near its full capacity of 70,000 barrels per day and the Eunice fractionator is running near its full capacity of 55,000 barrels per day. We continue to make progress on the construction of the Cajun-Sibon Phase II pipeline and Plaquemine fractionator expansions. Each of these projects is on schedule for completion during the fourth quarter. The expansion work as part of Cajun-Sibon Phase II is expected to increase the pipeline capacity to a total of 120,000 barrels per day and the Plaquemine fractionation capacity to 110,000 barrels per day.

At our Riverside fractionation facility, we have temporarily suspended operations as planned, while we commenced construction work necessary to convert the existing fractionators to a heavy end butane and natural gas EnLink fractionator with a capacity of 30,000 barrels per day. We expect the work at the Riverside facility to be complete during the fourth quarter.

In our Louisiana gas business, our Bayou Corne reroute and Bayou Jack connection are complete, in service and performing well. Through the Bayou Corne reroute, our 36-inch BOE pipeline is now transporting 170 million cubic feet of gas per day to the Mississippi River market area and our Bayou Jack Connection is exceeding expectations by flowing in excess of 120 million cubic feet of gas per day.

Moving to our Ohio River Valley business, we continue to make progress and enhance our position for substantial growth. Midstream infrastructure, particularly gas gathering and processing is coming online and allowing new volumes of condensate to be produced. Additional condensate solutions will be required in the development of the Utica and we will participate in that growth.

As Barry mentioned earlier, we announced the further expansion of our natural gas compression and condensate stabilization assets in the liquids rich window of the Utica shale by adding two new stations in Noble and Monroe counties to the three existing stations serving Antero Resources. With the addition of these two stations, we will have five gas compression and condensate stabilization stations with capacities of approximately 580 million cubic feet of gas per day and 19,000 barrels per day respectively. We expect the new facilities to be complete in the first half of 2015.

The new projects announced today represent significant growth opportunities to our businesses and are consistent EnLink's strategy and focus on long-term fee-based contracts. Importantly, they also build additional platforms for other bolt-on projects, which I am confident we will deliver.

I will now turn the call over to our CFO, Mike Garberding to review our financial results for the quarter.

Michael J. Garberding

Chief Financial Officer & Executive Vice President, EnLink Midstream LLC

Thanks, Mac. Good morning, everyone.

Before I get into the financial results for the quarter, let me first remind everyone of the effects of the combination on our financial reporting. As I reviewed with you last quarter, the combination of Crosstex and Devon Midstream Holdings was treated as a reverse acquisition, which means that Devon Midstream Holdings is an acquirer of the transaction because its parent, Devon, obtained control of the partnership.

The financial results are only combined for the period after closing on March 7 and the new fee-based contracts for the legacy Devon assets became effective on March 1. Before that period, the Devon assets operated under percentage of proceeds contracts. What we really had in the second quarter was a new beginning for the combined business and our historical numbers don't provide much insight or relevance for analysis.

During the second quarter, we delivered strong financial performance. The Partnership realized adjusted EBITDA of \$111.6 million and distributable cash flow of \$93.8 million for the second quarter of 2014. Gross operating margin for the second quarter 2014 was approximately \$262.1 million. The Partnership declared a distribution of \$0.365 per unit for the quarter, an increase from the first quarter which resulted in a 1.03 times distribution coverage ratio.

We expect third quarter adjusted EBITDA for this year is to be relatively flat as compared to the second quarter actual results. Just to remind everyone, the impact from the startup of Cajun-Sibon Phase II and the Bearkat gathering and processing complex are not expected until the fourth quarter of this year. From a maintenance capital perspective, we expect \$10 million to \$12 million per quarter at ENLK and \$6 million to \$8 million per quarter at ENLC through the end of the year.

The General Partner's cash available for distribution was \$69.1 million for the second quarter of 2014, which resulted in a 1.91 times coverage ratio on the declared distribution of \$0.22 per General Partner unit. The \$0.04 distribution increase at ENLC was a 22% increase from the first quarter. We saw great growth in the distribution of the General Partner, even though the partnership is still not in the highest level of incentive distributions, which is \$0.375. We expect to reach that level of incentive distributions by the fourth quarter.

One of the goals for EnLink was balance sheet flexibility to take advantage of growth opportunities. As you can see, we are doing that with our recently announced projects and we are not done yet. Our current growth capital expectations for the remainder of the year are in the range of \$350 million to \$450 million, primarily to finish Cajun-Sibon Phase II, the Bearkat project, and the new projects we announced yesterday. Our partnership's debt-to-EBITDA ratio for the second quarter was approximately 3.2 times. We also have great liquidity of over \$800 million of the Partnership.

As we look down the road, we believe, we're in a position of strength because we have a strong balance sheet and great liquidity. We have strong organic growth in Texas, Ohio, and Louisiana. We're on track to meet our guidance. We have a good line of sight to additional growth through dropdowns which include E2, the General Partner's interest in EnLink Midstream Holdings, the VEX pipeline and the Access Pipeline, and we have a strong sponsor in Devon that is supporting our growth.

With that, I'll turn the call back over to Barry.

Barry E. Davis

President, Chief Executive Officer & Director, EnLink Midstream LLC

Thank you, Mike. As you've heard, we're off to a great start with strong performance in our first full quarter as EnLink Midstream. We are working hard to execute on our identified growth projects and are taking advantage of the many growth opportunities that our partnership with Devon continues to provide. These are great times in the industry and EnLink is strategically positioned with a diverse geographic footprint and strong financial foundation, delivering tailored solutions for sustainable growth. This will drive value creation for our equity holders and customers well into the future.

With that, operator, you may open the line for questions.

QUESTION AND ANSWER SECTION

Operator: [Operator Instructions] And you have a question from the line of Ethan Bellamy.

Ethan H. Bellamy

Analyst, Robert W. Baird & Co., Inc. (Broker)

Good morning, you all.

Q

Barry E. Davis

President, Chief Executive Officer & Director, EnLink Midstream LLC

Good morning, Ethan.

A

Ethan H. Bellamy

Analyst, Robert W. Baird & Co., Inc. (Broker)

Congrats on a good quarter. With respect to the Devon asset sale to Linn, should we think about that as having been sort of their highest priority to complete that divestiture program and now they can move their – the focus to the dropdowns, as sort of the next strategic item on their checklist?

Q

Barry E. Davis

President, Chief Executive Officer & Director, EnLink Midstream LLC

Ethan, I think first of all Devon's call is at 10 o'clock this morning and that maybe something that they address in that call, but I think that's the right way to think about it. From our perspective as EnLink Midstream, we do think that, that gives them the capacity to really think more about their position in EnLink Midstream. And I think also something that's happened is they've completed both of the potential dropdown assets, that being VEX and Access during the second quarter. So you might put those two things together and say the timing would be right for us to continue pursuing that.

A

Ethan H. Bellamy

Analyst, Robert W. Baird & Co., Inc. (Broker)

Excellent. Thanks very much, Barry.

Q

Barry E. Davis

President, Chief Executive Officer & Director, EnLink Midstream LLC

Thank you, Ethan.

A

Operator: [Operator Instructions] Your next question comes from the line of John Edwards.

John D. Edwards

Analyst, Credit Suisse Securities (USA) LLC (Broker)

Yeah. Hi, everybody. Can you hear me?

Q

Barry E. Davis

President, Chief Executive Officer & Director, EnLink Midstream LLC

A

Yes. Good morning, John.

John D. Edwards

Analyst, Credit Suisse Securities (USA) LLC (Broker)

Q

Okay. Good morning. So, one of the questions I had is just on the – the O&M expense seemed unusually high and certainly to what we were estimating. Maybe if you could talk about that or maybe there's just some activities related to getting things going here in effect with the new platform?

Michael J. Garberding

Chief Financial Officer & Executive Vice President, EnLink Midstream LLC

A

Hey, John, this is Mike. When you think about just the quarters, right, last quarter was a little difficult, like I mentioned, just because of the combination. So when you're trying to make a comparison, it is a little difficult because this is really our first full quarter of operations to where you have combined operations for both entities. If you do a comparison to where the run rate of O&M expenses would be, actually O&M expenses are down from what the first quarter would look like on a combined basis. But on a go forward basis, there are in the general range of what we expect. So, we think, we're about right on track with that and what does that mean? Like I said that means we're on track on meeting guidance from expectations.

John D. Edwards

Analyst, Credit Suisse Securities (USA) LLC (Broker)

Q

Okay. That's helpful. So, it sounds like we were just light on that one. And then, what were volumes on Cajun - Sibon?

Barry E. Davis

President, Chief Executive Officer & Director, EnLink Midstream LLC

A

As far as...

John D. Edwards

Analyst, Credit Suisse Securities (USA) LLC (Broker)

Q

For the quarter?

Barry E. Davis

President, Chief Executive Officer & Director, EnLink Midstream LLC

A

...as Mac went through, volumes really were at max capacity on Cajun-Sibon on the pipeline and on the fractionation at the end of the quarter.

John D. Edwards

Analyst, Credit Suisse Securities (USA) LLC (Broker)

Q

Okay. All right. And then, we noticed that volumes were in Texas and Oklahoma were well above what you laid out in guidance and so we were thinking – we were wondering if you could comment on that.

Barry E. Davis

President, Chief Executive Officer & Director, EnLink Midstream LLC

A

Just as Steve talked about, we think we're in a great position in both areas, Oklahoma, as Steve walked through is a focused area for Devon. You can see that not only through their acreage, or additional acreage acquisition, but through their results of the recompletion. So we expect that to be a great growth area for us. Texas is just we think

a great position, a long-term position. We'll continue to mine results. As Steve mentioned rigs are lower than we've seen in the past, but a great cash flow asset because you have a large percentage of your wells that have been drilled that are really past that first decline period. So again just what we think, it's a great long-term good cash flow position.

John D. Edwards

Analyst, Credit Suisse Securities (USA) LLC (Broker)

Q

Should we think about higher volumes than what you laid out in guidance then for those regions since they were well above what you were talking about back in – back at your Analyst Day. So I'm just thinking in terms of forecasting, should we think about higher volumes then, since it is coming in quite a bit above?

Barry E. Davis

President, Chief Executive Officer & Director, EnLink Midstream LLC

A

I think it's still fair to think about the volumes as we talked in Analyst Day because you do see a natural decline there just like we had mentioned last year on our acreage that we expected to see about a year-over-year 10% decline. We do expect to see a decline in North Texas this year.

John D. Edwards

Analyst, Credit Suisse Securities (USA) LLC (Broker)

Q

Okay. All right. And – okay that's it for me. Thank you very much.

Barry E. Davis

President, Chief Executive Officer & Director, EnLink Midstream LLC

A

Thank you, John.

Operator: [Operator Instructions] Your next question comes from the line of T. J. Schultz.

T. J. Schultz

Analyst, RBC Capital Markets LLC

Q

Hey good morning.

Barry E. Davis

President, Chief Executive Officer & Director, EnLink Midstream LLC

A

Good morning, T. J.

T. J. Schultz

Analyst, RBC Capital Markets LLC

Q

Hey Barry, can you just give a little bit more color on the M&A strategy? Given that it's still what I see an important leg of those kind of four avenues to get to the levels you are indicating by 2017, are you more likely to grow through adding or consolidating complementary businesses or do you need to do a larger scale transaction into a new area or service to get to where you want to be by 2017?

Barry E. Davis

President, Chief Executive Officer & Director, EnLink Midstream LLC

A

Yeah. T.J., let me just say that we probably both share the view that the current M&A market environment is pretty heated and very competitive prices as a result are high for things that are kind of standalone or moving outside of our core areas.

So as a result, we are primarily focusing our resources on those things that are complimentary and we would have some strategic value or optimization capabilities. And we do see a number of opportunities in that area and I feel like we're working on the right things. In addition to that though we are looking at new basins and looking at assets that could become kind of the next platform, if you will to grow from. And so we're very active across both of those. I think in fact, not only do we feel like that we need those to meet our growth objectives. We think that we will execute something that expands our current core areas. I think we laid that out by the way in our guidance. We felt like we would add one to two new basins over the next three years.

T. J. Schultz

Analyst, RBC Capital Markets LLC

Q

Okay. Good. Thanks. And then, just timing on drop-downs, I guess beyond E2 commentary, it sounds like it's just over the next few years, but do you have a specific timeframe to where you would like to see ENLK as truly kind of an asset like GP.

Barry E. Davis

President, Chief Executive Officer & Director, EnLink Midstream LLC

A

Yeah. I'll reflect back on the question that Ethan asked and I would say, as we've gotten through the first three months of the transition into EnLink Midstream, as Devon has completed some of the things, that's it's been very focused on, I think it's more front and center right now for us to begin to work on the details of that. But I still think it puts it in the timeframe that we laid out in the Analyst Meeting earlier in the year, which would be E2 coming down in the second half of this year or between now and year end. And then, everything else basically beginning kind of in the first quarter of 2015 and over the next eight quarters is we would see as kind of the right time for that.

T. J. Schultz

Analyst, RBC Capital Markets LLC

Q

Okay. Thanks. And just one more, maybe, for Mike on ENLK and expectations on the dividend in 2014. I guess, given the high coverage we saw and, I think, the sizeable bump that you had this quarter, you may be running ahead of what previous expectations were for this year. So just outlook near term on the dividend. And then, if you still guide to long-term 20% growth there?

Michael J. Garberding

Chief Financial Officer & Executive Vice President, EnLink Midstream LLC

A

Yeah. That is a good question, T. J. We feel great we're able to increase the dividend up there \$0.04 this quarter. When we talked recently about guidance, we said greater than \$0.80 for the year and again, today we talked about being on track nearly to hit that guidance. So a lot of good opportunities in ENLK and again we're still not even at that highest level of splits yet. From a long-term perspective, we still believe we have that 20% growth long-term. So we think ENLK is very well positioned long term.

T. J. Schultz

Analyst, RBC Capital Markets LLC

Q

Okay. Thanks everybody.

Barry E. Davis

President, Chief Executive Officer & Director, EnLink Midstream LLC

A

Thank you. TJ

Operator: Your next question comes from the line of John Edwards.

John D. Edwards

Analyst, Credit Suisse Securities (USA) LLC (Broker)

Q

Can you hear me, okay?

Barry E. Davis

President, Chief Executive Officer & Director, EnLink Midstream LLC

A

Hi John. We can hear you now.

John D. Edwards

Analyst, Credit Suisse Securities (USA) LLC (Broker)

Q

Just wanted to follow-up on the ENLC level. Just wanted to make sure we understood the way to think about income taxes coming out of there. And when you – and maybe it's something to do offline – and walking down to the cash available for distributions it looked like there was a lot less tax coming out than we had previously anticipated. Obviously, you had it coming out at the earnings level, but maybe you could talk a little bit about that.

Michael J. Garberding

Chief Financial Officer & Executive Vice President, EnLink Midstream LLC

A

Yeah, John. It's Mike. Good question. It's consistent with what we've talked on Analyst Day as far as what – sort of the three avenues of cash flow up there, one is again your incentive distribution rights, one is your distributions in ENLK and then one is your cash flow from the 50% ownership of EnLink Midstream Holdings. As we talked about in Analyst Day for 2014, we had an expectation of not really a lot of taxes mainly because of an NOL that we have up at ENLC. So I think it would be helpful, if you want to go into detail that we can talk after the call and we can walkthrough that just to make sure you're clear on the guidance we gave at Analyst Day for taxes at ENLC. But the takeaway really is that we believe, we're in a position really for very little taxes during the 2014 timeframe.

John D. Edwards

Analyst, Credit Suisse Securities (USA) LLC (Broker)

Q

Okay. That's really helpful. I think I'll follow up on details of that. Thank you very much.

Barry E. Davis

President, Chief Executive Officer & Director, EnLink Midstream LLC

A

Thanks, John.

Operator: [Operator Instructions] And at this time, there are no audio questions. I would like to hand the call to Barry Davis for any closing remarks.

Barry E. Davis

President, Chief Executive Officer & Director, EnLink Midstream LLC

Okay. Thank you, Andrea for helping us with this call. Folks on the phone, these are exciting times in our industry. At EnLink, we are positioned for long-term sustainable growth. Our relationship with Devon will continue to create abundant opportunities. And we have a solid business platform, positioned for growth and most importantly we have the right people to execute and really thankful for the first quarter with all that our team has done to get through this very important season here as we transition into EnLink. So thank you to everyone on the call and for those of us who you are making things happen. And you guys have a great day. Thanks for joining us.

Operator: Thank you for your participation. This concludes today's conference. You may now disconnect.

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