Targa Resources Partners LP Announces 100,000 Barrel Per Day Fractionation Expansion and Anchor Commitment for New NGL Pipeline

HOUSTON, May 9, 2011 (GLOBE NEWSWIRE) -- Targa Resources Partners LP (NYSE:NGLS) ("Targa Resources Partners" or the "Partnership") and DCP Midstream LLC ("DCP") announced today that they have entered into long-term agreements to anchor:

- a 100,000 barrel per day expansion of the Partnership's majority owned Cedar Bayou Fractionator ("CBF") at Mont Belvieu, Texas, and
- DCP's Sandhills Pipeline, a 700-mile pipeline system to be built by DCP that will transport Y-grade natural gas liquids from natural gas processing plants in the Permian Basin and Eagle Ford Shale to CBF and the Mont Belvieu NGL hub.

The CBF expansion is anchored by a long-term, firm-capacity fractionation agreement with DCP and by increasing Y-grade NGL production from the Partnership's processing facilities in the Permian Basin. The 100,000 barrel per day expansion will be fully integrated with the Partnership's existing Gulf Coast NGL storage, terminaling and delivery infrastructure, which includes an extensive network of connections to key petrochemical and industrial customers as well as its LPG export terminal at Galena Park, Texas on the Houston Ship Channel.

All environmental and internal approvals required to commence construction of the CBF expansion are in place, and the Partnership has commenced all activities required to meet expected completion of construction in the first quarter of 2013. Construction of the expansion will proceed without disruption to existing operations, and the Partnership estimates that total capital expenditures for the CBF expansion and the Partnership's related infrastructure enhancements at Mont Belvieu should approximate $360 million.

The Partnership's long-term anchor agreement with the Sandhills Pipeline will serve a portion of the Partnership's NGL transportation needs for its growth in natural gas processing operations in the Permian Basin. The Partnership has also entered into an agreement to interconnect DCP's Sandhills Pipeline with CBF.

"We are very pleased to team up with DCP to offer our customers an integrated and comprehensive NGL transportation and fractionation solution for the growth in liquids-rich natural gas production from the Permian Basin and Eagle Ford Shale. With anchor commitments and all approvals in hand, Targa is moving forward immediately with the fractionator expansion which offers our customers fractionation and related services from a demonstrated industry leader in this space. The integration of our Downstream Business with the Gulf Coast petrochemical complex affords our fractionation customers existing access to attractive NGL product markets. The CBF expansion and new NGL pipeline enhance the sources and diversity of supply for our petrochemical and industrial customers. This is an exciting, fee-based, organic growth investment for the Partnership," said Rene Joyce, Chief Executive Officer of the Partnership's general partner and of Targa Resources Corp. (NYSE:TRGP).

The expansion, which is the fourth fractionation train at CBF and follows the recently completed 78,000 barrel per day expansion, will increase the gross fractionation capacity of CBF by approximately 34% to 393,000 barrels per day. Upon completion, the project will increase the Partnership's gross NGL fractionation capacity along the Texas and Louisiana Gulf Coast to 593,000 barrels per day.

The Partnership expects to secure other long-term, firm-capacity fractionation commitments for this CBF expansion, though none are required to proceed with the project.

About Targa Resources Partners

Targa Resources Partners is a publicly traded Delaware limited partnership that is a leading provider of midstream natural gas and natural gas liquids services in the United States. The Partnership is engaged in the business of gathering, compressing, treating, processing and selling natural gas, storing, fractionating, treating, transporting and selling natural gas liquids, or NGLs, and NGL products and storing and terminaling refined petroleum products and crude oil. The Partnership owns an extensive network of integrated gathering pipelines and gas processing plants and currently operates along the Louisiana Gulf Coast primarily accessing the offshore region of Louisiana, the Permian Basin in West Texas and Southeast New Mexico and the Fort Worth Basin in North Texas. Additionally, the Partnership's natural gas liquids logistics and marketing assets are located primarily at Mont Belvieu and Galena Park near Houston, Texas and in Lake Charles, Louisiana with terminals and transportation assets across the United States. Targa Resources Partners is managed by its general partner, Targa Resources GP LLC, which is indirectly wholly owned by Targa Resources Corp., a publicly traded Delaware corporation.

Targa Resources Partners' principal executive offices are located at 1000 Louisiana, Suite 4300, Houston, Texas 77002 and its telephone number is 713-584-1000.

Forward-Looking Statements

Certain statements in this release are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, included in this release that address activities, events or developments that the Partnership expects, believes or anticipates will or may occur in the future are forward-looking statements. These forward-looking statements rely on a number of assumptions concerning future events and are subject to a number of uncertainties, factors and risks, many of which are outside Targa Resources Partners' control, which could cause results to differ materially from those expected by management of Targa Resources Partners. Such risks and uncertainties include, but are not limited to, weather, political, economic and market conditions, including a decline in the price and market demand for natural gas and natural gas liquids, the timing and success of business development efforts; and other uncertainties. These and other applicable uncertainties, factors and risks are described more fully in the Partnership's Annual Report on Form 10-K for the year ended December 31, 2010 and other reports filed with the Securities and Exchange Commission. Targa Resources Partners undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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