# THIRD QUARTER 2021 RESULTS

NOVEMBER 2, 2021

Bear Creek Plant Expansion

# FORWARD-LOOKING STATEMENTS

Statements contained in this presentation regarding company expectations, outlooks, targets, predictions and other similar statements should be considered forward-looking statements that are covered by the safe harbor protections provided under federal securities legislation and other applicable laws.

It is important to note that actual results could differ materially from those projected in such forward-looking statements. For additional information about ONEOK's forward-looking statement and factors that could cause actual results to differ materially from such forward-looking statements, refer to ONEOK's Securities and Exchange Commission filings.

This presentation contains factual business information or forward-looking information and is neither an offer to sell nor a solicitation of an offer to buy any securities of ONEOK.

All references in this presentation to financial guidance are based on the news releases issued on Feb. 22, 2021, April 27, 2021, Aug. 3, 2021, and Nov. 2, 2021, and are not being updated or affirmed by this presentation.

# BUSINESS SEGMENT PERFORMANCE

## Q3 2021 VS. Q2 2021 ADJUSTED EBITDA VARIANCES

- **Natural gas liquids increased**
  - **$40.0 million increase** in exchange services due primarily to:
    - **$21.7 million increase** from higher volumes primarily in the Rocky Mountain region and Permian Basin.
    - **$19.2 million increase** related to higher earnings on unfractionated NGLs previously held in inventory.
    - **$11.9 million increase** related to wider commodity price differentials.
    - **$11.7 million decrease** from the recognition of proceeds previously considered a gain contingency in the second quarter 2021.
  - **$10.9 million increase** in optimization and marketing due primarily to higher earnings on NGLs held in inventory.
- **Natural gas pipelines increased**
  - **$4.0 million increase** in transportation services due primarily to higher firm transportation revenue.
  - **$2.5 million increase** in net retained fuel due primarily to higher natural gas prices.
  - **$2.5 million increase** in equity earnings on Northern Border Pipeline due primarily to scheduled maintenance in the second quarter 2021.
  - **$3.0 million decrease** from higher operating costs due primarily to higher outside services.
- **Natural gas gathering and processing increased**
  - **$7.3 million increase** due primarily to higher Rocky Mountain region volumes, offset partially by natural production declines primarily in the Mid-Continent region.
  - **$7.3 million increase** due to a gain on the partial sale of an equity investment.
  - **$8.6 million decrease** related primarily to higher operating costs from higher outside services expenses, employee-related costs and materials and supplies expenses.
  - **$5.7 million decrease** from lower realized commodity prices due primarily to the impact of hedging.



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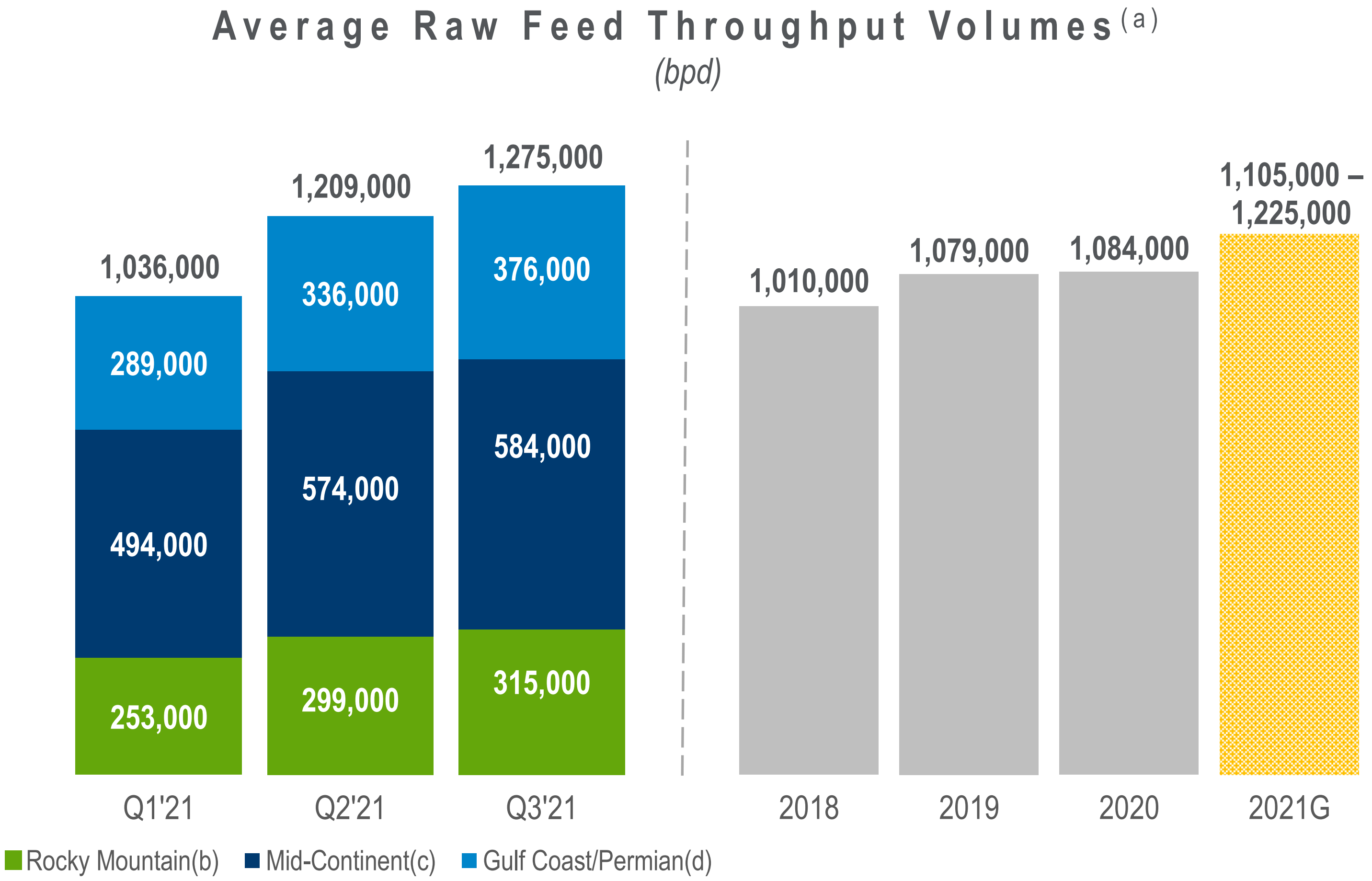
# NATURAL GAS LIQUIDS

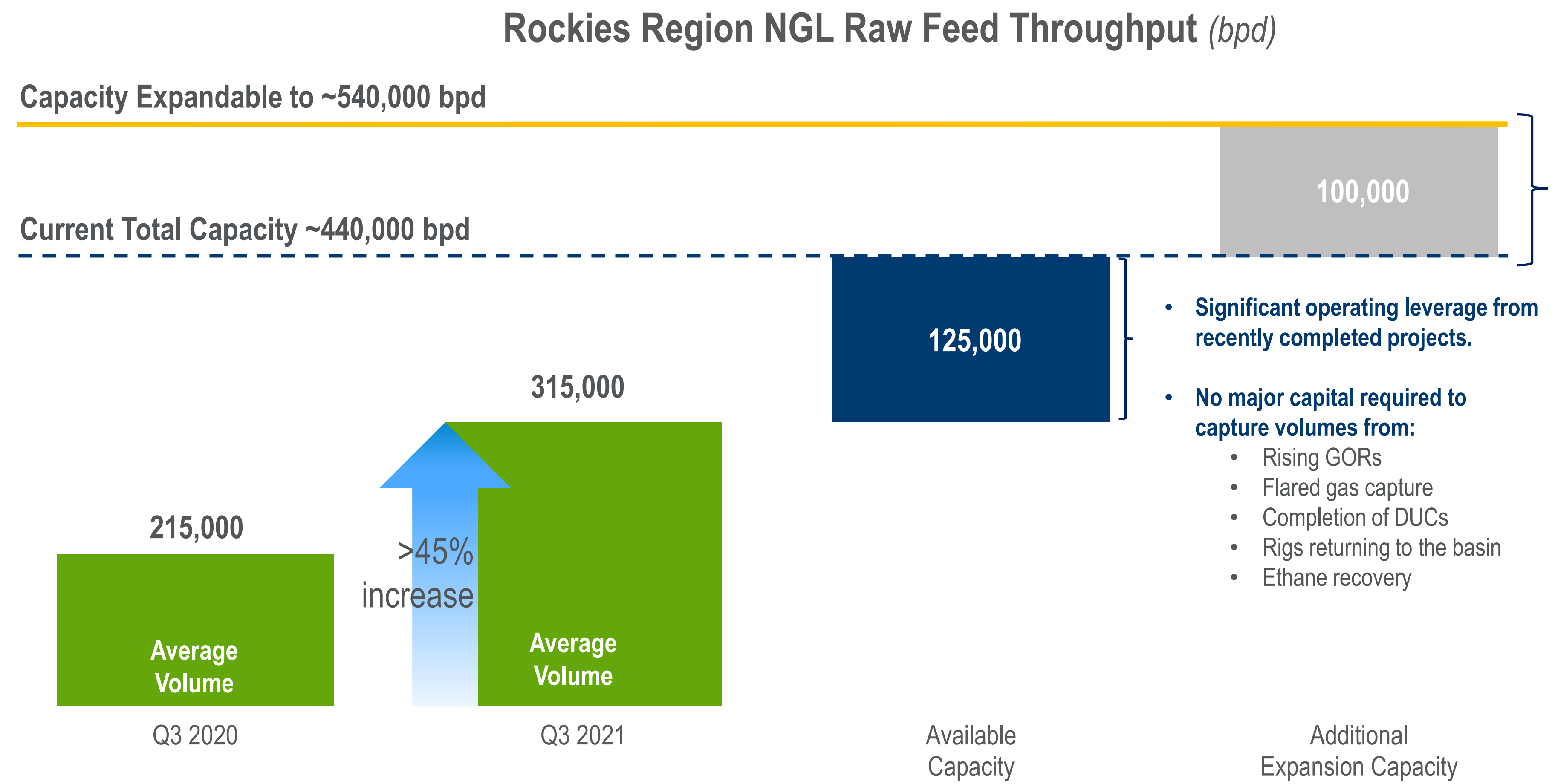
## REGIONAL VOLUME UPDATE

- **Rocky Mountain** (~25 cpg avg. bundled rate[e])
  - NGL raw feed throughput increased 5% compared with the second quarter 2021.
  - One new third-party natural gas processing plant connection.
- **Mid-Continent** (~9 cpg avg. bundled rate[e])
  - NGL raw feed throughput increased 2% compared with the second quarter 2021.
- **Gulf Coast/Permian** (~6 cpg avg. bundled rate[f])
  - NGL raw feed throughput increased 12% compared with the second quarter 2021.
  - One new third-party natural gas processing plant connection.




*(a) Represents physical raw feed volumes on which ONEOK charges a fee for transportation and/or fractionation services.*
*(b) Rocky Mountain: Bakken NGL and Elk Creek NGL pipelines.*
*(c) Mid-Continent: ONEOK transportation and/or fractionation volumes from Overland Pass pipeline (OPPL) and all volumes originating in Oklahoma, Kansas and the Texas Panhandle.*
*(d) Gulf Coast/Permian: West Texas NGL pipeline system, Arbuckle Pipeline volume originating in Texas and any volume fractionated at ONEOK's Mont Belvieu fractionation facilities received from a third-party pipeline.*
*(e) Includes primarily transportation and fractionation.*
*(f) Includes transportation only and transportation and fractionation.*

# STRONG NATURAL GAS LIQUIDS VOLUME RECOVERY




- **Minimal capital needed to further expand Elk Creek Pipeline with pump stations to meet future customer needs.**

- **Significant operating leverage from recently completed projects.**
- **No major capital required to capture volumes from:**
  - Rising GORs
  - Flared gas capture
  - Completion of DUCs
  - Rigs returning to the basin
  - Ethane recovery

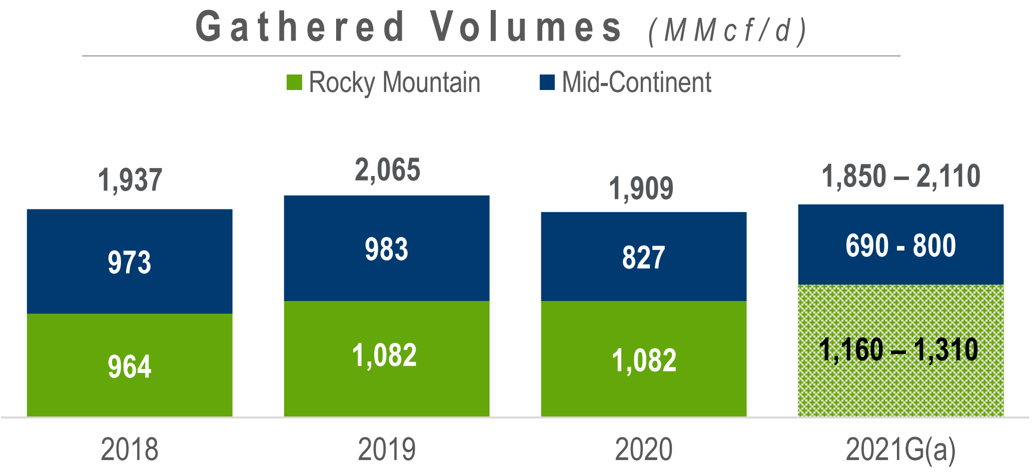
**25,000 bpd of Rockies Region NGLs is ~$100 million of annual EBITDA to ONEOK.**

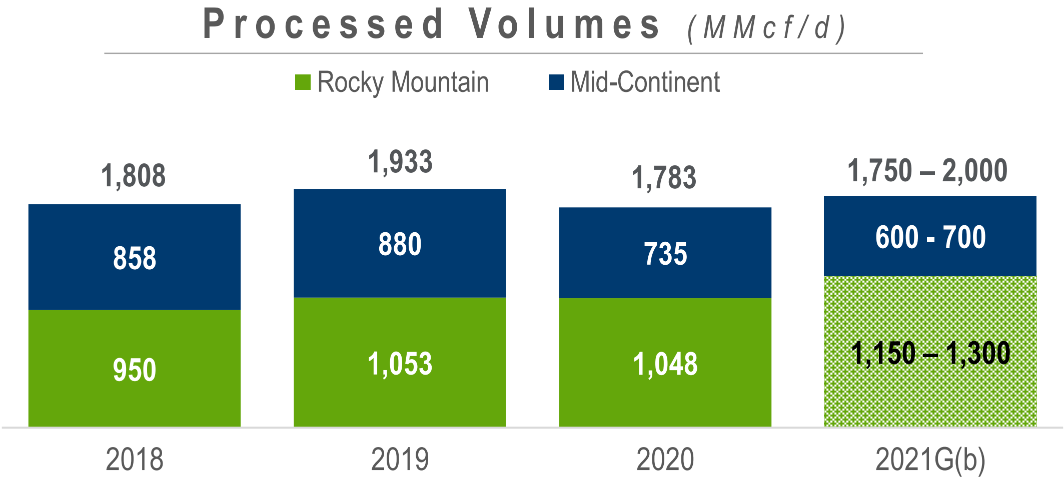
# NATURAL GAS GATHERING AND PROCESSING

## REGIONAL VOLUME UPDATE

- **Rocky Mountain:**
  - 2% increase in processed volumes compared with the second quarter 2021.
  - Completion of the 200 MMcf/d Bear Creek natural gas processing plant expansion.
  - 194 wells connected year-to-date; expect to connect more than 300 in 2021.

| | Average Gathered Volumes | | Average Processed Volumes | |
|---|---|---|---|---|
| **Region** | Second Quarter 2021 | Third Quarter 2021 | Second Quarter 2021 | Third Quarter 2021 |
| Rocky Mountain | 1,309 MMcf/d | **1,327 MMcf/d** | 1,256 MMcf/d | **1,283 MMcf/d** |
| Mid-Continent | 734 MMcf/d | **715 MMcf/d** | 648 MMcf/d | **631 MMcf/d** |
| **Total** | 2,043 MMcf/d | **2,042 MMcf/d** | 1,904 MMcf/d | **1,914 MMcf/d** |




*(a) 2021 guidance gathered volumes (BBtu/d): 2,475 – 2,830*
*(b) 2021 guidance processed volumes (BBtu/d): 2,360 – 2,690*



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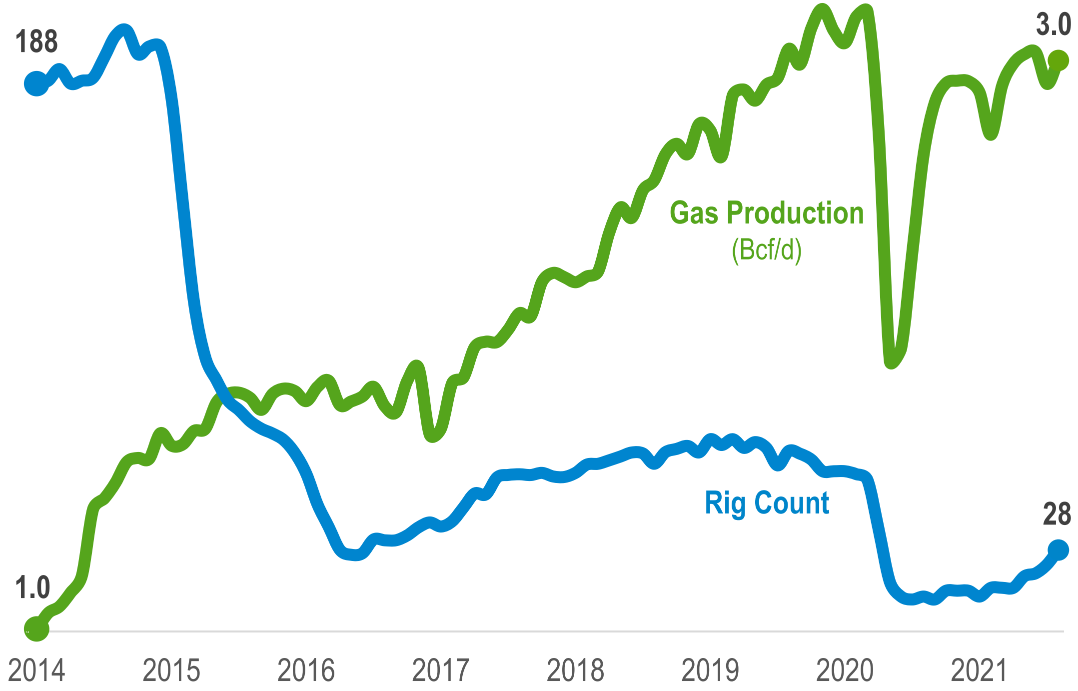
# WILLISTON BASIN PRODUCTION EFFICIENCY

**Rising Gas-to-Oil Ratios (GORs)**

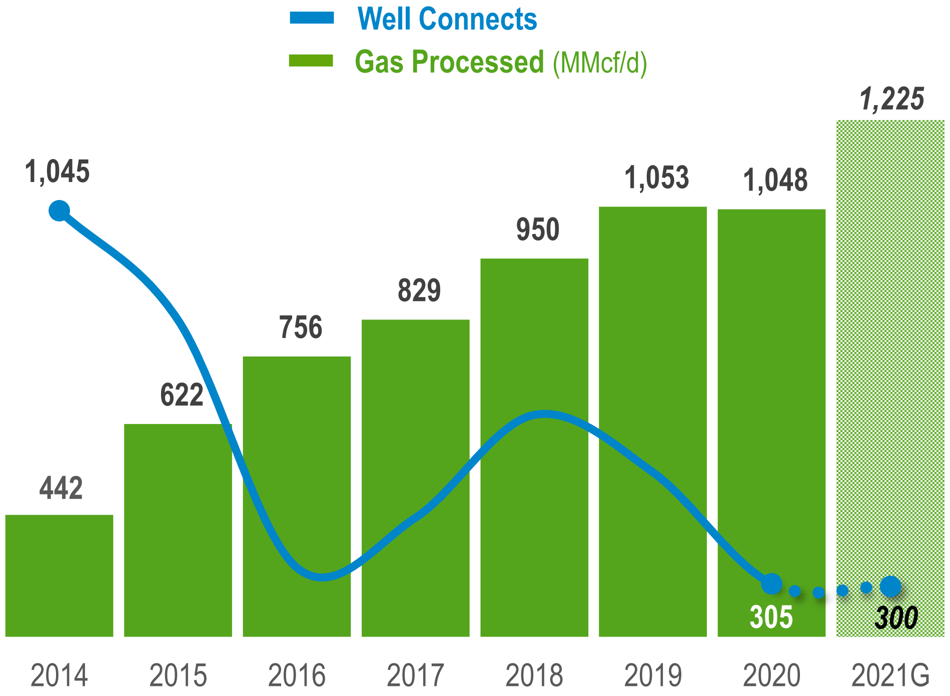
**Improved Drilling and Completion Technologies**

**Increased Coordination Between Producers & Midstream Operators Driving Higher Gas Capture**

Basin-wide natural gas production has **increased ~3x since 2014, with only 12% of the rigs**




ONEOK's processed volumes have **increased ~3x with ~1/3 the well connects** *(2014 – 2021G)*




*Sources: ONEOK and North Dakota Industrial Commission (NDIC) data.*



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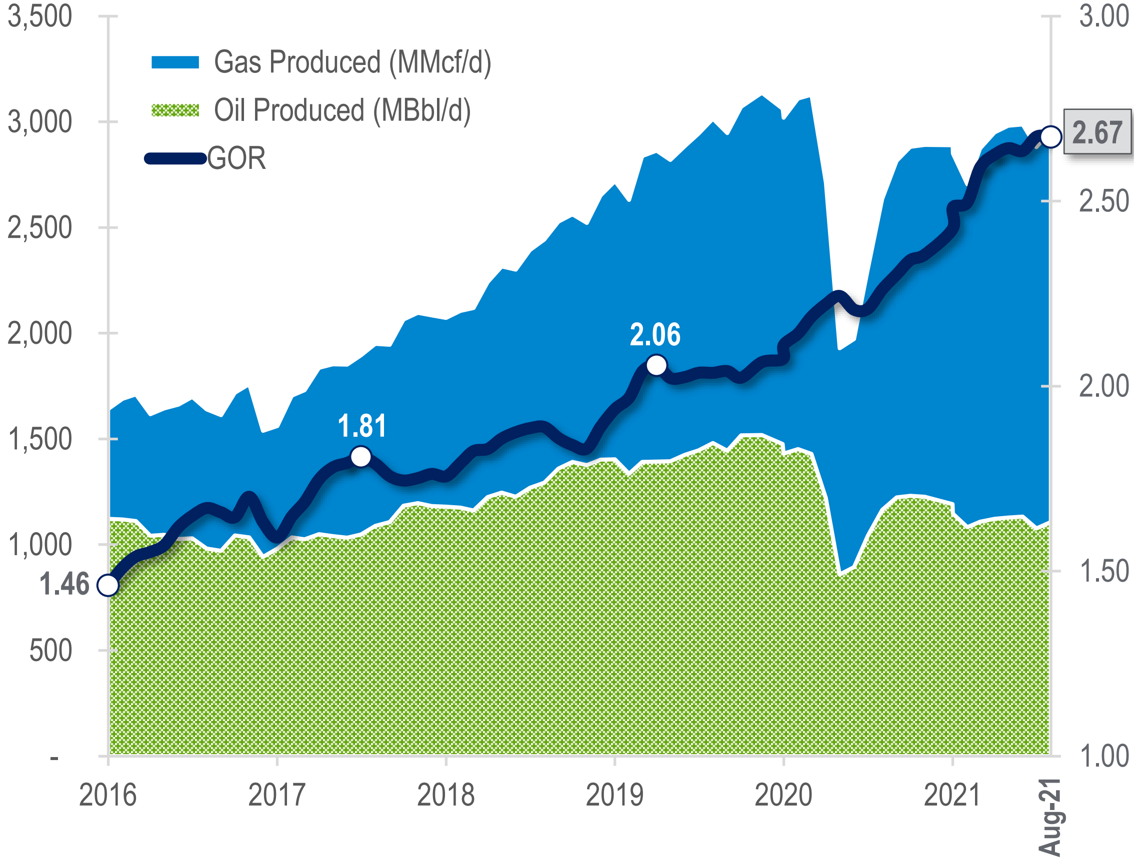
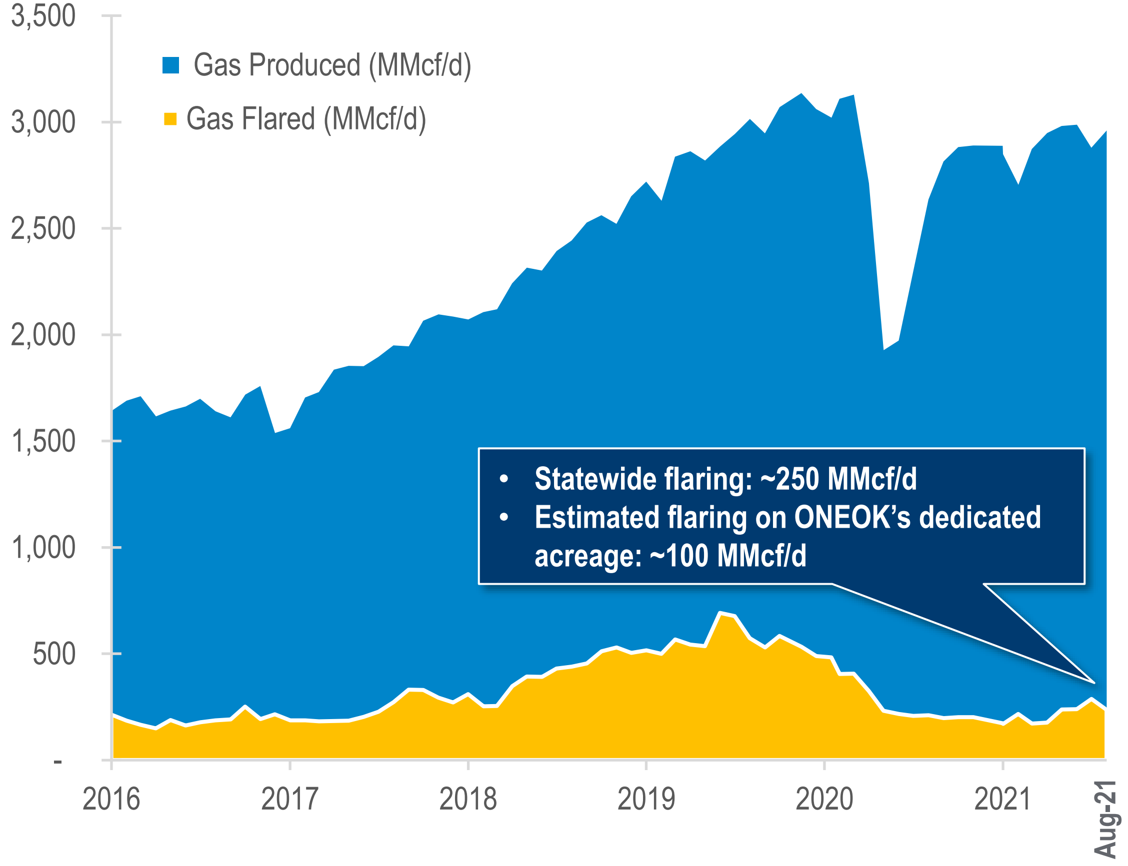
# WILLISTON BASIN PRODUCTION

## INCREASING GAS-TO-OIL RATIOS (GOR) AND GAS CAPTURE PRESENT OPPORTUNITIES

**Williston Basin GOR's have increased >80% since 2016.**




**Statewide flaring has decreased from 36% in 2014 to 8% in August 2021.**




*Sources: ONEOK and North Dakota Industrial Commission (NDIC) data.*



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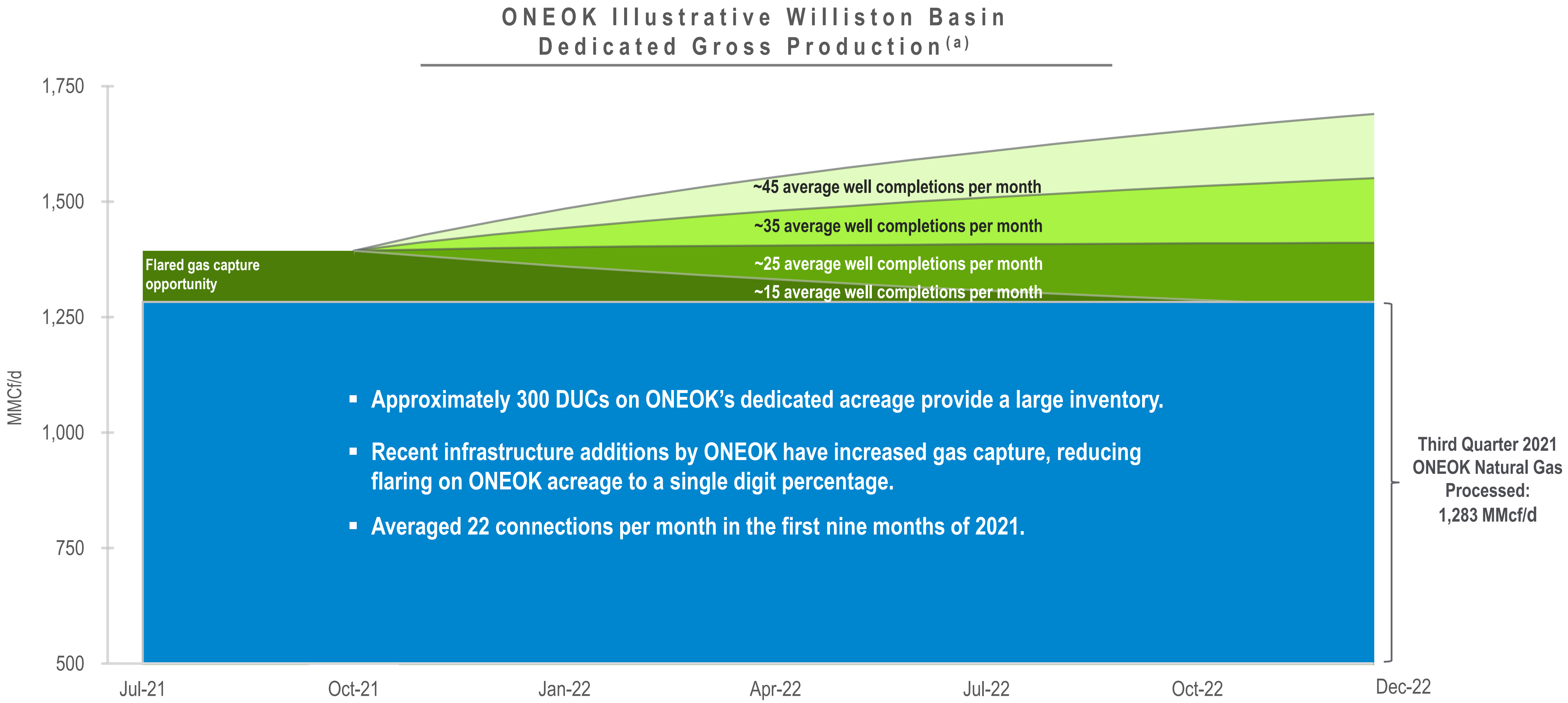
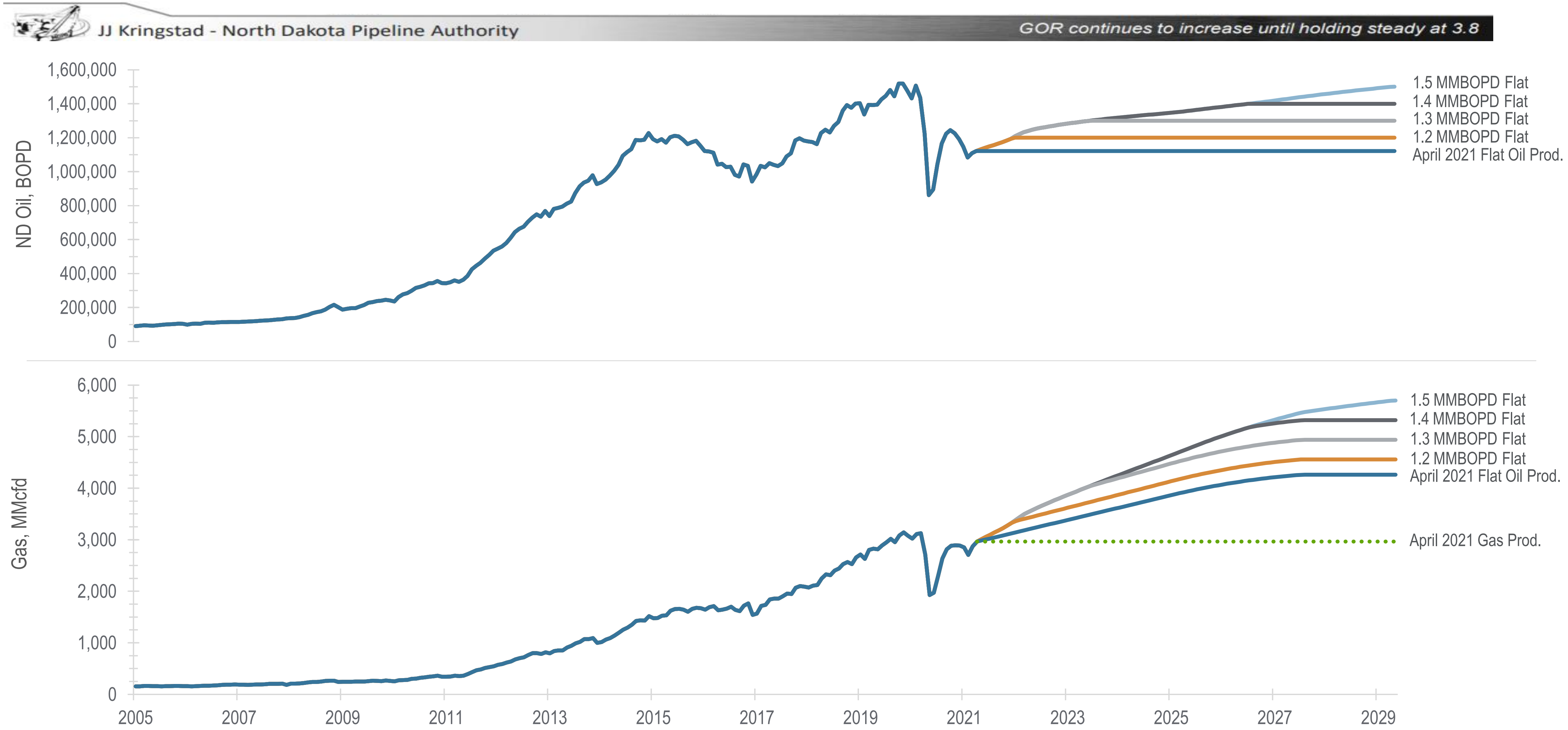
# LIMITED ACTIVITY NEEDED TO MAINTAIN VOLUMES




*(a) Represents well connect forecasts across all areas of ONEOK's operations in North Dakota and Montana.*

*Sources: ONEOK and North Dakota Industrial Commission (NDIC) data.*

# INCREASING GORS RESULT IN NATURAL GAS VOLUME GROWTH




*Source: North Dakota Pipeline Authority.*
*Note: Approximately 70 basin-wide completions per month needed to hold crude oil production flat at approximately 1.2 million barrels per day.*

# INCREASED 2021 FINANCIAL GUIDANCE

## NON-GAAP RECONCILIATION

| | Increased 2021 Guidance Range | | |
|---|---|---|---|
| | *($ in millions)* | | |
| **Reconciliation of net income to adjusted EBITDA** | | | |
| Net income[(a)] | $ 1,430 | - | $ 1,550 |
| Interest expense, net of capitalized interest | 750 | - | 730 |
| Depreciation and amortization | 630 | - | 620 |
| Income tax expense | 455 | - | 495 |
| Noncash compensation expense | 55 | - | 35 |
| Equity AFUDC and other noncash items | 5 | - | (5) |
| Adjusted EBITDA | $ 3,325 | - | $ 3,425 |

*(a) Resulting in a diluted earnings per common share range of $3.20 - $3.46*



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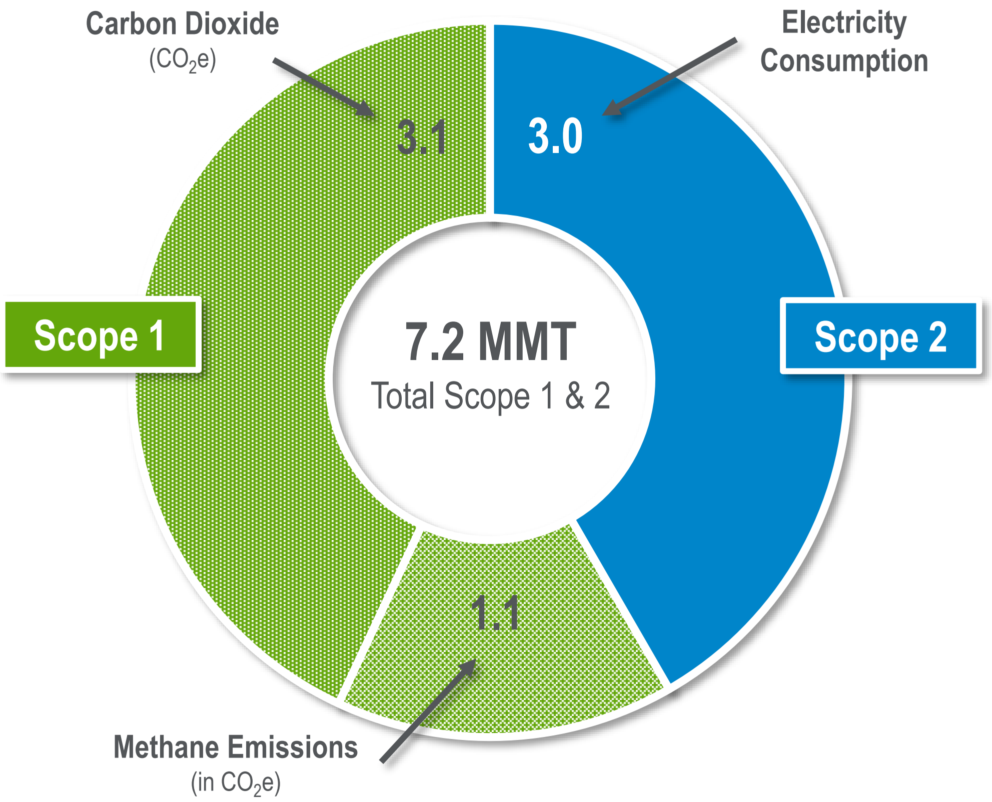
# ABSOLUTE EMISSIONS REDUCTION TARGET

**Total 2019 Scope 1 & 2 Emissions**
($MMT\ CO_2e$)




**30% Reduction**
**(2.2 MMT)**
Scope 1 & 2 Emissions
by 2030[a]

## Emissions Reduction Opportunities

- Electrification of natural gas compression assets
- Methane mitigation through best management practices
- System optimizations
- Collaborating with utility providers to increase the availability of lower-carbon power options

*(a) ONEOK is targeting an absolute 30% reduction, or 2.2 million metric tons (MMT), of combined Scope 1 and Scope 2 emissions by 2030, compared with 2019 base-year levels.*
*Note: Scope 1 emissions are defined as emissions that result directly from operations. Scope 2 emissions are defined as indirect emissions that occur from the consumption of energy generated by other entity, such as a utility.*