THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

REQUEST FOR ACTION

Subject: Alternative Assets Commitment
Action Requested: Approval of Five Point Energy Fund III LP

Background and Summary: We recommend a commitment of up to $50 million from the Long Term Portfolio to Five Point Energy Fund III LP (the “Fund”), a Houston, TX, based manager that invests in midstream energy infrastructure assets across the United States, with a focus on water.

Five Point Energy (“Five Point”) was founded in 2012 by David Capobianco. The investment team has considerable experience in the energy industry, in particular in the development and management of midstream assets. Specifically, Five Point builds water pipelines for energy producers, dramatically decreasing the need for water removal by truck and allowing for more efficient water use and recycling. It has established itself as a first mover in the water offtake pipeline space.

Five Point separates itself by leveraging the team’s deep operating expertise to build in-basin midstream businesses.

Respectfully submitted,

[Signature]
Kevin P. Hegarty
Executive Vice President and
Chief Financial Officer

October 2019