

**MLP Summer Recap:  
FERC news,  
reorganizations, and what  
it all means for investors**

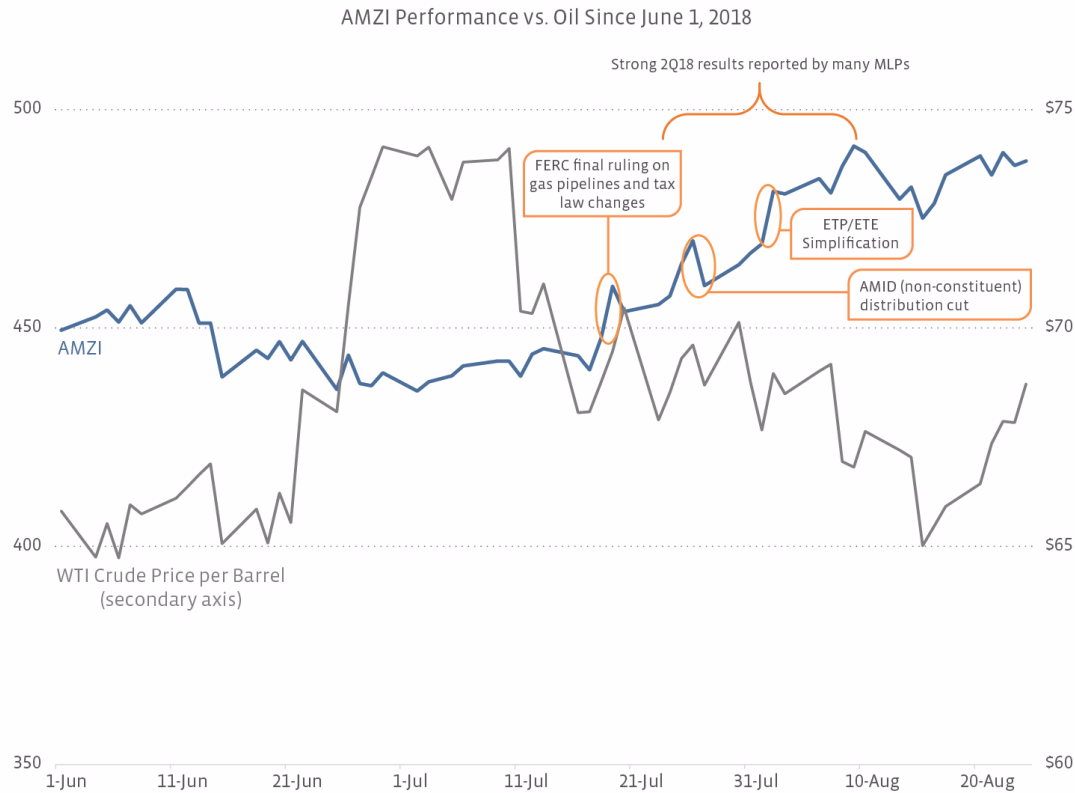
---

September 4, 2018

- 1** Recent performance
- 2** Distribution growth trends
- 3** Simplifications and implications for investors



# MLPs Have Gained Even as Oil Prices Retraced

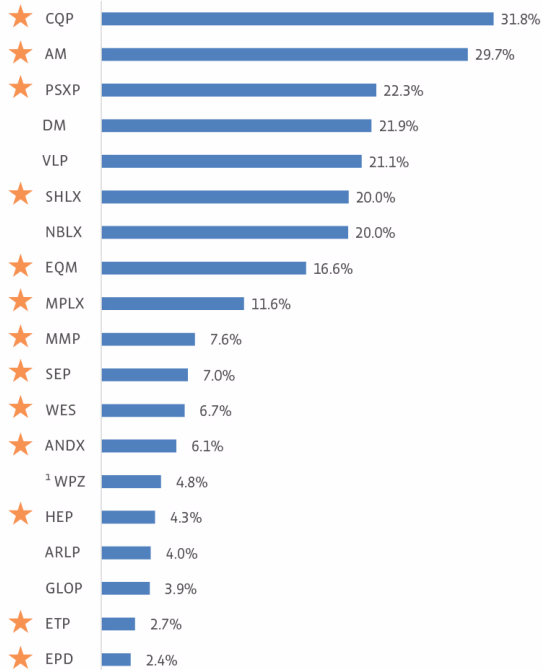


Source: Alerian, Bloomberg as of August 24, 2018



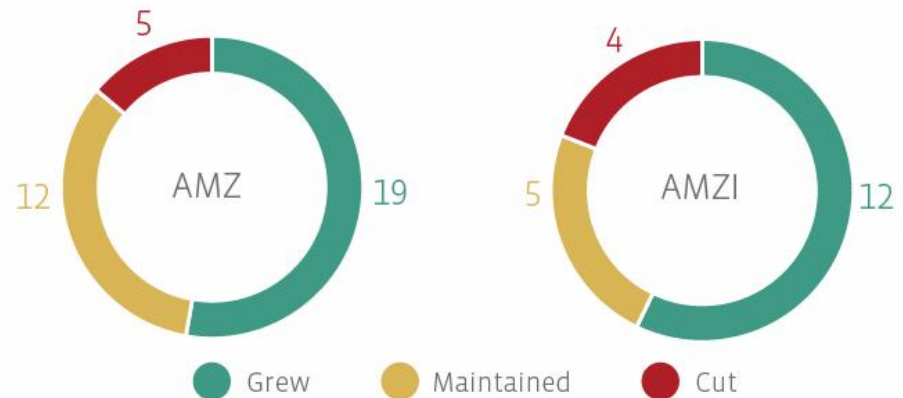
# Y/Y Distribution Growth: Higher Highs and Lower Lows

### 19 Constituents of the AMZ Grew Distributions Y/Y



<sup>1</sup>WPZ is no longer in the AMZ or AMZI.  
 TGE was excluded because the predecessor in the indices was TEP. Relative to TEG's 2Q17 distribution, TGE's 2Q18 distribution was a 45.3% increase.  
 All other names are current constituents of the AMZ. Those marked with a ★ are currently in the AMZI.

### Over 80% of AMZ and AMZI Constituents Grew or Maintained Distributions Y/Y; More than 50% Grew



Note: Charts above compare the 2Q18 distribution with the 2Q17 distribution for those names that were in the indices in both periods. Charts include WPZ, which was removed from the indices in August.



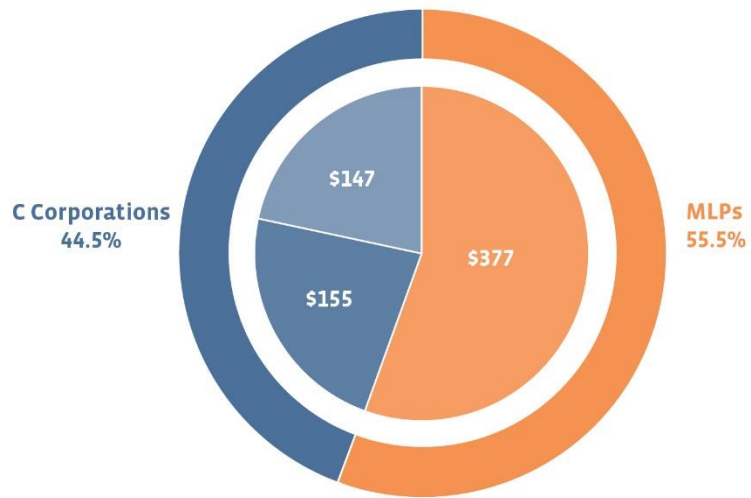
# Reorganization Headlines Continued Through the Summer

Why the transaction?	Target	Target's Tax Form	Acquirer	Closed?
<b>FERC's Policy Revision</b>	Enbridge Energy Partners (EEP)	K-1	Enbridge Inc. (ENB)	
	Spectra Energy Partners (SEP)	K-1	Enbridge Inc. (ENB)	
	Williams Partners (WPZ)	K-1	Williams (WMB)	✓
<b>Simplification (IDR Elimination, Lowering Cost of Capital)</b>	Alliance Holdings GP, LP (AHGP)	K-1	Alliance Resource Partners LP (ARLP)	✓
	Archrock Partners (APLP)	K-1	Archrock Inc. (AROC)	✓
	Energy Transfer Partners (ETP)	K-1	Energy Transfer Equity (ETE)	
	NuStar GP Holdings LLC (NSH)	K-1	NuStar Energy LP (NS)	✓
	Tallgrass Energy Partners (TEP)	K-1	Tallgrass Energy GP, LP (TEGP)	✓
<b>Buyout Offer from Parent</b>	Cheniere Energy Partners LP Holdings (CQH)	1099	Cheniere Energy (LNG)	
	Navios Maritime Midstream Partners LP (NAP)	1099	Navios Maritime Acquisition Corporation (NNA)	
	OCI Partners LP* (OCIP)	K-1	OCI N.V.	✓
	TransMontaigne Partners (TLP)	K-1	ArLight	
<b>Parent Used Call Right to Acquire Target</b>	Boardwalk Pipeline Partners (BWP)	K-1	Loews Corporation (L)	✓
	Terra Nitrogen Company (TNH)	K-1	CF Industries Holdings (CF)	✓
<b>Streamlining Transactions Following Other Acquisitions</b>	Alon USA Partners (ALDW)	K-1	Delek US (DK)	✓
	Rice Midstream Partners (RMP)	K-1	EQT Midstream (EQM)	✓

\*Began with a tender offer that resulted in 98.93% ownership, allowing call right to be exercised for remaining units.  
Source: Alerian, company reports



## The Midstream Energy Infrastructure Universe by Market Cap



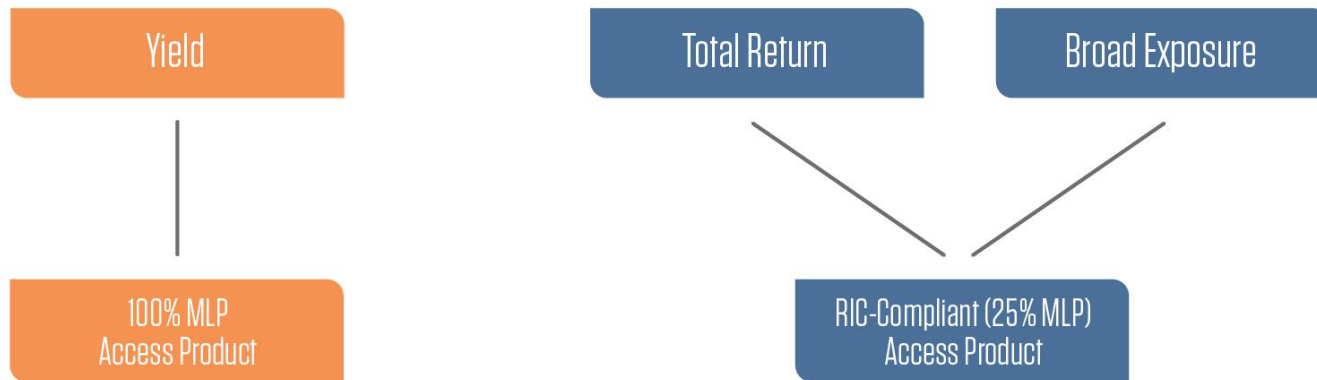
Midstream MLPs   Canadian Midstream Corporations   US Midstream Corporations

Source: Alerian. Data as of July 31, 2018.



# SO YOU WANT TO INVEST IN AN ENERGY INFRASTRUCTURE PRODUCT

What matters most to you?



Source: Alerian

Note: There are other factors to consider while investing. This does not constitute investment advice.

- 1** MLPs better positioned: FERC clarity, ETE/ETP simplification, strong 2Q results
- 2** Many MLPs continue to grow their distributions
- 3** Simplifications force investors to choose between yield and broad exposure





## Disclaimers

### **Copyright. No Unauthorized Redistribution.**

Alerian © 2018. All rights reserved. This document, in whole or in part, may not be redistributed, reproduced, and/or photocopied without prior written permission.

### **This Document Is Impersonal and Not a Solicitation.**

In jurisdictions where Alerian or its affiliates do not have the necessary licenses, this document does not constitute an offering of any security, product, or service. All information provided by Alerian in this document is impersonal and not customized to the specific needs of any entity, person, or group of persons. Alerian and its affiliates do not endorse, manage, promote, sell, or sponsor any investment fund or other vehicle that is offered by third parties and that seeks to provide an investment return linked to or based on the returns of any Alerian index.

### **No Advisory Relationship.**

Alerian is not an investment advisor, and Alerian and its affiliates make no representation regarding the advisability of investing in any investment fund or other vehicle. This document should not be construed to provide advice of any kind, including, but not limited to, tax and legal.

### **You Must Make Your Own Investment Decision.**

It is not possible to invest directly in an index. Index performance does not reflect the deduction of any fees or expenses. Past performance is not a guarantee of future returns. You should not make a decision to invest in any investment fund or other vehicle based on the statements set forth in this document and are advised to make an investment in any investment fund or other vehicle only after carefully evaluating the risks associated with investment in the investment fund or other vehicle, as detailed in the offering memorandum or similar document prepared by or on behalf of the issuer. This document does not contain, and does not purport to contain, the level of detail necessary to give sufficient basis to an investment decision. The addition, removal, or inclusion of a security in any Alerian index is not a recommendation to buy, sell, or hold that security, nor is it investment advice.

### **No Warranties.**

The accuracy and/or completeness of any Alerian index, any data included therein, or any data from which it is based is not guaranteed by Alerian, and it shall have no liability for any errors, omissions, or interruptions therein. Alerian makes no warranties, express or implied, as to results to be obtained from use of information provided by Alerian and used in this service, and Alerian expressly disclaims all warranties of suitability with respect thereto.

### **Research May Not Be Current.**

This document has been prepared solely for informational purposes based on information generally available to the public from sources believed to be reliable. Alerian makes no representation as to the accuracy or completeness of this document, the content of which may change without notice. Alerian expressly disclaims any obligation to update the contents of this document to reflect developments in the energy sector. Alerian shall not be liable for any citations or links to a third-party author or data source. Information may not be updated or current.

### **Forward Looking Statements.**

This document may contain forward-looking statements, based upon any number of assumptions concerning future conditions that may be inaccurate or incomplete. Such statements are subject to risks and uncertainties, and various factors may cause actual results to differ materially. Alerian assumes no obligation to update any forward-looking statements.

### **Limitation of Liability.**

While Alerian believes that the information provided in this document is reliable, Alerian shall not be liable for any claims or losses of any nature in connection with the use or misuse of the information in this document, including but not limited to, lost profits or punitive or consequential damages, even if Alerian has been advised of the possibility of same.