Tortoise Closed-End Fund
1st Quarter 2016
Conference Call

Pam Kearney: Good afternoon and welcome to the Tortoise Capital Advisors 1st quarter 2016 closed-end fund conference call. I am Pam Kearney, Director of Investor Relations. Joining me on today's call is Brad Adams, Tortoise Capital Advisors managing director and CEO of our closed-end funds and Brent Behrens, Tortoise's director of financial operations.

Also speaking today will be Rob Thummel and Matt Sallee, both managing directors and Tortoise portfolio managers.

As a reminder, some of the statements made during the course of this presentation are not purely historical and may be forward-looking statements regarding our intentions, projections and strategies for the future. These statements are subject to various risks and uncertainties and actual outcomes and results may differ materially from our forward-looking statements. We do not update our forward-looking statements. This presentation is provided for information only and shall not constitute an offer to sell or a solicitation of an offer to buy any securities. With that I will turn the call over to Brad.

Brad Adams: Well, we closed out a very challenging 2015 only to be greeted in the new year with even more volatility. In 2015 we witnessed crude oil prices fall by 30%, the energy sector close down more than 20% and the MLP sector dropped nearly 32%.

We also witnessed a series of global events contributing to market volatility including the oversupply of oil with no indication from OPEC that their production will decline, the Greek debt crisis, the agreement with Iran to lift oil exportation sanctions in exchange for reducing nuclear expansion. We've been dealing with China's economic concerns and attacks by ISIS just to highlight a few.

Yet, as we look ahead, we remain optimistic, and believe oil prices will improve once supply and demand are in better balance. They may be "lower for longer" than we'd like, but in the meantime we believe there are some great values in the pipeline energy space as there seems to be a market assumption of "no or negative growth" priced into current valuations.

Our company's name "Tortoise" truly resonates in these types of cycles. We move forward with a steadfast, long-term perspective, navigating through various investment cycles with the goal of delivering sustainable distributions and attractive total returns. We place a high value on selecting quality portfolio companies and carefully evaluate risk and potential reward.

Brent and I will give an update on our closed-end funds' performance year-to-date through last Friday, January 22nd, and discuss our use of leverage and views on distributions. Brent will then turn the call over to Rob Thummel to discuss the upstream segment of the energy value chain.

Broad energy was basically flat for the fourth quarter, mainly due to the positive performance of large integrated energy companies and refiners, but down roughly 21% for 2015. Price pressures continued, correlating to falling oil prices, lower drilling activity, overall negative energy sentiment, short selling up over $1 billion, open end funds' redemptions, closed end fund selling and tax loss selling. The result has been valuations not seen since 2008 and our take is that the selloff is overdone.

Our closed end funds are subject to the same market dynamics as all energy and MLP closed end funds in the universe, which were down roughly an additional 15% for the 4th quarter. We may, however have fared a bit better as we entered the downturn this year with less leverage and higher distribution coverage, and felt less impact from distribution cuts from individual holdings.

The use of leverage in closed-end funds magnifies performance, whether positive or negative, and we obviously have been very focused on managing leverage during this downturn. Brent will speak more to this in a moment.

Regarding MLP distributions, you'll hear more from Rob and Matt on this topic, but we continue to believe most MLPs in our portfolios will grow their distributions in 2016, although some may choose to keep their distributions flat and grow coverage. Our board is scheduled to meet in the 1st part of February to discuss Q1 distributions and will, as they always do, do what they believe is in the best interest of stockholders, aiming for distributions they believe are sustainable over the long term.

So, while things are likely to remain volatile for the near term, our long term views have not changed. We maintain a positive view on energy investments, especially midstream pipelines. Brent will now discuss fund performance.

Brent Behrens: Thanks Brad. Our funds focus on investments in strategic assets, which typically have strong balance sheets and provide sustainable cash flows through economic cycles.

In the upstream space, NDP's portfolio is anchored in the oil and gas producers that, in our view, are located in the best locations in the best oil and gas fields within North America. The fund also utilizes a covered call strategy. It had a market-based total return of -33.7% and a NAV-based total return of -34.4% in calendar year 2015.

Within the midstream space, TYG, NTG and TTP emphasize high quality companies with strategic assets providing visible, growing cash flows, and strong balance sheets and distribution coverage.

TYG had a market-based total return of -31.5% and a NAV-based total return of -34.8% in calendar year 2015.

NTG had a market-based total return of -32.4% and a NAV-based total return of -29.8% in calendar year 2015.

TTP is anchored in diversified pipeline equities, along with some independent energy companies and utilizes a covered call strategy. It had a market-based total return of -48.6% and a NAV-based total return of -46.5% in calendar year 2015.

Lastly, TPZ, a downstream strategy which invests primarily in power and energy infrastructure fixed income, with the remainder in equities, had a market-based total return of -29.9% and a NAV-based total return of -28.1% in calendar year 2015.

Fund total returns have continued to be negative during January, down between 10% and 21% on a market value basis and down between 11% and 20% on a NAV basis through last Friday, January 22nd.

As Brad mentioned, managing our use of leverage became a central focus during the 4th quarter 2015 and into 2016.

We reduced our leverage thresholds to more conservative levels following the financial crisis in 2008 and 2009 but the extreme volatility during this downturn has challenged even those lower levels. We're committed to taking steps, where we see prudent, to maintain adequate cushion over asset coverage requirements. We've reduced leverage in TYG, NTG and TTP from their Aug. 31, 2015 levels and we'll continue to monitor leverage ratios and report them weekly on our website.

The obvious question is what impact reduced leverage may have on fund distributions. Selling securities to reduce leverage reduces the revenue side of distributable cash flow but there are other factors included in DCF that also must be considered. Growth in the distributions from portfolio investments, reduced leverage costs as a result of lower leverage, and decreases in asset value based expenses including management fees and administration expenses will all factor into DCF. As mentioned previously, our Board will digest a lot of information as they always do when they meet in the 1st part of February and discuss the declaration of what they believe to be sustainable distributions.

On the topic of sustainable distributions, we've communicated for years the importance of having DCF in excess of distributions paid. This difficult market period really highlights that point.

Fund distribution rates remain very high due to market pressures with TYG at 11.9%, NTG at 12.2%, TTP at 15.2%, TPZ at 11.1% and NDP at 19.0% as of January 22nd. These rates compare to the Tortoise MLP Index average of 10.8% on January 22nd. We think MLP yields at 9-10% imply no or even negative growth in the sector and we don't think that will be the case. We think growth in 2016 will be in the mid-single digits as ongoing and recently completed internal projects are put into service.

Despite the macroeconomic environment and the volatility, the fee-based operating model of midstream energy companies and the relatively inelastic demand for energy remains intact.

We will continue to navigate this choppy market and manage our funds with the same long-term outlook we've employed for well over a decade.

With that, I will turn the call over to Rob Thummel to give our perspective on the upstream segment of the energy value chain.

Rob Thummel: Thanks Brent. In 2015, the entire energy market was strongly correlated with crude oil prices. The Tortoise North American Oil and Gas Producers Index℠ the Tortoise MLP Index®, and the S&P Energy Select Sector® Index all experienced correlations of 80% in relation to the change in the price of crude oil. Historically, the correlation between crude oil and these various indices has ranged between 50% - 60%.

The energy markets are known for their commodity cycles and this is another one of them. We are on day 553 as of today of this peak-to-trough cycle. The second longest cycle dating back to the 1980s. Only the peak-to-trough cycle that occurred in 1997 and 1998 lasted longer than this current cycle.

Oil prices have fallen by over 70% through today. Note that the percent increase in oil prices one year after prices reach lows has averaged a positive 77% over the last six cycles. Now many are concerned that low oil prices are signaling a looming recession. However, this commodity cycle is unique in that it is supply driven rather than demand driven.

Oil prices are falling because we have too much oil rather than decreased demand for crude oil. This puts the oil markets in the unique position of having little margin for error as OPEC's spare capacity is at its lowest level of any previous commodity cycle.

What is the catalyst to break this current commodity cycle? From a fundamental perspective, the oil markets need to become balanced. In other words, supply equals demand and oil inventory levels stop growing.

U.S. oil inventory levels grew during the first three quarters of 2015, allowing for both global and U.S. inventory levels to exceed historical averages. While global demand for crude oil was strong in 2015, global supply continued to outpace demand led by OPEC which grew its production from approximately 30.5 million barrels per day at the beginning of 2015 to over 31.5 million barrels per day by the end of 2015.

In 2016, the oil market is expected to become more balanced despite OPEC production remaining well above its stated quota. How does this happen? Demand for oil in 2016 remains above average but more importantly non-OPEC supply is expected to fall with a majority of the decline coming from the U.S.

The current oil and gas rig count is at its lowest level this century. In 2016, oil and gas producers are expected to reduce capital expenditures for the 2nd consecutive year. For the first time since the 1980s, the oil and gas industry would experience two consecutive years of capital expenditures cuts. The combination of a less rigs and lower capital should result in a decline in 2016 production volumes. We expect U.S. oil production to fall by 500,000 to 1,000,000 barrels per day in 2016 helping to balance the crude oil markets.

Quickly on U.S. natural gas fundamentals: U.S. natural gas production is all about the Northeast.

Due to a warmer than normal winter as well as continued production growth, natural gas inventory levels have grown to above the 5-year average resulting in a significant decline in U.S. natural gas prices as well.

In 2016, the pace of growth in natural gas production is expected to moderate to 200 mmcf/d according to Bentek.

The main story in the natural gas sector is the continued development of the Marcellus Shale, as Northeast-produced natural gas, represents almost 30% of total U.S. natural gas production, and we expect that the market share for the Northeast and Marcellus gas production in general will rise as high as 36% by 2020.

Moving onto valuation for the oil and gas companies, it's important to understand that the oil and gas producers and the sector itself was one of the cheapest sectors in the S&P 500. We expect over time oil prices will move higher landing around $70 per barrel for crude oil. And that natural gas prices will increase to $3.00 per mcf. Current valuations are trading below the 10-year EV/EBITDA multiple. And the bottom line is we think there is a lot of upside for oil and gas producers if you assume long-term oil price $70 oil and $3 natural gas.

To summarize crude oil and natural gas fundamentals:

- Due to a slide in oil prices, the energy sector was the worst performing sector in the S&P 500 in 2015;
- We are in the midst of the second longest peak to trough commodity cycle in recent history due to elevated global as well as U.S. inventories;
- The global oil markets are rebalancing with the U.S. expected to remove 500,000 – 1,000,000 barrels per day from the market in 2016;
- 2016 is expected to be a milestone year for the U.S. energy sector as the U.S. becomes a supplier of low cost oil, natural gas and natural gas liquids to the rest of the world;
- 2016 will be the first year for U.S. produced crude oil exports;
- Liquefied natural gas is expected to be exported for the first time in the first half of 2016; and lastly,
- Natural gas liquids such as ethane are expected to be exported for the first time while propane exports should continue to grow.

Now I'll turn it over to Matt Sallee for a discussion on the midstream and downstream sectors.

Matt Sallee: Thanks Rob. Well as Brad mentioned, the start of 2016 looks a lot like 2015 contrary to our hopeful wishes here.

To help give some context around MLP volatility, the first week of the year saw an average daily price swing of 2%. Week two, that increased to 3%. Last week the average daily price swing was nearly 6%.

Market prices have dislocated from fundamentals at this point and are being driven by fear and technicals in our view. The fundamentals and cash flows of midstream companies are clearly not as volatile.

From a current performance perspective, the biggest change in 2016 has been the broader market selloff, specifically as China concerns really started to rout in equity markets in early January.

Pipeline companies as represented by the Tortoise North American Pipeline Index^{SM} were down -31.4% in 2015 followed by another -5% year-to-date through last Friday. MLPs, as measured by the Tortoise MLP Index®, were down -31.9% last year, followed up by another -16.6% year-to-date again through last Friday.

Let's hop into the 2016 outlook:

First and foremost, our base case is that U.S. production declines in 2016 by about 700,000 barrels per day due to the extremely low crude prices that we are currently witnessing.

This is painful in the short term but the nice thing is it promotes a faster recovery in crude prices and a healthier backdrop for the entire energy space. Included in that expectation are deferred capital spending by MLPs and lower near-term distribution growth for a number of MLPs.

The benefits are lower counterparty risk relative to an extended low price environment with stable U.S. production. We would expect an improvement in the price of crude oil and MLP stock prices to respond in kind to a better environment. As a frame of reference, recent MLP correlations to crude oil going back since the end of the third quarter of 2015 are .9, that compares to .4 historically.

In this current market, we want to address some of the key questions and concerns we see for 2016.

With low commodity prices, E&P companies have been under pressure from a cash flow perspective. Forty-two have filed for bankruptcy and that number is very likely to go higher if we stay at the current price level.

Looking at the impact on midstream companies of an E&P bankruptcy - the main takeaway is that midstream companies connected directly to the wellhead are typically going to be deemed a critical vendor, and therefore there would be no cash flow to pay bondholders if the product doesn't flow.

So, here the risk that a contract is cancelled outright is rather low, however, the potential for rates to be reduced in the event that they are above market is clearly present.

Further downstream, the impact would depend on optionality to the producer to get the product to market via an alternate route and the associated cost of doing so.

We have seen little impact in the portfolio so far and don't anticipate a big cash flow impact, but clearly a large bankruptcy would present significant headline risk and put additional pressure on stocks.

Another key risk is pipeline overcapacity and tariff pressure. We saw this in the natural gas pipeline sector during 2008 to 2010 and this could happen in crude oil pipelines if we see crude oil production fall and those declines continue for a number of years.

We don't believe we'll see sustained volume declines, and the key point is that we evaluate the strategic nature of pipeline assets as part of our normal company selection and similar to 2008 through 2010 for gas pipelines, we will attempt to position the portfolio in companies with assets best positioned for that type of environment, should it persist.

Access to capital markets is clearly a key factor right now, driving recent trading activity, specifically concerns around the ability to fund growth projects for MLPs. There's clearly been a decline in capital markets activity, with equity markets much tighter than normal. Credit markets are basically closed for high yield companies, modestly open for investment grade rated companies, but clearly at a higher cost. So we think the result of this will be a continuation of MLPs looking at alternative financing means. Some examples are preferred offerings, private equity funding, joint ventures and capex reductions where appropriate.

While we expect a 7% oil production decline, we expect oil pipelines will feel some impact but hold in much better than rail. We expect rail will feel the brunt of that decline due to its higher cost nature.

Turning to the viability of the MLP model in this low price environment. We believe the assets are critical, strategic, and will continue to generate cash flow through all market environments. Therefore they are viable to exist on a standalone basis. Second, companies will avoid paying taxes whenever possible, so the structure provides a significant comparative advantage over C-corps. Finally, if both of these are true, then what are the limitations and concerns with the structure? Certainly access to capital and cost of that capital are a headwind in the current market.

The key mitigant is to run higher coverage ratios and reduce reliance on capital markets. And eventually, ideally get to the point where incentive distribution rights are eliminated, capped or restructured to ensure that ongoing cost of capital is competitive. So, in short, we believe the model works and makes economic sense for both management teams and investors.

Regarding capital markets, equity and debt offerings are clearly down with companies waiting for a better environment to issue, and as I mentioned in the meantime utilizing alternative means of capital.

We have seen two large private equity transactions recently involving preferred securities - EnLink and Plains All American - to fund acquisition and growth capex for 2016.

We anticipate this type of financing to become more and more utilized by MLPs assuming markets stay disrupted.

Moving to segment fundamentals, starting with natural gas, we continue to see the Marcellus/Utica driving increased growth in infrastructure spending over the next decade. Touching on gathering and processing, similar to crude oil and natural gas, NGL prices remain weak due to oversupply. That's a headwind for gathering and processing companies.

Well Rob already gave a detailed review of our crude oil expectations. Translating that to crude pipelines, we expect modest volume headwinds in 2016 and a slowdown in new growth projects, particularly supply push pipelines.

Similar to 2015 we expect a continued tailwind for refined product pipelines due to a strong demand response from lower gasoline prices.

Shifting to growth - consistent with prior quarters, we like to look at project totals on a 3 year rolling basis. The project backlog for MLPs and pipeline companies stands at ~$140B looking at 2015-2017. However, our 2016 expectations could potentially come down as producers reduce their capex and drilling programs and midstream companies evaluate the impact and timing of their projects, in turn.

We would not be surprised to see projects shifted to the right, primarily again supply push driven projects and migrate more towards demand pull investments.

Looking at acquisition activity, there were a host of transactions in the 4th quarter, but excluding the ETE/WMB merger, we ended up a little shy of our $30B estimate for MLPs.

Clearly the currency available for MLPs is not as valuable with the selloff. Trading of companies that have announced deals has not exactly been stellar. This I think would provide a strong impetus to hold off on major transactions in the near term. Despite that, we anticipate the recent round of volatility will present some acute opportunities for select midstream to participate in M&A. All that said, we did drop our MLP acquisition projection from what had been $25 to $30B per year to our new estimate of $20 to $25B per year going forward.

All told, we anticipate just north of $200B of internal and acquisition activities during the 2015 through 2017 period. So again we would expect those number will likely decline if we stay in the current market environment.

Regardless of what those capex dollars are there will be distribution growth. Thus far, over half of our MLP portfolio has reported their fourth quarter distributions. On a weighted average they increased roughly 3% sequentially over the third quarter. That's over a 12% compounded annual run rate.
At the index level our models tell us MLPs can grow ~5-7% in 2016 and while it hasn't been the case this quarter we would not be surprised to see management teams slow the rate of distribution growth in favor of increasing their coverage ratios.

Moving now to midstream and pipeline valuation, from a yield standpoint, the TMLP index on January 22nd stood just inside 11%, that's over 3 standard deviations wide of the 10 year average and 5 standard deviations wide of the 5 year average. And at an 8.5x median EV / EBITDA multiple, MLPs are currently trading at a 20% discount to utilities on a tax adjusted basis. We believe this is pretty, attractive especially since MLPs have grown at 3x the rate of utilities looking at distributions compared to dividends since 2013.

We've also evaluated total return expectations given various scenarios and estimate that:

- In a low case, we assume yields do not tighten at all and remain at around that 11% yield. And instead of 5-7% growth we get about a quarter of that. 1.5%. This would result in total return still in the low double digits over the next twelve months;
- Expanding further we ran a medium case, where we get our base case growth, 5-7%, and that exit yield reverts more toward the long-term no-growth yield of 8.0%. This would generate a total return of approximately 50%;
- Finally, in a high case scenario, if you use again that same 5-7% growth, but your long-term exit yield of 6%. That would be essentially in-line with both 3 and 5 year medians and where we exited 2014. That would generate total returns of approximately 100%.

Now we're not forecasting this to happen, but simply laying out the math of the range of potential outcomes. It's incredibly difficult to predict the exit yield at any one point in time in time, but we just wanted to provide what we think are reasonable scenarios to examine the potential return over the near future and we feel the probability of further compression is far higher than that of yields of widening from the current 11% yield.

Now just a few comments on the downstream sector starting with refiners. Refiners benefitted from a 3% increase in gasoline demand compared to a year ago according to the EIA. In addition, refining margins have continued to be strong due to low oil prices in spite of the differential between U.S. and global crude oil prices narrowing. This continues to generate outsized profits for refiners.

The petrochemical sector generated strong free cash flow yields running around 15% due to low cost natural gas and natural gas liquids as well as strong demand for their output products.

Lastly, renewable energy has been negatively impacted by concerns regarding access to and cost of capital, similar to MLPs, along with some corporate restructuring at the parent levels. Importantly, the long term growth outlook for wind and solar remains strong in our view.

Turning to regulatory matters, in December, Congress agreed to lift the 40-year ban on oil exports. This historic decision helps pave the way for the U.S. to become a significant exporter of energy.

Also in December, the Environmental Protection Agency established renewable fuel percentage standards pertaining to the annual percentage standards for renewable fuel that apply to all motor vehicle gasoline and diesel produced or imported in 2016.

In November, as anticipated, the President rejected TransCanada's bid to build the Keystone XL pipeline ending seven years of debate over the project.
That concludes our overview of the energy value chain.

To summarize:

- 2016 is expected to be a milestone year for the U.S. energy sector as it will be the first year for to export crude oil, natural gas and ethane. Becoming a low cost supplier of crude oil, natural gas, and natural gas liquids to the rest of the world.
- MLPs are currently trading with crude oil, however, we see improving oil fundamentals in the back half of 2016 and early 2017.
- MLP distribution growth remains visible, in particular for our portfolio but concentrated in fewer MLPs.
- Valuations are very compelling and at levels not seen since early 2009.
- Bottomline: We see better days ahead and expect investors to be paid handsomely through the current yield to wait.
- Importantly, cash flow growth of the midstream companies has not been impaired and is not reflective of the stock price declines that we witnessed.
- There is no question we are not out of the volatility woods yet, but we do believe that investors with a long time horizon will be rewarded with very good returns
- We think downstream companies will continue to benefit from higher product demand lower prices for their primary feedstocks.
- And at some point, the market will return to rationality and that will be reflected in valuations

That concludes our remarks.

Pam Kearney: Okay, Thanks. With that, let's go over recent investor questions, and then open it up to our listeners for questions with the time that remains. So, Brad, let's start with you.

What about Q1 distributions for the funds?

Brad Adams: Yes, that is the question every day. Let's hit that one first. Let me start with distributions for TYG and NTG.

Our management team currently intends to recommend to the board to hold distributions flat for TYG and NTG for 1st quarter 2016.

We have always managed our MLP funds conservatively with a goal of stable and ideally growing distribution payments; this market demonstrates why.

If you recall, we entered the downturn with modest leverage and reasonable coverage in these funds.

We have experienced no direct distribution cuts and we continue to see dividend increases from our portfolio companies, including the current quarter.

We have sold securities to maintain appropriate leverage levels, reducing income, but this is offset by lower interest expense and lower asset-based fees.

Keep in mind this is a volatile market and many things could change but at this point this is our expectation; keep in mind ultimately this is a board decision.

Now regarding distributions for TPZ, TTP and NDP which are RIC funds.

RIC fund distributions are inherently more volatile, as they require payout of not only income but capital gains also. Last year, we increased distributions in TPZ and TTP to cover the capital gains. With market declines this year, those gains have gone away. We are currently in the process of reviewing the RIC fund distributions with our Tortoise management team.

As mentioned, our board will make the distribution determinations at the next board meeting slated for early February.

Help us understand what happens if leverage covenant requirements are not met in the funds

Brad Adams: As Brent mentioned, we have reduced leverage in some of the funds in order to maintain coverage over the various leverage covenant requirements. We'll continue to manage fund leverage with the goal of maintaining adequate coverage. If there were a time when coverage requirements were not met on a measurement date we would work to get back into compliance.

Will Tortoise rethink its CEF leverage targets?

Brad Adams: Think back to post the financial crisis in 2008/2009, we modified the leverage policy in the funds to be more conservative. Currently, TYG, NTG and TTP have a long-term leverage target of ~25% of total assets, 20% for TTP and 15% for NDP. As a result of the volatility we've experienced in this downturn we'll revisit leverage targets again and make some adjustments where warranted.

And last for you Brad, is the closed end fund model broken, in your view?

Brad Adams: I sure don't think so. CEF's are structured to last for perpetuity. They have been around for I don't know how many years meeting investors' specific needs and I expect they'll continue to do so for many, many years to come.

Pam Kearney: Matt, over to you

Do you think the MLP model is broken?

Matt Sallee: You're going to be shocked to hear this, but I don't think it's broken. I think the model still makes sense. It does become more challenged when capital markets are disrupted due to their full payout model. That exposes them to market sentiment which can swing wildly beyond the underlying fundamental changes and that's what's going on right now.

Looking at the facts, midstream MLPs, their fundamentals are not broken. Our portfolio has average cash flow growth of 20% year over year looking at EBITDA, 10% per unit. And while not every company has announced their 4th quarter distributions, north of half of our portfolio has, and that weighted average distribution as I mentioned previously is up about 3% over the prior quarter, so we feel pretty good about that.

Along with that, our MLP portfolio companies have not experienced any distribution cuts. And a structure that doesn't pay tax that has a tremendous advantage over a competitor or C-corporation who does. So we think the model makes sense. All that said, the external financing model is challenging in the current environment, so we expect companies to look to do a couple of things.

Number one: We expect and we've seen this so far, they are going to reduce capital to the extent possible. They'll look to utilize alternative capital sources to get them through the short term until markets return to a more rational posture, and then longer term we would hope that management teams will hold back some of the cash flow growth that they're generating and move more toward the higher coverage model and hopefully restructure or eliminate incentive distribution rights and basically take the Enterprise and Magellan model,

Pam Kearney: To add to the comments you made earlier about MLP yields, do current high yields represent mispricing by the market?

Matt Sallee: I would say that is an understatement. At an 11% yield, MLPs, looking at an index, are clearly pricing in cuts.

If you look at a regression analysis, based off the historical yield and expected growth, historically what was the expected growth at that point in time, essentially that formula will tell you that 8% is the no-growth yield. So again we're at 11% right now, pricing in significant cuts. Even if you say right now the market's disrupted and that risk premium is quite a bit higher, let's shift that no-growth yield out to 10%. You're still pricing in cuts. And that's something that we just simply don't believe is going to happen for midstream MLPs.

Let's look at a worst case scenario though. Let's assume that we are totally wrong and MLPs cut their distributions in half and become self-funding. You would still have a nearly 6% yield with solid growth in a self-funding model. So how would you value companies in that scenario?

We've heard short sellers argue that MLPs still look expensive looking at EV/EBITDA, but here's facts, on a tax adjusted basis, MLPs trade at a median 20% discount to utilities, a 45% discount to REITs. All this in spite of the fact that MLP distribution growth has outpaced utilities as an example, about three times greater over the last few years. We expect them to continue to outgrow utilities, so yes I think they are cheap.

Pam Kearney: And a final question over to you, Rob. How susceptible are Tortoise holdings to counterparty risk or default?

Rob Thummel: Sure. So, that specifically addresses a lot of the midstream companies. The midstream is that critical component providing that pipeline from the customer who is supplying the crude oil, natural gas and natural gas liquids to the actual consumer of that product. When you look at a customer base of any midstream company or any pipeline company, it's going to include large utilities that are regulated. But it's also going to include oil and gas producers and as we know in this environment not all oil and gas producers are created equal. Matt just mentioned in his remarks how 42 E&P oil and gas producers have filed for bankruptcy this year so far. So it's something that we evaluate all the time and we look for a lot of things. First of all, a lot of MLPs you want to know what's the number of customers they have. In a lot of cases, and in most cases, pipeline MLPs or midstream companies have 100s of customers. They have a very, very diversified customer base. We look at if there is a specific customer, or is their customer concentration issues with one particular customer of the pipeline or midstream operator that could cause some concern. And we have been evaluating that for years and elevated our analysis more recently. But, at the present time, we don't expect that there will be any material impact on cash flows for any of the midstream pipeline operators that we invest in due to the current environment that we operate in.

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please refer to the fund's most recent prospectus and read it carefully before investing. For additional information call Tortoise Capital Advisors, L.L.C., the fund adviser, at 866-362-9331.