



# YORKVILLE MLP BEAT

## MLP-Moving News

FERC Surprises Investors, Weighs on MLP Performance

MLPs Sold Indiscriminately Following Overblown FERC Concerns

Yorkville MLP Universe -9.5% in February, Worst Month Since January 2016

All 10 MLP Sectors Down in February

Commodity MLPs Lead in Feb, YTD

Utilities & REITs Lag, Trail MLPs YTD Through February

## Fundamental Scores First Quarter 2018

Yorkville Stability Score\*  
9.1

Yorkville Growth Score\*  
+6.1%

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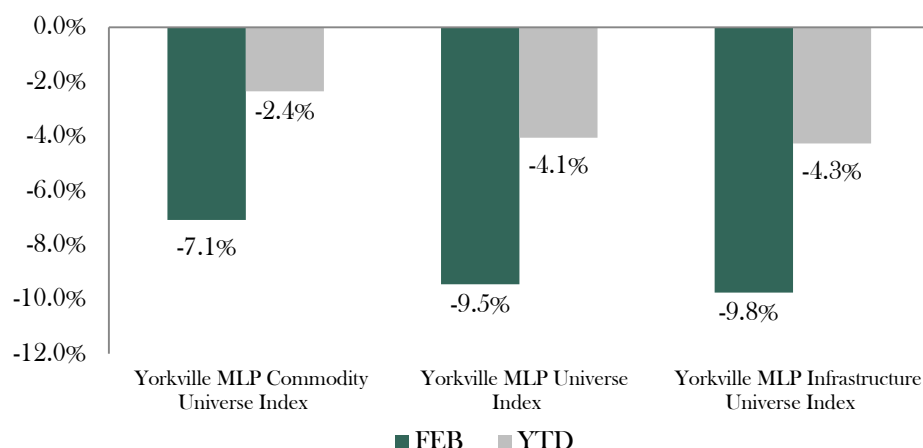
## What The FERC?

On March 15, the Federal Energy Regulatory Commission (“FERC”) rattled the MLP asset class, announcing an order reversing the ability for MLPs to include an income tax allowance in pipeline base rate calculations. FERC governs all interstate pipelines. Alongside this surprise announcement, FERC imposed an acceleration in the assessment of tax reform changes by natural gas pipelines and determined that tax changes for oil pipeline rates would be addressed in 2020. The market decided to sell and ask questions later, with the Alerian MLP Index (AMZ) reaching an intraday decline of nearly 10% on 3/15. The AMZ rallied off the lows to close the day down 4.6%, and then gained another 1.5% on 3/16. Nonetheless, uncertainty has continued to plague MLPs prices, and the AMZ hovers around its 52-week lows. What does this all mean for MLPs / midstream going forward?

MLP Pipeline Example - Before		MLP Pipeline Example - After	
EBT	\$ 100,000,000	EBT	\$ 100,000,000
Tax Rate	37.5%	Tax Rate	0.0%
Taxes	\$ 37,500,000	Taxes	\$ -
Net Income	\$ 62,500,000	Net Income	\$ 100,000,000
ROE	<b>12.5%</b>	ROE	<b>20.0%</b>

It is first critical to understand that this particular change will only impact FERC regulated, cost-of-service pipelines. This means that intrastate pipelines, gathering pipelines and other midstream assets are excluded. It also means that FERC regulated pipelines with negotiated or market rates are excluded. Therefore, we are left with a very specific subset of MLP assets. In the example above, we analyze a hypothetical worse case scenario for a cost-of-service pipeline’s economics. In the example above the pipeline is currently achieving a 12.5% return on equity (ROE) assuming a full 37.5% tax rate. After the ruling, tax

MLP Composite Indices - Total Return  
As of February 28, 2018



Source: Yorkville Capital Management LLC, Bloomberg.

rates for pipelines in MLPs will move to 0% in calculated ROE. FERC currently allows for ratemaking generally in the range of 10-14% ROE. Therefore, assuming the FERC decision is upheld, the ROE of 20% would likely be deemed too high. As a result, the MLP will likely have to modestly reduce rates on the given pipeline. If for example, that same pipeline with \$100MM of EBT had revenues of \$300MM and costs of \$200MM, a 10% decrease in rates (revenues) to \$270MM would result in an “acceptable” 14% ROE. However, there are many items which can offset the change in implied taxes, and every pipeline has different economics, implying that the broad based selloff from the week of the announcement was irrational. It is very important to note that most new pipeline contracts are negotiated, not cost of service.

With regards to oil pipelines, FERC intends to address the tax changes in 2020 – as part of its standard 5-year review cycle. The potential concern for impacted oil pipelines, which once again only includes interstate pipelines, is that rates which are currently indexed to inflation (PPI +1.2%), could see their adjustment factor revised downwards to adjust for the “improved ROE” from lowered (C-Corp) or zero (MLP) tax rates.

Now that the announcement is a week behind us (as of 3/21), investors have had the opportunity to more fully gauge the impact of FERC’s decision, there are several areas of notable weakness in the MLP asset class – see the table below. On a sector level, Oil Pipelines have been the worst performers at -7.2%, followed by Refined Product Pipelines at -6.7%. Somewhat surprisingly given their FERC exposure, Natural Gas Pipelines was only the third worst sector, having lost 5.3%. Notably, the Alerian MLP ETF (AMLP) suffered its largest 1-day outflow (\$119MM) since July 2017 on 3/15, following by an additional \$45MM outflow the following session.

Ticker	Name	Return
YOILPX	Yorkville MLP Crude Oil Pipelines Index	-7.2%
YRPPTX	Yorkville MLP Refined Product Pipelines Index	-6.7%
YNGLPX	Yorkville MLP Natural Gas Pipelines Index	-5.3%
YGGNPX	Yorkville MLP Gathering & Processing Index	-3.7%
YGENPX	Yorkville MLP General Partners Index	-3.3%

*Source: Yorkville Capital Management LLC, Bloomberg, Returns from 3/14/18-3/21/18.*

On a company basis, the largest decliners to date generally fall into one of two buckets: (1) MLPs deriving a meaningful percentage of revenues from old, cost of service rates or (2) high growth, dropdown MLPs.

There are several important conclusions and/or impacts that we believe are important to consider following the FERC decision:

- (1) Most importantly, a majority MLPs and midstream companies are not meaningfully affected by the order. This means that subsectors such as Gathering & Processing MLPs, which are down 3.7% since the announcement despite little to zero financial correlation, may offer compelling entry points. More than 25 MLPs have announced that there will be little to no material earnings impact from the policy change.
- (2) More MLPs are likely to consider an acceleration of structure simplification and/or to consider a C-corp conversion. For MLPs with cost-of-service pipelines, the MLP advantage has diminished. It may make sense for certain entities to combine with C-corp GPs or to simply elect to become tax payers. At the end of the day, we are investors in energy infrastructure and agnostic to structure. In fact, C-corps have historically garnered premium valuations and wider pools of interested capital.
- (3) Dropdowns may slow down. With MLPs already trading at discounted valuations, equity financed dropdown acquisitions were already going to be less attractive to both parties. In the case of FERC pipelines with high % cost-of-service rates, the assets are now going to be able to charge higher rates at a C-corp sponsor level than at the MLPs. These assets do not make sense to dropdown – unless the ruling is reversed. This partially explains the weakness we have seen in high growth, dropdown MLPs. However, sponsors can be creative in taking different forms of payment for assets (i.e. equity at premium to market, preferred equity, etc.) to make economics work.
- (4) Shippers (i.e. E&Ps, Utilities) may prefer the old rules in order to ensure new pipelines get built. There is new gas infrastructure needed in the Marcellus, Utica and the Permian. This may impact any reversal of the order.

To summarize, MLPs are being painted in a broad brush, when they shouldn’t be. Many MLPs offer compelling valuations following unwarranted sell-offs and energy infrastructure continues to be an attractive asset class. It is important to focus on the bigger picture, with 2018 set to break records in U.S. production of oil and natural gas, which will improve throughput on existing pipelines and drive future growth projects.

## Yorkville MLP Sector Index Performance - Total Returns

The Yorkville MLP Universe Index had its worst month since January 2016 in February, losing 9.5%. All 10 Yorkville MLP sectors lost value, with four sectors suffering double digit percentage declines (General Partners, Refined Products, Downstream, Gathering & Processing). The “strongest” four sectors were all Commodity MLPs, with E&Ps, Natural Resources and Energy Services losing 3.3% or less.

### Yorkville MLP Sector Indices - Total Return

as of February 28, 2018

INDEX NAME	BLOOMBERG		
	TICKER	FEB	YTD
Yorkville MLP Exploration & Production Index	YEXNPX	-2.8%	2.5%
Yorkville MLP Natural Resources Index	YNATRX	-3.2%	2.0%
Yorkville MLP Energy Services Index	YESVCX	-3.3%	10.0%
Yorkville MLP Marine Transportation Index	YTRANX	-5.5%	-6.2%
Yorkville MLP Crude Oil Pipelines Index	YOILPX	-7.2%	-3.1%
Yorkville MLP Natural Gas Pipelines Index	YNGLPX	-7.5%	-1.7%
Yorkville MLP Gathering & Processing Index	YGGNPX	-10.9%	-3.7%
Yorkville MLP Downstream Index	YPROPX	-11.8%	-7.1%
Yorkville MLP Refined Product Pipelines Index	YRPPTX	-12.6%	-10.0%
Yorkville MLP General Partners Index	YGENPX	-13.4%	-8.3%
S&P 500	SPXT	-3.7%	1.8%

Source: Yorkville Capital Management LLC, Bloomberg.

On a year-to-date basis through February, Energy Service MLPs lead with a 10% gain, following by E&P (+2.5%) and Natural Resources (+2.0%). Laggards include Refined Products (-10.0%), General Partners (-8.3%) and Downstream (-7.1%).

### Partnerships - Best and Worst Performing

86% of MLPs (market capitalization minimum of \$50 million) were down in February. 37 MLPs lost 10+%, while only two MLPs produced positive double digit returns. For the month of February, the difference in performance between the best and worst performing MLPs was over 80%.

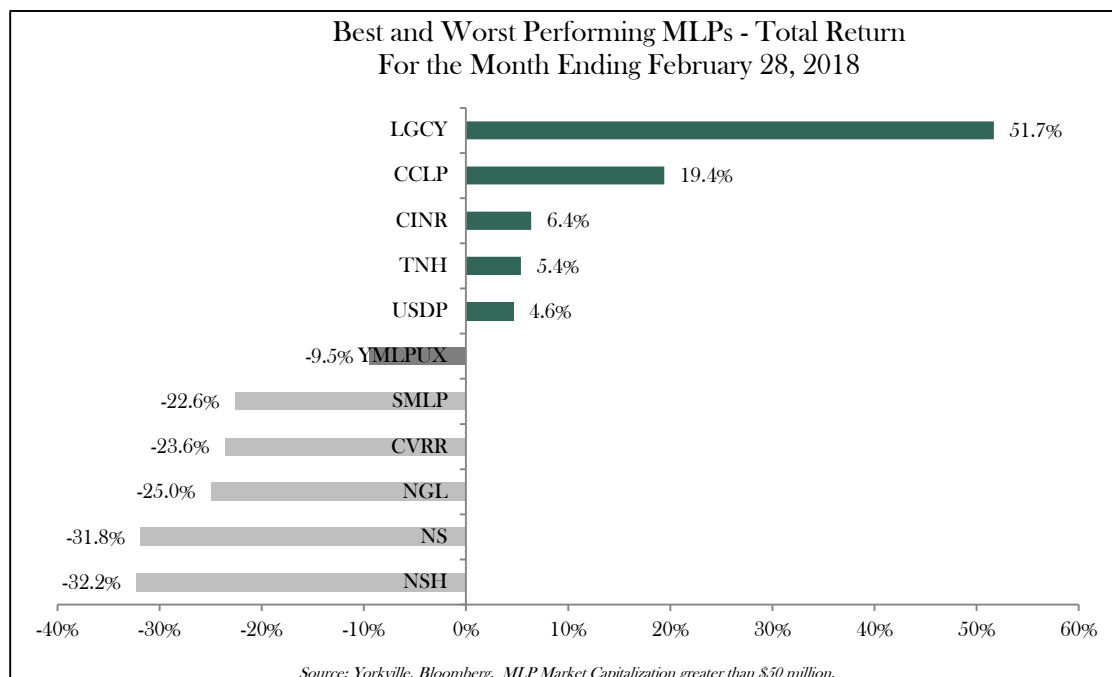
Legacy Reserves (LGCY) was the best performing MLP for the second straight month, adding a 51.7% gain to January’s 47.8% increase. On February 21 LGCY announced quarterly results and included a 2018 EBITDA estimate of \$300-360 million, a 46% increase over 2017 at its midpoint. The company also noted plans to opportunistically reduce/restructure its debt. The driving force behind the unit increase, however, continued to be Baines Creek Capital which continues to accumulate large swaths of LGCY units on a near daily basis. As of 3/21, Baines Creek owned more than 13 million units, or 17% of the partnership.

CSI Compresco (CCLP) was the second best performer in February, gaining 19.4%. On February 27, CCLP reported 4Q17 results which were generally in-line with expectations. The firm reported adjusted EBITDA of \$21.0 million versus consensus median of \$21.4 million. Meanwhile, distributable cash flow of \$5.4 million resulted in distribution coverage of only 0.73x. However, CCLP received the largest order in its history (\$67 million) in January and maintains a robust backlog of orders for its compression units.

Ciner Resources (CINR) was the third best MLP in February with a gain of 6.4%. On February 1, CINR announced a flat quarterly distribution of \$0.567. The company went on to report results on February 15 which included year-over-year EBITDA growth and year-over-year net income growth of 21.6% and 33.3%, respectively.

Terra Nitrogen (TNH) was the fourth best performing MLP in February, producing a 5.4% return. On February 7, TNH parent CF Industries (CF) announced it would be exercising its right to purchase all of the outstanding units of TNH at a price of \$84.033 per unit. The all-cash deal will result in TNH being delisted as of 4/1/18. TNH investors received a \$2.03 distribution in February.

USD Partners (USDP) was the fifth best MLP performer in February, closing with a 4.6% gain. On February 1 USDP announced its eleventh consecutive distribution increase, raising its payout by 1.4% sequentially and 6.1% on a year-over-year basis.



NuStar GP Holdings (NSH) and NuStar LP (NS) were the two worst performers in February, declining by 32.2% and 31.8%, respectively. On February 8, NS announced plans to acquire NSH (1.7% premium) in a all-stock deal. The announcement stated that the merged entity would then reduce the distribution by 45% to \$0.60 per quarter beginning in 1Q18 and lowered 2018 EBITDA guidance by 11% (due to potential weakness in its terminal business with PDVSA). The series of announcements was poorly received by the market with NS/NSH shares declining by 19/18% on the day. Moody's downgraded NS credit to Ba2 from Ba1 the following session.

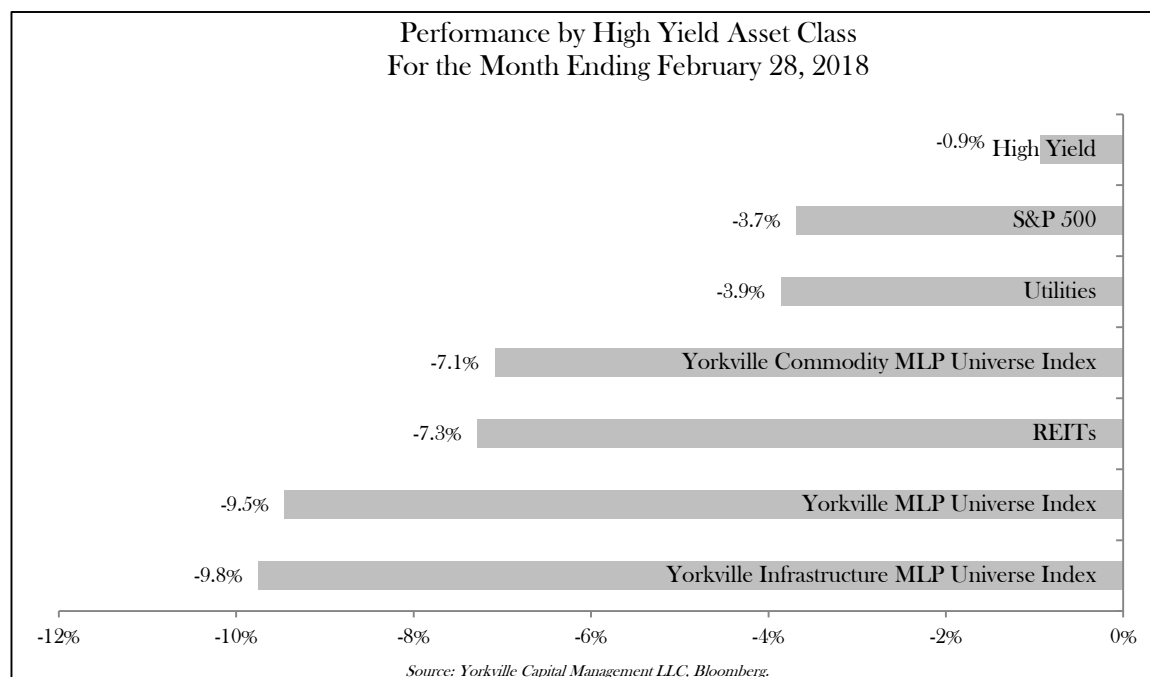
NGL Energy Partners (NGL) was the third worst performing MLP in February, falling 25.0%. In its February 9 earnings announcement, NGL again lowered its full-year 2018 EBITDA guidance, this time from \$475-500 million to \$440-450 million. NGL cited weaker than expected results in its refined product and liquid segments, with distributable cash flow of \$60.3 million failing to fully cover its quarterly distribution (0.94x coverage).

CVR Refining (CVRR) was the fourth worst performing MLP in February, losing 23.6%. On February 22 CVRR announced results which missed street estimates. Despite announcing a positive surprise in its quarterly distribution (\$0.85), CVRR reported quarterly adjusted EBITDA of \$76.4 million versus consensus of \$81.0 million. Additionally, the Brent-WTI spread continued to tighten in 2018 after reaching nearly \$6 in late 2017, potentially weighing on crack spread margins.

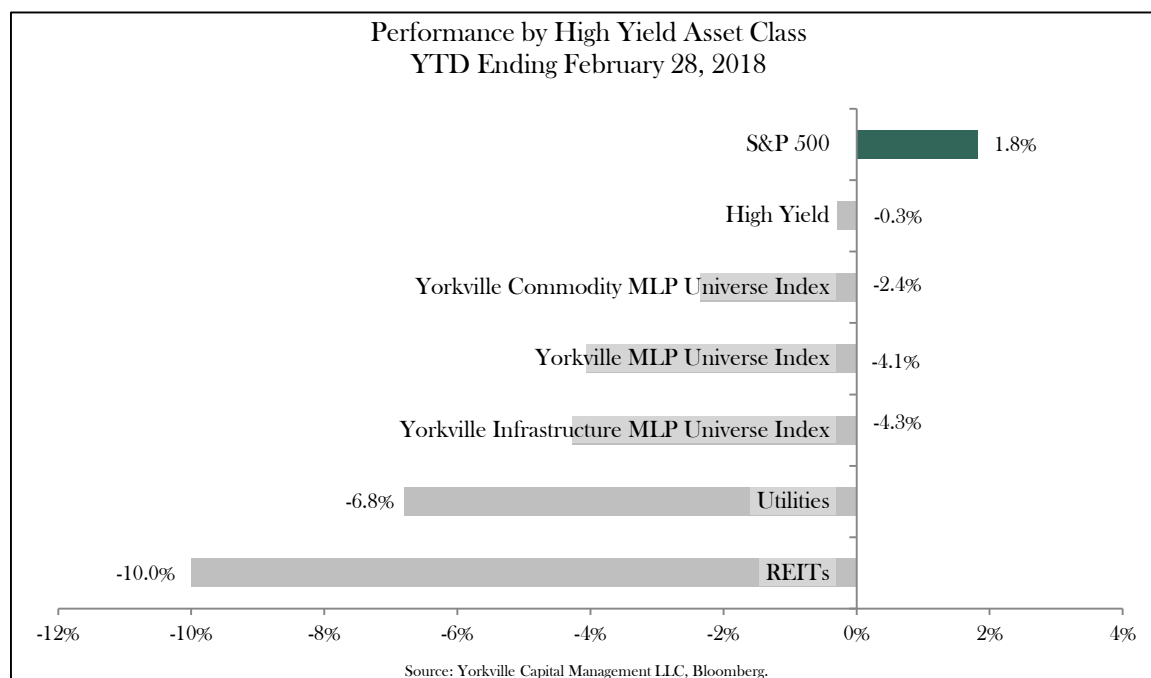
Summit Midstream (SMLP) was the fifth worst performer in February with a decline of 22.6%. SMLP reported quarterly results on February 22, which included disappointing guidance for 2018. In their announcement, SMLP guided to 2018 EBITDA of \$293 million (at midpoint) versus consensus of \$336 million. The 4Q17 numbers were also weak, with EBITDA of \$73 million compared to street estimates of \$76 million. SMLP maintained its annualized distribution of \$2.30 in the quarter and expects to cover the 2018 distribution by approximately 1.0 times.

## Yorkville MLP Composite Performance vs. Other High Yield Asset Classes

The Yorkville MLP Universe Index slumped 9.5% in February, as the broader market (S&P 500) dropped 3.7% amidst increased volatility. There was broad based weakness amongst equities, with REITs falling by 7.3% and Utilities declining 3.9%. High yield corporate bonds were a relative safe haven, losing less than 1% on a total return basis.

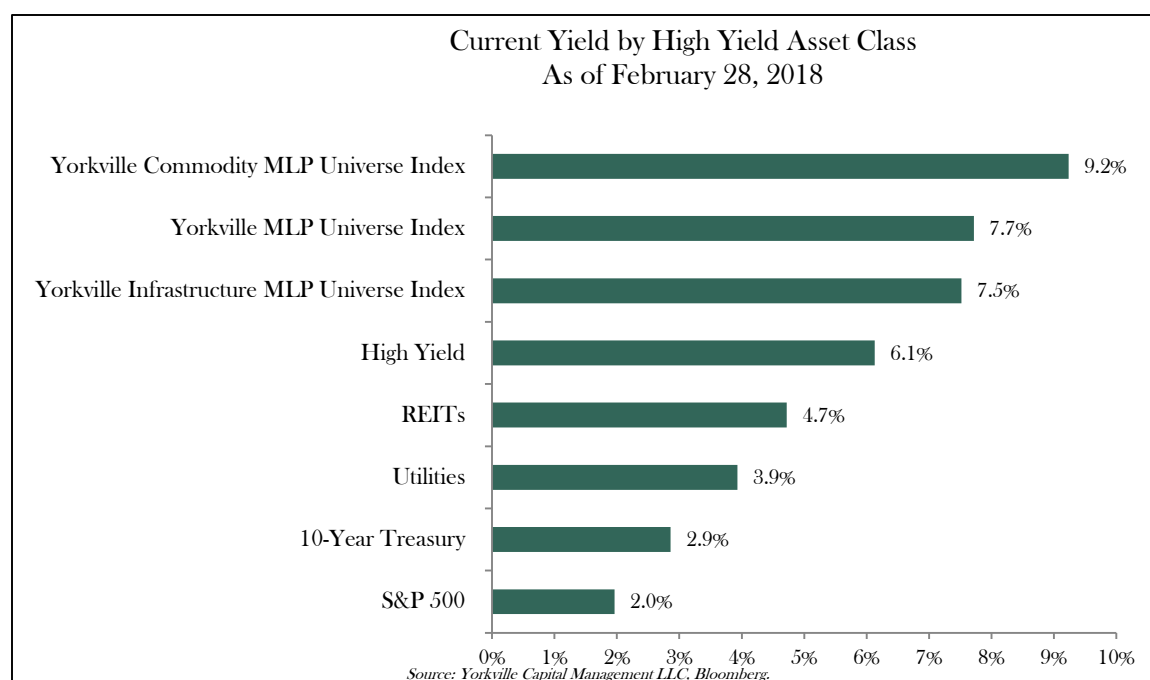


Through two months the S&P 500 is holding onto a 1.8% gain. Meanwhile, REITs are down 10.0% and Utilities have lost 6.8%. MLPs have actually fared better than their income-oriented equity counterparts, with a YTD decline of 4.1%.



## MLP Composite Yields vs. Other High Yield Asset Classes

The Yorkville MLP Universe yielded 7.7% as of February 28, 4.8% above the U.S. 10-year treasury. MLPs remain attractive versus the ten year on a historical basis and when compared to competing asset classes.



Utilities yielded 3.9% as of February 28, while REITs yielded 4.7%. The Merrill Lynch HY Bond Index yielded 6.1%.

## Yorkville MLP Distribution Scores

In the first quarter 2018, average announced distribution growth for MLPs has been +2.3% year-over-year, as per the Yorkville Growth Score. The Yorkville Distribution Stability Score was 9.0, indicating that approximately 90% of MLPs currently paying a distribution either maintained or increased distributions year-over-year. NuStar (NS) and NuStar GP (NSH) were the only MLPs to announce distribution cuts, set to go into effect beginning next quarter.

Growth in distributions for Infrastructure MLPs was +6.1% year-over-year, versus -3.1% for Commodity MLPs – see below.

Segment	Growth	Stability
Yorkville MLP Universe Index	2.3%	9.0
Yorkville MLP Infrastructure Universe Index	6.1%	9.1
Yorkville MLP Commodity Universe Index	-3.1%	8.8



# MLP Universe Fundamentals

As of February 28, 2018

Ticker	Company	Yorkville MLP Sector	Market Cap (\$MMs)	Yield	Current Price	Total Return MTD	Total Return QTD	Total Return YTD
AHGP	Alliance Holdings GP LP	General Partners	\$ 1,525	11.7%	\$ 25.47	-10.1%	-2.3%	-2.3%
AM	Antero Midstream Partners LP	Gathering & Processing	\$ 4,881	5.6%	\$ 26.11	-14.2%	-9.0%	-9.0%
AMGP	Antero Midstream GP LP	General Partners	\$ 3,445	1.6%	\$ 18.50	-12.2%	-5.9%	-5.9%
AMID	American Midstream Partners LP	Gathering & Processing	\$ 606	14.3%	\$ 11.50	-20.5%	-11.2%	-11.2%
ANDX	Andeavor Logistics LP	Crude Oil Pipelines	\$ 10,094	8.6%	\$ 46.48	-10.1%	2.6%	2.6%
APLP	Archrock Partners LP	Energy Services	\$ 928	8.6%	\$ 13.22	1.8%	13.4%	13.4%
APU	AmeriGas Partners LP	Downstream	\$ 3,899	9.1%	\$ 41.94	-9.4%	-7.4%	-7.4%
ARLP	Alliance Resource Partners LP	Natural Resources	\$ 2,330	11.5%	\$ 17.80	-10.9%	-7.2%	-7.2%
ATLS	Atlas Energy Group LLC	General Partners	\$ 2	0.0%	\$ 0.06	0.0%	0.0%	0.0%
BKEP	Blueknight Energy Partners LP	Crude Oil Pipelines	\$ 191	11.6%	\$ 5.00	-5.8%	0.6%	0.6%
BPL	Buckeye Partners LP	Refined Product Pipelines	\$ 6,583	11.3%	\$ 44.80	-14.7%	-7.2%	-7.2%
BPMP	BP Midstream Partners LP	Crude Oil Pipelines	\$ 1,997	5.5%	\$ 19.06	-8.5%	-6.5%	-6.5%
BSM	Black Stone Minerals LP	Exploration & Production	\$ 3,422	7.3%	\$ 17.14	-5.0%	-2.8%	-2.8%
BWP	Boardwalk Pipeline Partners LP	Natural Gas Pipelines	\$ 2,821	3.5%	\$ 11.27	-9.5%	-11.9%	-11.9%
CAPL	CrossAmerica Partners LP	Downstream	\$ 802	10.7%	\$ 23.51	-0.4%	1.6%	1.6%
CCLP	CSI Compresso LP	Energy Services	\$ 287	10.0%	\$ 7.50	19.4%	41.2%	41.2%
CCR	CONSOL Coal Resources LP	Natural Resources	\$ 392	14.4%	\$ 14.25	-7.1%	-5.9%	-5.9%
CELP	Cypress Energy Partners LP	Energy Services	\$ 75	13.3%	\$ 6.32	-11.5%	8.6%	8.6%
CEQP	Crestwood Equity Partners LP	Natural Gas Pipelines	\$ 1,905	9.0%	\$ 26.75	-3.2%	6.0%	6.0%
CINR	Ciner Resources LP	Natural Resources	\$ 556	8.2%	\$ 27.67	6.4%	12.6%	12.6%
CLMT	Calumet Specialty Products Partners LP	Downstream	\$ 507	0.0%	\$ 6.60	-12.6%	-14.3%	-14.3%
CNXM	CNX Midstream Partners LP	Gathering & Processing	\$ 1,107	7.2%	\$ 17.41	-12.6%	5.4%	5.4%
CPLP	Capital Product Partners LP	Marine Transportation	\$ 385	10.2%	\$ 3.15	-2.5%	-4.0%	-4.0%
CQP	Cheniere Energy Partners LP	Natural Gas Pipelines	\$ 14,191	6.8%	\$ 29.32	-3.0%	0.5%	0.5%
CVRR	CVR Refining LP	Downstream	\$ 1,889	14.1%	\$ 12.80	-23.6%	-22.7%	-22.7%
DCP	DCP Midstream LP	Gathering & Processing	\$ 5,136	8.7%	\$ 35.84	-11.6%	0.6%	0.6%
DKL	Delek Logistics Partners LP	Crude Oil Pipelines	\$ 767	9.2%	\$ 31.50	-0.9%	1.6%	1.6%
DLNG	Dynagas LNG Partners LP	Marine Transportation	\$ 361	16.6%	\$ 10.16	-12.5%	-3.2%	-3.2%
DM	Dominion Energy Midstream Partners LP	Natural Gas Pipelines	\$ 2,518	5.0%	\$ 25.20	-14.4%	-16.3%	-16.3%
DMLP	Dorchester Minerals LP	Exploration & Production	\$ 505	9.9%	\$ 15.65	-1.6%	5.4%	5.4%
EEP	Enbridge Energy Partners LP	Crude Oil Pipelines	\$ 5,306	11.2%	\$ 12.51	-11.3%	-7.1%	-7.1%
EMES	Emerge Energy Services LP	Energy Services	\$ 210	0.0%	\$ 6.95	-20.0%	-3.3%	-3.3%
ENBL	Enable Midstream Partners LP	Gathering & Processing	\$ 5,996	9.2%	\$ 13.86	-6.4%	-0.4%	-0.4%
ENLC	EnLink Midstream LLC	General Partners	\$ 2,659	3.5%	\$ 14.70	-21.0%	-15.3%	-15.3%
ENLK	EnLink Midstream Partners LP	Gathering & Processing	\$ 5,110	10.7%	\$ 14.60	-16.5%	-2.8%	-2.8%
EPD	Enterprise Products Partners LP	Natural Gas Pipelines	\$ 54,935	6.7%	\$ 25.42	-8.0%	-2.7%	-2.7%
EQGP	EQT GP Holdings LP	General Partners	\$ 6,274	4.1%	\$ 23.57	-14.2%	-11.6%	-11.6%
EQM	EQT Midstream Partners LP	Natural Gas Pipelines	\$ 5,046	6.7%	\$ 61.52	-16.2%	-14.7%	-14.7%
ETE	Energy Transfer Equity LP	General Partners	\$ 16,727	7.9%	\$ 15.50	-13.8%	-8.6%	-8.6%
ETP	Energy Transfer Partners LP	Natural Gas Pipelines	\$ 21,197	12.4%	\$ 18.21	-6.4%	4.6%	4.6%
EVA	Enviva Partners LP	Natural Resources	\$ 706	9.3%	\$ 26.80	-4.4%	-0.9%	-0.9%
EVEP	EV Energy Partners LP	Exploration & Production	\$ 31	0.0%	\$ 0.63	0.0%	0.0%	0.0%
FELP	Foresight Energy LP	Natural Resources	\$ 556	6.2%	\$ 3.90	-9.3%	-10.8%	-10.8%
FGP	Ferrellgas Partners LP	Downstream	\$ 377	10.3%	\$ 3.88	-5.4%	-9.3%	-9.3%
GEL	Genesis Energy LP	Crude Oil Pipelines	\$ 2,447	10.2%	\$ 19.96	-13.3%	-8.7%	-8.7%
GLOP	GasLog Partners LP	Marine Transportation	\$ 983	8.9%	\$ 23.50	1.4%	-2.9%	-2.9%
GLP	Global Partners LP/MA	Downstream	\$ 556	11.3%	\$ 16.35	-4.8%	0.6%	0.6%
GMLP	Golar LNG Partners LP	Marine Transportation	\$ 1,280	12.5%	\$ 18.49	-13.4%	-16.7%	-16.7%
GPP	Green Plains Partners LP	Natural Gas Pipelines	\$ 569	10.5%	\$ 17.90	3.3%	-1.7%	-1.7%
HCLP	Hi-Crush Partners LP	Energy Services	\$ 1,047	6.8%	\$ 11.75	-8.9%	11.5%	11.5%
HEP	Holly Energy Partners LP	Refined Product Pipelines	\$ 3,095	8.8%	\$ 29.40	-4.3%	-7.6%	-7.6%
HESM	Hess Midstream Partners LP	Gathering & Processing	\$ 1,090	6.4%	\$ 19.98	-7.0%	2.3%	2.3%
HMLP	Hoegh LNG Partners LP	Marine Transportation	\$ 573	9.9%	\$ 17.40	-5.2%	-4.5%	-4.5%
KNOP	KNOT Offshore Partners LP	Marine Transportation	\$ 651	10.5%	\$ 19.90	-3.5%	-1.7%	-1.7%
KRP	Kimbell Royalty Partners LP	Exploration & Production	\$ 314	7.6%	\$ 19.00	0.3%	19.2%	19.2%
LGCY	Legacy Reserves LP	Exploration & Production	\$ 278	0.0%	\$ 3.61	51.7%	124.2%	124.2%
MCEP	Mid-Con Energy Partners LP	Exploration & Production	\$ 50	0.0%	\$ 1.67	0.0%	0.0%	0.0%
MMLP	Martin Midstream Partners LP	Natural Gas Pipelines	\$ 530	14.5%	\$ 13.80	-12.1%	1.7%	1.7%
MMP	Magellan Midstream Partners LP	Refined Product Pipelines	\$ 14,253	5.9%	\$ 62.46	-11.3%	-10.8%	-10.8%
MPLX	MPLX LP	Gathering & Processing	\$ 27,411	7.0%	\$ 34.53	-5.6%	-1.0%	-1.0%
NAP	Navios Maritime Midstream Partners LP	Marine Transportation	\$ 195	18.2%	\$ 9.28	-3.7%	2.2%	2.2%
NBLX	Noble Midstream Partners LP	Gathering & Processing	\$ 1,912	4.1%	\$ 48.20	-13.5%	-2.8%	-2.8%
NGL	NGL Energy Partners LP	Downstream	\$ 1,483	12.7%	\$ 12.25	-25.0%	-10.5%	-10.5%
NMM	Navios Maritime Partners LP	Marine Transportation	\$ 333	0.0%	\$ 1.95	-6.3%	-17.4%	-17.4%
NRP	Natural Resource Partners LP	Natural Resources	\$ 350	6.3%	\$ 28.65	-4.0%	11.9%	11.9%
NS	NuStar Energy LP	Refined Product Pipelines	\$ 2,041	20.0%	\$ 21.94	-31.8%	-24.2%	-24.2%
NSH	NuStar GP Holdings LLC	General Partners	\$ 500	18.7%	\$ 11.65	-32.2%	-23.4%	-23.4%
OCIP	OCI Partners LP	Natural Resources	\$ 792	3.5%	\$ 9.10	2.2%	13.0%	13.0%
OMP	Oasis Midstream Partners LP	Gathering & Processing	\$ 453	9.1%	\$ 16.48	-13.5%	-3.3%	-3.3%
PAA	Plains All American Pipeline LP	Crude Oil Pipelines	\$ 15,302	5.7%	\$ 21.10	0.6%	3.7%	3.7%
PBFX	PBF Logistics LP	Crude Oil Pipelines	\$ 819	9.9%	\$ 19.55	-4.4%	-4.4%	-4.4%

Source: Yorkville Capital Management LLC, Bloomberg

# MLP Universe Fundamentals

As of February 28, 2018

Ticker	Company	Yorkville MLP Sector	Market Cap (\$MMs)	Yield	Current Price	Total Return MTD	Total Return QTD	Total Return YTD
POPE	Pope Resources a Delaware LP	Natural Resources	\$ 303	4.0%	\$ 69.45	0.0%	0.6%	0.6%
PSXP	Phillips 66 Partners LP	Refined Product Pipelines	\$ 5,974	5.5%	\$ 49.14	-6.6%	-4.9%	-4.9%
RHNO	Rhino Resource Partners LP	Natural Resources	\$ 34	0.0%	\$ 2.40	0.0%	0.0%	0.0%
RMP	Rice Midstream Partners LP	Gathering & Processing	\$ 1,945	6.1%	\$ 19.01	-7.3%	-10.2%	-10.2%
SDLP	Seadrill Partners LLC	Energy Services	\$ 303	12.1%	\$ 3.30	-2.7%	-9.8%	-9.8%
SEP	Spectra Energy Partners LP	Natural Gas Pipelines	\$ 19,303	7.5%	\$ 39.29	-6.4%	1.2%	1.2%
SHLX	Shell Midstream Partners LP	Crude Oil Pipelines	\$ 5,383	5.5%	\$ 24.05	-14.9%	-18.3%	-18.3%
SMLP	Summit Midstream Partners LP	Gathering & Processing	\$ 1,231	13.6%	\$ 16.85	-22.6%	-15.6%	-15.6%
SNMP	Sanchez Midstream Partners LP	Gathering & Processing	\$ 166	16.1%	\$ 11.20	-6.6%	4.8%	4.8%
SPH	Suburban Propane Partners LP	Downstream	\$ 1,418	10.4%	\$ 23.10	-7.0%	-2.3%	-2.3%
SRLP	Sprague Resources LP	Downstream	\$ 536	10.7%	\$ 23.75	-9.0%	0.6%	0.6%
SUN	Sunoco LP	Downstream	\$ 2,386	11.4%	\$ 28.92	-6.9%	4.6%	4.6%
SXCP	SunCoke Energy Partners LP	Natural Resources	\$ 860	12.8%	\$ 18.60	-5.4%	10.0%	10.0%
SXE	Southcross Energy Partners LP	Gathering & Processing	\$ 141	0.0%	\$ 1.78	-15.5%	5.0%	5.0%
TCP	TC PipeLines LP	Natural Gas Pipelines	\$ 3,503	8.1%	\$ 49.13	-8.4%	-5.8%	-5.8%
TEGP	Tallgrass Energy GP LP	General Partners	\$ 3,724	7.3%	\$ 20.15	-17.7%	-20.5%	-20.5%
TEP	Tallgrass Energy Partners LP	Crude Oil Pipelines	\$ 2,807	10.1%	\$ 38.35	-12.8%	-14.6%	-14.6%
TGP	Teekay LNG Partners LP	Marine Transportation	\$ 1,473	3.0%	\$ 18.50	-5.7%	-7.5%	-7.5%
TLP	TransMontaigne Partners LP	Refined Product Pipelines	\$ 578	8.6%	\$ 35.70	-9.8%	-7.8%	-7.8%
TNH	Terra Nitrogen Co LP	Natural Resources	\$ 1,564	9.7%	\$ 83.71	5.4%	7.4%	7.4%
TOO	Teekay Offshore Partners LP	Marine Transportation	\$ 1,029	1.6%	\$ 2.51	0.8%	6.8%	6.8%
UAN	CVR Partners LP	Natural Resources	\$ 391	0.0%	\$ 3.45	4.5%	5.2%	5.2%
USAC	USA Compression Partners LP	Energy Services	\$ 1,106	11.8%	\$ 17.78	-0.7%	10.5%	10.5%
USDP	USD Partners LP	Crude Oil Pipelines	\$ 293	12.4%	\$ 11.30	4.6%	3.7%	3.7%
VLP	Valero Energy Partners LP	Refined Product Pipelines	\$ 2,669	5.3%	\$ 38.53	-13.1%	-12.4%	-12.4%
VNOM	Viper Energy Partners LP	Exploration & Production	\$ 2,576	8.1%	\$ 22.62	-4.6%	-1.1%	-1.1%
WES	Western Gas Partners LP	Gathering & Processing	\$ 7,720	7.9%	\$ 46.55	-7.4%	-1.4%	-1.4%
WGP	Western Gas Equity Partners LP	General Partners	\$ 7,969	6.0%	\$ 36.40	-7.9%	-0.7%	-0.7%
WLKP	Westlake Chemical Partners LP	Downstream	\$ 727	6.9%	\$ 22.55	-5.3%	-8.1%	-8.1%
WMLP	Westmoreland Resource Partners LP	Natural Resources	\$ 47	17.9%	\$ 2.58	0.0%	0.0%	0.0%
WPZ	Williams Partners LP	Gathering & Processing	\$ 35,358	6.6%	\$ 36.24	-12.2%	-5.2%	-5.2%

Source: Yorkville Capital Management LLC, Bloomberg



## Yorkville Universe Indices - Constituent Changes (February)

Alon USA Partners was removed from all Yorkville MLP Universe Indices following its acquisition by Delek Holdings (DK) closing on February 7.

## Yorkville Index Performance - MLP Indices - Total Return

Name	Bloomberg Ticker	MTD	QTD	YTD	1Y	3Y	5Y
Yorkville MLP Commodity Universe TR Index	YCOMUX	-7.1%	-2.4%	-2.4%	-2.8%	-20.5%	-10.6%
Yorkville MLP Crude Oil Pipelines TR Index	YOILPX	-7.2%	-3.1%	-3.1%	-23.9%	-15.4%	-3.4%
Yorkville MLP Downstream TR Index	YPROPX	-11.8%	-7.1%	-7.1%	2.1%	-4.8%	3.1%
Yorkville MLP Energy Services TR Index	YESVCX	-3.3%	10.0%	10.0%	-23.3%	-22.8%	-4.3%
Yorkville MLP Exploration & Production TR Index	YEXNPX	-2.8%	2.5%	2.5%	16.5%	-43.4%	-29.2%
Yorkville MLP Gathering & Processing TR Index	YGGNPX	-10.9%	-3.7%	-3.7%	-7.6%	-5.2%	-0.2%
Yorkville MLP General Partners TR Index	YGENPX	-13.4%	-8.3%	-8.3%	-15.0%	-6.5%	8.7%
Yorkville MLP Infrastructure Universe TR Index	YINFUX	-9.8%	-4.3%	-4.3%	-12.4%	-5.0%	2.6%
Yorkville MLP Marine Transportation TR Index	YTRANX	-5.5%	-6.2%	-6.2%	-6.2%	-20.5%	-8.7%
Yorkville MLP Natural Gas Pipelines TR Index	YNGLPX	-7.5%	-1.7%	-1.7%	-7.7%	-2.3%	3.8%
Yorkville MLP Natural Resources TR Index	YNATRX	-3.2%	2.0%	2.0%	-10.2%	-17.5%	-11.9%
Yorkville MLP Refined Product Pipelines TR Index	YRPPTX	-12.6%	-10.0%	-10.0%	-20.4%	-0.9%	5.6%
Yorkville MLP Universe TR Index	YMLPUX	-9.5%	-4.1%	-4.1%	-11.3%	-7.6%	0.3%

Note that all Yorkville MLP indices are for informational purposes only and are non-investable.

## Index Performance - Other Indices

Name	Bloomberg Ticker	MTD	QTD	YTD	1Y	3Y	5Y
Alerian MLP Index	AMZ	-10.9%	-6.3%	-6.3%	-21.2%	-17.5%	-8.8%
Alerian MLP Total Return Index	AMZX	-9.7%	-4.5%	-4.5%	-15.2%	-9.4%	-1.2%
Dow Jones Equity REIT Total Return Index	REIT	-7.3%	-10.0%	-10.0%	-6.1%	9.0%	10.3%
Merrill Lynch High Yield Master II Index	H0A0*	-0.9%	-0.3%	-0.3%	4.1%	N/A	N/A
Merrill Lynch 10-year U.S. Treasury Futures TR	MLT1US10	-0.7%	-2.5%	-2.5%	-1.5%	1.6%	1.3%
MSCI US REIT Index	RMZ	-7.9%	-11.9%	-11.9%	-13.8%	1.6%	4.0%
S&P 500 TR Index	SPTR	-3.7%	1.8%	1.8%	17.1%	16.6%	17.6%
S&P 500 Utility Sector TR	SPTRUTIL	-3.9%	-6.8%	-6.8%	-2.0%	11.9%	12.0%
S&P 500 Utilities Sector Index GICS Level 1	S5UTIL	-4.4%	-7.4%	-7.4%	-5.3%	6.6%	7.0%

\*H0A0 index data is not readily available on Bloomberg. Performance information is available directly on the Merrill Lynch website at: <http://www.mlindex.ml.com/>.

Source: Yorkville Capital Management LLC, Bloomberg, Merrill Lynch.

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