

**Tortoise**  
Capital Advisors



➤ **Energy production & pipelines**  
The energy independence story



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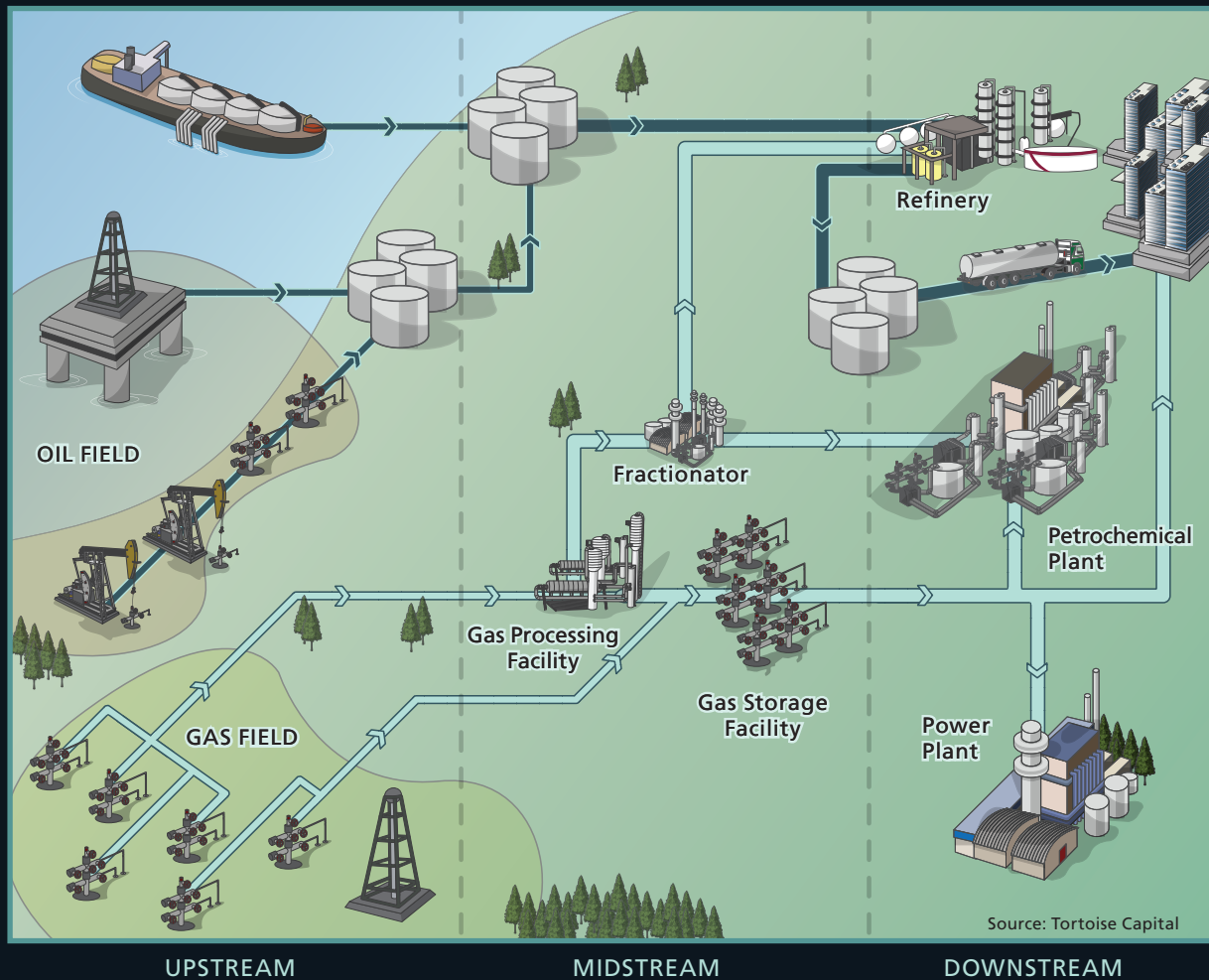
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September 2012

# Forward-looking statements

This presentation contains certain forward-looking statements. These forward-looking statements include all statements regarding the intent, belief or current expectations regarding matters covered and all statements which are not statements of historical fact. The forward-looking statements involve known and unknown risk, uncertainties, contingencies and other factors, many of which are beyond our control. Since these factors can cause results, performance and achievements to differ materially from those discussed in the presentation, you are cautioned not to place undue reliance on the forward-looking statements. We will not update these forward-looking statements to reflect events or circumstances that occur after the date of the presentation.

# Energy value chain



The background features a dark teal color with a pattern of overlapping, semi-transparent circles. In the center, there is a glowing, multi-faceted sphere that resembles a crystal or a complex molecular structure, emitting a soft light. The overall aesthetic is modern and technological.

Unconventional revolution



“Energy independence isn’t just a pipe dream.”

The New York Times

“America’s new energy reality...the results of this hemispheric upsurge will have far-reaching consequences — nothing less than a rebalancing of world oil.”

TIME

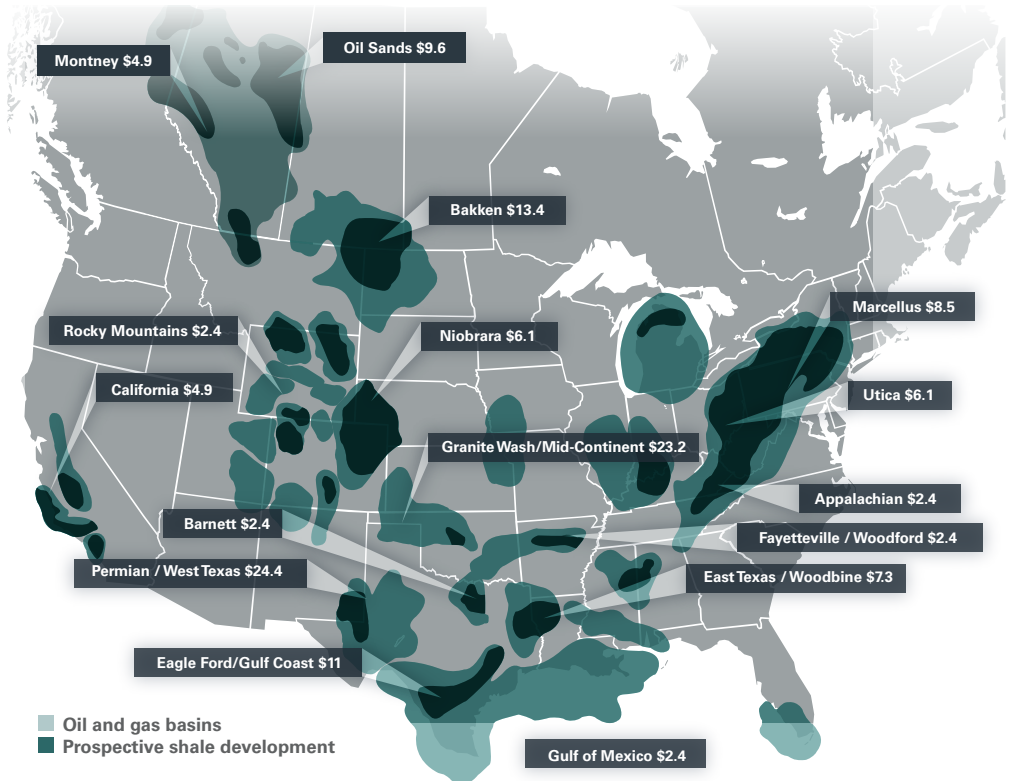
“If domestic oil production continues to rise, the US could actually approach a goal that has long seemed a political fantasy: energy independence.”

FORTUNE

“The United States of natural gas: how the new 100-year supply of shale gas is reviving the American economy.”

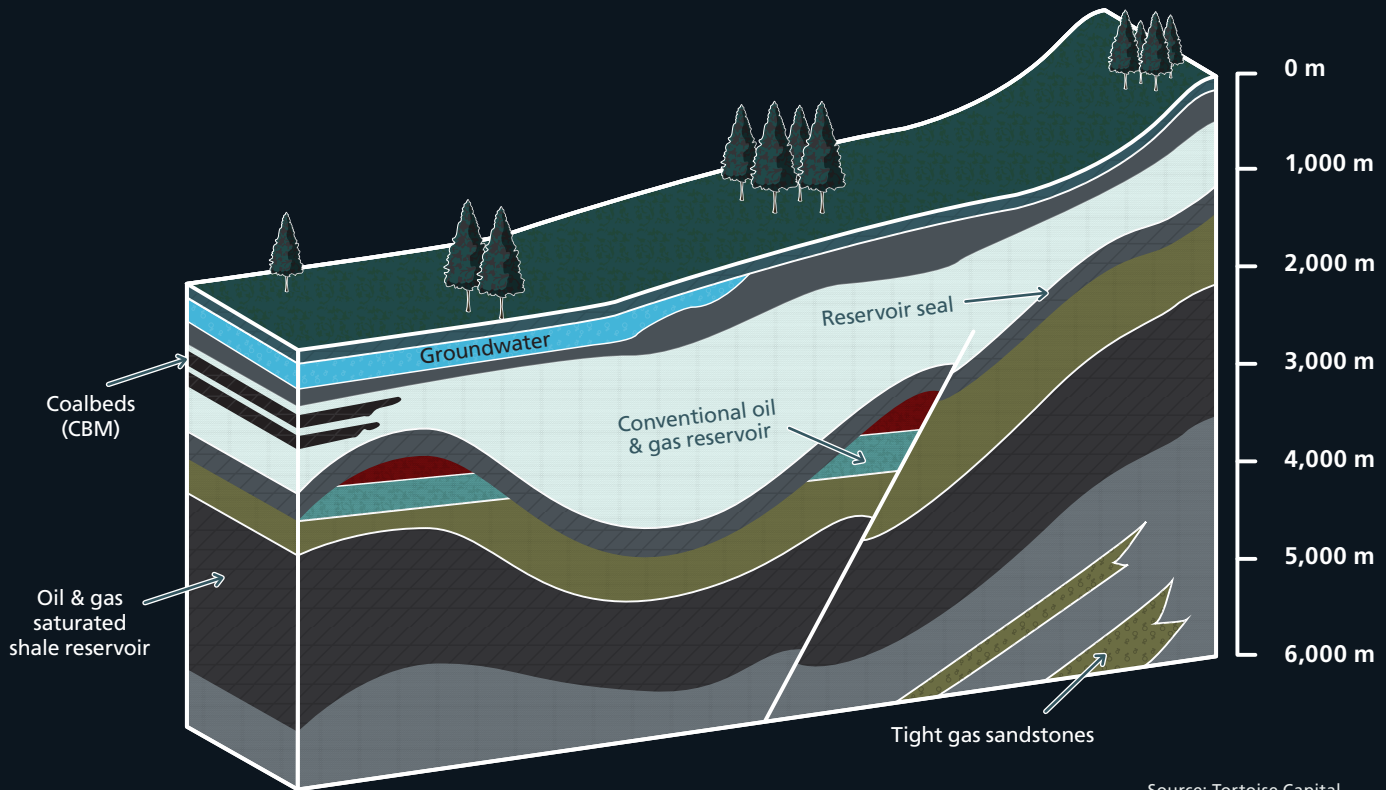
# The North American energy revolution

\$122 billion is expected in 2012 alone and \$4.3 trillion in upstream investment is expected through 2035.<sup>1</sup>



<sup>1</sup> Source: 2012: Barclays and Tortoise Capital Advisors; Projections from 2011 - 2035: International Energy Agency  
The projections on this page are based on industry estimates and are no guarantee of future outcomes

# Unconventional vs. conventional reservoirs



Source: Tortoise Capital

# Unconventional production could dramatically alter North American energy relevance

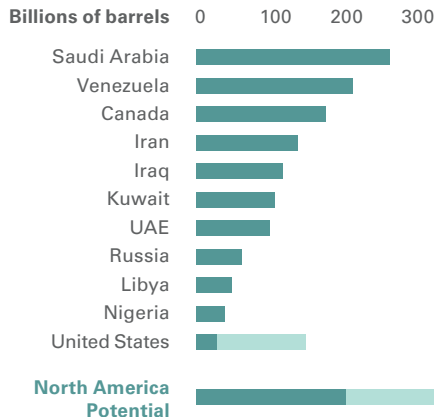
## ■ Proved Reserves

Quantities estimated with reasonable certainty to be producible from defined reservoirs under existing economic, technological, and regulatory conditions

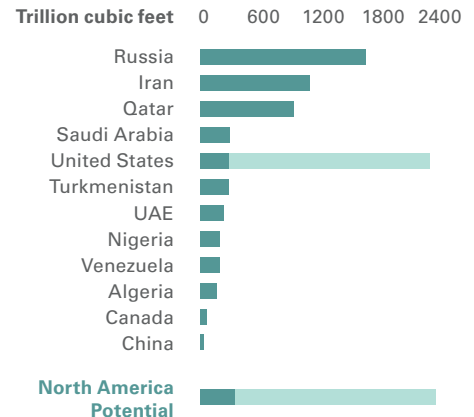
## ■ Potentially Recoverable Resources

Cumulative estimates of proved, probable, possible, currently uneconomic, and speculative reserves

## Crude oil resources



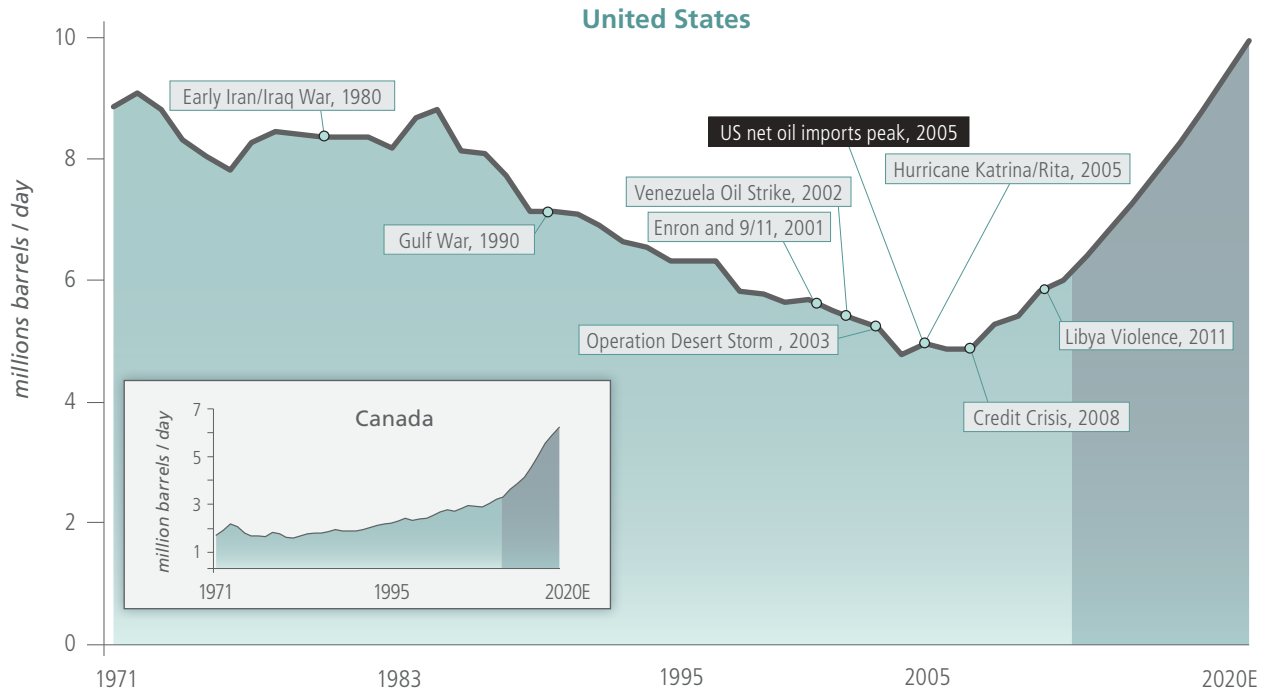
## Natural gas resources



Source: Proved Reserves: CIA . Potentially recoverable resources of 2,190 trillion cubic feet of natural gas (EIA, ICF and Potential Gas Committee) and 164.6 billion barrels of crude oil (Senate Report, 2011). Assumes resource levels of other countries remain static due to lack of quantifiable data. Some sources believe there are significant potential natural gas resources in Canada and China, though no reliable data is available.

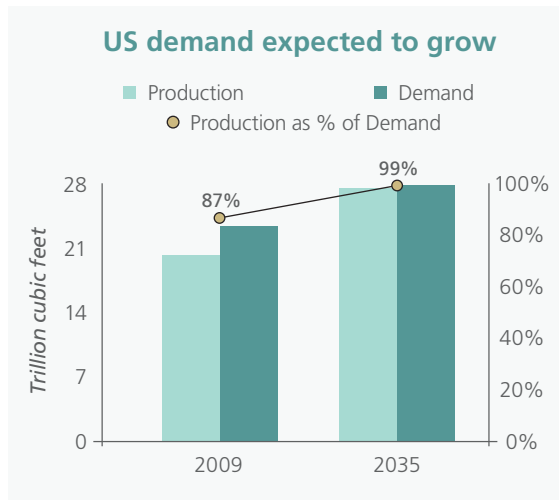
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# Game-changing crude oil production

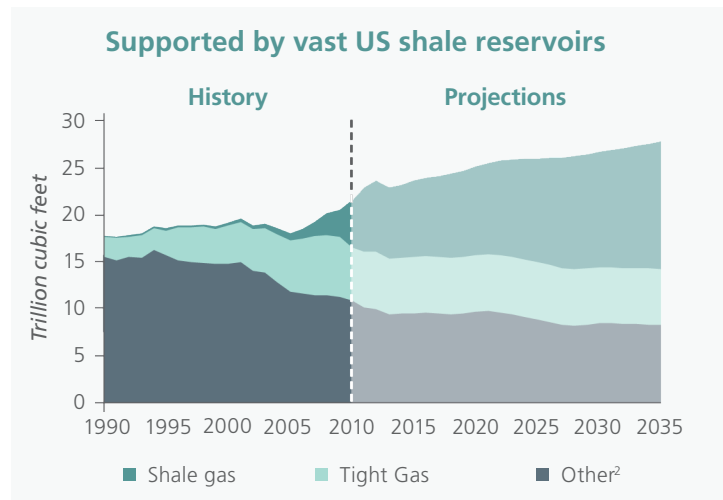


Source: US: EIA (historical), CITI, 2012 (forecasted); Canada: Canadian Association of Oil Producers (historical), BMO Capital Markets (forecasted)

# Growing natural gas production supported by growing demand



Source: IEA<sup>1</sup>, 2011

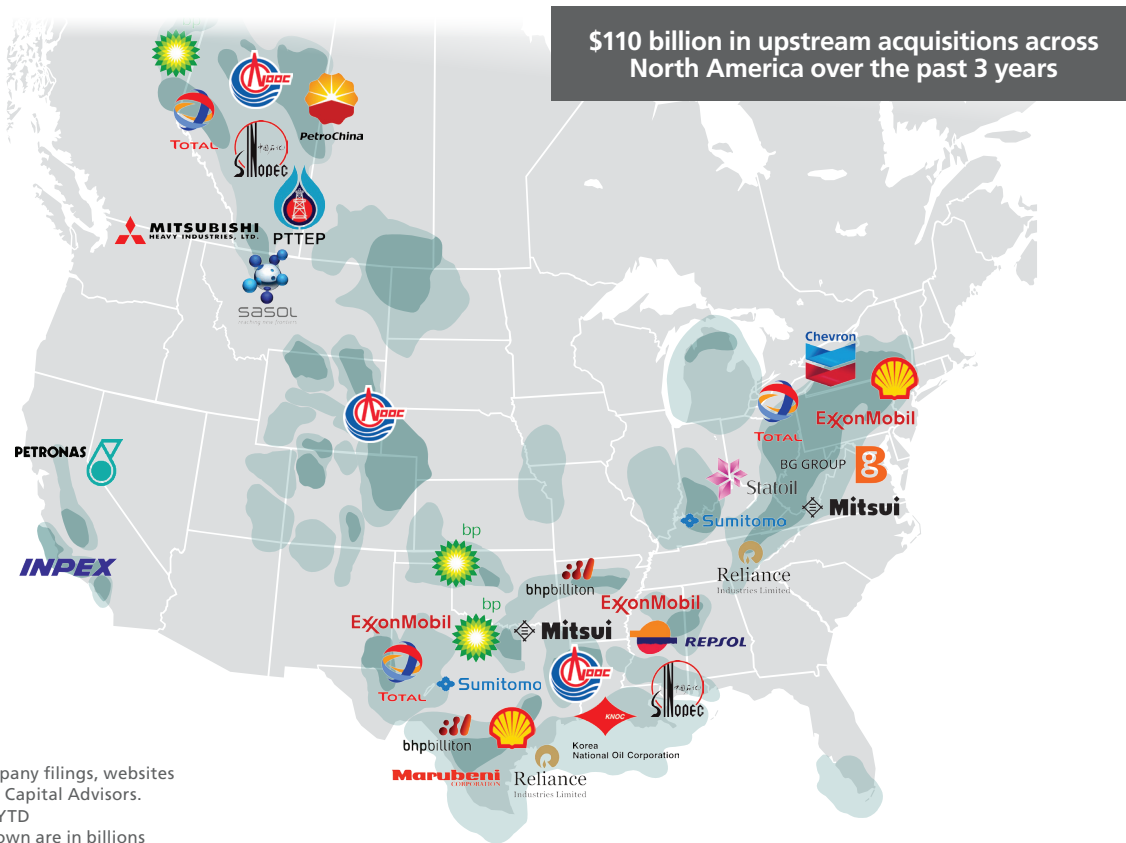


Source: EIA, 2012

(1) Natural gas supply and demand data based on IEA's "Golden Age of Gas" scenario, incorporating recent policies and trends affecting natural gas usage.

(2) Other includes: Non-associated offshore, Alaska, Coalbed Methane, Associated with oil and Non-associated onshore.

# Global energy companies are validating the opportunity



Source: Company filings, websites and Tortoise Capital Advisors.  
2009 - 2012 YTD  
Amounts shown are in billions

The background is a dark teal color with a pattern of overlapping circles. In the center, there is a glowing cube with a bright light source behind it, creating a lens flare effect. The text "Pipeline opportunity" is centered in the middle of the image.

Pipeline opportunity

# Significant pipeline growth financing opportunities

## Driving forces

- Expanding natural gas production and demand
- Increasing Canadian oil imports

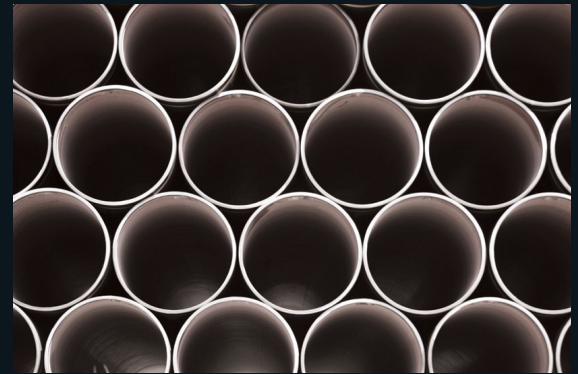
## Next 2 decades

- Estimated 50,000 miles pipeline infrastructure build-out<sup>1</sup>
- \$230 - \$310 billion investment potential<sup>1 2</sup>
- \$65 billion in identified projects from 2014-2015 alone

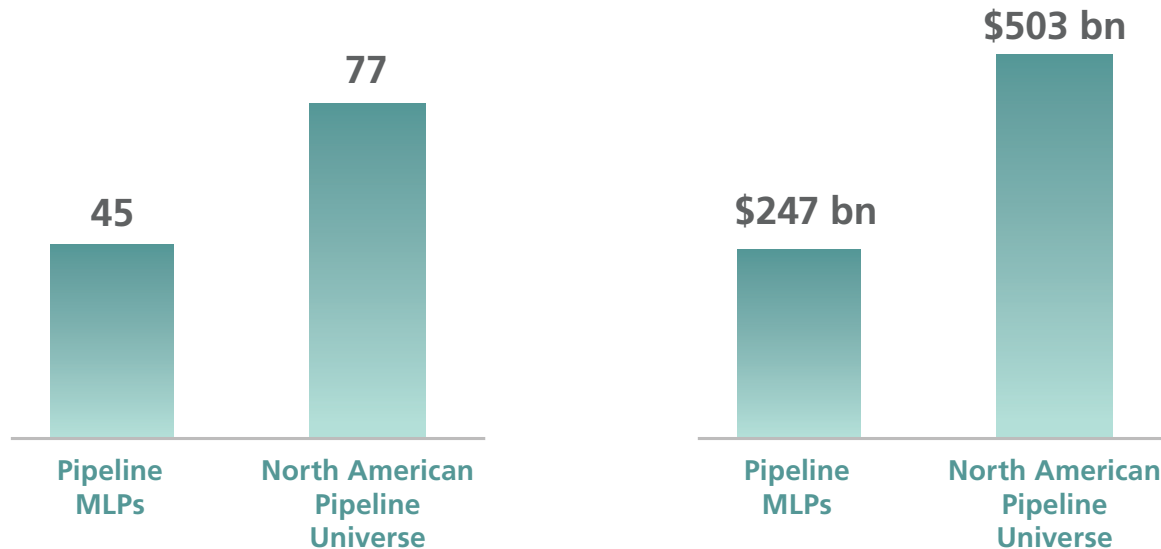
(1) Based on IFC International (2009) from 2009 – 2030.

(2) Based on International Energy Administration (2008) from 2007- 2030.

Source: Tortoise Capital Advisors

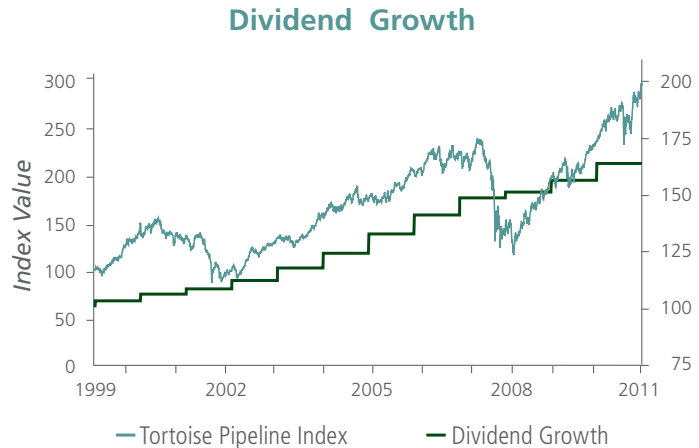
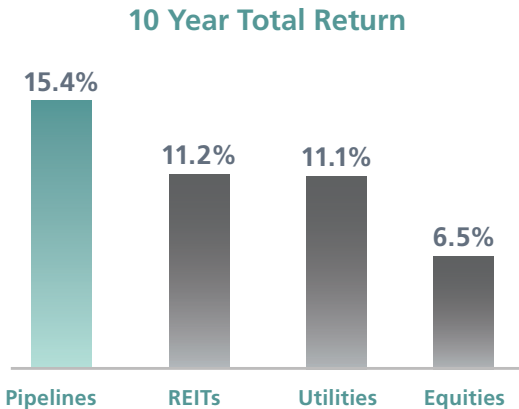


# Large and diverse North American pipeline universe



As of Aug. 31, 2012  
Source: Tortoise Capital

# Tortoise North American Pipeline Index<sup>SM</sup> (TNAP/TNAPT)



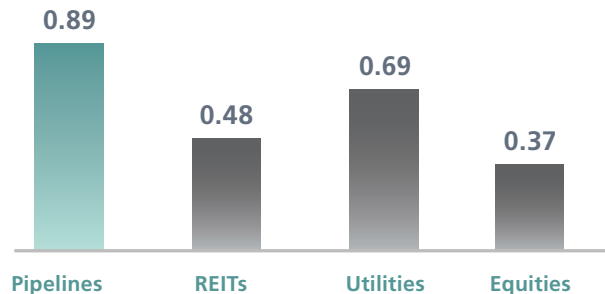
**Note: The characteristics provided for the Tortoise North American Pipeline Index<sup>SM</sup> are illustrative of the characteristics of this new asset class and are not indicative of the performance of any investment product. Past characteristics are no guarantee of future results. It is not possible to invest directly in an index.** The Tortoise North American Pipeline Index<sup>SM</sup> is a composite of pipeline corporations and master limited partnerships domiciled and publicly traded in U.S. and Canada. The index, which is calculated using a float-adjusted, capitalization-weighted methodology, is disseminated real-time on a price-return basis (TNAP) and total return basis (TNAPT). The Index has an inception of June 27, 2011 and a base date of December 31, 1999. The historical data of the Index prior to the inception date was calculated on the same basis on which the Index currently is calculated. Index methodology available upon request.

As of Aug. 31, 2012. Pipelines = Tortoise North American Pipeline Index<sup>SM</sup> (Calculated by Standard & Poor's®). Utilities = Dow Jones Utility Average Index, REITs = FTSE NAREIT Equity REIT Index, Equities = S&P 500, risk-free asset = Merrill Lynch 3-month Treasury Bill Index. Please see Appendix A for index descriptions.

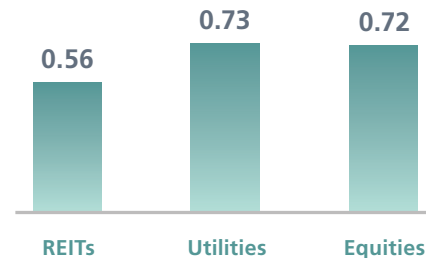
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# Tortoise North American Pipeline Index<sup>SM</sup> (TNAP/TNAPT)

## 10-Year Sharpe Ratio



## 10-Year Correlation *Pipelines vs. Broader Market*



**Note: The characteristics provided for the Tortoise North American Pipeline Index<sup>SM</sup> are illustrative of the characteristics of this new asset class and are not indicative of the performance of any investment product. Past characteristics are no guarantee of future results. It is not possible to invest directly in an index.** The Tortoise North American Pipeline Index<sup>SM</sup> is a composite of pipeline corporations and master limited partnerships domiciled and publicly traded in U.S. and Canada. The index, which is calculated using a float-adjusted, capitalization-weighted methodology, is disseminated real-time on a price-return basis (TNAP) and total return basis (TNAPT). The Index has an inception of June 27, 2011 and a base date of December 31, 1999. The historical data of the Index prior to the inception date was calculated on the same basis on which the Index currently is calculated. Index methodology available upon request.

As of Aug. 31, 2012. Risk-adjusted return (Sharpe ratio) = 10 year total return less risk free rate divided by 10 year standard deviation. Pipelines = Tortoise North American Pipeline Index<sup>SM</sup> (Calculated by Standard & Poor's<sup>®</sup>). Utilities = Dow Jones Utility Average Index, REITs = FTSE NAREIT Equity REIT Index, Equities = S&P 500, risk-free asset = Merrill Lynch 3-month Treasury Bill Index. Please see Appendix A for index descriptions.

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