TORTOISE ENERGY INFRASTRUCTURE CORP
Form N-30B-2
October 26, 2017

**Quarterly Report** | August 31, 2017

# 2017 3rd Quarter Report

Closed-End Funds

**Tortoise Capital Advisors**
2017 3rd Quarter Report to Stockholders

## This combined report provides you with a comprehensive review of our funds that span the entire energy value chain.

Tortoise Capital Advisors specializes in essential assets investing, including closed-end funds, open end funds, private funds and separate accounts.

## Table of contents



## TTP and TPZ distribution policies

Tortoise Pipeline & Energy Fund, Inc. ( TTP ) and Tortoise Power and Energy Infrastructure Fund, Inc. ( TPZ ) are relying on exemptive relief permitting them to make long-term capital gain distributions throughout the year. Each of TTP and TPZ, with approval of its Board of Directors (the Board ), has adopted a distribution policy (the Policy ) with the purpose of distributing over the course of each year, through periodic distributions as nearly equal as practicable and any required special distributions, an amount closely approximating the total taxable income of TTP and TPZ during such year and, if so determined by the Board, all or a portion of the return of capital paid by portfolio companies to TTP and TPZ during such year. In accordance with its Policy, TTP distributes a fixed amount per common share, currently $0.4075, each quarter to its common shareholders and TPZ distributes a fixed amount per common share, currently $0.125, each month to its common shareholders. These amounts are subject to change from time to time at the discretion of the Board. Although the level of distributions is independent of TTP s and TPZ s performance, TTP and TPZ expect such distributions to correlate with its performance over time. Each quarterly and monthly distribution to shareholders is expected to be at the fixed amount established by the Board, except for extraordinary distributions in light of TTP s and TPZ s performance for the entire calendar year and to enable TTP and TPZ to comply with the distribution requirements imposed by the Internal Revenue Code. The Board may amend, suspend or terminate the Policy without prior notice to shareholders if it deems such action to be in the best interests of TTP, TPZ and their respective shareholders. For example, the Board might take such action if the Policy had the effect of shrinking TTP s or TPZ s assets to a level that was determined to be detrimental to TTP or TPZ shareholders. The suspension or termination of the Policy could have the effect of creating a trading discount (if TTP s or TPZ s stock is trading at or above net asset value), widening an existing trading discount, or decreasing an existing premium. You should not draw any conclusions about TTP s or TPZ s investment performance from the amount of the distribution or from the terms of TTP s or TPZ s distribution policy. Each of TTP and TPZ estimates that it has distributed more than its income and net realized capital gains; therefore, a portion of your distribution may be a return of capital. A return of capital may occur, for example, when some or all of the money that you invested in TTP or TPZ is paid back to you. A return of capital distribution does not necessarily reflect TTP s or TPZ s investment performance and should not be confused with yield or income. The amounts and sources of distributions reported are only estimates and are not being provided for tax reporting purposes. The actual amounts and sources of the amounts for tax reporting purposes will depend upon TTP s and TPZ s investment experience during the remainder of their fiscal year and may be subject to changes based on tax regulations. TTP and TPZ will send you a Form 1099-DIV for the calendar year that will tell you how to report these distributions for federal income tax purposes.

## Closed-end fund comparison

| Name/Ticker | Primary focus | Structure | Total assets ($ millions)[1] | Portfolio mix by asset type[2] | Portfolio mix by structu |
|---|---|---|---|---|---|
| Tortoise Energy Infrastructure Corp.<br>NYSE: TYG<br>Inception: 2/2004 | Midstream MLPs | C-corp | $2,450.7 | | |
| Tortoise MLP Fund, Inc.<br>NYSE: NTG<br>Inception: 7/2010 | Natural gas infrastructure MLPs | C-corp | $1,420.4 | | |
| Tortoise Pipeline & Energy Fund, Inc.<br>NYSE: TTP<br>Inception: 10/2011 | North American pipeline companies | Regulated investment company | $278.3 | | |
| Tortoise Energy Independence Fund, Inc.<br>NYSE: NDP<br>Inception: 7/2012 | North American oil & gas producers | Regulated investment company | $257.3 | | |
| Tortoise Power and Energy Infrastructure Fund, Inc.<br>NYSE: TPZ<br>Inception: 7/2009 | Power & energy infrastructure companies (Fixed income & equity) | Regulated investment company | $209.6 | | |

1 As of 9/30/2017
2 As a percentage of total long-term investments as of 8/31/2017

## Tortoise Capital Advisors

Third quarter 2017 report to closed-end fund stockholders

Dear fellow stockholders,

Crude oil prices stabilized throughout the third fiscal quarter ending August 31, 2017 as inventories meaningfully declined through the period. On the supply side, production curtailment compliance among the Organization of Petroleum Exporting Countries (OPEC) was high and U.S. rig counts leveled off near the end of the period. The summer driving season resulted in strong demand for refined products. Nonetheless, the broad energy sector, as measured by the S&P Energy Select Sector® Index, returned -3.0% for the fiscal quarter as sentiment across energy remained poor following doubt about sustained supply and demand balance. Notably, while Hurricane Harvey wreaked havoc on the Houston area at the end of August resulting in community devastation, energy assets proved remarkably durable during the storm, incurring minimal downtime and little physical damage.

### Upstream

Upstream oil and gas producers, as represented by the Tortoise North American Oil and Gas Producers Index℠ returned -7.2% for the fiscal quarter. Crude oil prices were relatively stable; however, there were basin-specific headwinds. For example, some Permian producers reported a lower-than-expected crude oil production percentage relative to natural gas production percentage and this surprised investors. We think the change in percentage resulted from an increase in the absolute level of natural gas production and not from a decline in crude oil production, and believe fears of a sharp decline in the crude oil cut are unfounded.

We believe that the Permian basin will remain a key, growing oil supply basin. In fact, 50% of the U.S. oil rig count is operating in the Permian basin. The Energy Information Administration forecasts 2018 production to grow by 500,000 barrels per day with the largest contribution of growth coming from the Permian[1]. Longer term, we believe the Permian will remain the lowest cost oil basin in the U.S. Some parts of the Permian can even produce oil at a lower cost than some OPEC countries, which positions it as one of the low cost suppliers of crude oil to the rest of the world. We expect higher absolute volumes of oil, natural gas and natural gas liquids, driving a need for additional energy infrastructure to gather, process and transport the higher volumes. More broadly, U.S. crude oil production is expected to average 9.3 million barrels per day (MMbbl/d)[1] in 2017. The 2018 forecast is for 9.8 MMbbl/d. If reached, it would be a record high[1].

As mentioned previously, prices were steadier as inventories declined. Specifically, crude oil prices started the fiscal quarter with West Texas Intermediate (WTI) at $48.36 per barrel, and ended at $47.23 per barrel.

Natural gas prices were relatively flat during the fiscal quarter, opening at $2.93 per million British thermal units (MMBtu) and closing at $2.89. Because of new export capabilities largely through LNG as well as an increase in domestic consumption, we believe the demand outlook is strong. On the supply side, we think increased takeaway capacity coming online over the next year will enable significant production growth, with expected production to average 72.4 billion cubic feet per day in 2017, rising to 78.6 in 2018[2].

### Midstream

Midstream fundamentals remained steady during the third fiscal quarter, supported by strong second quarter earnings reports. More than half of the companies in the Tortoise North American Pipeline Index℠ surpassed expectations. In addition, average EBITDA growth on a year-over-year basis was 21% for midstream companies[3]. We believe these positive fundamental results were misrepresented in the markets as stock performance lagged.

Pipeline companies returned 1.7% over the fiscal quarter, as measured by the Tortoise North American Pipeline Index℠. MLPs were worse, returning -3.4% for the fiscal quarter, as represented by the Tortoise MLP Index®. Company-specific issues weighed on MLPs casting doubt on the entire midstream segment. Most notable to the market, Plains All American Pipeline, L.P. (PAA) revised down 2017 and 2018 guidance despite an in-line quarter. In conjunction, Plains announced a reevaluation of its distribution policy to enhance distribution coverage and leverage metrics.

Despite the aforementioned, performance varied among pipeline companies based on the commodities transported. Local gas distribution companies were strong performers during the period as interest rates remained low. Our long-term outlook for the midstream sector remains positive with a projection for capital investments in MLPs, pipeline and related organic projects at approximately $125 billion for 2017 to 2019, driving an expected 5% to 7% distribution growth over the next twelve months.

### Downstream

Hurricane Harvey most acutely impacted the refining sector in Houston and Corpus Christi. The expectation was for capacity to potentially remain offline for weeks, yet operational impact on key assets was minimal. As expected, refining margins widened as gasoline prices increased due to production being taken offline.

Even with international and state level rhetoric toward electric vehicles, we don t expect electric vehicles to materially displace refined product demand in the near future. Even assuming exponential electric vehicle sales growth, the vast majority of automobiles will continue to be powered by the internal combustion engine over the next decade. We do believe renewables will continue to play an increasing role in electricity generation, as solar generation is expected to increase by more than 50% from the end of 2016 to the end of 2018[1].

(unaudited)

## Capital markets

In general, debt markets were more supportive than equity. This trend was seen as MLPs and other pipeline companies raised more than $13 billion, with about two thirds raised through debt offerings. There were no midstream MLP initial public offerings during the fiscal quarter.

Merger and acquisition activity among MLPs and other pipeline companies continued to slow totaling approximately $7 billion, about half of the total activity during the second fiscal quarter. Andeavor Logistics LP had the largest announced transaction of the fiscal quarter, in a deal valued at about $2.4 billion.

## Concluding thoughts

The favorable crude oil inventory trend took center stage in the fiscal quarter. We think better supply and demand balance and price stability should lead to improved energy sector investor sentiment. We believe macro improvements, growing U.S. crude oil and natural gas production, and solid midstream fundamentals lead to compelling investment opportunities across the energy value chain. As we celebrate our 15 year anniversary we are appreciative that you have placed your trust in us. Thank you for your continued confidence.

Sincerely,

The Managing Directors
Tortoise Capital Advisors, L.L.C.

---

The S&P Energy Select Sector® Index is a capitalization-weighted index of S&P 500® Index companies in the energy sector involved in the development or production of energy products. The Tortoise North American Oil and Gas Producers Index℠ is a float-adjusted, capitalization-weighted index of North American energy companies engaged primarily in the production of crude oil, condensate, natural gas or natural gas liquids (NGLs). The Tortoise North American Pipeline Index℠ is a float adjusted, capitalization-weighted index of energy pipeline companies domiciled in the United States and Canada. The Tortoise MLP Index® is a float-adjusted, capitalization-weighted index of energy master limited partnerships.

The Tortoise indices are the exclusive property of Tortoise Index Solutions, LLC, which has contracted with S&P Opco, LLC (a subsidiary of S&P Dow Jones Indices LLC) to calculate and maintain the Tortoise MLP Index®, Tortoise North American Pipeline Index℠ and Tortoise North American Oil and Gas Producers Index℠ (the Indices ). The Indices are not sponsored by S&P Dow Jones Indices or its affiliates or its third party licensors (collectively, S&P Dow Jones Indices LLC ). S&P Dow Jones Indices will not be liable for any errors or omission in calculating the Indices. Calculated by S&P Dow Jones Indices and its related stylized mark(s) are service marks of S&P Dow Jones Indices and have been licensed for use by Tortoise Index Solutions, LLC and its affiliates. S&P® is a registered trademark of Standard & Poor s Financial Services LLC ( SPFS ), and Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ( Dow Jones ).

**It is not possible to invest directly in an index.**

**Performance data quoted represent past performance; past performance does not guarantee future results. Like any other stock, total return and market value will fluctuate so that an investment, when sold, may be worth more or less than its original cost.**

1 Energy Information Administration, September 2017
2 Bentek, June 2017
3 Company filings
(unaudited)

# Tortoise
Energy Infrastructure Corp. (TYG)

## Fund description

TYG seeks a high level of total return with an emphasis on current distributions paid to stockholders. TYG invests primarily in equity securities of master limited partnerships (MLPs) and their affiliates that transport, gather, process or store natural gas, natural gas liquids (NGLs), crude oil and refined petroleum products.

## Fund performance review

The fund s market-based and NAV-based returns for the fiscal quarter ending August 31, 2017 were -8.2% and -5.6%, respectively (including the reinvestment of distributions). Comparatively, the Tortoise MLP Index® returned -3.4% for the same period. Despite solid company business fundamentals, pipeline equity performance lagged due to fickle capital markets and isolated, company-specific issues resulting in doubts over distribution growth. During the fiscal quarter the fund acquired an approximately 33 megawatt commercial and industrial (C&I) solar portfolio. We view renewable energy as an increasingly critical component of the energy value chain and we believe that our proactive approach to managing taxes through solar investment tax credits will be accretive to our stockholders.

### Third fiscal quarter highlights

| | |
|---|---|
| Distributions paid per share | $0.6550 |
| Distribution rate (as of 8/31/2017) | 9.2% |
| Quarter-over-quarter distribution increase | 0.0% |
| Year-over-year distribution increase | 0.0% |
| Cumulative distributions paid per share to stockholders since inception in February 2004 | $29.8075 |
| Market-based total return | (8.2)% |
| NAV-based total return | (5.6)% |
| Premium (discount) to NAV (as of 8/31/2017) | 8.3% |

***Unlike the fund return, index return is pre-expenses and taxes.***

***Performance data quoted represent past performance; past performance does not guarantee future results. Like any other stock, total return and market value will fluctuate so that an investment, when sold, may be worth more or less than its original cost. Portfolio composition is subject to change due to ongoing management of the fund. References to specific securities or sectors should not be construed as a recommendation by the fund or its adviser. See Schedule of Investments for portfolio weighting at the end of the fiscal quarter.***

## Key asset performance drivers

| | | |
|---|---|---|
| ONEOK Partners, L.P. | Midstream natural gas/natural gas liquids pipeline MLP | Acquisition by parent company ONEOK, Inc. |
| EQT Midstream Partners, LP | Midstream natural gas/natural gas liquids pipeline MLP | Parent s acquisition of Rice Energy Inc. will potentially generate enhanced growth |
| ONEOK, Inc. | Midstream natural gas/natural gas liquids pipeline company | Improved outlook for ethane recoveries and higher natural gas liquids (NGL) prices |
| MPLX LP | Midstream gathering and processing MLP | Greater strategic clarity on dropdowns and incentive distribution rights restructuring |
| Spectra Energy Partners, LP | Midstream natural gas/natural gas liquids pipeline MLP | Growing Northeast natural gas production supported infrastructure buildout |
| Plains All American Pipeline, L.P. | Midstream crude oil pipeline MLP | Reduced distribution on weaker supply & logistics outlook |
| Energy Transfer Partners, L.P. | Midstream natural gas/natural gas liquids pipeline MLP | Concerns about equity funding for project backlog |

| | | |
|---|---|---|
| Buckeye Partners, L.P. | Midstream refined product pipeline MLP | Equity overhang around VTTI acquisition |
| Magellan Midstream Partners, L.P. | Midstream refined product pipeline MLP | Large weight in declining market |
| Western Gas Partners, LP | Midstream gathering and processing MLP | Concerns about Colorado drilling and regulatory outlook |

(unaudited)

## Distributable cash flow and distributions

Distributable cash flow ( DCF ) is distributions received from investments less expenses. The total distributions received from investments include the amount received as cash distributions from investments, paid-in-kind distributions, and dividend and interest payments. Income also includes the premiums received from sales of covered call options, net of amounts paid to buy back out-of-the-money options. The total expenses include current or anticipated operating expenses, leverage costs and current income taxes. Current income taxes include taxes paid on net investment income, in addition to foreign taxes, if any. Taxes incurred from realized gains on the sale of investments, expected tax benefits and deferred taxes are not included in DCF.

Distributions received from investments increased approximately 2.0% as compared to 2nd quarter 2017 due primarily to the impact of increased distribution rates on the fund s investments. Operating expenses, consisting primarily of fund advisory fees, decreased approximately 8.4% during the quarter due to lower asset-based fees. Overall leverage costs increased slightly as compared to 2nd quarter 2017 due primarily to an increase in interest rates during the quarter.

As a result of the changes in income and expenses, DCF increased approximately 4.3% as compared to 2nd quarter 2017. The fund paid a quarterly distribution of $0.655 per share, which was equal to the distribution paid in the prior quarter and 3rd quarter 2016. The fund has paid cumulative distributions to stockholders of $29.8075 per share since its inception in Feb. 2004.

The Key Financial Data table discloses the calculation of DCF and should be read in conjunction with this discussion. The difference between distributions received from investments in the DCF calculation and total investment income as reported in the Statement of Operations, is reconciled as follows: the Statement of Operations, in conformity with U.S. generally accepted accounting principles ( GAAP ), recognizes distribution income from MLPs and other investments on their ex-dates, whereas the DCF calculation may reflect distribution income on their pay dates; GAAP recognizes that a significant portion of the cash distributions received from MLPs and other investments are characterized as a return of capital and therefore excluded from investment income, whereas the DCF calculation includes the return of capital; and distributions received from investments in the DCF calculation include the value of dividends paid-in-kind (additional stock or MLP units), whereas such amounts are not included as income for GAAP purposes, and includes distributions related to direct investments when the purchase price is reduced in lieu of receiving cash distributions. Net premiums on options written (premiums received less amounts paid to buy back out-of-the-money options) with expiration dates during the fiscal quarter are included in the DCF calculation, whereas GAAP recognizes the net effect of options written as realized and unrealized gains (losses). The treatment of expenses in the DCF calculation also differs from what is reported in the Statement of Operations. In addition to the total operating expenses, including fee waiver, as disclosed in the Statement of Operations, the DCF calculation reflects interest expense, realized and unrealized gains (losses) on interest rate swap settlements, distributions to preferred stockholders, other recurring leverage expenses, as well as taxes paid on net investment income.

Net Investment Income (Loss), before Income Taxes on the Statement of Operations is adjusted as follows to reconcile to DCF for 3rd quarter 2017 (in thousands):

| | YTD 2017 | 3rd Qtr 2017 |
|---|---|---|
| Net Investment Loss, before Income Taxes | $ (42,426) | $ (6,339) |
| Adjustments to reconcile to DCF: | | |
| Distributions characterized as return of capital | 139,512 | 39,105 |
| Net premiums on options written | 892 | 414 |
| Amortization of debt issuance costs | 350 | 118 |
| Interest rate swap expenses | (567) | (180) |
| DCF | $ 97,761 | $ 33,118 |

## Leverage

The fund s leverage utilization was relatively unchanged during 3rd quarter 2017 and represented 28.4% of total assets at August 31, 2017. The fund has maintained compliance with its applicable coverage ratios. At quarter-end, including the impact of interest rate swaps, approximately 78% of the leverage cost was fixed, the weighted-average maturity was 4.5 years and the weighted-average annual rate on leverage was 3.49%. These rates will vary in the future as a result of changing floating rates, utilization of the fund s credit facilities and as leverage and swaps mature or are redeemed. Subsequent to quarter end, the fund issued $25 million Senior Notes with a fixed interest rate of 3.33%. The notes were issued to replace $25 million of maturing Senior Notes with a fixed interest rate of 2.75%.

## Income taxes

During 3rd quarter 2017, the fund s deferred tax liability decreased by $76.4 million to $405.4 million, primarily as a result of the decrease in value of its investment portfolio. The fund had net realized gains of $35.4 million during the quarter. To the extent that the fund has taxable income, it will owe federal and state income taxes. Tax payments can be funded from investment earnings, fund assets, or borrowings.

Please see the Financial Statements and Notes to Financial Statements for additional detail regarding critical accounting policies, results of operations, leverage, taxes and other important fund information.

For further information regarding the calculation of distributable cash flow and distributions to stockholders, as well as a discussion of the tax impact on distributions and results, please visit www.tortoiseadvisors.com.

(unaudited)

**TYG Key Financial Data** (supplemental unaudited information)
(dollar amounts in thousands unless otherwise indicated)

**The information presented below regarding Distributable Cash Flow and Selected Financial Information is supplemental non-GAAP financial information, which the fund believes is meaningful to understanding operating performance. The Distributable Cash Flow Ratios include the functional equivalent of EBITDA for non-investment companies, and the fund believes they are an important supplemental measure of performance and promote comparisons from period-to-period. This information is supplemental, is not inclusive of required financial disclosures (e.g. Total Expense Ratio), and should be read in conjunction with the full financial statements.**

| | 2016 | | 2017 | | |
|---|---|---|---|---|---|
| | **Q3[1]** | **Q4[1]** | **Q1[1]** | **Q2[1]** | **Q3[1]** |
| **Total Income from Investments** | | | | | |
| Distributions and dividends from investments | $ 45,694 | $ 44,714 | $ 46,007 | $ 44,556 | $ 45,456 |
| Premiums on options written | | | | 478 | 415 |
| Total from investments | 45,694 | 44,714 | 46,007 | 45,034 | 45,871 |
| **Operating Expenses Before Leverage** | | | | | |
| **Costs and Current Taxes** | | | | | |
| Advisory fees | 6,215 | 6,067 | 6,380 | 6,533 | 5,950 |
| Other operating expenses | 459 | 229 | 437 | 443 | 441 |
| | 6,674 | 6,296 | 6,817 | 6,976 | 6,391 |
| Distributable cash flow before leverage costs and current taxes | 39,020 | 38,418 | 39,190 | 38,058 | 39,480 |
| Leverage costs[2] | 6,433 | 6,467 | 6,286 | 6,319 | 6,362 |
| Current income tax expense[3] | | | | | |
| **Distributable Cash Flow[4]** | $32,587 | $31,951 | $32,904 | $31,739 | $33,118 |
| **As a percent of average total assets[5]** | | | | | |
| Total from investments | 6.85% | 6.90% | 6.83% | 6.49% | 7.13% |
| Operating expenses before leverage costs and current taxes | 1.00% | 0.97% | 1.01% | 1.01% | 0.99% |
| Distributable cash flow before leverage costs and current taxes | 5.85% | 5.93% | 5.82% | 5.48% | 6.14% |
| **As a percent of average net assets[5]** | | | | | |
| Total from investments | 12.45% | 12.58% | 12.32% | 11.88% | 13.48% |
| Operating expenses before leverage costs and current taxes | 1.82% | 1.77% | 1.83% | 1.84% | 1.88% |
| Leverage costs and current taxes | 1.75% | 1.82% | 1.68% | 1.67% | 1.87% |
| Distributable cash flow | 8.88% | 8.99% | 8.81% | 8.37% | 9.73% |
| **Selected Financial Information** | | | | | |
| Distributions paid on common stock | $ 31,961 | $ 32,045 | $ 32,082 | $ 32,115 | $ 32,299 |
| Distributions paid on common stock per share | 0.6550 | 0.6550 | 0.6550 | 0.6550 | 0.6550 |
| Distribution coverage percentage for period[6] | 102.0% | 99.7% | 102.6% | 98.8% | 102.5% |
| Net realized gain, net of income taxes, for the period | 13,034 | 15,215 | 71,641 | 7,226 | 35,440 |
| Total assets, end of period[7] | 2,628,678 | 2,593,722 | 2,842,641 | 2,596,302 | 2,467,104 |
| Average total assets during period[7][8] | 2,654,126 | 2,607,027 | 2,733,122 | 2,751,522 | 2,552,438 |
| Leverage[9] | 720,200 | 716,800 | 701,900 | 700,700 | 700,000 |
| Leverage as a percent of total assets | 27.4% | 27.6% | 24.7% | 27.0% | 28.4% |
| Net unrealized depreciation, end of period | (204,786) | (217,646) | (109,826) | (223,262) | (330,549) |
| Net assets, end of period | 1,443,397 | 1,412,274 | 1,556,125 | 1,400,652 | 1,296,782 |
| Average net assets during period[10] | 1,460,638 | 1,429,146 | 1,513,999 | 1,504,136 | 1,349,973 |
| Net asset value per common share | 29.54 | 28.83 | 31.74 | 28.53 | 26.30 |
| Market value per share | 30.48 | 30.63 | 34.63 | 31.76 | 28.47 |
| Shares outstanding (000 s) | 48,859 | 48,980 | 49,031 | 49,093 | 49,311 |

(1) Q1 is the period from December through February. Q2 is the period from March through May. Q3 is the period from June through August. Q4 is the period from September through November.

(2) Leverage costs include interest expense, distributions to preferred stockholders, interest rate swap expenses and other recurring leverage expenses.

(3) Includes taxes paid on net investment income and foreign taxes, if any. Taxes related to realized gains are excluded from the calculation of Distributable Cash Flow ( DCF ).

(4) Net investment income (loss), before income taxes on the Statement of Operations is adjusted as follows to reconcile to DCF: increased by the return of capital on distributions, the net premiums on options written, the premium on redemptions of senior notes and MRP stock and amortization of debt issuance costs; and decreased by realized and unrealized gains (losses) on interest rate swap settlements and current

taxes paid on net investment income.

(5) Annualized.
(6) Distributable Cash Flow divided by distributions paid.
(7) Includes deferred issuance and offering costs on senior notes and preferred stock.
(8) Computed by averaging month-end values within each period.
(9) Leverage consists of senior notes, preferred stock and outstanding borrowings under credit facilities.
(10) Computed by averaging daily net assets within each period.

# Tortoise
MLP Fund, Inc. (NTG)

## Fund description

NTG seeks to provide stockholders with a high level of total return with an emphasis on current distributions. NTG invests primarily in master limited partnerships (MLPs) and their affiliates that own and operate a network of pipeline and energy-related logistical infrastructure assets with an emphasis on those that transport, gather, process and store natural gas and natural gas liquids (NGLs). NTG targets midstream MLPs benefiting from U.S. natural gas production and consumption expansion with minimal direct commodity exposure.

## Fund performance review

The fund s market-based and NAV-based returns for the fiscal quarter ending August 31, 2017 were -4.5% and -5.0%, respectively (including the reinvestment of distributions). Comparatively, the Tortoise MLP Index® returned -3.4% for the same period. Despite solid company business fundamentals, pipeline equity performance lagged due to fickle capital markets and isolated, company-specific issues resulting in doubts over distribution growth.

### Third fiscal quarter highlights

| | |
|---|---|
| Distributions paid per share | $0.4225 |
| Distribution rate (as of 8/31/2017) | 9.5% |
| Quarter-over-quarter distribution increase | 0.0% |
| Year-over-year distribution increase | 0.0% |
| Cumulative distributions paid per share to stockholders since inception in July 2010 | $11.6575 |
| Market-based total return | (4.5)% |
| NAV-based total return | (5.0)% |
| Premium (discount) to NAV (as of 8/31/2017) | 1.5% |

***Unlike the fund return, index return is pre-expenses and taxes.***

***Performance data quoted represent past performance; past performance does not guarantee future results. Like any other stock, total return and market value will fluctuate so that an investment, when sold, may be worth more or less than its original cost. Portfolio composition is subject to change due to ongoing management of the fund. References to specific securities or sectors should not be construed as a recommendation by the fund or its adviser. See Schedule of Investments for portfolio weighting at the end of the fiscal quarter.***

## Key asset performance drivers

| | | |
|---|---|---|
| ONEOK Partners, L.P. | Midstream natural gas/natural gas liquids pipeline MLP | Acquisition by parent company ONEOK, Inc. |
| ONEOK, Inc. | Midstream natural gas/natural gas liquids pipeline company | Improved outlook for ethane recoveries and higher natural gas liquids (NGL) prices |
| EQT Midstream Partners, LP | Midstream natural gas/natural gas liquids pipeline MLP | Parent s acquisition of Rice Energy Inc. will potentially generate enhanced growth |
| MPLX LP | Midstream gathering and processing MLP | Greater strategic clarity on dropdowns and incentive distribution rights restructuring |
| Williams Partners L.P. | Midstream gathering and processing MLP | Increased natural gas volume growth |
| Plains All American Pipeline, L.P. | Midstream crude oil pipeline MLP | Reduced distribution on weaker supply & logistics outlook |
| Energy Transfer Partners, L.P. | Midstream natural gas/natural gas liquids pipeline MLP | Concerns about equity funding for project backlog |
| Buckeye Partners, L.P. | Midstream refined product pipeline MLP | Equity overhang around VTTI acquisition |
| Western Gas Partners, LP | Midstream gathering and processing MLP | Concerns about Colorado drilling and regulatory outlook |

| | | |
|---|---|---|
| Genesis Energy L.P. | Midstream crude oil pipeline MLP | Lower distribution growth rate |

(unaudited)

# Tortoise
MLP Fund, Inc. (NTG) (continued)

## Distributable cash flow and distributions

Distributable cash flow ( DCF ) is distributions received from investments less expenses. The total distributions received from investments include the amount received as cash distributions from MLPs, paid-in-kind distributions, and dividend and interest payments. Income also includes the premiums received from sales of covered call options, net of amounts paid to buy back out-of-the-money options. The total expenses include current or anticipated operating expenses, leverage costs and current income taxes. Current income taxes include taxes paid on net investment income in addition to foreign taxes, if any. Taxes incurred from realized gains on the sale of investments, expected tax benefits and deferred taxes are not included in DCF.

Distributions received from investments increased approximately 1.5% as compared to 2nd quarter 2017 due primarily to the impact of increased distribution rates on the fund s investments. Operating expenses, consisting primarily of fund advisory fees, decreased approximately 8.3% during the quarter due to lower asset-based fees. Leverage costs increased approximately 0.5% as compared to 2nd quarter 2017 due primarily to an increase in interest rates during the quarter.

As a result of the changes in income and expenses, DCF increased approximately 3.5% as compared to 2nd quarter 2017. The fund paid a quarterly distribution of $0.4225 per share, which was equal to the distribution paid in the prior quarter and 3rd quarter 2016. The fund has paid cumulative distributions to stockholders of $11.6575 per share since its inception in July 2010.

The Key Financial Data table discloses the calculation of DCF and should be read in conjunction with this discussion. The difference between distributions received from investments in the DCF calculation and total investment income as reported in the Statement of Operations, is reconciled as follows: the Statement of Operations, in conformity with U.S. generally accepted accounting principles ( GAAP ), recognizes distribution income from MLPs, common stock and other investments on their ex-dates, whereas the DCF calculation may reflect distribution income on their pay dates; GAAP recognizes that a significant portion of the cash distributions received from MLPs, common stock and other investments are characterized as a return of capital and therefore excluded from investment income, whereas the DCF calculation includes the return of capital; and distributions received from investments in the DCF calculation include the value of dividends paid-in-kind (additional stock or MLP units), whereas such amounts are not included as income for GAAP purposes, and includes distributions related to direct investments when the purchase price is reduced in lieu of receiving cash distributions. Net premiums on options written (premiums received less amounts paid to buy back out-of-the-money options) with expiration dates during the fiscal quarter are included in the DCF calculation, whereas GAAP recognizes the net effect of options written as realized and unrealized gains (losses). The treatment of expenses in the DCF calculation also differs from what is reported in the Statement of Operations. In addition to the total operating expenses, including fee waiver, as disclosed in the Statement of Operations, the DCF calculation reflects interest expense, distributions to preferred stockholders, other recurring leverage expenses, as well as taxes paid on net investment income.

Net Investment Income (Loss), before Income Taxes on the Statement of Operations is adjusted as follows to reconcile to DCF for 3rd quarter 2017 (in thousands):

| | YTD 2017 | 3rd Qtr 2017 |
|---|---|---|
| Net Investment Loss, before Income Taxes | $ (22,450) | $ (5,422) |
| Adjustments to reconcile to DCF: | | |
| Distributions characterized as return of capital | 79,526 | 24,463 |
| Net Premiums on options written | 539 | 242 |
| Amortization of debt issuance costs | 277 | 93 |
| DCF | $ 57,892 | $ 19,376 |

## Leverage

The fund s leverage utilization decreased by $3.4 million during 3rd quarter 2017 and represented 30.6% of total assets at August 31, 2017. The fund has maintained compliance with its applicable coverage ratios. At quarter-end, approximately 77% of the leverage cost was fixed, the weighted-average maturity was 2.3 years and the weighted-average annual rate on leverage was 3.73%. These rates will vary in the future as a result of changing floating rates, utilization of the fund s credit facility and as leverage matures or is redeemed.

## Income taxes

During 3rd quarter 2017, the fund s deferred tax liability decreased by $23.2 million to $151.0 million, primarily as a result of the decrease in value of its investment portfolio. The fund had net realized gains of $13.3 million during the quarter. As of November 30, 2016, the fund had net operating losses of $63 million for federal income tax purposes. To the extent that the fund has taxable income in the future that is not offset by net operating losses, it will owe federal and state income taxes. Tax payments can be funded from investment earnings, fund assets, or borrowings.

Please see the Financial Statements and Notes to Financial Statements for additional detail regarding critical accounting policies, results of operations, leverage, taxes and other important fund information.

For further information regarding the calculation of distributable cash flow and distributions to stockholders, as well as a discussion of the tax impact on distributions and results, please visit www.tortoiseadvisors.com.

(unaudited)

## NTG Key Financial Data (supplemental unaudited information)

(dollar amounts in thousands unless otherwise indicated)

**The information presented below regarding Distributable Cash Flow and Selected Financial Information is supplemental non-GAAP financial information, which the fund believes is meaningful to understanding operating performance. The Distributable Cash Flow Ratios include the functional equivalent of EBITDA for non-investment companies, and the fund believes they are an important supplemental measure of performance and promote comparisons from period-to-period. This information is supplemental, is not inclusive of required financial disclosures (e.g. Total Expense Ratio), and should be read in conjunction with the full financial statements.**

| | 2016 | | | 2017 | |
|---|---|---|---|---|---|
| | Q3[(1)] | Q4[(1)] | Q1[(1)] | Q2[(1)] | Q3 |
| **Total Income from Investments** | | | | | |
| Distributions and dividends from investments | $ 27,901 | $ 27,640 | $ 27,925 | $ 26,705 | $ |
| Premiums on options written | | | | 297 | |
| Total from investments | 27,901 | 27,640 | 27,925 | 27,002 | |
| **Operating Expenses Before Leverage** | | | | | |
| **Costs and Current Taxes** | | | | | |
| Advisory fees, net of fees waived | 3,654 | 3,584 | 3,752 | 3,828 | 3 |
| Other operating expenses | 336 | 336 | 324 | 332 | 3 |
| | 3,990 | 3,920 | 4,076 | 4,160 | 3 |
| Distributable cash flow before leverage costs and current taxes | 23,911 | 23,720 | 23,849 | 22,842 | 2 |
| Leverage costs[(2)] | 3,960 | 4,013 | 4,051 | 4,124 | 4 |
| Current income tax expense[(3)] | | | | | |
| **Distributable Cash Flow[(4)]** | $ 19,951 | $ 19,707 | $ 19,798 | $ 18,718 | $ 1 |
| **As a percent of average total assets[(5)]** | | | | | |
| Total from investments | 7.28% | 7.29% | 7.09% | 6.69% | |
| Operating expenses before leverage costs and current taxes | 1.04% | 1.03% | 1.04% | 1.03% | |
| Distributable cash flow before leverage costs and current taxes | 6.24% | 6.26% | 6.05% | 5.66% | |
| **As a percent of average net assets[(5)]** | | | | | |
| Total from investments | 11.90% | 12.17% | 11.79% | 11.27% | |
| Operating expenses before leverage costs and current taxes | 1.70% | 1.73% | 1.72% | 1.74% | |
| Leverage costs and current taxes | 1.69% | 1.77% | 1.71% | 1.72% | |
| Distributable cash flow | 8.51% | 8.67% | 8.36% | 7.81% | |
| **Selected Financial Information** | | | | | |
| Distributions paid on common stock | $ 19,858 | $ 19,891 | $ 19,892 | $ 19,891 | $ |
| Distributions paid on common stock per share | 0.4225 | 0.4225 | 0.4225 | 0.4225 | |
| Distribution coverage percentage for period[(6)] | 100.5% | 99.1% | 99.5% | 94.1% | |
| Net realized gain, net of income taxes, for the period | 27,199 | 14,157 | 14,896 | 2,126 | |
| Total assets, end of period[(7)] | 1,528,949 | 1,514,354 | 1,657,717 | 1,509,815 | 1,4 |
| Average total assets during period[(7)(8)] | 1,524,786 | 1,524,805 | 1,596,610 | 1,601,462 | 1,4 |
| Leverage[(9)] | 443,300 | 440,800 | 439,700 | 442,700 | 4 |
| Leverage as a percent of total assets | 29.0% | 29.1% | 26.5% | 29.3% | |
| Net unrealized appreciation, end of period | 112,273 | 107,907 | 193,975 | 123,020 | |
| Net assets, end of period | 919,721 | 904,866 | 981,071 | 886,964 | 8 |
| Average net assets during period[(10)] | 932,440 | 913,726 | 960,910 | 950,384 | 8 |
| Net asset value per common share | 19.53 | 19.22 | 20.84 | 18.81 | |
| Market value per common share | 19.68 | 18.90 | 20.49 | 18.99 | |
| Shares outstanding (000 s) | 47,081 | 47,081 | 47,081 | 47,161 | |

(1) Q1 is the period from December through February. Q2 is the period from March through May. Q3 is the period from June through August. Q4 is the period from September through November.

(2) Leverage costs include interest expense, distributions to preferred stockholders and other recurring leverage expenses.

(3) Includes taxes paid on net investment income and foreign taxes, if any. Taxes related to realized gains are excluded from the calculation of Distributable Cash Flow ( DCF ).

(4)

Net investment income (loss), before income taxes on the Statement of Operations is adjusted as follows to reconcile to DCF: increased by the return of capital on distributions, the new premiums on options written, the premium on redemption of senior notes and amortization of debt issuance costs; and decreased by current taxes paid on net investment income.

(5) Annualized.
(6) Distributable Cash Flow divided by distributions paid.
(7) Includes deferred issuance and offering costs on senior notes and preferred stock.
(8) Computed by averaging month-end values within each period.
(9) Leverage consists of senior notes, preferred stock and outstanding borrowings under the credit facility.
(10) Computed by averaging daily net assets within each period.

**Tortoise**
Pipeline & Energy Fund, Inc. (TTP)

## Fund description

TTP seeks a high level of total return with an emphasis on current distributions paid to stockholders. TTP invests primarily in equity securities of North American pipeline companies that transport natural gas, natural gas liquids (NGLs), crude oil and refined products and, to a lesser extent, in other energy infrastructure companies.

## Fund performance review

The fund s market-based and NAV-based returns for the fiscal quarter ending August 31, 2017 were -5.7% and -3.0%, respectively (including the reinvestment of distributions). Comparatively, the Tortoise North American Pipeline Index[SM] returned 1.7% for the same period. Despite solid company business fundamentals, pipeline equity performance lagged due to fickle capital markets and isolated, company-specific issues resulting in doubts over distribution growth.

### Third fiscal quarter highlights

| | |
|---|---|
| Distributions paid per share | $0.4075 |
| Distribution rate (as of 8/31/2017) | 8.8% |
| Quarter-over-quarter distribution increase | 0.0% |
| Year-over-year distribution increase | 0.0% |
| Cumulative distributions paid per share to stockholders since inception in October 2011 | $9.6900 |
| Market-based total return | (5.7)% |
| NAV-based total return | (3.0)% |
| Premium (discount) to NAV (as of 8/31/2017) | (7.5)% |

***Please refer to the inside front cover of the report for important information about the fund s distribution policy.***

The fund s covered call strategy, which focuses on independent energy companies that are key pipeline transporters, enabled the fund to generate current income. In an attempt to generate the same monthly income, the out-of-the-money percentage was generally flat year-over-year as volatility was similar. The notional amount of the fund s covered calls averaged approximately 9.2% of total assets, and their out-of-the-money percentage at the time written averaged approximately 5.7% during the fiscal quarter.

***Unlike the fund return, index return is pre-expenses.***

***Performance data quoted represent past performance; past performance does not guarantee future results. Like any other stock, total return and market value will fluctuate so that an investment, when sold, may be worth more or less than its original cost. Portfolio composition is subject to change due to ongoing management of the fund. References to specific securities or sectors should not be construed as a recommendation by the fund or its adviser. See Schedule of Investments for portfolio weighting at the end of the fiscal quarter.***

## Key asset performance drivers

| | | |
|---|---|---|
| TransCanada Corporation | Midstream natural gas/natural gas liquids pipeline company | Regulated pipeline business with visibility to dividend growth |
| ONEOK, Inc. | Midstream natural gas/natural gas liquids pipeline company | Improved outlook for ethane recoveries and higher natural gas liquids (NGL) prices |
| Enbridge Inc. | Midstream crude oil pipeline company | Diversified business model generated steady cash flows |
| Tallgrass Energy GP, LP | Midstream natural gas/natural gas liquids pipeline MLP | Continued strong distribution growth with visibility to continue dropdowns to its LP |
| The Williams Companies, Inc. | Midstream gathering and processing company | Visibility to stronger balance sheet post divestitures along with increased natural gas volume growth |

| | | |
|---|---|---|
| Plains GP Holdings, L.P. | Midstream crude oil pipeline company | Reduced distribution on weaker supply & logistics outlook |
| Energy Transfer Partners, L.P. | Midstream natural gas/natural gas liquids pipeline MLP | Concerns about equity funding for project backlog |
| SemGroup Corporation | Midstream crude oil pipeline company | Acquisition of Houston Fuel Oil Terminal resulted in equity overhang |
| Enbridge Energy Management, L.L.C. | Midstream crude oil pipeline company | Strategic review with lower distribution viewed unfavorably |
| Pioneer Natural Resources Company | Upstream liquids producer | Concern about oil production percentage relative to natural gas production percentage from the Permian basin |

(unaudited)

## Distributable cash flow and distributions

Distributable cash flow ( DCF ) is income from investments less expenses. Income from investments includes the amount received as cash or paid-in-kind distributions from common stock, master limited partnerships ( MLPs ), affiliates of MLPs, and pipeline and other energy companies in which the fund invests, and dividend payments on short-term investments. Income also includes the premiums received from sales of covered call options, net of amounts paid to buy back out-of-the-money options. The total expenses include current or anticipated operating expenses and leverage costs.

Distributions received from investments was relatively unchanged as compared to 2nd quarter 2017. Operating expenses, consisting primarily of fund advisory fees, decreased approximately 6.7% during the quarter due to lower asset-based fees. Leverage costs increased approximately 2.7% as compared to 2nd quarter 2017 due mainly to an increase in interest rates during the quarter. As a result of the changes in income and expenses, DCF increased by 1.3% as compared to 2nd quarter 2017. In addition, the fund had net realized gains on investments of $0.6 million during 3rd quarter 2017.

The fund paid a quarterly distribution of $0.4075 per share, which was unchanged over the prior quarter and 3rd quarter 2016. The fund may designate a portion of its distributions as capital gains and may also distribute additional capital gains in the last calendar quarter of the year if necessary to meet minimum annual distribution requirements and to avoid being subject to excise taxes. The fund s distribution policy is described on the inside front cover of this report. The fund has paid cumulative distributions to stockholders of $9.69 per share since its inception in October 2011.

The Key Financial Data table discloses the calculation of DCF and should be read in conjunction with this discussion. The difference between income from investments in the DCF calculation and total investment income as reported in the Statement of Operations, is reconciled as follows: (1) the Statement of Operations, in conformity with U.S. generally accepted accounting principles ( GAAP ), recognizes distributions and dividend income from MLPs, common stock and other investments on their ex-dates, whereas the DCF calculation may reflect distributions and dividend income on their pay dates; (2) GAAP recognizes that a significant portion of the cash distributions received from MLPs, common stock and other investments are characterized as a return of capital and therefore excluded from investment income, whereas the DCF calculation includes the return of capital; (3) income from investments in the DCF calculation includes the value of dividends paid-in-kind (additional stock or units), whereas such amounts are not included as income for GAAP purposes; and (4) net premiums on options written (premiums received less amounts paid to buy back out-of-the-money options) with expiration dates during the fiscal quarter are included in the DCF calculation, whereas GAAP recognizes the net effect of options written as realized and unrealized gains (losses).

Net Investment Income (Loss) on the Statement of Operations is adjusted as follows to reconcile to DCF for 3rd quarter 2017 (in thousands):

| | YTD 2017 | 3rd Qtr 2017 |
|---|---|---|
| Net Investment Loss | $ (491) | $ (49) |
| Adjustments to reconcile to DCF: | | |
| Net premiums on options written | 3,536 | 1,126 |
| Distributions characterized as return of capital | 7,065 | 2,334 |
| Dividends paid in stock | 865 | 242 |
| Amortization of debt issuance costs | 43 | 15 |
| DCF | $ 11,018 | $ 3,668 |

## Leverage

The fund s leverage utilization increased slightly during 3rd quarter 2017 and represented 24.7% of total assets at August 31, 2017. The fund has maintained compliance with its applicable coverage ratios. At quarter-end, approximately 65% of the leverage cost was fixed, the weighted-average maturity was 2.4 years and the weighted-average annual rate on leverage was 3.41%. These rates will vary in the future as a result of changing floating rates, utilization of the fund s credit facility and as leverage matures or is redeemed.

Please see the Financial Statements and Notes to Financial Statements for additional detail regarding critical accounting policies, results of operations, leverage and other important fund information.

For further information regarding the calculation of distributable cash flow and distributions to stockholders, as well as a discussion of the tax impact on distributions, please visit www.tortoiseadvisors.com.

(unaudited)

**TTP Key Financial Data** (supplemental unaudited information)
(dollar amounts in thousands unless otherwise indicated)

**The information presented below regarding Distributable Cash Flow and Selected Financial Information is supplemental non-GAAP financial information, which the fund believes is meaningful to understanding operating performance. The Distributable Cash Flow Ratios include the functional equivalent of EBITDA for non-investment companies, and the fund believes they are an important supplemental measure of performance and promote comparisons from period-to-period. This information is supplemental, is not inclusive of required financial disclosures (e.g. Total Expense Ratio), and should be read in conjunction with the full financial statements.**

| | 2016 | | 2017 | | |
|---|---|---|---|---|---|
| | Q3(1) | Q4(1) | Q1(1) | Q2(1) | Q3(1) |
| **Total Income from Investments** | | | | | |
| Dividends and distributions from investments, net of foreign taxes withheld | $ 3,855 | $ 3,606 | $ 3,594 | $ 3,778 | $ 3,780 |
| Dividends paid in stock | 433 | 444 | 385 | 238 | 242 |
| Net premiums on options written | 1,219 | 1,284 | 1,275 | 1,135 | 1,126 |
| Total from investments | 5,507 | 5,334 | 5,254 | 5,151 | 5,148 |
| **Operating Expenses Before Leverage Costs** | | | | | |
| Advisory fees, net of fees waived | 742 | 768 | 824 | 822 | 756 |
| Other operating expenses | 144 | 142 | 150 | 145 | 146 |
| | 886 | 910 | 974 | 967 | 902 |
| Distributable cash flow before leverage costs | 4,621 | 4,424 | 4,280 | 4,184 | 4,246 |
| Leverage costs(2) | 536 | 544 | 551 | 563 | 578 |
| **Distributable Cash Flow(3)** | $ 4,085 | $ 3,880 | $ 3,729 | $ 3,621 | $ 3,668 |
| | | | | | |
| **Net realized gain (loss) on investments and foreign currency translation, for the period** | $ 1,927 | $ 25,178 | $ 2,316 | $ (357) | $ 643 |
| **As a percent of average total assets(4)** | | | | | |
| Total from investments | 7.83% | 7.25% | 6.94% | 6.89% | 7.35% |
| Operating expenses before leverage costs | 1.26% | 1.24% | 1.29% | 1.29% | 1.29% |
| Distributable cash flow before leverage costs | 6.57% | 6.01% | 5.65% | 5.60% | 6.06% |
| **As a percent of average net assets(4)** | | | | | |
| Total from investments | 10.10% | 9.38% | 8.77% | 8.88% | 9.93% |
| Operating expenses before leverage costs | 1.63% | 1.60% | 1.63% | 1.67% | 1.74% |
| Leverage costs | 0.98% | 0.96% | 0.92% | 0.97% | 1.11% |
| Distributable cash flow | 7.49% | 6.82% | 6.22% | 6.24% | 7.08% |
| | | | | | |
| **Selected Financial Information** | | | | | |
| Distributions paid on common stock | $ 4,082 | $ 4,082 | $ 4,082 | $ 4,081 | $ 4,082 |
| Distributions paid on common stock per share | 0.4075 | 0.4075 | 0.4075 | 0.4075 | 0.4075 |
| Total assets, end of period(5) | 286,224 | 303,989 | 303,685 | 278,733 | 274,878 |
| Average total assets during period(5)(6) | 279,684 | 295,803 | 307,063 | 296,418 | 278,007 |
| Leverage(7) | 65,000 | 66,600 | 66,700 | 67,400 | 68,000 |
| Leverage as a percent of total assets | 22.7% | 21.9% | 22.0% | 24.2% | 24.7% |
| Net unrealized appreciation (depreciation), end of period | 11,363 | 6,052 | 8,983 | (13,246) | (21,276) |
| Net assets, end of period | 218,368 | 234,539 | 235,779 | 210,076 | 199,503 |
| Average net assets during period(8) | 216,881 | 228,681 | 242,897 | 230,203 | 205,675 |
| Net asset value per common share | 21.80 | 23.42 | 23.54 | 20.97 | 19.92 |
| Market value per common share | 19.69 | 21.55 | 21.45 | 19.97 | 18.43 |
| Shares outstanding (000 s) | 10,016 | 10,016 | 10,016 | 10,016 | 10,016 |

(1) Q1 is the period from December through February. Q2 is the period from March through May. Q3 is the period from June through August. Q4 is the period from September through November.
(2) Leverage costs include interest expense, distributions to preferred stockholders and other recurring leverage expenses.
(3) Net investment income (loss) on the Statement of Operations is adjusted as follows to reconcile to Distributable Cash Flow ( DCF ): increased by net premiums on options written, the return of capital on distributions, the value of paid-in-kind distributions, the premium on redemption of senior notes and amortization of debt issuance costs.

(4) Annualized.
(5) Includes deferred issuance and offering costs on senior notes and preferred stock.
(6) Computed by averaging month-end values within each period.
(7) Leverage consists of senior notes, preferred stock and outstanding borrowings under the revolving credit facility.
(8) Computed by averaging daily net assets within each period.

**2017 3rd Quarter Report** | August 31, 2017

## Tortoise
Energy Independence Fund, Inc. (NDP)

## Fund description

NDP seeks a high level of total return with an emphasis on current distributions paid to stockholders. NDP invests primarily in equity securities of upstream North American energy companies that engage in the exploration and production of crude oil, condensate, natural gas and natural gas liquids that generally have a significant presence in North American oil and gas fields, including shale reservoirs.

## Fund performance review

The fund s market-based and NAV-based returns for the fiscal quarter ending August 31, 2017 were -9.4% and -10.3%, respectively (including the reinvestment of distributions). Comparatively, the Tortoise North American Oil and Gas Producers Index$^{SM}$ returned -7.2% for the same period. Although both negative, natural gas producers performed better than liquids producers. Liquids producers in the Permian retreated the most during the period. The fund s negative performance was somewhat mitigated by its exposure to midstream companies that it holds to execute its covered call strategy.

### Third fiscal quarter highlights

| | |
|---|---|
| Distributions paid per share | $ 0.4375 |
| Distribution rate (as of 8/31/2017) | 13.9% |
| Quarter-over-quarter distribution increase | 0.0% |
| Year-over-year distribution increase | 0.0% |
| Cumulative distributions paid per share to stockholders since inception in July 2012 | $ 8.7500 |
| Market-based total return | (9.4)% |
| NAV-based total return | (10.3)% |
| Premium (discount) to NAV (as of 8/31/2017) | 7.0% |

The fund utilizes a covered call strategy, which seeks to generate income while reducing overall volatility. The premium income generated from this strategy helped to lower NAV volatility during the quarter. The notional amount of the fund s covered calls averaged approximately 65.3% of total assets and their out-of-the-money percentage at the time written averaged approximately 8.3% during the fiscal quarter.

***Unlike the fund return, index return is pre-expenses.***

***Performance data quoted represent past performance: past performance does not guarantee future results. Like any other stock, total return and market value will fluctuate so that an investment, when sold, may be worth more or less than its original cost. Portfolio composition is subject to change due to ongoing management of the fund. References to specific securities or sectors should not be construed as a recommendation by the fund or its adviser. See Schedule of Investments for portfolio weighting at the end of the fiscal quarter.***

## Key asset performance drivers

| | | |
|---|---|---|
| Cabot Oil & Gas Corporation | Upstream liquids producer | Growing natural gas production and declining basis differentials in the Northeast |
| Rice Energy Inc. | Upstream natural gas producer | Announced acquisition by EQT Corporation |
| EQT Corporation | Upstream natural gas producer | Growing natural gas production and declining basis differentials in the Northeast |
| MPLX LP | Midstream gathering and processing MLP | Greater strategic clarity on dropdowns and incentive distribution rights restructuring |

| | | |
|---|---|---|
| Centennial Resource Development, Inc. | Upstream oil and gas producer | Reported better than expected 2Q earnings and increased 2017 production growth outlook |
| Pioneer Natural Resources Company | Upstream liquids producer | Concern about oil production percentage relative to natural gas production percentage from the Permian basin |
| Carrizo Oil & Gas, Inc. | Upstream oil and natural gas producer | Equity overhang due to high leverage and perceived need for acquisition |
| Range Resources Corporation | Upstream natural gas producer | Lower than expected results in Terryville natural gas asset |
| Concho Resources Inc. | Upstream liquids producer | Concern about oil production percentage relative to natural gas production percentage from the Permian basin |
| Newfield Exploration Company | Upstream natural gas producer | Concerns related to financing operating cash flow outspend |

(unaudited)

## Tortoise
**Energy Independence Fund, Inc. (NDP)** (continued)

## Distributable cash flow and distributions

Distributable cash flow ( DCF ) is income from investments less expenses. Income from investments includes the amount received as cash or paid-in-kind distributions from investments and dividend payments on short-term investments. Income also includes the premiums received from sales of covered call options, net of amounts paid to buy back out-of-the-money options. The total expenses include current or anticipated operating expenses and leverage costs.

Distributions received from investments increased approximately 4.8% as compared to 2nd quarter 2017, primarily due to higher net premiums on options written. Operating expenses, consisting primarily of fund advisory fees, decreased approximately 11.8% during the quarter due to lower asset-based fees. Total leverage costs increased approximately 13.0% as compared to 2nd quarter 2017, primarily due to an increase in interest rates during the quarter. As a result of the changes in income and expenses, DCF increased by approximately 7.1% as compared to 2nd quarter 2017. In addition, the fund had net realized losses on investments of $2.3 million during 3rd quarter 2017.

The fund maintained its quarterly distribution of $0.4375 per share during 3rd quarter 2017, which was equal to the distribution paid in the prior quarter and 3rd quarter 2016. The fund may designate a portion of its distributions as capital gains and may also distribute additional capital gains in the last calendar quarter of the year if necessary to meet minimum annual distribution requirements and to avoid being subject to excise taxes. The fund has paid cumulative distributions to stockholders of $8.75 per share since its inception in July 2012.

The Key Financial Data table discloses the calculation of DCF and should be read in conjunction with this discussion. The difference between income from investments in the DCF calculation and total investment income as reported in the Statement of Operations, is reconciled as follows: (1) the Statement of Operations, in conformity with U.S. generally accepted accounting principles ( GAAP ), recognizes distributions and dividend income from MLPs, common stock and other investments on their ex-dates, whereas the DCF calculation may reflect distributions and dividend income on their pay dates; (2) GAAP recognizes that a significant portion of the cash distributions received from MLPs, common stock and other investments are characterized as a return of capital and therefore excluded from investment income, whereas the DCF calculation includes the return of capital; (3) income from investments in the DCF calculation includes the value of dividends paid-in-kind (additional stock or units), whereas such amounts are not included as income for GAAP purposes; and (4) net premiums on options written (premiums received less amounts paid to buy back out-of-the-money options) with expiration dates during fiscal quarter are included in the DCF calculation, whereas GAAP recognizes the net effect of options written as realized and unrealized gains (losses).

Net Investment Income (Loss) on the Statement of Operations is adjusted as follows to reconcile to DCF for 3rd quarter 2017 (in thousands):

| | YTD 2017 | 3rd Qtr 2017 |
|---|---|---|
| Net Investment Loss | $ (2,182) | $ (723) |
| Adjustments to reconcile to DCF: | | |
| Net premiums on options written | 16,928 | 5,754 |
| Distributions characterized as return of capital | 3,143 | 1,106 |
| Dividends paid in stock | 561 | 132 |
| DCF | $ 18,450 | $ 6,269 |

## Leverage

The fund s leverage utilization increased slightly as compared to 2nd quarter 2017. The fund utilizes all floating rate leverage that had an interest rate of 2.03% and represented 27.1% of total assets at quarter-end. The fund has maintained compliance with its applicable coverage ratios. The interest rate on the fund s leverage will vary in the future along with changing floating rates.

Please see the Financial Statements and Notes to Financial Statements for additional detail regarding critical accounting policies, results of operations, leverage and other important fund information.

For further information regarding the calculation of distributable cash flow and distributions to stockholders, as well as a discussion of the tax impact on distributions, please visit www.tortoiseadvisors.com.

(unaudited)

**NDP Key Financial Data** (supplemental unaudited information)
(dollar amounts in thousands unless otherwise indicated)

**The information presented below regarding Distributable Cash Flow and Selected Financial Information is supplemental non-GAAP financial information, which the fund believes is meaningful to understanding operating performance. The Distributable Cash Flow Ratios include the functional equivalent of EBITDA for non-investment companies, and the fund believes they are an important supplemental measure of performance and promote comparisons from period-to-period. This information is supplemental, is not inclusive of required financial disclosures (e.g. Total Expense Ratio), and should be read in conjunction with the full financial statements.**

| | 2016 | | 2017 | | |
|---|---|---|---|---|---|
| | Q3(1) | Q4(1) | Q1(1) | Q2(1) | Q3(1) |
| **Total Income from Investments** | | | | | |
| Distributions and dividends from investments, net of foreign taxes withheld | $ 1,457 | $ 1,363 | $ 1,494 | $ 1,516 | $ 1,526 |
| Dividends paid in stock | 285 | 293 | 299 | 129 | 132 |
| Net premiums on options written | 5,863 | 5,645 | 5,749 | 5,425 | 5,754 |
| Total from investments | 7,605 | 7,301 | 7,542 | 7,070 | 7,412 |
| **Operating Expenses Before Leverage Costs** | | | | | |
| Advisory fees, net of fees waived | 737 | 749 | 820 | 791 | 686 |
| Other operating expenses | 174 | 151 | 144 | 140 | 135 |
| | 911 | 900 | 964 | 931 | 821 |
| Distributable cash flow before leverage costs | 6,694 | 6,401 | 6,578 | 6,139 | 6,591 |
| Leverage costs(2) | 199 | 212 | 251 | 285 | 322 |
| **Distributable Cash Flow(3)** | $6,495 | $6,189 | $6,327 | $5,854 | $6,269 |
| | | | | | |
| **Net realized gain (loss) on investments and foreign currency translation, for the period** | $ (690) | $ 4,490 | $ 5,898 | $ (6,084) | $ (2,332) |
| **As a percent of average total assets(4)** | | | | | |
| Total from investments | 10.29% | 9.58% | 9.86% | 9.70% | 11.55% |
| Operating expenses before leverage costs | 1.23% | 1.18% | 1.26% | 1.28% | 1.28% |
| Distributable cash flow before leverage costs | 9.06% | 8.40% | 8.60% | 8.42% | 10.27% |
| **As a percent of average net assets(4)** | | | | | |
| Total from investments | 13.00% | 12.31% | 12.36% | 12.60% | 15.93% |
| Operating expenses before leverage costs | 1.56% | 1.52% | 1.58% | 1.66% | 1.76% |
| Leverage costs | 0.34% | 0.36% | 0.41% | 0.51% | 0.69% |
| Distributable cash flow | 11.10% | 10.43% | 10.37% | 10.43% | 13.48% |
| | | | | | |
| **Selected Financial Information** | | | | | |
| Distributions paid on common stock | $ 6,350 | $ 6,351 | $ 6,351 | $ 6,360 | $ 6,380 |
| Distributions paid on common stock per share | 0.4375 | 0.4375 | 0.4375 | 0.4375 | 0.4375 |
| Total assets, end of period | 301,460 | 319,343 | 297,341 | 264,083 | 238,932 |
| Average total assets during period(5) | 294,100 | 306,669 | 310,231 | 289,030 | 254,645 |
| Leverage(6) | 64,000 | 63,800 | 65,100 | 64,600 | 64,700 |
| Leverage as a percent of total assets | 21.2% | 20.0% | 21.9% | 24.5% | 27.1% |
| Net unrealized appreciation (depreciation), end of period | (7,816) | 1,717 | (16,339) | (40,654) | (63,116) |
| Net assets, end of period | 235,472 | 246,088 | 230,201 | 198,379 | 171,942 |
| Average net assets during period(7) | 232,775 | 238,453 | 247,529 | 222,615 | 184,587 |
| Net asset value per common share | 16.22 | 16.95 | 15.84 | 13.63 | 11.79 |
| Market value per common share | 15.61 | 15.85 | 16.33 | 14.43 | 12.61 |
| Shares outstanding (000 s) | 14,516 | 14,516 | 14,537 | 14,559 | 14,584 |

(1) Q1 is the period from December through February. Q2 is the period from March through May. Q3 is the period from June through August. Q4 is the period from September through November.
(2) Leverage costs include interest expense and other recurring leverage expenses.
(3) Net investment income (loss) on the Statement of Operations is adjusted as follows to reconcile to Distributable Cash Flow ( DCF ): increased by net premiums on options written, the return of capital on distributions and the value of paid-in-kind distributions.
(4) Annualized.
(5) Computed by averaging month-end values within each period.
(6) Leverage consists of outstanding borrowings under the revolving credit facility.
(7) Computed by averaging daily net assets within each period.

# Tortoise
Power and Energy Infrastructure Fund, Inc. (TPZ)

## Fund description

TPZ seeks to provide a high level of current income to stockholders, with a secondary objective of capital appreciation. TPZ seeks to invest primarily in fixed income and dividend-paying equity securities of power and energy infrastructure companies that provide stable and defensive characteristics throughout economic cycles.

## Fund performance review

The fund s market-based and NAV-based returns for the fiscal quarter ending August 31, 2017 were -5.2% and -1.8%, respectively (including the reinvestment of distributions). Comparatively, the TPZ Benchmark Composite* returned -0.4% for the same period. Despite solid company business fundamentals, pipeline equity performance lagged due to fickle capital markets and isolated, company-specific issues resulting in doubts over distribution growth. Performance was helped by the fund s focus on power and utilities which had positive performance for the fiscal quarter due to low interest rates. Negative performance was further mitigated by the fund s energy fixed income holdings as they outperformed energy equities throughout the fiscal quarter.

### Third fiscal quarter highlights

| | |
|---|---|
| Monthly distributions paid per share | $0.1250 |
| Distribution rate (as of 8/31/2017) | 7.4% |
| Quarter-over-quarter distribution increase | 0.0% |
| Year-over-year distribution increase | 0.0% |
| Cumulative distribution to stockholders since inception in July 2009 | $13.400 |
| Market-based total return | (5.2)% |
| NAV-based total return | (1.8)% |
| Premium (discount) to NAV (as of 8/31/2017) | (9.2)% |

* The TPZ Benchmark Composite includes the BofA Merrill Lynch U.S. Energy Index (CIEN), the BofA Merrill Lynch U.S. Electricity Index (CUEL) and the Tortoise MLP Index® (TMLP). It is comprised of a blend of 70% fixed income and 30% equity securities issued by companies in the power and energy infrastructure sectors.

***Please refer to the inside front cover of the report for important information about the fund s distribution policy. Unlike the fund return, index return is pre-expenses.***

***Performance data quoted represent past performance; past performance does not guarantee future results. Like any other stock, total return and market value will fluctuate so that an investment, when sold, may be worth more or less than its original cost. Portfolio composition is subject to change due to ongoing management of the fund. References to specific securities or sectors should not be construed as a recommendation by the fund or its adviser. See Schedule of Investments for portfolio weighting at the end of the fiscal quarter.***

## Key asset performance drivers

| | | |
|---|---|---|
| ONEOK, Inc. | Midstream natural gas/natural gas liquids pipeline company | Improved outlook for ethane recoveries and higher natural gas liquids (NGL) prices |
| Enbridge Inc. | Midstream crude oil pipeline company | Diversified business model generated steady cash flows |
| Tallgrass Energy GP, LP | Midstream natural gas/natural gas liquids pipeline MLP | Continued strong distribution growth with visibility to continue dropdowns to its LP |
| NRG Energy Inc. (fixed income) | Downstream power/utility (YieldCo) | Strategic review likely to benefit debt holders |
| MPLX LP | Midstream gathering and processing MLP | Greater strategic clarity on dropdowns and incentive distribution rights restructuring |

| | | |
|---|---|---|
| Plains GP Holdings, L.P. | Midstream crude oil pipeline company | Reduced distribution on weaker supply & logistics outlook |
| Energy Transfer Partners, L.P. | Midstream natural gas/natural gas liquids pipeline MLP | Concerns about equity funding for project backlog |
| Enbridge Energy Management, L.L.C. | Midstream crude oil pipeline company | Strategic review with lower distribution viewed unfavorably |
| Plains All American Pipeline, L.P. | Midstream crude oil pipeline MLP | Reduced distribution on weaker supply & logistics outlook |
| Rice Midstream Partners LP | Midstream gathering and processing MLP | Acquisition of parent company by EQT Corporation will likely result in lower growth |

(unaudited)

## Distributable cash flow and distributions

Distributable cash flow ( DCF ) is income from investments less expenses. Income from investments includes the accrued interest from corporate bonds, cash distributions and paid-in-kind distributions from master limited partnerships ( MLPs ) and other equity investments and dividends earned from short-term investments. The total expenses include current or anticipated operating expenses and leverage costs.

Distributions received from investments increased approximately 1.0% as compared to 2nd quarter 2017 mainly due to increased distribution rates on the fund s investments. Operating expenses, consisting primarily of fund advisory fees, decreased approximately 3.7% during the quarter due to lower asset-based fees. Total leverage costs increased approximately 8.6% as compared to 2nd quarter 2017, primarily due to an increase in interest rates during the quarter. As a result of the changes in income and expenses, DCF increased approximately 1.5% as compared to 2nd quarter 2017. In addition, the fund had net realized losses on investments of $0.3 million during 3rd quarter 2017.

The fund paid monthly distributions of $0.125 per share during 3rd quarter 2017, which was unchanged over the prior quarter and 3rd quarter 2016. The fund may designate a portion of its distributions as capital gains and may also distribute additional capital gains in the last calendar quarter of the year if necessary to meet minimum annual distribution requirements and to avoid being subject to excise taxes. The fund s Board of Directors has declared monthly distributions of $0.125 per share to be paid during 4th quarter 2017. The fund s distribution policy is described on the inside front cover of this report. The fund has paid cumulative distributions to stockholders of $13.40 per share since its inception in July 2009.

The Key Financial Data table discloses the calculation of DCF and should be read in conjunction with this discussion. The difference between income from investments in the DCF calculation and total investment income as reported in the Statement of Operations, is reconciled as follows: (1) U.S. generally accepted accounting principles ( GAAP ), recognizes distribution income from MLPs, common stock and other investments on their ex-dates, whereas the DCF calculation may reflect distribution income on their pay dates; (2) GAAP recognizes that a significant portion of the cash distributions received from MLPs, common stock and other investments are characterized as a return of capital and therefore excluded from investment income, whereas the DCF calculation includes the return of capital; (3) income from investments in the DCF calculation includes the value of dividends paid-in-kind (additional stock or units), whereas such amounts are not included as income for GAAP purposes; and (4) amortization of premium or discount for all securities is calculated using the yield to worst methodology for GAAP purposes while yield to call is used in calculating amortization for long-dated hybrid securities in the DCF calculation. The treatment of expenses in the DCF calculation also differs from what is reported in the Statement of Operations. In addition to the total operating expenses, including fee waiver, as disclosed in the Statement of Operations, the DCF calculation reflects interest expense and realized and unrealized gains (losses) on interest rate swap settlements as leverage costs.

Net Investment Income (Loss) on the Statement of Operations is adjusted as follows to reconcile to DCF for 3rd quarter 2017 (in thousands):

| | YTD 2017 | 3rd Qtr 2017 |
|---|---|---|
| Net Investment Income | $ 3,082 | $ 1,095 |
| Adjustments to reconcile to DCF: | | |
| Dividends paid in stock | 592 | 166 |
| Distributions characterized as return of capital | 3,803 | 1,199 |
| Interest rate swap expenses | (113) | (27) |
| Change in amortization methodology | 18 | 5 |
| DCF | $ 7,382 | $ 2,438 |

## Leverage

The fund s leverage utilization was relatively unchanged as compared to 2nd quarter 2017 and represented 24.0% of total assets at August 31, 2017. The fund has maintained compliance with its applicable coverage ratios. At quarter-end, including the impact of interest rate swaps, approximately 29% of the leverage cost was fixed, the weighted-average maturity was 0.9 years and the weighted-average annual rate on leverage was 2.16%. These rates will vary in the future as a result of changing floating rates and as swaps mature or are redeemed. During the quarter, interest rate swaps with a notional value of $6 million matured. During the period that the swaps were outstanding, the fund paid a fixed interest rate of 1.89% and received a floating interest rate equal to the 3-month U.S. Dollar LIBOR.

Please see the Financial Statements and Notes to Financial Statements for additional detail regarding critical accounting policies, results of operations, leverage and other important fund information.

For further information regarding the calculation of distributable cash flow and distributions to stockholders, as well as a discussion of the tax impact on distributions, please visit www.tortoiseadvisors.com.

(unaudited)

**TPZ Key Financial Data** (supplemental unaudited information)
(dollar amounts in thousands unless otherwise indicated)

**The information presented below regarding Distributable Cash Flow and Selected Financial Information is supplemental non-GAAP financial information, which the fund believes is meaningful to understanding operating performance. The Distributable Cash Flow Ratios include the functional equivalent of EBITDA for non-investment companies, and the fund believes they are an important supplemental measure of performance and promote comparisons from period-to-period. This information is supplemental, is not inclusive of required financial disclosures (e.g. Total Expense Ratio), and should be read in conjunction with the full financial statements.**

| | 2016 | | 2017 | | |
|---|---|---|---|---|---|
| | Q3[1] | Q4[1] | Q1[1] | Q2[1] | Q3[1] |
| **Total Income from Investments** | | | | | |
| Interest earned on corporate bonds | $ 1,605 | $ 1,537 | $ 1,519 | $ 1,508 | $ 1,480 |
| Distributions and dividends from investments, net of foreign taxes withheld | 1,738 | 1,620 | 1,650 | 1,657 | 1,715 |
| Dividends paid in stock | 251 | 258 | 264 | 162 | 166 |
| Total from investments | 3,594 | 3,415 | 3,433 | 3,327 | 3,361 |
| **Operating Expenses Before Leverage Costs** | | | | | |
| Advisory fees | 499 | 503 | 518 | 525 | 501 |
| Other operating expenses | 153 | 140 | 133 | 130 | 130 |
| | 652 | 643 | 651 | 655 | 631 |
| Distributable cash flow before leverage costs | 2,942 | 2,772 | 2,782 | 2,672 | 2,730 |
| Leverage costs[2] | 230 | 221 | 241 | 269 | 292 |
| **Distributable Cash Flow[3]** | $ 2,712 | $ 2,551 | $ 2,541 | $ 2,403 | $ 2,438 |
| **Net realized gain (loss) on investments and foreign currency translation, for the period** | $ 3,840 | $ 8,066 | $ 3,005 | $ 5,008 | $ (347) |
| **As a percent of average total assets[4]** | | | | | |
| Total from investments | 6.82% | 6.39% | 6.30% | 5.99% | 6.31% |
| Operating expenses before leverage costs | 1.24% | 1.20% | 1.20% | 1.18% | 1.18% |
| Distributable cash flow before leverage costs | 5.58% | 5.19% | 5.10% | 4.81% | 5.13% |
| **As a percent of average net assets[4]** | | | | | |
| Total from investments | 9.02% | 8.37% | 8.13% | 7.84% | 8.45% |
| Operating expenses before leverage costs | 1.64% | 1.58% | 1.54% | 1.54% | 1.59% |
| Leverage costs | 0.58% | 0.54% | 0.57% | 0.63% | 0.73% |
| Distributable cash flow | 6.80% | 6.25% | 6.02% | 5.67% | 6.13% |
| **Selected Financial Information** | | | | | |
| Distributions paid on common stock | $ 2,607 | $ 2,607 | $ 2,607 | $ 2,607 | $ 2,606 |
| Distributions paid on common stock per share | 0.3750 | 0.3750 | 0.3750 | 0.3750 | 0.3750 |
| Total assets, end of period | 213,243 | 217,415 | 223,313 | 213,441 | 213,992 |
| Average total assets during period[5] | 209,610 | 215,113 | 220,830 | 220,356 | 211,408 |
| Leverage[6] | 50,700 | 50,600 | 51,100 | 51,300 | 51,400 |
| Leverage as a percent of total assets | 23.8% | 23.3% | 22.9% | 24.0% | 24.0% |
| Net unrealized appreciation, end of period | 32,831 | 30,817 | 34,896 | 21,461 | 17,555 |
| Net assets, end of period | 161,615 | 166,073 | 171,566 | 161,413 | 155,739 |
| Average net assets during period[7] | 158,507 | 164,170 | 171,188 | 168,319 | 157,849 |
| Net asset value per common share | 23.25 | 23.89 | 24.68 | 23.22 | 22.40 |
| Market value per common share | 21.57 | 21.43 | 22.56 | 21.84 | 20.33 |
| Shares outstanding (000 s) | 6,951 | 6,951 | 6,951 | 6,951 | 6,951 |

(1) Q1 is the period from December through February. Q2 is the period from March through May. Q3 is the period from June through August. Q4 is the period from September through November.
(2) Leverage costs include interest expense, interest rate swap expenses and other recurring leverage expenses.
(3) Net investment income (loss) on the Statement of Operations is adjusted as follows to reconcile to Distributable Cash Flow ( DCF ): increased by the return of capital on distributions, the value of paid-in-kind distributions and the change in methodology for calculating amortization of premiums or discounts; and decreased by realized and unrealized gains (losses) on interest rate swap settlements.
(4) Annualized.

(5) Computed by averaging month-end values within each period.
(6) Leverage consists of outstanding borrowings under the revolving credit facility.
(7) Computed by averaging daily net assets within each period.

## TYG Schedule of Investments (unaudited)

August 31, 2017

| | Shares | Fair Value |
|---|---|---|
| **Master Limited Partnerships 177.2%[1]** | | |
| **Crude Oil Pipelines 32.3%[1]** | | |
| **United States 32.3%[1]** | | |
| Andeavor Logistics LP | 2,697,314 | $ 134,191,371 |
| Enbridge Energy Partners, L.P. | 4,778,228 | 72,772,413 |
| Genesis Energy L.P. | 2,514,842 | 67,146,281 |
| Plains All American Pipeline, L.P. | 5,284,633 | 114,465,150 |
| Shell Midstream Partners, L.P. | 1,113,567 | 30,812,399 |
| | | 419,387,614 |
| **Natural Gas/Natural Gas Liquids Pipelines 56.4%[1]** | | |
| **United States 56.4%[1]** | | |
| Dominion Energy Midstream Partners, LP | 1,452,776 | 41,622,032 |
| Energy Transfer Partners, L.P.[2] | 11,786,063 | 224,053,058 |
| Enterprise Products Partners L.P. | 7,395,953 | 192,812,495 |
| EQT Midstream Partners, LP | 1,628,242 | 124,348,842 |
| Spectra Energy Partners, LP | 1,522,280 | 67,482,672 |
| Tallgrass Energy Partners, LP | 1,701,776 | 80,442,952 |
| | | 730,762,051 |
| **Natural Gas Gathering/Processing 46.7%[1]** | | |
| **United States 46.7%[1]** | | |
| Antero Midstream Partners LP | 1,660,647 | 56,080,049 |
| DCP Midstream, LP | 1,817,807 | 58,369,783 |
| EnLink Midstream Partners, LP | 4,587,525 | 74,455,531 |
| MPLX LP | 3,173,073 | 108,899,865 |
| Noble Midstream Partners LP | 418,670 | 20,167,334 |
| Rice Midstream Partners LP | 3,085,403 | 64,022,112 |
| Western Gas Partners, LP | 2,849,396 | 145,547,148 |
| Williams Partners L.P. | 1,966,643 | 77,485,734 |
| | | 605,027,556 |
| **Refined Product Pipelines 41.8%[1]** | | |
| **United States 41.8%[1]** | | |
| Buckeye Partners, L.P. | 2,647,499 | 151,410,468 |
| Holly Energy Partners, L.P. | 1,838,870 | 60,020,717 |
| Magellan Midstream Partners, L.P. | 2,839,689 | 191,366,642 |
| NuStar Energy L.P. | 1,365,641 | 55,294,804 |
| Phillips 66 Partners LP | 946,859 | 45,240,923 |
| Valero Energy Partners LP | 888,135 | 38,678,279 |
| | | 542,011,833 |
| Total Master Limited Partnerships (Cost $1,948,170,463) | | 2,297,189,054 |
| **Common Stock 6.7%[1]** | | |
| **Natural Gas/Natural Gas Liquids Pipelines 6.7%[1]** | | |
| **United States 6.7%[1]** | | |
| ONEOK, Inc. (Cost $83,118,316) | 1,593,526 | 86,305,368 |
| **Preferred Stock 2.9%[1]** | | |
| **Natural Gas Gathering/Processing 1.8%[1]** | | |
| **United States 1.8%[1]** | | |
| Targa Resources Corp., 9.500%[3][4] | 21,758 | 23,674,990 |
| **Oil and Gas Production 1.1%[1]** | | |
| **United States 1.1%[1]** | | |
| Anadarko Petroleum Corporation, 7.500%, 06/07/2018 | 392,800 | 14,533,600 |
| Total Preferred Stock | | |

| | | |
|---|---|---|
| (Cost $35,755,731) | | 38,208,590 |
| **Private Investment 1.0%[1]** | | |
| **Renewables 1.0%[1]** | | |
| **United States 1.0%[1]** | | |
| Tortoise HoldCo II, LLC[3][4] (Cost $12,928,743) | N/A | 12,928,743 |
| **Short-Term Investment 0.0%[1]** | | |
| **United States Investment Company 0.0%[1]** | | |
| Government & Agency Portfolio Institutional Class, 0.93%[5] (Cost $290,384) | 290,384 | 290,384 |
| **Total Investments 187.8%[1] (Cost $2,080,263,637)** | | 2,434,922,139 |
| **Interest Rate Swap Contracts (0.0)%[1]** | | |
| $15,000,000 notional net unrealized depreciation[6] | | (357,703) |
| **Other Assets and Liabilities (2.5)%[1]** | | (32,369,219) |
| **Deferred Tax Liability (31.3)%[1]** | | (405,413,519) |
| **Credit Facility Borrowings (9.5)%[1]** | | (122,500,000) |
| **Senior Notes (31.8)%[1]** | | (412,500,000) |
| **Mandatory Redeemable Preferred Stock at Liquidation Value (12.7)%[1]** | | (165,000,000) |
| **Total Net Assets Applicable to Common Stockholders 100.0%[1]** | | $ 1,296,781,698 |

(1) Calculated as a percentage of net assets applicable to common stockholders.
(2) A portion of the security is segregated as collateral for the unrealized depreciation of interest rate swap contracts of $357,703.
(3) Restricted securities have a total fair value of $36,603,733, which represents 2.8% of net assets. See Note 6 to the financial statements for further disclosure.
(4) Securities have been valued by using significant unobservable inputs in accordance with fair value procedures, as more fully described in Note 2 to the financial statements.
(5) Rate indicated is the current yield as of August 31, 2017.
(6) See Note 11 to the financial statements for further disclosure.

See accompanying Notes to Financial Statements.

**NTG Schedule of Investments** (unaudited)
August 31, 2017

| | Shares | Fair Value |
|---|---|---|
| **Master Limited Partnerships 162.7%[1]** | | |
| **Crude Oil Pipelines 29.5%[1]** | | |
| **United States 29.5%[1]** | | |
| Andeavor Logistics LP | 1,450,409 | $ 72,157,848 |
| Enbridge Energy Partners, L.P. | 2,771,842 | 42,215,154 |
| Genesis Energy L.P. | 1,442,424 | 38,512,721 |
| Plains All American Pipeline, L.P. | 3,387,097 | 73,364,521 |
| Shell Midstream Partners, L.P. | 600,405 | 16,613,206 |
| | | 242,863,450 |
| **Natural Gas/Natural Gas Liquids Pipelines 55.2%[1]** | | |
| **United States 55.2%[1]** | | |
| Dominion Energy Midstream Partners, LP | 1,202,231 | 34,443,918 |
| Energy Transfer Partners, L.P. | 7,068,994 | 134,381,576 |
| Enterprise Products Partners L.P. | 4,800,215 | 125,141,605 |
| EQT Midstream Partners, LP | 911,273 | 69,593,919 |
| Spectra Energy Partners, LP | 834,847 | 37,008,768 |
| Tallgrass Energy Partners, LP | 1,135,235 | 53,662,559 |
| | | 454,232,345 |
| **Natural Gas Gathering/Processing 49.5%[1]** | | |
| **United States 49.5%[1]** | | |
| Antero Midstream Partners LP | 725,846 | 24,511,819 |
| DCP Midstream, LP | 1,641,517 | 52,709,111 |
| EnLink Midstream Partners, LP | 3,383,588 | 54,915,633 |
| MPLX LP | 1,978,380 | 67,898,002 |
| Noble Midstream Partners LP | 245,420 | 11,821,881 |
| Rice Midstream Partners LP | 1,869,108 | 38,783,991 |
| Western Gas Partners, LP | 1,671,813 | 85,396,208 |
| Williams Partners L.P. | 1,828,781 | 72,053,971 |
| | | 408,090,616 |
| **Refined Product Pipelines 28.5%[1]** | | |
| **United States 28.5%[1]** | | |
| Buckeye Partners, L.P. | 1,544,576 | 88,334,301 |
| Holly Energy Partners, L.P. | 1,010,104 | 32,969,795 |
| Magellan Midstream Partners, L.P. | 869,301 | 58,582,194 |
| Nustar Energy L.P. | 793,760 | 32,139,342 |
| Phillips 66 Partners LP | 310,784 | 14,849,260 |
| Valero Energy Partners LP | 187,891 | 8,182,653 |
| | | 235,057,545 |
| Total Master Limited Partnerships (Cost $1,234,258,640) | | 1,340,243,956 |
| **Common Stock 7.2%[1]** | | |
| **Natural Gas/Natural Gas Liquids Pipelines 7.2%[1]** | | |
| **United States 7.2%[1]** | | |
| ONEOK, Inc. (Cost $56,872,760) | 1,090,352 | 59,053,464 |
| **Preferred Stock 2.5%[1]** | | |
| **Natural Gas Gathering/Processing 1.6%[1]** | | |
| **United States 1.6%[1]** | | |
| Targa Resources Corp., 9.500%[2][3] | 12,252 | 13,331,464 |
| **Oil and Gas Production 0.9%[1]** | | |
| **United States 0.9%[1]** | | |
| Anadarko Petroleum Corporation, 7.500%, 06/07/2018 | 199,500 | 7,381,500 |

| | | | |
|---|---|---|---|
| Total Preferred Stock<br>(Cost $19,223,537) | | | 20,712,964 |
| **Short-Term Investment 0.0%(1)** | | | |
| **United States Investment Company 0.0%(1)** | | | |
| Government & Agency Portfolio Institutional Class,<br>0.93%(4) (Cost $138,513) | | 138,513 | 138,513 |
| **Total Investments 172.4%(1)**<br>**(Cost $1,310,493,450)** | | | 1,420,148,897 |
| **Other Assets and Liabilities (0.7)%(1)** | | | (5,932,493) |
| **Deferred Tax Liability (18.3)%(1)** | | | (151,028,686) |
| **Credit Facility Borrowings (5.5)%(1)** | | | (45,300,000) |
| **Senior Notes (34.5)%(1)** | | | (284,000,000) |
| **Mandatory Redeemable Preferred Stock**<br>**at Liquidation Value (13.4)%(1)** | | | (110,000,000) |
| **Total Net Assets Applicable to**<br>**Common Stockholders 100.0%(1)** | | | $ 823,887,718 |

(1) Calculated as a percentage of net assets applicable to common stockholders.
(2) Restricted securities have a total fair value of $13,331,464, which represents 1.6% of net assets. See Note 6 to the financial statements for further disclosure.
(3) Securities have been valued by using significant unobservable inputs in accordance with fair value procedures, as more fully described in Note 2 to the financial statements.
(4) Rate indicated is the current yield as of August 31, 2017.
See accompanying Notes to Financial Statements.

## TTP Schedule of Investments (unaudited)

August 31, 2017

| | Shares | Fair Value |
|---|---|---|
| **Common Stock 92.0%[1]** | | |
| **Crude Oil Pipelines 35.0%[1]** | | |
| **Canada 21.2%[1]** | | |
| Gibson Energy Inc | 85,269 | $ 1,192,230 |
| Enbridge Inc. | 613,931 | 24,551,101 |
| Inter Pipeline Ltd. | 502,133 | 9,196,222 |
| Pembina Pipeline Corporation | 226,342 | 7,295,508 |
| **United States 13.8%[1]** | | |
| Plains GP Holdings, L.P. | 913,432 | 20,533,951 |
| SemGroup Corporation | 273,746 | 7,035,272 |
| | | 69,804,284 |
| **Natural Gas Gathering/Processing 15.4%[1]** | | |
| **United States 15.4%[1]** | | |
| EnLink Midstream, LLC | 530,288 | 9,041,410 |
| Targa Resources Corp. | 263,924 | 11,763,093 |
| The Williams Companies, Inc. | 333,567 | 9,916,947 |
| | | 30,721,450 |
| **Natural Gas/Natural Gas Liquids Pipelines 25.1%[1]** | | |
| **Canada 12.0%[1]** | | |
| Keyera Corp. | 58,564 | 1,699,587 |
| TransCanada Corporation | 439,087 | 22,305,620 |
| **United States 13.1%[1]** | | |
| ONEOK, Inc. | 335,302 | 18,159,956 |
| Tallgrass Energy GP, LP | 297,750 | 8,003,520 |
| | | 50,168,683 |
| **Oil and Gas Production 11.5%[1]** | | |
| **United States 11.5%[1]** | | |
| Anadarko Petroleum Corporation[2] | 9,400 | 384,742 |
| Antero Resources Corporation[2][3] | 35,700 | 702,933 |
| Cabot Oil & Gas Corporation[2] | 112,800 | 2,882,040 |
| Carrizo Oil & Gas, Inc.[2][3] | 36,600 | 491,904 |
| Cimarex Energy Co.[2] | 16,100 | 1,605,009 |
| Concho Resources Inc.[2][3] | 24,400 | 2,707,668 |
| Continental Resources, Inc.[2][3] | 24,300 | 824,256 |
| Diamondback Energy, Inc.[2][3] | 9,700 | 880,663 |
| EOG Resources, Inc.[2] | 52,300 | 4,444,977 |
| EQT Corporation[2] | 8,000 | 498,720 |
| Gulfport Energy Corporation[2][3] | 30,200 | 378,406 |
| Hess Corporation[2] | 7,400 | 287,860 |
| Laredo Petroleum, Inc.[2][3] | 50,800 | 630,936 |
| Newfield Exploration Company[2][3] | 27,200 | 710,736 |
| Noble Energy, Inc.[2] | 36,300 | 862,851 |
| Occidental Petroleum Corporation[2] | 7,200 | 429,840 |
| PDC Energy, Inc.[2][3] | 6,246 | 245,655 |
| Pioneer Natural Resources Company[2] | 21,100 | 2,735,615 |
| Range Resources Corporation[2] | 31,800 | 552,048 |
| RSP Permian, Inc.[2][3] | 23,100 | 724,878 |
| | | 22,981,737 |
| **Refined Product Pipelines 5.0%[1]** | | |
| **United States 5.0%[1]** | | |
| VTTI Energy Partners LP | 509,553 | 9,885,328 |
| Total Common Stock<br>(Cost $201,861,611) | | 183,561,482 |
| **Master Limited Partnerships and Related Companies 37.8%[1]** | | |
| **Crude Oil Pipelines 8.1%[1]** | | |

| | | |
|---|---|---|
| **United States 8.1%**(1) | | |
| Andeavor Logistics LP | 36,548 | 1,818,263 |
| Enbridge Energy Management, L.L.C.(4) | 777,698 | 11,206,630 |
| Genesis Energy L.P. | 76,499 | 2,042,523 |
| Plains All American Pipeline, L.P. | 6,525 | 141,332 |
| Shell Midstream Partners, L.P. | 34,724 | 960,813 |
| | | 16,169,561 |
| **Natural Gas/Natural Gas Liquids Pipelines 10.5%**(1) | | |
| **United States 10.5%**(1) | | |
| Energy Transfer Equity, L.P. | 43,645 | 758,114 |
| Energy Transfer Partners, L.P. | 655,206 | 12,455,466 |
| Enterprise Products Partners L.P. | 174,456 | 4,548,068 |
| EQT Midstream Partners, LP | 20,323 | 1,552,068 |
| Tallgrass Energy Partners, LP | 35,125 | 1,660,359 |
| | | 20,974,075 |
| **Natural Gas Gathering/Processing 10.1%**(1) | | |
| **United States 10.1%**(1) | | |
| DCP Midstream, LP | 58,115 | 1,866,073 |
| EnLink Midstream Partners, LP | 69,184 | 1,122,856 |
| MPLX LP | 245,647 | 8,430,605 |
| Noble Midstream Partners LP | 24,185 | 1,164,992 |
| Rice Midstream Partners LP | 182,372 | 3,784,219 |
| Western Gas Partners, LP | 50,531 | 2,581,123 |
| Williams Partners L.P. | 29,581 | 1,165,491 |
| | | 20,115,359 |
| **Refined Product Pipelines 9.1%**(1) | | |
| **United States 9.1%**(1) | | |
| Buckeye Partners, L.P. | 71,433 | 4,085,253 |
| Holly Energy Partners, L.P. | 96,994 | 3,165,884 |
| Magellan Midstream Partners, L.P. | 35,211 | 2,372,869 |
| NuStar Energy L.P. | 133,420 | 5,402,176 |
| Phillips 66 Partners LP | 36,049 | 1,722,421 |
| Valero Energy Partners LP | 31,129 | 1,355,668 |
| | | 18,104,271 |
| Total Master Limited Partnerships and Related Companies (Cost $78,155,047) | | 75,363,266 |

See accompanying Notes to Financial Statements.

**TTP Schedule of Investments** (unaudited) (continued)

August 31, 2017

| | Shares | Fair Value |
|---|---|---|
| **Preferred Stock 3.4%[1]** | | |
| **Natural Gas Gathering/Processing 1.2%[1]** | | |
| **United States 1.2%[1]** | | |
| Targa Resources Corp., 9.500%[5][6] | 2,108 | $ 2,293,725 |
| **Oil and Gas Production 2.2%[1]** | | |
| **United States 2.2%[1]** | | |
| Anadarko Petroleum Corporation, 7.500%, 06/07/2018 | 39,500 | 1,461,500 |
| Hess Corporation, 8.000%, 02/01/2019 | 60,000 | 2,997,000 |
| | | 4,458,500 |
| Total Preferred Stock (Cost $7,040,512) | | 6,752,225 |
| **Short-Term Investment 0.0%[1]** | | |
| **United States Investment Company 0.0%[1]** | | |
| Government & Agency Portfolio Institutional Class, 0.93%[7] (Cost $135,898) | 135,898 | 135,898 |
| **Total Investments 133.2%[1] (Cost $287,193,068)** | | 265,812,871 |
| **Total Value of Options Written (Premiums received $338,186) (0.1)%[1]** | | (238,266) |
| **Other Assets and Liabilities 1.0%[1]** | | 1,928,760 |
| **Credit Facility Borrowings (9.0)%[1]** | | (18,000,000) |