UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **March 1, 2022**

NuStar Energy L.P.
(Exact name of registrant as specified in its charter)

Delaware	**001-16417**	**74-2956831**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

19003 IH-10 West
San Antonio, Texas 78257
(Address of principal executive offices)
(210) 918-2000
(Registrant's telephone number, including area code)
Not applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:
☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common units	NS	New York Stock Exchange
Series A Fixed-to-Floating Rate Cumulative Redeemable Perpetual Preferred Units	NSprA	New York Stock Exchange
Series B Fixed-to-Floating Rate Cumulative Redeemable Perpetual Preferred Units	NSprB	New York Stock Exchange
Series C Fixed-to-Floating Rate Cumulative Redeemable Perpetual Preferred Units	NSprC	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 7.01 Regulation FD Disclosure.

Senior management of NuStar Energy L.P. is participating in virtual meetings with members of the investment community at the Barclays Select Series: Midstream & Clean Infrastructure Corporate Access Days on Tuesday, March 1, 2022 and Wednesday, March 2, 2022. The slides attached to this report were prepared in connection with, and are being used during, the meetings. The slides are included in Exhibit 99.1 to this report and are incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) **Exhibits.**

Exhibit Number	EXHIBIT
Exhibit 99.1	Slides to be used on March 1, 2022 and March 2, 2022.
Exhibit 104	Cover Page Interactive Data File – the cover page XBRL tags are embedded within the Inline XBRL document

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NUSTAR ENERGY L.P.

By: Riverwalk Logistics, L.P.
its general partner

By: NuStar GP, LLC
its general partner

Date: March 1, 2022

By: /s/ Amy L. Perry
Name: Amy L. Perry
Title: Executive Vice President-Strategic Development and General Counsel

2022 Barclays

Midstream & Clean Infrastructure Corporate Access Days

March 1-2, 2022

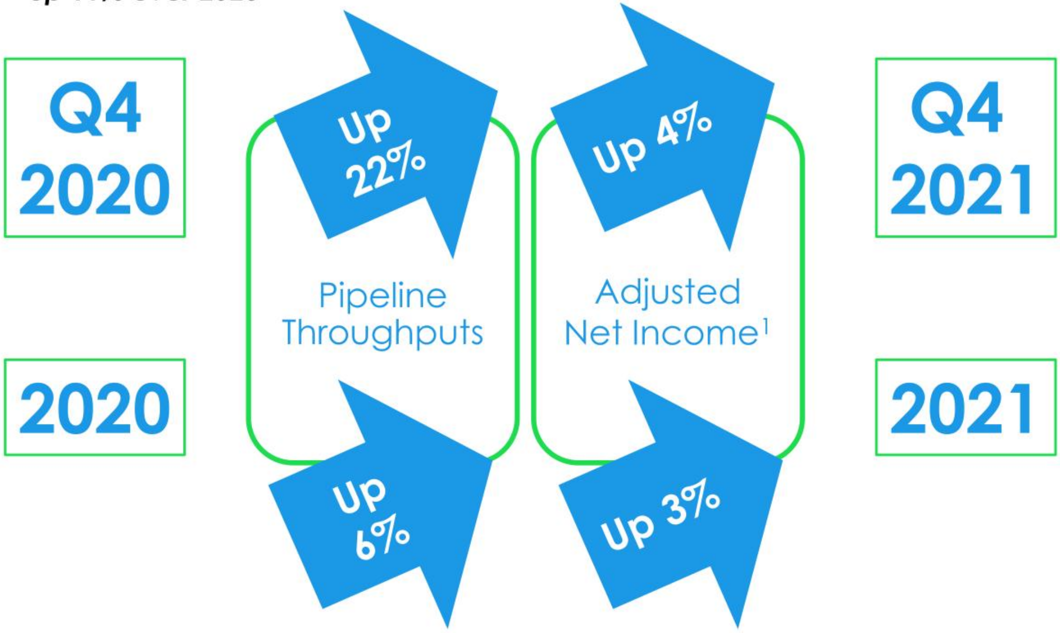
Forward-Looking Statements

Statements contained in this presentation other than statements of historical fact are forward-looking statements. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results will likely vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance presented or suggested in this presentation. These forward-looking statements can generally be identified by the words "anticipates," "believes," "expects," "plans," "intends," "estimates," "forecasts," "budgets," "projects," "could," "should," "may" and similar expressions. These statements reflect our current views with regard to future events and are subject to various risks, uncertainties and assumptions.

We undertake no duty to update any forward-looking statement to conform the statement to actual results or changes in the company's expectations. For more information concerning factors that could cause actual results to differ from those expressed or forecasted, see NuStar Energy L.P.'s annual report on Form 10-K and quarterly reports on Form 10-Q, filed with the SEC and available on NuStar's website at www.nustarenergy.com. We use financial measures in this presentation that are not calculated in accordance with generally accepted accounting principles ("non-GAAP") and our reconciliations of non-GAAP financial measures to GAAP financial measures are located in the appendix to this presentation. These non-GAAP financial measures should not be considered an alternative to GAAP financial measures.

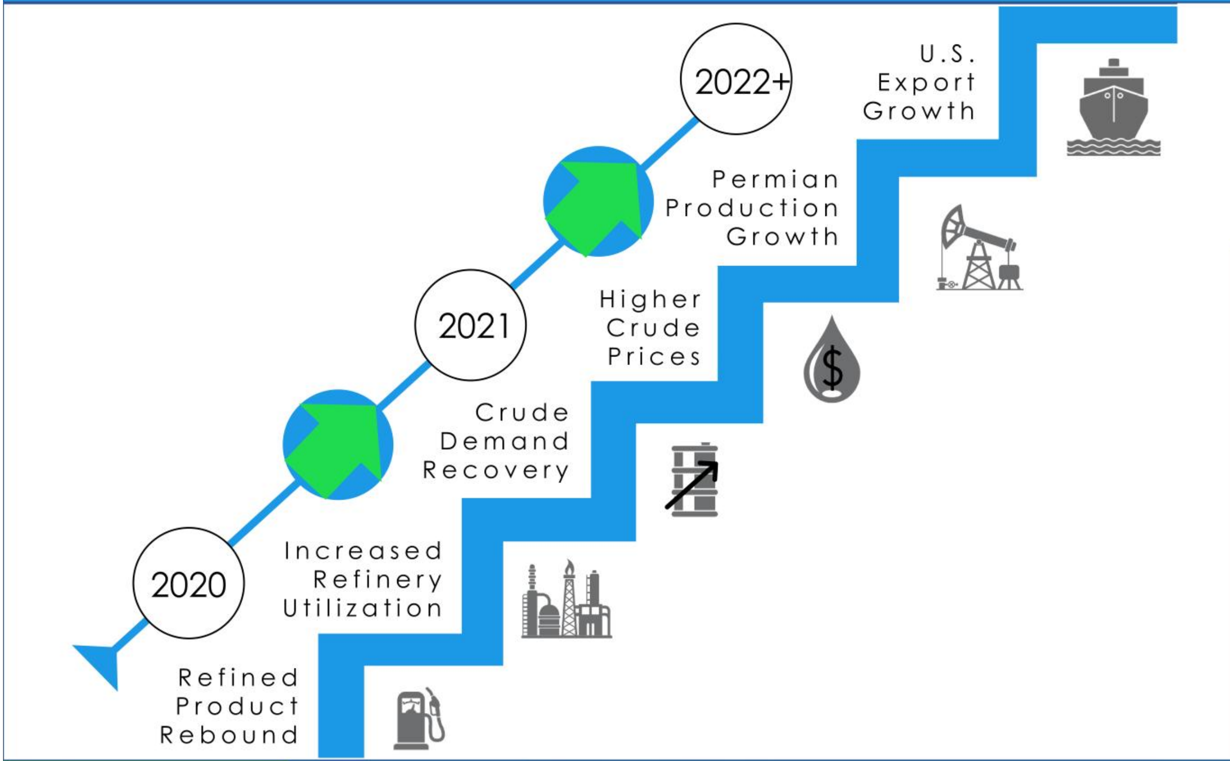
Our Solid Fourth Quarter and Full Year 2021 Results Once Again Demonstrated the Strength and Resilience of Our Business

- We delivered on our promise to fund our spending with internally generated cash flows, ***funding 112% of our strategic capital from excess adjusted DCF[1] in 2021, up 11% over 2020***



1 - Please see Appendix for reconciliations of non-GAAP financial measures to their most directly comparable GAAP measures

We were Pleased with 2021's Global Economic Recovery AND are Encouraged with the Outlook for 2022



We Performed Well in 2021, but We Expect an Even Stronger 2022

★ We expect 2022 adjusted EBITDA to **exceed 2021 adjusted EBITDA by ~6%***, excluding divested assets, based on the midpoint of our guidance

Working for an Even Stronger 2022

Improving:
Adjusted EBITDA to $700-750MM*

Improving:
Debt-to-EBITDA Ratio
(Below 2021)

Improving:
% of 2022 **Spending Funded** From Internally Generated Cash Flows
(Over 2021)

* - Please see Appendix for reconciliations of non-GAAP financial measures to their most directly comparable GAAP measures.

We Divested Non-strategic Assets in 2020 and 2021, and We Expect to Close Our Recently Announced Sale of the Point Tupper Facility in 1H 2022

★ In 2020 and 2021, we divested of non-core assets at an attractive multiple for a total of $356 million in proceeds

Q4 2020 Texas City Terminal + Q4 2021 Eastern U.S. Terminals = $356MM Total Proceeds

★ We expect to close on the sale of our Point Tupper terminal for $60 million in the first half of 2022

1H 2022 Point Tupper Terminal = $60MM Total Proceeds

We are Continuing to Work to Lower Our Debt-to-EBITDA Ratio and Strengthen Our Balance Sheet

Improving Debt-to-EBITDA

4Q20 Actual	4Q21 Actual	2022 Outlook
4.24x[1]	3.99x[1]	Below 4Q21

- We have deployed proceeds from our assets sales to reduce debt, and our Debt-to-EBITDA ratio for year-end 2021 was below 4.0x
- We plan to deploy the proceeds of the Point Tupper sale to further improve our debt metric
- We are continuing to focus on reducing our leverage this year, and we expect to finish 2022 with our debt metric improved from year-end 2021

1 - Please see Appendix for reconciliations of non-GAAP financial measures to their most directly comparable GAAP measures

This Year, We are Focusing 100% of Our Resources on Our Core Strategic Asset Footprint

Renewable Fuels

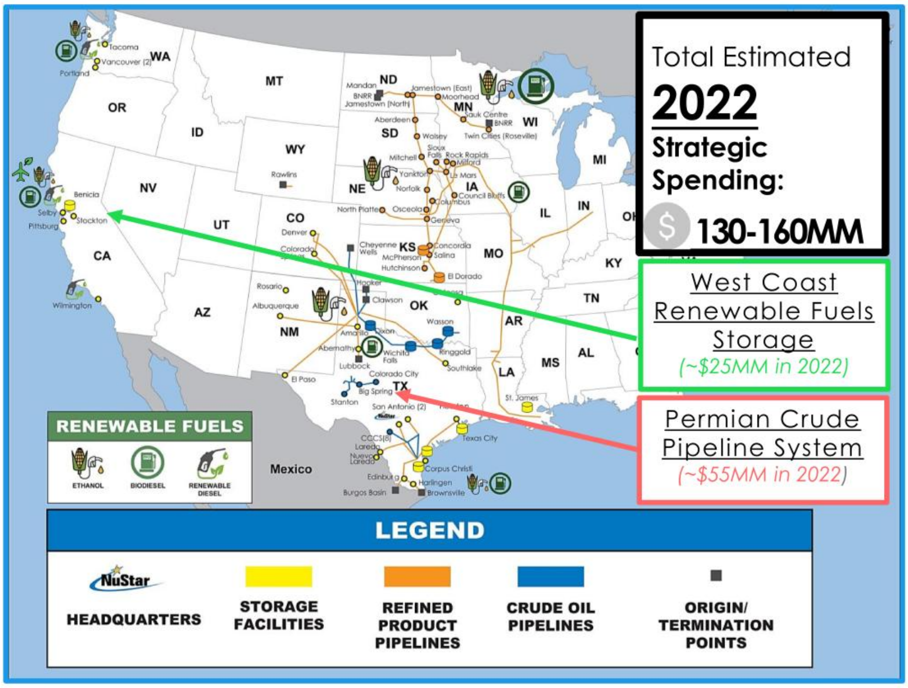
- ***Established:***
  - West Coast Network
  - Ethanol & bio-diesel blending
- ***Developing:***
  - Ammonia System

Refined Products

- Midcontinent
- Colorado/NM/Texas
- Northern Mexico

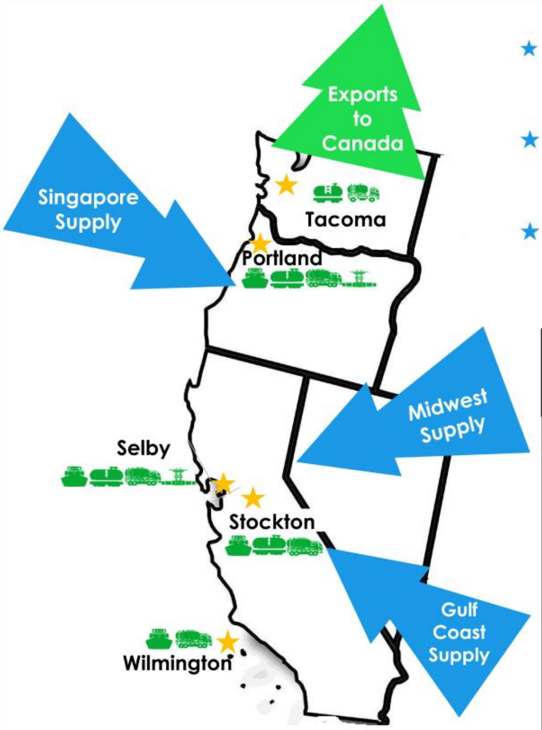
Crude Supply/Export

- Permian Crude System
- Corpus Christi Crude System
- St. James Terminal



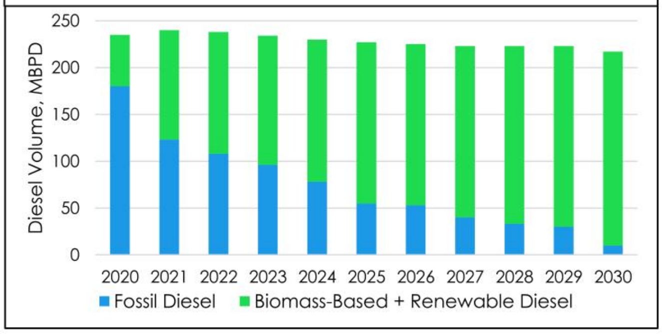
Renewable Fuels

Carbon Emissions Reduction Goals Generate Growing Demand, Which Offer Realizable Opportunities for Well-positioned Midstream Logistics, Like NuStar's



- Regulatory priorities on the West Coast and in Canada continue to dramatically increase demand for renewable fuels in the region
- At the same time, obtaining permits for greenfield projects is difficult, which increases the value of existing assets
- Our West Coast terminals have the access and optionality to receive and distribute renewable fuels across the West Coast

California's Transportation Fuel Supply With Low-Carbon Fuel Standard Compliance From Petroleum Diesel Alternatives



Source: IHS Markit 2021

We Have Captured a Significant (and Still Growing) Proportion of the Region's Renewable Fuels Supply…

NuStar's Proportionate Share of California's Renewable Fuels Market (Through 3Q 2021 Total Volume[1])

6%	17%	25%	52%

BIODIESEL	ETHANOL	RENEWABLE DIESEL	SUSTAINABLE AVIATION FUEL

- ★ We expect our market share to increase in 2022, along with associated EBITDA, as we complete additional projects presently in planning or under construction
  - We intend to convert remaining tankage to renewable fuels as the market demands
- ★ Our facilities are positioned to benefit from new production and conversion projects for renewable diesel, sustainable aviation fuel (SAF), ethanol and other renewable fuels across the region

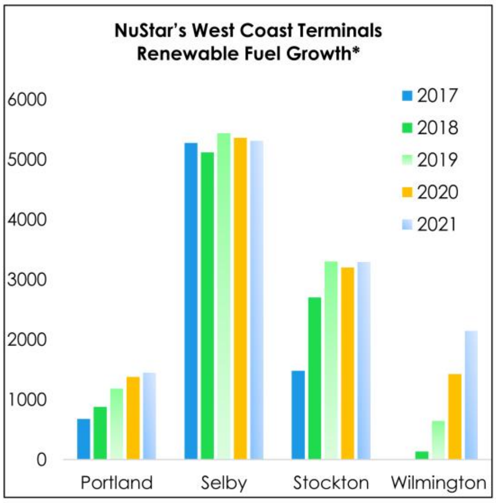
Source: California Air Resource Board (CARB)
1 – Most recent available data

Renewable Fuels

… And We are Partnering With Key Customers to Develop Our Renewable Fuels Network, as LCFS Mandates Expand to Additional Markets

- ★ We have established ourselves as an early mover in the renewable fuels transportation market by developing and completing a number of renewable fuels projects
- ★ These projects, in partnership with our customers on the West Coast, have allowed NuStar to capture market share and build on relationships with key global producers
  - Our facilities are positioned to benefit from new production and conversion supply projects for renewable diesel, sustainable aviation fuel (SAF), ethanol and other renewable fuels as the renewable fuels market continues to grow

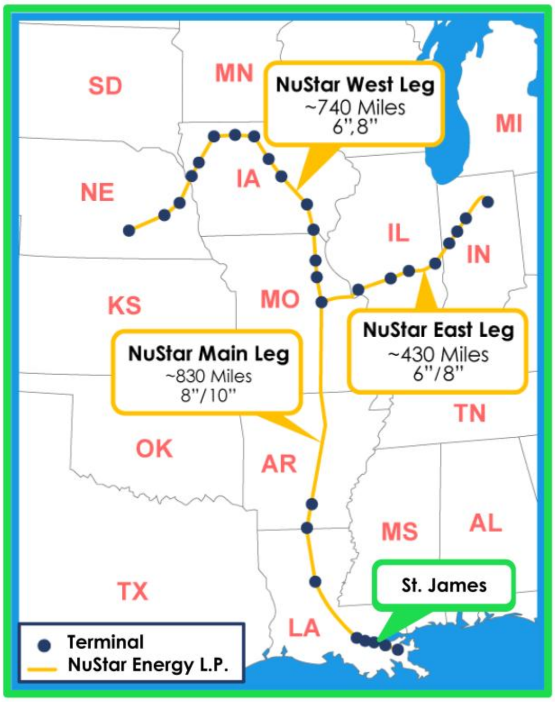
		Complete
Portland	Convert 36,000 bbls to **biodiesel**	✓
	Convert 57,000 bbls to **renewable diesel**	✓
Selby	Construct truck-loading for **renewable diesel**	✓
	Multimodal shipment of **SAF**	✓
	Convert 208,000 to **SAF**	✓
	Modify rail to handle **renewable feedstock** offloading	✓
Stockton	Convert 30,000 bbls to **biodiesel**	✓
	Convert 73,000 bbls to **renewable diesel** and expand **renewable diesel** handling to all 15 rail spots	✓
	Convert 151,000 bbls to **renewable diesel**	2Q22 Est.
	Connect to **ethanol** unit train offload facility	2Q22 Est.
Wilmington	Convert 160,000 bbls to **renewable diesel**	✓
	Reconfigure dock for enhanced marine capability	1H25 Est.



* Includes biodiesel, ethanol, renewable diesel and SAF

Beyond the West Coast, We are Developing Near- and Long-term Opportunities for Our Ammonia System, Both Renewable and Conventional

- Our Ammonia Pipeline is the longest and only ammonia pipeline in the country, spanning over 2,000 miles and seven states, from Louisiana, north along the Mississippi to Missouri, and then northwest and east, to Nebraska and Indiana
- Today, we provide the lowest-cost option for transporting imported and domestically produced ammonia to fertilize crops in our nation's "breadbasket"
- We have capacity available to transport additional volumes, including "blue" or "green" ammonia
  - Currently running ~30 MBPD (~3,500 STPD[1]), but have capacity close to ~50 MBPD (~5,500 STPD)



1 – short tons per day

Ammonia, the World's Second-most Widely Used Chemical, Offers Significant "Greening" Opportunities

- Ammonia is the basic building block for ammonium nitrate fertilizer, which releases nitrogen, an essential nutrient for growing plants
  - About 90% of the 200 million tons of ammonia (worth about $60 billion in the aggregate) produced each year is used for fertilizer
  - About ½ of the world's food production relies on ammonia
- Traditional fossil-fuel ammonia production is estimated to contribute about 1.6% of global GHG emissions, which has driven interest in its de-carbonization
  - "Blue" ammonia is produced with natural gas, but the associated emissions are captured and stored
  - "Green" ammonia is produced using "renewable" electricity to power an electrolyser to extract hydrogen from water and an air separation unit to extract nitrogen from air, which are then combined, through a chemical reaction powered by renewable electricity, to produce ammonia
- In addition, "blue" and "green" ammonia have potential for use as lower-carbon alternative fuels: for engines/turbines to generate electricity, in alkaline fuel cells, as an up-to-70% blend ICE vehicles and for the maritime industry
- Ammonia can also be a lower-cost option for transporting hydrogen, which can be used for fuel cells or other applications, but ammonia is easier to transport and store than hydrogen as it doesn't require cryogenic or high-pressure storage and can be relatively easily cracked to convert it to hydrogen

50%
of World's Food Production Relies on NH_3

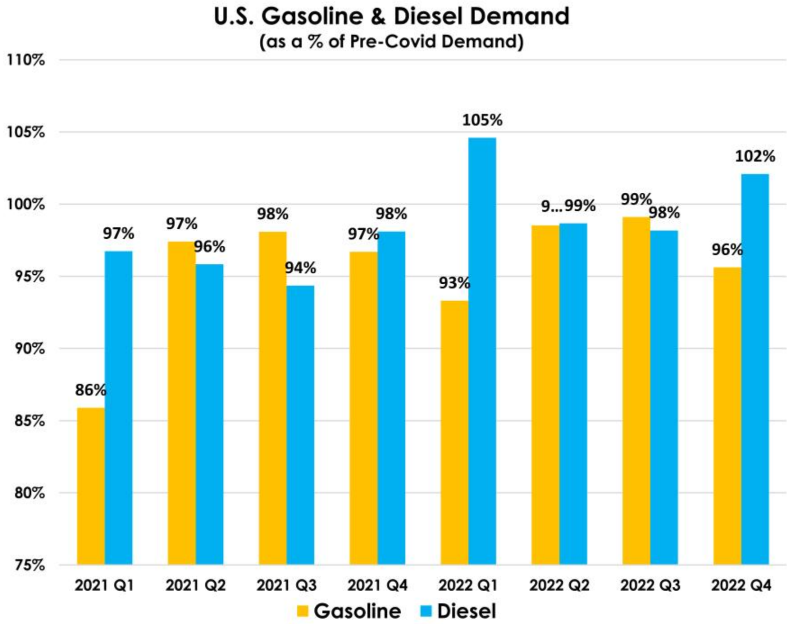
NH_3 Gas Turbine

70% NH_3-fueled Car

NH_3 Fuel-cell Ship

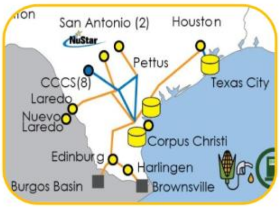
U.S. Gasoline and Diesel Demand was Strong Through 2021, and 2022 is Expected to be Even Stronger

- Gasoline demand in the United States recovered throughout 2021 and is on track to remain near pre-Covid levels in 2022
- Diesel demand is expected to exceed pre-Covid levels starting in the first quarter of 2022 and stay on track through the remainder of the year



Source: ESAI

NuStar's Refined Products Systems Serve Key Markets Across the Midcontinent and Texas…



Midcontinent Systems-

- ★ CENTRAL EAST: A 2,500-mile pipeline system with multiple delivery options
  - *East Pipeline* – This system serves important markets across the Midwest/West, with flexible refined product supply from refineries in McPherson, Kansas, El Dorado, Kansas and Ponca City, Oklahoma
  - *North Pipeline* – System flows from North Dakota to the Twin Cities, serving both rural markets and large cities with refined product supply from Mandan, North Dakota refinery
- ★ CENTRAL WEST: Comprised of over 2,200 miles of pipeline with structural exclusivity, serving markets in Texas and nearby states supplied from the McKee, Texas refinery

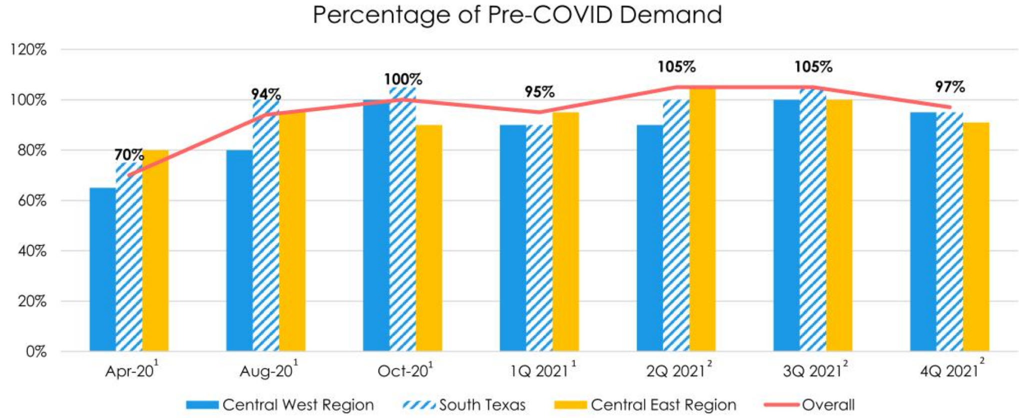
South Texas Systems-

- ★ Around 700 miles of pipeline with structural exclusivity, primarily serving markets in Texas and northern Mexico supplied from refineries located in Corpus Christi and Three Rivers, Texas

Refined Products

... And Our Markets Have Proven Resilient (and are Expected to Continue to See Strong, Consistent Demand)

Total Refined Products



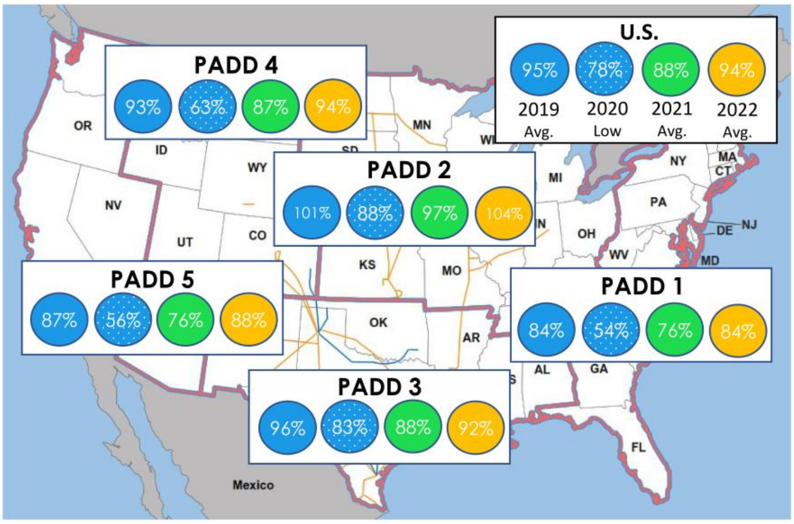
- Our resilient asset base recovered quickly from April 2020's pandemic low
- Our refined product throughputs are up **9%**[1] over 4Q 2020
- Full-year 2021 refined product throughputs were approximately **105%**[2] of our full-year 2019 (pre-Covid) levels

1 – Comparison of year-over-year demand; applicable periods adjusted for Northern Mexico projects for a comparable presentation; includes on-road product demand in our storage system
2 – Comparison of 2019 versus 2021; adjusted for Northern Mexico projects; includes on-road product demand in our storage system

Refined Products | Crude Supply/Export

U.S. Refinery Utilization has Risen Along With Rebounding Product Demand

U.S. Refinery Utilization (by PADD, 2019-2022)

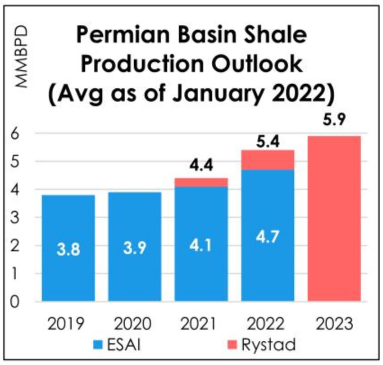


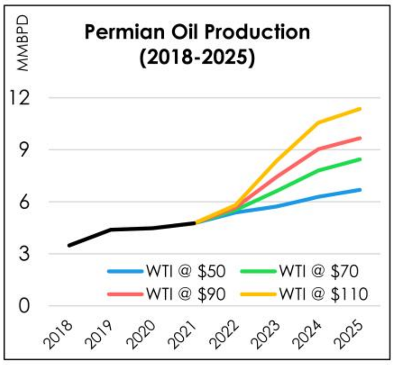
- ★ At the end of 2021, U.S. refinery utilization reached 88% and is currently expected to average 94% in 2022, which is in line with pre-pandemic levels
- ★ USGC refiners' location is expected to continue to provide several advantages, relative to other U.S. regions:
  - Better access to lower-priced natural gas, which should mitigate seasonal volatility
  - Capacity to upgrade heavy fuel oil
  - Better access to export markets for refined products

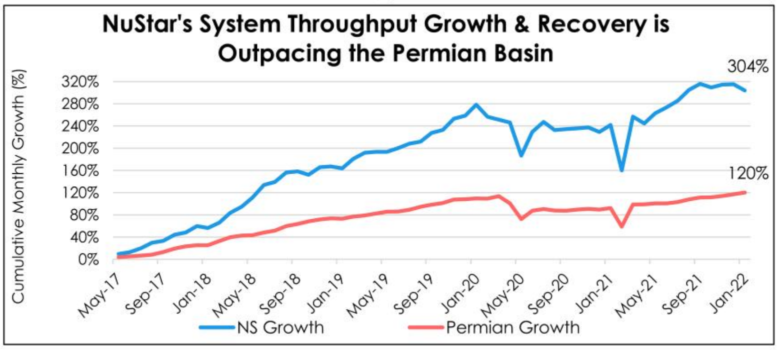
Source: ESAI

The Permian Basin is Leading U.S. Shale Rebound, With Our Permian System Continuing to Outperform

- Because of its superior geology and low breakeven costs, the Permian Basin's shale production:
  - Exited 2021 at 4.6 MMBPD, representing approximately 58% of the nation's total shale output
  - Projected to exit 2022 at 4.9 MMBPD, representing 6% growth compared to 2021 exit
- As of January, our system's throughput volumes are now up 41% above Covid lows, while the rest of the Permian is up 28% from Covid lows
- We exited 2021 at approximately 520 MBPD (above our guidance of 514 MBPD) and expect to exit 2022 between 560 and 570 MBPD



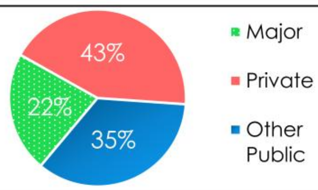




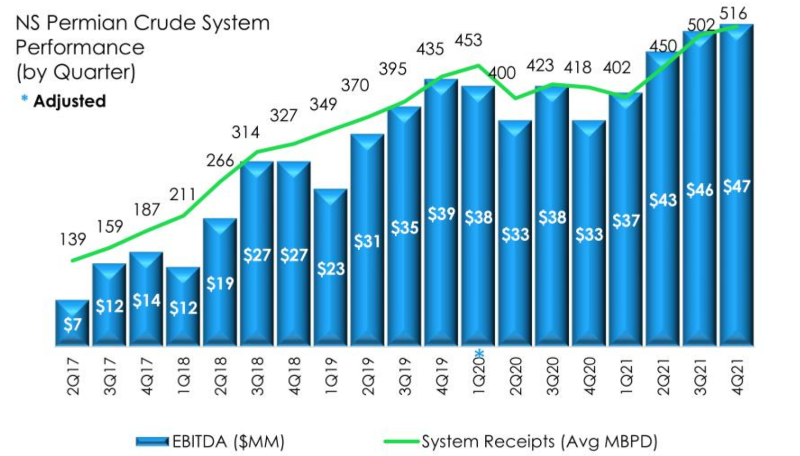
Our "Core of the Core" Location has Attracted Top-Tier Customers Whose Activity is Supporting Steady Growth

- ★ The quality of geological formations underlying our system attracts the strongest customers
  - ~72% of our system's revenue is generated from investment-grade (IG) rated and Non-IG BB-rated entities[1]
- ★ We averaged 516 MBPD in 4Q21 (our best quarter since we acquired the system in 2017) and exited 2021 at approximately 520 MBPD
- ★ Our producers have averaged around 20-25 rigs throughout 2021 and have around 20% of the total Permian drilled-uncompleted (DUCs) wells on the system, which provide an important platform for growth

NS System Producer-type[2] (% Average Daily Volume)



Producer Average Cost of Debt, Weighted by Acreage: 4.6%[3]



1 – For the year ended December 31, 2021
2 – For the month ended December 31, 2021
3 – As of February 23, 2022

Crude Supply/Export

Producers in the Basin Are Once Again Bullish on Permian Growth, Strength & Resiliency

ExxonMobil

"So we grew our Permian production from 2020 to 2021 by over 25%. Our expectation as we go into 2022 is to grow another 25%. And that's doing that with a very tight control on capital."

COTERRA

"We expect liquids to account for 47% of our revenue mix, up from 40% in 2021. **We plan to accomplish this by weighing more capital to our oil and liquids-rich areas, with 49% in the Permian**, 7% in the Anadarko, and 44% in Marcellus." "**In the Permian, we expect to run six rigs and two completion crews during 2022. This is a modest increase in activity** coupled with a 7% increase in dollars per foot to $865 per foot at the midpoint."

Chevron

"I think 2022 Permian production will be a little bit better than we showed at our Investor Day last March and, roughly speaking, **up around maybe 10% compared to full year average in 2021." "… we're going to see a 50% increase in wells put on production in 2022 versus 2021."**

ConocoPhillips

"**We talked in our 10-year plan of a growth rate for our Permian in the high-single digits.**" **"You've seen our operated production grow more than 35% in the Permian** since we did the Shell deal and other things."

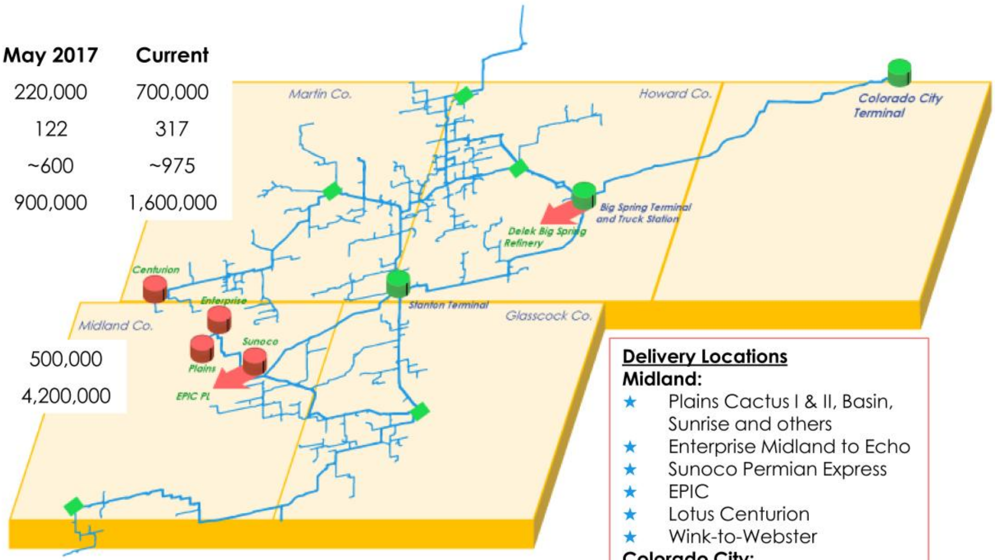
Source: 4Q 2021 Earnings Call Transcripts

Crude Supply/Export

Since Completing Our Mainline in 2019, We are now Investing in Pace With Our Producers' Growth

	May 2017	Current
System Capacity	220,000	700,000
Receipt Points	122	317
Pipeline Miles	~600	~975
Storage (bbls)	900,000	1,600,000

Dedicated Acres	500,000
AMI	4,200,000



Third-Party Connections

NuStar Terminals

NuStar Truck Unloading Facilities

Delivery Locations

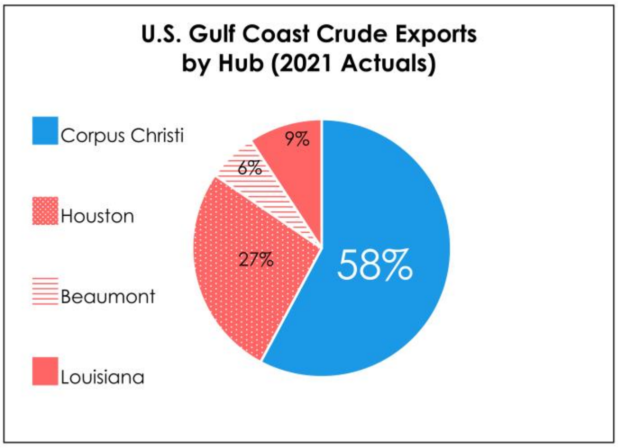
Midland:
- Plains Cactus I & II, Basin, Sunrise and others
- Enterprise Midland to Echo
- Sunoco Permian Express
- EPIC
- Lotus Centurion
- Wink-to-Webster

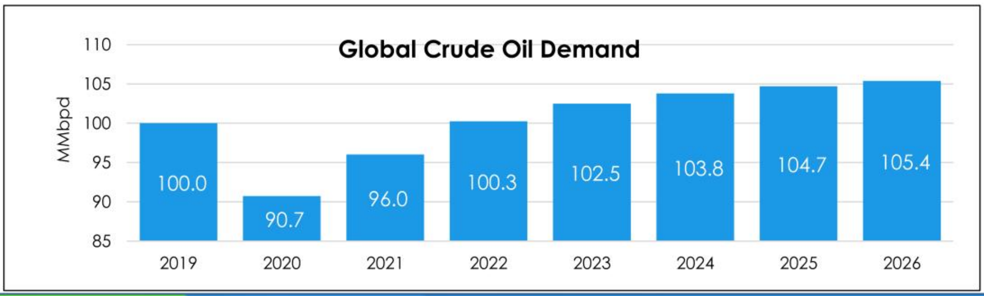
Colorado City:
- Sunoco WTG, Permian Express
- Bridgetex
- Plains Basin
- Sunrise II

Other:
- Delek Big Spring Refinery

As Global Demand Recovers in 2022, Corpus Christi is the Hub Best Positioned to Benefit From Future Growth

- Corpus Christi remained the dominant Gulf Coast crude exports hub across 2020 and 2021, capturing 58% of the U.S. Gulf Coast's total export volumes
- With global demand recovering in 2022, U.S. Gulf Coast exports are also expected rebound to pre-pandemic levels in the second half of 2022
- The Port of Corpus Christi's expansion project is augmenting Corpus Christi's position as the U.S.'s primary crude oil export hub as the first stages of that project are completed in 2023





Source: RBN Energy, ESAI

Crude Supply/Export

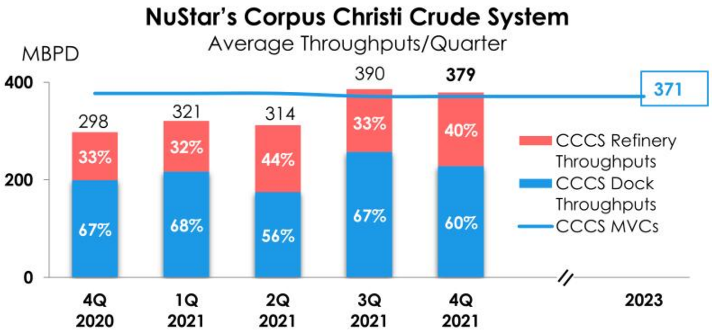
Our Corpus Christi Crude System's MVCs- for Export and Local Refinery Supply- Provide Strength & Stability

★ The heart of our Corpus Christi Crude System is our North Beach Terminal, which receives barrels from our South Texas Crude Oil Pipeline System, our 12" Three Rivers Supply Pipeline and our 30" pipeline from Taft, as well as from third-party pipeline connections

In-bound Capacity	***Storage Capacity***	***Outbound Capacity***
TOTAL: 1.2MMBPD • South Texas Crude System 16" Pipeline - 240MBPD • Taft 30"- 720MBPD and expandable • Harvest 16" Pipeline - 240MBPD	TOTAL: 3.9MMbbl • *Potential expansion 0.4MMbbl*	TOTAL: 1.2MMBPD • EXPORT DOCKS- 750MBPD to 1.0MMBPD • REFINERY SUPPLY- 220MBPD

★ Unlike most other midstream operators in the Port of Corpus Christi, NuStar provides unparalleled optionality for marine exports *and* extensive connectivity to local refineries

★ U.S. shale production growth and improving global demand will drive the recovery and growth in our CCCS volumes



Crude Supply/Export

Our St. James Facility's Storage and Extensive Connectivity, via Pipeline, Marine and Rail, Position NuStar for Growth

Pipeline

Connections:

- ✓ 48" LOCAP – 2.0MMBPD
- ✓ 40" Capline Reversal (currently in-service) – 102MBPD
- ✓ 24" Bayou Bridge – 456MBPD
- ✓ 20" Ship Shoal – 360MBPD
- ✓ 18" Zydeco – 360MBPD
- ✓ 16" Crimson Bonefish – 108MBPD
- ✓ 30" Marathon Garyville – 530MBPD
- ✓ 24" Maurepas Pipeline – 380MBPD
- ✓ 24" XOM Baton Rouge – 350MBPD
- ✓ 16" XOM North Line – 150MBPD

- In 2019, Bayou Bridge began bringing WTI light, Bakken and Canadian barrels
- In January 2022, Capline owners reversed its service to bring heavy Canadian crude for use in regional refineries and export

Marine

Three Docks:

- ✓ Dock 1 – inland barge dock (bi-directional)
- ✓ Dock 2 – ship dock (bi-directional) Aframax capable
- ✓ Dock 5 – ship dock (receipt only) Light-Loaded Suezmax capable

- Growth in global demand and North American crude production will drive increased export opportunities
- Recent deepening of Mississippi River will allow for diversified interest
- We expect to be able to expand to 34MBPH with modest capital spend and our current loading capacity is 20MBPH

Rail

Two Unit Train Facilities:

- ✓ 240 unloading spots with track to store four additional unit trains
- ✓ Capable of unloading light, sweet crude oil at 18MBPH and heavy diluted crude oil at 8MBPH
- ✓ Strong customer interest in developing steam to facilitate unloading different grades of oil

- We have customer commitments for 30MBPD through April 2022, and we are currently negotiating renewals that include unit train optionality

In 2022, We Will Continue to Focus on NuStar's Strategic Priorities Across Our Business

Our
Strategic Priorities:

1. Optimizing Our Business to Increase Cash Flow

2. Reducing Our Debt

3. Promoting Our ESG Excellence

MANAGEMENT
LABOR
CAL/OSHA
STATE OF CALIFORNIA
PARTNERS IN SAFETY
NuStar

APPENDIX

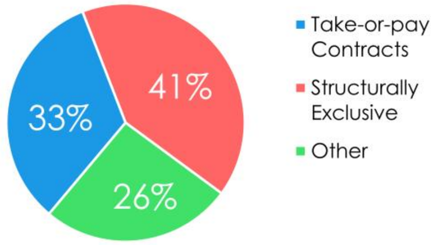
NuStar By-the-numbers

- Common Unit Price[1]: $15.96
- Distribution/CU/Year: $1.60
- Yield[1]: 10.0%
- Market Cap[1]: ~$1.7 billion
- Credit Ratings:
  - *Moody's:* *Ba3 (Stable)*
  - *S&P:* *BB- (Stable)*
  - *Fitch:* *BB- (Stable)*
- Enterprise Value[1]: ~$6.2 billion
- Total Assets: ~$5.2 billion
- Pipeline Miles: ~10,000
- Pipeline Volumes[2]: 2.0MMBPD
- Storage Capacity: ~57MMB
- Storage Throughput Volumes[2]: 438MBPD

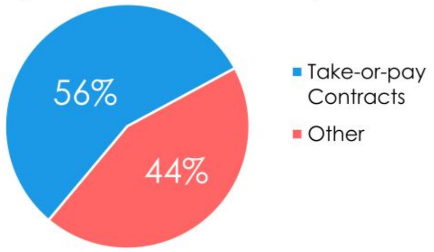
1. As of February 28, 2022
2. Average daily volume for the quarter ended December 31, 2021

Long-term Commitments From Creditworthy Customers

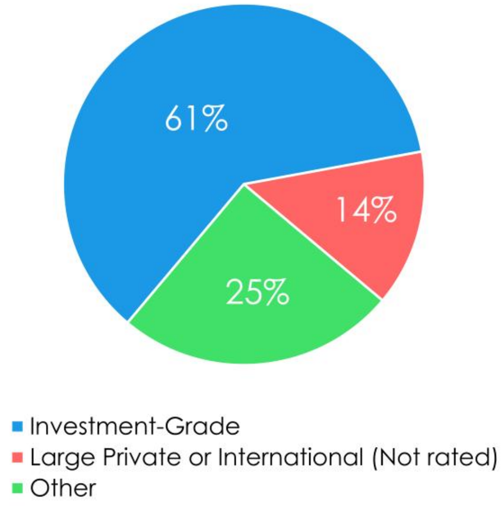
Pipeline Segment Contracted[1] Revenues
(% 2022 Forecast – as of 4Q21)



Storage Segment Contracted Revenues
(% 2022 Forecast – as of 4Q21)



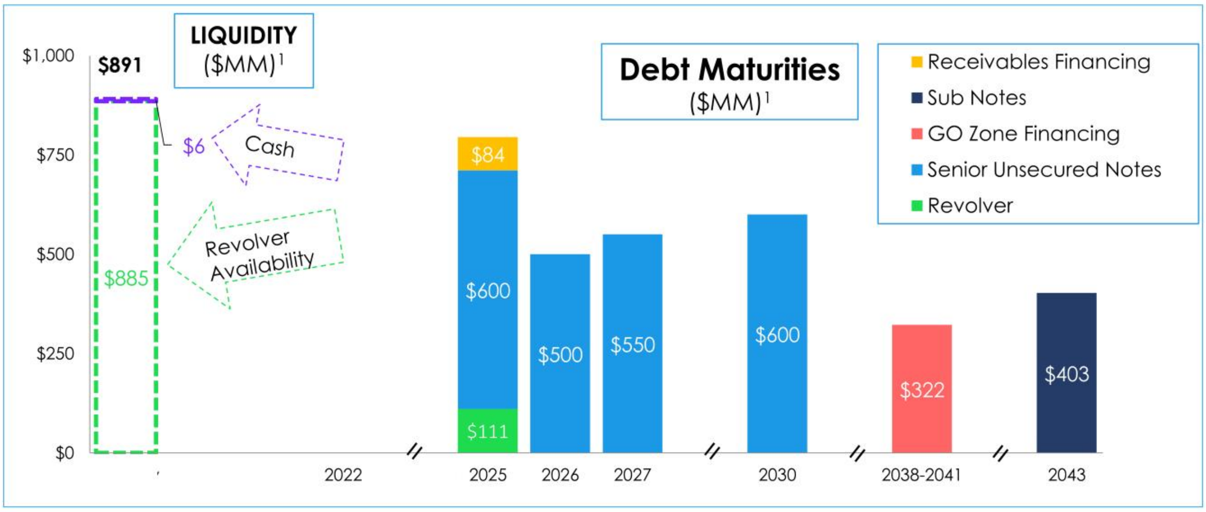
NuStar Investment-Grade (IG) Customers
(% Pipeline/Storage 2021 Revenues)



1 - committed through take or pay contracts or through structural exclusivity (uncommitted lines serving refinery customers with no competition)

Liquidity and Debt Maturity Schedule

- ★ In January 2022, we extended the term our $1.0 billion revolver through April 2025 and our receivables financing agreement through January 2025
- ★ We utilized proceeds from the sale of the Eastern U.S. Terminals to pay-off our February 2022 bond maturities in November 2021
- ★ This clears our debt maturity runway until 2025



Capital Structure as of December 31, 2021 ($ in Millions)

$1.0B Credit Facility	$ 111
NuStar Logistics Notes (5.625%)	550
NuStar Logistics Notes (5.75%)	600
NuStar Logistics Notes (6.00%)	500
NuStar Logistics Notes (6.375%)	600
NuStar Logistics Sub Notes	403
GO Zone Bonds	322
Receivables Financing	84
Finance Lease Liability	52
Other	(38)
Total Debt	**$3,184**

Common Equity and AOCI	$ 226
Series A, B and C Preferred Units	756
Series D Preferred Units	616
Total Equity[1]	**1,598**
Total Capitalization	**$4,782**

★ **As of December 31, 2021:**
- Credit facility availability ~$855MM
- Debt-to-EBITDA ratio[2] 3.99x

1 - Total Equity includes Partners' and Mezzanine Equity (Series D Preferred Units)
2 - Please see Appendix for reconciliations of non-GAAP financial measures to their most directly comparable GAAP measures

Reconciliation of Non-GAAP Financial Information

NuStar Energy L.P. utilizes financial measures, such as earnings before interest, taxes, depreciation and amortization (EBITDA), distributable cash flow (DCF) and distribution coverage ratio, which are not defined in U.S. generally accepted accounting principles (GAAP). Management believes these financial measures provide useful information to investors and other external users of our financial information because (i) they provide additional information about the operating performance of the partnership's assets and the cash the business is generating, (ii) investors and other external users of our financial statements benefit from having access to the same financial measures being utilized by management and our board of directors when making financial, operational, compensation and planning decisions and (iii) they highlight the impact of significant transactions. We may also adjust these measures and/or calculate them based on continuing operations, to enhance the comparability of our performance across periods.

Our board of directors and management use EBITDA and/or DCF when assessing the following: (i) the performance of our assets, (ii) the viability of potential projects, (iii) our ability to fund distributions, (iv) our ability to fund capital expenditures and (v) our ability to service debt. In addition, our board of directors uses EBITDA, DCF and a distribution coverage ratio, which is calculated based on DCF, as some of the factors in its compensation determinations. DCF is used by the master limited partnership (MLP) investment community to compare partnership performance. DCF is used by the MLP investment community, in part, because the value of a partnership unit is partially based on its yield, and its yield is based on the cash distributions a partnership can pay its unitholders.

None of these financial measures are presented as an alternative to net income, or for any periods presented reflecting discontinued operations, income from continuing operations. They should not be considered in isolation or as substitutes for a measure of performance prepared in accordance with GAAP.

The following is a reconciliation of net income (loss) to adjusted net income (in thousands of dollars):

	Three Months Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020
Net income (loss)	$ 57,518	$ 15,532	$ 38,225	$ (198,983)
Asset impairment losses	—	—	154,908	—
Goodwill impairment losses	—	—	34,060	225,000
Loss on sale of Texas City terminals	—	34,697		34,697
Loss on extinguishment of debt	—	—	—	141,746
Gains from insurance recoveries and other	(5,488)	—	(14,860)	3,963
Adjusted net income	$ 52,030	$ 50,229	$ 212,333	$ 206,423

Reconciliation of Non-GAAP Financial Information (continued)

The following is a reconciliation of net income (loss) to EBITDA, DCF, adjusted DCF, excess adjusted DCF and excess adjusted DCF over strategic capital expenditures (in thousands of dollars, except percentage data):

	Year Ended December 31, 2021	Year Ended December 31, 2020
Net income (loss)	$ 38,225	$ (198,983)
Interest expense, net	213,985	229,054
Income tax expense	3,888	2,663
Depreciation and amortization expense	274,380	285,101
EBITDA	530,478	317,835
Interest expense, net	(213,985)	(229,054)
Reliability capital expenditures	(40,266)	(38,572)
Income tax expense	(3,888)	(2,663)
Long-term incentive equity awards (a)	11,959	9,295
Preferred unit distributions	(127,399)	(124,882)
Asset impairment losses	154,908	—
Goodwill impairment losses	34,060	225,000
Other items (b)	(12,833)	36,967
DCF	333,034	193,926
Loss on extinguishment of debt	—	141,746
Adjusted DCF	$ 333,034	$ 335,672
Less: distributions applicable to common limited partners	175,470	174,873
Excess adjusted DCF	$ 157,564	$ 160,799
Strategic capital expenditures	$ 140,867	$ 159,507
Excess adjusted DCF over strategic capital expenditures	112 %	101 %

(a) We intend to satisfy the vestings of these equity-based awards with the issuance of our common units. As such, the expenses related to these awards are considered non-cash and added back to DCF. Certain awards include distribution equivalent rights (DERs). Payments made in connection with DERs are deducted from DCF.

(b) For the year ended December 31, 2021, other items includes gains from insurance recoveries of $14.9 million related to damage caused by a fire in 2019 at our Selby terminal. For year ended December 31, 2020, other items includes a $34.7 million non-cash loss from the sale of our Texas City terminals in December 2020.

Reconciliation of Non-GAAP Financial Information (continued)

The following is a reconciliation of EBITDA to adjusted EBITDA and adjusted EBITDA, excluding divested assets for the Eastern U.S. terminals, which were sold in October 2021 (in thousands of dollars).

	Year Ended December 31, 2021
EBITDA	$ 530,478
Asset impairment losses	154,908
Goodwill impairment loss	34,060
Gain from insurance recoveries	(14,860)
Adjusted EBITDA	$ 704,586
Divested assets:	
Operating loss	$ (121,954)
Depreciation and amortization expense	14,893
EBITDA of divested assets	(107,061)
Asset and goodwill impairment losses	129,771
Adjusted EBITDA of divested assets	$ 22,710
Adjusted EBITDA, excluding divested assets	$ 681,876

The following is a reconciliation of net income to EBITDA and adjusted EBITDA (in thousands of dollars):

	Projected for the Year Ended December 31, 2022
Net income	$ 207,000 - 225,000
Interest expense, net	200,000 - 210,000
Income tax expense	3,000 - 5,000
Depreciation and amortization expense	250,000 - 260,000
EBITDA	660,000 - 700,000
Non-cash write-down primarily due to accumulated foreign currency translation losses	40,000 - 50,000
Adjusted EBITDA	$ 700,000 - 750,000

Reconciliation of Non-GAAP Financial Information (continued)

The following is the reconciliation for the calculation of our Consolidated Debt Coverage Ratio, as defined in our revolving credit agreement (the Revolving Credit Agreement) (in thousands of dollars, except ratio data):

	Year Ended December 31, 2021	Year Ended December 31, 2020
Operating income	$ 236,454	$ 209,102
Depreciation and amortization expense	274,380	285,101
Asset impairment losses	154,908	—
Goodwill impairment losses	34,060	225,000
Equity awards (a)	14,209	11,477
Pro forma effects of dispositions (b)	(22,710)	(9,102)
Other	1,762	(2,496)
Consolidated EBITDA, as defined in the Revolving Credit Agreement	$ 693,063	$ 719,082
Total consolidated debt	$ 3,168,940	$ 3,581,640
NuStar Logistics' floating rate subordinated notes	(402,500)	(402,500)
Available Cash Netting Amount, as defined in the Revolving Credit Agreement	—	(128,625)
Consolidated Debt, as defined in the Revolving Credit Agreement	$ 2,766,440	$ 3,050,515
Consolidated Debt Coverage Ratio (Consolidated Debt to Consolidated EBITDA)	3.99x	4.24x

(a) This adjustment represents the non-cash expense related to the vestings of equity-based awards with the issuance of our common units.

(b) For the year ended December 31, 2021, this adjustment represents the pro forma effect of the disposition of the Eastern U.S. terminals, as if we had completed the sale on January 1, 2021. For the year ended December 31, 2020, this adjustment represents the pro forma effect of the disposition of the Texas City terminals, as if we had completed the sale on January 1, 2020.

Reconciliation of Non-GAAP Financial Information (continued)

The following is a reconciliation of operating (loss) income to EBITDA and adjusted EBITDA for the Permian Crude System (in thousands of dollars):

	Three Months Ended									
	June 30, 2017	Sept. 30, 2017	Dec. 31, 2017	Mar. 31, 2018	June 30, 2018	Sept. 30, 2018	Dec. 31, 2018	Mar. 31, 2019	June 30, 2019	Sept. 30, 2019
Operating (loss) income	$ (3,424)	$ 1,050	$ 650	$ (1,847)	$ 3,605	$ 11,546	$ 10,878	$ 5,358	$ 13,543	$ 17,280
Depreciation and amortization expense	10,227	11,005	13,165	13,477	15,059	15,235	16,589	17,647	17,182	18,114
EBITDA	6,803	12,055	13,815	11,630	18,664	26,781	27,467	23,005	30,725	35,394
Goodwill impairment loss	—	—	—	—	—	—	—	—	—	—
Adjusted EBITDA	$ 6,803	$ 12,055	$ 13,815	$ 11,630	$ 18,664	$ 26,781	$ 27,467	$ 23,005	$ 30,725	$ 35,394

	Three Months Ended								
	Dec. 31, 2019	Mar. 31, 2020	June 30, 2020	Sept. 30, 2020	Dec. 31, 2020	Mar. 31, 2021	June 30, 2021	Sept. 30, 2021	Dec. 31, 2021
Operating income (loss)	$ 21,132	$ (106,476)	$ 14,481	$ 17,627	$ 13,523	$ 16,912	$ 22,767	$ 25,515	$ 26,901
Depreciation and amortization expense	18,154	18,606	18,928	20,115	19,579	19,694	19,843	20,035	20,013
EBITDA	39,286	(87,870)	33,409	37,742	33,102	36,606	42,610	45,550	46,914
Goodwill impairment loss	—	126,000	—	—	—	—	—	—	—
Adjusted EBITDA	$ 39,286	$ 38,130	$ 33,409	$ 37,742	$ 33,102	$ 36,606	$ 42,610	$ 45,550	$ 46,914

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