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): **June 21, 2023**

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
8.50% Series A Fixed-to-Floating Rate Cumulative Redeemable Perpetual Preferred Units	NSprA	New York Stock Exchange
7.625% Series B Fixed-to-Floating Rate Cumulative Redeemable Perpetual Preferred Units	NSprB	New York Stock Exchange
9.00% 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 meetings with members of the investment community at the J.P. Morgan Energy, Power & Renewables Conference on Wednesday, June 21, 2023 and Thursday, June 22, 2023. 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 June 21, 2023 and June 22, 2023.
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: June 21, 2023

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

8th Annual J.P. Morgan Energy, Power & Renewables Conference

June 21 -22, 2023

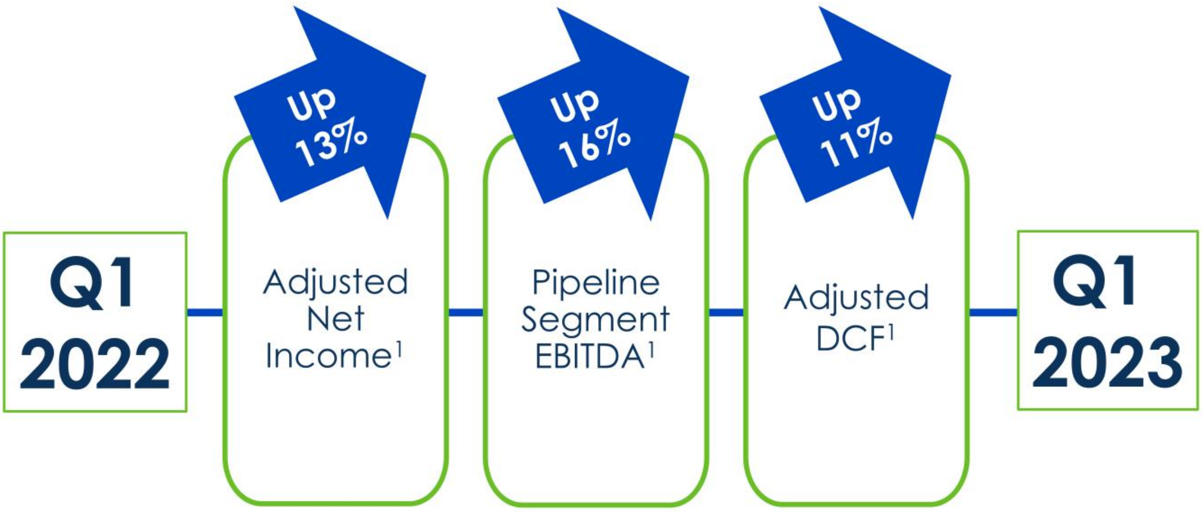
Forward-Looking Statements

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.

Strong First Quarter 2023 Results Continue to Demonstrate the Strength and Resilience of Our Business

- ★ ***Our first quarter 2023 adjusted EBITDA[1] was up $14 million,*** an 8% increase over the first quarter of 2022



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

We Have Also Been Optimizing Our Business to Maximize Our Internally Generated Cash Flows

NuStar

- ★ Last year, we kicked off an initiative to optimize our spending across our business to:
  - Scrutinize every dollar of OPEX and G&A expenses, with the goal of making meaningful strides in our cost structure to maximize internally generated cash flows
  - High-grade every dollar of our strategic spending to ensure that we only execute projects that meet or beat our internal hurdles and are lean, efficient and effective
- ★ We successfully identified *~$100 million* in cost and spending reductions, across 2022 and 2023

2022 Optimization Initiative Results:

~$100MM

Aggregate 2022 and 2023 cost and spending reductions

- ★ We are continuing to optimize our spending to increase our free cash flow in 2023

By Taking Steps to Improve Our Debt Metric Over Time, We Repurchased 30% of the Series D Preferred Units in 2022 and Are on Track to Repurchase the Remainder by the End of 2024

Debt-to-EBITDA Ratio

- ★ In 2021, through a combination of strong EBITDA generation and debt reduction from the sale of the non-core East Coast assets, we reduced our debt-to-EBITDA ratio to 3.99x
- ★ By the end of 3Q 2022, we were able to reduce our debt-to-EBITDA even further, to 3.79x
- ★ We repurchased 6.9MM, or 30%, of total outstanding Series D preferred units in November 2022, while maintaining a debt-to-EBITDA ratio of 3.98x[1] at year end 2022
- ★ ***In 1Q 2023, we reduced our debt-to-EBITDA to 3.46x, the lowest level since 2005***

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

Due to Progress Made on Strengthening Our Balance Sheet, NuStar is on Target to Deliver Another Strong Year in 2023 and Will Have Additional FCF Growth in 2024 and Beyond

Generating **Strong EBITDA**

- Expecting to generate $700-760MM[1] in 2023

Redeeming **Series D Preferred Units**

- Completed the first step in our plan to redeem the Series D by year-end 2024 by repurchasing 6.9MM Series D units in 2022
- Planning to redeem a second portion of Series D units in 2023

Targeting **Healthy Debt-to-EBITDA Metric**

- Aiming to close 2023 at ~4.0x (and to maintain 4.0x or better thereafter)

Increasing **Free Cash Flow**

- Working to position NuStar to return increasing value in the future

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

In 2023, We Continue to Focus Our Strategic Capital Program on Our Core Asset Footprint

NuStar

Renewable Fuels

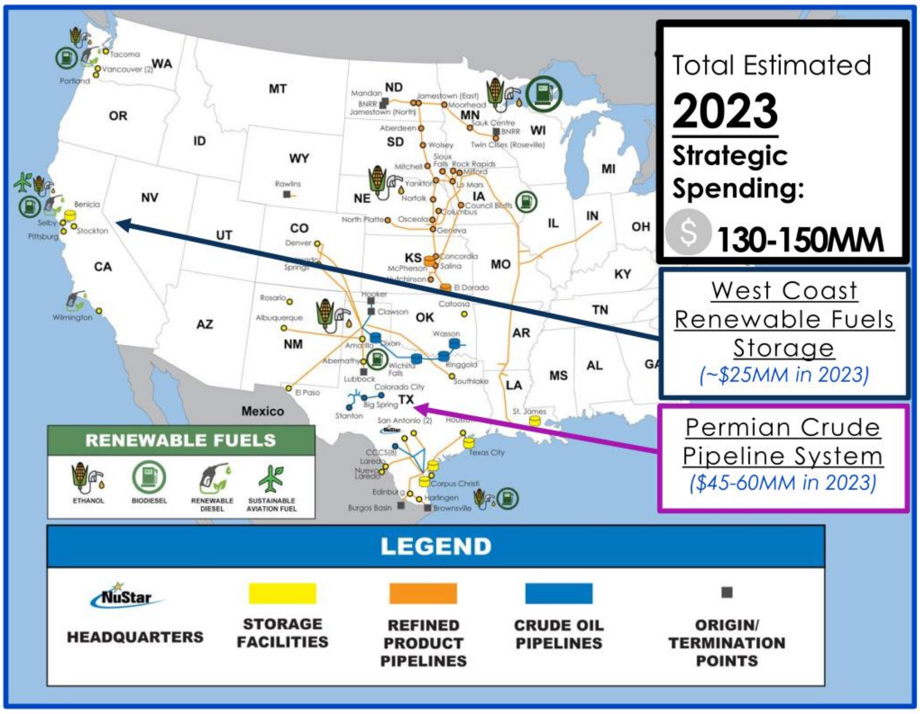
- ***Established:***
  - West Coast Network
  - Ethanol & bio-diesel blending
- ***Developing:***
  - Ammonia System

Refined Products

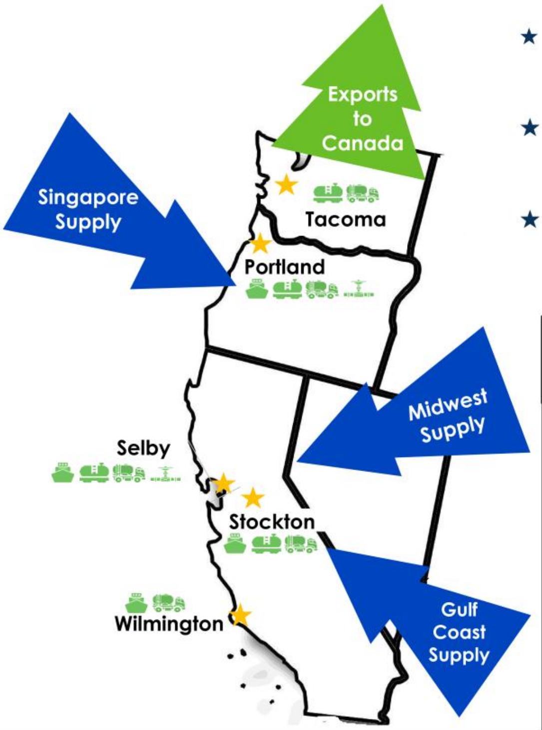
- Midcontinent
- Colorado/NM/Texas
- Northern Mexico

Crude Supply/Export

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

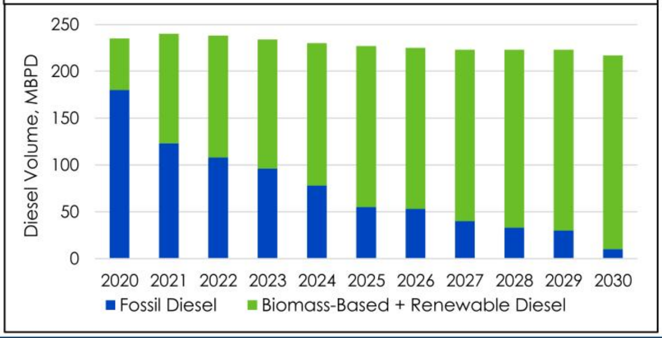


Carbon Emissions Reduction Goals Generate Growing Demand for NuStar's Well-positioned Midstream Logistics, Now and in the Future



- ★ 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



Renewable Fuels

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

(Total Volume for the Year Ended December 31, 2022[1])

4%	11%	18%	60%
BIODIESEL	ETHANOL	RENEWABLE DIESEL	SUSTAINABLE AVIATION FUEL

- ★ We expect our EBITDA to increase in 2023, along with associated market share, as we complete additional projects presently in planning or under construction
  - We intend to continue converting 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 data available

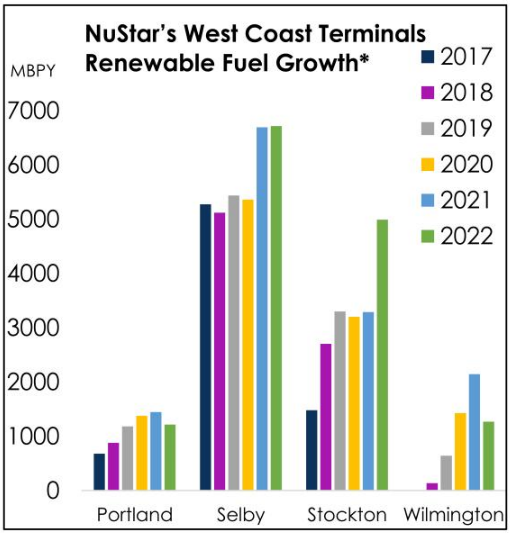
Renewable Fuels

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

- ★ Since establishing ourselves as an "early mover" in the renewable fuels logistics market on the West Coast over five years ago, we have developed an extensive renewable fuels logistics network to serve key global producers that spans across our West Coast footprint
- ★ Our West Coast assets now generate ***~40%*** of our storage segment revenues

Renewable Fuels Projects completed-to-date and under construction:

Portland	Convert 210,000 bbls to **renewable diesel**	✓
	Convert 36,000 bbls to **biodiesel**	✓
Selby	Construct additional 400,000 bbls of **renewable diesel** storage	4Q24 Est.
	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**	✓
	Connect to **ethanol** unit train offload facility	✓
Wilmington	Convert 160,000 bbls to **renewable diesel**	✓
	Reconfigure dock for enhanced marine capability	1H26 Est.



* Includes biodiesel, ethanol, renewable diesel, renewable feedstock and SAF

Ammonia is a Critical Chemical for the World's Food Supply, and a Key Component of DEF, Which Reduces Harmful Emissions

- Ammonia is the basic building block for all types of nitrogen fertilizer which is an essential nutrient for growing plants
  - About 90% of the 200 million tons of ammonia produced each year is used for fertilizer
  - About 50% of the world's food production depends on ammonia
- Ammonia is also used to make urea, a critical component of Diesel Exhaust Fluid ("DEF")
  - DEF converts the nitrous oxide (NOx) emitted by diesel engines into water and nitrogen
  - Virtually all diesel engines, from those powering light-duty vehicles to heavy-duty truck to industrial machinery operate, require DEF to comply with tightening emissions standards, in the U.S. and also in nations around the world
  - Global DEF demand is expected to continue to grow by an expected ~20% from 2023 to 2026

50%
of World's Food Production Depends on NH_3

Global Demand for DEF Expected to Grow From 2023 to 2026 by
~20%

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

Gray Ammonia

- Derived from natural gas, nearly all of the world's production made utilizing the Haber-Bosch process

Blue Ammonia

- Gray Ammonia for which by-product CO2 has been captured and stored, reducing climate impact

Green Ammonia

- Produced with hydrogen from water electrolysis powered by renewable energy

- 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

NH_3 Gas Turbine

NH_3 Fuel-cell Ship

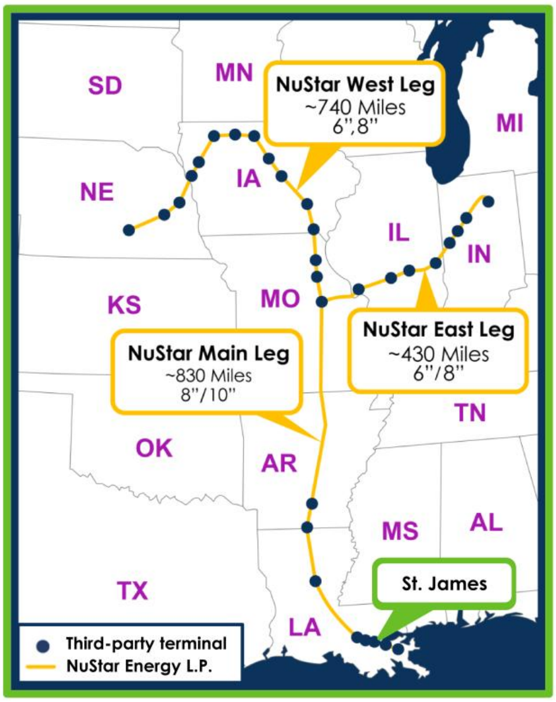
70% NH_3-fueled Car

- Ammonia can also be a lower-cost option for transporting hydrogen, which can be used for fuel cells or other applications. 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

Sources: Science Magazine, IHS Markit, Argus, Research & Markets Global Ammonia Report

Our Ammonia System has Capacity to Expand Our Utilization

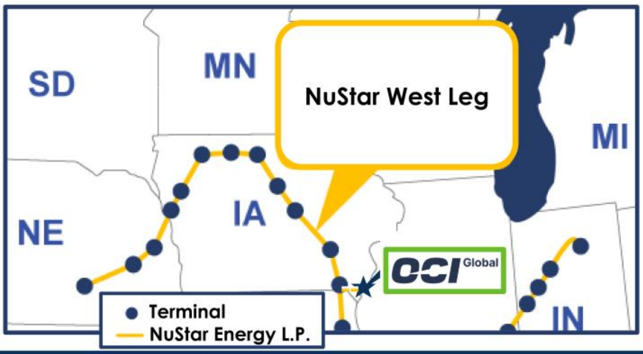
- Our Ammonia System spans approximately 2,000 miles from Louisiana north along the Mississippi to Missouri, and then Northwest and East, to Nebraska and Indiana
  - Today, we provide the lowest-cost option for transporting both imported and domestically produced ammonia to fertilize crops in our nation's "breadbasket"
- We have capacity available to transport additional volumes, including "blue" or "green" ammonia
  - Currently running ~30 MBPD (~3,500 STPD[1]), but have operating capacity close to ~50 MBPD (~5,500 STPD)
  - Our Ammonia System currently represents 5-10% of our pipeline segment revenues
- We expect the system's utilization, and its revenue contribution, to see strong growth, starting in early 2024
  - We have near-term opportunities for low capex projects that we expect to meaningfully increase our system utilization, and we are discussing larger, longer-term ammonia opportunities for our system, as well as for our St. James facility



1 – short tons per day

We Have Signed an Agreement With OCI Global to Deliver Ammonia into the Midwest

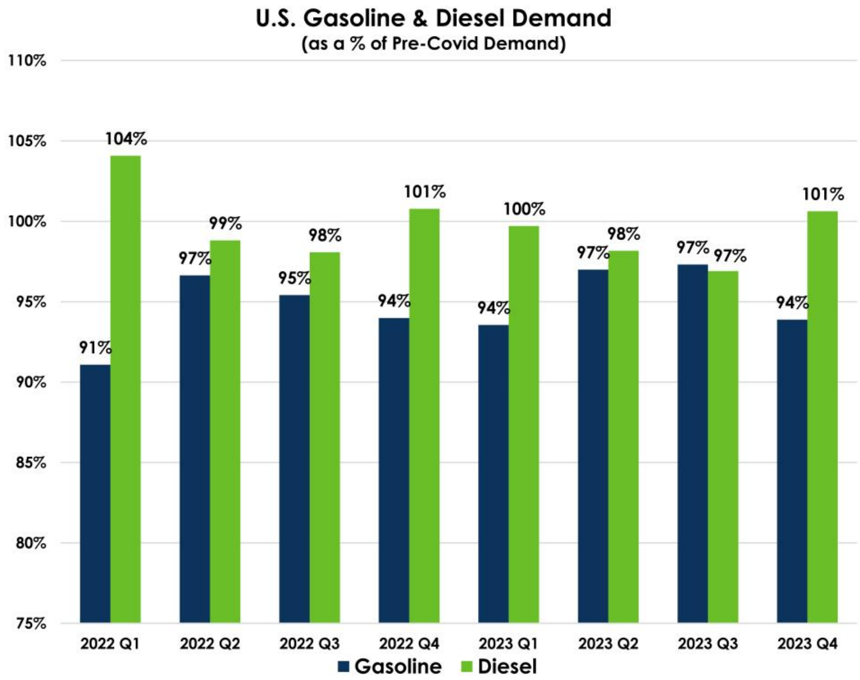
OCI's facility in Wever, IA



- ★ We have partnered with OCI Global (OCI) to build a new 14-mile pipeline segment that will connect OCI's facility in Wever, IA to our existing ammonia pipeline
  - OCI's facility uses ammonia to make fertilizer and to meet growing demand for DEF (Diesel Exhaust Fluid)
- ★ We have agreed to provide transportation services under a long-term contract
  - Healthy-return, low-capital project will increase utilization
  - Expected completion in early 2024
- ★ OCI has committed $30 million in capital expenditures for new ammonia cooling and storage infrastructure at their Wever facility and is expected to bring an additional 1.1 million tons of blue ammonia capacity online in 2025 from the Gulf Coast

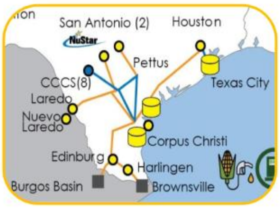
U.S. Refined Product Demand is Expected to Remain Strong Through 2023

- ★ Gasoline demand was steady in the United States throughout 2022 and is on track for modest growth in 2023
- ★ Diesel demand continued its strong performance in 2022 and is expected to remain at or exceed Pre-Covid levels in 2023



Source: ESAI

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



Midcontinent Systems-

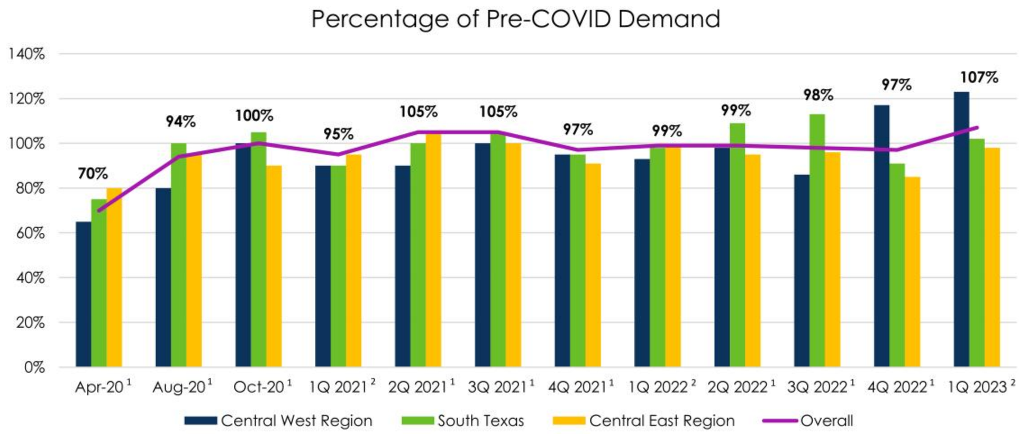
- CENTRAL EAST: A 2,500-mile pipeline system with multiple delivery options
  - *East Pipeline* – This system serves important markets across the Midwest/West, with flexible refined product supply from refineries in McPherson, Kansas, El Dorado, Kansas and Ponca City, Oklahoma
  - *North Pipeline* – 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 approximately 2,000 miles of structurally exclusive pipeline, supplied from the McKee, Texas refinery serving markets in Texas and nearby states

South Texas Systems-

- Around 700 miles of structurally exclusive pipeline, supplied from refineries located in Corpus Christi and Three Rivers, Texas serving markets in Texas and northern Mexico

… And Our Markets Have Proven Resilient (and We Expect to Continue to See Strong, Consistent Demand)

Total Refined Products



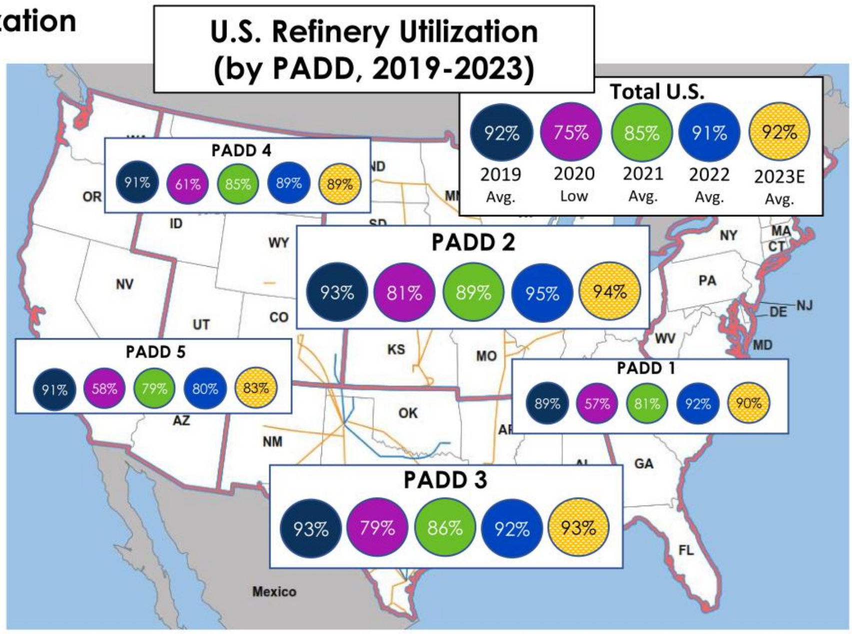
★ Our resilient asset base recovered quickly from April 2020's pandemic low

★ First quarter 2023 refined product throughputs were **107%**[2] of pre-Covid levels

1 – Comparison versus 2019 demand; applicable periods adjusted for Northern Mexico projects for a comparable presentation; includes on-road product demand in our storage system; 2 – Comparison versus 2020 demand; applicable periods adjusted for Northern Mexico projects; includes on-road product demand in our storage system

Refined Products | Crude Supply/Export

Refinery Utilization is Expected to Continue to Improve in 2023 to Keep Pace With Demand

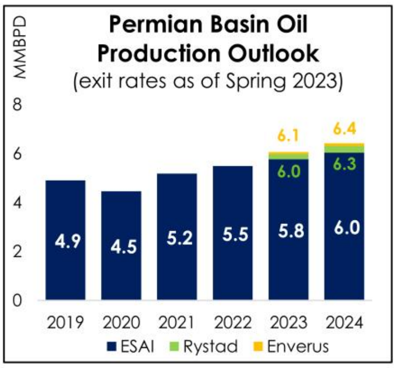


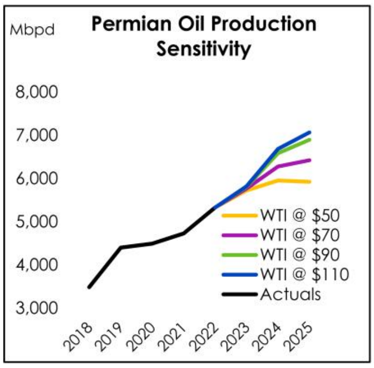
- ★ Global refinery utilization has been rising steadily since the pandemic, with the U.S. (92%), Asia (88%) and Europe (94%) gaining ground, while Russia (72%) and the Middle East (83%) continue to lag[1]
- ★ U.S. refinery utilization in 2022 averaged 91% and is expected to average 92% in 2023, up 6% and 7% over the 2021 average, respectively

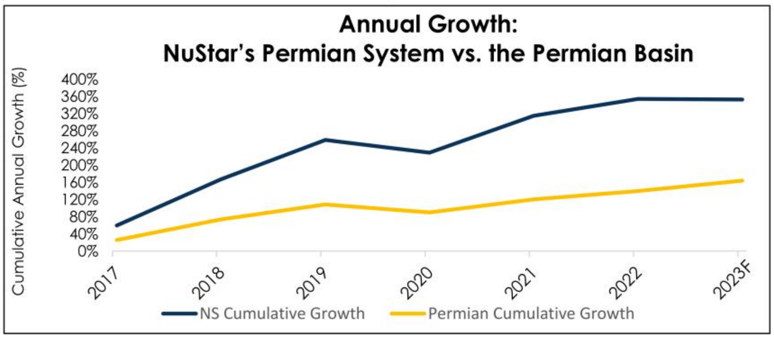
Source: ESAI
1 – 2023 average projections

Our Permian System Continues to Benefit from the Strength of the Basin

- ★ Because of its superior geology and low breakeven costs, the Permian Basin's shale production:
  - Exited 2022 at 5.6 MMBPD, representing approximately 45% of the nation's total shale output
  - Is projected to exit 2023 at 5.7 MMBPD, representing 4% growth compared to 2022 exit
- ★ We have been pleased with our system's performance since we acquired it in 2017, and we expect our system to continue to generate strong results in 2023 and in the years ahead



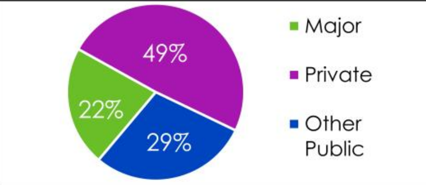




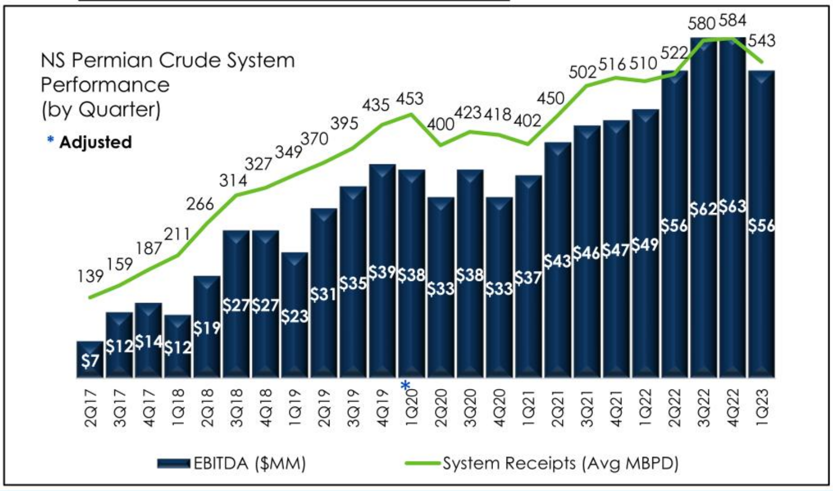
Our "Core of the Core" Location has Attracted Top-tier Customers Whose Activity is Supporting Steady Growth

- ★ The quality of geological formations underlying our system has attracted the strongest customers
  - ~61% of our system's revenue is generated from investment-grade (IG) rated and Non-IG BB-rated entities[1]
- ★ We averaged 543 MBPD in 1Q23 due to a lull we projected for the 1H2023
  - We expect the 2H2023 to rebound back, backed by capital projects already in progress
  - And now expect to exit 2023 in the range of 570-600 MBPD
- ★ As volumes flex, we also expect to flex our capital expenditures and now project 2023 spending to be in the range of $45 – 60MM

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



Producer Average Cost of Debt, Weighted by Acreage: 6.06%[3]



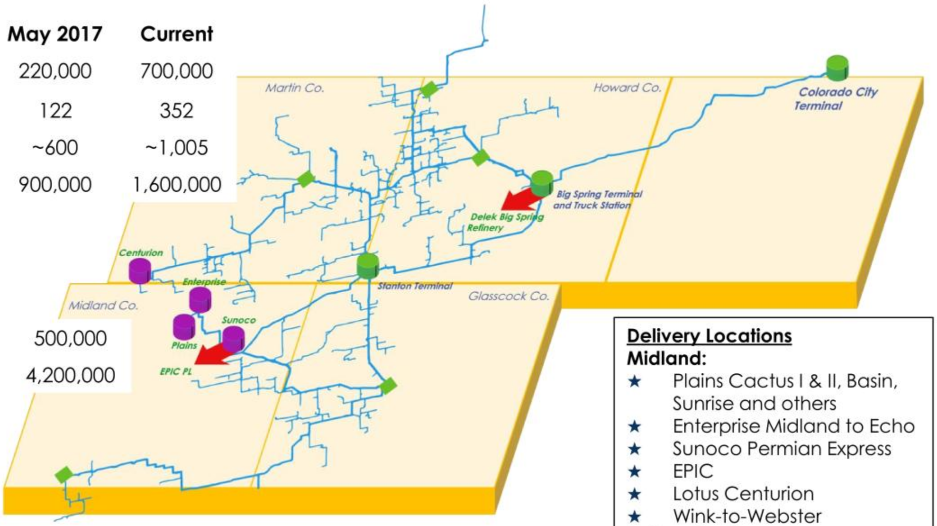
Please see Appendix for reconciliations of non-GAAP financial measures to their most directly comparable GAAP measures

1 – For the year ended March 31, 2023
2 – For the month ended March 31, 2023
3 – As of May 11, 2023

We are Investing in Our Permian System in Pace With Our Producers' Growth

	May 2017	Current
System Capacity	220,000	700,000
Receipt Points	122	352
Pipeline Miles	~600	~1,005
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

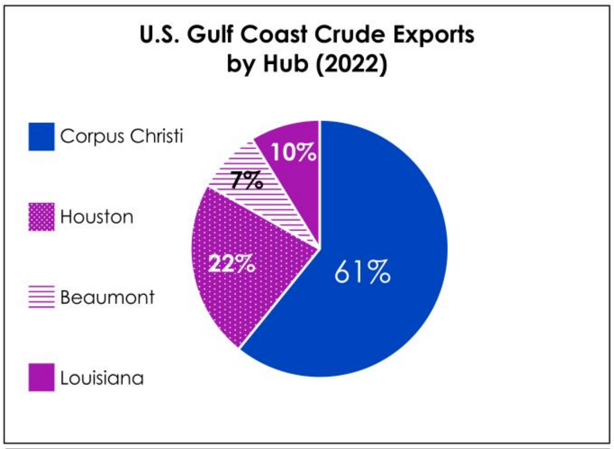
Colorado City:
- ★ Sunoco WTG, Permian Express
- ★ Bridgetex
- ★ Plains Basin
- ★ Sunrise II

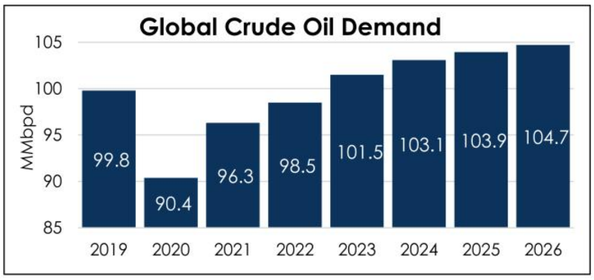
Other:
- ★ Delek Big Spring Refinery

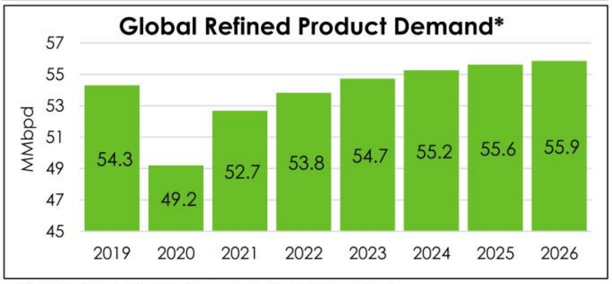
Crude Supply/Export

As Global Demand Recovers, Corpus Christi is Expected to Continue to be the Export Hub Best Positioned for Future Growth

- ★ Corpus Christi has remained the dominant Gulf Coast crude exports hub since 2020
  - In 2022, 61% of the U.S. Gulf Coast's total export volumes left via Corpus Christi-based terminals
- ★ U.S. Gulf Coast crude exports are projected to continue at record volumes due to the ongoing war in Ukraine and global demand recovery
- ★ Improved global refined product demand should continue to lead the way to further recovery in global crude demand







*Comprised of gasoline and diesel demand

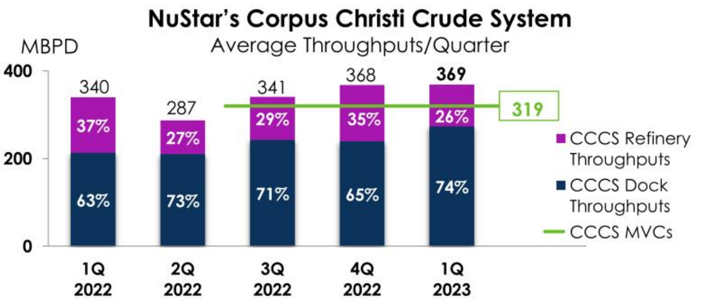
Source: RBN Energy, ESAI

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

- Our Corpus Christi Crude System (CCCS) is comprised of our South Texas Crude Oil Pipeline System, our 12" Three Rivers Supply Pipeline, our 30" pipeline from Taft and our North Beach Export Terminal, which also receives volumes from Harvest's 16" Pipeline and delivers to local refineries
- In July 2022, we extended our MVC contract with Trafigura for an additional year and a half, through December 2024

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 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



In 2023, We Will Continue to Focus on NuStar's Strategic Priorities That We Set Back in 2022

Our
Strategic Priorities:

1. Optimizing Our Business to Increase Cash Flow

2. Strengthening Our Balance Sheet

3. Promoting Our ESG Excellence

Appendix

Big Springs, TX

NuStar By-the-numbers

- Common Unit Price[1]: $17.25
- Distribution/CU/Year: $1.60
- Yield[1]: 9.3%
- Market Cap[1]: ~$2.0 billion
- Credit Ratings:
  - *Moody's: Ba3 (Stable)*
  - *S&P: BB- (Stable)*
  - *Fitch: BB- (Stable)*
- Enterprise Value[1]: ~$6.0 billion
- Total Assets: ~$5.0 billion
- Pipeline Miles: ~9,500
- Pipeline Volumes[2]: 1.9MMBPD
- Storage Capacity: ~49MMB
- Storage Throughput Volumes[2]: 503MBPD

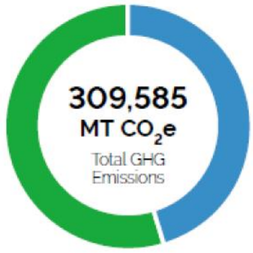
1. As of June 16, 2023
2. Average daily volume for the quarter ended March 31, 2023

NuStar Sustainability Highlights

Plan to issue 2022 report in 3Q 2023

Issued 2021 Sustainability Report including Scope 1 & 2 GHG Emissions

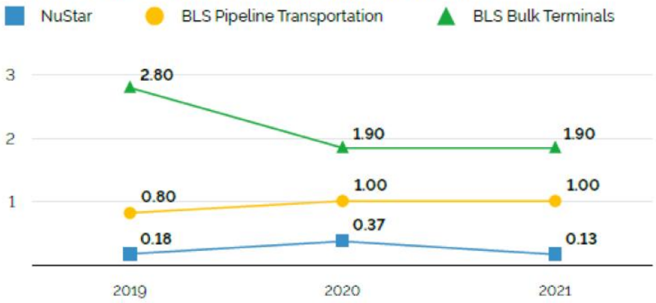
Scope 1 and 2 Emissions[2]



128,236 MT CO_2e
Scope 1 GHG Emissions

181,349 MT CO_2e
Scope 2 GHG Emissions

Three-Year Total Recordable Incident Rate[1]

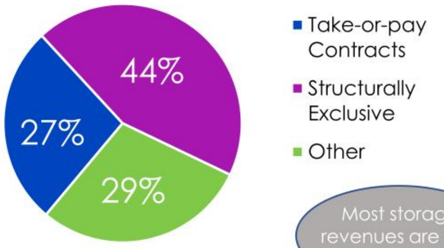


[1] Industry averages derived from 2019–2020 Bureau of Labor Statistics Data. 2020 averages carried forward to 2021 for illustration purposes.

Long-term Commitments From Creditworthy Customers

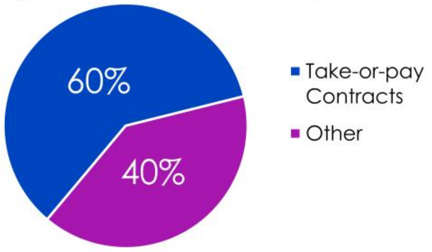
~95% of revenues are tied to PPI-FG[2]

Pipeline Segment Contracted[1] Revenues
(% 2023 Forecast – as of 1Q23)

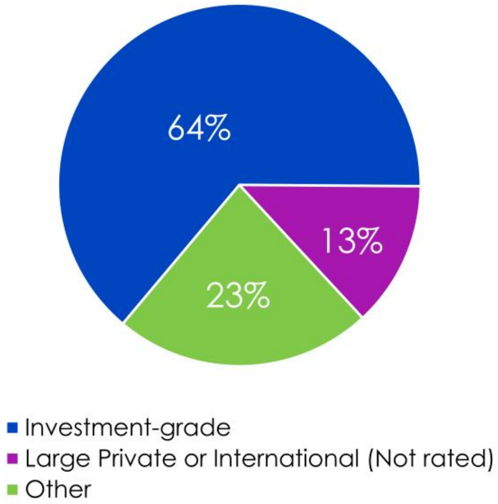


Most storage revenues are tied to regional CPI

Storage Segment Contracted Revenues
(% 2023 Forecast – as of 1Q23)



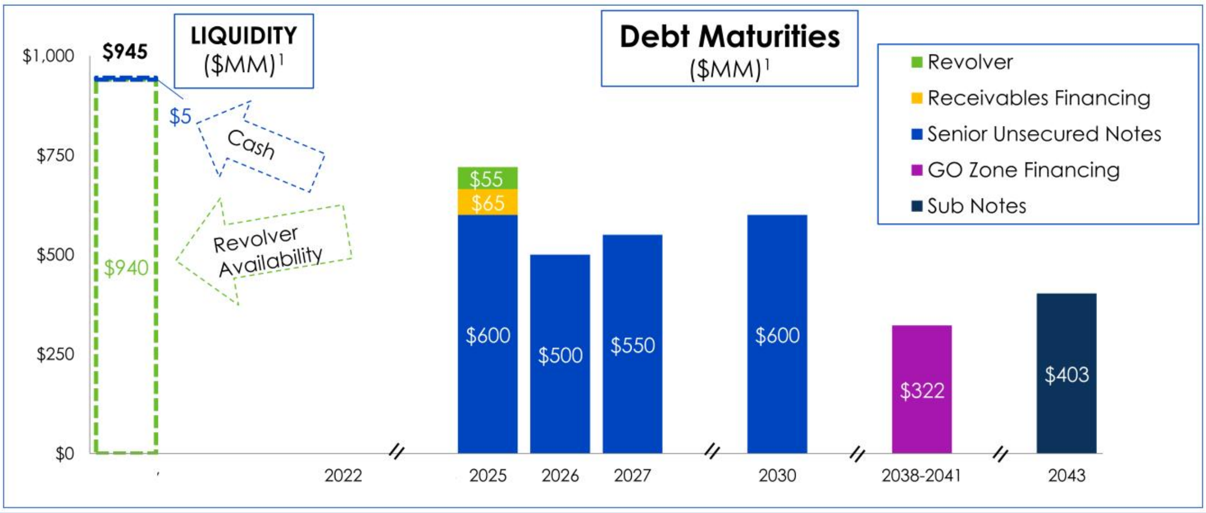
NuStar Investment-grade Customers
(% Pipeline/Storage 2023 YTD Revenues as of March 31, 2023)



1 - Committed through take or pay contracts or through structural exclusivity (uncommitted lines serving refinery customers with no competition); 2 - Most crude pipelines have rates that are subject to floors and caps, which is common in the industry.

Liquidity and Debt Maturity Schedule

- Last year, we utilized cash flows and proceeds from asset sales to continue to reduce debt balances, which enabled us to repurchase 30% of the Series D preferred units in November 2022
- In March 2023, we entered into a structured financing arrangement to monetize a portion of our real estate at our corporate headquarters, which provided approximately $100 million of lower-priced financing
  - We deployed the proceeds to reduce debt, which facilitates our redemption of another portion of the Series D preferred units later this year
- We had $940 million available on our revolver at the end of the first quarter of 2023, and our debt maturity runway is cleared until 2025



Capital Structure as of March 31, 2023 ($ in Millions)

$1.0B Credit Facility	$ 55
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	65
Finance Lease Liability	55
Other	(32)
Total Debt	**$3,118**

Common Equity and AOCI	$ 176
Series A, B and C Preferred Units	756
Series D Preferred Units	451
Total Equity[1]	**1,383**
Total Capitalization	**$4,501**

★ **As of March 31, 2023:**
- Credit facility availability ~$940MM
- Debt-to-EBITDA ratio[2] 3.46x

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. 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 operating income to segment EBITDA for our pipeline segment (in thousands of dollars).

	Three Months Ended March 31,	
	2023	2022
Operating income	$ 119,858	$ 95,752
Depreciation and amortization expense	43,550	44,828
Segment EBITDA	$ 163,408	$ 140,580

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

	Projected for the Year Ended December 31, 2023
Net income	$ 257,000 - 295,000
Interest expense, net	230,000 - 240,000
Income tax expense	4,000 - 6,000
Depreciation and amortization expense	250,000 - 260,000
EBITDA	741,000 - 801,000
Gain on sale of assets	(41,000)
Adjusted EBITDA	$ 700,000 - 760,000

Reconciliation of Non-GAAP Financial Information (continued)

The following is a reconciliation of net income to EBITDA, DCF and distribution coverage ratio (in thousands of dollars, except ratio data).

	Three Months Ended March 31,	
	2023	2022
Net income	$ 105,936	$ 12,312
Interest expense, net	57,371	49,818
Income tax expense (benefit)	1,187	(33)
Depreciation and amortization expense	63,609	65,127
EBITDA	$ 228,103	$ 127,224
Interest expense, net	(57,371)	(49,818)
Reliability capital expenditures	(3,356)	(6,709)
Income tax (expense) benefit	(1,187)	33
Long-term incentive equity awards (a)	2,968	2,829
Preferred unit distributions	(32,733)	(31,092)
Impairment loss	—	46,122
Income tax benefit related to impairment loss	—	(1,144)
Other items	5,386	3,613
DCF	$ 141,810	$ 91,058
Distributions applicable to common limited partners	$ 44,396	$ 44,165
Distribution coverage ratio (b)	3.19x	2.06x

(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) Distribution coverage ratio is calculated by dividing DCF by distributions applicable to common limited partners.

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

	Three Months Ended March 31,	
	2023	2022
Net income	$ 105,936	$ 12,312
Gain on sale of assets	(41,075)	—
Impairment loss	—	46,122
Income tax benefit related to impairment loss	—	(1,144)
Adjusted net income	$ 64,861	$ 57,290

Reconciliation of Non-GAAP Financial Information (continued)

The following is a reconciliation of EBITDA to adjusted EBITDA (in thousands of dollars).

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
EBITDA	$ 228,103	$ 127,224
Gain on sale of assets	(41,075)	—
Impairment loss	—	46,122
Adjusted EBITDA	$ 187,028	$ 173,346

The following is a reconciliation of DCF to adjusted DCF and adjusted distribution coverage ratio (in thousands of dollars, except ratio data).

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
DCF	$ 141,810	$ 91,058
Gain on sale of assets	(41,075)	—
Adjusted DCF	$ 100,735	$ 91,058
Distributions applicable to common limited partners	$ 44,396	$ 44,165
Adjusted distribution coverage ratio (a)	2.27x	2.06x

(a) Adjusted distribution coverage ratio is calculated by dividing adjusted DCF by distributions applicable to common limited partners.

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):

	For the Four Quarters Ended March 31, 2023	For the Four Quarters Ended September 30, 2022	Year Ended December 31, 2022	2021	2020
Operating income	$ 510,372	$ 381,112	$ 408,813	$ 236,454	$ 209,102
Depreciation and amortization expense	257,718	259,296	259,236	274,380	285,101
Goodwill impairment losses	—	—	—	34,060	225,000
Other impairment losses	—	46,122	46,122	154,908	—
Amortization expense of equity-based awards	13,997	13,607	13,781	14,209	11,477
Pro forma effects of dispositions (a)	—	(1,613)	(1,760)	(22,710)	(9,102)
Other	(3,230)	(15)	(3,607)	1,762	(2,496)
Consolidated EBITDA, as defined in the Revolving Credit Agreement	$ 778,857	$ 698,509	$ 722,585	$ 693,063	$ 719,082
Long-term debt, less current portion of finance leases	$ 3,113,074	$ 3,068,055	$ 3,293,415	$ 3,183,555	$ 3,593,496
Finance leases (long-term)	(50,712)	(51,619)	(51,127)	(52,930)	(54,238)
Net fair value adjustments, unamortized discounts and unamortized debt issuance costs	31,878	34,604	33,252	38,315	42,382
NuStar Logistics' floating rate subordinated notes	(402,500)	(402,500)	(402,500)	(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	$ 2,691,740	$ 2,648,540	$ 2,873,040	$ 2,766,440	$ 3,050,515
Consolidated Debt Coverage Ratio (Consolidated Debt to Consolidated EBITDA)	3.46x	3.79x	3.98x	3.99x	4.24x

(a) These adjustments represent the pro forma effects of the dispositions of the Point Tupper terminal, which was sold in April 2022, the Eastern U.S. terminals, which were sold in October 2021 and the Texas City terminals, which were sold in December 2020.

Reconciliation of Non-GAAP Financial Information (continued)

The following are reconciliations of operating (loss) income to EBITDA and if applicable, 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
Operating (loss) income	$ (3,424)	$ 1,050	$ 650	$ (1,847)	$ 3,605	$ 11,546	$ 10,878
Depreciation and amortization expense	10,227	11,005	13,165	13,477	15,059	15,235	16,589
EBITDA	$ 6,803	$ 12,055	$ 13,815	$ 11,630	$ 18,664	$ 26,781	$ 27,467

	Three Months Ended						
	Mar. 31, 2019	June 30, 2019	Sept. 30, 2019	Dec. 31, 2019	Mar. 31, 2020	June 30, 2020	Sept. 30, 2020
Operating income (loss)	$ 5,358	$ 13,543	$ 17,280	$ 21,132	$ (106,476)	$ 14,481	$ 17,627
Depreciation and amortization expense	17,647	17,182	18,114	18,154	18,606	18,928	20,115
EBITDA	$ 23,005	$ 30,725	$ 35,394	$ 39,286	(87,870)	$ 33,409	$ 37,742
Goodwill impairment loss					126,000		
Adjusted EBITDA					$ 38,130		

	Three Months Ended						
	Dec. 31, 2020	Mar. 31, 2021	June 30, 2021	Sept. 30, 2021	Dec. 31, 2021	Mar. 31, 2022	June 30, 2022
Operating income	$ 13,523	$ 16,912	$ 22,767	$ 25,515	$ 26,901	$ 28,545	$ 35,482
Depreciation and amortization expense	19,579	19,694	19,843	20,035	20,013	20,328	20,465
EBITDA	$ 33,102	$ 36,606	$ 42,610	$ 45,550	$ 46,914	$ 48,873	$ 55,947

	Three Months Ended		
	Sept. 30, 2022	Dec. 31, 2022	Mar. 31, 2023
Operating income	$ 41,150	$ 42,261	$ 34,266
Depreciation and amortization expense	20,769	21,073	21,266
EBITDA	$ 61,919	$ 63,334	$ 55,532

NuStar Contact Information

INVESTOR RELATIONS

(210) 918-INVR (4687)
InvestorRelations@NuStarEnergy.com

SUSTAINABILITY

Sustainability@NuStarEnergy.com

And for additional information about corporate sustainability at NuStar, visit https://sustainability.nustarenergy.com/