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): **December 7, 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 meetings with members of the investment community at the 2022 Wells Fargo Midstream and Utility Symposium on Wednesday, December 7, 2022 and Thursday, December 8, 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 December 7, 2022 and December 8, 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: December 7, 2022

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

NuStar

2022 Wells Fargo Midstream and Utility Symposium

December 7-8, 2022

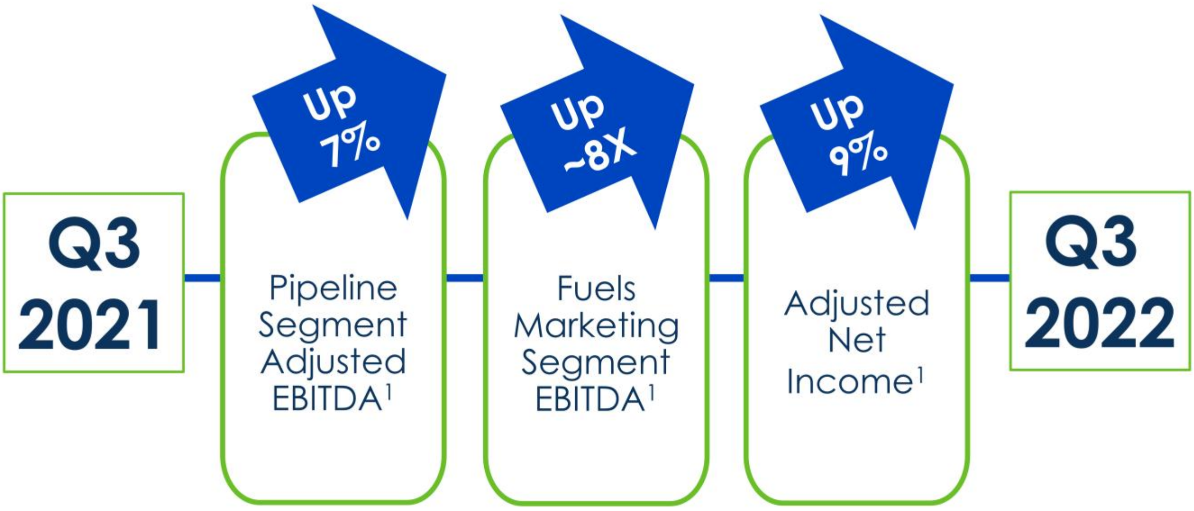
Forward-Looking Statements

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 Third Quarter Results Once Again Demonstrated the Strength and Resilience of Our Business

★ ***Our third quarter 2022 adjusted EBITDA[1] was up $9 million,*** a 6% increase over the third quarter of 2021, excluding the contribution from the Eastern U.S. terminals we sold in October 2021 and the Point Tupper terminal we sold in April of this year



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

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

NuStar

- In March, 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
- Since then, we have 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 plan to continue to optimize our spending to increase our free cash flow in 2023

Our 3Q 2022 Debt Ratio Demonstrates the Strength of Our Business and the Positive Impact of Optimization on Our Operations and Our Asset Footprint

Debt-to-EBITDA Ratio

- ★ In 2021, through a combination of strong EBITDA generation and debt reduction from 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, with the help of our optimization initiative and our sale of Point Tupper

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

Thanks to Our Efforts, NuStar is on Target to Deliver a Solid Full-Year 2022

Repurchased **Series D Preferred Units** in November

- 6.9MM, or 30% of total outstanding Series D
- Completed the first step in our plan to redeem the Series D by year-end 2024

Generating **Strong EBITDA** in 2022

- Expecting $700-730MM[1]

Targeting **Healthy Debt-to-EBITDA Metric** at Year-end

- Aiming to close 2022 at ~4.0x

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

Over the Course of 2022, We Have Continued to Focus Our Strategic Capital Program on Our Core Asset Footprint

Renewable Fuels

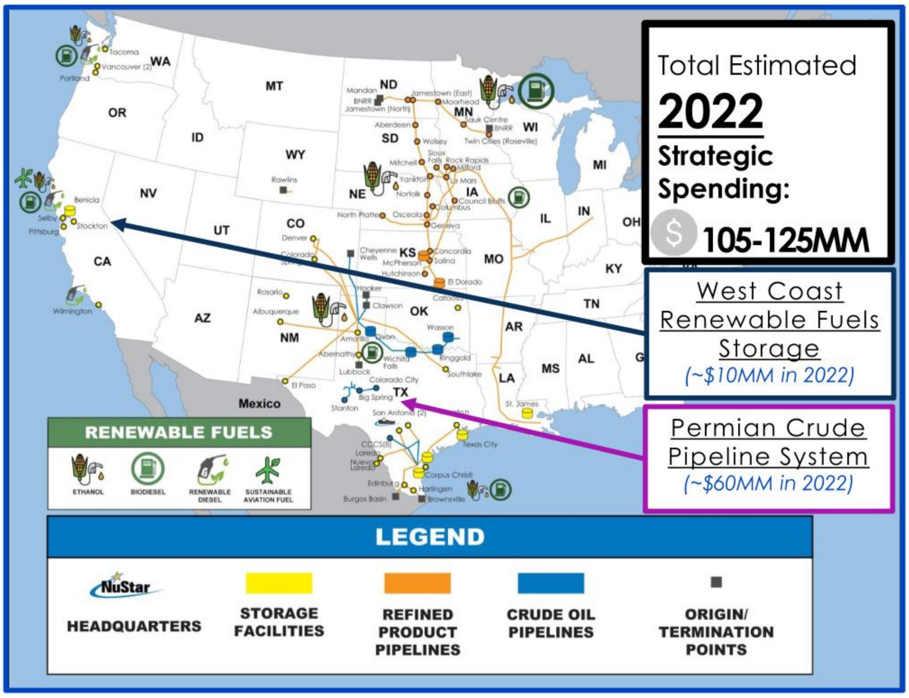
- ***Established:***
  - West Coast Network
  - Ethanol & bio-diesel blending
- ***Developing:***
  - Ammonia System

Refined Products

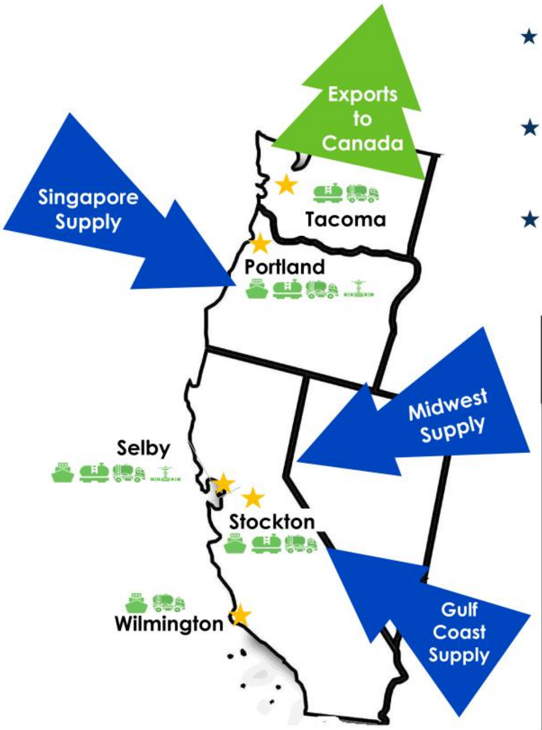
- Midcontinent
- Colorado/NM/Texas
- Northern Mexico

Crude Supply/Export

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

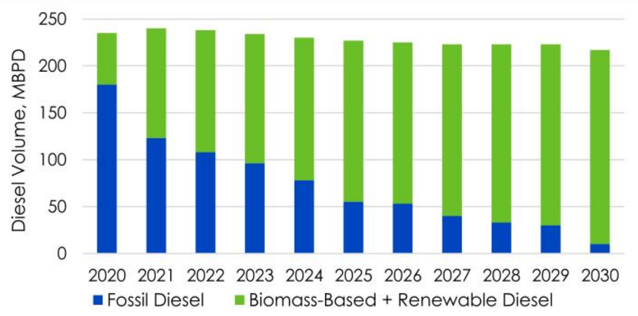


Carbon Emissions Reduction Goals Generate Growing Demand for NuStar's Well-positioned Midstream Logistics, Now and in the Future



- ★ 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



Source: IHS Markit

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 Four Quarters Ended June 30, 2022[1])

5%	9%	19%	77%
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 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

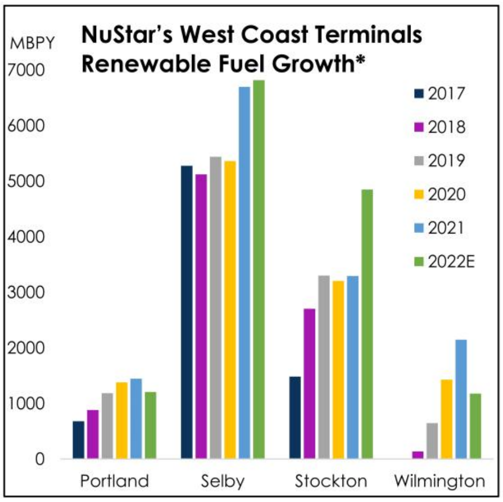
Source: California Air Resource Board (CARB)
1 – Most recent data available

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 ***more than 30%*** of our storage segment revenues, and our revenue is expected to continue to grow as we complete additional projects across our West Coast footprint

		Complete
Portland	Convert 36,000 bbls to **biodiesel**	✓
	Convert 57,000 bbls to **renewable diesel**	✓
	Convert additional 43,000 bbls to **renewable diesel**	Q1 2023
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**	✓
	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. 2022 estimated based on volumes through October 2022

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

- 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 (worth almost $80 billion in the aggregate) produced each year is used for fertilizer
  - About 50% of the world's food production depends 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. 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 Depends on NH_3

NH_3 Gas Turbine

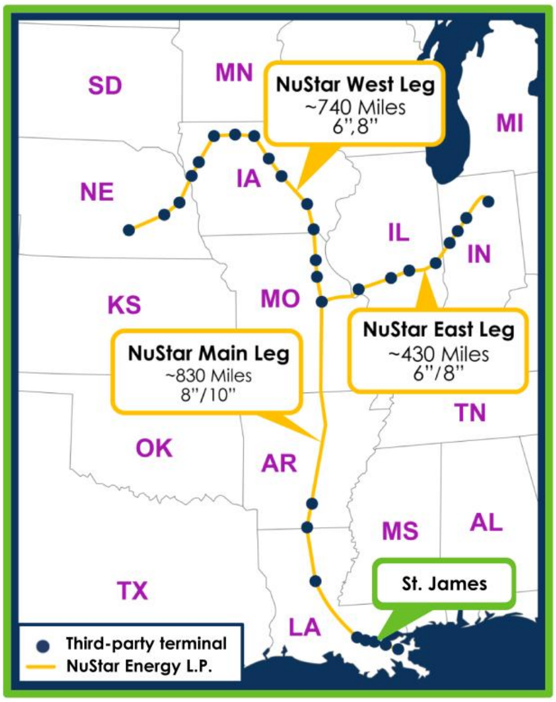
70% NH_3-fueled Car

NH_3 Fuel-cell Ship

Renewable Fuels

We are Also Developing Near- and Long-term Opportunities for Our Ammonia System, Both Renewable and Conventional

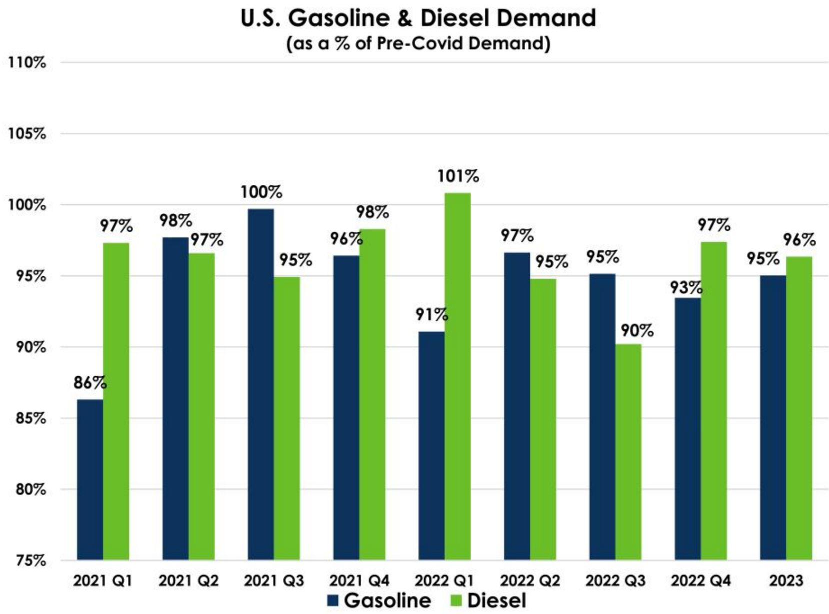
- ★ Our Ammonia System spans >2,000 miles from Louisiana north along the Mississippi to Missouri, and then Northwest and East, to Nebraska and Indiana
  - Today, we provide the lowest-cost option for transporting both imported and domestically produced ammonia to fertilize crops in our nation's "breadbasket"
- ★ 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)
- ★ While our Ammonia system currently represents ~5% of our pipeline segment revenues, we expect the system's utilization, and revenue contribution, will increase as we complete projects in progress and in development



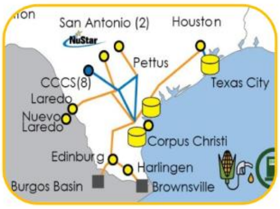
1 – short tons per day

U.S. Gasoline and Diesel Demand is Expected to Remain Strong Through 2023

- ★ Gasoline demand in the United States recovered throughout 2021 and is on track to remain near pre-Covid levels in 2022 and 2023
- ★ Diesel demand exceeded pre-Covid levels starting in the first quarter of 2022 and is on track to remain at or near those levels through the remainder of 2022 and into 2023



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 structurally exclusive pipeline, supplied from the McKee, Texas refinery serving markets in Texas and nearby states

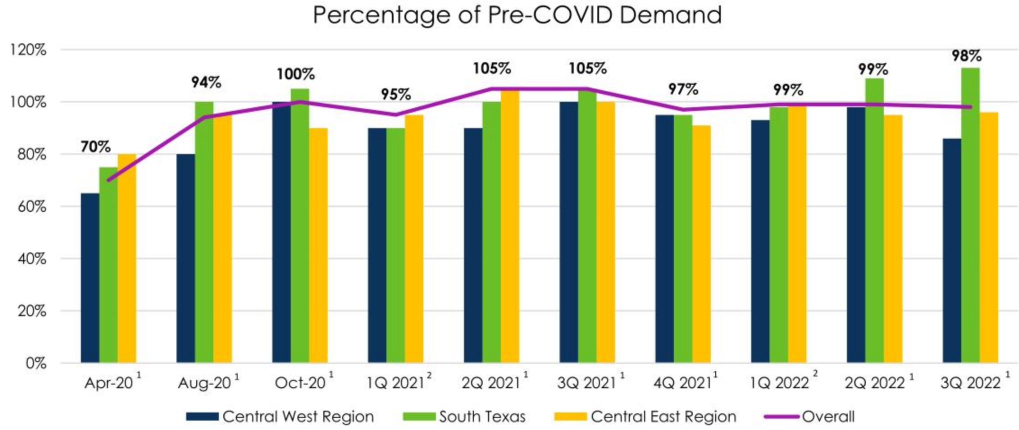
South Texas Systems-

★ 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

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
- ★ Full-year 2021 refined product throughputs were approximately **105%**[2] of our full-year 2019 (pre-Covid) levels
- ★ Our refined product throughputs for 3Q 2022 were approximately **100%**[1] of (pre-Covid) levels, despite operational issues at customer refineries in 3Q 2022

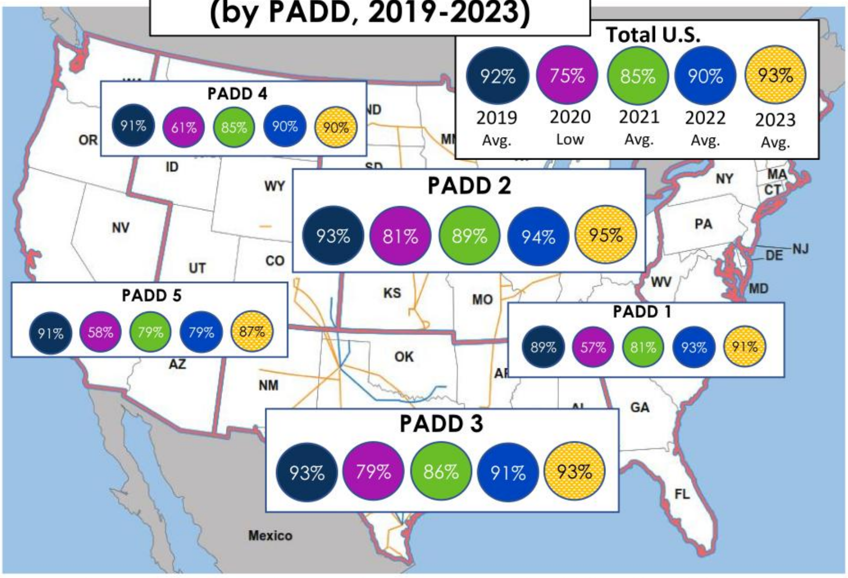
1 – Comparison versus 2019 demand; applicable periods adjusted for Northern Mexico projects for a comparable presentation; includes on-road product demand in our storage system; 2 – Comparison versus 2020 demand; applicable periods adjusted for Northern Mexico projects; includes on-road product demand 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 (2019-2023)

U.S. Refinery Utilization (by PADD, 2019-2023)



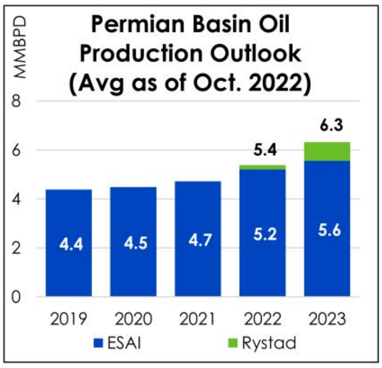
- ★ Global refinery utilization has been rising steadily since the pandemic, with the U.S. (90%), Asia (86%), and Europe (94%) gaining ground, while Russia (73%) and the Middle East (81%) continue to lag
- ★ U.S. refinery utilization in 2022 is at 90% and expected to average 93% in 2023, up 5% and 8% over the 2021 average, respectively

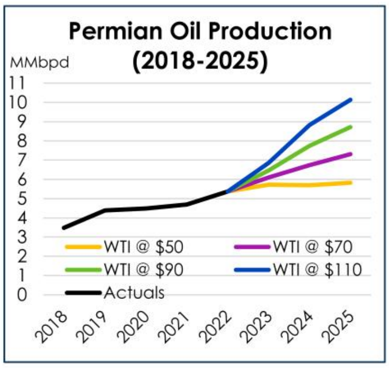
Source: ESAI

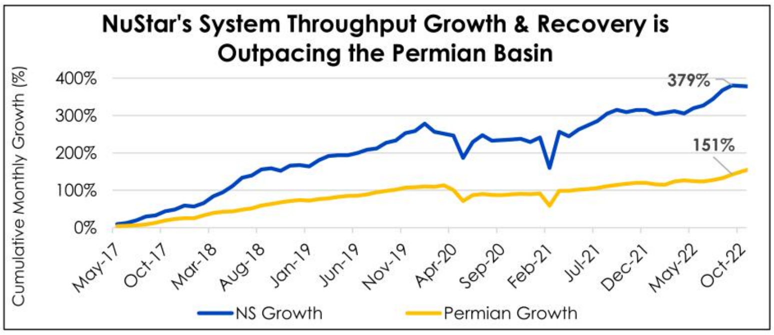
Crude Supply/Export

The Permian Basin is Leading the 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 5.1 MMBPD, representing approximately 55% of the nation's total shale output
  - Is projected to exit 2022 at 6.0 MMBPD, representing 18% growth compared to 2021 exit
- As of October, our system's throughput volumes are now up 43% above Covid lows, while the rest of the Permian is up 27% from Covid lows
- We expect to exit 4Q 2022 at ~600 MBPD, which is approximately 15% higher than our 2021 exit of ~520 MBPD





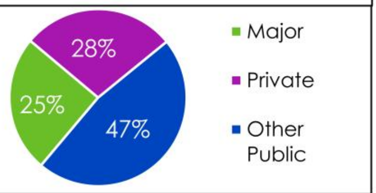


Crude Supply/Export

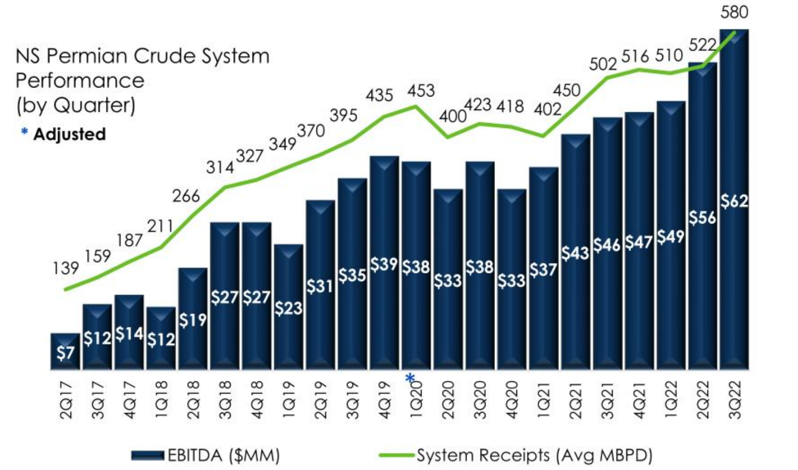
Our "Core of the Core" Location has Attracted Top-tier Customers Whose Activity is Supporting Steady Growth

- ★ The quality of geological formations underlying our system attracts the strongest customers
  - ~66% of our system's revenue is generated from investment-grade (IG) rated and Non-IG BB-rated entities[1]
- ★ We averaged 580 MBPD in 3Q22 (our best quarter since we acquired the system in 2017)
  - And we expect our 4th quarter to average around 600 MBPD
- ★ Our producers have maintained a floor of around 20 rigs throughout 2022, and recently increased the count to around 30 rigs which provide an important platform for growth

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



Producer Average Cost of Debt, Weighted by Acreage: 6.2%[3]



Producers in the Basin Remain Committed to Permian Growth

ExxonMobil

"Delivered strong quarterly oil and gas production, including record Permian production of nearly **560,000 oil equivalent barrels per day to better serve demand; year-on-year, total production increased 50,000 oil-equivalent barrels per day.**"

Chevron

"The company's third quarter Permian Basin unconventional production totaled over **700,000 barrels of oil equivalent per day, up over 12 percent from last year's quarter."**

OXY

The activity that was added in the second half of this year will place us in a strong position for 2023, as our **Permian production will have grown by over 100,000 boe per day in the first quarter. Our fourth quarter production is expected to grow approximately 18% from the fourth quarter of last year.**

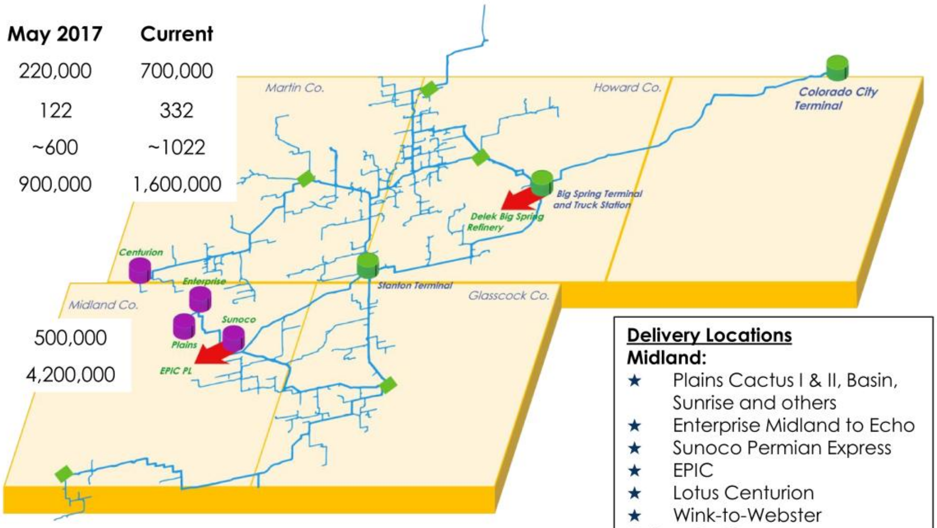
ConocoPhillips

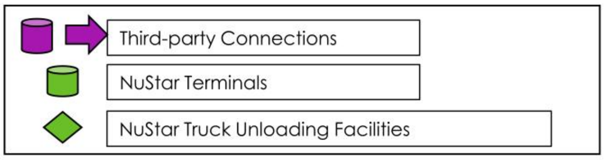
In the Lower 48, we do expect to see **continued growth… in the fourth quarter, and then the Permian should modestly exceed that kind of low single-digits** that we expect out of the Lower 48.

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	332
Pipeline Miles	~600	~1022
Storage (bbls)	900,000	1,600,000

Dedicated Acres	500,000
AMI	4,200,000





Delivery Locations

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

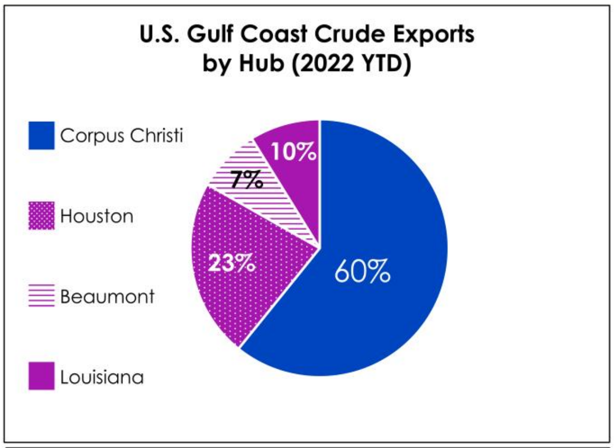
Colorado City:
- ★ Sunoco WTG, Permian Express
- ★ Bridgetex
- ★ Plains Basin
- ★ Sunrise II

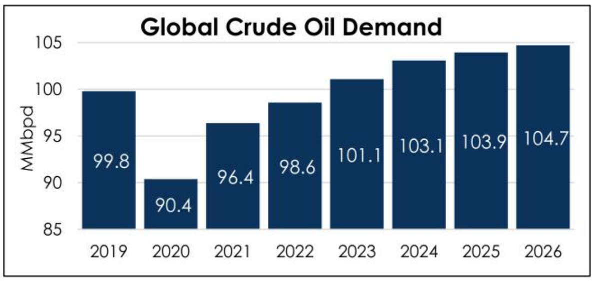
Other:
- ★ Delek Big Spring Refinery

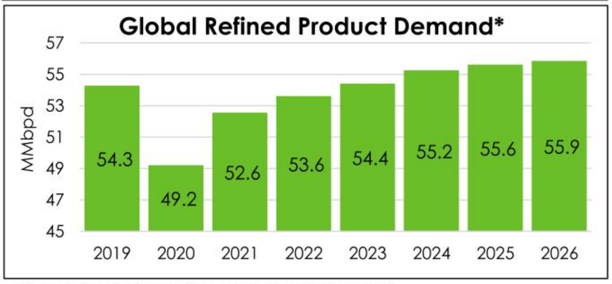
Crude Supply/Export

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, 60% of the U.S. Gulf Coast's total export volumes left via Corpus Christi-based terminals
- ★ So far this year, recovering global demand and the ongoing war in Ukraine have increased U.S. Gulf Coast exports to pre-pandemic levels
- ★ Improved global refined product demand should continue to lead the way to further recovery in global crude demand







*Comprised of gasoline and diesel demand

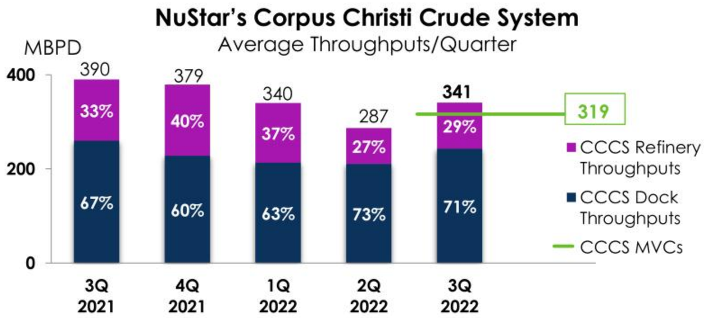
Source: RBN Energy, ESAI

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

- ★ The heart of our Corpus Christi Crude System (CCCS) 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 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 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



In 2022, We Have Continued to Focus on NuStar's Strategic Priorities

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

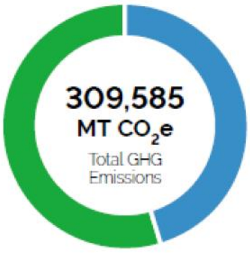
- Common Unit Price[1]: $16.59
- Distribution/CU/Year: $1.60
- Yield[1]: 9.6%
- Market Cap[1]: ~$1.8 billion
- Credit Ratings:
  - *Moody's: Ba3 (Stable)*
  - *S&P: BB- (Stable)*
  - *Fitch: BB- (Stable)*
- Enterprise Value[1]: ~$6.2 billion
- Total Assets: ~$5.0 billion
- Pipeline Miles: ~10,000
- Pipeline Volumes[2]: 1.9MMBPD
- Storage Capacity: ~49MMB
- Storage Throughput Volumes[2]: 439MBPD

1. As of December 2, 2022
2. Average daily volume for the quarter ended September 30, 2022

NuStar Sustainability Highlights

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

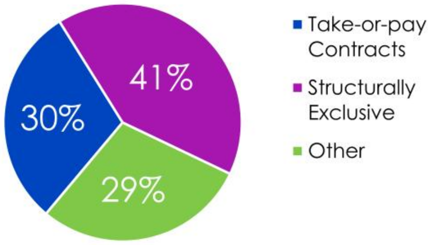
Three-Year Total Recordable Incident Rate[1]

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

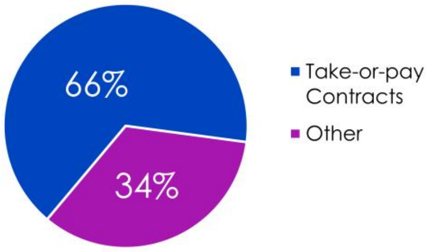
2 US only; See Sustainability report on NuStar website for additional information

Long-term Commitments From Creditworthy Customers

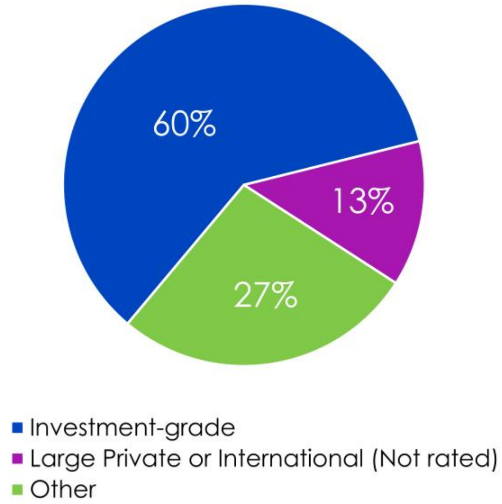
Pipeline Segment Contracted[1] Revenues
(% 2022 Forecast – as of 3Q22)



Storage Segment Contracted Revenues
(% 2022 Forecast – as of 3Q22)



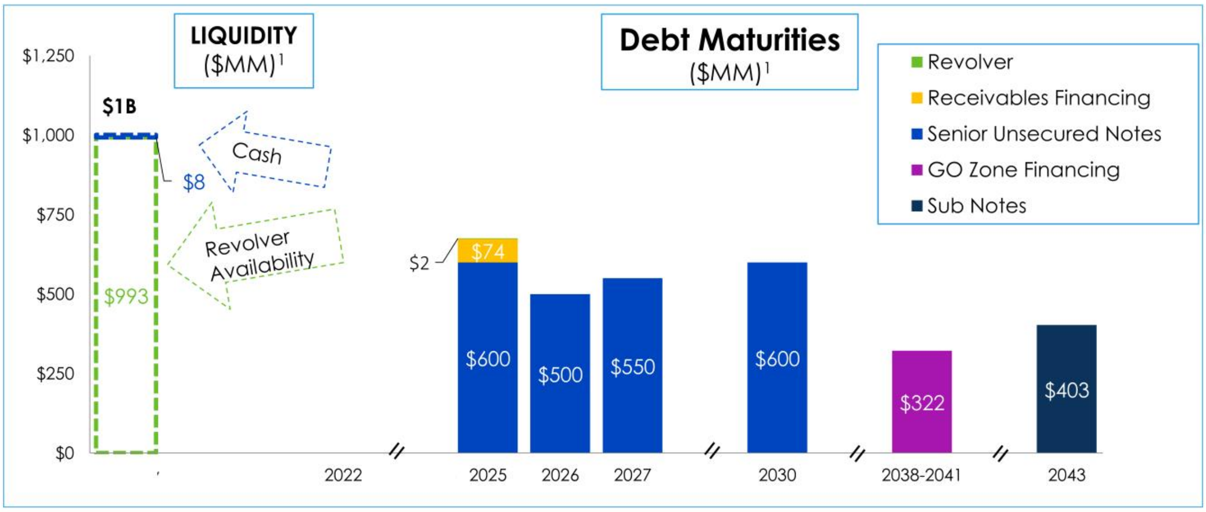
NuStar Investment-grade Customers
(% Pipeline/Storage 2022 YTD Revenues as of September 30, 2022)



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 recent asset sales to pay-off bond maturities and further reduce debt balances
- We had _over $993 million_ available on our revolver at the end of the third quarter of 2022, and our debt maturity runway is cleared until 2025



Capital Structure as of September 30, 2022 ($ in Millions)

$1.0B Credit Facility	$ 2
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	74
Finance Lease Liability	56
Other	(35)
Total Debt	**$3,072**

Common Equity and AOCI	$ 169
Series A, B and C Preferred Units	756
Series D Preferred Units	631
Total Equity[1]	**1,556**
Total Capitalization	**$4,628**

★ **As of September 30, 2022:**
- Credit facility availability ~$993MM
- Debt-to-EBITDA ratio[2] 3.79x

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.

Reconciliation of Non-GAAP Financial Information (continued)

The following is a reconciliation of EBITDA to adjusted EBITDA, and for the applicable period, to adjusted EBITDA, excluding the Point Tupper terminal and the Eastern U.S. terminals, which were sold in April 2022 and October 2021, respectively (in thousands of dollars).

	Three Months Ended September 30,	
	2022	2021
EBITDA	$ 178,432	$ (2,728)
Goodwill impairment loss	—	34,060
Other impairment losses	—	154,908
Gain from insurance recoveries	—	(9,372)
Adjusted EBITDA	$ 178,432	$ 176,868
Divested assets:		
Operating loss		$ (124,855)
Depreciation and amortization expense		3,516
Other expense, net		(682)
EBITDA of divested assets		(122,021)
Goodwill and other impairment losses		129,771
Adjusted EBITDA of divested assets		$ 7,750
Adjusted EBITDA, excluding divested assets		$ 169,118

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

	Three Months Ended September 30,	
	2022	2021
Net income (loss)	$ 59,633	$ (124,933)
Goodwill impairment loss	—	34,060
Other impairment losses	—	154,908
Gain from insurance recoveries	—	(9,372)
Adjusted net income	$ 59,633	$ 54,663

Reconciliation of Non-GAAP Financial Information (continued)

The following are reconciliations for our pipeline and fuels marketing segments of operating income to segment EBITDA, and for the applicable segment, to adjusted segment EBITDA (in thousands of dollars).

	Three Months Ended September 30, 2022	
	Pipeline	Fuels Marketing
Operating income	$ 110,365	$ 8,519
Depreciation and amortization expense	44,806	—
Segment EBITDA	$ 155,171	$ 8,519

	Three Months Ended September 30, 2021	
	Pipeline	Fuels Marketing
Operating income	$ 40,201	$ 949
Depreciation and amortization expense	45,506	—
Segment EBITDA	85,707	949
Impairment loss	59,197	—
Adjusted segment EBITDA	$ 144,904	$ 949

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

	Projected for the Year Ended December 31, 2022
Net income	$ 193,000 - 206,000
Interest expense, net	205,000 - 215,000
Income tax expense	2,500 - 4,500
Depreciation and amortization expense	255,000 - 260,000
EBITDA	655,500 - 685,500
Gain on sale	(1,600)
Impairment loss	46,100
Adjusted EBITDA	$ 700,000 - 730,000

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):

	For the Four Quarters Ended September 30, 2022	Year Ended December 31, 2021	Year Ended December 31, 2020
Operating income	$ 381,112	$ 236,454	$ 209,102
Depreciation and amortization expense	259,296	274,380	285,101
Goodwill impairment losses	—	34,060	225,000
Other impairment losses	46,122	154,908	—
Equity awards (a)	13,607	14,209	11,477
Pro forma effects of dispositions (b)	(1,613)	(22,710)	(9,102)
Other	(15)	1,762	(2,496)
Consolidated EBITDA, as defined in the Revolving Credit Agreement	$ 698,509	$ 693,063	$ 719,082
Long-term debt, less current portion of finance leases	$ 3,068,055	$ 3,183,555	$ 3,593,496
Finance leases (long-term)	(51,619)	(52,930)	(54,238)
Net fair value adjustments, unamortized discounts and unamortized debt issuance costs	34,604	38,315	42,382
NuStar Logistics' floating rate subordinated notes	(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	$ 2,648,540	$ 2,766,440	$ 3,050,515
Consolidated Debt Coverage Ratio (Consolidated Debt to Consolidated EBITDA)	3.79x	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 four quarters ended September 30, 2022, this adjustment represents the pro forma effects of the dispositions of the Point Tupper and Eastern U.S. terminals. For the year ended December 31, 2021, this adjustment represents the pro forma effects of the disposition of the Eastern U.S. terminals. For the year ended December 31, 2020, this adjustment represents the pro forma effect of the disposition of the Texas City terminals.

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
Operating income	$ 41,150
Depreciation and amortization expense	20,769
EBITDA	$ 61,919

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/