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): **February 27, 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 Barclays Select Series: Midstream Corporate Access Day on Monday, February 27, 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 February 27, 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: February 27, 2023

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

2023

Barclays Select Series: Midstream Corporate Access Day

February 27, 2023

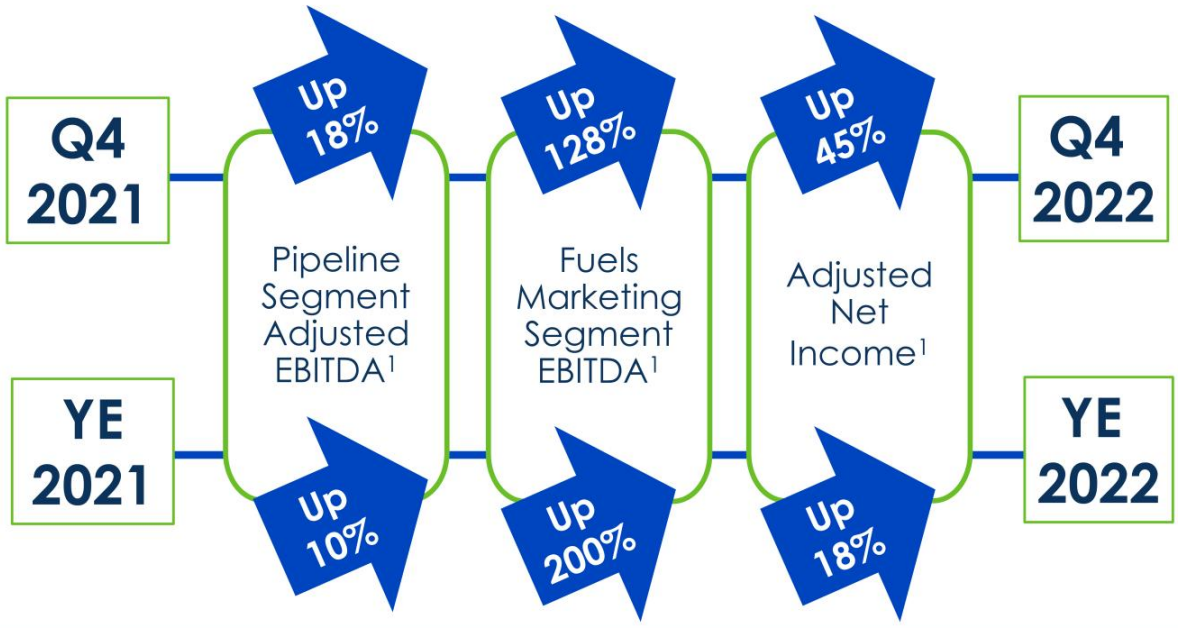
Forward-Looking Statements

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.

Our Solid Fourth Quarter and Full Year 2022 Results Once Again Demonstrated the Strength and Resilience of Our Business

★ ***Our fourth quarter 2022 adjusted EBITDA[1] of $197 million was up $28 million,*** a 16% increase over the fourth quarter of 2021, and is ***the highest fourth quarter adjusted EBITDA in our company's history***



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

- ★ 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 plan to continue to optimize our spending to increase our free cash flow in 2023

By Taking Steps to Improve Our Debt Metric Over Time, We Were Able to Repurchase 30% of the Series D Preferred Units in 4Q 2022

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
- In November 2022, we repurchased 6.9MM, or 30% of total outstanding Series D preferred units, while maintaining a debt-to-EBITDA ratio of 3.98x[1]

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

Thanks to Our Solid 2022, NuStar is on Target to Deliver Another Strong Year in 2023

Repurchasing **Series D Preferred Units** in 2023

- 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 repurchase another portion of Series D units in 2023

Generating **Strong EBITDA** in 2023

- Expecting $700-760MM[1]

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

- Aiming to close 2023 at ~4.0x

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

Renewable Fuels

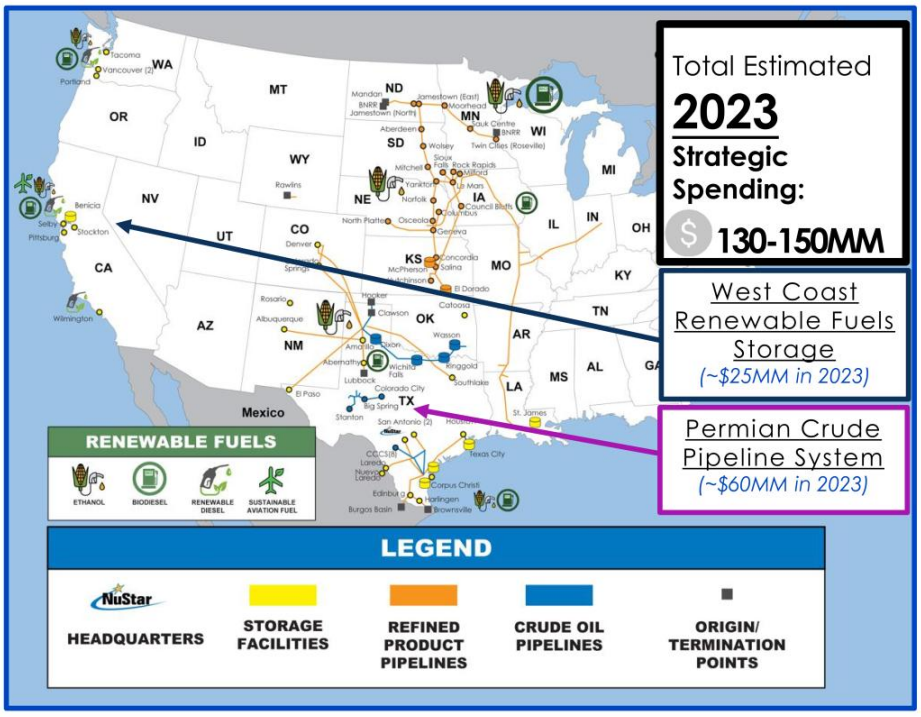
- ***Established:***
  - West Coast Network
  - Ethanol & bio-diesel blending
- ***Developing:***
  - Ammonia System

Refined Products

- Midcontinent
- Colorado/NM/Texas
- Northern Mexico

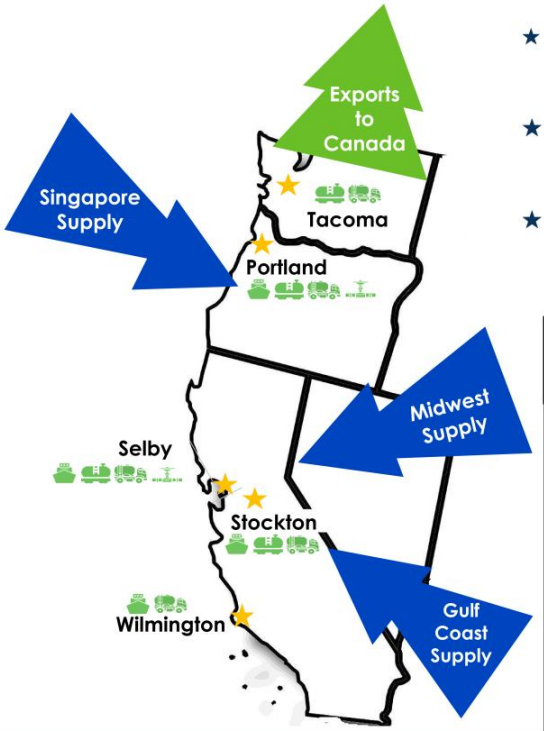
Crude Supply/Export

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



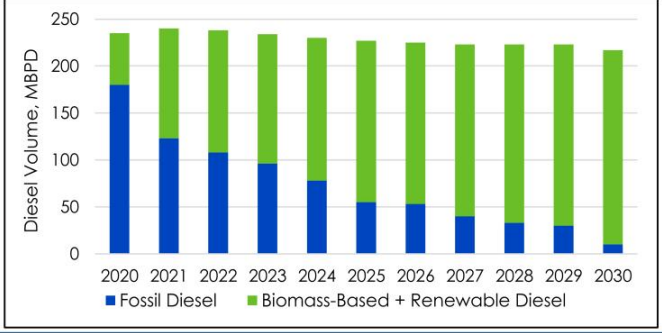
Renewable Fuels

Carbon Emissions Reduction Goals Generate Growing Demand 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

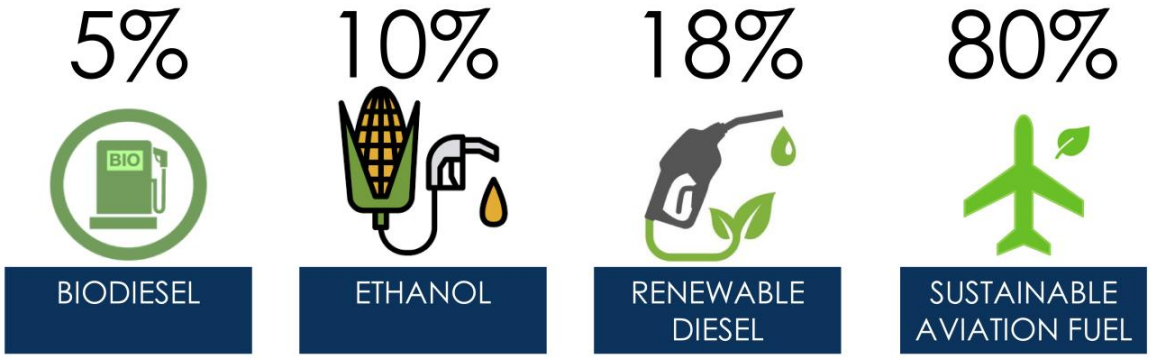


Source: IHS Markit

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 September 30, 2022[1])



- ★ 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

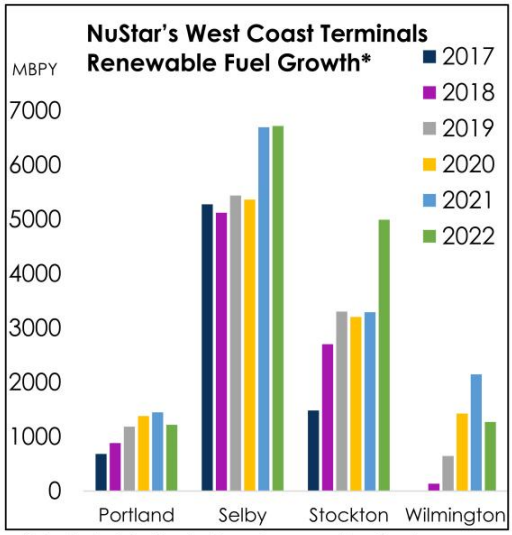
Source: California Air Resource Board (CARB)
1 – Most recent data available

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 ***~35%*** 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**	✓
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.

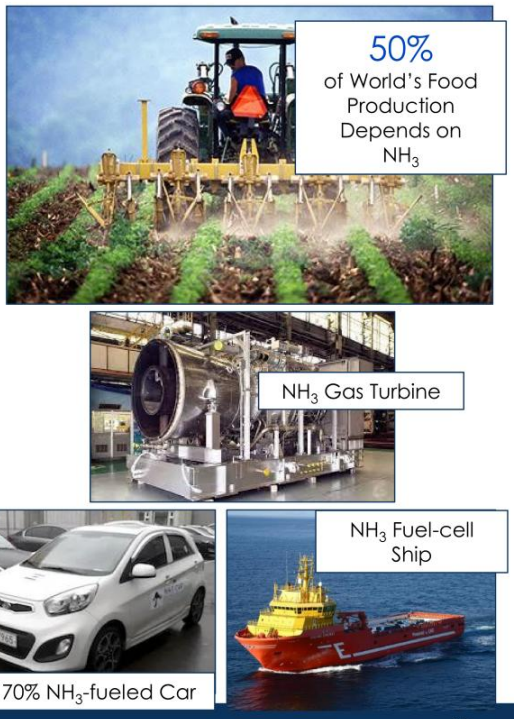


* Includes biodiesel, ethanol, renewable diesel, renewable feedstock and SAF

Renewable Fuels

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

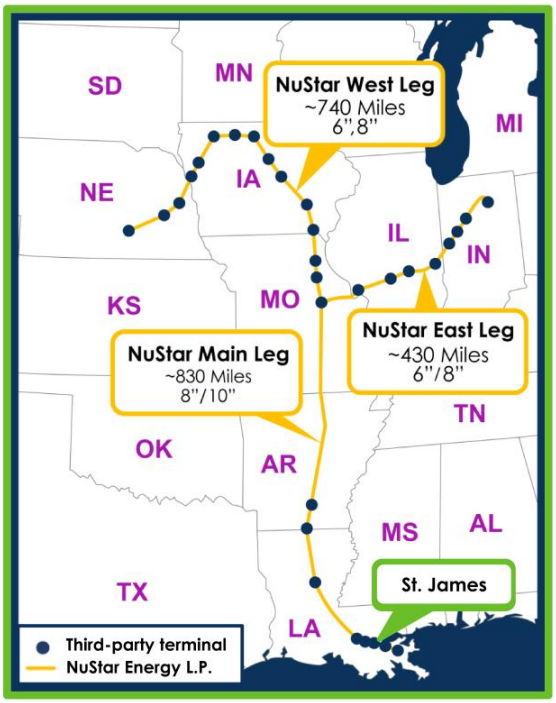
- Ammonia is the basic building block for all types of nitrogen fertilizer which is an essential nutrient for growing plants
  - About 90% of the 200 million tons of ammonia (worth almost $80 billion in the aggregate) produced each year is used for fertilizer
  - About 50% of the world's food production 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



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

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

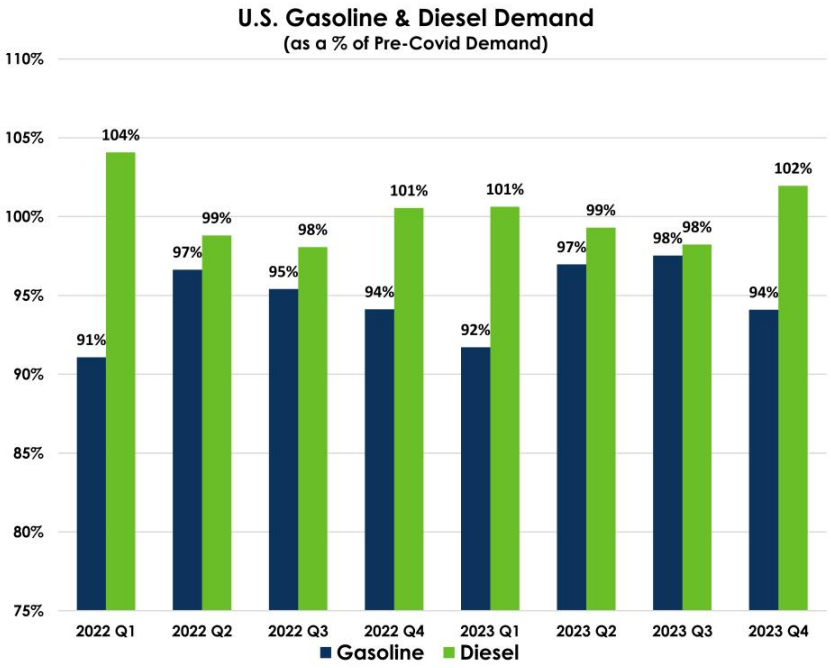
- Our Ammonia System spans >2,000 miles from Louisiana north along the Mississippi to Missouri, and then Northwest and East, to Nebraska and Indiana
  - Today, we provide the lowest-cost option for transporting both imported and domestically produced ammonia to fertilize crops in our nation's "breadbasket"
- 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 5-10% 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

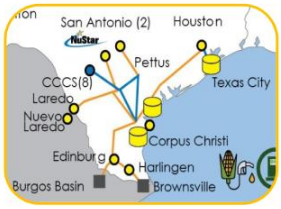
U.S. Refined Product Demand is Expected to Remain Strong Through 2023

- 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-

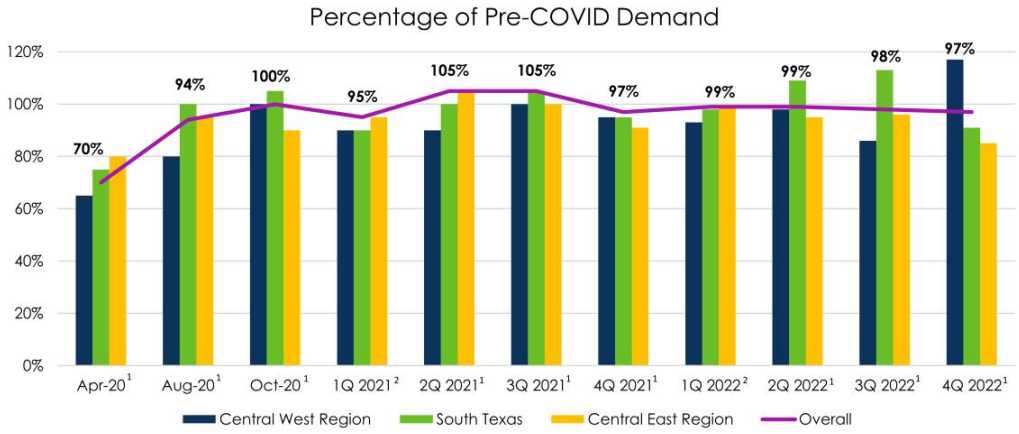
- ★ CENTRAL EAST: A 2,500-mile pipeline system with multiple delivery options
  - *East Pipeline* – This system serves important markets across the Midwest/West, with flexible refined product supply from refineries in McPherson, Kansas, El Dorado, Kansas and Ponca City, Oklahoma
  - *North Pipeline* – 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



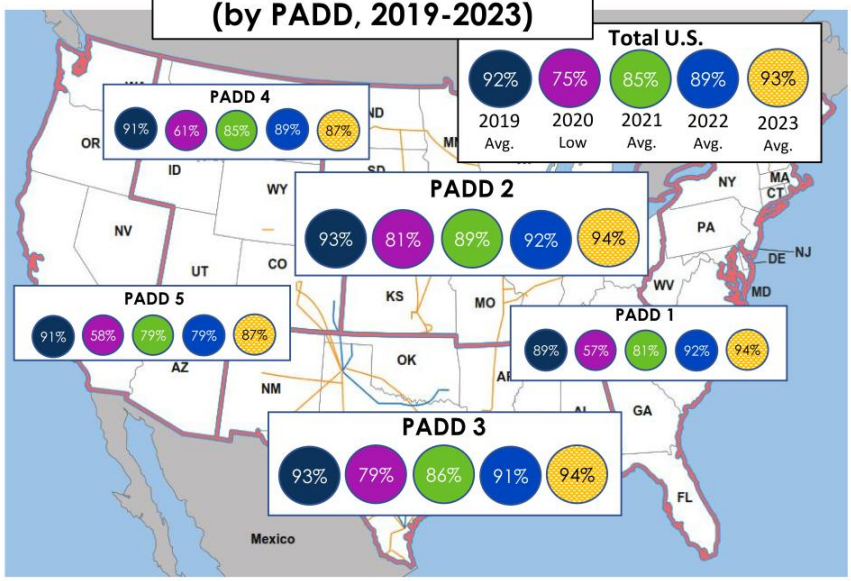
- ★ Our resilient asset base recovered quickly from April 2020's pandemic low
- ★ Full-year 2022 refined product throughputs were **100%**[1] of our full-year 2019 (pre-Covid) levels, despite operational issues at customer refineries last year

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

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)



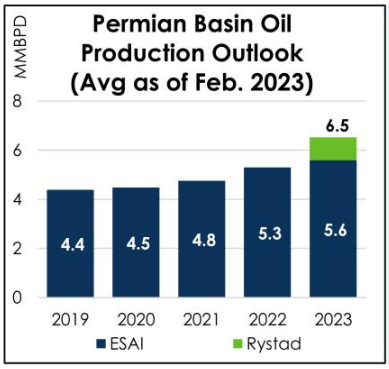
- ★ Global refinery utilization has been rising steadily since the pandemic, with the U.S. (93%), Asia (89%), and Europe (94%) gaining ground, while Russia (70%) and the Middle East (83%) continue to lag[1]
- ★ U.S. refinery utilization in 2022 averaged 89% and expected to average 93% in 2023, up 4% and 8% over the 2021 average, respectively

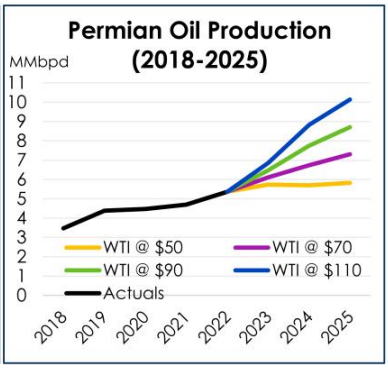
Source: ESAI
1 – 2023 average projections

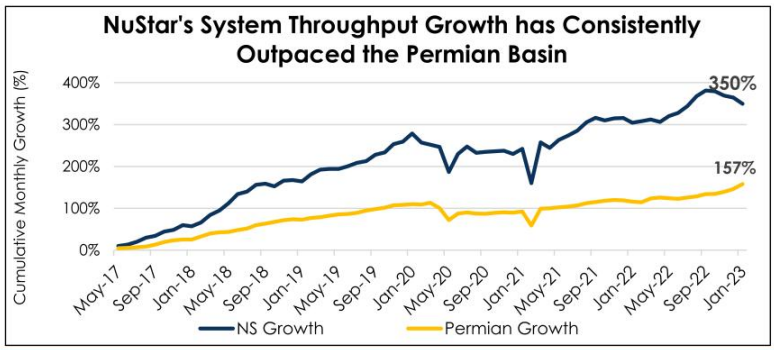
Crude Supply/Export

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 2022 at 5.5 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
- ★ As of January, our system's throughput volumes are now up 57% above Covid lows, while the rest of the Permian is up 50% from Covid lows







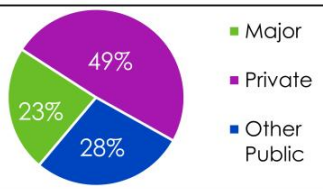
Source: Rystad, ESAI

Crude Supply/Export

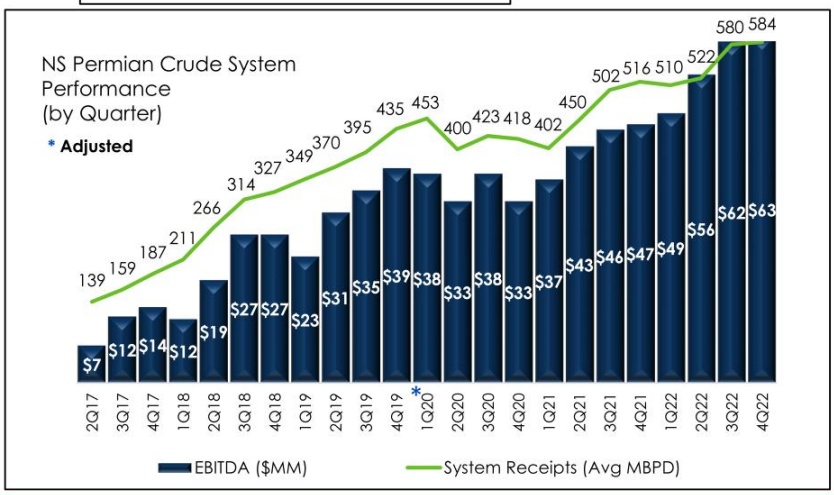
Our "Core of the Core" Location has Attracted Top-tier Customers Whose Activity is Supporting Steady Growth

- ★ The quality of geological formations underlying our system has attracted the strongest customers
  - ~65% of our system's revenue is generated from investment-grade (IG) rated and Non-IG BB-rated entities[1]
- ★ We averaged 584 MBPD in 4Q22
  - We expect to exit 2023 at around 600 MBPD
- ★ We had around 20 rigs on our system through 2022, and our producers expect to maintain that number in 2023, which provides an important platform for growth

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



Producer Average Cost of Debt, Weighted by Acreage: 6.88%[3]



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

1 – For the year ended December 31, 2022
2 – For the month ended December 31, 2022
3 – As of February 22, 2022

Producers in the Basin Remain Committed to Permian Drilling

ExxonMobil

"If you look at my comments and the plans, we're now **forecasting that the Permian production will reach about a million barrels a day by 2027,** so very much in line going all the way back to 2018 and then the comments that we made around the pandemic and the delay that was introducing. "...**that's roughly a 13% compounded annual growth rate**.""

Chevron

The company's investments increased by more than 75 percent from 2021, and annual **U.S. production increased to 1.2 million barrels of oil equivalent per day, led by 16 percent growth in Permian Basin unconventional production**.

DIAMONDBACK ENERGY

"Looking back at **last year, we produced over 223,000 barrels of oil per day**, exceeding our production expectations. This is primarily the result of our well performance, which continues to trend in the right direction as our normalized **oil production in the Midland Basin improved by 6% y-over-y and nearly 20% when compared to 2020."**

ConocoPhillips

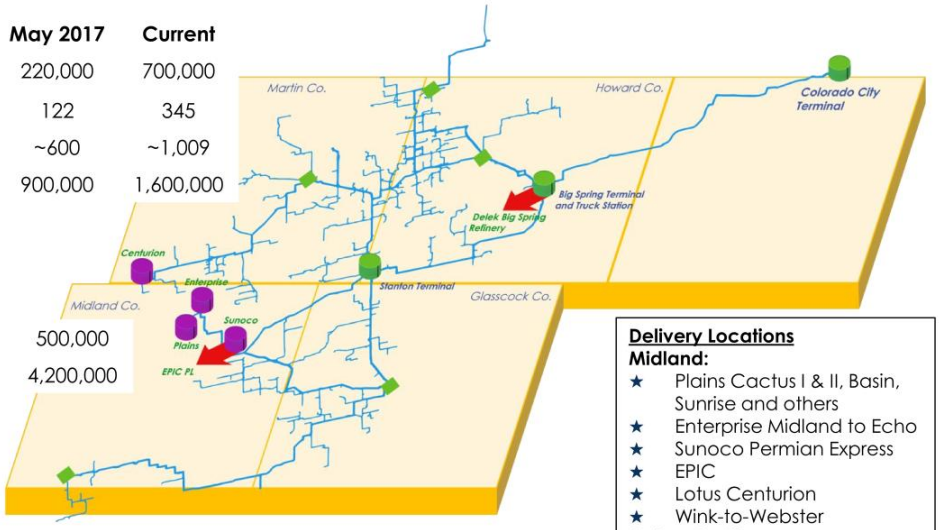
"Our Lower 48 plan will deliver production in that mid-single digits, with the **majority of that growth weighted to the Permian**."

Source: 4Q 2022 Earnings Call Transcripts/Press Releases

Crude Supply/Export

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	345
Pipeline Miles	~600	~1,009
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

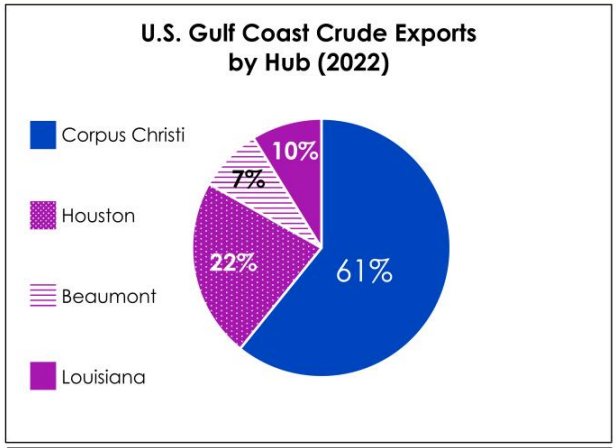
Colorado City:
- ★ Sunoco WTG, Permian Express
- ★ Bridgetex
- ★ Plains Basin
- ★ Sunrise II

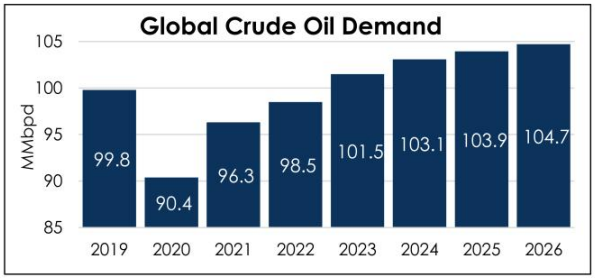
Other:
- ★ Delek Big Spring Refinery

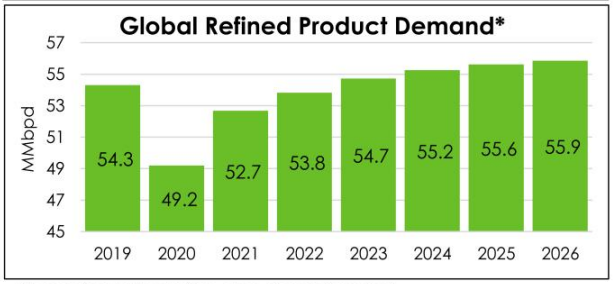
Crude Supply/Export

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

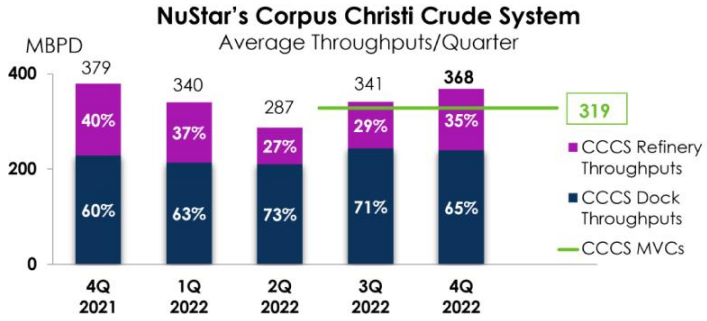
Crude Supply/Export

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



Our Strategic Priorities:

1. Optimizing Our Business to Increase Cash Flow

2. Strengthening Our Balance Sheet

3. Promoting Our ESG Excellence

Appendix

NuStar By-the-numbers

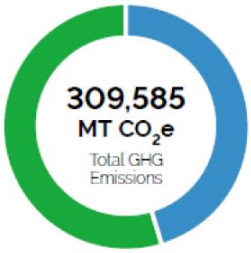
- Common Unit Price[1]: $16.00
- Distribution/CU/Year: $1.60
- Yield[1]: 10.0%
- Market Cap[1]: ~$1.8 billion
- Credit Ratings:
  - *Moody's: Ba3 (Stable)*
  - *S&P: BB- (Stable)*
  - *Fitch: BB- (Stable)*
- Enterprise Value[1]: ~$6.2 billion
- Total Assets: ~$5.0 billion
- Pipeline Miles: ~9,500
- Pipeline Volumes[2]: 2.0MMBPD
- Storage Capacity: ~49MMB
- Storage Throughput Volumes[2]: 513MBPD

1. As of February 17, 2023
2. Average daily volume for the quarter ended December 31, 2022

NuStar Sustainability Highlights

Issued 2021 Sustainability Report including Scope 1 & 2 GHG Emissions

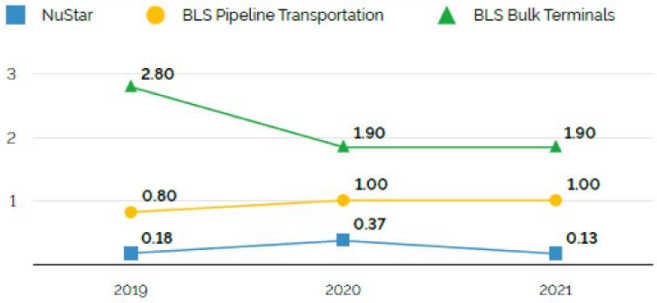
Scope 1 and 2 Emissions[2]



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]

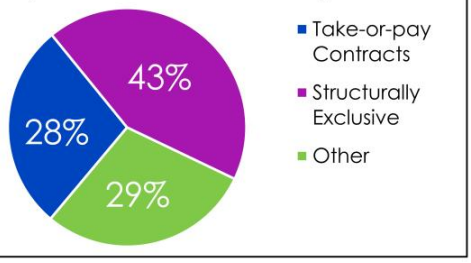


[1] Industry averages derived from 2019–2020 Bureau of Labor Statistics Data. 2020 averages carried forward to 2021 for illustration purposes.

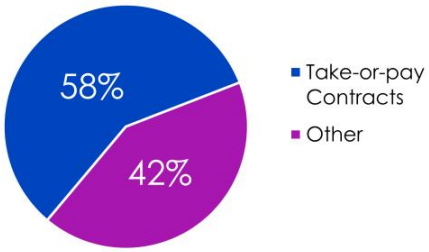
2 US only; See Sustainability report on NuStar website for additional information

Long-term Commitments From Creditworthy Customers

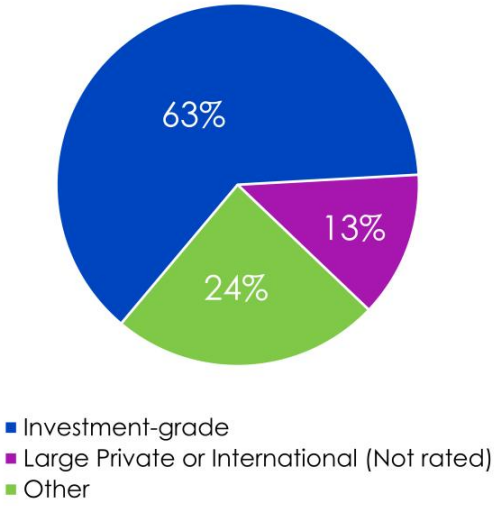
Pipeline Segment Contracted[1] Revenues
(% 2023 Forecast – as of 4Q22)



Storage Segment Contracted Revenues
(% 2023 Forecast – as of 4Q22)



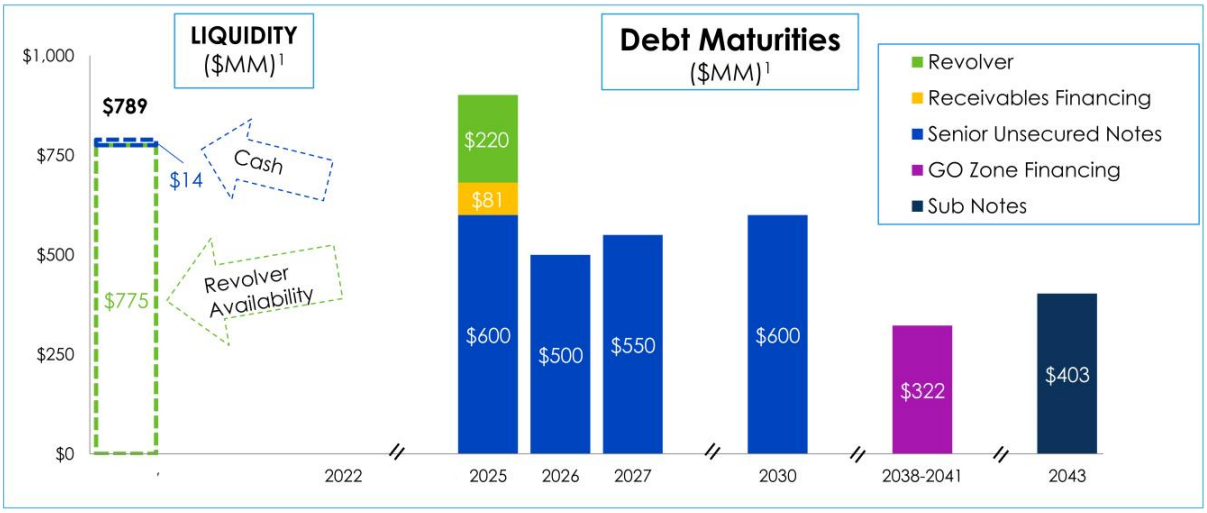
NuStar Investment-grade Customers
(% Pipeline/Storage 2022 YTD Revenues as of December 31, 2022)



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 of our $1.0 billion revolver through April 2025 and our receivables financing agreement through January 2025
- We utilized cash flows and proceeds from recent asset sales to continue to reduce debt balances, which enabled us to repurchase a portion of the Series D preferred units in November 2022
- We had $775 million available on our revolver at the end of 2022, and our debt maturity runway is cleared until 2025



1 – Balances as of December 31, 2022

Capital Structure as of December 31, 2022 ($ in Millions)

$1.0B Credit Facility	$ 220
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	81
Finance Lease Liability	55
Other	(33)
Total Debt	**$3,298**

Common Equity and AOCI	$ 146
Series A, B and C Preferred Units	756
Series D Preferred Units	447
Total Equity[1]	**1,349**
Total Capitalization	**$4,647**

★ **As of December 31, 2022:**

- Credit facility availability ~$775MM
- Debt-to-EBITDA ratio[2] 3.98x

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 projected net income to EBITDA (in thousands of dollars):

	Projected for the Year Ended December 31, 2023
Net income	$ 202,000 - 240,000
Interest expense, net	235,000 - 245,000
Income tax expense	3,000 - 5,000
Depreciation and amortization expense	260,000 - 270,000
EBITDA	$ 700,000 - 760,000

Reconciliation of Non-GAAP Financial Information (continued)

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

	Three Months Ended December 31,	
	2022	2021
Net income	$ 91,603	$ 57,518
Interest expense, net	55,956	51,774
Income tax expense	911	353
Depreciation and amortization expense	64,971	65,031
EBITDA	$ 213,441	$ 174,676
Gain from insurance recoveries	(16,366)	(5,488)
Adjusted EBITDA	$ 197,075	$ 169,188

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

	Three Months Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
Net income	$ 91,603	$ 57,518	$ 222,747	$ 38,225
Gain from insurance recoveries	(16,366)	(5,488)	(16,366)	(14,860)
Goodwill impairment loss	—	—	—	34,060
Other impairment losses	—	—	46,122	154,908
Income tax benefit related to impairment loss	—	—	(1,144)	—
Gain on sale	—	—	(1,564)	—
Adjusted net income	$ 75,237	$ 52,030	$ 249,795	$ 212,333

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 to adjusted segment EBITDA (in thousands of dollars).

	Three Months Ended December 31, 2022	
	Pipeline	Fuels Marketing
Operating income	$ 131,600	$ 11,842
Depreciation and amortization expense	44,726	—
Segment EBITDA	$ 176,326	$ 11,842

	Three Months Ended December 31, 2021	
	Pipeline	Fuels Marketing
Operating income	$ 105,380	$ 5,203
Depreciation and amortization expense	43,798	—
Segment EBITDA	$ 149,178	$ 5,203

	Year Ended December 31, 2022	
	Pipeline	Fuels Marketing
Operating income	$ 438,670	$ 33,536
Depreciation and amortization expense	178,802	—
Segment EBITDA	$ 617,472	$ 33,536

	Year Ended December 31, 2021	
	Pipeline	Fuels Marketing
Operating income	$ 321,472	$ 11,181
Depreciation and amortization expense	179,088	—
Segment EBITDA	500,560	11,181
Impairment loss	59,197	—
Adjusted segment EBITDA	$ 559,757	$ 11,181

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,		
		2022	2021	2020
Operating income	$ 381,112	$ 408,813	$ 236,454	$ 209,102
Depreciation and amortization expense	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	13,607	13,781	14,209	11,477
Pro forma effects of dispositions (a)	(1,613)	(1,760)	(22,710)	(9,102)
Other	(15)	(3,607)	1,762	(2,496)
Consolidated EBITDA, as defined in the Revolving Credit Agreement	$ 698,509	$ 722,585	$ 693,063	$ 719,082
Long-term debt, less current portion of finance leases	$ 3,068,055	$ 3,293,415	$ 3,183,555	$ 3,593,496
Finance leases (long-term)	(51,619)	(51,127)	(52,930)	(54,238)
Net fair value adjustments, unamortized discounts and unamortized debt issuance costs	34,604	33,252	38,315	42,382
NuStar Logistics' floating rate subordinated notes	(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	$ 2,648,540	$ 2,873,040	$ 2,766,440	$ 3,050,515
Consolidated Debt Coverage Ratio (Consolidated Debt to Consolidated EBITDA)	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
Operating income	$ 41,150	$ 42,261
Depreciation and amortization expense	20,769	21,073
EBITDA	$ 61,919	$ 63,334

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