NuStar Announces No Expected Material Impact on FERC's Tax Policy Change

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SAN ANTONIO--(BUSINESS WIRE)--Mar. 16, 2018-- NuStar Energy L.P. (NYSE: NS) announced today that yesterday's decision by the Federal Energy Regulatory Commission ("FERC") to revise its 2005 Policy Statement for Recovery of Income Tax costs is not expected to have a material impact on the earnings or cash flow of NuStar Energy.

"While we were disappointed by the FERC's announcement that it no longer will allow interstate pipelines owned by master limited partnerships to recover an income tax allowance in the cost of service, it is important to note that the FERC's decision is not expected to have a material impact on NuStar because the vast majority of our rates are contract-based or market-based," said Brad Barron, president and CEO of NuStar Energy.

"We believe that FERC's action is inconsistent with the intended tax treatment of master limited partnerships, essentially negating the intent of Congress," Barron added. "We intend to work closely with our industry colleagues on legislative clarification of income-tax recovery. MLPs continue to serve as an important mechanism to build energy infrastructure."

About NuStar Energy L.P.

NuStar Energy L.P., a publicly traded master limited partnership based in San Antonio, is one of the largest independent liquids terminal and pipeline operators in the nation. NuStar currently has more than 9,400 miles of pipeline and 81 terminal and storage facilities that store and distribute crude oil, refined products and specialty liquids. The partnership's combined system has more than 96 million barrels of storage capacity, and NuStar has operations in the United States, Canada, Mexico, the Netherlands, including St. Eustatius in the Caribbean, and the United Kingdom. For more information, visit NuStar Energy L.P.'s website at www.nustarenergy.com.

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