



## **NuStar Energy L.P. Announces Bunker Fuel Marketing Agreement**

August 23, 2013

### ***Supply Agreement Positions NuStar To Remain In A Competitive Position as a Bunker Marketer While Significantly Reducing Working Capital Requirements***

SAN ANTONIO--(BUSINESS WIRE)--Aug. 23, 2013-- As part of its announced strategy to review and strengthen its bunker fuel marketing operations, NuStar Energy L.P. (NYSE: NS) today announced it has signed a fuel oil supply agreement with a major fuel oil trading company. This agreement enables NuStar to create a "back-to-back" trading model in which NuStar purchases bunker fuel supply from this company to fulfill the needs of its customers in St. Eustatius and the Caribbean. This trading model will allow NuStar to reduce working capital tied to inventory, reduce exposure to price volatility and hedge ineffectiveness, and better manage operating expenses. In fact, the agreement will help NuStar lower its working capital expenses by \$40 to \$50 million, and save the company related attendant interest and hedging costs.

"This agreement is a very positive step in our efforts to strengthen the bunker marketing operations within our fuels marketing segment, which has been impacted by weak demand and difficult market conditions," said NuStar President and CEO Curt Anastasio. "This agreement allows us to remain in a competitive position as a bunker fuel marketer, while reducing our exposure to price risks and dramatically reducing our working capital expenses related to our bunker marketing operations. We also believe that it creates opportunities to grow our fuel oil business in the Caribbean."

### ***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. The partnership currently has 8,621 miles of pipeline; 87 terminal and storage facilities that store and distribute crude oil, refined products and specialty liquids; and a 50% ownership in a joint venture that owns a terminal and an asphalt refinery with a throughput capacity of 74,000 barrels per day. The partnership's combined system has approximately 97 million barrels of storage capacity, and NuStar has operations in the United States, Canada, Mexico, the Netherlands, including St. Eustatius in the Caribbean, the United Kingdom and Turkey.

Source: NuStar Energy L.P.

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