



49th Annual
Scotia Howard Weil
Energy Conference

March 23, 2021



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.



Introduction

CRUDE OIL



Thanks to Our Employees' Perseverance and Hard Work,
We Generated Solid Full-Year 2020 Results...

2020 Actions



Maintained Reliable
Operations & Industry-leading
Health & Safety Record



Reduced Expenses
\$52 million*



Reduced Strategic Capital Spending
66%

Reduced Debt With
\$106 million
Proceeds From Sale of Terminal

Issued \$1.2 billion of Senior Notes to
Address Maturities through 2025

2020 Results

Adjusted
EBITDA
\$723 MM

8%
HIGHER
Than
Our 2019
Results

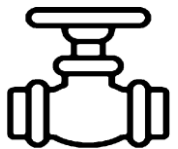
*- 2020 actuals compared to pre-COVID 2020 guidance for spending/expenses

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



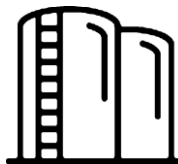
... Along With Strong Operational Performance Across Our Footprint

- ★ Our pipeline systems have rebounded strongly, and several of our terminals continue to benefit in 2021 from Spring 2020's contango
 - ▢ Based on March 2021 MTD data, we are currently around **90%** of our early 2020 pre-covid utilization



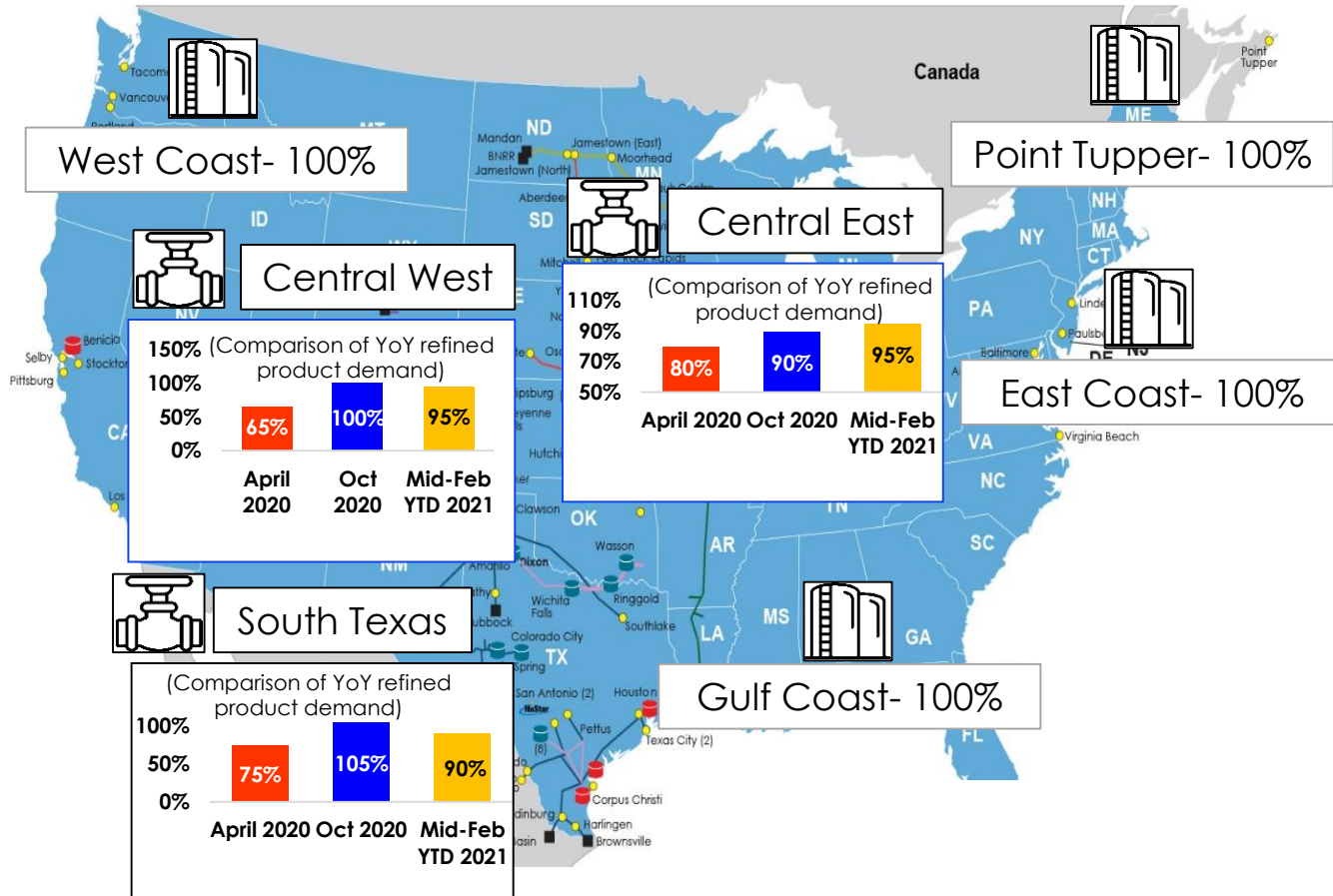
PIPELINE SEGMENT

Transported 817MM bbls Crude + Refined Products during 2020, 6MM more than 2019



STORAGE SEGMENT

Successfully contracted 100% of our storage across our footprint





NuStar is Well-positioned in 2021...

Strong Coverage



Lower Leverage



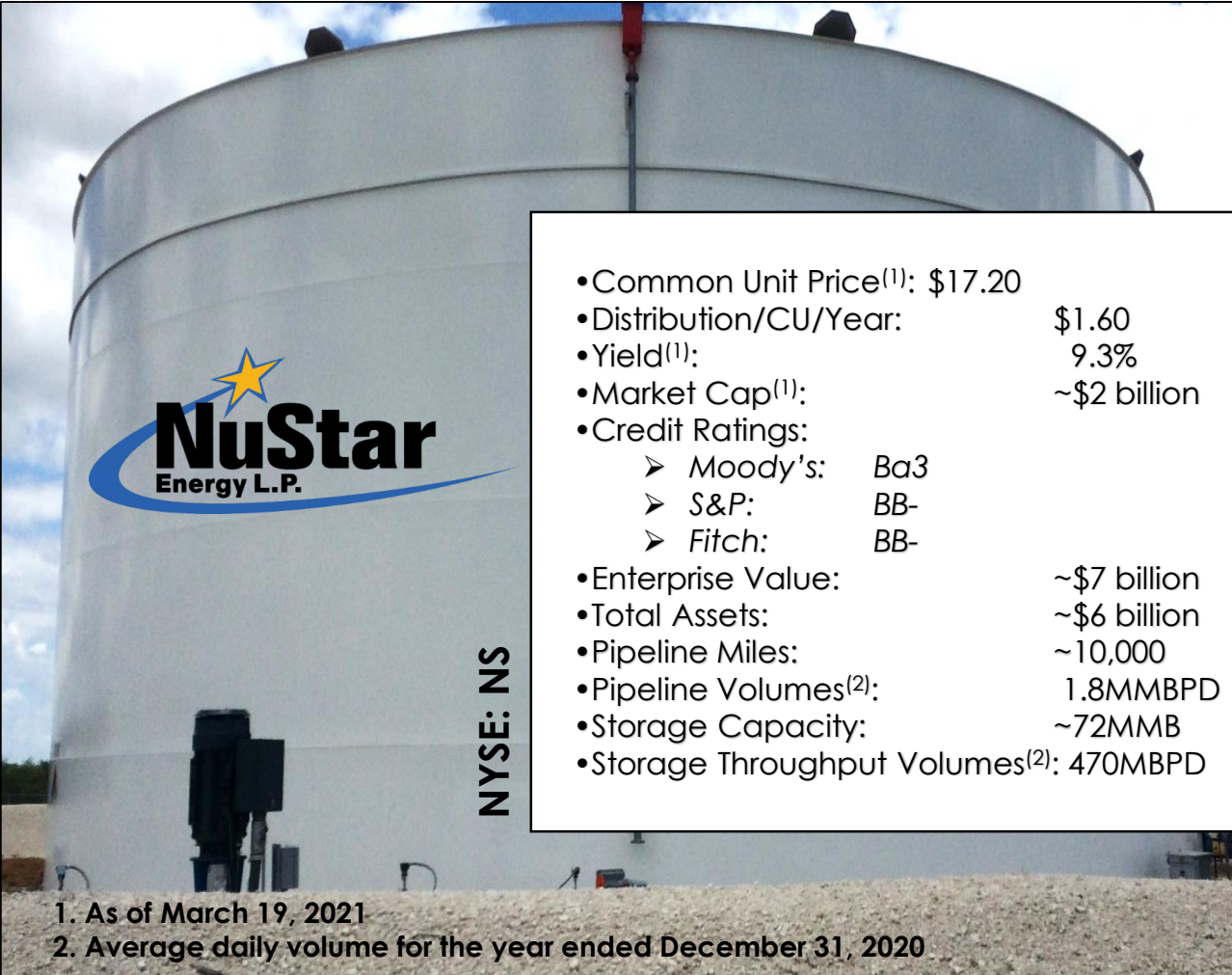
Simplified Structure/
Governance



No IDR Burden



Maximized Self-
Funding



• Common Unit Price ⁽¹⁾ :	\$17.20
• Distribution/CU/Year:	\$1.60
• Yield ⁽¹⁾ :	9.3%
• Market Cap ⁽¹⁾ :	~\$2 billion
• Credit Ratings:	
➢ Moody's:	Ba3
➢ S&P:	BB-
➢ Fitch:	BB-
• Enterprise Value:	~\$7 billion
• Total Assets:	~\$6 billion
• Pipeline Miles:	~10,000
• Pipeline Volumes ⁽²⁾ :	1.8MMBPD
• Storage Capacity:	~72MMB
• Storage Throughput Volumes ⁽²⁾ :	470MBPD

1. As of March 19, 2021
2. Average daily volume for the year ended December 31, 2020



... To Continue to Demonstrate Financial Strength and Stability in 2021

2021
Expectations

Expect to Generate
2021 EBITDA
Comparable to 2020
Adjusted EBITDA*

&

Expect to Fund All
NuStar's 2021
Spending From Our
Internally Generated
Cash Flows

*- After taking into account EBITDA associated with the Texas City terminal, sold in December 2020



Over the Past Year, We are Proud of the Strength of Our Support of Each Other and Our Communities



**Ranked
#62!**

- ★ 99.9% of our U.S. employees contribute to our United Way campaign, and our average per capita contribution is one of the highest in the nation for a company our size

☐ NuStar's total 2020 record pledge was \$4.7 million

- ★ NuStar employees log an average of over 88,000 volunteer hours annually

- ★ NuStar was recently awarded another honor in February by Latino Magazine



**Ranked
#46!**





Later This Year, We Plan to Release Our First Sustainability Report...

2019
Formed an
"ESG" Task
Force to Begin
R&D



2020
Launched
Sustainability Working
Committee



1Q 2021
Launched
Sustainability
Webpage



2Q 2021
Rolling out
expanded ESG
Presentation



Summer 2021
Rolling Out
Inaugural Report





... To Provide More of the Statistics, Record and Rankings That Demonstrate How Much NuStar Cares, Contributes and Shares

- ★ NuStar has been recognized for its strong corporate culture with numerous awards

- ☐ NuStar has been recognized 11 times in Fortune's Annual "100 Best Companies to Work For" list

2019
People
COMPANIES
THAT CARE
Ranked
#13!

- ★ NuStar employees contribute an average of over 88,000 volunteer hours annually

- ☐ NuStar maintains local volunteer councils in each community in which we operate to contribute to the charitable and civic causes unique to that local community

- ★ Since 2007, NuStar's employees have hosted a golf tournament to support Haven for Hope, a transformational campus in San Antonio that addresses homelessness

- ☐ The tournament has generated an aggregate of nearly \$48 million for Haven for Hope

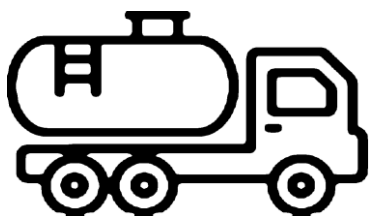




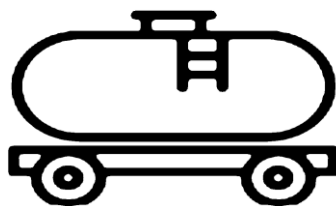
We are Proud That Pipelines Provide the Most Efficient and Safest Way to Transport the Energy That Powers Our Everyday Life...

**Transporting the Volume
NuStar Moves in ONE DAY Would Require:**

11,000 Trucks



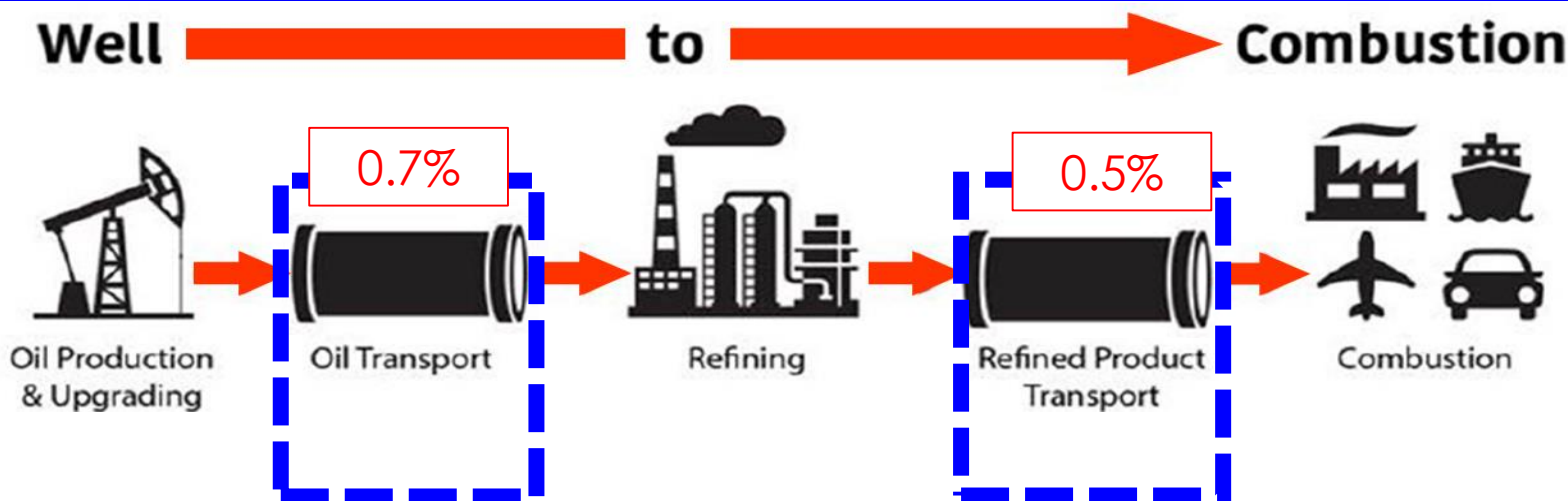
37 Unit Trains



**Pipelines are the Safest Mode of
Energy Transportation:**

- ❑ Rail is over 4.5 times more likely than pipelines to experience an incident
- ❑ Trucks are 6 times more likely than pipelines to experience a fatality

Pipelines' Proportion of Emissions



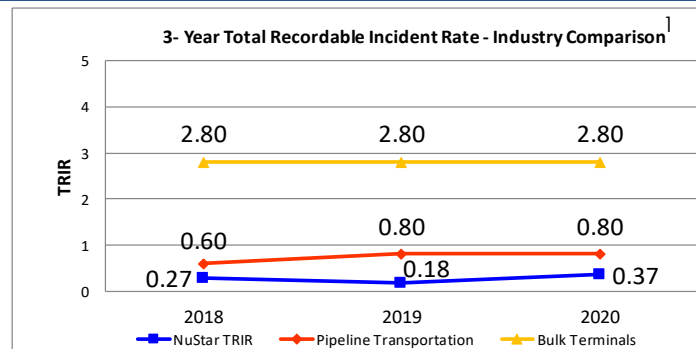
Sources: ARC Energy Research Institute, using input data from the U.S. Department of Energy National Energy Technology Laboratory to define the U.S. Refined Average (2014)
*U.S. Refined Average (2014); Student Research Associate, Strata



.... Of How Well NuStar Protects Our Employees, the Environment and Our Communities Across Our Footprint...

- ★ Our safety statistics reflect our commitment to safe, responsible operations
 - In 2020, as in years past, we performed substantially better than our peers
 - Over 7.5 times better than the Bureau of Labor Statistics (BLS) comparison data for the Bulk Terminals Industry
 - And 2 times better than the BLS data for the Pipeline Transportation Industry
- ★ NuStar has received the International Liquids Terminals Association's (ILTA) Safety Excellence Award 10 times
 - ILTA reviews its members' safety reports filed with OSHA, and recognizes member companies that achieve exemplary safety statistics with an award
- ★ We participate in the OSHA Voluntary Protection Program (VPP), which promotes effective worksite safety and health
 - Achieving VPP *Star Status* requires rigorous OSHA review and audit, and *Star Status* requires renewal every three years
 - 85% of our eligible U.S. terminals are VPP-certified

1 – Industry averages derived from 2018-2019 Bureau of Labor Statistics (BLS) Data. 2019 averages carried forward to 2020 for illustration purposes.





... And the Alignment of NuStar's Governance With Our Unitholders' Interests

No IDRs

Annual Unitholder Meetings

NS Board of Directors

100% Attendance for 2020 Board & Committee Meetings

78% Independent Directors

11% Women

Audit Committee

Nominating,
Governance &
Conflicts Committee

Compensation
Committee

NS Management

*Majority of Executive Officers' Compensation Tied to
Performance and Unit Returns*

Sustainability
Committee

Governance, Ethics
& Compliance
Committee

Cyber Risk
Governance
Committee

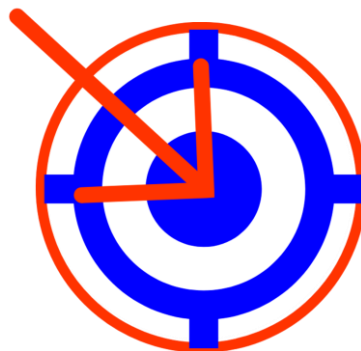
Financial
Reporting &
Disclosure
Committee



We Are Focused on Our Strategic Priorities for 2021



Working to
Fund
Spending
From Internally
Generated
Cash Flows



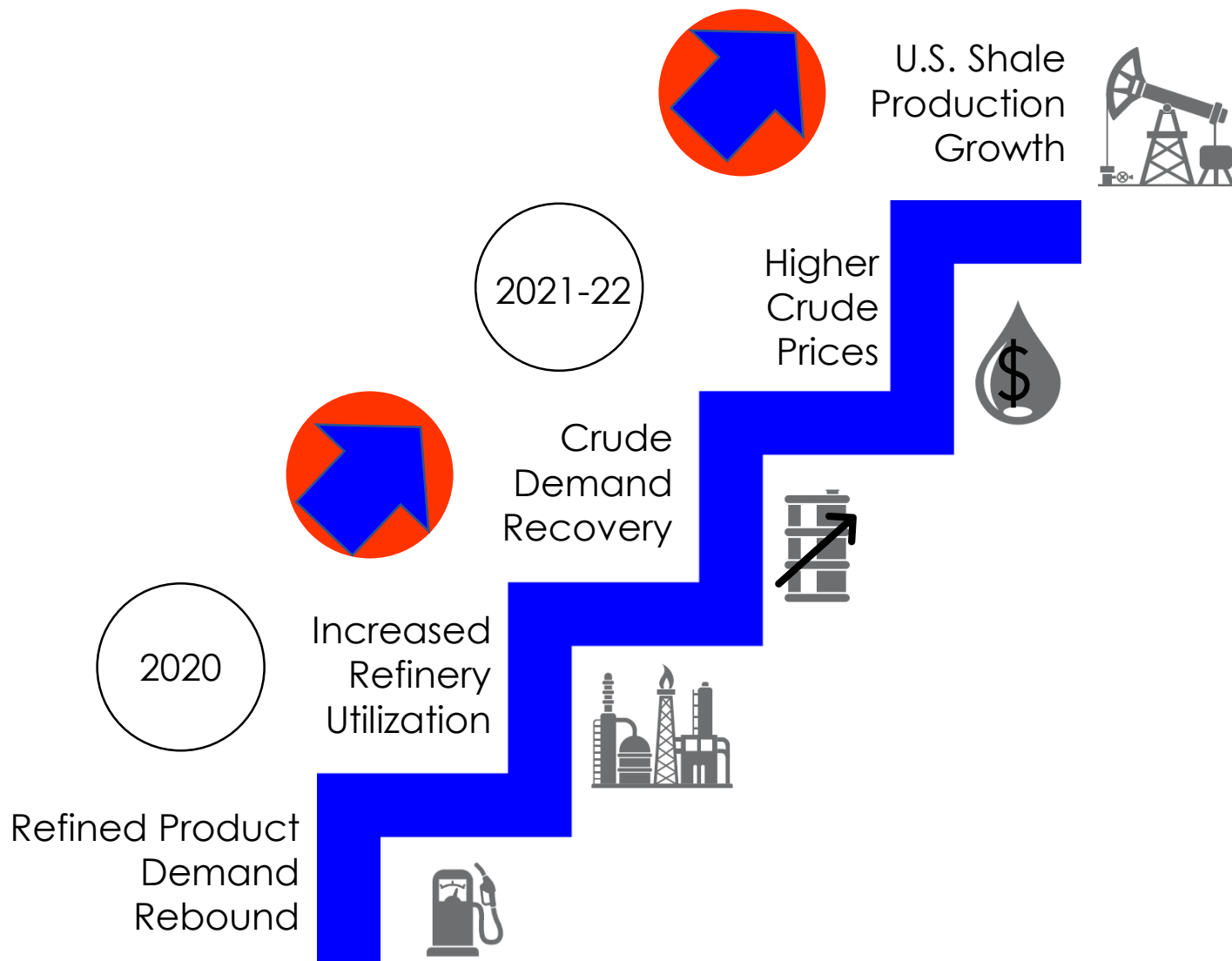
Continuing to
Take Steps to
Improve Our
Debt Metrics



Promoting
NuStar's
ESG
Excellence



We Remain Confident That Product Demand Rebound is the First Step on the Road Back to Shale Production Growth in 2021-2022

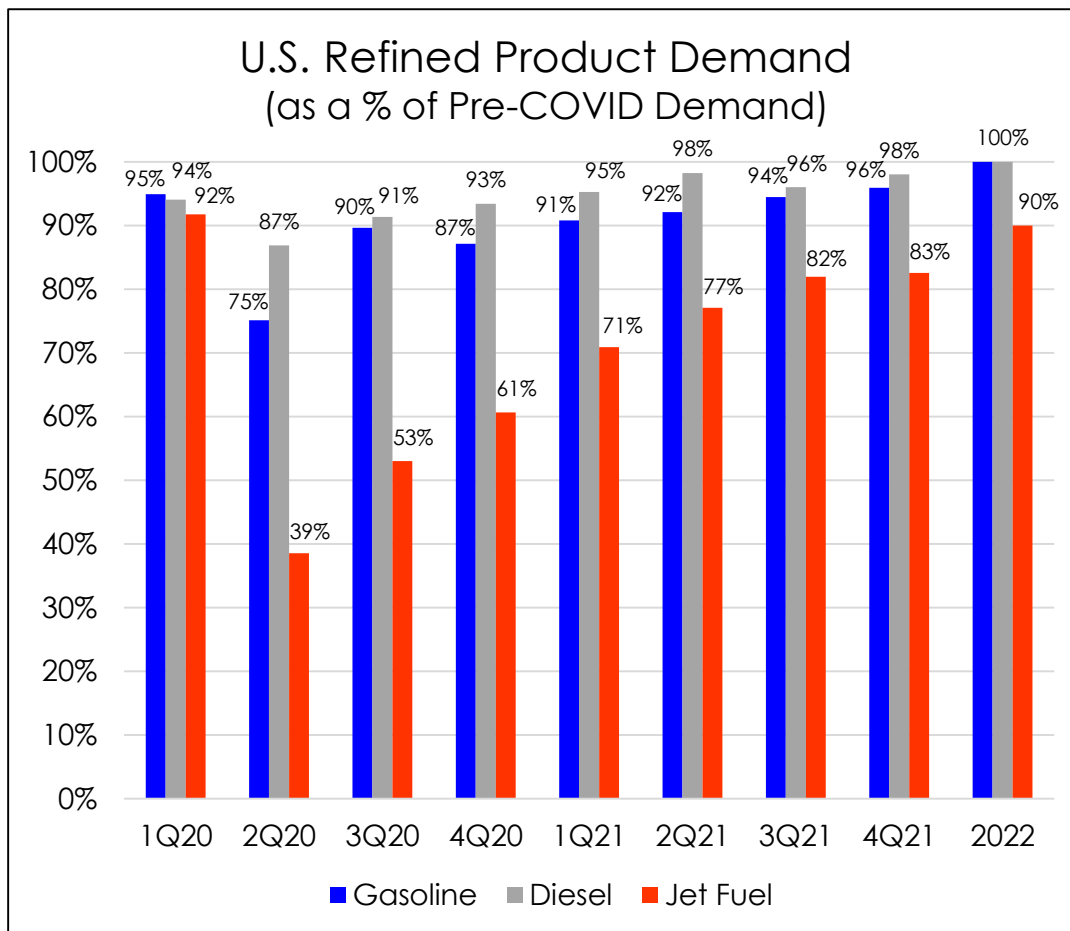




Overall Gasoline and Diesel Demand in the United States is Expected to Rebound up to 95% of Pre-COVID Levels in 2Q 2021...

- ★ In the second quarter of 2020, U.S. refined products demand dropped by 21% compared to January 2020, but by 2022, gasoline and diesel demand are expected to recover to pre-COVID demand levels

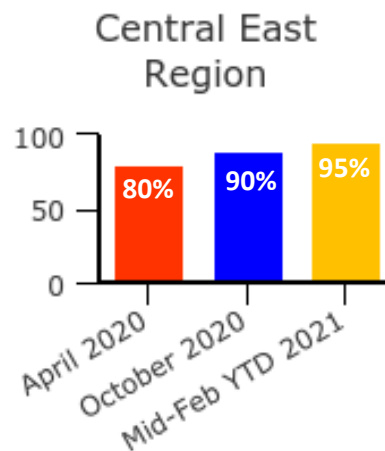
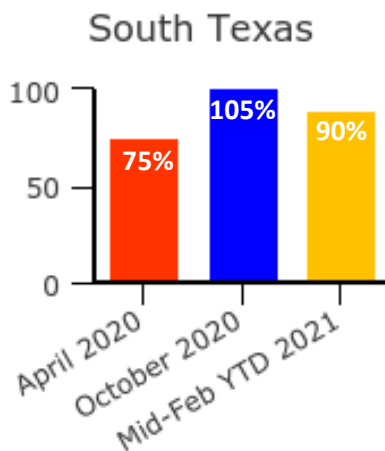
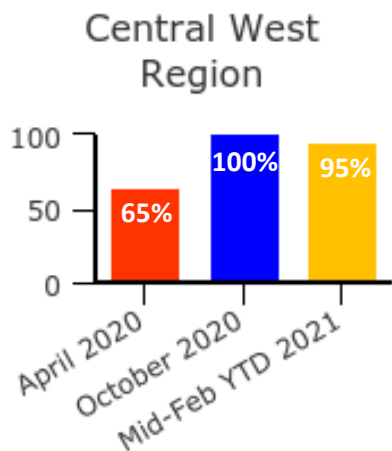
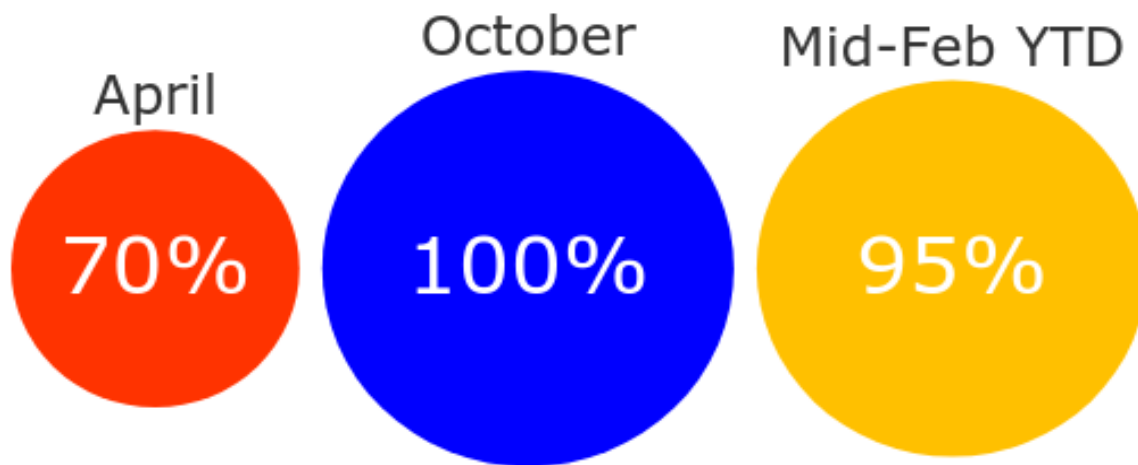
- The recovery of jet fuel demand is expected to lag behind gasoline and diesel demand, as the airline industry continues to experience low flight demand due to COVID concerns





... While the Refined Products Markets that NuStar's Assets Serve Have Continued to Demonstrate Remarkable Resilience

Total Refined Products:

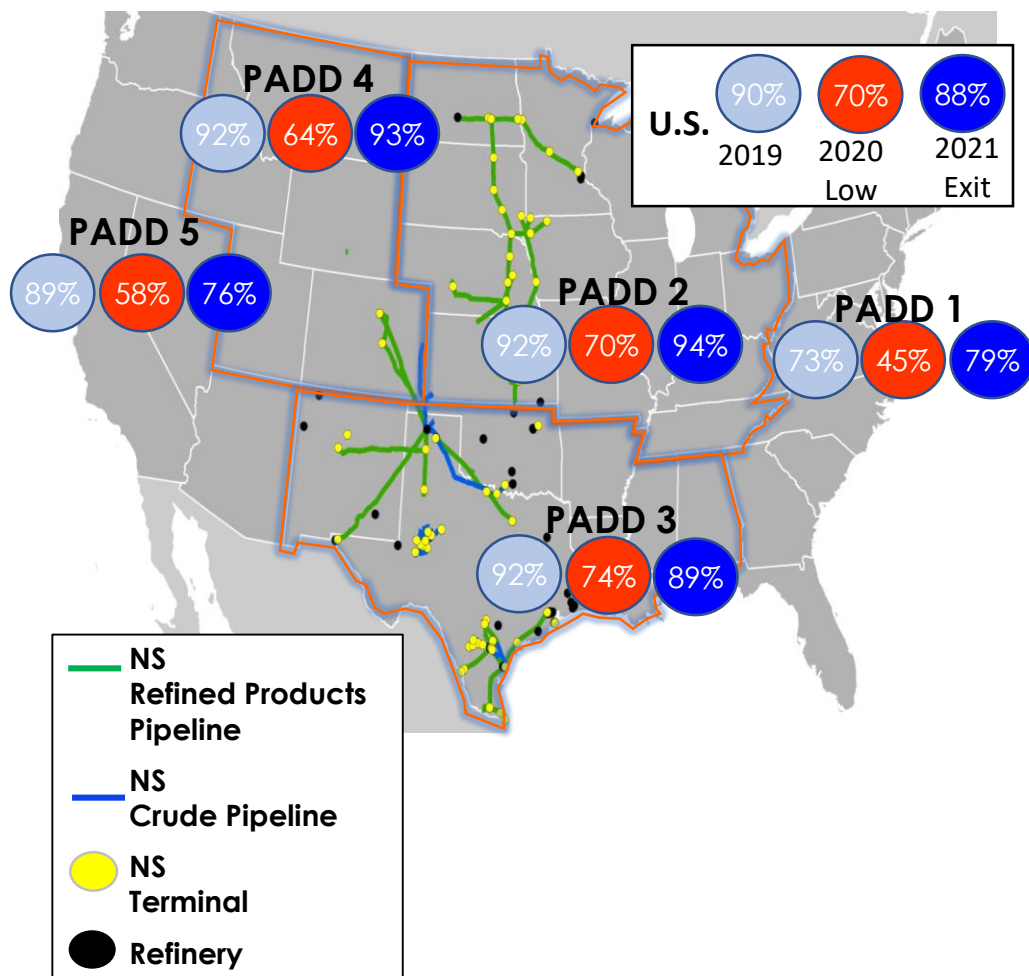


★ Based on March 2021 MTD data, we are currently around 90% of early 2020 pre-covid levels



Refinery Utilization Across the United States Continues to Recover, Led Largely by Refiners in PADD 2 and PADD 3, Which NuStar's Pipeline Systems Serve...

U.S. Refinery Utilization (by PADD, 2019-2021)

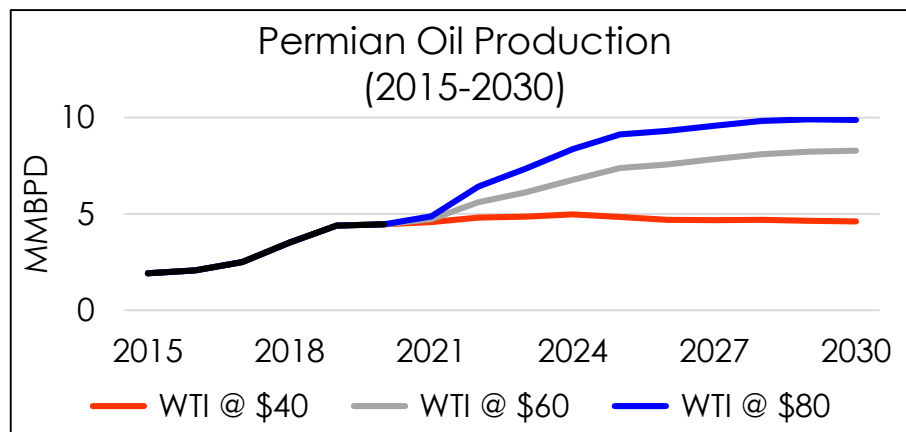
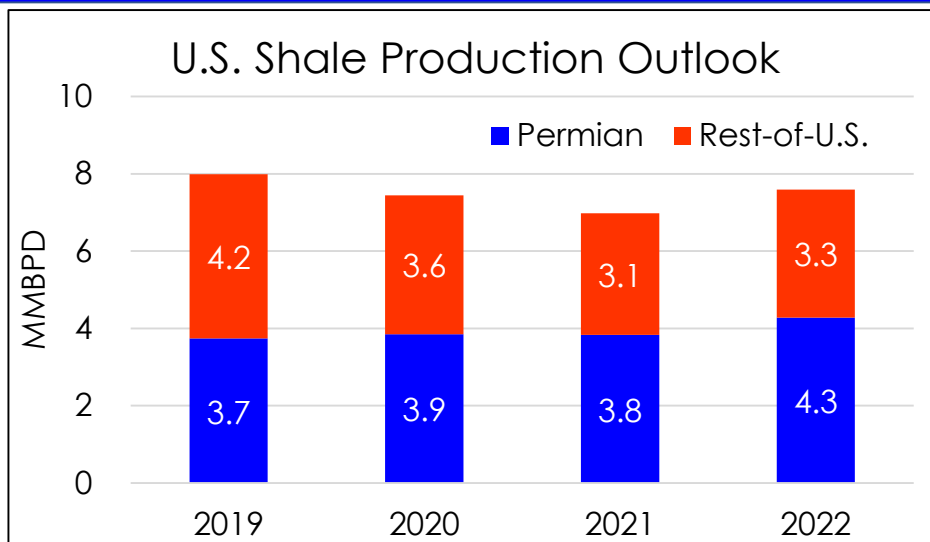


- ★ Nearly all of NuStar's pipeline assets are located in PADD 2 and 3, where refinery utilization in PADD 2 and 3 did not suffer the degree of deterioration experienced by East and West Coasts refiners in 2020
- ★ Refinery utilization in PADD 2 and 3 is forecasted to recover largely ahead of the rest of the U.S.
 - PADD 2 refiners benefit from lower supply costs with access to nearby Canadian as well as abundant U.S. shale production
 - Complex Gulf Coast refineries can process lower-cost heavy crudes and maximize production of high-margin products

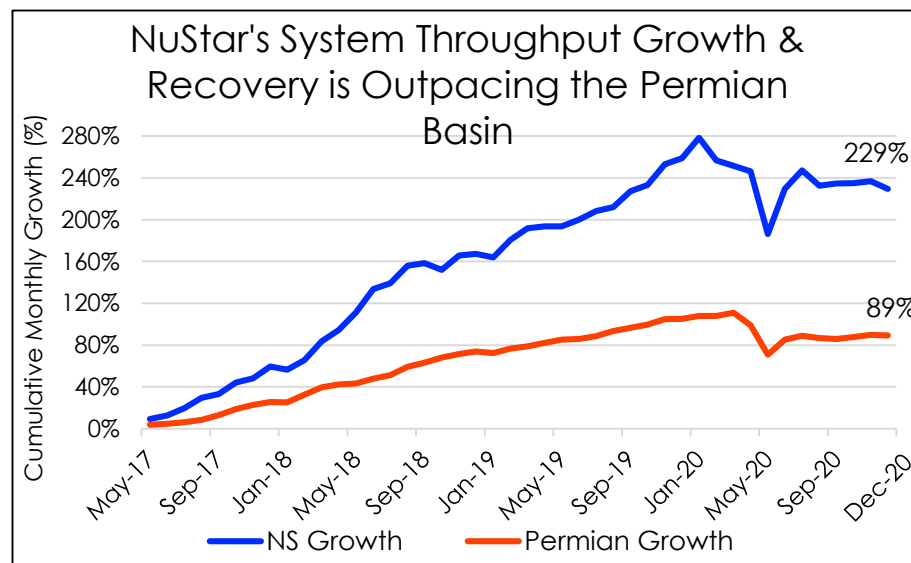


The Permian Basin- the World's Largest, Most Resilient Shale Play- is Expected to Resume Growth in 2022, and Our System has Already Rebounded Ahead of the Rest of the Permian Basin

- ★ Because of its superior geology and breakeven costs, the Permian Basin's production:
 - ▣ Exited 2020 at 3.9 MMBPD, approximately 52% of the nation's total shale output
 - ▣ Is expected to return to growth in 2022
- ★ Our system's throughput volumes are now up 15% above May 2020 lows, while the rest of the Permian is up 11% from the May 2020 low
- ★ We averaged 418MBPD in the fourth quarter of 2020



Source: EIA Drilling Productivity Report (February 2021), Rystad, ESAI





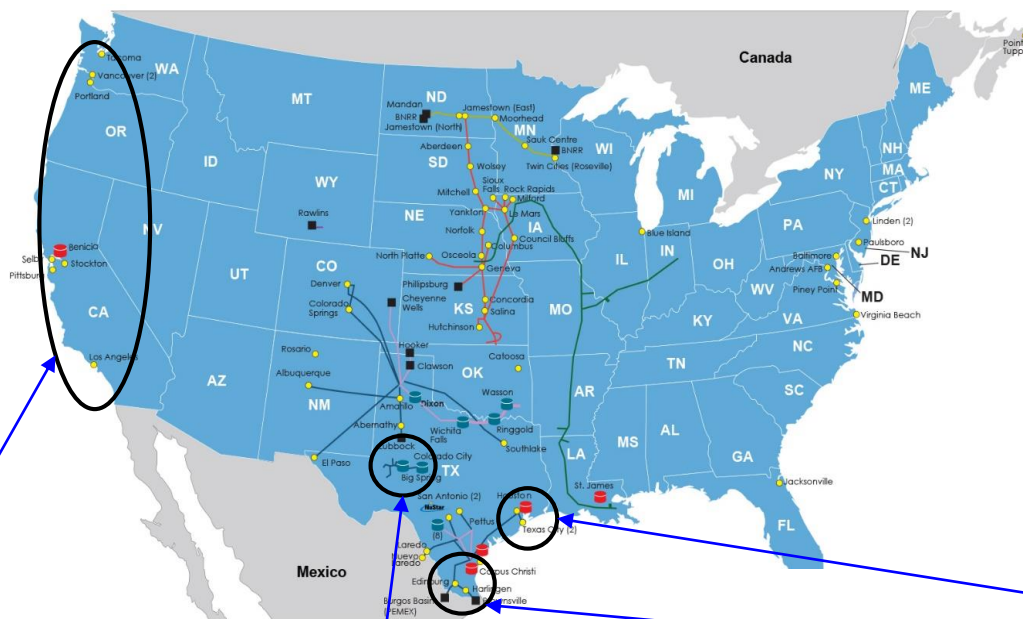
Our Trimmed-Down Strategic Spending Program for 2020 and 2021 Focuses on Low-multiple Projects to Enhance Our Existing Footprint

- ★ We finished 2020 having spent **66% less** on capital projects than we did in 2019
- ★ We continue to exercise strict capital discipline and execute on low-multiple projects that enhance our existing footprint and improve our metrics

**Total
2020
Strategic
Spending:**



160MM



**Total Estimated
2021
Strategic
Spending:**



140-170MM

**West Coast
Renewable Fuels
Storage**
~\$15MM in 2020
(~\$50MM in 2021)

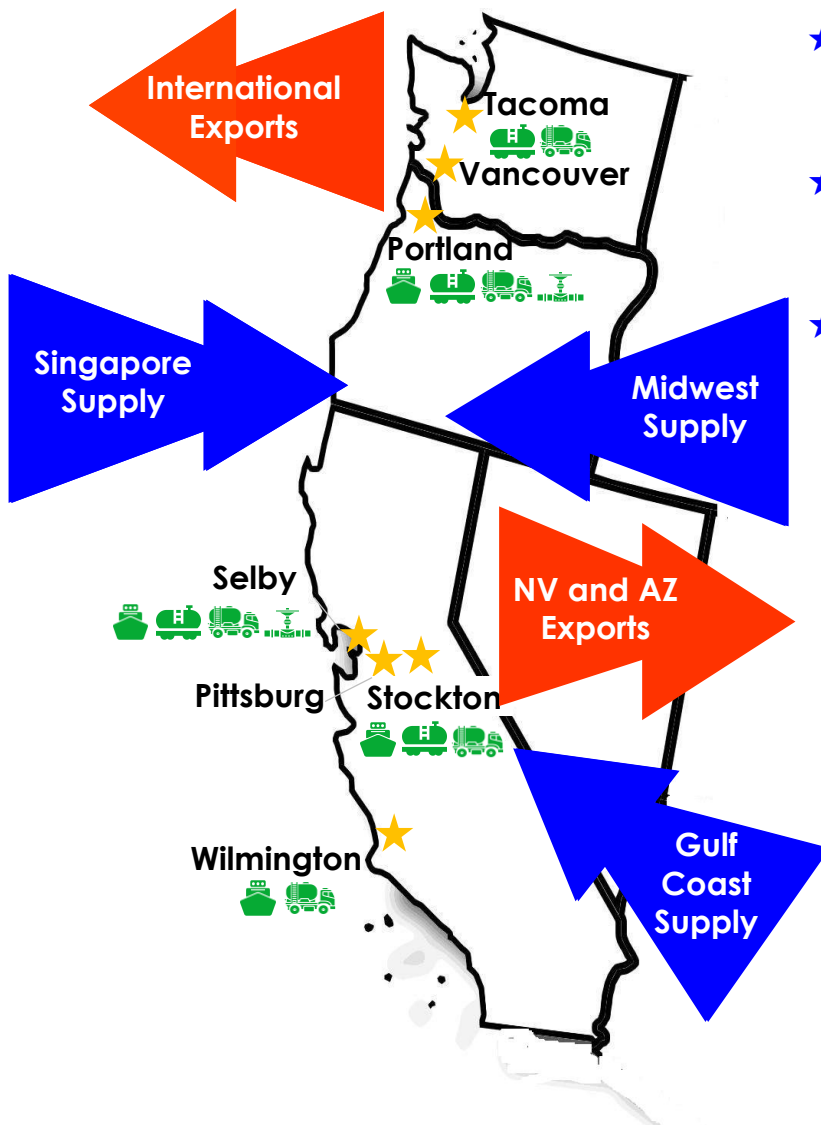
**Permian Crude
Pipeline System**
~\$60MM in 2020
(~\$50MM in 2021)

**N. Mexico
Refined Products
Supply**
~\$10MM in 2020

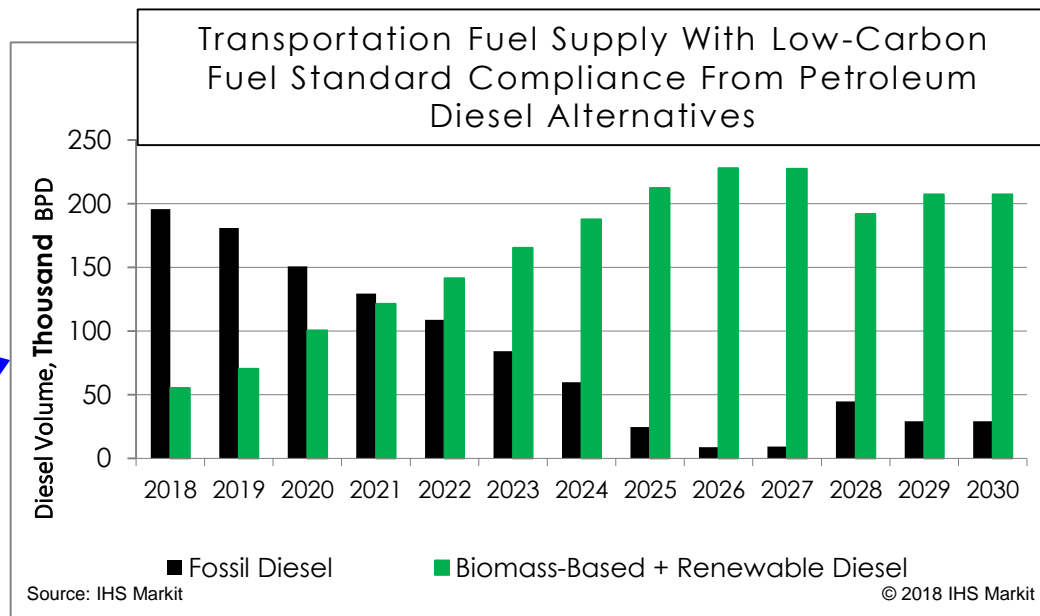
**Gulf Coast Storage
and Export**
~\$10MM in 2020



Aggressive West Coast Carbon Emissions Reduction Goals Continue to Generate Growing Demand and Dislocations That Require Midstream Solutions



- ★ Regulatory priorities on the West Coast are dramatically increasing demand for renewable fuels in the region
- ★ At the same time, obtaining permits for greenfield projects in the region is difficult, which increases the value of existing assets
- ★ Our terminals have the access to facilities necessary to receive bio-fuels from outside the region and to provide a base for distribution of renewable fuels across the West Coast

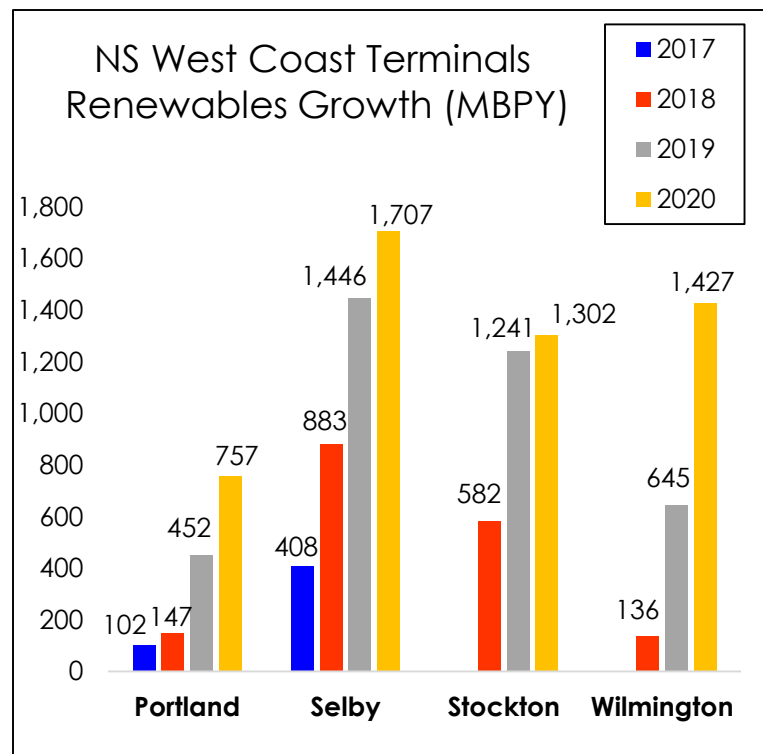




NuStar has Partnered With Key Customers to Develop Renewable Fuels Storage Projects at Several of Our West Coast Facilities

- ★ We have established ourselves as an early mover in the renewable fuels transportation market by developing and completing a number of renewable fuels projects
- ★ These projects, in partnership with our customers on the West Coast, have allowed NuStar to capture market share and build on relationships with key global producers
 - ▣ Our facilities are positioned to benefit from new production and conversion supply projects for renewable diesel, renewable jet, ethanol and other renewable fuels as the renewable fuels market continues to grow

		Complete
Portland	Convert 36,000 bbls to biodiesel	✓
	Convert 57,000 bbls to renewable diesel	✓
Selby	Construct truck-loading for renewable diesel	✓
	Construct truck-loading for renewable jet fuel	✓
	Convert 208,000 bbls to renewable jet fuel	✓
	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 railcar ethanol offload facility	
Wilmington	Convert 160,000 bbls to renewable diesel	✓
	Reconfigure dock for enhanced marine capability	





We Handle and Store a Significant Proportion of the Total Low-Carbon Fuels Volumes Utilized in California, the Largest Driving State in the Nation

NuStar's Proportionate Share of
California's Renewable Fuels Market
(By 2020 Volume through 3Q 2020¹)

6%



BIODIESEL

18%



ETHANOL

27%



RENEWABLE
DIESEL

- ★ We expect these percentages to increase through 2023, along with associated EBITDA, as we complete additional projects presently in planning or under construction

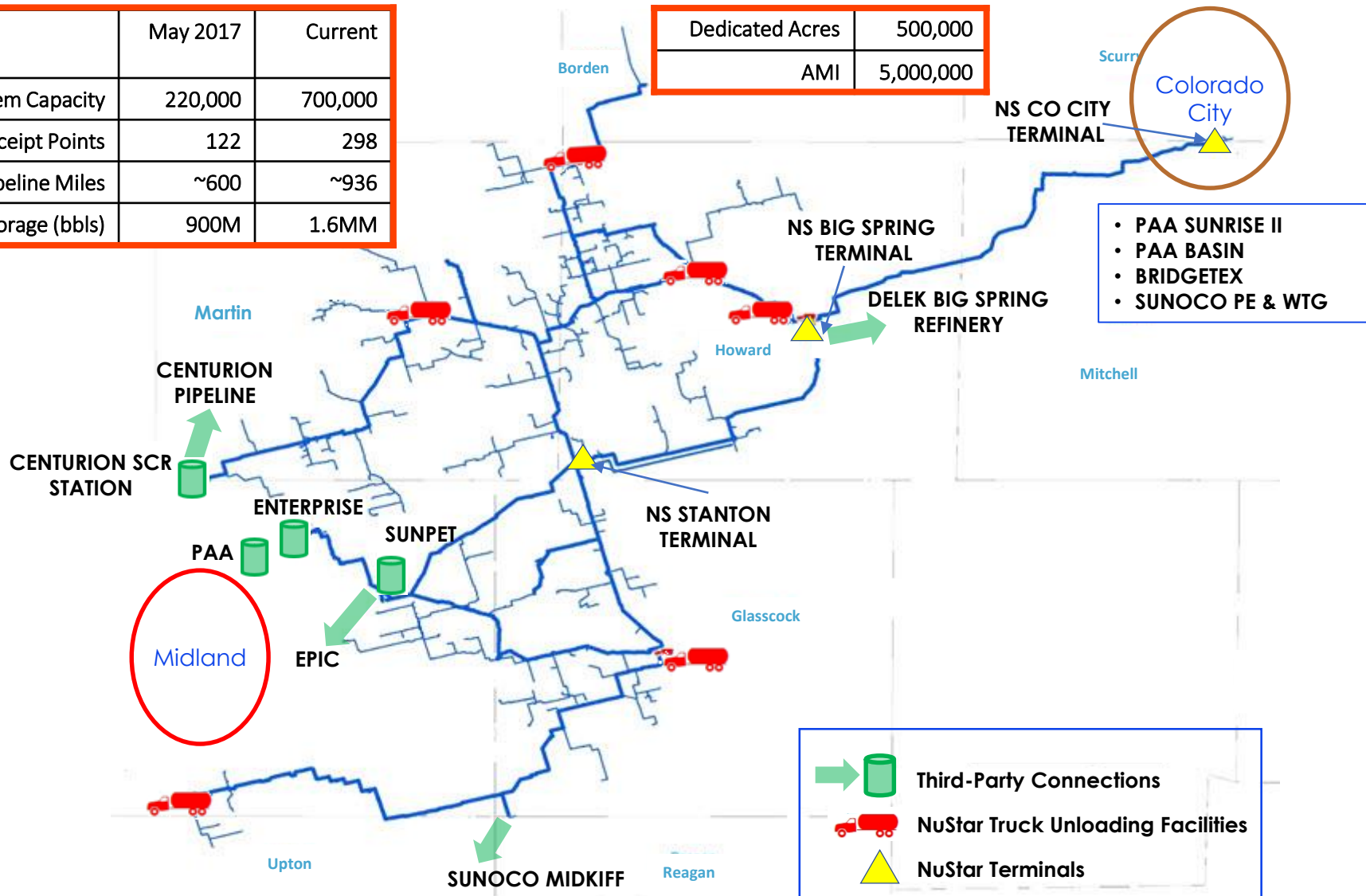


PERMIAN CRUDE PIPELINE SYSTEM

With the “Backbone” of Our Now-700K-BPD System Complete, Our Permian Spending Will be Focused on Scaling With Our Producers’ Gathering Needs

	May 2017	Current
System Capacity	220,000	700,000
Receipt Points	122	298
Pipeline Miles	~600	~936
Storage (bbls)	900M	1.6MM

Dedicated Acres	500,000
AMI	5,000,000

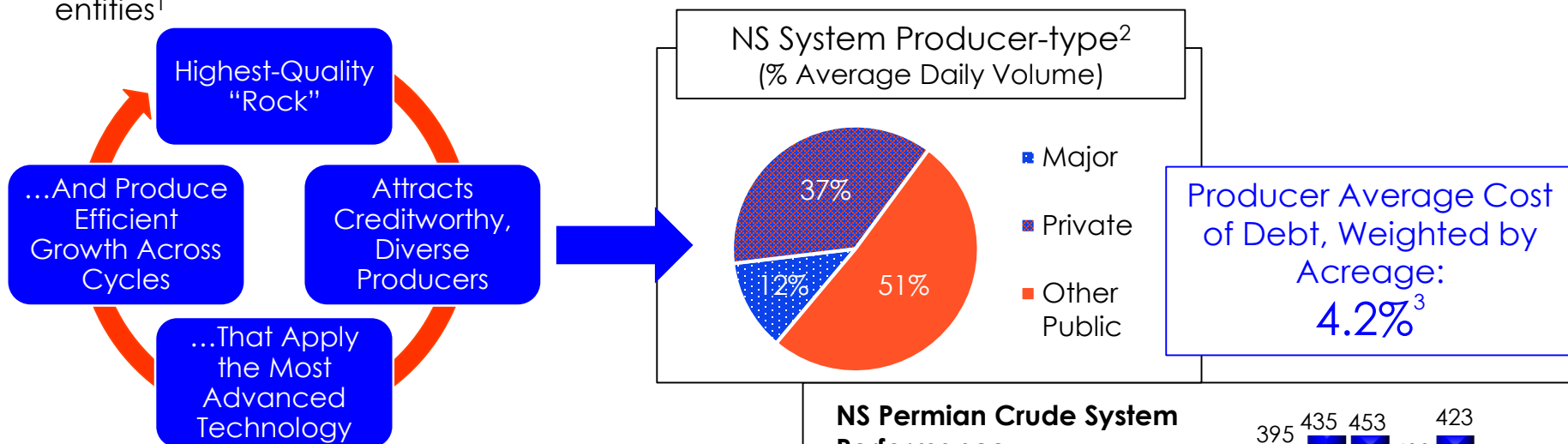




PERMIAN CRUDE PIPELINE SYSTEM

Our “Core of the Core” Location has Attracted Top-Tier Customers With Large DUC Inventories to Support Continued Recovery in 2021

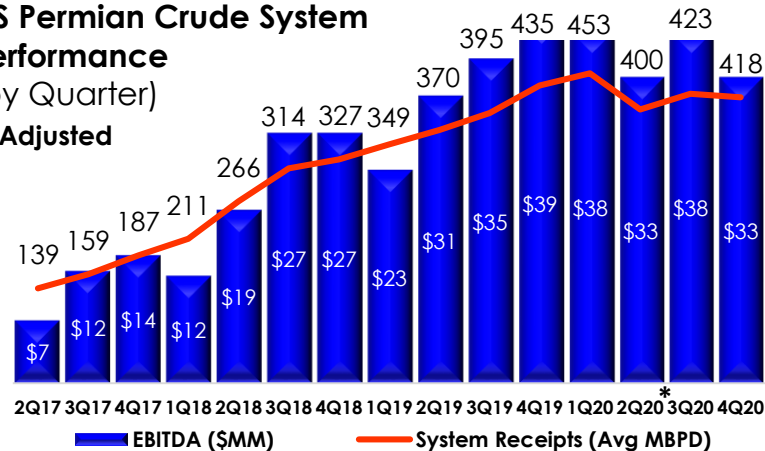
- ★ The quality of geological formations underlying our system attracts the strongest customers
 - ▣ Our creditworthy customers include majors and the most prolific E&Ps, both private and public, in the basin, as well as large independent refiners and marketers
 - ▣ ~80% of our system's revenue is generated from investment-grade (IG) rated and Non-IG BB-rated entities¹



- ★ January receipts averaged ~427MBPD and we expect to exit 2021 between 470 to 480 MBPD
- ★ Our producers have around 25 rigs and ~20% of the total Permian drilled-uncompleted (DUCs) wells on the system, which provide an important platform for growth – only 16 rigs with no DUCs are needed to maintain current volumes

NS Permian Crude System Performance (by Quarter)

* Adjusted



1 – December 31, 2020 YTD

2 – December 31, 2020 MTD

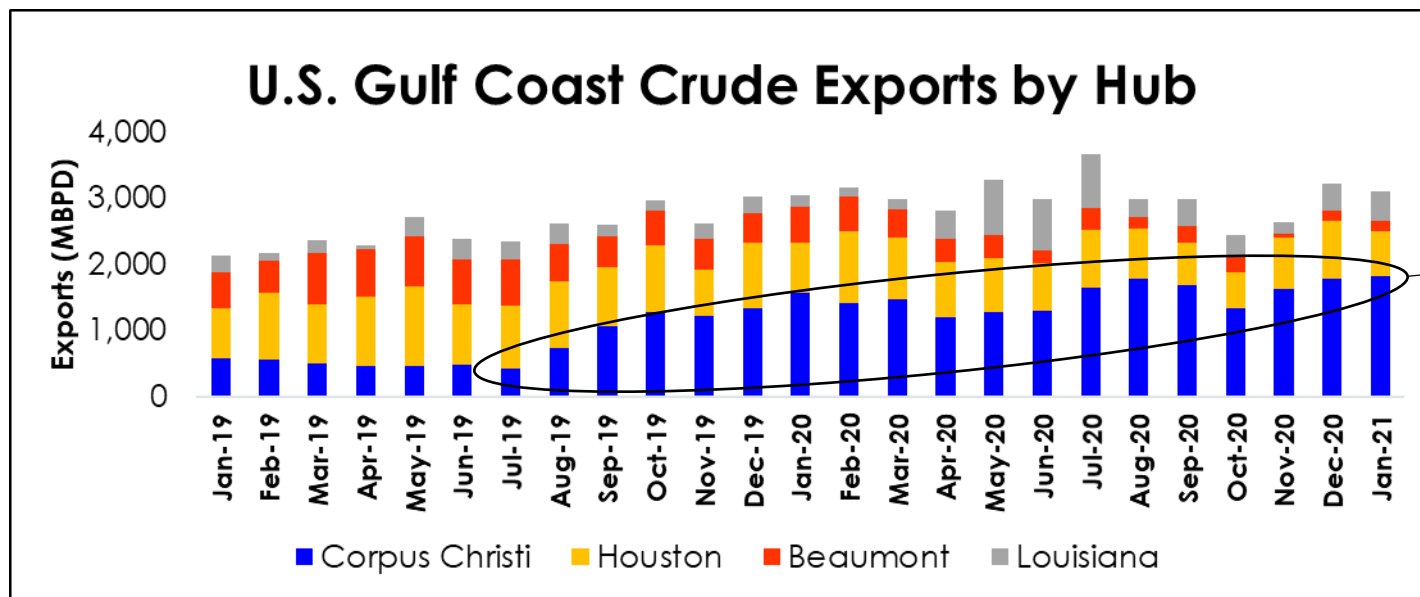
3 – As of March 2, 2021

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



Gulf Coast Exports Held Up Well in 2020, and the Port of Corpus Christi Remains the Leading U.S. Crude Export Hub

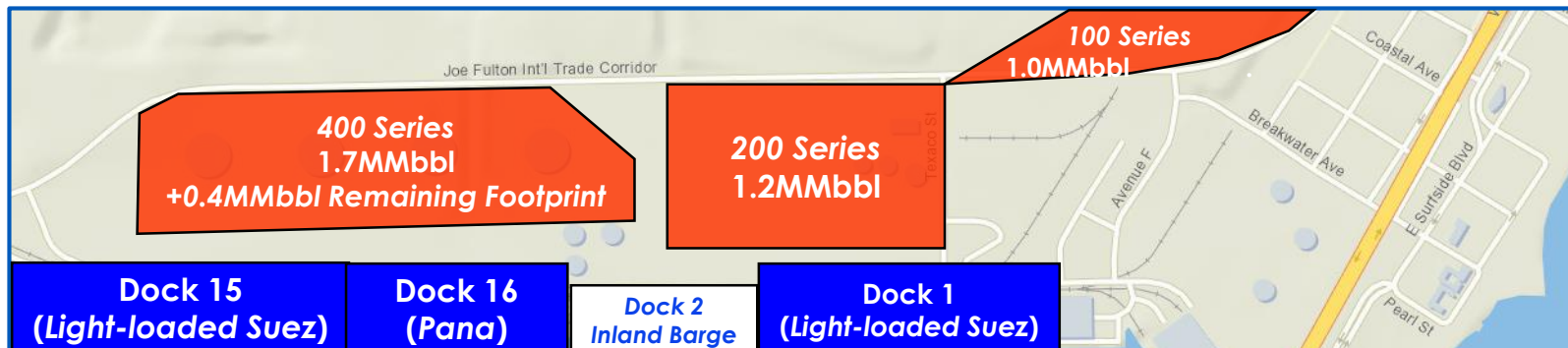
- ★ A significant proportion of the volumes transported on the additional 2.1MMBPD of new long-haul pipeline capacity from the Permian to the Corpus area is moving out over Corpus dock facilities
- ★ Corpus Christi, historically a regional refinery and domestic marine delivery hub, has evolved into a major U.S. crude oil export hub
 - Currently, Corpus Christi comprises half of the ~3.0 MMBPD of Gulf Coast crude exports
 - In July, Corpus Christi exports recovered to pre-COVID levels of 1.5MMBPD
 - Analysts expect Corpus Christi exports to remain steady during the near-term with upside potential as global crude demand recovers in late 2021



Corpus Christi exports have grown from 0.4MMBPD in 2019 to over 1.8MMBPD in January 2021



We Continue to Export Permian Long-haul and Eagle Ford Barrels From Our Corpus Christi North Beach Terminal



In-bound Capacity

Current total: 1.2MMBPD

- South Texas Crude System 16" Pipeline - 240MBPD
- Taft 30"- 720MBPD and expandable
- Harvest 16" Pipeline - 240MBPD

Storage Capacity

Current total: 3.9MMbbl

- Potential 0.4MMbbl

Out-bound Capacity

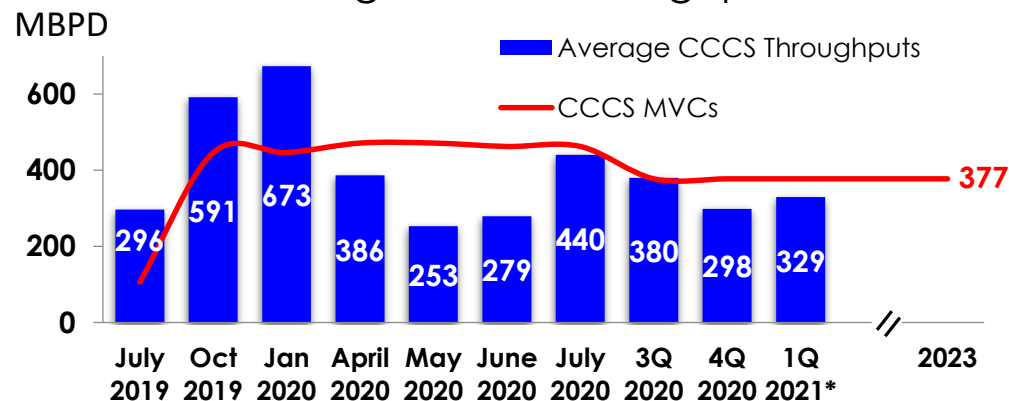
Current total: 1.2MMBPD

- Ship docks - 750MBPD to 1.0MMBPD
- Refinery pipelines - 220MBPD

★ Our Corpus Christi North Beach Terminal is now receiving 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

- We are cautiously optimistic about initial indications of recovery during the first half of 2021

Average CCCS Throughputs

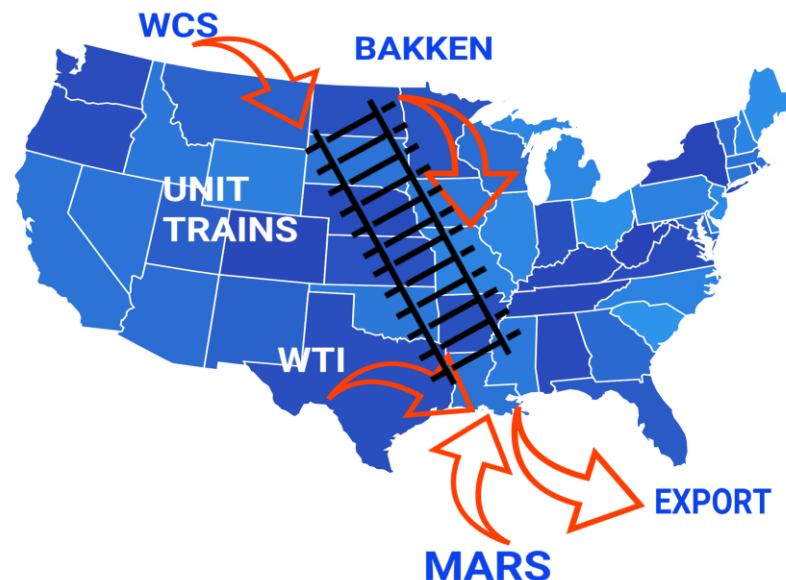


* QTD through March 2, 2021

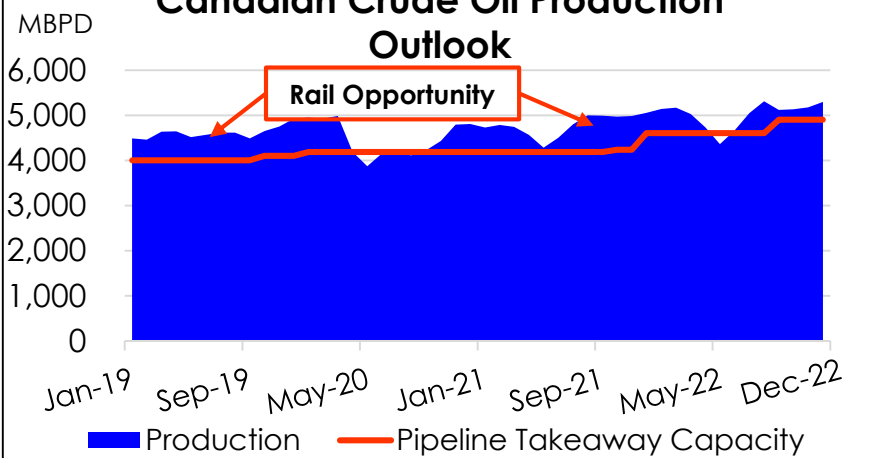


Our St. James Facility Benefits From Price Dislocations From Pipeline Constraints and Will Benefit From Export Growth as Those Constraints are Resolved

- ★ Prior to March 2020, the lack of long-haul pipeline capacity to transport WCS supply to Gulf Coast demand generated price differentials that supported unit train economics
 - We have contract commitments for 30MBPD through April 2022
 - As Canadian production ramps back up, this price dislocation is expected to re-emerge and continue until Enbridge Line 3 is in service, now estimated to occur by the end of 2021
- ★ We can also handle light Bakken barrels with our rail facility, which may be an attractive alternative to DAPL



Canadian Crude Oil Production Outlook



Source: EIA, UBS

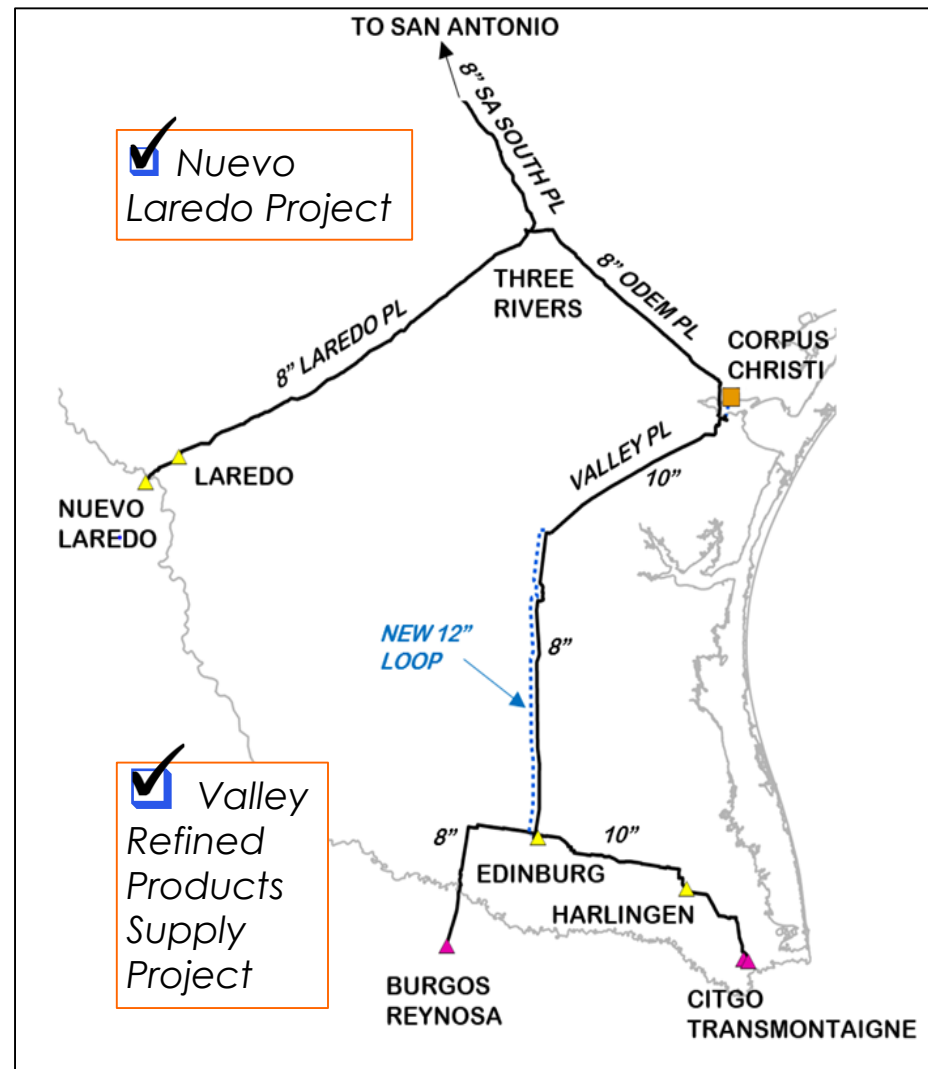
- ★ We continue to work to assure our facility is connected to the pipeline projects in progress to debottleneck shale plays, the region, as well as the Midwest and beyond
 - In March 2019, Bayou Bridge began bringing WTI light, Bakken and Canadian barrels either for export or local use
 - As soon as early 2022, Capline owners plan to reverse its service to bring WTI, heavy Canadian and Bakken crude for use in regional refineries and export to other locations



We Have Completed Two Projects to Help Remedy Mexico's Supply Shortfall

★ In 2020, we fully completed service on two projects that address the supply imbalance in Northern Mexico:

- ❑ Nuevo Laredo project for Valero
 - Odem pipeline, Dos Laredos pipeline and Nuevo Laredo terminal expansion
 - ~28MBPD new capacity with take-or-pay volumes on seven-year contract term
- ❑ Valley Pipeline expansion for major customers completed in September 2019
 - 45MBPD new capacity with seven-year contract term
 - Open season was fully subscribed





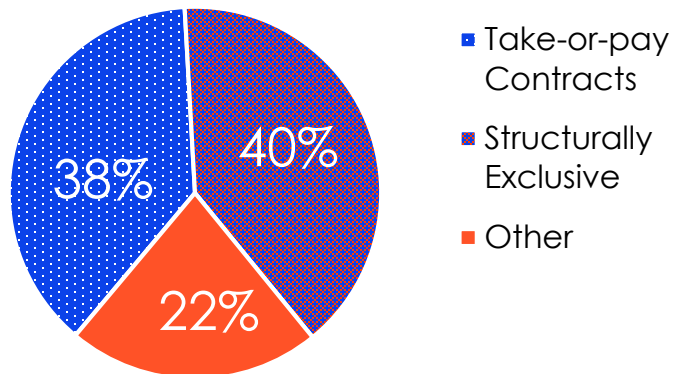
APPENDIX



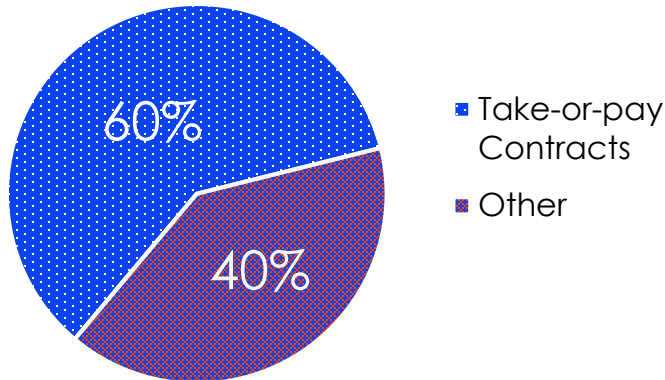


Long-term Commitments From Creditworthy Customers

Pipeline Segment Contracted¹ Revenues
(% 2021 Projections)



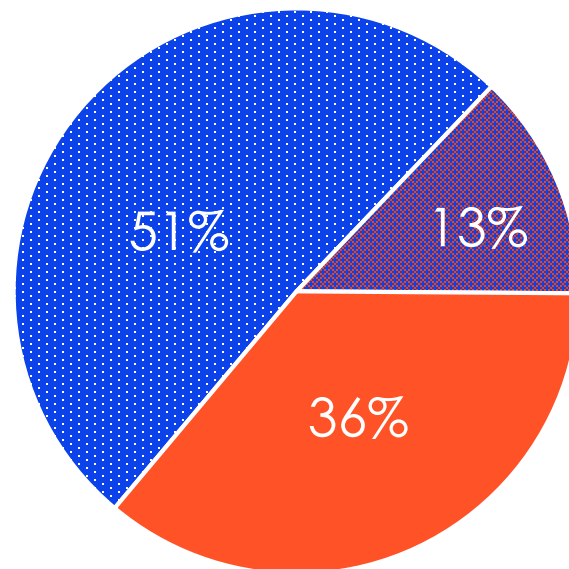
Storage Segment Contracted Revenues
(% 2021 Projections)



NuStar Investment-Grade (IG) Customers
(% 2020 Revenues)

Pipeline Segment
~62% IG

Storage Segment
~60% IG



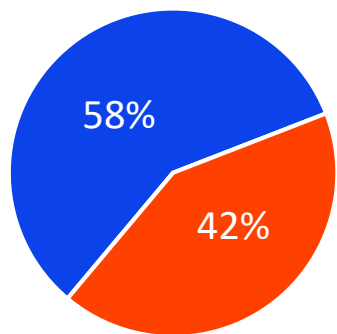
- Investment-Grade
- Large Private or International (Not rated)
- Other

¹ - committed through take or pay contracts or through structural exclusivity (uncommitted lines serving refinery customers with no competition)

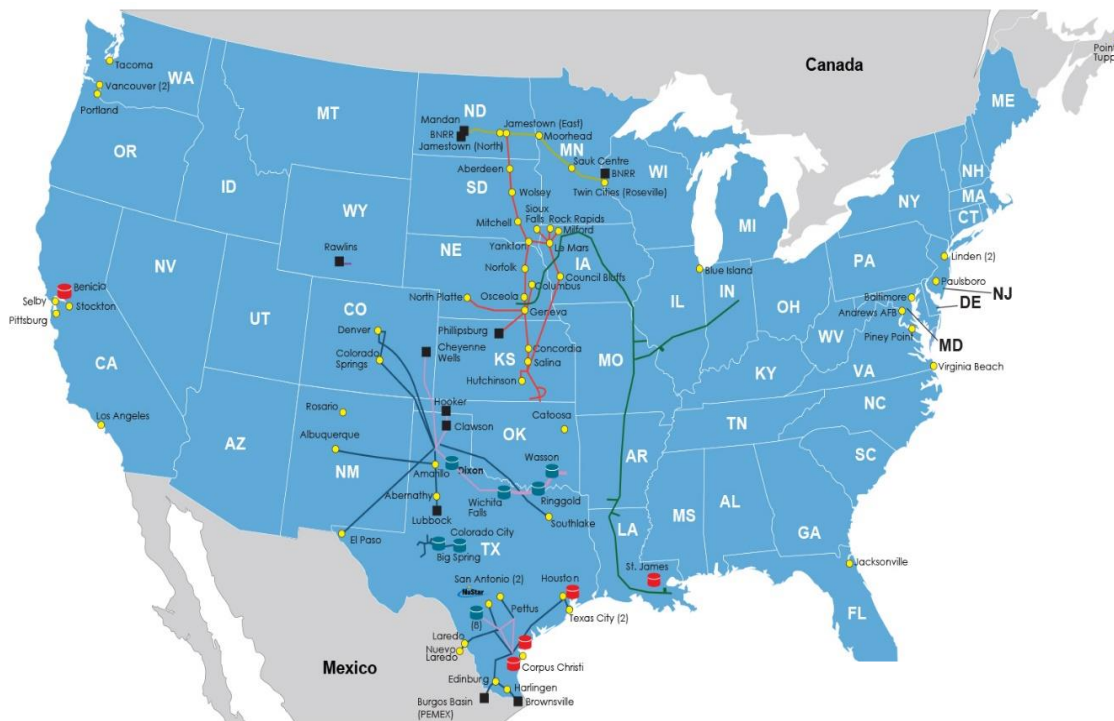


The Balance of Our Business and the Location of Our Assets Contribute to the Resilience of Our Results

Pipeline and Storage Segment Revenues (% 4Q 2020 Revenues)

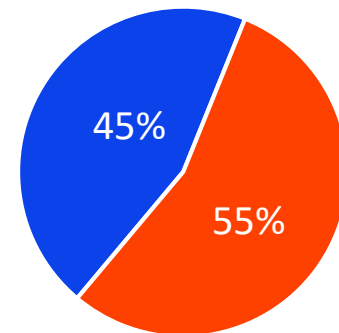


- Pipeline Segment
- Storage Segment



- NS Refined Products Pipeline
- NS Crude Pipeline
- NS Terminal
- Refinery

Refined Products and Crude Revenues (% 4Q 2020 Revenues)

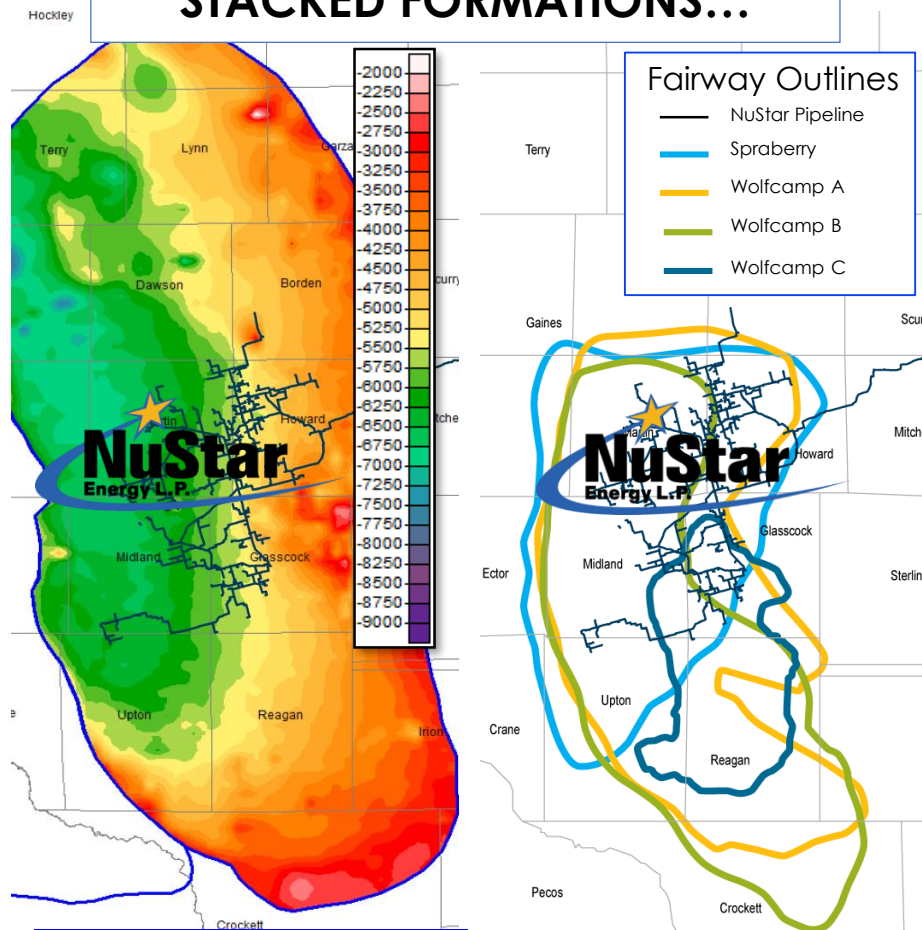


- Crude
- Refined Products



We Acquired Our Permian Crude System Because It Sits Squarely Over the Midland Basin's Most Geologically Advantaged Acreage

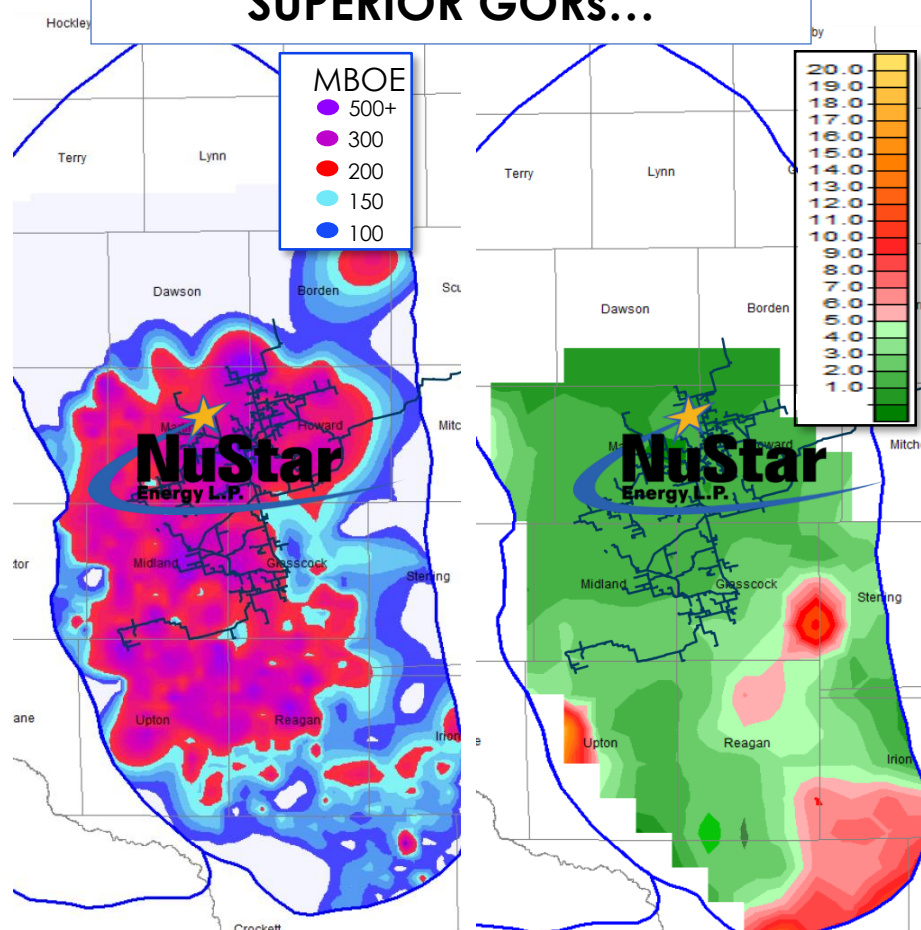
MOST ACCESSIBLE, STACKED FORMATIONS...



Wolfcamp Structure (TVDSS ft)

1. Normalized to 10,000 ft Lateral Lengths.

BEST RECOVERIES AND SUPERIOR GORs...



24M CUM (MBOE 20:1) ⁽¹⁾

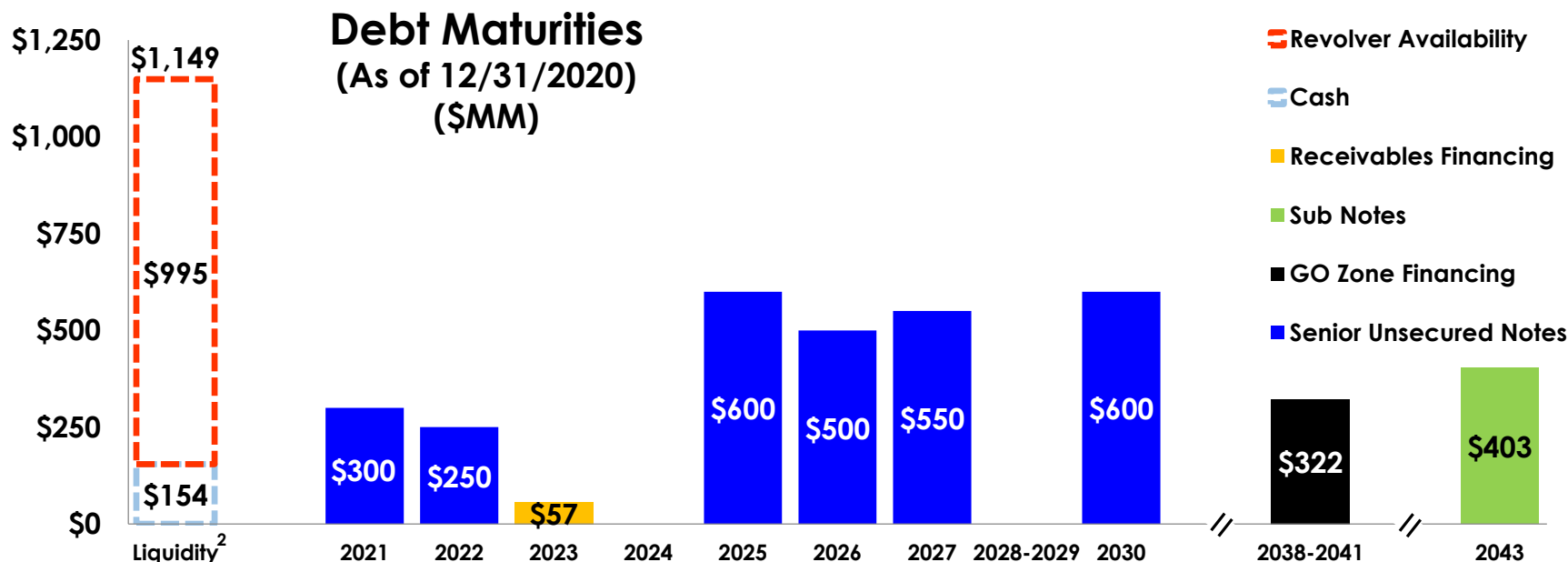
Wolfcamp 24M GOR

Source: Barclays (January 2020)



Debt Maturity Schedule – NuStar Expects to Have Adequate Liquidity to Accommodate Our 2021 and 2022 Bond Maturities

- ★ In March 2020, we renewed our revolver through October 2023
- ★ In April 2020, we entered into a three-year, \$750 million unsecured term loan agreement with Oaktree Capital Management, L.P. to increase our liquidity and to address near-term debt maturities
 - The April 2020 term loan was terminated in February 2021
- ★ In September 2020, we issued two \$600 million tranches of five-year and 10-year senior unsecured notes maturing in 2025 and 2030
 - We utilized the proceeds to repay the \$500 million balance outstanding under the April 2020 term loan, as well as all the borrowings then-outstanding under our revolving credit agreement
- ★ We utilized our liquidity to pay-off our February 2021 bond maturities and plan to use it to pay-off our February 2022 bond maturities as well



1 – As of December 31, 2020, approximately \$5 million of Letters of Credit were outstanding under our revolving credit agreement

2 – Liquidity as of December 31, 2020



Capital Structure as of December 31, 2020 (\$ in Millions)

\$1.0B Credit Facility	\$ 0	Common Equity and AOCI	\$476
NuStar Logistics Notes (4.75%)	250	Series A, B and C Preferred Units	\$756
NuStar Logistics Notes (5.625%)	550	Series D Preferred Units	<u>\$600</u>
NuStar Logistics Notes (5.75%)	600	Total Equity¹	1,832
NuStar Logistics Notes (6.00%)	500	Total Capitalization	<u>\$5,429</u>
NuStar Logistics Notes (6.375%)	600		
NuStar Logistics Notes (6.75%)	300		
NuStar Logistics Sub Notes	403		
GO Zone Bonds	322		
Receivables Financing	57		
Finance Lease Liability	58		
Other	<u>(43)</u>		
Total Debt	\$3,597		

★ As of December 31, 2020:

- ☐ Credit facility availability ~\$995MM
- ☐ Debt-to-EBITDA ratio² 4.24x

1 - Total Equity includes Partners' Equity 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, or for any periods presented reflecting discontinued operations, income from continuing operations. They should not be considered in isolation or as substitutes for a measure of performance prepared in accordance with GAAP. For purposes of segment or asset system reporting, we do not allocate general and administrative expenses because those expenses relate primarily to the overall management at the entity level. Therefore, EBITDA reflected in the segment or asset system reconciliations exclude any allocation of general and administrative expenses consistent with our policy for determining segmental operating income, the most directly comparable GAAP measure.

The following is a reconciliation of operating (loss) income to EBITDA to 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	Mar. 31, 2019	June 30, 2019	Sept. 30, 2019	Dec. 31, 2019	Mar. 31, 2020	June 30, 2020	Sept. 30, 2020	Dec. 31, 2020
Operating (loss) income	\$ (3,424)	\$ 1,050	\$ 650	\$ (1,847)	\$ 3,605	\$ 11,546	\$ 10,878	\$ 5,358	\$ 13,543	\$ 17,280	\$ 21,132	\$ (106,476)	\$ 14,481	\$ 17,627	\$ 13,523
Depreciation and amortization expense	10,227	11,005	13,165	13,477	15,059	15,235	16,589	17,647	17,182	18,114	18,154	18,606	18,928	20,115	19,579
EBITDA	6,803	12,055	13,815	11,630	18,664	26,781	27,467	23,005	30,725	35,394	39,286	(87,870)	33,409	37,742	33,102
Goodwill impairment loss (a)	—	—	—	—	—	—	—	—	—	—	—	126,000	—	—	—
Adjusted EBITDA	<u>\$ 6,803</u>	<u>\$ 12,055</u>	<u>\$ 13,815</u>	<u>\$ 11,630</u>	<u>\$ 18,664</u>	<u>\$ 26,781</u>	<u>\$ 27,467</u>	<u>\$ 23,005</u>	<u>\$ 30,725</u>	<u>\$ 35,394</u>	<u>\$ 39,286</u>	<u>\$ 38,130</u>	<u>\$ 33,409</u>	<u>\$ 37,742</u>	<u>\$ 33,102</u>

(a) Represents a non-cash goodwill impairment charge.



Reconciliation of Non-GAAP Financial Information (continued)

The following is a reconciliation of (loss) income from continuing operations to EBITDA from continuing operations and adjusted EBITDA from continuing operations (in thousands of dollars):

	Year Ended December 31,	
	2020	2019
(Loss) income from continuing operations	\$ (198,983)	\$ 206,834
Interest expense, net	229,054	183,070
Income tax expense	2,663	4,754
Depreciation and amortization expense	285,101	272,924
EBITDA from continuing operations	317,835	667,582
Goodwill impairment loss (a)	225,000	—
Loss on sale (b)	34,697	—
Loss on extinguishment of debt (c)	141,746	—
Other	3,963	—
Adjusted EBITDA from continuing operations	<u>\$ 723,241</u>	<u>\$ 667,582</u>

(a) Represents a non-cash goodwill impairment charge related to our crude oil pipelines reporting unit.

(b) Represents the loss on the sale of the Texas City terminals in December 2020.

(c) This adjustment mainly represents a loss associated with the repayment of \$500.0 million outstanding on our unsecured term loan credit agreement in the third quarter of 2020.



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):

	<u>Year Ended December 31, 2020</u>
Operating income	\$ 209,102
Depreciation and amortization expense	285,101
Goodwill impairment loss (a)	225,000
Equity awards (b)	11,477
Pro forma effects of disposition (c)	(9,102)
Material project adjustments and other items (d)	(2,496)
Consolidated EBITDA, as defined in the Revolving Credit Agreement	<u>\$ 719,082</u>
Total consolidated debt	\$ 3,581,640
NuStar Logistics' floating rate subordinated notes	(402,500)
Available Cash Netting Amount, as defined in the Revolving Credit Agreement	(128,625)
Consolidated Debt, as defined in the Revolving Credit Agreement	<u>\$ 3,050,515</u>
Consolidated Debt Coverage Ratio (Consolidated Debt to Consolidated EBITDA)	4.24x

(a) Represents a non-cash goodwill impairment charge related to our crude oil pipelines reporting unit.

(b) Represents the non-cash expense related to the vestings of equity-based awards with the issuance of our common units.

(c) Represents the pro forma effects of the disposition of the Texas City terminals, as if we had completed the sale on January 1, 2020.

(d) Represents a percentage of the projected Consolidated EBITDA attributable to any Material Project and other noncash items, as defined in the Revolving Credit Agreement.