

# The Alerian MLP Monthly



March 2018



## NS Distribution Cut

[NuStar Energy](#) (NS) plans to merge with parent company [NuStar GP Holdings](#) (NSH), simplifying the structure, but also cutting the distribution 45% and lowering EBITDA guidance. [Read More](#)



## Performance Disappointments

The [Alerian MLP Index](#) (AMZ) fell 10.9% on a price-return basis and 9.7% on a total-return basis in February. Declining oil prices, rising interest rates, broader market volatility, and negative company-specific headlines all weighed on the space.



## Several Restructuring Announcements

This month saw several MLP announcements around proposed and potential restructurings.

- NS is [merging](#) with NSH
- AHGP will be [rolled](#) into ARLP
- TEP and TEGP are [evaluating](#) a potential reorganization
- EQM and RMP will merge as one part of a broader [EQT reorganization](#)



## Record US Oil and Gas Production Expected in 2018

The US Energy Information Administration expects US oil and natural gas production to set new annual records in 2018. Growing oil and gas production is beneficial for MLPs as volume-driven businesses. [Read More](#)



## The North is Heating Up!

Several new projects have recently been touted in the Bakken, DJ Basin, and Powder River Basin as production grows. [Andeavor Logistics](#) (ANDX) [announced](#) a new NGL fractionation and takeaway project in the area. [Tallgrass Energy Partners](#) (TEP) is building the Iron Horse Pipeline to transport crude from the Powder River Basin to Guernsey, WY. [ONEOK](#) (OKE) is [building](#) a new gas processing facility in North Dakota, as well as the recently announced [Elk Creek Pipeline](#) that increases NGL takeaway from the region.



## 4Q17 Distribution Recap Available

A look at 4Q17 distributions for constituents of the AMZ and [Alerian MLP Infrastructure Index](#) (AMZI) revealed 21 companies that grew distributions Y/Y. There were no distribution cuts Q/Q for the constituents. On an annual basis, our distribution growth charts for AMZ and AMZI continue to show Y/Y growth, albeit at a slower rate. [Read More](#)