TORTOISE ENERGY INFRASTRUCTURE CORP
Form 497
July 21, 2009

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the Securities Act of 1933, As Amended
File no. 333-146095

PROSPECTUS SUPPLEMENT
(To prospectus dated April 29, 2009)

$40,000,000

Tortoise Energy Infrastructure Corporation
Common Stock

We have entered into separate ATM Equity Offering[sm*] Sales Agreements (the Sales Agreements) with each of Merrill Lynch, Pierce, Fenner & Smith Incorporated (Merrill Lynch) and Stifel, Nicolaus & Company, Incorporated (Stifel , and together with Merrill Lynch, the Sales Agents) relating to our shares of common stock offered by this prospectus supplement and the accompanying prospectus. In accordance with the terms of each Sales Agreement, we may offer and sell from time to time shares of our common stock having an aggregate sales price of up to $40,000,000 through the Sales Agents, as our agents for the offer and sale of such common stock.

Sales of the common stock, if any, will be made by means of ordinary brokers transactions on the New York Stock Exchange (the NYSE) or otherwise at market prices prevailing at the time of the sale, at prices related to the prevailing market prices or at negotiated prices.

Our common stock is, and the shares offered in this prospectus supplement and accompanying prospectus will be, listed on the NYSE under the symbol TYG. The last reported sale price of our common stock on July 16, 2009 was $26.27 per share. The net asset value (NAV) per share of our common stock at the close of business on July 10, 2009 was $21.93.

Under the terms of the Sales Agreements, each Sales Agent will receive from us a commission equal to 3.0% of the gross sales price per share for any common stock sold through such Sales Agent under the applicable Sales Agreement. If the Sales Agents engage in special selling efforts, as that term is used in Regulation M under the Securities Exchange Act of 1934, as amended (the 1934 Act), the Sales Agents will receive from us a commission agreed upon at the time of sale. We may also sell shares of common stock to either Sales Agent, as principal for its own respective account, at a price agreed upon at the time of sale. If we sell shares to either Sales Agent as principal, we will enter into a separate terms agreement with the applicable Sales Agent, setting forth the terms of such transaction, and we will describe the agreement in a separate prospectus supplement or pricing supplement.

The Sales Agents are not required to sell any specific number or dollar amount of common stock, but subject to the terms and conditions of the Sales Agreements will use their commercially reasonable efforts to sell the common stock offered by this prospectus supplement and the accompanying prospectus. There is no arrangement for common stock to be received in an escrow, trust or similar arrangement.

Investing in our common stock involves risks that are described in the Risk Factors section beginning on page 31 of the accompanying prospectus.

Neither the Securities and Exchange Commission (the SEC) nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

BofA Merrill Lynch **Stifel Nicolaus**

The date of this prospectus supplement is July 17, 2009.

* ATM Equity Offering is a service mark of Merrill Lynch & Co., Inc.

TABLE OF CONTENTS

Prospectus Supplement

Prospectus

You should rely only on the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and in the statement of additional information. We have not, and the Sales Agents have not, authorized anyone to provide you with different information. We are not making an offer of these securities where the offer is not permitted. The information appearing in this prospectus supplement, the accompanying prospectus and in the statement of additional information is accurate only as of the dates on their respective covers. Our business, financial condition and prospects may have changed since such dates. We

will advise investors of any material changes to the extent required by applicable law.

CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the statement of additional information contain forward-looking statements. Forward-looking statements can be identified by the words may, will, intend, expect, estimate, continue, plan, anticipate, and similar terms and the negative of such terms. Such forward-looking statements may be contained in this prospectus supplement as well as in the accompanying prospectus. By their nature, all forward-looking statements involve risks and uncertainties, and actual results could differ materially from those contemplated by the forward-looking statements. Several factors that could materially affect our actual results are the performance of the portfolio of securities we hold, the conditions in the U.S. and international financial, petroleum and other markets, the price at which our shares will trade in the public markets and other factors discussed in our periodic filings with the SEC.

Although we believe that the expectations expressed in our forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in our forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change and are subject to inherent risks and uncertainties, such as those disclosed in the Risk Factors section of the prospectus accompanying this prospectus supplement. All forward-looking statements contained or incorporated by reference in this prospectus supplement or the accompanying prospectus are made as of the date of this prospectus supplement or the accompanying prospectus, as the case may be. Except for our ongoing obligations under the federal securities laws, we do not intend, and we undertake no obligation, to update any forward-looking statement. The forward-looking statements contained in this prospectus supplement and the accompanying prospectus are excluded from the safe harbor protection provided by Section 27A of the Securities Act of 1933 (the 1933 Act).

Currently known risk factors that could cause actual results to differ materially from our expectations include, but are not limited to, the factors described in the Risk Factors section of the prospectus accompanying this prospectus supplement. We urge you to review carefully these sections for a more complete discussion of the risks of an investment in our common stock.

PROSPECTUS SUPPLEMENT SUMMARY

This summary contains basic information about us and the offering but does not contain all of the information that is important to your investment decision. You should read this summary together with the more detailed information contained elsewhere in this prospectus supplement and accompanying prospectus and in the statement of additional information, especially the information set forth under the heading Risk Factors beginning on page 31 of the accompanying prospectus. When used in this prospectus supplement, the terms we, us, and our refer to Tortoise Energy Infrastructure Corporation, unless specified otherwise.

The Company

We seek to provide our stockholders with an efficient vehicle to invest in a portfolio of publicly traded MLPs in the energy infrastructure sector. Our investment objective is to seek a high level of total return with an emphasis on current distributions paid to stockholders. For purposes of our investment objective, total return includes capital appreciation of, and all distributions received from, securities in which we invest regardless of the tax character of the distributions. Similar to the tax characterization of distributions made by MLPs to unitholders, a significant portion of our distributions to stockholders are expected to be treated as a return of capital to stockholders.

We are a nondiversified, closed-end management investment company. We commenced operations in February 2004 following our initial public offering. We were the first publicly traded investment company offering access to a portfolio of MLPs. Since that time, we have completed eight additional offerings of common stock. As of the date of this prospectus supplement, we have $70 million of preferred stock, consisting of two series designated as Tortoise Auction Preferred Shares (the Tortoise Preferred Shares), outstanding. As of the date of this prospectus supplement, we have $60 million of Auction Rate Senior Notes and $110 million of Senior Notes (collectively with the Auction Rate Senior Notes, the Tortoise Notes), outstanding. None of our outstanding auction rate securities are presently subject to the 7-day or 28-day auctions, but are subject to extended dividend periods which end on dates ranging from September 2010 to September 2012 in order to reduce our exposure to LIBOR rates.

We have established an unsecured credit facility with U.S. Bank N.A. serving as a lender and the lending syndicate agent on behalf of other lenders participating in the credit facility, which currently allows us to borrow up to $70 million. Outstanding balances under the credit facility generally accrue interest at a variable annual rate equal to the one-month LIBOR rate plus 2.00%, with a fee of 0.25% on any unused balance of the credit facility. As of the date of this prospectus supplement, the current rate is 2.29%. The credit facility remains in effect through June 20, 2010. We may draw on the facility from time to time in accordance with our investment policies. As of the date of this prospectus supplement, we have outstanding approximately $22.1 million under the credit facility. We have a fiscal year ending November 30.

We expect to distribute substantially all of our distributable cash flow (DCF) to holders of common stock through quarterly distributions. DCF is the amount we receive as cash or paid-in-kind distributions from MLPs or their affiliates, and interest payments received on debt securities owned by us, less current or anticipated operating expenses, current taxes on our taxable income, and leverage costs paid by us (including leverage costs of the Tortoise Notes and Tortoise Preferred Shares). Our Board of Directors adopted a policy to target distributions to common stockholders in an amount of at least 95% of DCF on an annual basis.

Investment Adviser

Tortoise Capital Advisors, L.L.C. (the Adviser) serves as our investment adviser. The Adviser specializes in managing portfolios of investments in MLPs and other energy companies. The Adviser was formed in October 2002 to provide portfolio management services to institutional and high-net-worth investors seeking professional management of their MLP investments. As of June 30, 2009, the Adviser had approximately $2.0 billion of client assets under management. The Adviser s investment committee is comprised of five portfolio managers. See Management of the Company in the accompanying prospectus.

The Adviser also serves as the investment adviser to Tortoise Energy Capital Corporation, Tortoise North American Energy Corporation and Tortoise Capital Resources Corporation, which are also publicly traded, closed- end management investment companies.

The principal business address of the Adviser is 11550 Ash Street, Suite 300, Leawood, Kansas 66211.

Recent Developments

Adviser Transaction. On June 3, 2009, the Adviser announced that senior management of the Adviser has entered into a definitive agreement to acquire, along with Mariner Holdings, LLC (Mariner), all of the ownership interests in the Adviser (the Proposed Transaction). As part of the Proposed Transaction, Mariner will purchase a majority stake in the Adviser, with the intention to provide growth capital and resources. With the provision of such growth capital and resources, Mariner will provide the Adviser with a complementary strategic partner in the asset management business. Mariner is an independent investment firm with affiliates focused on wealth and asset management. Mariner was founded in 2006 by former A.G. Edwards investment professionals and management staff led by Marty Bicknell, and has grown to more than 50 employees with $1.2 billion of assets under management as of April 30, 2009.

Pursuant to the terms of the investment advisory agreement between us and the Adviser (the Current Investment Advisory Agreement), the Adviser currently serves as our investment adviser and is responsible for our portfolio management. The Proposed Transaction will result in a change in control of the Adviser and will, therefore, constitute an assignment of the Current Investment Advisory Agreement within the meaning of the Investment Company Act of 1940, as amended (the 1940 Act). An investment advisory agreement automatically terminates upon its assignment under the applicable provisions of the 1940 Act.

As a result, we have asked our stockholders to approve a new Investment Advisory Agreement with the Adviser (the New Investment Advisory Agreement). The terms of the New Investment Advisory Agreement are substantially identical to the terms of the Current Investment Advisory Agreement, except for the effective and termination dates, and would simply continue the relationship between us and the Adviser. The amount of the advisory fee we pay to the Adviser under the Current Investment Advisory Agreement will not change under the New Investment Advisory Agreement.

In addition, our portfolio management, investment objectives and policies, and investment processes will not change as a result of the Proposed Transaction or entering into the New Investment Advisory Agreement. The current Managing Directors of the Adviser will continue to serve as the Investment Committee of the Adviser responsible for the investment management of our portfolio. The Adviser will retain its name and other personnel currently providing services to us and will remain located at 11550 Ash Street, Suite 300, Leawood, Kansas 66211.

The business and affairs of the Adviser are currently managed by David J. Schulte, our Chief Executive Officer and President; Terry Matlack, a director and our Chief Financial Officer; H. Kevin Birzer, a director and Chairman of the Board; Zachary A. Hamel, our Senior Vice President; and Kenneth P. Malvey, our Senior Vice President and Treasurer. Each of Messrs. Schulte, Matlack, Birzer, Hamel and Malvey will continue to serve as Managing Directors of the Adviser and will continue to own a portion of the Adviser following the Proposed Transaction.

Common Stock Distribution. On June 1, 2009, we paid a distribution in the amount of $0.54 per common share. We currently expect to pay quarterly distributions to our stockholders of not less than $0.54 per share during the remainder of fiscal year 2009. This represents a current estimate and is subject to change based upon actual results and approval of our Board of Directors.

Credit Facility Extension. On June 19, 2009, we entered into an amendment of our unsecured credit facility with U.S. Bank N.A. and a lending syndicate effective as of June 20, 2009. The amended credit agreement provides for a $70 million revolving credit facility and extends the term of the credit facility until June 20, 2010. During the extension, outstanding balances will accrue interest at a variable annual rate equal to the one-month LIBOR rate plus 2.00% and unused balances of the credit facility will accrue a non-use fee equal to an annual rate of 0.25%.

The Offering

Common stock offered	Up to $40,000,000
Use of proceeds	We intend to use the net proceeds of this offering primarily to retire short-term debt outstanding under our credit facility and to redeem outstanding senior securities. We may also use proceeds from this offering to invest in energy infrastructure companies in accordance with our investment objective and policies or for working capital purposes. See Use of Proceeds.
Risk factors	See the section titled Risk Factors and other information included in the accompanying prospectus for a discussion of factors you should carefully consider before deciding to invest in shares of our common stock.
NYSE symbol	TYG
Stockholder Transaction Expenses:	
Sales load (as a percentage of offering price)	3.00%
Offering expenses borne by us (as a percentage of offering price)	0.33%
Dividend reinvestment plan fees[1]	None

(1) Stockholders will pay a transaction fee plus brokerage charges if they direct the Plan Agent to sell common stock held in a dividend reinvestment account. See Automatic Dividend Reinvestment and Cash Purchase Plan in the accompanying prospectus.

Example

This example replaces the example as set forth on page 9 of the accompanying prospectus with respect to this offering.

The following example illustrates the expenses that common stockholders would pay on a $1,000 investment in common stock assuming (1) a sales load of 3.00% and offering expenses of 0.33% of the offering price; (2) total annual expenses of 4.83% of net assets attributable to shares of common stock; (3) a 5% annual return; and (4) all distributions are reinvested at net asset value:

	1 Year	3 Years	5 Years	10 Years
Total Expenses Paid by Common Stockholders	$ 80	$ 174	$ 268	$ 503

The example should not be considered a representation of future expenses. Actual expenses may be greater or less than those assumed. Moreover, our actual rate of return may be greater or less than the

hypothetical 5% return shown in the example.

ISSUANCE BELOW NET ASSET VALUE

The offering price per common share in this offering, after deducting all expenses of issuance, including the compensation paid to the Sales Agents, may be below our NAV per common share. The NAV of our currently outstanding shares of common stock will be diluted upon the issuance of any shares of common stock below NAV. At our Annual Meeting of Stockholders held on May 22, 2009, our stockholders granted us the authority to sell shares of our common stock for less than NAV, subject to certain conditions. See Description of Securities Common Stock Issuance of Additional Shares in the accompanying prospectus.

USE OF PROCEEDS

We intend to use the net proceeds of this offering primarily to retire short-term debt outstanding under our credit facility and to redeem outstanding senior securities. We may also use proceeds from this offering to invest in energy infrastructure companies in accordance with our investment objective and policies or for working capital purposes.

CAPITALIZATION

The following table sets forth our capitalization: (i) as of May 31, 2009, (ii) pro forma to reflect the subsequent borrowing under our credit facility through July 17, 2009, and the issuance of 68,003 shares of common stock pursuant to our dividend reinvestment plan on June 1, 2009; and (iii) pro forma as adjusted to give effect to the issuance of the common shares offered hereby (assuming the sale of 1,522,649 shares of common stock at a price of $26.27 per share (the last reported sale price of our shares of common stock on the NYSE on July 16, 2009)). Actual sales, if any, of shares of our common stock, and the actual application of the proceeds thereof, under this prospectus supplement and the accompanying prospectus may be different than as set forth in the table below. In addition, the price per share of any such sale may be greater or less than $26.27, depending on the market price of shares of our common stock at the time of any such sale. As indicated below, common stockholders will bear the offering costs associated with this offering.

	Actual May 31, 2009 (Unaudited)	Pro Forma (Unaudited)	Pro Forma as Adjusted (Unaudited)
Short-term debt:			
Unsecured credit facility: $70,000,000 available[1]	7,500,000	22,100,000	
Long-term debt:			
Tortoise Notes, denominations of $25,000 or any multiple thereof[2]	170,000,000	170,000,000	170,000,000
Preferred Stock:			
Tortoise Preferred Shares, $25,000 stated value per share at liquidation; 15,000 shares authorized/2,800 shares issued and outstanding[2]	70,000,000	70,000,000	70,000,000
Net Assets Applicable to Common Stockholders Consist of Capital Stock, $0.001 par value, 100,000,000 common shares authorized; 23,442,791 common shares issued and outstanding actual; 23,510,794 common shares issued and outstanding pro forma; 25,033,443 common shares issued and outstanding pro forma as adjusted[2]	23,443	23,511(3)	25,033(5)
Additional paid-in capital	409,337,737	410,981,982(4)	449,647,567(6)
Accumulated net investment loss, net of income taxes	(33,834,857)	(33,834,857)	(33,834,857)
Undistributed realized gain, net of income taxes	19,955,696	19,955,696	19,955,696
Net unrealized appreciation of investments, net of income taxes	115,053,156	115,053,156	115,053,156
Net assets applicable to common stockholders	$ 510,535,175	$ 512,179,488	$ 550,846,595

(1) We have an unsecured credit facility with U.S. Bank, N.A. and a lending syndicate that allows us to borrow up to $70 million. The amended credit facility expires on June 20, 2010. As of the date of this prospectus supplement, we had $22.1 million borrowed under our credit facility.

(2) None of these outstanding shares/notes are held by us or for our account.

(3) Reflects the issuance of 68,003 shares of common stock (aggregate par value $68) on June 1, 2009 pursuant to our dividend reinvestment plan.

(4) Reflects the issuance of 68,003 shares of common stock on June 1, 2009 in an aggregate amount of $1,644,313 less $0.001 par value per share ($68).

(5) Pro forma as adjusted common stock assumes the issuance of 1,522,649 shares of common stock offered hereby (aggregate par value $1,522).

(6) Pro forma as adjusted additional paid-in capital assumes the proceeds of the issuance of the shares of common stock offered hereby ($40 million), less $0.001 par value per share of common stock ($1,522), less the sales commission ($1,202,893) and less the estimated offering expenses borne by us ($130,000) related to the issuance of the shares of common stock in this offering.

FINANCIAL HIGHLIGHTS

Information contained in the table below under the heading Per Common Share Data and Supplemental Data and Ratios shows our per common share operating performance. Except when noted, the information in this table is derived from our financial statements audited by Ernst & Young LLP, whose report on such financial statements is contained in our 2008 Annual Report and incorporated by reference into the statement of additional information, both of which are available from us upon request. The information as of May 31, 2009 and for the period from December 1, 2008 through May 31, 2009 appears in our unaudited interim financial statements as filed with the SEC in our most recent stockholder report for the period ended May 31, 2009 and incorporated by reference into the accompanying prospectus. See Where You Can Find More Information in this prospectus supplement.

	Period from December 1, 2008 through May 31, 2009	**Year Ended November 30, 2008**	**Year Ended November 30, 2007**	**Year Ended November 30, 2006**	**Year Ended November 30, 2005**	**Period from February 27, 2004[1] through November 30, 2004**
Per Common Share Data[2]						
Net Asset Value, beginning of period	$ 17.36	$ 32.96	$ 31.82	$ 27.12	$ 26.53	$
Public offering price						25.00
Underwriting discounts and offering costs on issuance of common and preferred stock[3]		(0.01)	(0.08)	(0.14)	(0.02)	(1.23)
Premiums less underwriting discounts and offering costs on offerings[4]		0.09	0.08			
Income (loss) from Investment Operations:						
Net investment loss[5][6]	(0.03)	(0.29)	(0.61)	(0.32)	(0.16)	(0.03)
Net realized and unrealized gains (losses) on investments and interest rate swap	5.62	(12.76)	4.33	7.41	2.67	3.77

contracts[5][6]						
Total increase (decrease) from investment operations	5.59	(13.05)	3.72	7.09	2.51	3.74
Less Distributions to Preferred Stockholders:						
Net investment income						
Return of capital	(0.09)	(0.40)	(0.39)	(0.23)	(0.11)	(0.01)
Total distributions to preferred stockholders	(0.09)	(0.40)	(0.39)	(0.23)	(0.11)	(0.01)
Less Distributions to Common Stockholders:						
Net investment income						
Return of capital	(1.08)	(2.23)	(2.19)	(2.02)	(1.79)	(0.97)
Total distributions to common stockholders	(1.08)	(2.23)	(2.19)	(2.02)	(1.79)	(0.97)
Net Asset Value, end of period	$ 21.78	$ 17.36	$ 32.96	$ 31.82	$ 27.12	$ 26.53
Per common share market value, end of period	$ 25.28	$ 17.11	$ 32.46	$ 36.13	$ 28.72	$ 27.06
Total Investment Return Based on Market Value[7]	55.14%	(42.47)%	(4.43)%	34.50%	13.06%	12.51%

	Period from December 1, 2008 through May 31, 2009	Year Ended November 30, 2008	Year Ended November 30, 2007	Year Ended November 30, 2006	Year Ended November 30, 2005	Period from February 27, 2004[1] through November 30, 2004
Supplemental Data and Ratios						
Net assets applicable to common stockholders, end of period (000 s)	$ 510,535	$ 407,031	$ 618,412	$ 532,433	$ 404,274	$ 336,553
Ratio of expenses (including current and deferred income tax (benefit) expense) to average net assets before waiver[8][9][10]	42.20%	(26.73)%	11.19%	20.03%	9.10%	15.20%
Ratio of expenses (including current and deferred income tax (benefit) expense) to average net assets after waiver[8][9][10]	42.12%	(26.92)%	11.00%	19.81%	8.73%	14.92%
Ratio of expenses (excluding current and deferred income tax (benefit) expense) to average net assets before waiver[8][9][11]	4.91%	5.51%	4.75%	3.97%	3.15%	2.01%

Ratio of expenses (excluding current and deferred income tax (benefit) expense) to average net assets after waiver(8)(9)(11)	4.83%	5.32%	4.56%	3.75%	2.78%	1.73%
Ratio of expenses (excluding current and deferred income tax (benefit) expense), without regard to non-recurring organizational expenses, to average net assets before waiver(8)(9)(11)	4.91%	5.51%	4.75%	3.97%	3.15%	1.90%
Ratio of expenses (excluding current and deferred income tax (benefit) expense), without regard to non-recurring organizational expenses, to average net assets after waiver(8)(9)(11)	4.83%	5.32%	4.56%	3.75%	2.78%	1.62%
Ratio of net investment loss to average net assets before waiver(8)(9)(11)	(0.77)%	(3.05)%	(3.24)%	(2.24)%	(1.42)%	(0.45)%
Ratio of net investment loss to average net assets after waiver(8)(9)(11)	(0.69)%	(2.86)%	(3.05)%	(2.02)%	(1.05)%	(0.17)%
Ratio of net investment income (loss) to	(38.06)%	29.19%	(9.68)%	(18.31)%	(7.37)%	(13.37)%

average net
assets after
current and
deferred income
tax benefit
(expense), before
waiver(8)(9)(10)

	Period from December 1, 2008 through May 31, 2009	Year Ended November 30, 2008	Year Ended November 30, 2007	Year Ended November 30, 2006	Year Ended November 30, 2005	Period from February 27, 2004[1] through November 30, 2004
Ratio of net investment income (loss) to average net assets after current and deferred income tax benefit (expense), after waiver[8][9][10]	(37.98)%	29.38%	(9.49)%	(18.09)%	(7.00)%	(13.65)%
Portfolio turnover rate[8]	14.44%	5.81%	9.30%	2.18%	4.92%	1.83%
Short-term borrowings, end of period (000 s)	$ 7,500		$ 38,050	$ 32,450		
Long-term debt obligations, end of period (000 s)	$ 170,000	$ 210,000	$ 235,000	$ 165,000	$ 165,000	$ 110,000
Preferred stock, end of period (000 s)	$ 70,000	$ 70,000	$ 185,000	$ 70,000	$ 70,000	$ 35,000
Per common share amount of long-term debt obligations outstanding, at end of period	$ 7.25	$ 8.96	$ 12.53	$ 9.86	$ 11.07	$ 8.67
Per common share amount of net assets, excluding long-term debt obligations, at end of period	$ 29.03	$ 26.32	$ 45.49	$ 41.68	$ 38.19	$ 35.21
Asset coverage, per $1,000 of principal amount of long-term debt obligations and short-term	$ 4,271	$ 3,509	$ 3,942	$ 4,051	$ 3,874	$ 4,378

borrowings(12)(13)						
Asset coverage ratio of long-term debt obligations and short-term borrowings(12)(13)	427%	351%	394%	405%	387%	438%
Asset coverage, per $25,000 liquidation value per share of preferred stock(14)	$ 207,334	$ 170,225	$ 108,569	$ 215,155	$ 169,383	$ 265,395
Asset coverage, per $25,000 liquidation value per share of preferred stock(13)(15)	$ 76,569	$ 64,099	$ 58,752	$ 74,769	$ 68,008	$ 83,026
Asset coverage ratio of preferred stock(13)(15)	306%	256%	235%	299%	272%	332%

(1) Commencement of Operations.

(2) Information presented relates to a share of common stock outstanding for the entire period.

(3) Represents the dilution per common share from underwriting and other offering costs for the year ended November 30, 2008. Represents the effect of the issuance of preferred stock for the year ended November 30, 2007. Represents the dilution per common share from underwriting and other offering costs for the year ended November 30, 2006. Represents the effect of the issuance of preferred stock for the year ended November 30, 2005. Represents $(1.17) and $(0.06) for the issuance of common and preferred stock, respectively, for the period from February 27, 2004 through November 30, 2004.

(4) Represents the premium on the shelf offerings of $0.34 per share, less the underwriting and offering costs of $0.25 per share for the year ended November 30, 2008. Represents the premium on the shelf offerings of $0.21 per share, less the underwriting and offering costs of $0.13 per share for the year ended November 30, 2007. The amount is less than $0.01 per share, and represents the premium on the secondary offering of $0.14 per share, less the underwriting discounts and offering costs of $0.14 per share for the year ended November 30, 2005.

(5) The per common share data for the periods ended November 30, 2008, 2007, 2006, 2005 and 2004 do not reflect the change in estimate of investment income and return of capital, for the respective period. See Note 2C to the financial statements for further disclosure.

(6) The per common share data for the year ended November 30, 2008 reflects the cumulative effect of adopting FIN 48, which was a $1,165,009 increase to the beginning balance of accumulated net investment loss, or $(0.06) per share. See Note 5 to the financial statements for further disclosure.

(7) Not annualized. Total investment return is calculated assuming a purchase of common stock at the beginning of the period (or initial public offering price) and a sale at the closing price on the last day of the period reported (excluding brokerage commissions). The calculation also assumes reinvestment of distributions at actual prices pursuant to the Company s dividend reinvestment plan.

(8) Annualized for periods less than one full year.

(9) The expense ratios and net investment income (loss) ratios do not reflect the effect of distributions to preferred stockholders.

(10) For the period from December 1, 2008 through May 31, 2009, the Company accrued $532,810 for current tax benefit and $82,437,325 for deferred income tax expense. For the year ended November 30, 2008, the Company accrued $260,089 for current tax expense and $185,024,497 for deferred income tax benefit. The Company accrued $42,516,321, $71,661,802, $24,659,420 and $30,330,018 for the years ended November 30, 2007, 2006, 2005 and 2004, respectively, for current and deferred income tax expense.

(11) The ratio excludes the impact of current and deferred income taxes.

(12) Represents value of total assets less all liabilities and indebtedness not represented by long-term debt obligations, short-term borrowings and preferred stock at the end of the period divided by long-term debt obligations and short-term borrowings outstanding at the end of the period.

(13) As of November 30, 2008, the Company had restricted cash in the amount of $20,400,000 to be used to redeem long-term debt obligations with a par value of $20,000,000, which are excluded from these asset coverage calculations.

(14) Represents value of total assets less all liabilities and indebtedness not represented by preferred stock at the end of the period divided by preferred stock outstanding at the end of the period, assuming the retirement of all long-term debt obligations and short-term borrowings.

(15) Represents value of total assets less all liabilities and indebtedness not represented by long-term debt obligations, short-term borrowings and preferred stock at the end of the period divided by long-term debt obligations, short-term borrowings and preferred stock outstanding at the end of the period.

PLAN OF DISTRIBUTION

We have entered into separate Sales Agreements with each of the Sales Agents under which we may issue and sell from time to time shares of our common stock having an aggregate sales price of up to $40,000,000 through the Sales Agents, as our agents for the offer and sale of such common stock. Sales of the shares of common stock, if any, will be made by means of ordinary brokers transactions on the NYSE or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices. As agents, the Sales Agents will not engage in any transactions that stabilize our common stock.

Under the terms of the Sales Agreements, we also may sell shares of our common stock to the Sales Agents as principal for their own accounts at a price agreed upon at the time of sale. The Sales Agents may offer the common stock sold to them as principals from time to time through public or private transactions at market prices prevailing at the time of sale, at fixed prices, at negotiated prices, at various prices determined at the time of sale or at prices related to prevailing market prices. If we sell shares to either Sales Agent as principal, we will enter into a separate terms agreement with the applicable Sales Agent, setting forth the terms of such transaction, and we will describe the agreement in a separate prospectus supplement or pricing supplement.

The Sales Agents will offer the common stock subject to the terms and conditions of the Sales Agreements on a daily basis or as otherwise agreed upon by us and the Sales Agents. We will designate the maximum amount of common stock to be sold through the Sales Agents on a daily basis or otherwise determine such maximum amount together with the Sales Agents. Subject to the terms and conditions of the Sales Agreements, each of the Sales Agents will use their commercially reasonable efforts to sell on our behalf all of the designated common stock. We may instruct the Sales Agents not to sell common stock if the sales cannot be effected at or above the price designated by us in any such instruction. We or either of the Sales Agents may suspend the offering of the common stock being made through the Sales Agents under the Sales Agreements upon proper notice to the other party.

Under the terms of the Sales Agreements, each Sales Agent will receive from us a commission equal to 3.00% of the gross sales price per share of common stock for any shares sold through such Sales Agent under the applicable Sales Agreement. The remaining sales proceeds, after deducting any expenses payable by us and any transaction fees imposed by any governmental, regulatory, or self-regulatory organization in connection with the sales, will equal our net proceeds for the sale of such common stock. If the Sales Agents engage in special selling efforts, as that term is used in Regulation M under the 1934 Act, the Sales Agents will receive from us a commission agreed upon at the time of sale.

The Sales Agents will each provide written confirmation to us following the close of trading on the NYSE each day in which shares of common stock are sold under the Sales Agreements. Each confirmation will include the number of common stock sold on that day, the gross sales price per share, the net proceeds to us and the compensation payable by us to each of the Sales Agents.

Settlement for sales of common stock will occur, unless the parties agree otherwise, on the third business day that is also a trading day following the date on which any sales were made in return for payment of the net proceeds to us. There is no arrangement for funds to be received in an escrow, trust or similar arrangement.

We will report at least quarterly the number of shares of common stock sold through the Sales Agents under the Sales Agreements, the net proceeds to us and the compensation paid by us to each of the Sales Agents in connection with the sales of common stock.

In connection with the sales of the common stock on our behalf, the Sales Agents may be deemed to be underwriters within the meaning of the 1933 Act, and the compensation paid to the Sales Agents may be deemed to be underwriting commissions or discounts. We have agreed in the Sales Agreements to provide indemnification and contribution to the Sales Agents against certain liabilities, including liabilities under the 1933 Act.

In the ordinary course of their business, the Sales Agents and/or their affiliates have in the past performed, and may continue to perform, investment banking, broker dealer, lending, financial advisory, or other services for us for which they have received, or may receive, separate fees.

If either of the Sales Agents or we have reason to believe that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the Exchange Act are not satisfied, that party will promptly notify the other and sales of common stock under the Sales Agreements will be suspended until that or other exemptive provisions have been satisfied in the judgment of the Sales Agents and us.

We estimate that the total expenses of the offering payable by us, excluding commissions payable to the Sales Agents under the Sales Agreements, will be approximately $130,000.

The offering of shares of common stock pursuant to the Sales Agreements will terminate upon the earlier of (1) the sale of shares of our common stock having an aggregate sales price of $40,000,000 and (2) the termination of both of the Sales Agreements by the Sales Agents or us.

LEGAL MATTERS

Certain legal matters in connection with the securities offered hereby will be passed upon for us by Husch Blackwell Sanders LLP, Kansas City, Missouri (Husch Blackwell). Certain legal matters in connection with the securities offered hereby will be passed upon for the Sales Agents by Cleary Gottlieb Steen & Hamilton LLP, New York, New York (Cleary Gottlieb). Husch Blackwell and Cleary Gottlieb may rely on the opinion of Venable LLP, Baltimore, Maryland, on certain matters of Maryland law.

WHERE YOU CAN FIND MORE INFORMATION

We are subject to the informational requirements of the 1934 Act, and the 1940 Act and are required to file reports, including annual and semi-annual reports, proxy statements and other information with the SEC. We voluntarily file quarterly shareholder reports.

Our 2008 Annual Report, as filed with the SEC and which contains our audited financial statements as of November 30, 2008 and for the year then ended, notes thereto, and other information about us is incorporated by reference into our statement of additional information. Our 2009 1st and 2nd Quarter Reports, as filed with the SEC and which contain our unaudited financial statements as of February 28, 2009 and May 31, 2009, notes thereto, and other information about us is incorporated by reference into our statement of additional information. These documents are available on the SEC s EDGAR system and can be inspected and copied for a fee at the SEC s public reference room, 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Additional information about the operation of the public reference room facilities may be obtained by calling the SEC at (202) 551-5850.

This prospectus supplement and the accompanying prospectus do not contain all of the information in our registration statement, including amendments, exhibits, and schedules. Statements in this prospectus supplement and the accompanying prospectus about the contents of any contract or other document are not necessarily complete and in each instance reference is made to the copy of the contract or other document filed as an exhibit to the registration statement, each such statement being qualified in all respects by this reference.

Additional information about us can be found on our Adviser s website at www.tortoiseadvisors.com and in our registration statement (including amendments, exhibits, and schedules) on Form N-2 filed with the SEC. Information included on our Adviser s website does not form part of this prospectus supplement. The SEC maintains a web site (http://www.sec.gov) that contains our registration statement, other documents incorporated by reference, and other information we have filed electronically with the SEC, including proxy statements and reports filed under the 1934 Act.

Base Prospectus

$375,000,000
Tortoise Energy Infrastructure Corporation
Common Stock
Preferred Stock
Debt Securities

Tortoise Energy Infrastructure Corporation (the Company, we or our) is a nondiversified, closed-end management investment company. Our investment objective is to seek a high level of total return with an emphasis on current distributions paid to stockholders. We seek to provide our stockholders with an efficient vehicle to invest in a portfolio of publicly traded master limited partnerships (MLPs) in the energy infrastructure sector. Under normal circumstances, we invest at least 90% of our total assets (including assets obtained through leverage) in securities of energy infrastructure companies and invest at least 70% of our total assets in equity securities of MLPs. We cannot assure you that we will achieve our investment objective. Unlike most investment companies, we have not elected to be treated as a regulated investment company under the Internal Revenue Code.

We may offer, on an immediate, continuous or delayed basis, including through a rights offering to existing stockholders, up to $375,000,000 aggregate initial offering price of our common stock ($0.001 par value per share), preferred stock ($0.001 par value per share) or debt securities, which we refer to in this prospectus collectively as our securities, in one or more offerings. We may offer our common stock, preferred stock or debt securities separately or together, in amounts, at prices and on terms set forth in a prospectus supplement to this prospectus. In addition, from time to time, certain of our stockholders may offer our common stock in one or more offerings. The sale of such stock by certain of our stockholders may involve shares of common stock that were issued to the stockholders in one or more private transactions and will be registered by us for resale. The identity of any selling stockholder, the number of shares of our common stock to be offered by such selling stockholder, the price and terms upon which our shares of common stock are to be sold from time to time by such selling stockholder, and the percentage of common stock held by any selling stockholder after the offering, will be set forth in a prospectus supplement to this prospectus. You should read this prospectus and the related prospectus supplement carefully before you decide to invest in any of our securities.

We may offer our securities, or certain of our stockholders may offer our common stock, directly to one or more purchasers through agents that we or they designate from time to time, or to or through underwriters or dealers. The prospectus supplement relating to the particular offering will identify any agents or underwriters involved in the sale of our securities, and will set forth any applicable purchase price, fee, commission or discount arrangement between us or any selling stockholder and such agents or underwriters or among the underwriters or the basis upon which such amount may be calculated. For more information about the manner in which we may offer our securities, or a selling stockholder may offer our common stock, see Plan of Distribution and Selling Stockholders. Our securities may not be sold through agents, underwriters or dealers without delivery of a prospectus supplement.

Our common stock is listed on the New York Stock Exchange under the symbol TYG. As of April 28, 2009, the last reported sale price for our common stock was $23.86.

Investing in our securities involves certain risks. You could lose some or all of your investment. See Risk Factors beginning on page 31 of this prospectus. You should consider carefully these risks together with all of the other information contained in this prospectus and any prospectus supplement before making a decision to purchase our securities.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Prospectus dated April 29, 2009

This prospectus, together with any prospectus supplement, sets forth concisely the information that you should know before investing. You should read the prospectus and prospectus supplement, which contain important information, before deciding whether to invest in our securities. You should retain the prospectus and prospectus supplement for future reference. A statement of additional information, dated April 29, 2009, as supplemented from time to time, containing additional information, has been filed with the Securities and Exchange Commission (SEC) and is incorporated by reference in its entirety into this prospectus. You may request a free copy of the statement of additional information, the table of contents of which is on page 66 of this prospectus, request a free copy of our annual, semi-annual and quarterly reports, request other information or make stockholder inquiries, by calling toll-free 1-866-362-9331 or by writing to us at 11550 Ash Street, Suite 300, Leawood, Kansas 66211. Our annual, semi-annual and quarterly reports and the statement of additional information also are available on our investment adviser s website at www.tortoiseadvisors.com. Information included on our website does not form part of this prospectus. You can review and copy documents we have filed at the SEC s Public Reference Room in Washington, D.C. Call 1-202-551-5850 for information. The SEC charges a fee for copies. You can get the same information free from the SEC s website (http://www.sec.gov). You may also e-mail requests for these documents to publicinfo@sec.gov or make a request in writing to the SEC s Public Reference Section, 100 F Street, N.E., Room 1580, Washington, D.C. 20549.

Our securities do not represent a deposit or obligation of, and are not guaranteed or endorsed by, any bank or other insured depository institution and are not federally insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency.

TABLE OF CONTENTS

You should rely only on the information contained or incorporated by reference in this prospectus and any related prospectus supplement in making your investment decisions. We have not authorized any other person to provide you with different or inconsistent information. If anyone provides you with different or inconsistent information, you should not rely on it. This prospectus and any prospectus supplement do not constitute an offer to sell or solicitation of an offer to buy any securities in any jurisdiction where the offer or sale is not permitted. The information appearing in this prospectus and in any prospectus supplement is accurate only as of the dates on their covers. Our business, financial condition and prospects may have changed since such dates. We will advise investors of any material changes to the extent required by applicable law.

CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus, any accompanying prospectus supplement and the statement of additional information contain forward-looking statements. Forward-looking statements can be identified by the words may, will, intend, expect, estimate, continue, plan, anticipate, and similar terms and the negative of such terms. Such forward-looking statements may be contained in this prospectus as well as in any accompanying prospectus supplement. By their nature, all forward-looking statements involve risks and uncertainties, and actual results could differ materially from those contemplated by the forward-looking statements. Several factors that could materially affect our actual results are the performance of the portfolio of securities we hold, the conditions in the U.S. and international financial, petroleum and other markets, the price at which our shares will trade in the public markets and other factors discussed in our periodic filings with the Securities and Exchange Commission (the SEC).

Although we believe that the expectations expressed in our forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in our forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change and are subject to inherent risks and uncertainties, such as those disclosed in the Risk Factors section of this prospectus. All forward-looking statements contained or incorporated by reference in this prospectus or any accompanying prospectus supplement are made as of the date of this prospectus or the accompanying prospectus supplement, as the case may be. Except for our ongoing obligations under the federal securities laws, we do not intend, and we undertake no obligation, to update any forward-looking statement. The forward-looking statements contained in this prospectus and any accompanying prospectus supplement are excluded from the safe harbor protection provided by Section 27A of the Securities Act of 1933, as amended (the 1933 Act).

Currently known risk factors that could cause actual results to differ materially from our expectations include, but are not limited to, the factors described in the Risk Factors section of this prospectus. We urge you to review carefully that section for a more detailed discussion of the risks of an investment in our securities.

PROSPECTUS SUMMARY

The following summary contains basic information about us and our securities. It is not complete and may not contain all of the information you may want to consider. You should review the more detailed information contained in this prospectus and in any related prospectus supplement and in the statement of additional information, especially the information set forth under the heading Risk Factors beginning on page 31 of this prospectus.

The Company

We seek to provide our stockholders with an efficient vehicle to invest in a portfolio of publicly traded master limited partnerships (MLPs) in the energy infrastructure sector. Our investment objective is to seek a high level of total return with an emphasis on current distributions paid to stockholders. For purposes of our investment objective, total return includes capital appreciation of, and all distributions received from, securities in which we invest regardless of the tax character of the distributions. Similar to the tax characterization of distributions made by MLPs to unitholders, a significant portion of our distributions have been and are expected to continue to be treated as a return of capital to stockholders.

We are a nondiversified, closed-end management investment company registered under the Investment Company Act of 1940, as amended (the 1940 Act). We were organized as a corporation on October 30, 2003, pursuant to a charter (the Charter) governed by the laws of the State of Maryland. Our fiscal year ends on November 30. We commenced operations in February 2004 following our initial public offering. Since that time, we completed eight additional offerings of common stock. As of November 30, 2008, we had net assets of $407,031,320 attributable to our common stock. Our common stock is listed on the New York Stock Exchange (NYSE) under the symbol TYG. As of the date of this prospectus, we have outstanding $70 million of preferred stock and $170 million of long-term debt obligations. We have entered into an unsecured revolving credit facility with U.S. Bank N.A. serving as a lender and the lending syndicate agent on behalf of other lenders participating in the credit facility, which currently allows us to borrow up to $40,000,000. The credit facility remains in effect through June 20, 2009. We currently expect to seek to renew the credit facility at an amount sufficient to meet our operating needs. As of the date of this prospectus, we have outstanding approximately $22.3 million under the credit facility.

Investment Adviser

Tortoise Capital Advisors, L.L.C., a registered investment adviser specializing in managing portfolios of investments in MLPs and other energy companies (the Adviser), serves as our investment adviser. As of March 31, 2009, the Adviser managed assets of approximately $1.7 billion in the energy sector, including the assets of four publicly traded and two privately held closed-end management investment companies, and separate accounts for institutions and high net worth individuals. The Adviser s investment committee is comprised of five portfolio managers. See Management of the Company .

The principal business address of the Adviser is 11550 Ash Street, Suite 300, Leawood, Kansas 66211.

The Offering

We may offer, on an immediate, continuous or delayed basis, up to $375,000,000 of our securities, including common stock pursuant to a rights offering, or certain of our stockholders who purchased shares from us in private placement transactions may offer our common stock, on terms to be determined at the time of the offering. Our securities will be offered at prices and on terms to be set forth in one or more prospectus supplements to this prospectus. Subject to certain conditions, we may offer our common stock at prices below our net asset value (NAV). We will provide information in the prospectus supplement for the expected trading market, if any, for our preferred stock or debt securities.

While the number and amount of securities we may issue pursuant to this registration statement is limited to $375,000,000 of securities, our board of directors (the Board of Directors or the Board) may, without any action by the stockholders, amend our Charter from time to time to increase or decrease the aggregate number of shares of stock or the number of shares of stock of any class or series that we have authority to issue under our Charter or the 1940 Act.

We may offer our securities, or certain of our stockholders may offer our common stock, directly to one or more purchasers through agents that we or they designate from time to time, or to or through underwriters or dealers. The prospectus supplement relating to the offering will identify any agents or underwriters involved in the sale of our securities, and will set forth any applicable purchase price, fee, commission or discount arrangement between us or any selling stockholder and such agents or underwriters or among underwriters or the basis upon which such amount may be calculated. See Plan of Distribution and Selling Stockholders. Our securities may not be sold through agents, underwriters or dealers without delivery of a prospectus supplement describing the method and terms of the offering of our securities.

Use of Proceeds

Unless otherwise specified in a prospectus supplement, we intend to use the net proceeds of any sale of our securities primarily to invest in energy infrastructure companies in accordance with our investment objective and policies as described under Investment Objective and Principal Investment Strategies within approximately three months of receipt of such proceeds. We may also use proceeds from the sale of our securities to retire all or a portion of any debt we incur, to redeem preferred stock or for working capital purposes, including the payment of distributions, interest and operating expenses, although there is currently no intent to issue securities primarily for this purpose. We will not receive any of the proceeds from a sale of our common stock by any selling stockholder.

Federal Income Tax Status of Company

Unlike most investment companies, we have not elected to be treated as a regulated investment company under the U.S. Internal Revenue Code of 1986, as amended (the Internal Revenue Code). Therefore, we are obligated to pay federal and applicable state corporate taxes on our taxable income. On the other hand, we are not subject to the Internal Revenue Code s diversification rules limiting the assets in which regulated investment companies can invest. Under current federal income tax law, these rules limit the amount that regulated investment companies may invest directly in the securities of certain MLPs to 25% of the value of their total assets. We invest a substantial portion of our assets in MLPs. Although MLPs generate taxable income to us, we expect the MLPs to pay cash distributions in excess of the taxable income reportable by us. Similarly, we expect to distribute substantially all of our distributable cash flow (DCF) to our common stockholders. DCF is the amount we receive as cash or paid-in-kind distributions from MLPs or affiliates of MLPs in which we invest, and interest payments received on debt securities owned by us, less current or anticipated operating expenses, taxes on our taxable income, and leverage costs paid by us (including leverage costs of preferred stock, debt securities and borrowings under our unsecured credit facility). However, unlike regulated investment companies, we are not effectively required by the Internal Revenue Code to distribute substantially all of our income and capital gains. See Certain Federal Income Tax Matters.

Distributions

We expect to distribute substantially all of our DCF to holders of common stock through quarterly distributions. Our Board of Directors adopted a policy to target distributions to common stockholders in an amount of at least 95% of DCF on an annual basis. We will pay distributions on our common stock each fiscal quarter out of DCF, if any. As of the date of this prospectus, we have paid distributions every quarter since the completion of our first full fiscal quarter ended on May 31, 2004. There is no assurance that we will continue to make regular distributions. If distributions paid to holders of our common and preferred stock exceed the current and accumulated earnings and profit allocated to the particular shares held by a stockholder, the excess of such distribution will constitute, for federal income tax purposes, a tax-free return of capital to the extent of the stockholder s basis in the shares and capital gain thereafter. A return of capital reduces the basis of the shares held by a stockholder, which may increase the amount of gain recognized upon the sale of such shares. Our preferred stock and debt securities will pay dividends and interest, respectively, in accordance with their terms. So long as we have preferred stock and debt securities outstanding, we may not declare dividends on common or preferred stock unless we meet applicable asset coverage tests.

Principal Investment Policies

Under normal circumstances, we invest at least 90% of our total assets (including assets we obtain through leverage) in securities of energy infrastructure companies and invest at least 70% of our total assets in equity securities of MLPs. Energy infrastructure companies engage in the business of transporting, processing, storing, distributing or marketing natural gas, natural gas liquids (primarily propane), coal, crude oil or refined petroleum products, or exploring, developing, managing or producing such commodities. We invest primarily in energy infrastructure companies organized in the United States. All publicly traded companies in which we invest have an equity market capitalization greater than $100 million at the time of investment.

We also may invest in equity and debt securities of energy infrastructure companies that are organized and/or taxed as corporations to the extent consistent with our investment objective. We also may invest in securities of general partners or other affiliates of MLPs and private companies operating energy infrastructure assets.

We have adopted the following additional nonfundamental investment policies:

We may invest up to 30% of our total assets in restricted securities, primarily through direct placements. Subject to this policy, we may invest without limitation in illiquid securities. The types of restricted securities that we may purchase include securities of private energy infrastructure companies and privately issued securities of publicly traded energy infrastructure companies. Restricted securities, whether issued by public companies or private companies, are generally considered illiquid. Investments in private companies that do not have any publicly traded shares or units are limited to 5% of total assets.

We may invest up to 25% of our total assets in debt securities of energy infrastructure companies, including securities rated below investment grade (commonly referred to as junk bonds). Below investment grade debt securities will be rated at least B3 by Moody s Investors Service, Inc. (Moody s) and at least B- by Standard & Poor s Ratings Group (S&P) at the time of purchase, or comparably rated by another statistical rating organization or if unrated, determined to be of comparable quality by the Adviser.

We will not invest more than 10% of total assets in any single issuer.

We will not engage in short sales.

We may change our nonfundamental investment policies without stockholder approval and will provide notice to stockholders of material changes (including notice through stockholder reports); provided, however, that a change in the policy of investing at least 90% of our total assets in energy infrastructure companies requires at least 60 days prior written notice to stockholders. Unless otherwise stated, these investment restrictions apply at the time of purchase and we will not be required to reduce a position due solely to market value fluctuations. The term total assets includes assets obtained through leverage for the purpose of each investment restriction.

Under adverse market or economic conditions, we may invest up to 100% of our total assets in securities issued or guaranteed by the U.S. Government or its instrumentalities or agencies, short-term debt securities, certificates of deposit, bankers acceptances and other bank obligations, commercial paper rated in the highest category by a rating agency or other liquid fixed income securities deemed by the Adviser to be consistent with a defensive posture (collectively, short-term securities), or we may hold cash. To the extent we invest in short-term securities or cash for defensive purposes, such investments are inconsistent with, and may result in us not achieving, our investment objective.

We also may invest in short-term securities or cash pending investment of offering proceeds to meet working capital needs including, but not limited to, for collateral in connection with certain investment techniques, to hold a reserve pending payment of distributions, and to facilitate the payment of expenses and settlement of trades. The yield on such securities may be lower than the returns on MLPs or yields on lower rated fixed income securities.

Use of Leverage by the Company

The borrowing of money and the issuance of preferred stock and debt securities represents the leveraging of our common stock. The issuance of additional common stock may enable us to increase the aggregate amount of our leverage. We reserve the right at any time to use financial leverage to the extent permitted by the 1940 Act (50% of total assets for preferred stock and 331/3% of total assets for senior debt securities) or we may elect to reduce the use of leverage or use no leverage at all. Historically, our leverage target has been up to 33% of our total assets at the time of incurrence. Our Board of Directors has approved a policy permitting temporary increases in the amount of leverage we may use from 33% of our total assets to up to 38% of our total assets at the time of incurrence, provided that (i) such leverage is consistent with the limits set forth in the 1940 Act and (ii) such increased leverage is reduced over time in an orderly fashion. The timing and terms of any leverage transactions will be determined by our Board of Directors. Additionally, the percentage of our assets attributable to leverage may vary significantly during periods of extreme market volatility and will increase during periods of declining market prices of our portfolio holdings.

The use of leverage creates an opportunity for increased income and capital appreciation for common stockholders, but at the same time, it creates special risks that may adversely affect common stockholders. Because the Adviser s fee is based upon a percentage of our Managed Assets (as defined below), the Adviser s fee is higher when we are leveraged. Therefore, the Adviser has a financial incentive to use leverage, which will create a conflict of interest between the Adviser and our common stockholders, who will bear the costs of our leverage. There can be no assurance that a leveraging strategy will be successful during any period in which it is used. The use of leverage involves risks, which can be significant. See Leverage and Risk Factors Additional Risks to Common Stockholders Leverage Risk.

We may use interest rate transactions for hedging purposes only, in an attempt to reduce the interest rate risk arising from our leveraged capital structure. We do not intend to hedge the interest rate risk of our portfolio holdings. Accordingly, if no leverage is outstanding, we currently do not expect to engage in interest rate transactions. Interest rate transactions that we may use for hedging purposes may expose us to certain risks that differ from the risks associated with our portfolio holdings. See Leverage Hedging Transactions and Risk Factors Company Risks Hedging Strategy Risk.

Conflicts of Interest

Conflicts of interest may arise from the fact that the Adviser and its affiliates carry on substantial investment activities for other clients, in which we have no interest. The Adviser or its affiliates may have financial incentives to favor certain of these accounts over us. Any of the Adviser s or its affiliates proprietary accounts and other customer accounts may compete with us for specific trades. The Adviser or its affiliates may give advice and recommend securities to, or buy or sell securities for, other accounts and customers, which advice or securities recommended may differ from advice given to, or securities recommended or bought or sold for, us, even though their investment objectives may be the same as, or similar to, our objectives.

Situations may occur when we could be disadvantaged because of the investment activities conducted by the Adviser and its affiliates for their other accounts. Such situations may be based on, among other things, the following: (1) legal or internal restrictions on the combined size of positions that may be taken for us or the other accounts, thereby limiting the size of our position; (2) the difficulty of liquidating an investment for us or the other accounts where the market cannot absorb the sale of the combined position; or (3) limits on co-investing in private placement securities under the 1940 Act. Our investment opportunities may be limited by affiliations of the Adviser or its affiliates with energy infrastructure companies. See Investment Objective and Principal Investment Strategies Conflicts of Interest.

Company Risks

Our NAV, our ability to make distributions, our ability to service debt securities and preferred stock, and our ability to meet asset coverage requirements depends on the performance of our investment portfolio. The performance of our investment portfolio is subject to a number of risks, including the following:

Recent Developments Risk. Our capital structure and performance was adversely impacted by the weakness in the credit markets and broad stock market, and the resulting rapid and dramatic declines in the value of MLPs that occurred in late 2008, and may continue to be adversely affected if the weakness in the credit and stock markets continue. If our NAV declines or remains volatile, there is an increased risk that we may be required to reduce outstanding leverage, which could adversely affect our stock price and ability to pay distributions at historical levels. A sustained economic slowdown may adversely affect the ability of MLPs to sustain their historical distribution levels, which in turn, may adversely affect our ability to sustain distributions at historical levels. MLPs that have historically relied heavily on outside capital to fund their growth have been impacted by the slowdown in capital markets. The recovery of the MLP sector is dependent on several factors including the recovery of the financial sector, the general economy and the commodity markets. Measures taken by the U.S. Government to stimulate the U.S. economy may not be successful or may not have the intended effect.

Concentration Risk. Under normal circumstances, we concentrate our investments in the energy infrastructure sector, with an emphasis on securities issued by MLPs. The primary risks inherent in the energy infrastructure industry include the following: (1) the performance and level of distributions of MLPs can be affected by direct and indirect commodity price exposure, (2) a decrease in market demand for natural gas or other energy commodities could adversely affect MLP revenues or cash flows, (3) energy infrastructure assets deplete over time and must be replaced and (4) a rising interest rate environment could increase an MLP s cost of capital.

Industry Specific Risk. Energy infrastructure companies also are subject to risks specific to the industry they serve. For risks specific to the pipeline, processing, propane and coal industries, see Risk Factors Company Risks Industry Specific Risk.

MLP Risk. We invest primarily in equity securities of MLPs. As a result, we are subject to the risks associated with an investment in MLPs, including cash flow risk, tax risk, deferred tax risk capital markets risk. Cash flow risk is the risk that MLPs will not make distributions to holders (including us) at anticipated levels or that such distributions will not have the expected tax character. MLPs also are subject to tax risk, which is the risk that MLPs might lose their partnership status for tax purposes. Deferred tax risk is the risk that we incur a current tax liability on that portion of an MLP s income and gains that is not offset by tax deductions and losses. Capital market risk is the risk that MLPs will be unable to raise capital to meet their obligations as they come due or execute their growth strategies, complete future acquisitions, take advantage of other business opportunities or respond to competitive pressures.

Equity Securities Risk. MLP common units and other equity securities can be affected by macro-economic and other factors affecting the stock market in general, expectations of interest rates, investor sentiment toward MLPs or the energy sector, changes in a particular issuer s financial condition, or unfavorable or unanticipated poor performance of a particular issuer (in the case of MLPs, generally measured in terms of DCF). Prices of common units of individual MLPs and other equity securities also can be affected by fundamentals unique to the partnership or company, including size, earnings power, coverage ratios and characteristics and features of different classes of securities. See Risk Factors Company Risks Equity Securities Risk and Risk Factors Additional Risks to Common Stockholders Leverage Risk.

Hedging Strategy Risk. We may use interest rate transactions for hedging purposes only, in an attempt to reduce the interest rate risk arising from our leveraged capital structure. There is no assurance that the interest rate hedging transactions into which we enter will be effective in reducing our exposure to interest rate risk. Hedging transactions are subject to correlation risk, which is the risk that payment on our hedging transactions may not correlate exactly with our payment obligations on senior securities. Interest rate transactions that we may use for hedging purposes, such as swaps, caps and floors, will expose us to certain risks that differ from the risks associated with our portfolio holdings. See Risk Factors Company Risks Hedging Strategy Risk.

Competition Risk. At the time we completed our initial public offering in February 2004, we were the only publicly traded investment company offering access to a portfolio of energy infrastructure MLPs. Since that time a number of alternative vehicles for investment in a portfolio of energy infrastructure MLPs, including other publicly traded investment companies and private funds, have emerged. In addition, tax law changes have increased the ability of regulated investment companies or other institutions to invest in MLPs. These competitive conditions may adversely impact our ability to meet our investment objective, which in turn could adversely impact our ability to make interest or dividend payments.

Restricted Security Risk. We may invest up to 30% of total assets in restricted securities, primarily through direct placements. Restricted securities are less liquid than securities traded in the open market because of statutory and contractual restrictions on resale. Such securities are, therefore, unlike securities that are traded in the open market, which can be expected to be sold immediately if the market is adequate. This lack of liquidity creates special risks for us. See Risk Factors Company Risks Restricted Security Risk.

Liquidity Risk. Certain MLP securities may trade less frequently than those of other companies due to their smaller capitalizations. Investments in securities that are less actively traded or over time experience decreased trading volume may be difficult to dispose of when we believe it is desirable to do so, may restrict our ability to take advantage of other opportunities, and may be more difficult to value.

Valuation Risk. We may invest up to 30% of total assets in restricted securities, which are subject to restrictions on resale. The value of such investments ordinarily will be based on fair valuations determined by the Adviser pursuant to procedures adopted by the Board of Directors. Restrictions on resale or the absence of a liquid secondary market may affect adversely our ability to determine NAV. The sale price of securities that are restricted or otherwise are not readily marketable may be higher or lower than our most recent valuations.

Nondiversification Risk. We are a nondiversified investment company under the 1940 Act and we are not a regulated investment company under the Internal Revenue Code. Accordingly, there are no limits under the 1940 Act or Internal Revenue Code with respect to the number or size of issuers held by us and we may invest more assets in fewer issuers as compared to a diversified fund.

Tax Risk. Because we are treated as a corporation for federal income tax purposes, our financial statements reflect deferred tax assets or liabilities according to generally accepted accounting principles. Deferred tax assets may constitute a relatively high percentage of NAV. Realization of deferred tax assets including net operating loss and capital loss carryforwards, are dependent, in part, on generating sufficient taxable income of the appropriate character prior to expiration of the loss carryforwards. Unexpected significant decreases in MLP cash distributions or significant declines in the fair value of our MLP investments, among other factors, may change our assessment regarding the recoverability of deferred tax assets and would likely result in a valuation allowance, or recording of a larger allowance. If a valuation allowance is required to reduce the deferred tax asset in the future, it could have a material impact on our NAV and results of operations in the period it is recorded. Conversely, in periods of generally increasing MLP prices, we will accrue a deferred tax liability to the extent the fair value of our assets exceeds our tax basis. We may incur significant tax liability during periods in which gains on MLP investments are realized.

Management Risk. The Adviser was formed in October 2002 to provide portfolio management services to institutional and high net worth investors seeking professional management of their MLP investments. The Adviser has been managing our portfolio since we began operations in February 2004. As of March 31, 2009, the Adviser had client assets under management of approximately $1.7 billion. To the extent that the Adviser s assets under management continue to grow, the Adviser may have to hire additional personnel and, to the extent it is unable to hire qualified individuals, its operations may be adversely affected.

See Risk Factors Company Risks for a more detailed discussion of these and other risks of investing in our securities.

Additional Risks to Common Stockholders

Leverage Risk. We are currently leveraged and intend to continue to use leverage primarily for investment purposes. Leverage, which is a speculative technique, could cause us to lose money and can magnify the effect of any losses. If the dislocations in the credit markets continue, our leverage costs may increase and there is a risk that we may not be able to renew or replace existing leverage on favorable terms or at all. Because senior debt is subject to stricter coverage requirements than preferred stock, we may not be able to maintain leverage at historical levels if a viable alternative for auction rate preferred stock does not develop. If the cost of leverage is no longer favorable, or if we are otherwise required to reduce our leverage, we may not be able to maintain common stock distributions at historical levels and common stockholders will bear any costs associated with selling portfolio securities. If our net asset value of our portfolio declines or remains subject to heightened market volatility, there is an increased risk that we will be unable to maintain coverage ratios for senior debt securities and preferred stock mandated by the 1940 Act, rating agency guidelines or contractual terms of bank lending facilities or privately placed notes. If we do not cure any deficiencies within specified cure periods, we will be required to redeem such senior securities in amounts that are sufficient to restore the required coverage ratios or, in some cases, offer to redeem all of such securities. As a result, we may be required to sell portfolio securities at inopportune times, and we may incur significant losses upon the sale of such securities. There is no assurance that a leveraging strategy will be successful. See Leverage Recent Developments for additional information.

Market Impact Risk. The sale of our common stock (or the perception that such sales may occur) may have an adverse effect on prices in the secondary market for our common stock by increasing the number of shares available, which may put downward pressure on the market price for our common stock. Our ability to sell shares of common stock below NAV may increase this pressure. These sales also might make it more difficult for us to sell additional equity securities in the future at a time and price we deem appropriate.

Dilution Risk. The voting power of current stockholders will be diluted to the extent that such stockholders do not purchase shares in any future common stock offerings or do not purchase sufficient shares to maintain their percentage interest. In addition, if we sell shares of common stock below NAV, our NAV will fall immediately after such issuance. See Description of Securities Common Stock Issuance of Additional Shares which includes a table reflecting the dilutive effect of selling our common stock below NAV.

If we are unable to invest the proceeds of such offering as intended, our per share distribution may decrease and we may not participate in market advances to the same extent as if such proceeds were fully invested as planned.

Market Discount Risk. Our common stock has traded both at a premium and at a discount in relation to NAV. We cannot predict whether our shares will trade in the future at a premium or discount to NAV.

See Risk Factors Additional Risks to Common Stockholders for a more detailed discussion of these risks.

Additional Risks to Senior Security Holders

Additional risks of investing in senior securities, include the following:

Interest Rate Risk. Dividends and interest payable on our senior securities are subject to interest rate risk. To the extent that dividends or interest on such securities are based on short-term rates, our leverage costs may rise so that the amount of dividends or interest due to holders of senior securities would exceed the cash flow generated by our portfolio securities. To the extent that our leverage costs are fixed, our leverage costs may increase when our special rate periods terminate or our debt securities mature. This might require that we sell portfolio securities at a time when we would otherwise not do so, which may adversely affect our future ability to generate cash flow. In addition, rising market interest rates could negatively impact the value of our investment portfolio, reducing the amount of assets serving as asset coverage for senior securities.

Senior Leverage Risk. Our preferred stock will be junior in liquidation and with respect to distribution rights to our debt securities and any other borrowings. Senior securities representing indebtedness may constitute a substantial lien and burden on preferred stock by reason of their prior claim against our income and against our net assets in liquidation. We may not be permitted to declare dividends or other distributions with respect to any series of our preferred stock unless at such time we meet applicable asset coverage requirements and the payment of principal or interest is not in default with respect to senior debt securities or any other borrowings.

Our debt securities, upon issuance, are expected to be unsecured obligations and, upon our liquidation, dissolution or winding up, will rank: (1) senior to all of our outstanding common stock and any outstanding preferred stock; (2) on a parity with any of our unsecured creditors and any unsecured senior securities representing our indebtedness; and

(3) junior to any of our secured creditors. Secured creditors of ours may include, without limitation, parties entering into interest rate swap, floor or cap transactions, or other similar transactions with us that create liens, pledges, charges, security interests, security agreements or other encumbrances on our assets.

Ratings and Asset Coverage Risk. To the extent that senior securities are rated, a rating does not eliminate or necessarily mitigate the risks of investing in our senior securities, and a rating may not fully or accurately reflect all of the credit and market risks associated with that senior security. A rating agency could downgrade the rating of our shares of preferred stock or debt securities, which may make such securities less liquid in the secondary market, though probably with higher resulting interest rates. If a rating agency downgrades, or indicates a potential downgrade to, the rating assigned to a senior security, we may alter our portfolio or redeem a portion of our senior securities. We may voluntarily redeem a senior security under certain circumstances to the extent permitted by its governing documents.

Inflation Risk. Inflation is the reduction in the purchasing power of money resulting from an increase in the price of goods and services. Inflation risk is the risk that the inflation adjusted or real value of an investment in preferred stock or debt securities or the income from that investment will be worth less in the future. As inflation occurs, the real value of the preferred stock or debt securities and the dividend payable to holders of preferred stock or debt securities declines.

Decline in Net Asset Value Risk. A material decline in our NAV may impair our ability to maintain required levels of asset coverage for our preferred stock or debt securities.

See Risk Factors Additional Risks to Senior Security Holders for a more detailed discussion of these risks.

SUMMARY OF COMPANY EXPENSES

The following table and example contain information about the costs and expenses that common stockholders will bear directly or indirectly. In accordance with SEC requirements, the table below shows our expenses, including leverage costs, as a percentage of our net assets as of November 30, 2008, and not as a percentage of gross assets or Managed Assets. By showing expenses as a percentage of net assets, expenses are not expressed as a percentage of all of the assets we invest. The table and example are based on our capital structure as of November 30, 2008. As of that date, we had $280 million in senior securities outstanding, including two series designated as Tortoise Auction Preferred Shares (the Tortoise Preferred Shares) with an aggregate liquidation preference of $70 million and $60 million of Auction Rate Senior Notes, and $150 million of privately-placed Senior Notes (collectively with the Auction Rate Senior Notes, the Tortoise Notes). Such senior securities represented 40% of total assets as of November 30, 2008.

Stockholder Transaction Expense

Sales Load (as a percentage of offering price)	(1)
Offering Expenses Borne by the Company (as a percentage of offering price)	(1)
Dividend Reinvestment and Cash Purchase Plan Fees(2)	None

Annual Expenses	**Percentage of Net Assets Attributable to Common Stockholders**
Management Fee	1.56%
Leverage Costs(3)	4.40%
Other Expenses(4)	0.31%
Current Income Tax Expense	0.06%
Deferred Income Tax(5)	0.00%
Total Annual Expenses(6)	6.33%

Example:

The following example illustrates the expenses that common stockholders would pay on a $1,000 investment in common stock, assuming (1) total annual expenses of 6.33% of net assets attributable to common shares; (2) a 5% annual return; and (iii) all distributions are reinvested at NAV:

	1 Year	**3 Years**	**5 Years**	**10 Years**
Total Expenses Paid by Common Stockholders(7)	$ 63	$ 186	$ 306	$ 592

The example should not be considered a representation of future expenses. Actual expenses may be greater or less than those assumed. Moreover, our actual rate of return may be greater or less than the hypothetical 5% return shown in the example.

(1) If the securities to which this prospectus relates are sold to or through underwriters, the prospectus supplement will set forth any applicable sales load, the estimated offering expenses borne by us and a revised expense example.

(2) Stockholders will pay a transaction fee plus brokerage charges if they direct the Plan Agent to sell common stock held in a Plan account. See Automatic Dividend Reinvestment and Cash Purchase Plan.

(3) Leverage Costs in the table reflect the weighted average cost of dividends payable on Tortoise Preferred Shares and the interest payable on Tortoise Notes at borrowing rates as of November 30, 2008, expressed as a percentage of net assets as of November 30, 2008.

(4) Other Expenses are based on amounts incurred for the fiscal year ended November 30, 2008.

(5) For the year ended November 30, 2008, we accrued deferred income tax benefits primarily related to unrealized losses on investments. Realization of a deferred tax benefit is dependent on whether there will be sufficient taxable income of the appropriate character within the carryforward periods to realize a portion or all of the deferred tax benefit. Because it cannot be predicted whether we will incur a benefit or liability in the future, a deferred income tax expense of 0.00% has been assumed.

(6) The table presented in this footnote presents certain of our annual expenses as a percentage of Managed Assets as of November 30, 2008, excluding current and deferred income tax expense.

Annual Expenses	**Percentage of Managed Assets**
Management Fee	0.95%
Leverage Costs[a]	2.66%
Other Expenses (excluding current and deferred income tax expenses)[b]	0.19%
Total Annual Expenses (excluding current and deferred income tax expenses)	3.80%

(a) Leverage Costs are calculated as described in Note 3 above.

(b) Other Expenses are based on amounts incurred for the fiscal year ended November 30, 2008.

(7) The example does not include sales load or estimated offering costs.

The purpose of the table and the example above is to help investors understand the fees and expenses that they, as common stockholders, would bear directly or indirectly. For additional information with respect to our expenses, see Management of the Company.

FINANCIAL HIGHLIGHTS

Information contained in the table below under the heading Per Common Share Data and Supplemental Data and Ratios shows our per common share operating performance. The information in this table is derived from our financial statements audited by Ernst & Young LLP, whose report on such financial statements is contained in our 2008 Annual Report and is incorporated by reference into the statement of additional information, both of which are available from us upon request. See Available Information in this prospectus. The unaudited Financial Highlights contained in our 2009 1st Quarter Report for the period from December 1, 2008 through February 28, 2009 is herein incorporated by reference.

	Year Ended November 30, 2008	Year Ended November 30, 2007	Year Ended November 30, 2006	Year Ended November 30, 2005	Period from February 27, 2004[1] through November 30, 2004
Per Common Share Data[2]					
Net Asset Value, beginning of period	$ 32.96	$ 31.82	$ 27.12	$ 26.53	$
Public offering price					25.00
Underwriting discounts and offering costs on issuance of common and preferred stock[3]	(0.01)	(0.08)	(0.14)	(0.02)	(1.23)
Premiums less underwriting discounts and offering costs on offerings[4]	0.09	0.08			
Income (loss) from Investment Operations:					
Net investment loss[5][6]	(0.29)	(0.61)	(0.32)	(0.16)	(0.03)
Net realized and unrealized gains (losses) on investments and interest rate swap contracts[5][6]	(12.76)	4.33	7.41	2.67	3.77
Total increase (decrease) from investment operations	(13.05)	3.72	7.09	2.51	3.74
Less Distributions to Preferred Stockholders:					
Net investment income					
Return of capital	(0.40)	(0.39)	(0.23)	(0.11)	(0.01)

Total distributions to preferred stockholders		(0.40)		(0.39)		(0.23)		(0.11)		(0.01)
Less Distributions to Common Stockholders:										
Net investment income										
Return of capital		(2.23)		(2.19)		(2.02)		(1.79)		(0.97)
Total distributions to common stockholders		(2.23)		(2.19)		(2.02)		(1.79)		(0.97)
Net Asset Value, end of period	$	17.36	$	32.96	$	31.82	$	27.12	$	26.53
Per common share market value, end of period	$	17.11	$	32.46	$	36.13	$	28.72	$	27.06
Total Investment Return Based on Market Value[7]		(42.47)%		(4.43)%		34.50%		13.06%		12.51%
Supplemental Data and Ratios										
Net assets applicable to common stockholders, end of period (000 s)	$	407,031	$	618,412	$	532,433	$	404,274	$	336,553

	Year Ended November 30, 2008	Year Ended November 30, 2007	Year Ended November 30, 2006	Year Ended November 30, 2005	Period from February 27, 2004[1] through November 30, 2004
Ratio of expenses (including current and deferred income tax (benefit) expense) to average net assets before waiver[8][9][10]	(26.73)%	11.19%	20.03%	9.10%	15.20%
Ratio of expenses (including current and deferred income tax (benefit) expense) to average net assets after waiver[8][9][10]	(26.92)%	11.00%	19.81%	8.73%	14.92%
Ratio of expenses (excluding current and deferred income tax (benefit) expense) to average net assets before waiver[8][9][11]	5.51%	4.75%	3.97%	3.15%	2.01%
Ratio of expenses (excluding current and deferred income tax (benefit) expense) to average net assets after waiver[8][9][11]	5.32%	4.56%	3.75%	2.78%	1.73%
Ratio of expenses (excluding current and deferred income tax (benefit) expense), without regard to non-recurring organizational expenses, to average net assets before waiver[8][9][11]	5.51%	4.75%	3.97%	3.15%	1.90%
Ratio of expenses (excluding current and deferred income tax (benefit) expense), without regard to non-recurring organizational expenses,	5.32%	4.56%	3.75%	2.78%	1.62%

to average net assets after waiver(8)(9)(11)					
Ratio of net investment loss to average net assets before waiver(8)(9)(11)	(3.05)%	(3.24)%	(2.24)%	(1.42)%	(0.45)%
Ratio of net investment loss to average net assets after waiver(8)(9)(11)	(2.86)%	(3.05)%	(2.02)%	(1.05)%	(0.17)%
Ratio of net investment income (loss) to average net assets after current and deferred income tax benefit (expense), before waiver(8)(9)(10)	29.19%	(9.68)%	(18.31)%	(7.37)%	(13.37)%
Ratio of net investment income (loss) to average net assets after current and deferred income tax benefit (expense), after waiver(8)(9)(10)	29.38%	(9.49)%	(18.09)%	(7.00)%	(13.65)%
Portfolio turnover rate(8)	5.81%	9.30%	2.18%	4.92%	1.83%
Short-term borrowings, end of period (000 s)		$ 38,050	$ 32,450		
Long-term debt obligations, end of period (000 s)	$ 210,000	$ 235,000	$ 165,000	$ 165,000	$ 110,000
Preferred stock, end of period (000 s)	$ 70,000	$ 185,000	$ 70,000	$ 70,000	$ 35,000
Per common share amount of long-term debt obligations outstanding, at end of period	$ 8.96	$ 12.53	$ 9.86	$ 11.07	$ 8.67
Per common share amount of net assets, excluding long-term debt obligations, at end of period	$ 26.32	$ 45.49	$ 41.68	$ 38.19	$ 35.21

	Year Ended November 30, 2008	Year Ended November 30, 2007	Year Ended November 30, 2006	Year Ended November 30, 2005	Period from February 27, 2004[1] through November 30, 2004
Asset coverage, per $1,000 of principal amount of long-term debt obligations and short-term borrowings[12][13]	$ 3,509	$ 3,942	$ 4,051	$ 3,874	$ 4,378
Asset coverage ratio of long-term debt obligations and short-term borrowings[12][13]	351%	394%	405%	387%	438%
Asset coverage, per $25,000 liquidation value per share of preferred stock[14]	$ 170,225	$ 108,569	$ 215,155	$ 169,383	$ 265,395
Asset coverage, per $25,000 liquidation value per share of preferred stock[13][15]	$ 64,099	$ 58,752	$ 74,769	$ 68,008	$ 83,026
Asset coverage ratio of preferred stock[13][15]	256%	235%	299%	272%	332%

(1) Commencement of Operations.

(2) Information presented relates to a share of common stock outstanding for the entire period.

(3) Represents the dilution per common share from underwriting and other offering costs for the year ended November 30, 2008. Represents the effect of the issuance of preferred stock for the year ended November 30, 2007. Represents the dilution per common share from underwriting and other offering costs for the year ended November 30, 2006. Represents the effect of the issuance of preferred stock for the year ended November 30, 2005. Represents $(1.17) and $(0.06) for the issuance of common and preferred stock, respectively, for the period from February 27, 2004 through November 30, 2004.

(4) Represents the premium on the shelf offerings of $0.34 per share, less the underwriting and offering costs of $0.25 per share for the year ended November 30, 2008. Represents the premium on the shelf offerings of $0.21 per share, less the underwriting and offering costs of $0.13 per share for the year ended November 30, 2007. The amount is less than $0.01 per share, and represents the premium on the secondary offering of $0.14 per share, less the underwriting discounts and offering costs of $0.14 per share for the year ended November 30, 2005.

(5) The per common share data for the periods ended November 30, 2008, 2007, 2006, 2005 and 2004 do not reflect the change in estimate of investment income and return of capital, for the respective period. See Note 2C to the financial statements for further disclosure.

(6) The per common share data for the year ended November 30, 2008 reflects the cumulative effect of adopting FIN 48, which was a $1,165,009 increase to the beginning balance of accumulated net investment loss, or $(0.06) per share. See Note 5 to the financial statements for further disclosure.

(7) Not annualized. Total investment return is calculated assuming a purchase of common stock at the beginning of the period (or initial public offering price) and a sale at the closing price on the last day of the period reported (excluding brokerage commissions). The calculation also assumes reinvestment of distributions at actual prices pursuant to the Company s dividend reinvestment plan.

(8) Annualized for periods less than one full year.

(9) The expense ratios and net investment income (loss) ratios do not reflect the effect of distributions to preferred stockholders.

(10) For the year ended November 30, 2008, the Company accrued $260,089 for current tax expense and $185,024,497 for deferred income tax benefit. The Company accrued $42,516,321, $71,661,802, $24,659,420 and $30,330,018 for the years ended November 30, 2007, 2006 and 2005 and for the period from February 27, 2004 through November 30, 2004, respectively, for current and deferred income tax expense.

(11) The ratio excludes the impact of current and deferred income taxes.

(12) Represents value of total assets less all liabilities and indebtedness not represented by long-term debt obligations, short-term borrowings and preferred stock at the end of the period divided by long-term debt obligations and short-term borrowings outstanding at the end of the period.

(13) As of November 30, 2008, the Company had restricted cash in the amount of $20,400,000 to be used to redeem long-term debt obligations with a par value of $20,000,000, which are excluded from these asset coverage calculations. See Note 15 to the financial statements for further disclosure.

(14) Represents value of total assets less all liabilities and indebtedness not represented by preferred stock at the end of the period divided by preferred stock outstanding at the end of the period, assuming the retirement of all long-term debt obligations and short-term borrowings.

(15) Represents value of total assets less all liabilities and indebtedness not represented by long-term debt obligations, short-term borrowings and preferred stock at the end of the period divided by long-term debt obligations, short-term borrowings and preferred stock outstanding at the end of the period.

SENIOR SECURITIES

The following table sets forth information about our outstanding senior securities as of each fiscal year ended November 30 since our inception:

Year	Title of Security	Total Principal Amount/Liquidation Preference Outstanding	Asset Coverage per $1,000 of Principal Amount	Asset Coverage per Share ($25,000 Liquidation Preference)	Average Estimated Fair Value Per $25,000 Denomination or per Share Amount
2004	Tortoise Notes				
	Series A and B	$ 110,000,000	$ 4,378		$ 25,000
	Tortoise Preferred Shares Series I(1) (1,400 shares)	$ 35,000,000		$ 83,026	$ 25,000
		$ 145,000,000			
2005	Tortoise Notes				
	Series A, B and C	$ 165,000,000	$ 3,874		$ 25,000
	Tortoise Preferred Shares Series I(1) and II(2) (2,800 shares)	$ 70,000,000		$ 68,008	$ 25,000
		$ 235,000,000			
2006	Tortoise Notes				
	Series A, B and C	$ 165,000,000	$ 4,051		$ 25,000
	Tortoise Preferred Shares Series I(1) and II(2) (2,800 shares)	$ 70,000,000		$ 74,769	$ 25,000
	Borrowings Unsecured Revolving Credit Facility(3)	$ 32,450,000	$ 4,051		
		$ 267,450,000			
2007	Tortoise Notes				
	Series A	$ 60,000,000	$ 3,942		$ 25,781(4)
	Series B	$ 50,000,000	$ 3,942		$ 25,185(4)
	Series C and D	$ 125,000,000	$ 3,942		$ 25,000(5)
	Tortoise Preferred Shares				

	Series I[1](1,400 shares)	$	35,000,000			$	58,752	$	25,604[4]
	Series II[2] (1,400 shares)	$	35,000,000			$	58,752	$	25,667[4]
	Series III and IV (4,600 shares)	$	115,000,000			$	58,752	$	25,000[5]
	Borrowings								
	Unsecured Revolving Credit Facility[3]	$	38,050,000	$	3,942				
		$	458,050,000						
2008	Tortoise Notes								
	Series A	$	60,000,000	$	3,509			$	24,241[6]
	Series E	$	150,000,000[7]	$	3,509			$	22,767[6]
	Tortoise Preferred Shares								
	Series I[1](1,400 shares)	$	35,000,000			$	64,099	$	24,041[8]
	Series II[2](1,400 shares)	$	35,000,000			$	64,099	$	24,050[8]
	Borrowings								
	Unsecured Revolving Credit Facility[3]	$	0						
		$	280,000,000						

(1) Formerly designated as Series I MMP Shares.

(2) Formerly designated as Series II MMP Shares.

(3) On March 22, 2007, the Company entered into an agreement establishing a $150,000,000 unsecured credit facility maturing on March 21, 2008. On March 20, 2008, the Company entered into an extension of the agreement establishing a $92,500,000 unsecured credit facility maturing on March 20, 2009. On March 20, 2009, the Company entered into an extension of the agreement establishing a $40,000,000 unsecured credit facility maturing on June 20, 2009. We currently expect to seek to renew the credit facility at an amount sufficient to meet our operating needs.

(4) Average estimated fair value of the Series A and B Auction Rate Senior Notes and Series I and II Tortoise Preferred Shares was calculated using the spread between the interest/dividend rates at the time the series respective special rate periods commenced to the U.S. Treasury rates with equivalent maturity dates. At November 30, 2007, the spread of each series was applied to the equivalent U.S. Treasury Rate and the future cash flows were discounted to determine the estimated fair value. There is no active trading market for these securities. Average estimated fair value does not take into account any liquidity discounts that a shareholder may have incurred upon sale.

(5) Average estimated fair value of the Series C and D Auction Rate Senior Notes and Series III and IV Tortoise Preferred Shares approximates the principal amount and liquidation preference, respectively, because the interest and dividend rates payable on Auction Rate Senior Notes and Tortoise Preferred Shares were generally determined at auctions and fluctuated with changes in prevailing market interest rates.

(6) Average estimated fair value of the Series A and Series E Notes was calculated using the spread between the AAA corporate finance debt rate and the U.S. Treasury rate with an equivalent maturity date plus the average spread between the current rates and the AAA corporate finance debt rate. At November 30, 2008, the total spread was applied to the equivalent U.S. Treasury rate for each series and future cash flows were discounted to determine estimated fair value. There is no active trading market for these securities. Average estimated fair value does not take into account any liquidity discounts that a shareholder may have incurred upon sale.

(7) On December 3, 2008, the Company partially redeemed a portion of the Series E Notes in the amount of $40,000,000.

(8) Average estimated fair value of Auction Preferred I and Auction Preferred II Stock was calculated using the spread between the AA corporate finance debt rate and the U.S. Treasury rate with a maturity equivalent to the remaining rate period plus the average spread between the current rates and the AA corporate finance debt rate. At November 30, 2008, the total spread was applied to the equivalent U.S. Treasury rate for each series and future cash flows were discounted to determine estimated fair value. There is no active trading market for these securities. Average estimated fair value does not take into account any liquidity discounts that a shareholder may have incurred upon sale.

MARKET AND NET ASSET VALUE INFORMATION

Our common stock is listed on the New York Stock Exchange (NYSE) under the symbol TYG. Shares of our common stock commenced trading on the NYSE on February 25, 2004.

Our common stock has traded both at a premium and at a discount in relation to NAV. We cannot predict whether our shares will trade in the future at a premium or discount to NAV. The provisions of the 1940 Act generally require that the public offering price of common stock (less any underwriting commissions and discounts) must equal or exceed the NAV per share of a company s additional common stock (calculated within 48 hours of pricing). However, at our Annual Meeting of Stockholders held on April 21, 2008, our common stockholders granted to us the authority to sell shares of our common stock for less than NAV, subject to certain conditions. Our issuance of additional common stock may have an adverse effect on prices in the secondary market for our common stock by increasing the number of shares of common stock available, which may put downward pressure on the market price for our common stock. The continued development of alternatives as vehicles for investing in a portfolio of energy infrastructure MLPs, including other publicly traded investment companies and private funds, may reduce or eliminate any tendency of our shares of common stock to trade at a premium in the future. Shares of common stock of closed-end investment companies frequently trade at a discount from NAV. See Risk Factors Additional Risks to Common Stockholders Market Discount Risk.

The following table sets forth for each of the periods indicated the high and low closing market prices for our shares of common stock on the NYSE, the NAV per share and the premium or discount to NAV per share at which our shares of common stock were trading. NAV is generally determined on the last business day of each calendar month. See Determination of Net Asset Value for information as to the determination of our NAV.

Month Ended	Market Price(1) High	Market Price(1) Low	Net Asset Value(2)	Premium/ (Discount) To Net Asset Value(3) High	Premium/ (Discount) To Net Asset Value(3) Low
November 30, 2006	36.13	31.85	31.01	16.5%	2.7%
December 31, 2006	36.31	33.48	31.82	14.1%	5.2%
January 31, 2007	35.50	34.13	32.62	8.8%	4.6%
February 28, 2007	36.64	35.15	34.27	6.9%	2.6%
March 31, 2007	38.93	35.26	34.83	11.8%	1.2%
April 30, 2007	41.71	39.13	36.81	13.3%	6.3%
May 31, 2007	42.12	39.59	39.45	6.8%	0.4%
June 30, 2007	42.68	40.25	38.73	10.2%	3.9%
July 31, 2007	44.89	39.98	39.23	14.4%	1.9%
August 31, 2007	39.52	34.39	38.46	2.8%	−10.6%
September 30, 2007	39.75	33.63	34.63	14.8%	−2.9%
October 31, 2007	35.43	33.00	32.71	8.3%	0.9%
November 30, 2007	35.29	30.70	35.37	−0.2%	−13.2%
December 31, 2007	33.44	31.72	32.96	1.5%	−3.8%
January 31, 2008	34.25	30.86	32.80	4.4%	−5.9%
February 29, 2008	34.40	31.40	31.99	7.5%	−1.8%
March 31, 2008	32.03	28.46	30.98	3.4%	−8.1%
April 30, 2008	31.53	29.75	28.66	10.0%	3.8%
May 31, 2008	32.60	31.17	30.90	5.5%	0.9%
June 30, 2008	32.95	26.81	30.35	8.6%	−11.7%
July 31, 2008	28.17	24.70	28.27	−0.4%	−12.6%
August 31, 2008	30.76	28.38	27.65	11.2%	2.6%
September 30, 2008	30.07	22.66	27.55	9.1%	−17.7%
October 31, 2008	23.00	10.01	22.48	2.3%	−55.5%
November 30, 2008	20.99	11.75	21.84	−3.9%	−46.2%
December 31, 2008	17.99	15.55	17.36	3.6%	−10.4%
January 31, 2009	22.35	17.40	16.58	34.8%	4.9%
February 28, 2009	22.85	18.40	19.46	17.4%	−5.4%
March 31, 2009	21.64	16.84	18.50	17.0%	−9.0%

Source: Bloomberg Financial and Fund Accounting Records.

(1) Based on high and low closing market price for the respective month.

(2) Based on the NAV calculated on the close of business on the last business day of each prior calendar month.

(3) Calculated based on the information presented. Percentages are rounded.

The last reported NAV per share, the market price and percentage premium to NAV per share of our common stock on April 24, 2009 were $19.81, $22.90 and 15.6%, respectively. As of April 24, 2009, we had 23,442,791 shares of our common stock outstanding and net assets of approximately $464.5 million.

USE OF PROCEEDS

Unless otherwise specified in a prospectus supplement, we intend to use the net proceeds of any sale of our securities primarily to invest in energy infrastructure companies in accordance with our investment objective and policies as described under Investment Objective and Principal Investment Strategies within approximately three months of receipt of such proceeds. We may also use proceeds from the sale of our securities to retire all or a portion of any debt we incur, to redeem preferred stock or for working capital purposes, including the payment of distributions, interest and operating expenses, although there is currently no intent to issue securities primarily for this purpose. Our investments may be delayed if suitable investments are unavailable at the time or for other reasons. Pending such investment, we anticipate that we will invest the proceeds in securities issued by the U.S. Government or its agencies or instrumentalities or in high quality, short-term or long-term debt obligations. A delay in the anticipated use of proceeds could lower returns, reduce our distribution to common stockholders and reduce the amount of cash available to make dividend and interest payments on preferred stock and debt securities, respectively. We will not receive any of the proceeds from a sale of our common stock by any selling stockholder.

THE COMPANY

We are a nondiversified, closed-end management investment company registered under the 1940 Act. We were organized as a corporation on October 30, 2003, pursuant to the Charter governed by the laws of the State of Maryland. Our fiscal year ends on November 30. We commenced operations in February 2004 following our initial public offering. Since that time, we have completed eight additional offerings of common stock. As of November 30, 2008, we had net assets of $407,031,320 attributable to our common stock. Our common stock is listed on the NYSE under the symbol TYG. As of the date of this prospectus, we have outstanding $70 million of preferred stock and $170 million of senior debt securities. The outstanding Auction Rate Senior Notes are rated Aaa and AAA by Moody s Investors Service Inc. (Moody s) and Fitch Ratings (Fitch), respectively. The outstanding Tortoise Preferred Shares are rated Aa2 by Moody s.

The following table provides information about our outstanding securities as of November 30, 2008:

Title of Class	Amount Authorized	Amount Held by the Company or for its Account	Amount Outstanding
Common Stock	100,000,000	0	23,442,791
Tortoise Notes			
Series A Auction Rate Senior Notes(4)	$ 60,000,000	0	$ 60,000,000
Series E Senior Notes	$ 150,000,000(1)	0	$ 150,000,000
Tortoise Preferred Shares(2)	10,000,000		
Series I Tortoise Auction Preferred Shares(4)	1,400(3)	0	1,400
Series II Tortoise Auction Preferred Shares(4)	1,400(3)	0	1,400

(1) On December 3, 2008, the Company redeemed a portion of Series E Notes in the amount of $40,000,000.

(2) Includes 2,800 shares of preferred stock designated as Tortoise Auction Preferred Shares.

(3) Each share has a liquidation preference of $25,000 ($35,000,000 in the aggregate for each of Series I and Series II Tortoise Auction Preferred Shares).

(4) Special rate periods have been declared for these outstanding securities.

INVESTMENT OBJECTIVE AND PRINCIPAL INVESTMENT STRATEGIES

Investment Objective

Our investment objective is to seek a high level of total return with an emphasis on current distributions paid to stockholders. For purposes of our investment objective, total return includes capital appreciation of, and all distributions received from, securities in which we invest regardless of the tax character of the distributions. We seek to provide our stockholders with an efficient vehicle to invest in a portfolio of publicly traded MLPs in the energy infrastructure sector. Similar to the federal income tax characterization of cash distributions made by MLPs to the MLPs unit holders, we believe that our common stockholders will have relatively high levels of return of capital associated with cash distributions we make to stockholders.

Energy Infrastructure Industry

We concentrate our investments in the energy infrastructure sector. We pursue our objective by investing principally in a portfolio of equity securities issued by MLPs. MLP common units historically have generated higher average total returns than domestic common stock (as measured by the S&P 500) and fixed income securities. A more detailed description of investment policies and restrictions and more detailed information about portfolio investments are contained in the statement of additional information.

Energy Infrastructure Companies. For purposes of our policy of investing 90% of total assets in securities of energy infrastructure companies, an energy infrastructure company is one that derives each year at least 50% of its revenues from Qualifying Income under Section 7704 of the Internal Revenue Code or one that derives at least 50% of its revenues from providing services directly related to the generation of Qualifying Income.

Qualifying Income is defined as including any income and gains from the exploration, development, mining or production, processing, refining, transportation (including pipelines transporting gas, oil or products thereof), or the marketing of any mineral or natural resource (including fertilizer, geothermal energy and timber).

Energy infrastructure companies (other than most pipeline MLPs) do not operate as public utilities or local distribution companies, and, therefore, are not subject to rate regulation by state or federal utility commissions. However, energy infrastructure companies may be subject to greater competitive factors than utility companies, including competitive pricing in the absence of regulated tariff rates, which could reduce revenues and adversely affect profitability. Most pipeline MLPs are subject to government regulation concerning the construction, pricing and operation of pipelines. Pipeline MLPs are able to set prices (rates or tariffs) to cover operating costs, depreciation and taxes, and provide a return on investment. These rates are monitored by the Federal Energy Regulatory Commission (FERC) which seeks to ensure that consumers receive adequate and reliable supplies of energy at the lowest possible price while providing energy suppliers and transporters a just and reasonable return on capital investment and the opportunity to adjust to changing market conditions.

Master Limited Partnerships. Under normal circumstances, we invest at least 70% of our total assets in equity securities of MLPs that each year derive at least 90% of their gross income from Qualifying Income and are generally taxed as partnerships for federal income tax purposes, thereby eliminating federal income tax at the entity level. An MLP generally has two classes of partners, the general partner and the limited partners. The general partner is usually a major energy company, investment fund or the direct management of the MLP. The general partner normally controls the MLP through a 2% equity interest plus units that are subordinated to the common (publicly traded) units for at least the first five years of the partnership s existence and then only convert to common units if certain financial tests are met.

As a motivation for the general partner to successfully manage the MLP and increase cash flows, the terms of most MLP partnership agreements typically provide that the general partner receives a larger portion of the net income as distributions reach higher target levels. As cash flow grows, the general partner receives a greater interest in the incremental income compared to the interest of limited partners. The general partner s incentive compensation typically increases to up to 50% of incremental income. Nevertheless, the aggregate amount of distributions to limited partners will increase as MLP distributions reach higher target levels. Given this incentive structure, the general partner has an incentive to streamline operations and undertake acquisitions and growth projects in order to increase distributions to all partners.

Energy infrastructure MLPs in which we invest generally can be classified in the following categories:

> *Pipeline MLPs*. Pipeline MLPs are common carrier transporters of natural gas, natural gas liquids (primarily propane, ethane, butane and natural gasoline), crude oil or refined petroleum products (gasoline, diesel fuel and jet fuel). Pipeline MLPs also may operate ancillary businesses such as storage and marketing of such products. Revenue is derived from capacity and transportation fees. Historically, pipeline output has been less exposed to cyclical economic forces due to its low cost structure and government-regulated nature. In addition, pipeline MLPs do not have direct commodity price exposure because they do not own the product being shipped.
>
> *Processing MLPs*. Processing MLPs are gatherers and processors of natural gas, as well as providers of transportation, fractionation and storage of natural gas liquids (NGLs). Revenue is derived from providing services to natural gas producers, which require treatment or processing before their natural gas commodity can be marketed to utilities and other end user markets. Revenue for the processor is fee based, although it is not uncommon to have some participation in the prices of the natural gas and NGL commodities for a portion of revenue.

Propane MLPs. Propane MLPs are distributors of propane to homeowners for space and water heating. Revenue is derived from the resale of the commodity on a margin over wholesale cost. The ability to maintain margin is a key to profitability. Propane serves approximately 3% of the household energy needs in the United States, largely for homes beyond the geographic reach of natural gas distribution pipelines. Approximately 70% of annual cash flow is earned during the winter heating season (October through March). Accordingly, volumes are weather dependent, but have utility type functions similar to electricity and natural gas.

Coal MLPs. Coal MLPs own, lease and manage coal reserves. Revenue is derived from production and sale of coal, or from royalty payments related to leases to coal producers. Electricity generation is the primary use of coal in the United States. Demand for electricity and supply of alternative fuels to generators are the primary drivers of coal demand. Coal MLPs are subject to operating and production risks, such as: the MLP or a lessee meeting necessary production volumes; federal, state and local laws and regulations which may limit the ability to produce coal; the MLP s ability to manage production costs and pay mining reclamation costs; and the effect on demand that the Clean Air Act standards have on coal end-users.

Marine Shipping MLPs. Marine shipping MLPs are primarily marine transporters of natural gas, crude oil or refined petroleum products. Marine shipping MLPs derive revenue from charging customers for the transportation of these products utilizing the MLPs vessels. Transportation services are typically provided pursuant to a charter or contract, the terms of which vary depending on, for example, the length of use of a particular vessel, the amount of cargo transported, the number of voyages made, the parties operating a vessel or other factors.

We also may invest in equity and debt securities of energy infrastructure companies that are organized and/or taxed as corporations to the extent consistent with our investment objective. We also may invest in securities of general partners or other affiliates of MLPs and private companies operating energy infrastructure assets.

Investment Process

Under normal circumstances, we invest at least 90% of our total assets (including assets obtained through leverage) in securities of energy infrastructure companies. The Adviser seeks to invest in securities that offer a combination of quality, growth and yield intended to result in superior total returns over the long run. The Adviser s securities selection process includes a comparison of quantitative, qualitative, and relative value factors. Although the Adviser intends to use research provided by broker-dealers and investment firms, primary emphasis will be placed on proprietary analysis and valuation models conducted and maintained by the Adviser s in-house investment analysts. To determine whether a company meets its criteria, the Adviser generally will look for a strong record of distribution growth, a solid ratio of debt to equity and coverage ratio with respect to distributions to unit holders, and a proven track record, incentive structure and management team. It is anticipated that all of the publicly traded MLPs in which we invest will have a market capitalization greater than $100 million at the time of investment.

Investment Policies

We seek to achieve our investment objective by investing primarily in securities of MLPs that the Adviser believes offer attractive distribution rates and capital appreciation potential. We also may invest in other securities set forth below if the Adviser expects to achieve our objective with such investments.

Our policy of investing at least 90% of our total assets (including assets obtained through leverage) in securities of energy infrastructure companies is nonfundamental and may be changed by the Board of Directors without stockholder approval, provided that stockholders receive at least 60 days prior written notice of any change.

We have adopted the following additional nonfundamental policies:

Under normal circumstances, we invest at least 70% and up to 100% of our total assets in equity securities issued by MLPs. Equity securities currently consist of common units, convertible subordinated units, and pay-in-kind units.

We may invest up to 30% of our total assets in restricted securities, primarily through direct placements. Subject to this policy, we may invest without limitation in illiquid securities. The types of restricted securities that we may purchase include securities of private energy infrastructure companies and privately issued securities of publicly traded energy infrastructure companies. Restricted securities, whether issued by public companies or private companies, are generally considered illiquid. Investments in private companies that do not have any publicly traded shares or units are limited to 5% of total assets.

We may invest up to 25% of our total assets in debt securities of energy infrastructure companies, including certain securities rated below investment grade (junk bonds). Below investment grade debt securities will be rated at least B3 by Moody s and at least B− by S&P at the time of purchase, or comparably rated by another statistical rating organization or if unrated, determined to be of comparable quality by the Adviser.

We will not invest more than 10% of our total assets in any single issuer.

We will not engage in short sales.

Unless otherwise stated, these investment restrictions apply at the time of purchase and we will not be required to reduce a position due solely to market value fluctuations.

As used in the bullets above, the term total assets includes assets to be obtained through anticipated leverage for the purpose of each nonfundamental investment policy. During the period in which we are investing the net proceeds of an offering, we may deviate from our investment policies with respect to the net proceeds of the offering by investing the net proceeds in cash, cash equivalents, securities issued or guaranteed by the U.S. Government or its instrumentalities or agencies, high quality, short-term money market instruments, short-term debt securities, certificates of deposit, bankers acceptances and other bank obligations, commercial paper rated in the highest category by a rating agency or other liquid fixed income securities.

Investment Securities

The types of securities in which we may invest include, but are not limited to, the following:

Equity Securities of MLPs. Consistent with our investment objective, we may invest up to 100% of total assets in equity securities issued by energy infrastructure MLPs, including common units, convertible subordinated units, pay-in-kind units (typically, I-Shares) and common units, subordinated units and preferred units of limited liability companies (LLCs) (that are treated as partnerships for federal income tax purposes). The table below summarizes the features of these securities, and a further discussion of these securities follows.

	Common Units (for MLPs taxed as partnerships)[1]	**Convertible Subordinated Units (for MLPs taxed as partnerships)**	**I-Shares**
Voting Rights	Limited to certain significant decisions; no annual election of directors	Same as common units	No direct MLP voting rights
Dividend Priority	First right to minimum quarterly distribution (MQD) specified in Partnership Agreement; arrearage rights	Second right to MQD; no arrearage rights; may be paid in additional units	Equal in priority to common units but paid in additional I-Shares at current market value of I-Shares
Dividend Rate	Minimum set in partnership agreement; participate pro rata with subordinated units after both MQDs are met	Equal in amount to common units; participate pro rata with common units above the MQD	Equal in amount to common units

Trading	Listed on NYSE, NYSE Alternext U.S. or NASDAQ National Market	Not publicly traded	Listed on NYSE
Federal Income Tax Treatment	Generally, ordinary income to the extent of taxable income allocated to holder; distributions are tax-free return of capital to extent of holder s basis; remainder as capital gain	Same as common units	Full distribution treated as return of capital; since distribution is in shares, total basis is not reduced

	Common Units (for MLPs taxed as partnerships)[1]	Convertible Subordinated Units (for MLPs taxed as partnerships)	I-Shares
Type of Investor	Retail; creates unrelated business taxable income for tax-exempt investor; investment by regulated investment companies limited to 25% of total assets	Same as common units	Retail and Institutional; does not create unrelated business taxable income; qualifying income for regulated investment companies
Liquidity Priority	Intended to receive return of all capital first	Second right to return of capital; pro rata with common units thereafter	Same as common units (indirect right through I-Share issuer)
Conversion Rights	None	Typically one-to-one ratio into common units	None

(1) Some energy infrastructure companies in which we may invest have been organized as LLCs. Such companies are generally treated in the same manner as MLPs for federal income tax purposes. Common units of LLCs have similar characteristics as those of MLP common units, except that LLC common units typically have voting rights with respect to the LLC and LLC common units held by management are not entitled to increased percentages of cash distributions as increased levels of cash distributions are received by the LLC. The characteristics of LLCs and their common units are more fully discussed below.

MLP Common Units. MLP common units represent an equity ownership interest in a partnership, providing limited voting rights and entitling the holder to a share of the company s success through distributions and/or capital appreciation. Unlike stockholders of a corporation, common unit holders do not elect directors annually and generally have the right to vote only on certain significant events, such as mergers, a sale of substantially all of the assets, removal of the general partner or material amendments to the partnership agreement. MLPs are required by their partnership agreements to distribute a large percentage of their current operating earnings. Common unit holders generally have first right to a MQD prior to distributions to the convertible subordinated unit holders or the general partner (including incentive distributions). Common unit holders typically have arrearage rights if the MQD is not met. In the event of liquidation, MLP common unit holders have first rights to the partnership s remaining assets after bondholders, other debt holders, and preferred unit holders have been paid in full. MLP common units trade on a national securities exchange or over-the-counter.

Limited Liability Company Common Units. Some energy infrastructure companies in which we may invest have been organized as LLCs. Such LLCs are generally treated in the same manner as MLPs for federal income tax purposes. Consistent with our investment objective and policies, we may invest in common units or other securities of such LLCs including preferred units, subordinated units and debt securities. LLC common units represent an equity ownership interest in an LLC, entitling the holder to a share of the LLC s success through distributions and/or capital appreciation. Similar to MLPs, LLCs typically do not pay federal income tax at the entity level and are required by their operating agreements to distribute a large percentage of their current operating earnings. LLC common unit holders generally have first right to a MQD prior to distributions to subordinated unit holders and typically have arrearage rights if the MQD is not met. In the event of liquidation, LLC common unit holders have a right to the LLC s remaining assets after bond holders, other debt holders and preferred unit holders, if any, have been paid in full. LLC common units may trade on a national securities exchange or over-the-counter.

In contrast to MLPs, LLCs have no general partner and there are no incentives that entitle management or other unit holders to increased percentages of cash distributions as distributions reach higher target levels. In addition, LLC common unit holders typically have voting rights with respect to the LLC, whereas MLP common units have limited voting rights.

MLP Convertible Subordinated Units. MLP convertible subordinated units are typically issued by MLPs to founders, corporate general partners of MLPs, entities that sell assets to MLPs, and institutional investors. The purpose of the convertible subordinated units is to increase the likelihood that during the subordination period there will be available cash to be distributed to common unit holders. We expect to purchase convertible subordinated units in direct placements from such persons. Convertible subordinated units generally are not entitled to distributions until holders of common units have received specified MQD, plus any arrearages, and may receive less than common unit holders in distributions upon liquidation. Convertible subordinated unit holders generally are entitled to MQD prior to the payment of incentive distributions to the general partner, but are not entitled to arrearage rights. Therefore, convertible subordinated units generally entail greater risk than MLP common units. They are generally convertible automatically into the senior common units of the same issuer at a one-to-one ratio upon the passage of time or the satisfaction of certain financial tests. These units generally do not trade on a national exchange or over-the-counter, and there is no active market for convertible subordinated units. Although the means by which convertible subordinated units convert into senior common units depend on a security s specific terms, MLP convertible subordinated units typically are exchanged for common shares. The value of a convertible security is a function of its worth if converted into the underlying common units. Convertible subordinated units generally have similar voting rights to MLP common units. Distributions may be paid in cash or in-kind.

MLP I-Shares. I-Shares represent an indirect investment in MLP I-units. I-units are equity securities issued to affiliates of MLPs, typically a limited liability company, that owns an interest in and manages the MLP. The I-Share issuer has management rights but is not entitled to incentive distributions. The I-Share issuer s assets consist exclusively of MLP I-units; however, the MLP does not allocate income or loss to the I-Share issuer. Distributions by MLPs to I-unit holders are made in the form of additional I-units, generally equal in amount to the cash received by common unit holders of MLPs. Distributions to I-Share holders are made in the form of additional I-Shares, generally equal in amount to the I-units received by the I-Share issuer. The issuer of the I-Share is taxed as a corporation for federal income tax purposes. Accordingly, investors receive a Form 1099, are not allocated their proportionate share of income of the MLPs and are not subject to state income tax filing obligations based solely on the issuer s operations within a state.

Equity Securities of MLP Affiliates. In addition to equity securities of MLPs, we may also invest in equity securities of MLP affiliates, by purchasing securities of limited liability entities that own general partner interests of MLPs. General partner interests of MLPs are typically retained by an MLP s original sponsors, such as its founders, corporate partners, entities that sell assets to the MLP and investors such as the entities from which we may purchase general partner interests. An entity holding general partner interests, but not its investors, can be liable under certain circumstances for amounts greater than the amount of the entity s investment in the general partner interest. General partner interests often confer direct board participation rights, and in many cases, operating control over the MLP. These interests themselves are generally not publicly traded, although they may be owned by publicly traded entities. General partner interests receive cash distributions, typically 2% of the MLP s aggregate cash distributions, which are contractually defined in the partnership agreement. In addition, holders of general partner interests typically hold incentive distribution rights (IDRs), which provide them with a larger share of the aggregate MLP cash distributions as the distributions to limited partner unit holders are increased to prescribed levels. General partner interests generally cannot be converted into common units. The general partner interest can be redeemed by the MLP if the MLP unitholders choose to remove the general partner, typically with a supermajority vote by limited partner unitholders.

Other Non-MLP Equity Securities. In addition to equity securities of MLPs, we may also invest in common and preferred stock, limited partner interests, convertible securities, warrants and depository receipts of companies that are organized as corporations, limited liability companies or limited partnerships. Common stock generally represents an equity ownership interest in an issuer. Although common stocks have historically generated higher average total returns than fixed-income securities over the long term, common stocks also have experienced significantly more volatility in those returns and may under-perform relative to fixed-income securities during certain periods. An adverse event, such as an unfavorable earnings report, may depress the value of a particular common stock we hold. Also, prices of common stocks are sensitive to general movements in the stock market and a drop in the stock market may depress the price of common stocks to which we have exposure. Common stock prices fluctuate for several reasons including changes in investors perceptions of the financial condition of an issuer or the general condition of the relevant stock market, or when political or economic events affecting the issuers occur. In addition, common stock prices may be particularly sensitive to rising interest rates, which increases borrowing costs and the costs of capital.

Debt Securities. We may invest up to 25% of our total assets in debt securities of energy infrastructure companies, including securities rated below investment grade. These debt securities may have fixed or variable principal payments and all types of interest rate and dividend payment and reset terms, including fixed rate, adjustable rate, zero coupon, contingent, deferred and payment-in-kind features. To the extent that we invest in below investment grade debt securities, such securities will be rated, at the time of investment, at least B− by S&P or B3 by Moody s or a comparable rating by at least one other rating agency or, if unrated, determined by the Adviser to be of comparable quality. If a security satisfies our minimum rating criteria at the time of purchase and subsequently is downgraded below such rating, we will not be required to dispose of such security. If a downgrade occurs, the Adviser will consider what action, including the sale of such security, is in the best interest of us and our stockholders.

Because the risk of default is higher for below investment grade securities than investment grade securities, the Adviser s research and credit analysis is an especially important part of managing securities of this type. The Adviser attempts to identify those issuers of below investment grade securities whose financial condition the Adviser believes is adequate to meet future obligations or has improved or is expected to improve in the future. The Adviser s analysis focuses on relative values based on such factors as interest or dividend coverage, asset coverage, earnings prospects and the experience and managerial strength of the issuer.

Restricted Securities. We may invest up to 30% of our total assets in restricted securities, primarily through direct placements. An issuer may be willing to offer the purchaser more attractive features with respect to securities issued in direct placements because it has avoided the expense and delay involved in a public offering of securities. Adverse conditions in the public securities markets also may preclude a public offering of securities. MLP convertible subordinated units typically are purchased in private placements and do not trade on a national exchange or over-the-counter, and there is no active market for convertible subordinated units. MLP convertible subordinated units typically are purchased from affiliates of the issuer or other existing holders of convertible units rather than directly from the issuer.

Restricted securities obtained by means of direct placements are less liquid than securities traded in the open market because of statutory and contractual restrictions on resale. Such securities are, therefore, unlike securities that are traded in the open market, which are likely to be sold immediately if the market is adequate. This lack of liquidity creates special risks. However, we could sell such securities in privately negotiated transactions with a limited number of purchasers or in public offerings under the 1933 Act. MLP convertible subordinated units also convert to publicly traded common units upon the passage of time and/or satisfaction of certain financial tests.

Temporary and Defensive Investments. Pending investment of offering or leverage proceeds, we may invest such proceeds in securities issued or guaranteed by the U.S. Government or its instrumentalities or agencies, short-term debt securities, certificates of deposit, bankers acceptances and other bank obligations, commercial paper rated in the highest category by a rating agency or other liquid fixed income securities deemed by the Adviser to be of similar quality (collectively, short-term securities), or in cash or cash equivalents, all of which are expected to provide a lower yield than the securities of energy infrastructure companies. We also may invest in short-term securities or cash on a temporary basis to meet working capital needs including, but not limited to, for collateral in connection with certain investment techniques, to hold a reserve pending payment of distributions, and to facilitate the payment of expenses and settlement of trades.

Under adverse market or economic conditions, we may invest up to 100% of our total assets in short-term securities or cash. The yield on short-term securities or cash may be lower than the returns on MLPs or yields on lower rated fixed income securities. To the extent we invest in short-term securities or cash for defensive purposes, such investments are inconsistent with, and may result in our not achieving, our investment objective.

Portfolio Turnover

Our annual portfolio turnover rate may vary greatly from year to year. Although we cannot accurately predict our annual portfolio turnover rate, it is not expected to exceed 30% under normal circumstances. For the fiscal years ended November 30, 2008 and 2007, our actual portfolio turnover rate was 5.81% and 9.30%, respectively. Portfolio turnover rate is not considered a limiting factor in the execution of investment decisions for us. A higher turnover rate results in correspondingly greater brokerage commissions and other transactional expenses that the Company bears. High portfolio turnover may result in our recognition of gains (losses) that will increase (decrease) our tax liability and thereby impact the amount of our after-tax distributions. In addition, high portfolio turnover may increase our current and accumulated earnings and profits, resulting in a greater portion of our distributions being treated as taxable dividends for federal income tax purposes. See Certain Federal Income Tax Matters.

Conflicts of Interest

Conflicts of interest may arise from the fact that the Adviser and its affiliates carry on substantial investment activities for other clients, in which we have no interest, some of which may have investment strategies similar to ours. The Adviser or its affiliates may have financial incentives to favor certain of such accounts over us. For example, our Adviser may have an incentive to allocate potentially more favorable investment opportunities to other funds and clients that pay our Adviser an incentive or performance fee. Performance and incentive fees also create the incentive to allocate potentially riskier, but potentially better performing, investments to such funds and other clients in an effort to increase the incentive fee. Our Adviser also may have an incentive to make investments in one fund, having the effect of increasing the value of a security in the same issuer held by another fund, which, in turn, may result in an incentive fee being paid to our Adviser by that other fund. Any of the Adviser s or its affiliates proprietary accounts and other customer accounts may compete with us for specific trades. The Adviser or its affiliates may give advice and recommend securities to, or buy or sell securities for, us, which advice or securities may differ from advice given to, or securities recommended or bought or sold for, other accounts and customers, even though their investment objectives may be the same as, or similar to, our objectives. Our Adviser has written allocation policies and procedures designed to address potential conflicts of interest. For instance, when two or more clients advised by the Adviser or its affiliates seek to purchase or sell the same publicly traded securities, the securities actually purchased or sold will be allocated among the clients on a good faith, fair and equitable basis by the Adviser in its discretion and in accordance with the client s various investment objectives and the Adviser s procedures. In some cases, this system may adversely affect the price or size of the position we may obtain or sell. In other cases, our ability to participate in volume transactions may produce better execution for us. When possible, our Adviser combines all of the trade orders into one or more block orders, and each account participates at the average unit or share price obtained in a block order. When block orders are only partially filled, our Adviser considers a number of factors in determining how allocations are made, with the overall goal to allocate in a manner so that accounts are not preferred or disadvantaged over time. Our Adviser also has allocation policies for transactions involving private placement securities, which are designed to result in a fair and equitable participation in offerings or sales for each participating client.

The Adviser also serves as investment adviser for three other publicly traded and two privately held closed-end management investment companies, all of which invest in the energy sector. See Management of the Company Investment Adviser.

The Adviser will evaluate a variety of factors in determining whether a particular investment opportunity or strategy is appropriate and feasible for the relevant account at a particular time, including, but not limited to, the following: (1) the nature of the investment opportunity taken in the context of the other investments at the time; (2) the liquidity of the investment relative to the needs of the particular entity or account; (3) the availability of the opportunity (i.e., size of obtainable position); (4) the transaction costs involved; and (5) the investment or regulatory limitations applicable to the particular entity or account. Because these considerations may differ when applied to us and relevant accounts under management in the context of any particular investment opportunity, our investment activities, on the one hand, and other managed accounts, on the other hand, may differ considerably from time to time. In addition, our fees and expenses will differ from those of the other managed accounts. Accordingly, investors should be aware that our future performance and future performance of other accounts of the Adviser may vary.

Situations may occur when we could be disadvantaged because of the investment activities conducted by the Adviser and its affiliates for its other funds or accounts. Such situations may be based on, among other things, the following: (1) legal or internal restrictions on the combined size of positions that may be taken for us or the other accounts, thereby limiting the size of our position; (2) the difficulty of liquidating an investment for us or the other accounts where the market cannot absorb the sale of the combined position; or (3) limits on co-investing in negotiated transactions under the 1940 Act, as discussed further below.

Under the 1940 Act, we may be precluded from co-investing in negotiated private placements of securities with our affiliates, including other funds managed by the Adviser. We and the Adviser have applied to the SEC for exemptive relief to permit us and our affiliates to make such investments. There is no guarantee that the requested relief will be granted by SEC. Unless and until we obtain an exemptive order, we will not co-invest with our affiliates in negotiated private placement transactions. Unless we receive exemptive relief, the Adviser will observe a policy for allocating negotiated private placement opportunities among its clients that takes into account the amount of each client s available cash and its investment objectives.

To the extent that the Adviser sources and structures private investments in MLPs, certain employees of the Adviser may become aware of actions planned by MLPs, such as acquisitions, that may not be announced to the public. It is possible that we could be precluded from investing in or selling securities of an MLP about which the Adviser has material, non-public information; however, it is the Adviser s intention to ensure that any material, non-public information available to certain employees of the Adviser is not shared with the employees responsible for the purchase and sale of publicly traded MLP securities. Our investment opportunities also may be limited by affiliations of the Adviser or its affiliates with energy infrastructure companies.

The Adviser and its principals, officers, employees, and affiliates may buy and sell securities or other investments for their own accounts and may have actual or potential conflicts of interest with respect to investments made on our behalf. As a result of differing trading and investment strategies or constraints, positions may be taken by principals, officers, employees, and affiliates of the Adviser that are the same as, different from, or made at a different time than positions taken for us. Further, the Adviser may at some time in the future, manage other investment funds with the same investment objective as ours.

LEVERAGE

Use of Leverage

We currently engage in leverage and may borrow money or issue additional debt securities, and/or issue additional preferred stock, to provide us with additional funds to invest. The borrowing of money and the issuance of preferred stock and debt securities represents the leveraging of our common stock. The issuance of additional common stock may enable us to increase the aggregate amount of our leverage or to maintain existing leverage. We reserve the right at any time to use financial leverage to the extent permitted by the 1940 Act (50% of total assets for preferred stock and 331/3% of total assets for senior debt securities) or we may elect to reduce the use of leverage or use no leverage at all. Historically, our leverage target has been up to 33% of our total assets at the time of incurrence. Our Board of Directors has approved a policy permitting temporary increases in the amount of leverage we may use from 33% of our total assets to up to 38% of our total assets at the time of incurrence, provided that (i) such leverage is consistent with the limits set forth in the 1940 Act, and (ii) such increased leverage is reduced over time in an orderly fashion. We generally will not use leverage unless we believe that leverage will serve the best interests of our stockholders. The principal factor used in making this determination is whether the potential return is likely to exceed the cost of leverage. We will not issue additional leverage where the estimated costs of issuing such leverage and the on-going cost of servicing the payment obligations on such leverage exceed the estimated return on the proceeds of such leverage. We note, however, that in making the determination of whether to issue leverage, we must rely on estimates of leverage costs and expected returns. Actual costs of leverage vary over time depending on interest rates and other factors. Actual returns vary, of course, depending on many factors. Additionally, the percentage of our assets attributable to leverage may vary significantly during periods of extreme market volatility and will increase during periods of declining market prices of our portfolio holdings. Our Board also will consider other factors, including whether the current investment opportunities will help us achieve our investment objective and strategies.

We have established an unsecured credit facility with U.S. Bank N.A. serving as a lender and the lending syndicate agent on behalf of other lenders participating in the credit facility, which currently allows us to borrow up to $40,000,000. During the extension of the credit facility, outstanding balances under the credit facility accrue interest at a variable annual rate equal to the one-month LIBOR rate plus 2.00%. As of November 30, 2008, the current rate was 2.65%. The credit facility remains in effect through June 20, 2009. We currently expect to seek to renew the credit facility at an amount sufficient to meet our operating needs. We may draw on the facility from time to time in accordance with our investment policies. As of November 30, 2008, we did not have an outstanding balance under our credit facility. As of the date of this prospectus, we have outstanding approximately $22.3 million under the credit facility.

We also may borrow up to an additional 5% of our total assets (not including the amount so borrowed) for temporary purposes, including the settlement and clearance of securities transactions, which otherwise might require untimely dispositions of portfolio holdings.

Under the 1940 Act, we are not permitted to issue preferred stock unless immediately after such issuance, the value of our total assets (including the proceeds of such issuance) less all liabilities and indebtedness not represented by senior securities is at least equal to 200% of the total of the aggregate amount of senior securities representing indebtedness plus the aggregate liquidation value of the outstanding preferred stock. Stated another way, we may not issue preferred stock that, together with outstanding preferred stock and debt securities, has a total aggregate liquidation value and outstanding principal amount of more than 50% of the value of our total assets, including the proceeds of such issuance, less liabilities and indebtedness not represented by senior securities. In addition, we are not permitted to declare any cash dividend or other distribution on our common stock, or purchase any of our shares of common stock (through tender offers or otherwise) unless we would satisfy this 200% asset coverage requirement test after deducting the amount of such dividend, distribution or share price, as the case may be. We may, as a result of market conditions or otherwise, be required to purchase or redeem preferred stock, or sell a portion of our investments when it may be disadvantageous to do so, in order to maintain the required asset coverage. Common stockholders would bear the costs of issuing additional preferred stock, which may include offering expenses and the ongoing payment of dividends. Under the 1940 Act, we may only issue one class of preferred stock. So long as Tortoise Preferred Shares are outstanding, any preferred stock offered pursuant to this prospectus and any related prospectus supplement will rank on parity with any outstanding Tortoise Preferred Shares.

Under the 1940 Act, we are not permitted to issue debt securities or incur other indebtedness constituting senior securities unless immediately thereafter, the value of our total assets (including the proceeds of the indebtedness) less all liabilities and indebtedness not represented by senior securities is at least equal to 300% of the amount of the outstanding indebtedness. Stated another way, we may not issue debt securities or incur other indebtedness with an aggregate principal amount of more than 331/3% of the value of our total assets, including the amount borrowed, less all liabilities and indebtedness not represented by senior securities. We also must maintain this 300% asset coverage for as long as the indebtedness is outstanding. The 1940 Act provides that we may not declare any cash dividend or other distribution on common or preferred stock, or purchase any of our shares of stock (through tender offers or otherwise), unless we would satisfy this 300% asset coverage requirement test after deducting the amount of the dividend, other distribution or share purchase price, as the case may be. If the asset coverage for indebtedness declines to less than 300% as a result of market fluctuations or otherwise, we may be required to redeem debt securities, or sell a portion of our investments when it may be disadvantageous to do so. Under the 1940 Act, we may only issue one class of senior securities representing indebtedness. So long as Tortoise Notes are outstanding, any debt securities offered pursuant to this prospectus and any related prospectus supplement will rank on parity with any outstanding Tortoise Notes.

Hedging Transactions

In an attempt to reduce the interest rate risk arising from our leveraged capital structure, we may use interest rate transactions such as swaps, caps and floors. There is no assurance that the interest rate hedging transactions into which we enter will be effective in reducing our exposure to interest rate risk. Hedging transactions are subject to correlation risk, which is the risk that payment on our hedging transactions may not correlate exactly with our payment obligations on senior securities. The use of interest rate transactions is a highly specialized activity that involves investment techniques and risks different from those associated with ordinary portfolio security transactions. In an interest rate swap, we would agree to pay to the other party to the interest rate swap (which is known as the counterparty) a fixed rate payment in exchange for the counterparty agreeing to pay to us a variable rate payment intended to approximate our variable rate payment obligations on outstanding leverage. The payment obligations would be based on the notional amount of the swap. In an interest rate cap, we would pay a premium to the counterparty up to the interest rate cap and, to the extent that a specified variable rate index exceeds a predetermined fixed rate of interest, would receive from the counterparty payments equal to the difference based on the notional amount of such cap. In an interest rate floor, we would be entitled to receive, to the extent that a specified index falls below a predetermined interest rate, payments of interest on a notional principal amount from the party selling the interest rate floor. Depending on the state of interest rates in general, our use of interest rate transactions could affect our ability to make required interest or dividend payments on our outstanding leverage. To the extent there is a decline in interest rates, the value of the interest rate transactions could decline. If the counterparty to an interest rate transaction defaults, we would not be able to use the anticipated net receipts under the interest rate transaction to offset our cost of financial leverage.

We may, but are not obligated to, enter into interest rate swap transactions intended to reduce our interest rate risk with respect to our interest and dividend payment obligations under our outstanding leverage. See Risk Factors Company Risks Hedging Strategy Risk.

Effects of Leverage

As of November 30, 2008, we were obligated to pay the following rates on our outstanding Tortoise Notes and Tortoise Preferred Shares.

Title of Security	Aggregate Principal Amount/Liquidation Preference	Remaining Term of Current Rate Period	Interest/Dividend Rate per Annum
Tortoise Notes:			
Series A Auction Rate Senior Notes(1)	$ 60,000,000	3.8 years through 9/4/12	6.75%
Series E Senior Notes(2)	$ 150,000,000	6.4 years through 4/10/15	6.11%
Tortoise Preferred Shares:			
Series I Tortoise Auction Preferred Shares(1)	$ 35,000,000	1.8 years through 9/12/10	6.25%
Series II Tortoise Auction Preferred Shares(1)	$ 35,000,000	1.8 years through 9/8/10	6.25%
	$ 280,000,000		

(1) Does not include commissions paid by us in connection with the establishment of a special rate period. See Notes 10 and 11 of the accompanying notes to our audited 2008 financial statements.

(2) Does not include commissions paid by us in connection with the issuance of these Senior Notes.

Assuming that the dividend rates payable on the Tortoise Preferred Shares and the interest rates payable on the Tortoise Notes remain as described above (an average annual cost of 6.40% based on the amount of leverage outstanding at November 30, 2008), the annual return that our portfolio must experience net of expenses, but excluding deferred and current taxes, in order to cover leverage costs would be 3.82%.

The following table is designed to illustrate the effect of the foregoing level of leverage on the return to a common stockholder, assuming hypothetical annual returns (net of expenses) of our portfolio of -10% to 10%. As the table shows, the leverage generally increases the return to common stockholders when portfolio return is positive or greater than the cost of leverage and decreases the return when the portfolio return is negative or less than the cost of leverage. The figures appearing in the table are hypothetical, and actual returns may be greater or less than those appearing in the table.

Assumed Portfolio Return (net of expenses)	−10%	−5%	0%	5%	10%

Corresponding Common Share Return	−23.6%	−15.0%	−6.4%	2.3%	10.9%

Because we use leverage, the amount of the fees paid to the Adviser for investment advisory and management services are higher than if we did not use leverage because the fees paid are calculated based on our Managed Assets, which include assets purchased with leverage. Therefore, the Adviser has a financial incentive to use leverage, which creates a conflict of interest between the Adviser and our common stockholders. Because payments on any leverage would be paid by us at a specified rate, only our common stockholders would bear management fees and other expenses we incur.

We cannot fully achieve the benefits of leverage until we have invested the proceeds resulting from the use of leverage in accordance with our investment objective and policies. For further information about leverage, see Risk Factors Additional Risks to Common Stockholders Leverage Risk.

Recent Developments

In early 2008, the markets for auction rate securities began to fail and have continued to do so as of the date of this prospectus. A failed auction results when there are not enough bidders in the auction rates below the maximum rate as prescribed by the terms of the security. When an auction fails, the rate is automatically set at the maximum rate. A failed auction does not cause an acceleration of, or otherwise have any impact on, outstanding principal amounts due, or in the case of preferred stock, the security s liquidation preference. In the case of our outstanding auction rate securities, the maximum rate under the terms of those securities has been two hundred percent of the greater of: (i) the applicable AA Composite Commercial Paper Rate or the applicable Treasury Index Rate or (ii) the applicable LIBOR.

As a result of the developments in the auction markets, we have taken steps to reduce our exposure to the uncertainty and volatility of the auction markets. These steps include declaring special rate periods for certain series of senior securities, which fixes our costs for a longer-term period and refinancing some or our auction rate securities with privately-placed Senior Notes. As of the date of this prospectus, we had outstanding $240,000,000 in long-term leverage, with $60 million aggregate principal amount of Auction Rate Senior Notes and $70 million aggregate liquidation value of Tortoise Preferred Shares remaining in the auction market. Our remaining outstanding long-term leverage consists of Senior Notes which pay interest at a fixed rate. None of our outstanding auction rate securities are presently subject to 7-day or 28-day auctions, but are subject to extended interest/dividend rate periods in order to reduce our exposure to LIBOR rates, with such periods ending from September 2010 to September 2012 as reflected in the table above. During these extended rate periods, each series has a fixed interest or dividend rate, is not available for purchase or sale in an auction and is not subject to redemption at our option but remains subject to mandatory redemption provisions under the indenture dated as of July 14, 2004 (the Indenture) or corresponding articles supplementary, as applicable. We may issue additional senior securities, including senior notes, to refinance our remaining auction rate securities. Common stockholders will bear the costs of these refinancing efforts.

Additionally, our capital structure was adversely affected by the deepening problems in the broad stock market and the resulting dramatic decline in the value of MLP investments. As a result, we were required to sell investments at inopportune times to reduce our outstanding leverage to comply with the coverage ratios as mandated by the 1940 Act and our loan documents. See Risk Factors Additional Risks to Common Stockholders Leverage Risk.

RISK FACTORS

Investing in any of our securities involves risk, including the risk that you may receive little or no return on your investment or even that you may lose part or all of your investment. Therefore, before investing in any of our securities you should consider carefully the following risks, as well as any risk factors included in the applicable prospectus supplement.

Company Risks

We are a non-diversified, closed-end management investment company designed primarily as a long-term investment vehicle and not as a trading tool. An investment in our securities should not constitute a complete investment program for any investor and involves a high degree of risk. Due to the uncertainty in all investments, there can be no assurance that we will achieve our investment objective.

The following are the general risks of investing in our securities that affect our ability to achieve our investment objective. The risks below could lower the returns and distributions on common stock and reduce the amount of cash and net assets available to make dividend payments on preferred stock and interest payments on debt securities.

Recent Developments Risk. Our capital structure and performance was adversely impacted by the weakness in the credit markets and broad stock market, and the resulting rapid and dramatic declines in the value of MLPs that occurred in late 2008, and may continue to be adversely affected if the weakness in the credit and stock markets continue. If our NAV declines or remains volatile, there is an increased risk that we may be required to reduce outstanding leverage, which could adversely affect our stock price and ability to pay distributions at historical levels. A sustained economic slowdown may adversely affect the ability of MLPs to sustain their historical distribution levels, which in turn, may adversely affect our ability to sustain distributions at historical levels. MLPs that have historically relied heavily on outside capital to fund their growth have been impacted by the slowdown in capital markets. The recovery of the MLP sector is dependent on several factors including the recovery of the financial sector, the general economy and the commodity markets. Measures taken by the U.S. Government to stimulate the U.S. economy may not be successful or may not have the intended effect.

Concentration Risk. Under normal circumstances, we concentrate our investments in the energy infrastructure sector, with an emphasis on securities issued by MLPs. Risks inherent in the energy infrastructure business of these types of MLPs include the following:

> Processing and coal MLPs may be directly affected by energy commodity prices. The volatility of commodity prices can indirectly affect certain other MLPs due to the impact of prices on volume of commodities transported, processed, stored or distributed. Pipeline MLPs are not subject to direct commodity price exposure because they do not own the underlying energy commodity. While propane MLPs do own the underlying energy commodity, the Adviser seeks high quality MLPs that are able to mitigate or manage direct margin exposure to commodity price levels. The MLP sector can be hurt by market perception that MLPs performance and distributions are directly tied to commodity prices.
>
> The profitability of MLPs, particularly processing and pipeline MLPs, may be materially impacted by the volume of natural gas or other energy commodities available for transporting, processing, storing or distributing. A significant decrease in the production of natural gas, oil, coal or other energy commodities, due to a decline in production from existing facilities, import supply disruption, depressed commodity prices or otherwise, would reduce revenue and operating income of MLPs and, therefore, the ability of

MLPs to make distributions to partners.

A sustained decline in demand for crude oil, natural gas and refined petroleum products could adversely affect MLP revenues and cash flows. Factors that could lead to a decrease in market demand include a recession or other adverse economic conditions, an increase in the market price of the underlying commodity, higher taxes or other regulatory actions that increase costs, or a shift in consumer demand for such products. Demand may also be adversely impacted by consumer sentiment with respect to global warming and/or by any state or federal legislation intended to promote the use of alternative energy sources, such as bio-fuels.

A portion of any one MLP s assets may be dedicated to natural gas reserves and other commodities that naturally deplete over time, which could have a materially adverse impact on an MLP s ability to make distributions. Often the MLPs depend upon exploration and development activities by third parties.

MLPs employ a variety of means of increasing cash flow, including increasing utilization of existing facilities, expanding operations through new construction, expanding operations through acquisitions, or securing additional long-term contracts. Thus, some MLPs may be subject to construction risk, acquisition risk or other risk factors arising from their specific business strategies. A significant slowdown in large energy companies disposition of energy infrastructure assets and other merger and acquisition activity in the energy MLP industry could reduce the growth rate of cash flows we receive from MLPs that grow through acquisitions.

The profitability of MLPs could be adversely affected by changes in the regulatory environment. Most MLPs assets are heavily regulated by federal and state governments in diverse matters, such as the way in which certain MLP assets are constructed, maintained and operated and the prices MLPs may charge for their services. Such regulation can change over time in scope and intensity. For example, a particular byproduct of an MLP process may be declared hazardous by a regulatory agency and unexpectedly increase production costs. Moreover, many state and federal environmental laws provide for civil as well as regulatory remediation, thus adding to the potential exposure an MLP may face.

Extreme weather patterns, such as hurricane Ivan in 2004 and hurricane Katrina in 2005, could result in significant volatility in the supply of energy and power and could adversely impact the value of the securities in which we invest. This volatility may create fluctuations in commodity prices and earnings of companies in the energy infrastructure industry.

A rising interest rate environment could adversely impact the performance of MLPs. Rising interest rates could limit the capital appreciation of equity units of MLPs as a result of the increased availability of alternative investments at competitive yields with MLPs. Rising interest rates also may increase an MLP s cost of capital. A higher cost of capital could limit growth from acquisition/expansion projects and limit MLP distribution growth rates.

Since the September 11, 2001 attacks, the U.S. Government has issued public warnings indicating that energy assets, specifically those related to pipeline infrastructure, production facilities and transmission and distribution facilities, might be specific targets of terrorist activity. The continued threat of terrorism and related military activity likely will increase volatility for prices in natural gas and oil and could affect the market for products of MLPs.

Holders of MLP units are subject to certain risks inherent in the partnership structure of MLPs including (1) tax risks (described below), (2) limited ability to elect or remove management, (3) limited voting rights, except with respect to extraordinary transactions, and (4) conflicts of interest of the general partner, including those arising from incentive distribution payments.

Industry Specific Risk. Energy infrastructure companies also are subject to risks specific to the industry they serve.

Pipeline MLPs are subject to demand for crude oil or refined products in the markets served by the pipeline, sharp decreases in crude oil or natural gas prices that cause producers to curtail production or reduce capital spending for exploration activities, and environmental regulation. Demand for gasoline, which accounts for a substantial portion of refined product transportation, depends on price, prevailing economic conditions in the markets served, and demographic and seasonal factors. Pipeline MLP unit prices are primarily driven by distribution growth rates and prospects for distribution growth. Pipeline MLPs are subject to regulation by FERC with respect to tariff rates these companies may charge for pipeline transportation services. An adverse determination by FERC with respect to the tariff rates of a pipeline MLP could have a material adverse effect on the business, financial condition, results of operations and cash flows of that pipeline MLP and its ability to make cash distributions to its equity owners.

Processing MLPs are subject to declines in production of natural gas fields, which utilize the processing facilities as a way to market the gas, prolonged depression in the price of natural gas or crude oil refining, which curtails production due to lack of drilling activity and declines in the prices of natural gas liquids products and natural gas prices, resulting in lower processing margins.

Propane MLPs are subject to earnings variability based upon weather patterns in the locations where the company operates and the wholesale cost of propane sold to end customers. Propane MLP unit prices are based on safety in distribution coverage ratios, interest rate environment and, to a lesser extent, distribution growth.

Coal MLPs are subject to demand variability based on favorable weather conditions, strong or weak domestic economy, the level of coal stockpiles in the customer base, and the general level of prices of competing sources of fuel for electric generation. They also are subject to supply variability based on the geological conditions that reduce productivity of mining operations, regulatory permits for mining activities and the availability of coal that meets Clean Air Act standards. Demand and prices for coal may also be impacted by current and proposed laws, regulations and/or trends, at the federal, state or local levels, to impose limitations on chemical emissions from coal-fired power plants and other coal end-users. Any such limitations may reduce the demand for coal produced, transported or delivered by coal MLPs.

Marine shipping MLPs are subject to the demand for, and the level of consumption of, refined petroleum products, crude oil or natural gas in the markets served by the marine shipping MLPs, which in turn could affect the demand for tank vessel capacity and charter rates. These MLPs vessels and their cargoes are also subject to the risks of being damaged or lost due to marine disasters, bad weather, mechanical failures, grounding, fire, explosions and collisions, human error, piracy, and war and terrorism.

MLP Risk. We invest primarily in equity securities of MLPs. As a result, we are subject to the risks associated with an investment in MLPs, including cash flow risk, tax risk, deferred tax risk and capital market risk, as described in more detail below.

Cash Flow Risk. We derive substantially all of our cash flow from investments in equity securities of MLPs. The amount of cash that we have available to pay or distribute to holders of our securities depends entirely on the ability of MLPs whose securities we hold to make distributions to their partners and the tax character of those distributions. We have no control over the actions of underlying MLPs. The amount of cash that each individual MLP can distribute to its partners will depend on the amount of cash it generates from operations, which will vary from quarter to quarter depending on factors affecting the energy infrastructure market generally and on factors affecting the particular business lines of the MLP. Available cash will also depend on the MLPs level of operating costs (including incentive distributions to the general partner), level of capital expenditures, debt service requirements, acquisition costs (if any), fluctuations in working capital needs and other factors.

Tax Risk of MLPs. Our ability to meet our investment objective will depend on the level of taxable income, dividends and distributions we receive from the MLPs and other securities of energy infrastructure companies in which we invest, a factor over which we have no control. The benefit we derive from our investment in MLPs depends largely on the MLPs being treated as partnerships for federal income tax purposes. As a partnership, an MLP has no federal income tax liability at the entity level. If, as a result of a change in current law or a change in an MLP s business, an MLP were treated as a corporation for federal income tax purposes, the MLP would be obligated to pay federal income tax on its income at the corporate tax rate. If an MLP were classified as a corporation for federal income tax purposes, the amount of cash available for distribution would be reduced and the distributions we receive might be taxed entirely as dividend income. Therefore, treatment of one or more MLPs as a corporation for federal income tax purposes could affect our ability to meet our investment objective and would reduce the amount of cash available to pay or distribute to holders of our securities.

Deferred Tax Risks of MLPs. As a limited partner in the MLPs in which we invest, we will receive a pro rata share of income, gains, losses and deductions from those MLPs. Historically, a significant portion of income from such MLPs has been offset by tax deductions. We will incur a current tax liability on that portion of an MLP s income and gains that is not offset by tax deductions and losses. The percentage of an MLP s income and gains which is offset by tax deductions and losses will fluctuate over time for various reasons. A significant slowdown in acquisition activity by MLPs held in our portfolio could result in a reduction of accelerated depreciation generated by new acquisitions, which may result in increased current income tax liability to us.

We will accrue deferred income taxes for any future tax liability associated with that portion of MLP distributions considered to be a tax-deferred return of capital as well as capital appreciation of our investments. Upon the sale of an MLP security, we may be liable for previously deferred taxes. We will rely to some extent on information provided by the MLPs, which is not necessarily timely, to estimate deferred tax liability for purposes of financial statement reporting and determining our NAV. From time to time we will modify our estimates or assumptions regarding our deferred tax liability as new information becomes available.

Capital Market Risk. Global financial markets and economic conditions have been, and continue to be, volatile due to a variety of factors, including significant write-offs in the financial services sector. As a result, the cost of raising capital in the debt and equity capital markets has increased substantially while the ability to raise capital from those markets has diminished significantly. In particular, as a result of concerns about the general stability of financial markets and specifically the solvency of lending counterparties, the cost of raising capital from the credit markets generally has increased as many lenders and institutional investors have increased interest rates, enacted tighter lending standards, refused to refinance debt on existing terms or at all and reduced, or in some cases ceased to provide, funding to borrowers. In addition, lending counterparties under existing revolving credit facilities and other debt instruments may be unwilling or unable to meet their funding obligations. Due to these factors, MLPs may be unable to obtain new debt or equity financing on acceptable terms. If funding is not available when needed, or is available only on unfavorable terms, MLPs may not be able to meet their obligations as they come due. Moreover, without adequate funding, MLPs may be unable to execute their growth strategies, complete future acquisitions, take advantage of other business opportunities or respond to competitive pressures, any of which could have a material adverse effect on their revenues and results of operations.

Equity Securities Risk. MLP common units and other equity securities can be affected by macro-economic and other factors affecting the stock market in general, expectations of interest rates, investor sentiment towards MLPs or the energy sector, changes in a particular issuer s financial condition, or unfavorable or unanticipated poor performance of a particular issuer (in the case of MLPs, generally measured in terms of DCF). Prices of common units of individual MLPs and other equity securities also can be affected by fundamentals unique to the partnership or company, including size, earnings power, coverage ratios and characteristics and features of different classes of securities.

Investing in securities of smaller companies may involve greater risk than is associated with investing in more established companies. Companies with smaller capitalization may have limited product lines, markets or financial resources; may lack management depth or experience; and may be more vulnerable to adverse general market or economic developments than larger more established companies.

Because MLP convertible subordinated units generally convert to common units on a one-to-one ratio, the price that we can be expected to pay upon purchase or to realize upon resale is generally tied to the common unit price less a discount. The size of the discount varies depending on a variety of factors including the likelihood of conversion, and the length of time remaining to conversion, and the size of the block purchased.

The price of I-Shares and their volatility tend to be correlated to the price of common units, although the price correlation is not precise.

Hedging Strategy Risk. We may use interest rate transactions for hedging purposes only, in an attempt to reduce the interest rate risk arising from our leveraged capital structure. There is no assurance that the interest rate hedging transactions into which we enter will be effective in reducing our exposure to interest rate risk. Hedging transactions are subject to correlation risk, which is the risk that payment on our hedging transactions may not correlate exactly with our payment obligations on senior securities.

Interest rate transactions that we may use for hedging purposes will expose us to certain risks that differ from the risks associated with our portfolio holdings. There are economic costs of hedging reflected in the price of interest rate swaps, floors, caps and similar techniques, the costs of which can be significant, particularly when long-term interest rates are substantially above short-term rates. In addition, our success in using hedging instruments is subject to the Adviser s ability to predict correctly changes in the relationships of such hedging instruments to our leverage risk, and there can be no assurance that the Adviser s judgment in this respect will be accurate. Consequently, the use of hedging transactions might result in a poorer overall performance, whether or not adjusted for risk, than if we had not engaged in such transactions.

Depending on the state of interest rates in general, our use of interest rate transactions could enhance or decrease the cash available to us for payment of distributions, dividends or interest, as the case may be. To the extent there is a decline in interest rates, the value of interest rate swaps or caps could decline, and result in a decline in our net assets. In addition, if the counterparty to an interest rate transaction defaults, we would not be able to use the anticipated net receipts under the interest rate swap or cap to offset our cost of financial leverage.

Competition Risk. At the time we completed our initial public offering in February 2004, we were the only publicly traded investment company offering access to a portfolio of energy infrastructure MLPs. Since that time a number of alternatives to us as vehicles for investment in a portfolio of energy infrastructure MLPs, including other publicly traded investment companies and private funds, have emerged. In addition, federal income tax law changes have increased the ability of regulated investment companies or other institutions to invest in MLPs. These competitive conditions may adversely impact our ability to meet our investment objective, which in turn could adversely impact our ability to make interest or dividend payments.

Restricted Security Risk. We may invest up to 30% of total assets in restricted securities, primarily through direct placements. Restricted securities are less liquid than securities traded in the open market because of statutory and contractual restrictions on resale. Such securities are, therefore, unlike securities that are traded in the open market, which can be expected to be sold immediately if the market is adequate. As discussed further below, this lack of liquidity creates special risks for us. However, we could sell such securities in privately negotiated transactions with a limited number of purchasers or in public offerings under the 1933 Act. MLP convertible subordinated units convert to publicly-traded common units upon the passage of time and/or satisfaction of certain financial tests. Although the means by which convertible subordinated units convert into senior common units depend on a security s specific terms, MLP convertible subordinated units typically are exchanged for common shares.

Restricted securities are subject to statutory and contractual restrictions on their public resale, which may make it more difficult to value them, may limit our ability to dispose of them and may lower the amount we could realize upon their sale. To enable us to sell our holdings of a restricted security not registered under the 1933 Act, we may have to cause those securities to be registered. The expenses of registering restricted securities may be negotiated by us with the issuer at the time we buy the securities. When we must arrange registration because we wish to sell the security, a considerable period may elapse between the time the decision is made to sell the security and the time the security is registered so that we could sell it. We would bear the risks of any downward price fluctuation during that period.

Liquidity Risk. Although common units of MLPs trade on the NYSE, NYSE Alternext U.S. (formerly known as AMEX), and the NASDAQ National Market, certain MLP securities may trade less frequently than those of larger companies due to their smaller capitalizations. In the event certain MLP securities experience limited trading volumes, the prices of such MLPs may display abrupt or erratic movements at times. Additionally, it may be more difficult for us to buy and sell significant amounts of such securities without an unfavorable impact on prevailing market prices. As a result, these securities may be difficult to dispose of at a fair price at the times when we believe it is desirable to do so. Investment of our capital in securities that are less actively traded or over time experience decreased trading volume may restrict our ability to take advantage of other market opportunities or to dispose of securities. This also may affect adversely our ability to make required interest payments on the debt securities and dividend distributions on the preferred stock, to redeem such securities, or to meet asset coverage requirements.

Valuation Risk. Market prices generally will not be available for MLP convertible subordinated units, or securities of private companies, and the value of such investments ordinarily will be determined based on fair valuations determined by the Adviser pursuant to procedures adopted by the Board of Directors. Similarly, common units acquired through direct placements will be valued based on fair value determinations because of their restricted nature; however, the Adviser expects that such values will be based on a discount from publicly available market prices. Restrictions on resale or the absence of a liquid secondary market may adversely affect our ability to determine our NAV. The sale price of securities that are not readily marketable may be lower or higher than our most recent determination of their fair value. Additionally, the value of these securities typically requires more reliance on the judgment of the Adviser than that required for securities for which there is an active trading market. Due to the difficulty in valuing these securities and the absence of an active trading market for these investments, we may not be able to realize these securities true value, or may have to delay their sale in order to do so. This may affect adversely our ability to make required interest payments on the debt securities and dividend distributions on the preferred stock, to redeem such securities, or to meet asset coverage requirements.

Nondiversification Risk. We are a nondiversified, closed-end management investment company under the 1940 Act and are not treated as a regulated investment company under the Internal Revenue Code. Accordingly, there are no regulatory limits under the 1940 Act or the Internal Revenue Code on the number or size of securities that we hold and we may invest more assets in fewer issuers as compared to a diversified fund. There currently are approximately 70 companies presently organized as MLPs and only a limited number of those companies operate energy infrastructure assets. We select MLP investments from this small pool of issuers. We may invest in non-MLP securities issued by energy infrastructure companies to a lesser degree, consistent with our investment objective and policies.

Tax Risk. Because we are treated as a corporation for federal income tax purposes, our financial statements reflect deferred tax assets or liabilities according to generally accepted accounting principles. Deferred tax assets may constitute a relatively high percentage of NAV. Realization of deferred tax assets including net operating loss and capital loss carryforwards, are dependent, in part, on generating sufficient taxable income of the appropriate character prior to expiration of the loss carryforwards. Unexpected significant decreases in MLP cash distributions or significant declines in the fair value of our MLP investments, among other factors, may change our assessment regarding the recoverability of deferred tax assets and would likely result in a valuation allowance, or recording of a larger allowance. If a valuation allowance is required to reduce the deferred tax asset in the future, it could have a material impact on our NAV and results of operations in the period it is recorded. Conversely, in periods of generally increasing MLP prices, we will accrue a deferred tax liability to the extent the fair value of our assets exceeds our tax basis. We may incur significant tax liability during periods in which gains on MLP investments are realized.

Interest Rate Risk. Generally, when market interest rates rise, the values of debt securities decline, and vice versa. Our investment in such securities means that the NAV and market price of our common stock will tend to decline if market interest rates rise. During periods of declining interest rates, the issuer of a security may exercise its option to prepay principal earlier than scheduled, forcing us to reinvest in lower yielding securities. This is known as call or prepayment risk. Lower grade securities frequently have call features that allow the issuer to repurchase the security prior to its stated maturity. An issuer may redeem a lower grade obligation if the issuer can refinance the debt at a lower cost due to declining interest rates or an improvement in the credit standing of the issuer.

Below Investment Grade Securities Risk. Investing in lower grade debt instruments involves additional risks than investment grade securities. Adverse changes in economic conditions are more likely to lead to a weakened capacity of a below investment grade issuer to make principal payments and interest payments than an investment grade issuer. An economic downturn could adversely affect the ability of highly leveraged issuers to service their obligations or to repay their obligations upon maturity. Similarly, downturns in profitability in the energy infrastructure industry could adversely affect the ability of below investment grade issuers in that industry to meet their obligations. The market values of lower quality securities tend to reflect individual developments of the issuer to a greater extent than do higher quality securities, which react primarily to fluctuations in the general level of interest rates.

The secondary market for below investment grade securities may not be as liquid as the secondary market for more highly rated securities. There are fewer dealers in the market for below investment grade securities than investment grade obligations. The prices quoted by different dealers may vary significantly, and the spread between the bid and asked price is generally much larger than for higher quality instruments. Under adverse market or economic conditions, the secondary market for below investment grade securities could contract further, independent of any specific adverse change in the condition of a particular issuer, and these instruments may become illiquid. As a result, it may be more difficult to sell these securities or we may be able to sell the securities only at prices lower than if such securities were widely traded. This may affect adversely our ability to make required dividend or interest payments on our outstanding senior securities. Prices realized upon the sale of such lower-rated or unrated securities, under these circumstances, may be less than the prices used in calculating our NAV.

Because investors generally perceive that there are greater risks associated with lower quality securities of the type in which we may invest a portion of our assets, the yields and prices of such securities may tend to fluctuate more than those for higher rated securities. In the lower quality segments of the debt securities market, changes in perceptions of issuers creditworthiness tend to occur more frequently and in a more pronounced manner than do changes in higher quality segments of the debt securities market, resulting in greater yield and price volatility.

Factors having an adverse impact on the market value of below investment grade securities may have an adverse effect on our NAV and the market value of our common stock. In addition, we may incur additional expenses to the extent we are required to seek recovery upon a default in payment of principal or interest on our portfolio holdings. In certain circumstances, we may be required to foreclose on an issuer s assets and take possession of its property or operations. In such circumstances, we would incur additional costs in disposing of such assets and potential liabilities from operating any business acquired.

Counterparty Risk. We may be subject to credit risk with respect to the counterparties to certain derivative agreements entered into by us. If a counterparty becomes bankrupt or otherwise fails to perform its obligations under a derivative contract due to financial difficulties, we may experience significant delays in obtaining any recovery under the derivative contract in a bankruptcy or other reorganization proceeding. We may obtain only a limited recovery or may obtain no recovery in such circumstances.

Effects of Terrorism. The U.S. securities markets are subject to disruption as a result of terrorist activities, such as the terrorist attacks on the World Trade Center on September 11, 2001; the war in Iraq and its aftermath; other hostilities; and other geopolitical events. Such events have led, and in the future may lead, to short-term market volatility and may have long-term effects on the U.S. economy and markets.

Anti-Takeover Provisions. Our Charter and Bylaws include provisions that could delay, defer or prevent other entities or persons from acquiring control of us, causing us to engage in certain transactions or modifying our structure. These provisions may be regarded as anti-takeover provisions. Such provisions could limit the ability of common stockholders to sell their shares at a premium over the then-current market prices by discouraging a third party from seeking to obtain control of us. See Certain Provisions in the Company s Charter and Bylaws.

Management Risk. The Adviser was formed in October 2002 to provide portfolio management to institutional and high-net worth investors seeking professional management of their MLP investments. The Adviser has been managing investments in portfolios of MLP investments since that time, including since February 2004, management of our investments, and management of three other publicly-traded and two privately held closed-end management investment companies. As of March 31, 2009, the Adviser had client assets under management of approximately $1.7 billion. To the extent that the Adviser s assets under management continue to grow, the Adviser may have to hire additional personnel and, to the extent it is unable to hire qualified individuals, its operations may be adversely affected.

Additional Risks to Common Stockholders

Leverage Risk. Our use of leverage through the issuance of Tortoise Preferred Shares and Tortoise Notes along with the issuance of any additional preferred stock or debt securities, and any additional borrowings or other transactions

involving indebtedness (other than for temporary or emergency purposes) are or would be considered senior securities for purposes of the 1940 Act and create risks. Leverage is a speculative technique that may adversely affect common stockholders. If the return on securities acquired with borrowed funds or other leverage proceeds does not exceed the cost of the leverage, the use of leverage could cause us to lose money. Successful use of leverage depends on the Adviser s ability to predict or hedge correctly interest rates and market movements, and there is no assurance that the use of a leveraging strategy will be successful during any period in which it is u:8.0pt;">Year ended
December 31,

2004

2005

2006

Operating data:

Sales volumes:

Oil (MBbls)

1,127

1,058

1,024

Natural gas (MMcf)

104

89

102

Average Prices:

Oil (per Bbl)

$

39.37

$

54.21

$

62.65

Natural gas (per Mcf)

$

5.51

$

6.83

$

5.63

Capital expenditures (in thousands):

Property acquisition

$

1,380

$

1,895

$

1,714

Well development

297

381

1,315

Total

$

1,677

$

2,276

$

3,029

Discussion and Analysis of Historical Results of the Underlying Properties

Comparison of Results of the Underlying Properties for the Years Ended December 31, 2006 and 2005

Excess of revenues over direct operating expenses for the underlying properties was $31.1 million for the year ended December 31, 2006, compared to $18.8 million for the year ended December 31, 2005. The increase was primarily a result of an increase in the average price received for the oil and natural gas sold, as well as a reduction in hedge and other derivative expense. This was partially offset by an increase in direct operating expenses.

Revenues. Revenues from oil, natural gas and natural gas liquid sales increased $6.8 million between the periods. This increase in revenues was primarily the result of an increase in the average price received for crude oil sold from $54.21 per Bbl for the year ended December 31, 2005 to $62.65 per Bbl for the year ended December 31, 2006. The increase in revenues was impacted by a decrease in the average price received for natural gas sold from $6.83 per Mcf for the year ended December 31, 2005 to $5.63 per Mcf for the year ended December 31, 2006, as well as a small increase in volumes sold.

Hedge and other derivative activity. Hedge and other derivative activity expense decreased from $22.3 million for the year ended December 31, 2005 to $14.4 million for the year ended December 31, 2006. This decrease in hedge and other derivative activity expense of $7.9 million for the year ended December 31, 2006 was due to a $7.8 million decrease in realized hedge losses and a small decrease in ineffectiveness of hedges and other derivatives then in place being recorded to the expense account for the year.

The decrease in realized hedge losses was due to the higher settlement price of hedges in place for 2006. The weighted average settlement price of hedges and other derivatives for 2006 was $50.73 compared to $28.60 for 2005. The average NYMEX price per Bbl of crude oil for 2006 was $66.22 compared to $56.57 for 2005.

At December 31, 2006, MV Partners recorded a $0.7 million expense for ineffectiveness of hedges and other derivatives compared to a $0.8 million expense at December 31, 2005.

Prices. The average price received for the crude oil sold increased primarily as a result of an increase in the oil price index on which the sales prices for a majority of the oil production were based. The average price for natural gas sold decreased as a result of a decrease in the natural gas price index on which the sales prices for a majority of the natural gas production were based.

Volumes. The small decrease in overall production sales volumes was less than the natural decline of the underlying properties. The additional production to partially offset the natural decline of the underlying properties during the year ended December 31, 2006 compared to the year ended December 31, 2005 is primarily attributable to lower production caused by an ice storm in Kansas during the first quarter of 2005 and the results of MV Partners development program in 2006.

Direct operating expenses. Direct operating expenses increased from $17.2 million for the year ended December 31, 2005 to $19.5 million for the year ended December 31, 2006. This increase was primarily a result of an increase in production and property tax, casing repair to several wells, repair and cleanout of a salt water disposal system well and continuing restoration of wells from inactive status to producing status.

Lease maintenance expense. The increase in lease maintenance expense was primarily due to the timing of scheduled projects in 2006.

Production and property taxes. Production and property taxes increased as a result of the increases in the price of crude oil and in revenues from oil, natural gas and natural gas liquid sales, on which these taxes are based.

Comparison of Results of the Underlying Properties for the Years Ended December 31, 2005 and 2004

Excess of revenues over direct operating expenses for the underlying properties was $18.8 million for the year ended December 31, 2005, compared to $15.5 million for the year ended December 31, 2004. The increase was primarily a result of an increase in the average price received for the oil and natural gas sold. This was partially offset by a decrease in production and an increase in direct operating expenses.

Revenues. Revenues from oil, natural gas and natural gas liquid sales increased $13.0 million between the periods. This increase in revenues was primarily the result of an increase in the average price received for crude oil sold from $39.37 per Bbl for the year ended December 31, 2004 to $54.21 per Bbl for the year ended December 31, 2005. The increase in revenues was also the result of an increase in the average price received for natural gas sold from $5.51 per Mcf for the year ended December 31, 2004 to $6.83 per Mcf for the year ended December 31, 2005.

Hedge and other derivative activity. Hedge and other derivative activity expense increased from $14.4 million for the year ended December 31, 2004 to $22.3 million for the year ended December 31, 2005. This increase was due primarily to the higher average NYMEX settle price for the year ended December 31, 2005 of $56.57 compared to $41.38 for the year ended December 31, 2004. The weighted average hedge price for 2005 was $28.60 compared to $24.02 for 2004. A small increase was due to ineffectiveness of hedges currently in place being recorded to the expense account. In the year ended December 31, 2005, a $0.8 million expense for ineffectiveness was recorded compared to no ineffective portion for the year ended December 31, 2004.

Prices. The average price received for crude oil and natural gas sold increased primarily as a result of an increase in the oil price and natural gas price indices on which the sales prices for a majority of the production were based.

Volumes. The decrease in oil, natural gas and natural gas liquid sales volumes was attributable to the natural decline of proved producing volumes along with a 2% production loss due to widespread ice storms in January and February of 2005. These declines were in part offset by the results of MV Partners development program in 2005.

Direct operating expenses. Direct operating expenses increased from $15.3 million for the year ended December 31, 2004 to $17.2 million for the year ended December 31, 2005. This increase was primarily a result of increased costs of primary vendors who rely on large uses of hydrocarbon products such as (1) pumpers (gasoline), (2) utilities (cost of fuel), (3) treating chemicals (hydrocarbon base) and (4) pulling

units (fuel surcharge). This increase was also supplemented by wage increases associated with the increased demand for oilfield employees and increases in the price of steel for tubular and other metal products.

Lease maintenance expense. Reactivating shut-in wells accounted for the largest part of the increase in lease maintenance expenses during 2005. The same factors described above in direct operating expenses concerning increased costs of primary vendors also contributed to the increase in lease maintenance expense.

Production and property taxes. Production and property taxes increased $0.5 million as a result of the increase in revenues from oil, natural gas and natural gas liquid sales and increased equipment value on which these taxes are based.

Liquidity and Capital Resources

Other than trust administrative expenses, including any reserves established by the trustee for future liabilities, the trust s only use of cash is for distributions to trust unitholders. Administrative expenses include payments to the trustee as well as an annual administrative fee to MV Partners pursuant to the administrative services agreement. Each quarter, the trustee determines the amount of funds available for distribution. Available funds are the excess cash, if any, received by the trust from the net profits interest, payments from the hedge contracts and other sources (such as interest earned on any amounts reserved by the trustee) that quarter, over the trust s liabilities for that quarter. Available funds are reduced by any cash the trustee decides to hold as a reserve against future liabilities. The trustee may borrow funds required to pay liabilities if the trustee determines that the cash on hand and the cash to be received are insufficient to cover the trust s liability. If the trustee borrows funds, the trust unitholders will not receive distributions until the borrowed funds are repaid.

Royalty income to the trust is based on the calculation and definitions of gross proceeds and net proceeds contained in the conveyance.

As substantially all of the underlying properties are located in mature fields, MV Partners does not expect future costs for the underlying properties to change significantly as compared to recent historical costs other than increases due to increases in the cost of oilfield services generally. However, see Planned Development and Workover Program below.

The trust does not have any transactions, arrangements or other relationships with unconsolidated entities or persons that could materially affect the trust s liquidity or the availability of capital resources.

Planned Development and Workover Program

Since acquiring the underlying properties in 1998 and 1999, MV Partners has implemented a development program on the properties comprising the underlying properties to further develop proved undeveloped reserves and help offset the natural decline in production. These activities included recompletion of certain existing wells into new producing horizons, workovers of existing wells and the drilling of infill development wells.

The development program that MV Partners currently intends to implement over the five years ending December 31, 2011 with respect to the underlying properties categorized as proved undeveloped reserves consists of drilling 60 development wells, 59 recompletion and workover projects, 9 polymer stimulations and 1 waterflood project. The development program that MV Partners currently intends to implement over the next five years with respect to the underlying properties categorized as proved developed non-producing reserves consists of 5 well reactivation projects, 2 injection well workover projects, 1 recompletion project and 28 well workover projects.

Recently, MV Partners undertook a 3-D seismic survey covering several leases constituting a part of the underlying properties. These leases have over 30 undrilled offset locations of varying quality based on offset production and subsurface mapping. The 3-D data was utilized to refine the subsurface mapping with respect to the size of mapped sink holes and define smaller structural features along the edges of the main formation reservoir. Using this data, MV Partners has scheduled the drilling of 14 proved undeveloped locations over the five years ending December 31, 2011. In the future, MV Partners plans to expand its 3-D seismic program into other fields constituting a part of the underlying properties.

MV Partners expects total capital expenditures for the underlying properties during the five years ending December 31, 2011 will be approximately $16.3 million. Of this total, MV Partners contemplates spending approximately $12.2 million to drill approximately 60 development wells in ten project areas and approximately $4.1 million for recompletion and workovers of existing wells. MV Partners expects that these capital projects will add production that will partially offset the natural decline in production otherwise expected to occur with respect to the underlying properties. The trust is not directly obligated to pay any portion of any capital expenditures made with respect to the underlying properties; however, capital expenditures made by MV Partners with respect to the underlying properties will be deducted from the gross proceeds in calculating the net proceeds from which cash will be paid to the trust. As a result, the trust will indirectly bear an 80% (subject to certain limitations during the final three years of the trust, as described above under Business Computation of Net Proceeds Net Profits Interest) share of any capital expenditures made with respect to the underlying properties. Accordingly, higher or lower capital expenditures will, in general, directly decrease or increase, respectively, the cash received by the trust in respect of its net profits interest. As the cash received by the trust in respect of the net profits interest will be reduced by the trust's pro rata share of these capital expenditures, MV Partners expects that it will incur capital expenditures with respect to the underlying properties throughout the term of the trust on a basis that balances the impact of the capital expenditures on current cash distributions to the trust unitholders with the longer term benefits of increased oil and natural gas production expected to result from the capital expenditures. In addition, MV Partners may establish a capital reserve of up to $1.0 million in the aggregate at any given time to reduce the impact on distributions of uneven capital expenditure timing.

MV Partners, as the operator of the underlying properties, is entitled to make all determinations related to capital expenditures with respect to the underlying properties, and there are no limitations on the amount of capital expenditures that MV Partners may incur with respect to the underlying properties, except as described above under Business Computation of Net Proceeds Net Profits Interest. As the trust unitholders would not be expected to fully realize the benefits of capital expenditures made with respect to the underlying properties towards the end of the term of the trust, during each twelve-month period beginning on the later to occur of (1) June 30, 2023 and (2) the time when 13.2 MMBoe have been produced from the underlying properties and sold (which is the equivalent of 10.6 MMBoe in respect of the net profits interest), capital expenditures that may be taken into account in calculating net proceeds attributable to the net profits interest will be limited to the average annual capital expenditures during the preceding three years, as adjusted for inflation. See Business Computation of Net Proceeds Net Profits Interest.

Off-Balance Sheet Arrangements

The trust has no off-balance sheet arrangements. The trust has not guaranteed the debt of any other party, nor does the trust have any other arrangements or relationships with other entities that could potentially result in unconsolidated debt, losses or contingent obligations.

Contractual Obligations

As of December 31, 2006, the trust had no obligations or commitments to make future contractual payments.

Hedge and Derivative Contracts

The revenues derived from the underlying properties depend substantially on prevailing crude oil and, to a lesser extent, natural gas and natural gas liquid prices. As a result, commodity prices also affect the amount of cash flow available for distribution to the trust unitholders. Lower prices may also reduce the amount of oil, natural gas and natural gas liquids that MV Partners can economically produce. MV Partners sells the oil, natural gas and natural gas liquid production from the underlying properties under floating market price contracts each month. MV Partners has entered into the hedge and other derivative contracts to reduce the exposure of the revenues from oil production from the underlying properties from 2007 through 2010 to fluctuations in crude oil prices and to achieve more predictable cash flow. However, these contracts limit the amount of cash available for distribution if prices increase. The hedge and other derivative contracts consist of fixed price swap contracts and costless collar arrangements that have been placed with major trading counterparties who MV Partners believes represent minimal credit risks. MV Partners cannot provide assurance, however, that these trading counterparties will not become credit risks in the future.

The crude oil swap contracts and costless collar arrangements will settle based on the average of the settlement price for each commodity business day in the contract month. In a swap transaction, the counterparty is required to make a payment to MV Partners for the difference between the fixed price and the settlement price if the settlement price is below the fixed price. MV Partners is required to make a payment to the counterparty for the difference between the fixed price and the settlement price if the settlement price is above the fixed price. In a collar arrangement, the counterparty is required to make a payment to MV Partners for the difference between the fixed floor price and the settlement price if the settlement price is below the fixed floor price. MV Partners is required to make a payment to the counterparty for the difference between the fixed ceiling price and the settlement price if the settlement price is above the fixed ceiling price. Neither party is required to make a payment if the settlement price falls between the fixed floor and ceiling prices. From January 1, 2007 through December 31, 2010, MV Partners crude oil price risk management positions in swap contracts and collar arrangements are as follows:

	Fixed Price Swaps		**Collars**		
Month	**Volumes (Bbls)**	**Weighted Average Price (Per Bbl)**	**Volumes (Bbls)**	**Weighted Average Price (Per Bbl) Floor**	**Ceiling**
January 2007	16,000	$ 58.31	10,000	$ 61.00	$ 68.00
February 2007	61,000	63.33	10,000	61.00	68.00
March 2007	61,000	63.21	10,000	61.00	68.00
April 2007	61,000	63.08	10,000	61.00	68.00
May 2007	61,000	62.92	10,000	61.00	68.00
June 2007	61,000	62.76	10,000	61.00	68.00
July 2007	61,000	62.61	10,000	61.00	68.00
August 2007	61,000	62.47	10,000	61.00	68.00
September 2007	61,000	62.33	10,000	61.00	68.00
October 2007	61,000	62.18	10,000	61.00	68.00
November 2007	61,000	62.04	10,000	61.00	68.00
December 2007	61,000	61.89	10,000	61.00	68.00
January 2008	106,167	60.42			
February 2008	61,167	58.53			
March 2008	61,167	58.53			
April 2008	61,167	58.53			
May 2008	61,167	58.53			
June 2008	61,167	58.53			
July 2008	61,167	58.53			
August 2008	61,167	58.53			

September 2008	61,167	$58.53	$	$
October 2008	61,167	58.53		
November 2008	61,167	58.53		
December 2008	61,167	58.53		
January 2009	56,500	66.24		
February 2009	56,500	66.24		
March 2009	56,500	66.24		
April 2009	56,500	66.24		
May 2009	56,500	66.24		
June 2009	56,500	66.24		
July 2009	56,500	66.24		
August 2009	56,500	66.24		
September 2009	56,500	66.24		
October 2009	56,500	66.24		
November 2009	56,500	66.24		
December 2009	56,500	66.24		
January 2010	53,150	65.03		
February 2010	53,150	65.03		
March 2010	53,150	65.03		
April 2010	53,150	65.03		
May 2010	53,150	65.03		
June 2010	53,150	65.03		
July 2010	53,150	65.03		
August 2010	53,150	65.03		
September 2010	53,150	65.03		
October 2010	53,150	65.03		
November 2010	53,150	65.03		
December 2010	53,150	65.03		

MV Partners has agreed to convey to the trust 80% of all proceeds that it receives upon settlement of the hedge contracts. There are certain risks associated with this conveyance in the event that MV Partners becomes involved as a debtor in bankruptcy proceedings. See Risk Factors If the financial position of MV Partners degrades in the future, MV Partners may not be able to satisfy its obligations to the trust. In addition, the aggregate amounts paid by MV Partners on settlement of the hedge contracts will be deducted from the gross proceeds available for payment to the trust under the net profits interest. See Business Computation of Net Proceeds Net Profits Interest.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

The only assets of and sources of income to the trust are the net profits interest, which generally entitle the trust to receive 80% of the net proceeds from oil and gas production from the underlying properties, and the trust s interest in the hedge contracts, which generally entitle the trust to receive 80% of any proceeds received by MV Partners from the settlement of certain hedges in existence on January 24, 2007. Consequently, the trust is exposed to market risk from fluctuations in oil and gas prices. For more information regarding the hedge contracts, please see Management s Discussion and Analysis and Results of Operation Hedge and Derivative Contracts. Although the trust may borrow money to pay expenses of the trust, the amount of any such borrowings is unlikely to be material to the trust. As a result, the trust is not subject to any material interest rate market risk.

Item 8. Financial Statements and Supplementary Data.

Report of Independent Registered Public Accounting Firm

To the Members of
MV Partners, LLC

We have audited the accompanying statements of historical revenues and direct operating expenses of the Underlying Properties (the Properties) of MV Partners, LLC (formerly MV Partners, LP) (the Company) for each of the three years in the period ended December 31, 2006. These statements are the responsibility of the Company s management. Our responsibility is to express an opinion on these statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of the Company s internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the statements. We believe that our audits provide a reasonable basis for our opinion.

The accompanying statements were prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission as described in Note B to the statements and are not intended to be a complete presentation of the Company s interests in the Properties.

In our opinion, the statements referred to above present fairly, in all material respects, the historical revenues and direct operating expenses, described in Note B, of the Properties for each of the three years in the period ended December 31, 2006, in conformity with accounting principles generally accepted in the United States of America.

/s/ Grant Thornton LLP
Grant Thornton LLP

Wichita, Kansas
March 30, 2007

Underlying Properties

STATEMENTS OF HISTORICAL REVENUES AND DIRECT OPERATING EXPENSES

	Year ended December 31, 2004	2005	2006
Revenues			
Oil sales	$ 44,363,815	$ 57,353,041	$ 64,149,793
Natural gas sales	570,634	608,830	572,320
Natural gas liquid sales	293,948	311,916	310,731
Hedge and other derivative activity	(14,402,644)	(22,318,871)	(14,393,657)
Total revenues	30,825,753	35,954,916	50,639,187
Direct operating expenses			
Lease operating expenses	10,429,962	11,307,182	11,676,322
Lease maintenance	1,453,895	1,916,009	2,162,289
Lease overhead	2,014,514	2,068,378	2,223,397
Production and property tax	1,389,287	1,866,426	3,459,075
Total direct operating expenses	15,287,658	17,157,995	19,521,083
Excess of revenues over direct operating expenses	$ 15,538,095	$ 18,796,921	$ 31,118,104

The accompanying notes are an integral part of this statement.

Underlying Properties

NOTES TO STATEMENTS OF HISTORICAL REVENUES AND DIRECT OPERATING EXPENSES

For the years ended December 31, 2004, 2005 and 2006

NOTE A PROPERTIES

The underlying properties consist of working interests owned by MV Partners, LLC (formerly MV Partners, LP) (MV) located in Colorado, Kansas and Oklahoma (in 2004 only with respect to Oklahoma).

NOTE B BASIS OF PRESENTATION

The accompanying statements of historical revenues and direct operating expenses were derived from the historical accounting records of MV and reflect the historical revenues and direct operating expenses directly attributable to the underlying properties for the years and periods described herein. Such amounts may not be representative of future operations. The statements do not include depreciation, depletion and amortization, general and administrative expenses, interest expense or other expenses of an indirect nature. The amounts represent MV s net interest in the wells.

Historical financial statements representing financial position, results of operations and cash flows required by generally accepted accounting principles are not presented as such information is not readily available on an individual property basis and not meaningful to the underlying properties. Accordingly, the statements of historical revenues and direct operating expenses are presented in lieu of the financial statements required under Rule 3-05 of Securities and Exchange Commission Regulation S-X.

The accompanying statements of historical revenues and direct operating expenses included herein were prepared on an accrual basis. Revenue from oil, gas and natural gas liquid sales is recognized when sold.

MV has entered into certain swap and collar agreements to mitigate the effects of fluctuations in the prices of crude oil. These agreements involve the exchange of amounts based on a fluctuating oil price for amounts based on a fixed oil price over the life of the agreement, without an exchange of the notional amount upon which the payments are based. MV accounts for the swap agreements as cash flow hedges. The effective portion of the gain or loss on the swap agreement is recorded in earnings as the underlying hedged item affects income. This effective portion, the ineffective portion of the unrealized gain or loss on the derivative instrument and the change in the unrealized gain or loss on the collar agreements are reflected as hedge and other derivative activity in the accompanying statements of historical revenues and direct operating expenses.

The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

NOTE C DISCLOSURES ABOUT OIL AND GAS ACTIVITIES (UNAUDITED)

The estimates of proved reserves and related valuations were based on the reports of Cawley, Gillespie & Associates, Inc., independent petroleum and geological engineers, in accordance with the provisions of Statement of Financial Accounting Standards No. 69 (SFAS No. 69), *Disclosures about Oil and Gas Producing Activities*. Users of this information should be aware that the process of estimating quantities of proved and proved developed natural gas, natural gas liquids and crude oil reserves is very complex, requiring significant subjective decisions in the evaluation of all

Underlying Properties

NOTES TO STATEMENTS OF HISTORICAL REVENUES AND DIRECT OPERATING EXPENSES (Continued)

For the years ended December 31, 2004, 2005 and 2006

NOTE C DISCLOSURES ABOUT OIL AND GAS ACTIVITIES (UNAUDITED) (Continued)

available geological, engineering and economic data for each reservoir. The data for a given reservoir may also change substantially over time as a result of numerous factors, including additional development activity, evolving production history and continual reassessment of the viability of production under varying economic conditions. Consequently, material revisions to existing reserve estimates occur from time to time.

The oil and gas reserves are attributable solely to properties within the United States. A summary of the changes in quantities of proved oil, gas and natural gas liquid reserves of the underlying properties for the years ended December 31, 2004, 2005 and 2006 are as follows:

	Oil (Bbls)	Gas (Mcf)	NGL (Bbls)
Balance at January 1, 2004	15,595,780	1,525,563	114,025
Revisions of previous estimates	1,444,657	(282,855)	(875)
Purchase of minerals in place	16,127		
Extensions and discoveries	846		
Sales of minerals in place	(15,448)		
Production	(1,126,812)	(103,540)	(4,674)
Balance at December 31, 2004	15,915,150	1,139,168	108,476
Revisions of previous estimates(1)	3,053,651	309,242	5,492
Sales of minerals in place	(5,155)		
Production	(1,057,906)	(89,117)	(4,575)
Balance at December 31, 2005	17,905,740	1,359,293	109,393
Revisions of previous estimates	906,676	25,239	188
Production	(1,023,875)	(101,062)	(6,571)
Balance at December 31, 2006	17,788,541	1,283,470	103,010
Proved developed reserves:			
December 31, 2004	15,317,009	1,139,168	108,476
December 31, 2005	15,888,099	1,062,701	109,393
December 31, 2006	15,827,881	1,283,470	103,010

(1) Reserve revisions in 2005 reflect the increase in crude oil prices during the year which has lengthened the economic life of the underlying properties and thereby increased recoverable reserves. In addition, in 2005 MV Partners expanded the scope of its maintenance and development project scheduling from a forward range of 24 to 36 months to 60 months, which also increased recoverable reserves. This expanded scope reflects management s budgeted project activity over the 60 month period commencing January 1, 2006. The expanded scope accommodates additional infield drilling, recompletion and workover projects in the El Dorado Area in addition to 14 Bemis infield drilling locations that have been further refined by recent 3-D seismic activity.

Underlying Properties

NOTES TO STATEMENTS OF HISTORICAL REVENUES AND DIRECT OPERATING EXPENSES (Continued)

For the years ended December 31, 2004, 2005 and 2006

NOTE C DISCLOSURES ABOUT OIL AND GAS ACTIVITIES (UNAUDITED) (Continued)

The following information was developed using procedures prescribed by SFAS No. 69. The standardized measure of discounted future net cash flows should not be viewed as representative of the current value of the underlying properties. It and the other information contained in the following tables may be useful for certain comparative purposes, but should not be solely relied upon in evaluating the underlying properties or their performance.

Management believes that, in reviewing the information that follows, the following factors should be taken into account:

- future costs and sales prices will probably differ from those required to be used in these calculations;
- actual rates of production achieved in future years may vary significantly from the rates of production assumed in the calculations;
- a 10% discount rate may not be reasonable as a measure of the relative risk inherent in realizing future net oil and gas reserves; and
- income taxes are not taken into consideration because MV is a pass-thru entity for tax purposes.

Under the standardized measure, future cash inflows were estimated by applying year-end oil and gas prices, adjusted for location and quality differences, to the estimated future production of year-end proved reserves. Future cash inflows do not reflect the impact of future production that is subject to open hedge and other derivative positions. Future cash inflows were reduced by estimated future development, abandonment and production costs based on year-end costs to arrive at net cash flows. Use of a 10% discount rate and year-end prices and costs are required by SFAS No. 69.

In general, management does not rely on the following information in making investment and operating decisions. Such decisions are based upon a wide range of factors, including estimates of probable and possible as well as proved reserves and varying price and cost assumptions considered more representative of a range of possible economic conditions that may be anticipated. The standardized measure of discounted future net cash flows relating to proved oil and gas reserves are as follows at December 31:

	2004	2005	2006
Future cash inflows	$ 669,493,400	$ 1,050,284,000	$ 1,021,164,125
Production	(299,008,800)	(395,987,600)	(450,513,427)
Development and abandonment	(3,260,000)	(16,513,600)	(16,330,323)
Future net cash flows	367,224,600	637,782,800	554,320,375
Less effect of 10% discount factor	(185,616,900)	(333,250,300)	(279,212,531)
Standardized measure of discounted future net cash flows	$ 181,607,700	$ 304,532,500	$ 275,107,844

Underlying Properties

NOTES TO STATEMENTS OF HISTORICAL REVENUES AND DIRECT OPERATING EXPENSES (Continued)

For the years ended December 31, 2004, 2005 and 2006

NOTE C DISCLOSURES ABOUT OIL AND GAS ACTIVITIES (UNAUDITED) (Continued)

Future cash flows as shown above were reported without consideration for the effects of hedge and other derivative transactions outstanding at each period end. If the effects of hedge and other derivative transactions were included in the computation, then future cash flows would have decreased by $14,175,700 and $7,655,100 in 2004 and 2005, respectively, and increased by $4,802,718 in 2006.

The changes in standardized measure of discounted future net cash flows relating to proved oil and gas reserves are as follows:

	2004	2005	2006
Standardized measure beginning of year	$ 121,336,400	$ 181,607,700	$ 304,532,500
Sales of oil and gas produced, net of production costs	(29,940,739)	(41,115,792)	(45,511,761)
Net change in prices and production costs	57,356,656	94,091,763	(37,195,285)
Extensions and discoveries	17,355		
Changes in estimated future development costs	(349,338)	(11,516,747)	(3,005,440)
Development costs incurred during the period which reduce future development costs	165,000		3,007,100
Revisions of previous quantity estimates	15,933,831	53,096,437	14,355,279
Accretion of discount	12,133,640	18,160,770	30,453,250
Purchase of reserves in place	146,696		
Sales of reserves in place	(136,766)	(22,001)	
Changes in production rates and other	4,944,965	10,230,370	8,472,201
Standardized measure end of year	$ 181,607,700	$ 304,532,500	$ 275,107,844

Average prices in effect at December 31, 2004, 2005 and 2006 used in determining future net revenues related to the standardized measure calculation are as follows:

	2004	2005	2006
Oil (per Bbl)	$ 41.46	$ 57.79	$ 56.81
Gas (per Mcf)	$ 5.18	$ 7.89	$ 4.74
NGL (per Bbl)	$ 34.62	$ 43.74	$ 43.85

Report of Independent Registered Public Accounting Firm

To the Trustee and Unitholders
MV Oil Trust

We have audited the accompanying statement of assets and trust corpus of MV Oil Trust (the Trust) as of December 31, 2006. This financial statement is the responsibility of the Trust s trustee. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of assets and trust corpus is free of material misstatement. The Trust is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of assets and trust corpus, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of assets and trust corpus presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note B to the statement of assets and trust corpus, this statement has been prepared on a cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the statement of assets and trust corpus referred to above presents fairly, in all material respects, the financial position of the Trust as of December 31, 2006, on the basis of accounting described in Note B.

/s/ Grant Thornton LLP
Grant Thornton LLP

Wichita, Kansas
March 30, 2007

MV OIL TRUST
STATEMENT OF ASSETS AND TRUST CORPUS

	December 31, 2006
ASSETS	
Cash	$ 1,000
TRUST CORPUS	
Trust Corpus	$ 1,000

The accompanying notes are an integral part of this financial statement.

55

MV Oil Trust
NOTES TO STATEMENT OF ASSETS AND TRUST CORPUS

NOTE A ORGANIZATION OF THE TRUST

MV Oil Trust (the Trust) is a statutory trust formed on August 3, 2006, under the Delaware Statutory Trust Act pursuant to a Trust Agreement (the Trust Agreement) among MV Partners, LLC (MV Partners) as trustor, The Bank of New York Trust Company, N.A., as Trustee (the Trustee), and Wilmington Trust Company, as Delaware Trustee (the Delaware Trustee).

The Trust was created to acquire and hold a term net profits interest for the benefit of the Trust unitholders pursuant to a conveyance from MV Partners to the Trust. The term net profits interest is an interest in underlying properties consisting of MV Partner s net interests in all of its oil and natural gas properties located in the Mid-Continent region in the states of Kansas and Colorado (the underlying properties). These oil and gas properties include approximately 996 producing oil and gas wells.

The net profits interest is passive in nature and the trustee will have no management control over and no responsibility relating to the operation of the underlying properties. The net profits interest entitles the Trust to receive 80% of the net proceeds attributable to MV Partners interest from the sale of production from the underlying properties. The net profits interest will terminate on the later to occur of (1) June 30, 2026 or (2) the time when 14.4 million barrels of oil equivalent have been produced from the underlying properties and sold, and the Trust will soon thereafter wind up its affairs and terminate.

The Trustee can authorize the Trust to borrow money to pay trust administrative or incidental expenses that exceed cash held by the Trust. The Trustee may authorize the Trust to borrow from the Trustee or the Delaware Trustee as a lender provided the terms of the loan are similar to the terms it would grant to a similarly situated commercial customer with whom it did not have a fiduciary relationship. The Trustee may also deposit funds awaiting distribution in an account with itself and make other short term investments with the funds distributed to the Trust.

NOTE B TRUST ACCOUNTING POLICIES

A summary of the significant accounting policies of the Trust follows.

1. *Basis of accounting*

The Trust uses the cash basis of accounting to report Trust receipts of the term net profits interest, receipts under the hedge and other derivative contracts and payments of expenses incurred. The term net profits interest is revenues (oil, gas and natural gas liquid sales net of any payments made in connection with the settlement of the hedge and other derivative contracts) less direct operating expenses (lease operating expenses, lease maintenance, lease overhead, and production and property taxes) and an adjustment for lease equipment cost and lease development expenses (which are capitalized in financial statements prepared in accordance with generally accepted accounting principles) of the underlying properties times 80% (term net pofits interest percentage). In addition, the trust will be entitled to receive 80% of all payments received by MV Partners upon settlement of the hedge and other derivative contracts. Actual cash receipts may vary due to timing delays of actual cash receipts from the property operators or purchasers and due to wellhead and pipeline volume balancing agreements or practices. The actual cash distributions of the Trust will be made based on the terms of the conveyance creating the Trust s net profits interest which is on a cash basis of accounting.

Amortization of the investment in net profits interest calculated on a unit-of-production basis is charged directly to trust corpus.

MV Oil Trust
NOTES TO STATEMENT OF ASSETS AND TRUST CORPUS (Continued)

NOTE B TRUST ACCOUNTING POLICIES (Continued)

This comprehensive basis of accounting other than GAAP corresponds to the accounting permitted for royalty trusts by the U.S. Securities and Exchange Commission as specified by Staff Accounting Bulletin Topic 12:E, Financial Statements of Royalty Trusts.

Investment in the net profits interest is periodically assessed to determine whether its aggregate value has been impaired below its total capitalized cost based on the underlying properties. The Trust will provide a write-down to its investment in the net profits interest to the extent that total capitalized costs, less accumulated depreciation, depletion and amortization, exceed undiscounted future net revenues attributable to the proved oil and gas reserves of the underlying properties.

2. *Use of estimates*

The preparation of the statement of assets and trust corpus requires the Trustee to make estimates and assumptions that affect the reported amount of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE C INCOME TAXES

Tax counsel to the Trust advised the Trust at the time of formation that, under then current tax laws, in its opinion the net profits interest should be treated as a debt instrument for federal income tax purposes, and the Trust should be required to treat a portion of each payment it receives with respect to the net profits interest as interest income in accordance with the noncontingent bond method under the original issue discount rules contained in the Internal Revenue Code of 1986, as amended, and the corresponding regulations. Tax counsel to the Trust also advised the Trust at the time of formation that in its opinion the Trust will be treated as a grantor trust for federal income tax purposes. On the basis of this advice, trust unitholders will be considered to own and receive the trust s assets and income and will be directly taxable thereon as if no trust were in existence.

NOTE D DISTRIBUTIONS TO UNITHOLDERS

The Trustee determines for each quarter the amount available for distribution to the Trust unitholders. This distribution is expected to be made on or before the 25th day of the month following the end of each quarter to the Trust unitholders of record on the 15th day of the month following the end of each quarter (or the next succeeding business day). Such amounts will be equal to the excess, if any, of the cash received by the Trust during the preceeding quarter, over the liabilities of the Trust paid during such quarter, subject to adjustments for changes made by the Trustee during such quarter in any cash reserves established for future liabilities of the Trust.

NOTE E PUBLIC OFFERING AND SUBSEQUENT EVENT

On December 29, 2006, the registration statement on Form S-1 (Registration No. 333-136609) filed by MV Partners and the Trust in connection with the initial public offering of the trust units was declared effective by the SEC. The registration statement registered for sale to the public 8,625,000 trust units of MV Oil Trust in the aggregate. On January 24, 2007, MV Oil Trust issued 11,500,000 trust units to MV Partners in exchange for the conveyance by MV Partners of the net profits interest discussed in Note A as well as interests in certain hedge contracts entered into by MV Partners. Immediately thereafter, MV Partners sold 7,500,000 of the Trust units in the offering at a price of $20 per unit and the remaining 4,000,000 pro rata to each of the members of MV Partners at a price of $20 per unit. Immediately

MV Oil Trust
NOTES TO STATEMENT OF ASSETS AND TRUST CORPUS (Continued)

NOTE E PUBLIC OFFERING AND SUBSEQUENT EVENT (Continued)

following the sale by MV Partners to its members, the members of MV Partners sold in the offering 562,500 trust units in the aggregate at a price of $20 per unit. On January 31, 2007, the members of MV Partners sold in the offering an additional 562,500 trust units in the aggregate at a price of $20 per unit.

The first quarterly distribution was $1.0122 per Trust unit and was made on February 23, 2007 to Trust unit holders owning Trust units as of February 15, 2007. This distribution consisted of an amount in cash paid by MV Partners equal to the amount that would have been payable to the Trust had the net profits interest been in effect during the period from July 1, 2006 through December 31, 2006. Furthermore, this cash payment included 80% of all amounts paid to/by MV Partners from/to hedge contract counterparties for settlements related to the period from July 1, 2006 to December 31, 2006. The second quarterly distribution is expected to be made on or about April 25, 2007 and will include the net proceeds of production collected from January 1, 2007 through March 31, 2007, including all hedge contract settlements.

MV Oil Trust

UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following unaudited pro forma statement of assets and trust corpus and unaudited pro forma statement of distributable income for the Trust have been prepared to illustrate the conveyance of the term net profits interest in the underlying properties to the Trust by MV Partners, LLC. The unaudited pro forma statement of assets and trust corpus presents the statement of assets and trust corpus of the Trust as of December 31, 2006, giving effect to the net profits interest conveyance which actually occurred in January 2007 as if it occurred on December 31, 2006. The unaudited pro forma statement of distributable income for the year ended December 31, 2006, gives effect to the net profits interest conveyance as if it occurred on January 1, 2006, reflecting only pro forma adjustments expected to have a continuing impact on the combined results.

These unaudited pro forma financial statements are for informational purposes only. They do not purport to present the results that would have actually occurred had the net profits interest conveyance been completed on the assumed dates or for the period presented, or which may be realized in the future.

To produce the pro forma financial information, management made certain estimates. The accompanying unaudited pro forma statement of assets and trust corpus assumes a December 31, 2006 issuance of 11,500,000 trust units at $20.00 per unit which actually occurred in January 2007. The accompanying unaudited pro forma statement of distributable income for the year ended December 31, 2006 has been prepared assuming trust formation and net profits interest conveyance on January 1, 2006.

These estimates are based on the most recently available information from the actual net profits interest conveyance that took place in January 2007. To the extent there are significant changes in these amounts, the assumptions and estimates herein could change significantly. The unaudited pro forma statement of assets and trust corpus and unaudited pro forma statement of distributable income should be read in conjunction with the historical audited statements of the Trust and the Underlying Properties, including the related notes, included in this Form 10-K.

MV Oil Trust

Unaudited Pro Forma Statement of Assets and Trust Corpus

December 31, 2006

	Historical	Adjustments		Pro Forma
ASSETS				
Cash	$ 1,000	$		$ 1,000
Investment in Net Profits Interest		50,383,675	(a)	50,383,675
	$ 1,000	$ 50,383,675		$ 50,384,675
TRUST CORPUS				
11,500,000 Trust Units Issued and Outstanding	$ 1,000	$ 50,383,675		$ 50,384,675

The accompanying notes are an integral part of the unaudited pro forma financial information.

MV Oil Trust

Unaudited Pro Forma Statement Of Distributable Income

For the year ended December 31, 2006

	Year ended December 31, 2006		
Historical results			
Income from the net profits interests and hedge and other derivative activities	22,471,372		
Pro Forma Adjustments			
Less trust general and administative expenses	60,000		(b)
Distributable income	$	22,411,372	
Distributable income per unit	$	1.95	

The accompanying notes are an integral part of the unaudited pro forma financial information.

61

MV Oil Trust
NOTES TO UNAUDITED PRO FORMA FINANCIAL INFORMATION

NOTE A BASIS OF PRESENTATION

MV Oil Trust (the Trust) will own a term net profits interest in oil and gas producing properties located in Kansas and Colorado and owned by MV Partners, LLC. (MV Partners). The term net profits interest entitles the Trust to receive 80% of the net proceeds attributable to MV Partners interest from the sale of production from these properties. The net profits interest will terminate on the later to occur of (1) June 30, 2026 or (2) the time when 14.4 million barrels of oil equivalent have been produced from the underlying properties and sold, and the Trust will soon thereafter wind up its affairs and terminate.

The unaudited pro forma financial information assumes the issuance of 11,500,000 trust units at $20.00 per unit which actually occurred in January 2007.

The Trust was formed on August 3, 2006 under Delaware law to acquire and hold the net profits interest for the benefit of the holders of the trust units. The net profits interest is passive in nature and the trustee has no management control over and no responsibility relating to the operation of the underlying properties.

NOTE B TRUST ACCOUNTING POLICIES

These unaudited pro forma statements are prepared using the accrual basis information from the historical revenue and direct operating expenses of the underlying properties. The Trust uses the cash basis of accounting to report Trust receipts of the term net profits interest and payments of expenses incurred. Actual cash receipts may vary due to timing delays of actual cash receipts from the property operators or purchasers and due to wellhead and pipeline volume balancing agreements or practices. The actual cash distributions of the Trust will be made based on the terms of the conveyance creating the Trust s net profits interest which is on a cash basis of accounting. An adjustment is made for the lease equipment cost and lease development expenses which will reduce the cash distributions but are not shown as expenses on the accrual basis historical data.

Investment in the net profits interest is recorded initially at the historic cost of MV Partners and periodically assessed to determine whether its aggregate value has been impaired below its total capitalized cost based on the underlying properties. The Trust will provide a write-down to its investment in the net profits interest to the extent that total capitalized costs, less accumulated depreciation, depletion and amortization, exceed undiscounted future net revenues attributable to the proved oil and gas reserves of the underlying properties.

MV Partners believes that the assumptions used provide a reasonable basis for presenting the significant effects directly attributable to this transaction.

This unaudited pro forma financial information should be read in conjunction with the statement of historical revenues and direct operating costs for the underlying properties and related notes for the periods presented.

NOTE C INCOME TAXES

The Trust is a Delaware statutory trust and is not required to pay federal or state income taxes. Accordingly, no provision for federal or state income taxes has been made.

MV Oil Trust
NOTES TO UNAUDITED PRO FORMA FINANCIAL INFORMATION (Continued)

NOTE D INCOME FROM NET PROFITS INTEREST AND HEDGE AND OTHER DERIVATIVE ACTIVITIES

	Year ended December 31, 2006
Excess of revenues over direct operating expenses of Underlying Properties including hedge and other derivative activity	$ 31,118,104
Lease equipment and development costs(1)	(3,028,889)
Excess of revenues over direct operating expenses and lease equipment and development costs	28,089,215
Times net profit interest over the term of the Trust	80 %
Income from net profits interest and hedge and other derivative activities	$ 22,471,372

(1) Per terms of the net profits interest, lease equipment and development costs are to be deducted when calculating the distributable income to the Trust.

NOTE E PRO FORMA ADJUSTMENTS

(a) MV Partners will convey the net profits interest to the Trust in exchange for 11,500,000 trust units.

The net profits interest is recorded at the historical cost of MV Partners (except for the hedge which is valued at the close of business on January 23, 2007, the day before the actual conveyance of the net profits interest) and is calculated as follows:

Oil and gas properties	$ 96,210,819
Accumulated depreciation, depletion and amortization	(40,468,762)
Hedge asset	7,237,537
Net property value to be conveyed	62,979,594
Times 80% net profits interest to Trust	$ 50,383,675

(b) The Trust will pay an annual administrative fee to MV Partners, which fee is assumed to total $60,000 in 2006 and will increase by 4% each year beginning in January 2007.

Additionally, the Trust estimates $600,000 annually for general and administrative expenses, which includes the annual fee to the Trustees, legal fees, accounting fees, engineering fees, printing costs and other expenses properly chargeable to the Trust. If the estimated expenses were included in the unaudited pro forma statement of distributable income, the distributable income would be $21,811,372 or $1.90 per unit for the year ended December 31, 2006.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Evaluation of disclosure controls and procedures. The trustee maintains disclosure controls and procedures designed to ensure that information to be disclosed by the trust in the reports that it files or submits under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the rules and regulations promulgated by the Securities and Exchange Commission. Disclosure controls and procedures include controls and procedures designed to ensure that information required to be disclosed by the trust is accumulated and communicated by MV Partners to The Bank of New York Trust Company, N.A., as trustee of the trust, and its employees who participate in the preparation of the trust s periodic reports as appropriate to allow timely decisions regarding required disclosure.

As of the end of the period covered by this report, the trustee carried out an evaluation of the trust s disclosure controls and procedures. Mike Ulrich, as Trust Officer and trustee, has concluded that the disclosure controls and procedures of the trust are effective.

Due to the contractual arrangements of (i) the trust agreement and (ii) the conveyance of the net profits interest, the trustee relies on (A) information provided by MV Partners, including historical operating data, plans for future operating and capital expenditures, reserve information and information relating to projected production, and (B) conclusions and reports regarding reserves by the trust s independent reserve engineers. See Item 1A. Risk Factors The Trust and the public trust unitholders have no voting or managerial control with respect to MV Partners, the operator of the underlying properties. As a result, public trust unitholders have no ability to influence the operation of the underlying properties. in this Form 10-K, and Management s Discussion and Analysis of Financial Condition and Results of Operation for a description of certain risks relating to these arrangements and reliance on information when reported by MV Partners to the trustee and recorded in the trust s results of operation.

Internal Control Over Financial Reporting

This Form 10-K does not include a report of the trust s assessment regarding internal control over financial reporting or an attestation report of the trust s registered public accounting firm due to a transition period established by rules of the SEC for newly public entities.

Changes in Internal Control Over Financial Reporting. During the year ended December 31, 2006, there has been no change in the trustee s internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the trustee s internal control over financial reporting relating to the trust. The trustee notes for purposes of clarification that it has no authority over, and makes no statement concerning, the internal control over financial reporting of MV Partners.

Item 9B. Other Information.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

The trust has no directors or executive officers. The trustee is a corporate trustee that may be removed by the affirmative vote of the holders of not less than a majority of the outstanding trust units at a meeting at which a quorum is present.

Section 16(a) Beneficial Ownership Reporting Compliance

During the year ended December 31, 2006, the trust did not have a class of equity securities registered under Section 12 of the Securities Exchange Act of 1934.

Audit Committee and Nominating Committee

Because the trust does not have a board of directors, it does not have an audit committee, an audit committee financial expert or a nominating committee.

Code of Ethics

The trust does not have a principal executive officer, principal financial officer, principal accounting officer or controller and, therefore, has not adopted a code of ethics applicable to such persons. However, employees of the trustee must comply with the bank s code of ethics.

Item 11. Executive Compensation.

During the year ended December 31, 2006, the trustee did not receive any compensation from the trust. The trust does not have any executive officers. Because the trust does not have a board of directors, it does not have a compensation committee.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

(a) Security Ownership of Certain Beneficial Owners.

The following information has been taken from filings with the Securities and Exchange Commission on Forms 3 and 4.

Beneficial Owner	Trust Units Beneficially Owned	Percent of Class
MV Energy, LLC(1)	2,875,000	25.0 %
VAP-I, LLC(1)	1,437,500	12.5 %

(1) The address of each of MV Energy and VAP-I is 1700 Waterfront, Building 500, Wichita, Kansas 67206. MV Energy is the managing member of VAP-I. As a result, MV Energy has sole voting and investment power with respect to the trust units held by VAP-I. Each of MV Energy and VAP-I is the record owner of 1,437,500 trust units.

(b) Security Ownership of Management.

Not applicable.

(c) Changes in Control.

The registrant knows of no arrangement, including any pledge by any person of securities of the registrant or any of its parents, the operation of which may at a subsequent date result in a change of control of the registrant.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

Under the terms of the Conveyance governing the net profits interest and the assignment of the interest in the hedge contracts, MV Partners is obligated to make certain payments to the trust on a quarterly basis. Please see Business Computation of Net Proceeds for more information about these agreements.

Administrative Services Agreement

The trust has entered into an administrative services agreement with MV Partners that obligates the trust, throughout the term of the trust, to pay to MV Partners each quarter an administrative services fee for accounting, bookkeeping and informational services performed by MV Partners on behalf of the trust relating to the net profits interest. The annual fee, payable in equal quarterly installments, would have been a total of $60,000 in 2006, which will increase by 4% each year starting as of January 2007. For the year ended December 31, 2006, the trust paid MV Partners an administrative services fee of $30,000 to reflect the six months ended December 31, 2006. The administrative services agreement will terminate upon the termination of the net profits interest unless earlier terminated by mutual agreement of the trustee and MV Partners.

Registration Rights

The trust entered into a registration rights agreement with MV Partners in connection with MV Partners' conveyance to the trust of the net profits interest. In the registration rights agreement, the trust agreed, for the benefit of MV Partners and any transferee of its trust units (each, a "holder"), to register the trust units it holds. Specifically, the trust agreed:

- subject to certain restrictions, to use its reasonable best efforts to file a registration statement, including, if so requested, a shelf registration statement, with the SEC as promptly as practicable following receipt of a notice requesting the filing of a registration statement from holders representing a majority of the then outstanding registrable trust units;

- to use its reasonable best efforts to cause the registration statement or shelf registration statement to be declared effective under the Securities Act as promptly as practicable after the filing thereof; and

- to continuously maintain the effectiveness of the registration statement under the Securities Act for 90 days (or for three years if a shelf registration statement is requested) after the effectiveness thereof or until the trust units covered by the registration statement have been sold pursuant to such registration statement or until all registrable trust units:

- have been sold pursuant to Rule 144 under the Securities Act if the transferee thereof does not receive "restricted securities;"

- have been sold in a private transaction in which the transferor's rights under the registration rights agreement are not assigned to the transferee of the trust units; or

- become eligible for resale pursuant to Rule 144(k) (or any similar rule then in effect under the Securities Act).

The holders will have the right to require the trust to file up to three registration statements and will have piggyback registration rights in certain circumstances.

In connection with the preparation and filing of any registration statement, MV Partners will bear all costs and expenses incidental to any registration statement, excluding certain internal expenses of the trust, which will be borne by the trustee, and any underwriting discounts and commissions, which will be borne by the seller of the trust units.

Item 14. Principal Accountant Fees and Services.

The trust does not have an audit committee. Any pre-approval and approval of all services performed by the principal auditor or any other professional service firms and related fees are granted by the trustee.

The following table presents fees for professional audit services rendered by Grant Thornton LLP for the audit of the trust s financial statements for 2006 and fees billed for other services rendered by Grant Thornton LLP.

	2006
Audit fees	$ 31,050
Audit-related fees	
Tax fees	
All other fees	
Total fees	$ 31,050

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a)(1) *Financial Statements*

The following financial statements are set forth under Part II, Item 8 of this Form 10-K on the pages indicated:

(a)(2) *Schedules*

Schedules have been omitted because they are not required, not applicable or the information required has been included elsewhere herein.

(a)(3) *Exhibits*

See Exhibit Index

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MV OIL TRUST	
By	THE BANK OF NEW YORK TRUST COMPANY, N.A.
By:	/s/ MIKE ULRICH
	Mike Ulrich
	Vice President

April 2, 2007

The Registrant, MV Oil Trust, has no principal executive officer, principal financial officer, board of directors or persons performing similar functions. Accordingly, no additional signatures are available and none have been provided. In signing the report above, the trustee does not imply that it has performed any such function or that such function exists pursuant to the terms of the trust agreement under which it serves.

68

INDEX TO EXHIBITS

Exhibit Number	**Description**
3.1	Certificate of Trust of MV Oil Trust. (Incorporated herein by reference to Exhibit 3.3 to the Registration Statement on Form S-1 (Registration No. 333-136609))
3.2	Amended and Restated Trust Agreement, dated January 24, 2007, among MV Partners, LLC, The Bank of New York Trust Company, N.A. and Wilmington Trust Company. (Incorporated herein by reference to Exhibit 3.1 to our Current Report on Form 8-K filed on January 25, 2007 (File No. 1-33219))
10.1	Conveyance of Net Profits Interest, dated January 24, 2007, from MV Partners, LLC to The Bank of New York Trust Company, N.A. as Trustee of MV Oil Trust. (Incorporated herein by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on January 25, 2007 (File No. 1-33219))
10.2	Administrative Services Agreement, dated January 24, 2007, by and between MV Partners, LLC and The Bank of New York Trust Company, N.A. as Trustee of MV Oil Trust. (Incorporated herein by reference to Exhibit 10.2 to our Current Report on Form 8-K filed on January 25, 2007 (File No. 1-33219))
10.3	Registration Rights Agreement, dated January 24, 2007, by and between MV Partners, LLC and The Bank of New York Trust Company, N.A. as Trustee of MV Oil Trust. (Incorporated herein by reference to Exhibit 4.1 to our Current Report on Form 8-K filed on January 25, 2007 (File No. 1-33219))
10.4	Assignment of Hedge Proceeds, dated January 24, 2007, by and between MV Partners, LLC and The Bank of New York Trust Company, N.A. as Trustee of MV Oil Trust. (Incorporated herein by reference to Exhibit 10.3 to our Current Report on Form 8-K filed on January 25, 2007 (File No. 1-33219))
31.1*	Certificate filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certificate furnished pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

* Filed herewith.