TORTOISE ENERGY INFRASTRUCTURE CORP
Form 497
March 28, 2007

Filed pursuant to Rules 497(c) and (h) under
the Securities Act of 1933, as amended,
File No. 333-140457

PROSPECTUS SUPPLEMENT
(To prospectus dated March 14, 2007)

427,915 Shares

Tortoise Energy Infrastructure Corporation

Common Stock

We are offering 427,915 shares of our common stock. 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. We are a nondiversified, closed-end management investment company. This prospectus supplement, together with the accompanying prospectus dated March 14, 2007, sets forth the information that you should know before investing.

Our currently outstanding shares of common stock are, and the shares offered in this prospectus supplement and accompanying prospectus will be, listed on the New York Stock Exchange under the symbol TYG. The last reported sale price of our common stock on March 27, 2007 was $37.16 per share. The net asset value per share of our common stock at the close of business on March 27, 2007 was $36.56.

Investing in our common stock involves risks that are described in the Risk Factors section beginning on page 27 of the accompanying prospectus.

	Per Share	Total
Public offering price	$ 37.160	$ 15,901,321
Placement agent s fee	$ 0.557	$ 238,520
Proceeds, before offering expenses, to us(1)	$ 36.603	$ 15,662,801

(1) The aggregate offering expenses are estimated to be $115,060, all of which will be borne by us.

Neither the Securities and Exchange Commission nor any State Securities Commission has approved or disapproved of these securities or determined if this prospectus supplement or accompanying prospectus is

truthful or complete. Any representation to the contrary is a criminal offense.

The shares will be ready for delivery to purchasers on or about March 30, 2007.

Stifel Nicolaus
Placement Agent

The date of this prospectus supplement is March 27, 2007.

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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 placement agent has 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 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 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, 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 the prospectus accompanying this prospectus supplement. We urge you to review carefully that section 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 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 27 of the accompanying prospectus.

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 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. 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 energy infrastructure MLPs. Since that time, we completed three additional offerings of common stock in December 2004, August 2006 and December 2006. As of the date of this prospectus supplement, we have two series of Money Market Cumulative Preferred (MMP®) Shares (MMP Shares) and three series of Auction Rate Senior Notes (Tortoise Notes) outstanding. We may borrow from time to time using our unsecured 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, taxes on our taxable income, and leverage costs paid by us (including leverage costs of the Tortoise Notes and MMP 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 infrastructure 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 November 30, 2006, the Adviser had approximately $2 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 (TYY), Tortoise North American Energy Corporation (TYN) and Tortoise Capital Resources Corporation (TTO), which are also publicly traded, closed-end management investment companies. TYY, which commenced operations on May 31, 2005, invests primarily in equity securities of MLPs and their affiliates in the energy infrastructure sector. TYN, which commenced operations on October 31, 2005, invests primarily in equity securities of companies in the energy sector whose primary operations are in North America. TTO, which commenced operations on December 8, 2005, invests primarily in privately held and micro-cap public companies operating in the midstream and downstream segments, and to a lesser extent the upstream segment, of the energy infrastructure sector. TTO has elected to be regulated as a business development company under the Investment Company Act of 1940.

The principal business address of the Adviser is 10801 Mastin Boulevard, Suite 222, Overland Park, Kansas 66210.

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The Offering

Common stock offered by the Company	427,915 shares
Shares outstanding after the offering	18,700,689 shares
Use of proceeds	We estimate that our net proceeds from this offering after expenses will be approximately $15,547,741. We intend to use these net proceeds to retire a portion of our short-term debt outstanding under our credit facility and incurred in connection with the acquisition of equity portfolio securities in pursuit of our investment objective and policies and for working capital purposes. See Use of Proceeds.
Risk factors	See 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 Expense	
Placement agent s fee (as a percentage of offering price)	1.50%
Offering expenses borne by us (as a percentage of offering price)	0.72%

Recent Developments

On March 22, 2007, we entered into a new unsecured credit facility that allows us to borrow up to $150 million. The new credit facility replaces our previous credit facility and the outstanding balance on our previous credit facility was transferred to the new credit facility.

Under the terms of the new credit facility, U.S. Bank, N.A. will serve as a lender and the lending syndicate agent on behalf of other lenders participating in the credit facility. Outstanding balances under the new credit facility generally will accrue interest at a variable annual rate equal to one-month LIBOR plus 0.75%. The new credit facility expires on March 21, 2008 and we may draw on the credit facility from time to time to invest in accordance with our investment policies and for working capital purposes.

On March 27, 2007, we issued an aggregate principal amount of $70 million of our Tortoise Notes (the Series D Notes). The Series D Notes were issued without coupons in denominations of $25,000 and are due and payable on March 27, 2047. We used all of the net proceeds (approximately $69.1 million) of the issuance of the Series D Notes to retire a portion of the outstanding balance under our new credit facility. As of the date of this prospectus supplement, we had approximately $46.3 million outstanding under our new credit facility.

We expect to offer an additional series (Series III) of auction rate preferred stock (referred to as Money Market Cumulative Preferred Shares or MMP Shares) in a separate offering. We expect to offer the Series III MMP Shares with a liquidation preference of $25,000 per share.

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USE OF PROCEEDS

We estimate that we will receive net proceeds from this offering of approximately $15.5 million, after deducting our estimated offering expenses.

We intend to use the net proceeds of this offering to retire a portion of our short-term debt outstanding under our new credit facility. Outstanding balances under the new credit facility generally accrue interest at a variable annual rate equal to one-month LIBOR plus 0.75%. As of the date of this prospectus supplement, the current rate is 6.07%. The new credit facility remains in effect through March 21, 2008, and we may draw on the facility from time to time to invest in accordance with our investment policies and for working capital purposes. As of the date of this prospectus supplement, we had approximately $46.3 million outstanding under our new credit facility.

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Capitalization

The following table sets forth our capitalization: (i) as of November 30, 2006, (ii) pro forma to reflect the use of both our previous and new credit facility through March 27, 2007, the issuance of 1,500,000 shares of our common stock on December 18, 2006 in an underwritten public offering, the issuance of 40,709 shares of our common stock on March 1, 2007 pursuant to our automatic dividend reinvestment plan and the issuance of the Series D Notes on March 27, 2007; and (iii) pro forma as adjusted to give effect to the issuance of the common shares offered hereby. As indicated below, common stockholders will bear the offering costs associated with this offering.

	Actual	Pro Forma(2) (Unaudited)	Pro Forma as Adjusted (Unaudited)
Short-Term Debt:			
Unsecured credit facility: $150,000,000 available(1)	$ 32,450,000	$ 46,300,000	30,752,259
Long-Term Debt:			
Tortoise Notes, denominations of $25,000 or any multiple thereof(2)	$ 165,000,000	$ 235,000,000	$ 235,000,000
Preferred Stock:			
MMP Shares, $25,000 stated value per share at liquidation; 10,000,000 shares authorized/2,800 shares issued(2)	$ 70,000,000	$ 70,000,000	$ 70,000,000
Common Stockholders Equity:			
Common Stock, $.001 par value per share; 100,000,000 shares authorized; 16,732,065 (18,272,774 pro forma; 18,700,689 pro forma as adjusted) shares outstanding(3)	$ 16,732	$ 18,273(4)	$ 18,701(4)
Additional paid-in capital	$ 335,685,469	$ 387,308,264(5)	$ 402,855,577(5)(6)
Accumulated net investment loss, net of deferred tax benefit	$ (8,705,900)	$ (8,705,900)	$ (8,705,900)
Undistributed realized gain, net of deferred tax expense	$ 9,400,335	$ 9,400,335	$ 9,400,335
Net unrealized gain on investments and interest rate swap contracts, net of deferred tax expense	$ 196,036,729	$ 196,036,729	$ 196,036,729
Net assets applicable to common stock	$ 532,433,365	$ 584,057,701	$ 599,605,442

(1) As of November 30, 2006 we had an unsecured credit facility with U.S. Bank N.A. that allowed us to borrow up to $60,000,000. Effective February 27, 2007, the amount we could borrow under that credit facility was increased to $120,000,000. Effective March 22, 2007, we entered into a new unsecured credit facility with U.S. Bank, N.A. and a lending syndicate that allows us to borrow up to $150,000,000 and which expires on March 21, 2008. The new credit facility replaces our previous credit facility and the outstanding balance on our previous credit facility was transferred to the new credit facility.

(2)

Reflects the application of proceeds from our issuance of 1,500,000 shares of common stock on December 18, 2006 in an underwritten public offering, the subsequent increase in borrowing under both our previous and new credit facility through March 27, 2007 and our issuance of an aggregate principal amount of $70,000,000 of Series D Notes on March 27, 2007 to retire a portion of our short-term debt.

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

(4) Reflects the issuance of 1,500,000 shares of our common stock (aggregate par value $1,500) on December 18, 2006 and the issuance of 40,709 shares of our common stock (aggregate par value $41) on March 1, 2007 pursuant to our automatic dividend reinvestment plan.

(5) Reflects the issuance of 1,500,000 shares of our common stock on December 18, 2006 ($50,206,426) less $0.001 par value per share ($1,500), and the issuance of 40,709 shares of common stock on March 1, 2007 ($1,417,910) less $0.001 par value per share ($41).

(6) Pro forma as adjusted additional paid-in capital reflects the proceeds of the issuance of the common shares offered hereby ($15,901,321), less $.001 par value per share common stock ($428), the placement agent s fee ($238,520) and less the estimated offering expenses borne by us ($115,060) related to the issuance of the common shares.

PLAN OF DISTRIBUTION

Stifel, Nicolaus & Company, Incorporated (the placement agent), has entered into a placement agency agreement with us in which they have agreed to act as placement agent in connection with this offering. The placement agent is not purchasing or selling any of the shares being offered by this prospectus supplement and the accompanying prospectus. Rather, they have agreed to use reasonable efforts to arrange for the sale of all of the shares offered hereby.

The placement agency agreement provides that the obligations of the placement agent are subject to certain conditions precedent, including the absence of any material adverse change in our business and the receipt of certain certificates and opinions from us and our counsel.

The placement agents propose to arrange for the sale to one or more purchasers of the shares of common stock offered pursuant to this prospectus supplement and the accompanying prospectus through direct purchase agreements between the purchasers and us. Our obligation to issue and sell shares to the purchasers is subject to the conditions set forth in the purchase agreements, which may be waived by us in our discretion. A purchaser s obligation to purchase shares also is subject to conditions set forth in the purchase agreement, which also may be waived.

We have agreed to indemnify the placement agent against certain liabilities, including liabilities under the 1933 Act, or to contribute to payments the placement agent may be required to make in respect of those liabilities; provided that such indemnification shall not extend to any liability or action resulting from the gross negligence or willful misconduct of the placement agent.

Commissions and Discounts

We have agreed to pay the placement agent a fee equal to 1.50% of the proceeds of this offering and to reimburse the placement agent for reasonable expenses incurred in connection with this offering. The following table shows the per share and total fees we will pay to the placement agent in connection with the sale of the shares being offered pursuant to this prospectus supplement and the accompanying prospectus, assuming the purchase of all the shares offered hereby.

Per share placement agent s fee	$ 0.557
Total placement agent s fee	$ 238,520

We estimate that the total expenses of this offering that will be payable by us, excluding the placement agent s fee and the reimbursement of the placement agent for other reasonable expenses incurred in connection with this offering, will be approximately $115,060.

New York Stock Exchange Listing

Our currently outstanding shares of common stock are, and the shares of common stock sold pursuant to this prospectus supplement and the accompanying prospectus will be, listed on the New York Stock Exchange under the symbol TYG.

Other Relationships

The placement agent and its affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us. They have received customary fees and commissions for these transactions.

The address of the placement agent is Stifel, Nicolaus & Company, Incorporated, 501 North Broadway, St. Louis, Missouri 63102.

LEGAL MATTERS

Certain legal matters in connection with the securities offered hereby will be passed upon for us by Blackwell Sanders Peper Martin, LLP (Blackwell Sanders), Kansas City, Missouri. Certain legal matters in connection with the securities offered hereby will be passed upon for the placement agent by Kaye Scholer LLP (Kaye Scholer), New York, New York. Blackwell Sanders and Kaye Scholer 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 Securities Exchange Act of 1934, as amended and the Investment Company Act of 1940, as amended, 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 most recent shareholder report filed with the SEC is for the period ended November 30, 2006 and is incorporated by reference into our registration statement. 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 Advisor 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 Advisor 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 Exchange Act.

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Base Prospectus

$350,000,000
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, up to $350,000,000 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 and 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 March 14, 2007, the last reported sale price for our common stock was $36.77.

Investing in our securities involves certain risks. You could lose some or all of your investment. See Risk Factors beginning on page 27 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 March 14, 2007

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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 March 14, 2007, 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 61 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 10801 Mastin Boulevard, Suite 222, Overland Park, Kansas 66210. 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 is not federally insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency.

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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.

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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 27 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. 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 completed three additional offerings of common stock in December 2004, August 2006 and December 2006. As of the date of this prospectus, we have $70 million of Money Market Cumulative Preferred (MMP®) Shares (MMP Shares) and $165 million of Auction Rate Senior Notes (Tortoise Notes) outstanding and have entered into an unsecured revolving credit facility with U.S. Bank N.A., which currently allows us to borrow up to $120,000,000. Our fiscal year ends on November 30.

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 infrastructure 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 November 30, 2006, 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 .

The Adviser also serves as the investment adviser to Tortoise Energy Capital Corporation (TYY) and Tortoise North American Energy Corporation (TYN), which are also publicly traded, closed-end management investment companies. TYY, which commenced operations on May 31, 2005, invests primarily in equity securities of MLPs and their affiliates in the energy infrastructure sector. TYN, which commenced operations on October 31, 2005, invests primarily in equity securities of companies in the energy sector whose primary operations are in North America. The Adviser also serves as the investment adviser to Tortoise Capital Resources Corporation (TTO), a non-diversified closed-end management investment company that has elected to be regulated as a business development company (a BDC) under the Investment Company Act of 1940 (the 1940 Act). TTO, which commenced operations on December 8, 2005, invests primarily in privately held and micro-cap public energy companies operating in the midstream and downstream segments, and to a lesser extent the upstream segment.

The principal business address of the Adviser is 10801 Mastin Boulevard, Suite 222, Overland Park, Kansas 66210.

The Offering

We may offer, on an immediate, continuous or delayed basis, up to $350,000,000 of our securities, 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). Preferred stock and debt securities (collectively, senior securities) may be auction rate securities, in which case the senior securities will not be listed on any exchange or automated quotation system. Rather, investors generally may only buy and sell senior securities through an auction conducted by an auction agent and participating broker-dealers.

While the number and amount of securities we may issue pursuant to this registration statement is limited to $350,000,000 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 from the sale of our securities primarily to invest in energy infrastructure companies in accordance with our investment objective and policies within approximately three months of receipt of such proceeds. We also may use sale proceeds to retire all or a portion of any short-term debt, and 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.

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 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 the Tortoise Notes and MMP Shares 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, most of which have been characterized as returns of capital for federal income tax purposes. 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 a tax-free return of capital to the extent of the stockholder s basis 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 solely 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.

Although we also may invest in equity and debt securities of energy infrastructure companies that are organized and/or taxed as corporations, it is likely that any such investments will be in debt securities because the dividends from equity securities of such corporations typically do not meet 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

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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 will enable us to increase the aggregate amount of our leverage. Currently, we are using leverage and anticipate continuing to use leverage to represent approximately 33% of our total assets, including the proceeds of such leverage. However, we reserve the right at any time, if we believe that market conditions are appropriate, 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 debt). On July 24, 2006, our Board of Directors 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.

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 currently use, and may in the future 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. 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 their proprietary accounts or 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:

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 and tax 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.

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.

Hedging Strategy Risk. We currently use, and may in the future use, interest rate transactions for hedging purposes only, in an attempt to reduce the interest rate risk arising from our leveraged capital structure. 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.

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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.

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. The Adviser relies in part on the officers, employees, and resources of its affiliate, Fountain Capital Management, L.L.C. (Fountain Capital), for certain functions. These services are provided pursuant to an informal arrangement between the parties.

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. There is no assurance that a leveraging strategy will be successful. Currently, we anticipate using leverage to represent approximately 33% of our total assets, including the proceeds from such leverage. However, we reserve the right at any time, if we believe that market conditions are appropriate, to use financial leverage to the extent permitted by the 1940 Act (50% for preferred stock and 331/3% for debt). Common stockholders bear the cost of leverage. On July 24, 2006, our Board of Directors 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.

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 a limited trading history and 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, which will likely be auction rate securities, include the following:

Interest Rate Risk. To the extent that senior securities trade through an auction, such securities pay dividends or interest based on short-term interest rates. If short-term interest rates rise, dividends or interest on the auction rate senior securities may rise so that the amount of dividends or interest due to holders of auction rate senior securities would exceed the cash flow generated by our portfolio securities. This might require that we sell portfolio securities at a time when we would otherwise not do so, which may affect adversely our future ability to generate cash flow. In addition, rising market interest rates could impact negatively the value of our investment portfolio, reducing the amount of assets serving as asset coverage for the 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 the Tortoise Notes or any other borrowings.

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 at an auction or in the secondary market, though probably with higher resulting interest rates. If a rating agency downgrades the rating assigned to a senior security, we may alter our portfolio or redeem the senior security. We may voluntarily redeem a senior security under certain circumstances.

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.

Auction Risk. To the extent that senior securities trade through an auction, there are certain risks associated with participating in an auction and certain risks if you try to sell senior securities outside of an auction in the secondary market. These risks will be described in more detail in an applicable prospectus supplement if we issue senior securities pursuant to this registration statement.

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, 2006, 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, 2006. As of that date, we had $235 million in senior securities outstanding (MMP Shares with an aggregate liquidation preference of $70 million and Tortoise Notes in an aggregate principal amount of $165 million) and approximately $32.45 million outstanding under our unsecured credit facility. Such senior securities and borrowings under our unsecured credit facility represent 28.8% of total assets as of November 30, 2006.

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	1.65%
Leverage Costs(3)	2.82%
Other Expenses(4)	0.26%
Total Annual Expenses (excluding current and deferred income tax expenses)(5)	4.73%
Less Fee and Expense Reimbursement (through 2/28/09)(6)	(0.17)%
Net Annual Expenses (excluding current and deferred income tax expenses)	4.56%
Current Income Tax Expense	0.09%
Deferred Income Tax Expense(7)	13.37%
Net Annual Expenses (including current and deferred income tax expenses)(7)	18.02%

Example:

The following example illustrates the expenses that common stockholders would pay on a $1,000 investment in common stock, assuming (1) net annual expenses (excluding current and deferred income tax expenses) of 4.56% of net assets attributable to common shares in years 1 and 2 and increasing to 4.73% in years 3 through 10; (2) a 5% annual return; and (iii) all distributions are reinvested at NAV:(8)

	1 Year	3 Years	5 Years	10 Years
Total Expenses Paid by Common Stockholders[9]	$ 46	$ 140	$ 236	$ 478

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 and the estimated offering expenses borne by us.

(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 MMP Shares and the interest payable on Tortoise Notes and borrowings under our unsecured credit facility, expressed as a percentage of net assets. However, Tortoise Notes and MMP Shares were fully hedged under swap agreements as of November 30, 2006, which, as of that date, effectively reduced our Leverage Costs to 2.38%. In

the future, our use of swap agreements may effectively reduce, increase or have no effect on, our Leverage Costs. For a more detailed discussion of our use of swap agreements, see Leverage Hedging Transactions and Effects of Leverage.

(4) Other Expenses are based on estimated amounts for the current fiscal year.

(5) The table presented in this footnote presents certain of our annual expenses as a percentage of Managed Assets as of November 30, 2006, and takes into account the effect of interest rate swap agreements.

Annual Expenses	**Percentage of Managed Assets**
Management Fee	0.95%
Leverage Costs[(a)]	1.36%
Other Expenses (excluding current and deferred income tax expenses)[(b)]	0.15%
Total Annual Expenses (excluding current and deferred income tax expenses)	2.46%
Less Fee and Expense Reimbursement (through 2/28/09)[(c)]	(0.10)%
Net Annual Expenses (excluding current and deferred income tax expenses)	2.36%

(a) Leverage Costs are calculated as described in Note 3 above except that they are based on the swap rates in effect as of November 30, 2006.

(b) Other Expenses are based on estimated amounts for the current fiscal year.

(c) Through February 28, 2009, the Adviser has contractually agreed to reimburse us for expenses in an amount equal to 0.10% of our average monthly Managed Assets.

(6) Through February 28, 2009, the Adviser has contractually agreed to reimburse us for expenses in an amount equal to 0.10% of our average monthly Managed Assets, which represents 0.17% of our net assets as of November 30, 2006. The management fee and reimbursement are expressed as a percentage of net assets in the table. Because holders of preferred stock and debt securities do not bear management fees and other expenses, the cost to common stockholders increases as leverage increases.

(7) For our fiscal year ended November 30, 2006, we accrued $71,190,049 in net deferred tax expense related to our net investment loss and realized and unrealized gains. Deferred income tax expense represents an estimate of our potential tax liability if we were to recognize the unrealized appreciation of our portfolio assets accumulated during our fiscal year ended November 30, 2006, based on the market value and tax basis of our assets as of November 30, 2006. Actual income tax expense (if any) will be incurred over many years, depending on if and when investment gains are realized, the then-current tax basis of assets, the level of net loss carryforwards and other factors.

(8) The example does not include the potential impact of current and deferred income tax expense. For the fiscal years ended November 30, 2006, 2005 and 2004, we accrued current and deferred income tax expense of

$71,661,802, $24,659,420 and $30,330,018, respectively, which represented $4.28, $1.65 and $2.39 per outstanding share of common stock as of the respective fiscal year end.

(9) 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 2006 Annual Report and incorporated by reference into the statement of additional information, both of which are available from us.

	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	$ 27.12	$ 26.53	$
Public offering price			25.00
Underwriting discounts and offering costs on initial public offering			(1.17)
Underwriting discounts and offering costs on issuance of preferred shares		(0.02)	(0.06)
Premiums less underwriting discounts and offering costs on secondary offering[3]			
Underwriting discounts and offering costs on shelf offering of common stock[4]	(0.14)		
Income (loss) from Investment Operations:			
Net investment loss[5]	(0.32)	(0.16)	(0.03)
Net realized and unrealized gain on investments[5]	7.41	2.67	3.77
Total increase from investment operations	7.09	2.51	3.74
Less Dividends to Preferred Stockholders:			
Net investment income			
Return of capital	(0.23)	(0.11)	(0.01)
Total dividends to preferred stockholders	(0.23)	(0.11)	(0.01)
Less Dividends to Common Stockholders:			
Net investment income			
Return of capital	(2.02)	(1.79)	(0.97)
Total dividends to common stockholders	(2.02)	(1.79)	(0.97)
Net Asset Value, end of period	$ 31.82	$ 27.12	$ 26.53

Per common share market value, end of period	$	36.13	$	28.72	$	27.06
Total Investment Return Based on Market Value[6]		34.50%		13.06%		12.51%
Supplemental Data and Ratios						
Net assets applicable to common stockholders, end of period (000 s)	$	532,433	$	404,274	$	336,553
Ratio of expenses (including current and deferred income tax expense) to average net assets before waiver:[7][8][9]		20.03%		9.10%		15.20%
Ratio of expenses (including current and deferred income tax expense) to average net assets after waiver:[7][8][9]		19.81%		8.73%		14.92%
Ratio of expenses (excluding current and deferred income tax expense) to average net assets before waiver:[7][8][9][10]		3.97%		3.15%		2.01%

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	Year Ended November 30, 2006	Year Ended November 30, 2005	Period from February 27, 2004[1] through November 30, 2004
Ratio of expenses (excluding current and deferred income tax expense) to average net assets after waiver:[7][8][9][10]	3.75%	2.78%	1.73%
Ratio of expenses (excluding current and deferred income tax expense), without regard to non-recurring organizational expenses, to average net assets before waiver:[7][8][9][10]	3.97%	3.15%	1.90%
Ratio of expenses (excluding current and deferred income tax expense), without regard to non-recurring organizational expenses, to average net assets after waiver:[7][8][9][10]	3.75%	2.78%	1.62%
Ratio of net investment loss to average net assets before waiver:[7][8][10]	(2.24)%	(1.42)%	(0.45)%
Ratio of net investment loss to average net assets after waiver:[7][8][10]	(2.02)%	(1.05)%	(0.17)%
Ratio of net investment loss to average net assets after current and deferred income tax expense, before waiver:[7][8][9]	(18.31)%	(7.37)%	(13.37)%
Ratio of net investment loss to average net assets after current and deferred income tax expense, after waiver:[7][8][9]	(18.09)%	(7.00)%	(13.65)%
Portfolio turnover rate[7]	2.18%	4.92%	1.83%
Tortoise Auction Rate Senior Notes, end of period (000 s)	$ 165,000	$ 165,000	$ 110,000
Tortoise Preferred Shares, end of period (000 s)	$ 70,000	$ 70,000	$ 35,000
Per common share amount of auction rate senior notes outstanding at end of period	$ 9.86	$ 11.07	$ 8.67
Per common share amount of net assets, excluding auction rate senior notes, at end of period	$ 41.68	$ 38.19	$ 35.21
Asset coverage, per $1,000 of principal amount of auction rate senior notes and short-term borrowings[11]	$ 4,051	$ 3,874	$ 4,378
Asset coverage ratio of auction rate senior notes and short-term borrowings[11]	405%	387%	438%
Asset coverage, per $25,000 liquidation value per share of preferred shares[12]	$ 215,155	$ 169,383	$ 265,395
Asset coverage ratio of preferred shares[13]	299%	272%	332%

(1) Commencement of Operations.

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

(3) 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.

(4) Represents the dilution per common share from underwriting and other offering costs.

(5) The per common share data for the periods ended November 30, 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) Not annualized for periods less than a year. Total investment return is calculated assuming a purchase of common stock at the market price on the first day and a sale at the current market price on the last day of the period reported. The calculation also assumes reinvestment of dividends at actual prices pursuant to the Company s dividend reinvestment plan. Total investment return does not reflect brokerage commissions.

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

(8) The expense ratios and net investment loss ratios do not reflect the effect of dividend payments to preferred stockholders.

(9) The Company accrued $71,661,802, $24,659,420 and $30,330,018 for years ended November 30, 2006 and 2005 and for the period from February 27, 2004 through November 30, 2004, respectively, for current and deferred income tax expense.

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

(11) Represents value of total assets less all liabilities and indebtedness not represented by auction rate senior notes, short-term borrowings and preferred shares at the end of the period divided by auction rate senior notes and short-term borrowings outstanding at the end of the period.

(12) Represents value of total assets less all liabilities and indebtedness not represented by preferred shares at the end of the period divided by preferred shares outstanding at the end of the period, assuming the retirement of all auction rate senior notes and short-term borrowings.

(13) Represents value of total assets less all liabilities and indebtedness not represented by auction rate senior notes, short-term borrowings and preferred shares at the end of the period divided by auction rate senior notes, short-term borrowings and preferred shares 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 Fair Value Per $25,000 Denomination or Per Share Amount(1)
2004	Tortoise Notes Series A and B	$ 110,000,000	$ 4,378		$ 25,000
	MMP Shares Series I (1,400 shares)	$ 35,000,000			