

REPORT OF THE PUBLIC AND INVESTOR RELATIONS COMMITTEE

While our public and investor relations effort last year was highly active and visible, this past year has been a quieter one. This is due in part to the conclusion of our rebranding effort, in part to a shift in our federal affairs focus to the partnership audit legislation—an issue that is more amenable to technical discussions than public affairs efforts—and in part due to a generally subdued year for MLPs. At the same time, however, we have been alert to developments and have been prepared to respond when necessary. In addition the Committee developed and the Board of Directors approved a communications policy to ensure that all public communications coming from MLPA and its representatives will be accurate and on-message.

Communications Policy

The purpose of the communications policy is to ensure that the positions and policies represented by MLPA, and information provided by designated spokespersons representing MLPA, are consistent and factually correct and represent the position of the MLPA Board of Directors. The committee and the Board believed that this will maintain and increase MLPA's credibility with the public, which includes government officials, media, the financial community and the general public with which MLPA interacts.

Under the policy, only an MLPA designated spokesperson may respond to media inquiries, speak or make presentations on behalf of MLPA. Spokespersons are designated by the Board's Executive Committee and are currently Mary Lyman, Executive Director, and Steve Ruhlen, Director of Federal Affairs. The overall development, production, coordination and approval of communications with government officials, the media, the financial community and the general public is the responsibility of the Executive Director under the oversight of the Executive Committee and with the support of MLPA's outside public affairs consultants, as well as the Public and Investor Relations Committee, the chairs of the Federal Affairs and Regulatory Committees and the Federal Affairs Director.

The policy sets forth procedural requirements for MLPA spokespersons in their public communications. It generally requires that communications such as press releases, statements, presentations, ads, editorials, and articles be reviewed and approved by the Executive Committee, Public and Investor Relations Committee, and the chairs of the Federal Affairs and Regulatory Committees. In addition, participation on behalf of MLPA at conferences and placement of ads,

editorials, and articles require the advance approval of the Executive Committee. When subject matter or content is deemed material, review by the full Board may be required.

In sum, spoken or written statements on behalf of MLPA or explicating its policies may only be made by one of the two designated spokespersons and need to be prepared in advance and reviewed by the association's leadership. MLPA members with questions regarding the policy or how to handle requests for information should feel to contact Randy Burkhalter (rburkhalter@eprod.com) or Mary Lyman (mlyman@mlpassociation.org).

Public Affairs

Although tax reform has been on the back burner for the past year, our mission to increase understanding of and support for MLPs both among government officials and in the general public continues. Building an understanding of the important role played by MLPs is our best protection against adverse tax legislation in the future. Our public affairs firm, Story Partners, has continued to assist us with this effort in a number of ways.

Media Relations

Media relations continue to be an important area of effort. Story Partners has served as the first stop for reporters looking for an interview or a reaction to a development affecting MLPs, providing them with prepared responses or arranging an interview where they set and enforce ground rules. Over the past several months they have provided media monitoring and counsel on a number of issues that have arisen, drafting holding statements where appropriate. This has been done on issues including:

- *The United Airlines v. FERC* decision in the U.S. Court of Appeals (D.C. Circuit)
- Developments vis-à-vis the partnership audit rules
- The anticipated release of final Qualifying Income regulations
- Release of the House Republicans' tax reform "blueprint"
- The debt restructuring undertaken by some MLPs and the resulting tax implications for unit holders

Story Partners has also taken proactive steps by organizing and conducting off-the-record briefings with Executive Director Mary Lyman and Federal Affairs Director Steve Ruhlen for leading tax/regulatory/energy journalists to establish relationships and familiarize them with the policy issues surrounding MLPs in 2016. Journalists who have received briefings in 2016 to date include Bloomberg BNA tax reporter Laura Davison, Platt's reporter Kate Winston, and POLITICO reporter Bernie Becker.

Thought Leadership

This year to date, Story Partners has drafted and secured three MLP-focused thought leadership editorial columns on behalf of Mary Lyman/MLPA. Publications included:

- “MLPs in Today’s Investing Environment” for ThinkAdvisor/Research Magazine’s [2016 MLP Investing Guide](#)
- “[MLPs Seek Regulation Clarity](#)” for the January issue of Midstream Business Magazine
- “[MLPs to Play Important Role in Midstream Energy Sector’s Future](#)” for the May issue of Natural Gas & Electricity Journal

Communications and Messaging

Over the past year, Story Partners has assisted us in designing, drafting, producing, and revising a number of fact sheets, a primer, a video, and other material to help communicate our message about MLPs in creative and attractive ways. Efforts include:

- Scripting, designing, and producing an introduction-to-MLPs video, which briefly introduces MLPs and describes their importance to the U.S. economy and energy future. The video adds dynamic content to the [home page of the MLPA website](#). It was unveiled publicly and uploaded to the website to coincide with MLP Investor Conference in June.
- Drafting new copy and designing an updated MLP primer/lobbying packet, titled “[MLPs: Investments that Power America](#).” The primer is available for members to download from the MLPA website’s members’ section, along with a limited number in print format.
- Developing and designing an [MLP one-pager](#) to serve as a distilled version of the eight-page primer. The primer is available to members via download from the MLPA website and is for use with media, Hill staffers, and other stakeholders.
- Re-designing the Midstream MLPs industry document.
- Designing an [MLPA advertisement](#) for ThinkAdvisor/Research Magazine’s [2016 MLP Investing Guide](#). (Publication provided placement *pro bono*.)

In the next several months priorities will include strategizing and planning for post-election communications and editorial opportunities, scheduling additional reporter briefings, and adapting MLPA’s messaging as needed for the new Congress and administration.

MLP Investor Conference

Due to the beating that MLPs had taken in the market over the past several months, we approached this year's MLP Investor Conference with some trepidation. We knew we would not see the growth we had in previous years and were unsure whether there would be enough participants for the conference to be successful and cover its costs. As expected, attendance and revenue, especially from sponsorships, were significantly lower than last year. There was enough participation for another successful conference, however, and thanks to cost-cutting we were still able to earn a profit. We hope that an improved market will allow us to return to higher levels of revenue and attendance, if not to the 2015 peak.

Gross revenue from the conference this year fell to \$788,500, compared to our all-time high of \$1,030,501 in 2015 and \$880,500 in 2014. Sponsorship revenue decreased by \$132,000 (25%), and we are very grateful to the sponsors who were able to participate this year. Presentation fees dropped by about \$50,000 (27%), as there were both fewer participating MLPs and fewer choosing to do presentations in addition to one-on-one meetings; and registration fees by about \$59,000. While our profit from the conference, which helps fund our critical advocacy activities, was not as high last year's, we still netted about \$378,000.

This year there were 29 sponsors, compared with 40 last year: seven Platinum sponsors, seven Gold sponsors, and fifteen Silver sponsors. 65 MLPA members participated, with 46 doing presentations and 19 doing one-on-ones only. The level of interest among MLPs was even higher—seven additional MLPs originally signed up but were forced to cancel for various reasons.

**MLP Investor Conference
Income and Expense 2016 and 2015**

Income	2016	2015
Presentation Fees	136,500.00	187,476.00
Registration Fees	255,000.00	314,025.00
Sponsorships	397,000.00	529,000.00
Total Income	788,500.00	1,030,501.00
Expense		
Audio Visual & Production	54,911.83	58,079.63
Online Registration/Webcasting	2,497.86	255.07
Meals/Banquets	193,706.91 ⁽¹⁾	264,011.44
Hotel Lodging/Meeting Space	-7,831.41	11,798.69
Postage & Delivery	2,345.28	2,969.99
Materials & Supplies	0.00	8,732.00
Promotional & Marketing	9,913.65	10,157.32
Sponsorship Materials	10,730.95	17,758.02
Event Planner Site Inspection Costs	0.00	159.06
Gratuities	755.00	617.00
Equipment Rental	18,134.54	21,414.06
Graphics Design & Production	17,811.00 ⁽²⁾	10,224.00
Staff Travel Expenses	10,055.45 ⁽³⁾	8,463.39
Staff Meals	4,537.12	4,891.17
Staffing	13,125.00	11,700.00
Fogard Meetings & Events Fee	50,731.00	46,119.15
Golf Tournament	28,645.91	19,926.72
Total Expense	410,070.09	497,276.71
Net Income	378,429.91	533,224.29

(1) Includes \$8,032.62 attrition cost broken out separately in P&L statement

(2) Includes \$15,861 graphics design cost broken out separately in P&L statement

(3) Includes \$853.23 MLPA staff travel broken out separately in P&L statement

Attendance this year was 809 attendees (out of 875 who registered) down from 1,035 (out of 1,109 registrations). 203 (25%) of these were representatives of participating MLPs.

**MLP Investor Conference
Attendance and Registration**

Attended	2016		2015		2014	
Presenting Company Rep.	203	25%	245	24%	242	26%
Other Attendees	606	75%	790	76%	703	74%
Total	809	100%	1,035	100%	945	100%
Registered						
Presenting Company	219	25%	264	26%	258	25%
Other Attendees	656	75%	845	74%	759	75%
Total	875	108%	1,109	100%	1,017	100%

We are already signed up with the Orlando Hyatt for the 2017 conference; the dates will be May 31 – June 2. We are starting to think about 2018 and welcome your thoughts—should stay at the Orlando Hyatt or go somewhere else? What time frame works best? What else might we do that we’re not doing no? Share your ideas with Committee Chair Randy Burkhalter at rburkhalter@eprod.com, or with Mary Lyman at mlyman@mlpassociation.org.