TEEKAY LNG PARTNERS' FOURTH QUARTER AND FISCAL 2019 EARNINGS RESULTS CONFERENCE CALL

Company: **Teekay LNG Partners L.P.**

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Operator: Welcome to Teekay LNG Partners fourth quarter and fiscal 2019 earnings results conference call. During the call, all participants will be in a listen only mode. Afterwards, you'll be invited to participate in a question and answer session. At that time, if you have a question, participants will be asked to press star one to register for a question for assistance during the call. Please press star zero on your touchtone phone. As a reminder, this call is being recorded. Now for opening remarks and introductions, I would like to turn the call over to management. Please begin.

Scott Gayton: Thank you. Before Mr. Kremin begins, I would like to direct all participants to our website at www.teekaylng.com, where you will find a copy of the fourth quarter and fiscal 2019 earnings presentation. We will review this presentation during today's conference call. Please allow me to remind you that our discussion today contains forward looking statements. Actual results may differ materially from results projected by those forward-looking statements. Additional information concerning factors that could cause actual results to materially differ from those in the form of these statements, is contained in the fourth quarter and fiscal 2019 earnings released and earnings presentation available on our website. I'll now turn the call over to Mark to begin.

Mark Kremin: Thank you, Scott. Good morning everyone and thank you for joining us on our fourth quarter and fiscal 2019 earnings call for Teekay LNG Partners. I'm joined today by Scott Gayton, Teekay Gas Group CFO. Turning to slide three of the presentation, we will review some of Teekay LNG's recent and fiscal 2019 highlights similar to the past few quarters. We continue to improve on our year over year and quarter on quarter results. In fact, our 2019 adjusted net income per unit of $1.79 is up over 135% from the 76% per unit recorded in 2018. You can see the key results metrics for the fourth quarter and fiscal 2019 and the table at the top of this slide. Importantly, each of these metrics is within the earnings guidance ranges that as a reminder or revised higher at our investor day event in November of last year. The strength of our earnings and cash flows can primarily be attributed to the recent completion of our $3.5 billion growth program.

Our final two Yamal ARC 7 LNG carriers delivered in November and December of 2019, and the Bahrain regasification terminal, in which we own 30%, achieved construction completion this past January. And our JV is now receiving revenue. Since the middle of 2019, our LNG fleet has been 100% fixed on fixed rate contracts. That importantly, have no exposure to floating spot LNG rates. Also, our LNG fleet average just under $80,000 per day. In the fourth quarter, our LNG fleet will remain 100% fixed until at least mate for one ship in June for the other two ships, at which point these three 52% owned or the equivalent of one and a half ships will roll off of their fixed rate contracts. We hope to fix these ships away on short to medium term contracts, thereby maximizing utilization. As we will discuss in a moment, the spot LNG market is currently volatile and thus providing precise details on where we can expect to fix these ships. When their contracts end, it's difficult.

However, since our LNG fleet is over 97% fixed for fiscal 2020, their earnings impact from these vessels is limited to about 1.3% per $10,000 per day change in LNG rates on our adjusted net income guidance base of $250 million at the midpoint. Because of this earning stability, we remain comfortable with the 2020 guidance numbers we released in November. Despite this rate volatility in early January of 2020, a

Wilco fulfill their commitment to repurchase the will force and will pride LNG carriers from us and paid the deferred higher in full plus interest. As Scott will detail in a moment, this was significant because it allowed us to delever our balance sheet by over $260 million, and it increased our liquidity balance by over $100 million, which provides us with the flexibility to repay our upcoming NOC bond maturity in May with cash, should we so choose.

We do not believe that our strong project execution and earnings growth is appropriately reflected in our current unit price. As previously announced, we will be increasing distributions this quarter by 32% to $1 per unit per annum, resulting in a pro forma fourth quarter coverage ratio of 3.7 times. Or put another way or $1 per unit. Distribution represents only 35% of our expected 2020 net income and thus it is well covered and secure a rarity amongst our LNG and MLP these days. And while delevering remains our top priority, we have recently repurchased over 563 700 common units at an average price of $13 and 15 cents unit for a total cost, $7.4 million.

On slide four, our 2019 actual results came within the ranges which were raised in November. Because of the fixed rate nature of our portfolio, we able to provide 2020 earnings and cashflow guidance, which we'll see earnings per unit increased by 59% and total adjusted EBITDA up increased by 12% over 2019. As you can see in the charts, these were already up substantially over 2018 actual results. After the recent sell off, Teekay LNG is now trading at an earnings per unit multiple of 4.1 times, and an EV to total adjusted EBITDA multiple of 8.1 times, which we don't believe represents the earnings or cashflow power of the portfolio of LNG contracts at Teekay LNG.

Looking at slide five, we would like to take a moment to discuss our fixed rate contracts and the composition of our fleet. Slide five includes just the LNG vessels that are consolidated on our balance sheet and slide six includes our off-balance sheet or equity accounted LNG fleet. Together, we have roughly $10 billion of forward fixed forward fee-based revenues on average over 10 years of contract length remaining. The fixed rate contracts for all of our LNG counter carriers on and off-balance sheet are take a pay, which means we get paid by the customer irrespective of whether or how they're utilizing the vessel. There has been talk in the market about buyers of LNG canceling cargoes by reason of force majeure or making cancellation payments. Whether these cargoes are canceled or not, does not matter to us. We continue to get paid under our contracts.

Similarly, whether the commodity price for natural gas or LNG is low or has no bearing on our contracts. We continue to get paid. And lastly, if there are logistical issues, loading or unloading LNG cargo, we continue to get paid under our contracts. On this slide and as you can see, turning to slide six, we've also detailed the propulsion of our LNG vessels. Our first theme docile to roll off contract is the 50% owned Excalibur, which will not roll off contract until December 2021. With an average fleet age of nine years, we feel good about the continued earnings power of our modern fleet. As you can see at the top of this chart on slide six, and as we mentioned earlier, we have only three 52% owned LNG carriers or a net one and a half vessels rolling off their contracts in the middle of this year. Put another way, over 90% of our LNG fleet is booked for fiscal 2020 and 92% it's fixed for 2021.

To the left of the chart, we have included a sensitivity analysis that details the impact these vessels could have on our consolidated earnings and cash flow. For each $10,000 per day change, and the underlying spot or term rate, Teekay LNG's adjusted net income will only be impacted by approximately 1.3% or approximately 0.4% on our total adjusted EBITDA base of $765 million at the midpoint. Before we discuss a little of what we were seeing in the market, we would also like to point you to slide seven which provides details of the contract fleet and debt makeup of our joint ventures. We continue to believe the significant portion of our overall fleet represents hidden value. Given the disconnect between US gap presentation and the actual size and stability of our fleet, which as we detailed in November is more sizeable and profitable than many of our publicly traded peers.

Our joint venture book represents nearly $340 to $350 million of adjusted EBITDA and it has annual dividend capacity to Teekay LNG of roughly $100 million. Scott will detail why we believe this fleet represents hidden value in a moment. Looking at slide eight, we have included a graph of spot LNG rates over the past two years. As can be seen, LNG rates have decreased in line with present previous seasonal cycles. Of course, this year's spot LNG rates are also being impacted by other factors such as the Coronavirus, which is impacting end user demand and thus reducing LNG pricing, which reduces arbitrage trading opportunities. With all this uncertainty, it is difficult.

It's difficult for us to predict where spot LNG rates will go in the near to medium term. However, as mentioned previously, Teekay LNG's exposure to this market is very limited on a fiscal and full ownership equivalent basis. Teekay LNG's exposure to the spot LNG market in 2020 amounts to about three fourths of one LNG carrier. We will earn an LNG time charter equivalent, or TCE, of just under $80,000 per day per ship on average in 2020 if we were to secure the three 52% own LNG carriers at today's broker headline charter rate of $45,000 per day. I will now turn the call over to Scott, to run through the next two slides before we conclude.

Scott Gayton: Thank you, Mark. We presented a version of slide nine at November's investor day and we have recreated a similar slide here. As you can see, calculating a cashflow multiple using just the gap or consolidated figures does not tell the whole story because our sizable joint venture profit portfolio, just off balance sheet, the calculation of enterprise value includes over $1 billion relating to our investment in our equity account and JVs. However, the denominator does not include any of the joint ventures. Even looking at the table, the first column calculates Ebitda, based on just our consolidated financial statements and leads to an Ebitda of 9.4 times using the closing unit price on Tuesday. However, if we bring our joint ventures on balance sheet, looking at the column to the far right, the multiple drops to 8.4 times.

We believe this calculation method fully encompasses our business portfolio and provides investors with a better metric that is aligned with what they are actually investing in with TGP. I'd also like to point out that should our entire vessel and contract portfolio be valued at 9.4 times like just our consolidated portfolio is, our unit price would be over $21. On slide 10, we are presented a graph of our net debt to annualized quarterly adjusted EBITDA leverage ratio as depicted by the blue line with our liquidity balance graph along the X axis as gray bars. The shaded blue bar at the end, represents our total liquidity balance pro forma for the completion of the Wilco transaction, which closed in early January. With the final two Yamal vessels delivered in November and December substantially. All of our growth cap X was concluded prior to the end of the year and the small amount of cap X that was going by us at December 31st on the Bahrain terminal, was almost entirely offset by a dedicated debt facility.

We have already made good progress with our delivering efforts having reduced leverage from 8.8 times in the middle of 2018 on a quarterly annualized basis, down to 6.4 times at the end of 2019 proforma for the Wilco transaction. Importantly, we expect this trend to continue as we increased cash flow in 2020 and continue to reduce debt through amortization. This delevering profile is important to today's unit holders because not only does debt pay down accrete directly to the equity value, but it also provides us with greater manual flexibility. I will now turn the call over to Mark to conclude.

Mark Kremin: Thank you, Scott. We have slightly amended slide seven which we presented at investor day in November and the light blue to the left. We laid out a few of the key priorities we aimed to complete in 2019 through to 2021. To the right and dark gray, we have detailed a few of the steps we have taken since the start of last year to achieve these goals. One of our key priorities is to always maintain a high utilization of our fleet and we're happy that we locked away 100% of our LNG fleet mid-last year in the high 70s to low $80,000 per day with only net one and a half of vessels or less than 5% of our fleet rolling off contract in the middle of this year. We feel comfortable we will be able to meet the earnings guidance presented. On slide four, we continue to believe reducing leverage is good for all stakeholders and we have made good progress on that over the past year, reducing our net debt to total adjusted EBITDA on a quarterly annualized basis by 1.4 times over the past four quarters.

We have continued to de-risked Teekay LNG through the successful delivery of our three and a half billion-dollar order book and in part because we expect a new expect new LNG shipping tenders will likely be delayed. We don't see TK LNG ordering new growth vessels sometime to come. However, when tenders are issued, we will look at them opportunistically and ensure they meet our conservative hurdle rates and are complimentary to our current strong business mix. We have continued to return capital to unit holders since late 2018, with a combined 79% increase in our distributions from 56 cents per unit paid in 2018 to $1 per unit per year. Starting with the first quarter of 2020 distribution to be paid in May and since late 2018, we have repurchased 3.5% of our outstanding LPE units and intend to continue repurchasing units on an opportunistic basis. Lastly, we continue to believe that eliminating the IDR structure and possibly converting to a C Corp makes sense for us and for our investors and we will evaluate the best way for us to achieve this goal. Thank you for your time today and operator, we are now available to take questions.

Operator: Yes sir. If at this time you would like to ask a question, please press star one on your telephone keypad. If you are using a speaker phone, please make sure that your mute function is turned off to allow your signal to reach our equipment. Again, that is star one to ask a question and we'll pause momentarily to allow everyone an opportunity to signal for questions. All right. Our first question will come from Randy Gibbons with Jeffery.

Randy Gibbons: So in your 3Q 19 financials, you showed about 26 million in unit repurchases, same numbers shown in the 4Q 19, a full year cash flow. Then you say you repurchased about 560,000 units at 7.4. So were all those purchases in the last, I guess seven, eight weeks? With that kind of looking ahead, obviously substantial cash balance conclusion on the Wilco sale, basically remaining capex. How do you balance that debt repayment with additional unit purchases in the coming quarters? For example, repaying that NOC bond with cash or maybe rolling that NOC bond and purchasing units that are currently yielding 7.7% with that cash.

Scott Gayton: Yeah. Thanks Randy. Good morning. So yeah, you're correct that all of our repurchases took place in the 2020 time period. And I guess what I would say on a go forward basis and how we really look at repurchases, and then maybe touching on the NOK bond for a minute. As you said, we have been active on the buybacks. We've also been paying out dividends and those are going to be increased in this quarter. And we do think that actually represents a fairly compelling yield right now for investors. But with all that said, we've been very clear for the last year or more, that delevering really remains our key priority. I think this will remain our key priority over the next couple of years. But with that said, we know we have been buying at levels above where we were trading around now in these last couple of days.

I think you can assume that we will be continuing with our repurchases on a modest basis. Looking at the NOk bond for a moment. Our credit worthiness is increasing really day by day here as we have shown and we expect that to continue. I think what that'll do is continue to lower our borrowing costs and obviously the base rates are coming down as well. We do evaluate what we're going to do with that maturity in May, I think what we said at our investor event was that we may look to renew it. We could pay it off with cash, but if we do renew it, I think that it would be at a smaller size than the current growth of around $135 million today. So we're still evaluating that market. We were over there earlier this year and we think we had quite a supportive investor group. I don't think that there would be any problem if we decided to roll it. But right now, I think that remains to be seen.

Randy Gibbons: All right, good answers there. Obviously, not an unlimited amount of cash to go around. So balancing the debt repayment unit repurchases will be tricky, but obviously both accretive. Now in terms of growth, you mentioned that briefly there, Mark at the end. How do you look at growth opportunities again with delevering being the main priority and then would any growth come via new buildings on long term charters with Arctic two or Shell, Exxon, Mozambique, whomever? Or are you open to un-contracted secondhand?

Mark Kremin: No, Randy. It would come, as you say, probably through new builds, hopefully against long-term contracts. But the longer, the better. The contracts, the FIDS, we do believe they've been pushed back just slightly at least. This year even Qatar seems to be a little slower than I had anticipated. I think it's still coming. So that's the kind of contract that we would like to see. Hopefully, the longer the better. Other projects that might come out or are trained seven for Nigeria, there's a few that'll hopefully be built to suit. Picking up secondhand might be a possibility for us if this market continues to bear out like it is. As we've been preaching on this call today, pretty fixed out and hopefully in a relatively good shape, there may be an opportunistic possibilities for us over the next couple of years or so.

But I don't think that's our priority. And this leads to the other question you asked about the de-levering being our number one priority. When we look at ordering new builds, for instance, as early as possibly this year, those wouldn't deliver until maybe 2024 or so. If we did that, by which time, as Scott has showed you in this slide, we will have delivered beyond our target range if that's what we want to do. So ordering new builds against longterm contracts when effectively the yard is warehousing those big file installments, plays much better into a de-levering story then for us to go out and order more spot ships today from secondhand, even if it's the, even if it's an opportunistic play.

Randy Gibbons: Got it. Okay. Yeah, that makes sense. I know there are a few uncontracted second hands out there. Maybe looking for a buyer, but I will turn it over. I'm sure there's other questions, so I'll hop back in the queue. Thanks.

Operator: Thank you. Our next question comes from Ben Nolan with Stifel.

Frank Galante: Hi. This is actually Frank Galante on for Ben, how's it going? To follow up on Randy's last question. You mentioned you want to focus on doing new builds with long-term contracts. However, the last I guess, year or two years, I don't think we've seen many substantially long-term contracts. Can you talk about the availability? I know you said maybe Nigeria trained seven and a couple other projects reaching FID in the near term. But it doesn't seem like projects are willing to sign up seven plus year deals anymore. Would you still go ahead with a new build on a seven year deal? Or am I misinformed and there are actually 10, 15 plus year long deals that you'd be able to to participate in?

Mark Kremin: So we agree with you. We haven't seen a lot of these? There's been one or two. I think Jared did a long-term contract, but there haven't been a lot. So then the question is, is that going to change? I don't know. A lot of our peers are going to be able to continue to do what was done before, which is to order speculatively and then ultimately put them against seven-year charters or five-year charters or whatever it might be available. I think we're coming to the point perhaps where if you're a charter and if you need a significant amount of ships, you might actually have to bank on providing longer term charters. So you're sure to have that tonnage. You've seen where the MLP markets are today. I don't think it's a riskier bet now to go ahead and order a bunch of ships and even against a seven year charter.

To some extent, we are hoping that the market will return to normalcy. It may not be the 25 or in the case of Arctic two for us, even longer charters than 25 years that we've had, but hopefully we can return to a longer charter. The whole industry, and when I said the industry, it's really ship owners, have to work together and there's always going to be pockets where they're going to do shorter charters. But we are hopeful that as an industry, the industry is going to want longer charters again. So as a result, we may be more selective, we may be more conservative, we will not have the same growth CAGR as we've had in the past. But I still think we're going to get some good long-term charter. So that's our hope.

Frank Galante: Okay. Yeah, that actually makes a lot of sense. Looking into the future a little bit, you look out two, three years, the focus is on de-leveraging, maybe buying back some shares. But it almost seems like the inevitability for the partnership is to turn into some type of C corporate. And I know one of the last slides, that's a consideration. But with kind of the MLP shipping market being pretty weak, generally for the last several years now, is that something that's insecure, serious consideration where the partnership is expected to kind of stand on its own, from a capital perspective from replacing assets? Can you just talk a little bit about what that world would look like in a couple of years from now with potentially moving into a C Corp?

Mark Kremin: Well, to your point that the partnership has been standing on its own from a capital perspective for some time. I can't recall actually the last time that we took a drop down and were funded at the GP level. So all orders have been made at the LP and all acquisitions and investments for some time without guarantee from a TK. So in a sense we already have been moving toward that model for years. Do we continue on and go into the C Corp models because not only have we been funding from the daughters level, but also it looks like yields are blown out. It's a real possibility, we are seriously considering C Corp or other type of moves and out of the MLP space, it obviously involves interaction, inappropriate cooperation with the parent. And so it's something both the parents and the daughter are looking at.

Frank Galante: Okay. That's helpful. That's all I had. Thanks very much.

Operator: All right, thank you. Our next question comes from Greg Wachalski, with Weber restriction advisory.

Greg Wachalski: Good morning. Just wanted to start with the commercial startup at Bahrain. Just to clarify, earlier you said the commercial startup is upcoming, when is that expected to begin and from TGP standpoint since the JV is already collecting terminal fees in January, does it matter?

Mark Kremin: It doesn't matter. No. So to reiterate TGP has been receiving full hire for its FSU since 2018 and, and now it's also as part of its joint venture receiving full revenue on the terminal in terms of a commercial start, it's available at the customer's discretion. That customer will start commercial operations whenever it makes sense. Now obviously it's set up a floating re-gas terminal for a reason. The Middle East is seasonal and to some extent, it's cyclical like everywhere else in the world. We have a floating unit out there which is probably more efficient for trading as any other ship on the water. So they might actually end up using that ship for trading during this period of time, but it is commercially available to them to run the terminal when it makes sense. Typically that's in the summers in the Middle East when you need air conditioning. But I'm not even suggesting that that it might happen this summer. That's apparently up to the downstream customer. But to reiterate, yes, the terminal is ready for commercial use if that's what the downstream customer wants.

Greg Wachalski: Okay. And then do you see TGP, in terms of growth, do you see you looking more towards this area, more of a downstream or a small-scale LNG focus? Just thinking outside the box. Could you see that happening in the next couple of years?

Mark Kremin: It remains to be seen. What we do perhaps end up looking at as niche projects of various types. So if you look at a couple of niche projects where we have the Arctic seven, the icebreakers, the ships in New Mall. Because they're not the cookie cutter seven years, type of two-stroke project, you do earn an outsize return similar with Bahrain, which has the re-gas terminal element in it in addition to the ordinary FSU carrier. So we will continue to look at niche projects if, as we just discussed, if the market can't move back to. If it's going to get stuck on seven-year contracts for new builds, we're going to continue to look at other types of affiliated sectors.

Greg Wachalski: Okay, helpful. Shifting gears, where do you think the period returns are right now for new business? Cash basis? Somewhere around 8%, would you say?

Mark Kremin: Term business, you're talking, if we were to order a new bill today and put it on seven-year charter, I don't think it's a percent.

Greg Wachalski: Okay. Where do you think it is if you could provide a range?

Mark Kremin: Well, that's enough range probably for now, but it's less. I think it's less than eight.

Operator: Thank you. Our next question comes from Mike Weber with Weber research and advisory.

Mike Weber: Hey, good morning guys. How are you? I just wanted to follow up. In terms of the C Corp conversion and it seems like there's a lot of inertia in that direction. There's a menu of things you guys could do to simplify the structure. Make it a bit more friendly in addition to the work you've already done, but the notion of actually converting it to a C Corp, I'm just curious around what comps or what the benefit it would be in that regard in terms of removing the IDRs will be one thing.

But in terms of where would you comp yourself on a Marine C Corp basis, in terms of looking at some sort of valuation uplifts, beyond the LP space and then kind of on a secondary basis with so many large sequel conversions at the large scale space for MLPs. And you think about index rebalancing. Is it worth reconfiguring the IDR is that staying in LP to get a bit of an uplift in terms of presence in the Alarian and or a, you know, like kind of a bigger relative presence of the universe.

Mark Kremin: Oh, sure. Mike, and this is Mark. Let me try a stab at this and then I'm also going to hand it over to Scott and he'll have his views as well. Just to kind of, the universe of things that we could do. Let's just note that we've already done some things already. So we've moved to a 1099-filer from the K1. We've obviously have a very defensible coverage ratio going forward. So we've already making very positive steps to be in that neighborhood already of the C Corp. I'm sure in terms of the reasoning to go further, it's a little bit difficult to find the exact metrics, but it does seem to be a much wider universe of investors for C corps. Exactly what the metric will be or how the multiples will be, is a little bit more difficult to say. Do we get into a transportation motor or utility mode or something else, which is definitely a rating better than energy MLPs right now. I'm not sure. But Scott, what are your thoughts on this?

Scott Gayton : Thanks Mark. I think Mike, another couple of things I'd point to is that we also can see what's been happening in the midstream space where you've seen a number of large MLPs have moved from an LLP into a C Corp structure. And on average, a lot of them have noticed evaluation uplift sometimes as much as a couple of turns on cashflow. I think the other thing that we look at is really the valuation metrics that get used by people like yourselves in the analysts community. You can look at other LNG peers that we have and you can look at the way that analysts would look at the valuation of, for example, a GOLAR or a GasLog at the corporate level versus their MLP level. Oftentimes, it's on more of an earnings or a cashflow on the C Corp and more of a dividend yield on the downstairs MLP.

And I think given the makeup of our fleet, the way that our earnings are growing, I think that we wish that we would have more people valuing us in line with those C corps metrics. And then lastly, you talked about having the various indexes and I think you're right that in some ways we're becoming a bigger fish in a shrinking pond in the MLP space. I would look at it as Mark said, that the non MLP type investor is just growing by leaps and bounds. I think that we would look over the fence and say, well, is there a possibility of us getting included in indexes whether it be transportation indexes or shipping indexes, you name it, that we probably don't have access to today. The best we can hope for is to be included on an MLP type index. Overall, that that seems to be just a shrinking pond, as I said.

Mike Weber: Yeah. And I don't want to venture into commentary versus a question, but I cover the C corps you're referencing and they're not included in transportation or utility indices, right? And we do look at those on the sum of the parts basis. If you think about where cash based metrics really exist within the Marine space or actually in the LP space. Not to refute the steps you guys have taken in the last year or two because those are all very valid and certainly in a much stronger position, but it's just that, that last mile of actually transitioning away from MLP. I just wonder whether it's kind of a grass is greener scenario or a ton of success stories where you've seen them, they're still going to be Marine comps on the C Corp side. Their goal from a valuation perspective should not be the comp you would be angling for.

The full conversion caught my ear, but certainly trending in the right direction. Just to follow up on Greg's question on the unlevered returns, and whether they're sitting at around eight. There's new business coming out of the Arctic slowly. You mentioned, Nigeria, Mozambique. Are you noticing any geographical differences in terms of where you can make the math work and where you can't. And then, I think you touched on this earlier, but when you are kind of at least running the math on new business, even though it would be delivering a couple of years from now, when you would be at a lower leverage level, or are you running that with 50% or less gearing? Or are you actually running that hurdle math on an ROI basis with 70, 80%,

Mark Kremin: I guess we'll touch first on the first question, which is the geographicals. Do we see a premium some places? And the answer is sometimes yes and sometimes no. So we've certainly saw it in the mall. The mall has a risk return premium because of where it's located. And that's been great for us. But obviously with all these projects, we're not going to do Arctic 2 because we already have enough concentration in new malt. When we look to other areas, for instance, in Africa where you might expect a risk reward premium. We haven't seen it. So sometimes we see it and sometimes, frankly, we don't, is the simple answer to this, Mike.

Scott Gayton : I think Mark pointed to slide number four, where we look at trading on a multiple of earnings and we're sitting here, 4.1 times, and that type of valuation metric is probably unfathomable if you look at it in the broader C Corp space. But even just on an MLP space, you would never see any type of MLP investor or MLP analyst even look at earnings as a potential valuation metric. When we talked about moving to a C Corp, you're right, it is very tough to see in today's market that everybody is turning with some level of dislocation. But if we try and put our normalized sunglasses on, I think the C corps investors who are used to some of these fundamental valuation metrics would look at that and say, wait a minute, you've got 10 year contracts, and over a $10 billion revenue book and you're trading at a four times earnings multiple. Like what am I missing? I think that's really what we're trying to highlight and also maybe try and go after some of those new type investors who would look at us that way.

Mike Weber: Okay. Fair enough. Finally, in terms of when you're running your math on a new business from a return perspective, are you underlevering that new business or are you still running that math at 70 80%?

Scott Gayton: Yeah, we're still in that same 70 to 80% range on a project basis.

Operator: Alright, that was our last question and now I would like to turn the call back over to Mr. Kremin for closing remarks.

Mark Kremin: Well, just a quick thanks for everyone for their support and have a great day. Thanks. Bye.

Operator: Thank you. Ladies and gentlemen, this concludes today's teleconference and you may now disconnect. Please enjoy the rest of your day.