

TORTOISE ENERGY INFRASTRUCTURE CORP

Form N-Q

April 22, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT INVESTMENT
COMPANY

Investment Company Act file number 811-21462

Tortoise Energy Infrastructure Corporation
(Exact name of registrant as specified in charter)

11550 Ash Street, Suite 300, Leawood, KS 66211
(Address of principal executive offices) (Zip code)

Terry Matlack
Diane Bono
11550 Ash Street, Suite 300, Leawood, KS 66211
(Name and address of agent for service)

913-981-1020
Registrant's telephone number, including area code

Date of fiscal year end: November 30

Date of reporting period: February 28, 2014

Item 1. Schedule of Investments.

Tortoise Energy Infrastructure Corporation
SCHEDULE OF INVESTMENTS (Unaudited)

	February 28, 2014	
	Shares	Fair Value
Master Limited Partnerships and Related Companies - 177.4% (1)		
Crude/Refined Products Pipelines - 83.4% (1)		
United States - 83.4% (1)		
Buckeye Partners, L.P.	1,868,700	\$ 136,844,901
Enbridge Energy Partners, L.P.	2,287,200	62,943,744
Genesis Energy L.P.	322,156	17,718,580
Holly Energy Partners, L.P.	1,232,000	41,395,200
Magellan Midstream Partners, L.P.	3,227,500	218,404,925
MPLX LP	950,733	46,405,278
NuStar Energy L.P.	806,600	40,265,472
Oiltanking Partners, L.P.	666,500	46,128,465
Phillips 66 Partners LP	319,300	14,630,326
Plains All American Pipeline, L.P.	3,807,100	206,230,607
Rose Rock Midstream, L.P.	146,157	5,688,431
Sunoco Logistics Partners L.P.	2,030,300	167,987,022
Tesoro Logistics LP	812,500	48,912,500
Valero Energy Partners LP	374,151	13,839,846
		1,067,395,297
Natural Gas/Natural Gas Liquids Pipelines - 62.7% (1)		
United States - 62.7% (1)		
Crestwood Midstream Partners LP	1,575,037	35,265,079
El Paso Pipeline Partners, L.P.	1,038,821	31,216,571
Energy Transfer Equity, L.P.	1,408,800	61,494,120
Energy Transfer Partners, L.P.	1,759,295	97,693,651
Enterprise Products Partners L.P.	2,358,900	158,305,779
EQT Midstream Partners, LP	464,400	30,608,604
Kinder Morgan Energy Partners, L.P.	181,105	13,450,668
Kinder Morgan Management, LLC (2)	1,071,600	74,797,699
ONEOK Partners, L.P.	1,550,167	82,329,369
Regency Energy Partners LP	2,915,700	76,537,125
Spectra Energy Partners, LP	1,661,500	79,286,780
Williams Partners L.P.	1,267,100	62,860,831
		803,846,276
Natural Gas Gathering/Processing - 31.3% (1)		
United States - 31.3% (1)		
Access Midstream Partners, L.P.	1,929,700	108,931,565
Crosstex Energy, L.P.	884,208	27,313,185
DCP Midstream Partners, LP	1,256,400	61,312,320
MarkWest Energy Partners, L.P.	1,045,052	66,726,570
Targa Resources Partners LP	892,367	47,911,184
Western Gas Partners LP	1,396,358	88,375,498
		400,570,322

Total Master Limited Partnerships and Related Companies (Cost \$1,088,550,014)		2,271,811,895
Common Stock - 0.9%(1)		
Crude/Refined Products Pipelines - 0.9%(1)		
United States - 0.9% (1)		
Plains GP Holdings, L.P. (Cost \$9,069,201)	414,593	11,608,604
Short-Term Investment - 0.0% (1)		
United States Investment Company - 0.0% (1)		
Fidelity Institutional Money Market Portfolio - Class I, 0.04% (3) (Cost \$96,039)	96,039	96,039
Total Investments - 178.3% (1) (Cost \$1,097,715,254)		2,283,516,538
Interest Rate Swap Contracts - 0.2% (1)		
\$110,000,000 notional - Unrealized Appreciation		2,931,699
Other Assets and Liabilities - (46.5%) (1)		(595,506,451)
Long-Term Debt Obligations - (25.8%) (1)		(330,000,000)
Mandatory Redeemable Preferred Stock at Liquidation Value - (6.2%) (1)		(80,000,000)
Total Net Assets Applicable to Common Stockholders - 100.0% (1)		\$ 1,280,941,786

- | | |
|-----|---|
| | Calculated as a percentage of net assets applicable to common stockholders. |
| (1) | |
| (2) | Security distributions are paid-in-kind. |
| | Rate indicated is the current yield as of February 28, 2014. |
| (3) | |

Various inputs are used in determining the fair value of the Company's financial instruments. These inputs are summarized in the three broad levels listed below:

Level 1 – quoted prices in active markets for identical investments

Level 2 – other significant observable inputs (including quoted prices for similar investments, market corroborated inputs, etc.)

Level 3 – significant unobservable inputs (including the Company's own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following table provides the fair value measurements of applicable Company assets by level within the fair value hierarchy as of February 28, 2014. These assets are measured on a recurring basis.

	Fair Value at				
Description	February 28, 2014	Level 1	Level 2	Level 3	
Assets					
Equity Securities:					
Common Stock(a)	\$ 11,608,604	\$ 11,608,604	\$ -	\$ -	
Master Limited Partnerships and Related Companies(a)	2,271,811,895	2,271,811,895	-	-	
Other Securities:					
Short-Term Investment(b)	96,039	96,039	-	-	
Interest Rate Swap Contracts	2,931,699	-	2,931,699	-	
Total Assets	\$ 2,286,448,237	\$ 2,283,516,538	\$ 2,931,699	\$ -	

(a) All other industry classifications are identified in the Schedule of Investments.

(b) Short-term investment is a sweep investment for cash balances in the Company at February 28, 2014.

The Company did not hold any Level 3 securities during the period from December 1, 2013 through February 28, 2014. The Company utilizes the beginning of reporting period method for determining transfers between levels. There were no transfers between levels during the period ended February 28, 2014.

Valuation Techniques

In general, and where applicable, the Company uses readily available market quotations based upon the last updated sales price from the principal market to determine fair value. This pricing methodology applies to the Company's Level 1 investments.

An equity security of a publicly traded company acquired in a private placement transaction without registration under the Securities Act of 1933, as amended (the "1933 Act"), is subject to restrictions on resale that can affect the security's fair value. If such a security is convertible into publicly-traded common shares, the security generally will be valued at the common share market price adjusted by a percentage discount due to the restrictions and categorized as Level 2 in the fair value hierarchy. If the security has characteristics that are dissimilar to the class of security that trades on the open market, the security will generally be valued and categorized as Level 3 in the fair value hierarchy.

Interest rate swap contracts are valued by using industry-accepted models which discount the estimated future cash flows based on a forward rate curve and the stated terms of the interest rate swap agreement by using interest rates currently available in the market, or based on dealer quotations, if available, and are categorized as Level 2 in the fair

value hierarchy.

As of February 28, 2014, the aggregate cost of securities for federal income tax purposes was \$785,928,972. The aggregate gross unrealized appreciation for all securities in which there was an excess of fair value over tax cost was \$1,497,587,566, the aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over fair value was \$0 and the net unrealized appreciation was \$1,497,587,566.

Item 2. Controls and Procedures.

- (a) The registrant's Chief Executive Officer and its Chief Financial Officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the "1940 Act")) are effective as of a date within 90 days of the filing date of this report, based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended.
- (b) There was no change in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3. Exhibits.

Separate certifications for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the 1940 Act (17 CFR 270.30a-2(a)) are filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Tortoise Energy Infrastructure Corporation

Date: April 22, 2014

By: /s/ Terry Matlack
Terry Matlack
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Tortoise Energy Infrastructure Corporation

Date: April 22, 2014

By: /s/ Terry Matlack
Terry Matlack
Chief Executive Officer

Tortoise Energy Infrastructure Corporation

Date: April 22, 2014

By: /s/ P. Bradley Adams
P. Bradley Adams
Chief Financial Officer