

CENTER COAST MLP & INFRASTRUCTURE FUND
Form N-Q
October 30, 2017

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 811-22843

Center Coast MLP & Infrastructure Fund
(Exact name of registrant as specified in charter)

Center Coast Capital Advisors, LP
1600 Smith Street
Suite 3800
Houston, TX 77002
(Address of principal executive offices) (Zip code)

Dan C. Tutcher
Center Coast Capital Advisors, LP
1600 Smith Street
Suite 3800
Houston, TX 77002
(Name and address of agent for service)

Registrant's telephone number, including area code: (713) 759-1400

Date of fiscal year end: November 30

Date of reporting period: August 31, 2017

ITEM 1. SCHEDULE OF INVESTMENTS.

The Schedule(s) of Investments is attached herewith.

Center Coast MLP & Infrastructure Fund
Schedule of Investments (Unaudited)
August 31, 2017

| Number of Shares | | Value |
|------------------------|--|-------------|
| | COMMON STOCK - 8.9% | |
| | Midstream C-corps - 8.9% | |
| 37,500 | SemGroup Corp. | \$963,750 |
| 466,253 | Targa Resources Corp. ¹ | 20,780,896 |
| | | 21,744,646 |
| | Total Common Stock (Cost \$12,174,984) | 21,744,646 |
| | MASTER LIMITED PARTNERSHIP SHARES - 122.6% | |
| | Compression - 1.3% | |
| 198,961 | USA Compression Partners LP | 3,139,605 |
| | | 3,139,605 |
| | Diversified Midstream- 51.5% | |
| 425,180 | Andeavor Logistics LP ¹ | 21,152,705 |
| 527,214 | Enbridge Energy Partners LP | 8,029,469 |
| 1,230,903 | Energy Transfer Partners LP ¹ | 23,399,456 |
| 926,952 | Enterprise Products Partners LP ¹ | 24,165,639 |
| 710,280 | MPLX LP ¹ | 24,376,810 |
| 159,181 | ONEOK Partners LP ¹ | 8,621,243 |
| 405,494 | Williams Partners LP | 15,976,464 |
| | | 125,721,786 |
| | E&P-sponsored Gathering & Processing - 13.5% | |
| 1,275,736 | EnLink Midstream Partners LP ¹ | 20,705,195 |
| 242,310 | Western Gas Partners LP ¹ | 12,377,195 |
| | | 33,082,390 |
| | Gathering & Processing - 10.5% | |
| 285,724 | Crestwood Equity Partners LP ¹ | 7,128,814 |
| 370,836 | DCP Midstream Partners LP ¹ | 11,907,544 |
| 222,856 | Enable Midstream Partners LP | 3,318,326 |
| 153,164 | Summit Midstream Partners LP ¹ | 3,224,102 |
| | | 25,578,786 |
| | General Partner (K-1) - 1.3% | |
| 152,762 | NuStar GP Holdings LLC ¹ | 3,230,916 |
| | | 3,230,916 |
| | Large-cap Petroleum Transportation & Storage - 24.6% | |

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| | | |
|---------|---|-------------|
| 267,019 | Buckeye Partners LP ¹ | 15,270,816 |
| 175,735 | Magellan Midstream Partners LP ¹ | 11,842,782 |
| 408,910 | NuStar Energy LP ¹ | 16,556,766 |
| 758,503 | Plains All American Pipeline LP ¹ | 16,429,175 |
| | | 60,099,539 |
| | Natural Gas Transportation & Storage - 13.2% | |
| 363,562 | Spectra Energy Partners LP ¹ | 16,116,703 |
| 303,911 | TC Pipelines LP ¹ | 15,991,797 |
| | | 32,108,500 |
| | Other fee-based - 1.3% | |
| 181,824 | Martin Midstream Partners LP | 3,118,282 |
| | | 3,118,282 |
| | Sponsored Petroleum Transportation & Storage - 5.4% | |
| 157,539 | PBF Logistics LP | 3,442,227 |
| 66,489 | Phillips 66 Partners LP ¹ | 3,176,844 |
| 113,115 | Shell Midstream Partners LP | 3,129,892 |
| 135,734 | Western Refining Logistics LP | 3,529,084 |
| | | 13,278,047 |
| | Total Master Limited Partnership Shares (Cost \$288,831,450) | 299,357,851 |

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Center Coast MLP & Infrastructure Fund
 Schedule of Investments - Continued (Unaudited)
 August 31, 2017

| Number of Shares | | Value |
|---------------------|---|---------------|
| | PREFERRED STOCK - 0.1% | |
| | E&P-sponsored Gathering & Processing - 0.1% | |
| 6,151 | Anadarko Pete Corp., 7.50%, 6/7/2018 ^{1,2} | \$227,864 |
| | | 227,864 |
| | Total Preferred Stock (Cost \$154,067) | 227,864 |
| | UNREGISTERED/RESTRICTED SECURITIES - 16.6% | |
| 36,829,327 | KKR Eagle Co-Invest LP ³ | 40,625,905 |
| | Total Unregistered/Restricted Securities (Cost \$36,829,327) | 40,625,905 |
| | | |
| Principal Amount | | Value |
| | Short-Term Investments - 0.2% | |
| \$450,272 | Goldman Sachs Financial Square Funds, 0.69% ⁴ | \$450,272 |
| 110,811 | UMB Money Market Fiduciary, 0.01% ⁴ | 110,811 |
| | Total Short-Term Investments (Cost \$561,083) | 561,083 |
| | | |
| | Total Investments * - 148.4% (Cost \$338,550,911) | 362,517,349 |
| | Line of Credit - (28.9)% | (70,600,000) |
| | Series A Mandatory Redeemable Preferred Shares - (20.0) % | (48,981,488) |
| | Other Assets in Excess of Liabilities - 0.5% | 1,330,599 |
| | Total Net Assets - 100% | \$244,266,460 |

LLC - Limited Liability Company

LP - Limited Partnership

¹ All or a portion of the security has been pledged as collateral with the Fund's line of credit agreement. As of August 31, 2017, the total value of securities pledged as collateral for the line of credit agreement was \$176,874,870.

² Convertible security.

³ Indicates a fair valued security. Total value for fair valued securities is \$40,625,905, representing 16.6% of fund net assets.

⁴ The rate quoted is the annualized seven-day yield of the Fund at the period end.

* All investments domiciled in the United States.

Fair Value Measurements and Disclosures defines fair value, establishes a framework for measuring fair value in accordance with Generally Accepted Accounting Principles (“GAAP”), and expands disclosure about fair value measurements. It also provides guidance on determining when there has been a significant decrease in the volume and level of activity for an asset or liability, when a transaction is not orderly, and how that information must be incorporated into a fair value measurement.

Under Fair Value Measurements and Disclosures, various inputs are used in determining the value of the Fund’s investments. These inputs are summarized into three broad Levels as described below:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.

Level 2 – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Level 3 – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Fund’s own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The inputs used to measure fair value may fall into different Levels of the fair value hierarchy. In such cases, for disclosure purposes, the Level in the fair value hierarchy within which the fair value measurement falls in its entirety, is determined based on the lowest Level input that is significant to the fair value measurement in its entirety.

In addition, the Fund has adopted Accounting Standards Update No. 2011-04 Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in GAAP and IFRSs which amends Fair Value Measurements and Disclosures to establish common requirements for measuring fair value and for disclosing information about fair value measurements in accordance with U.S. GAAP and International Financial Reporting Standards. Enhanced disclosure is required to detail any transfers in to and out of Level 1 and Level 2 measurements and Level 2 and Level 3 measurements and the reasons for the transfers.

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The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities. The following is a summary of the fair valuation levels, as of August 31, 2017:

| Assets | Level | | | Total |
|--|---------------|------|--------------|---------------|
| | Level 1 | 2 | Level 3 | |
| Common Stock ¹ | \$21,744,646 | \$ - | \$- | \$21,744,646 |
| Master Limited Partnerships ¹ | 299,357,851 | - | - | 299,357,851 |
| Preferred Stock ¹ | 227,864 | - | - | 227,864 |
| Unregistered/Restricted Securities | - | - | 40,625,905 | 40,625,905 |
| Short-Term Investments | 561,083 | - | - | 561,083 |
| Total Assets | \$321,891,444 | \$ - | \$40,625,905 | \$362,517,349 |

All Common Stock, Master Limited Partnerships and Preferred Stock held by the Fund are Level 1 securities. For a detailed break-out of Common Stock, Master Limited Partnerships and Preferred Stock by major industry classification, please refer to the Schedule of Investments.

Transfers are recognized at the end of the reporting period. There were no transfers during the period.

The following table summarizes the change in value associated with Level 3 securities carried at fair value for the period ended August 31, 2017:

| | Level 3 Securities |
|------------------------------------|-----------------------|
| Unregistered/Restricted Securities | |
| Balance, December 1, 2016 | \$31,004,597 |
| Purchases | 5,824,730 |
| Unrealized Appreciation | 3,796,578 |
| Balance, August 31, 2017 | \$40,625,905 |

The following is a summary of quantitative information about significant unobservable valuation inputs approved by the adviser's valuation committee for Level 3 Fair Value Measurements for investments held as of August 31, 2017:

| Type of Security | Fair Value at 8/31/2017 | Valuation Technique(s) | Unobservable Input | Range (weighted average) |
|------------------|-------------------------|------------------------|--------------------|--------------------------|
| Unregistered/ | \$40,625,905 | Discounted Cash Flow | Discount Rate | 9.50% – 11.50% (10.50%) |
| Restricted | | | Exit Multiple | 11.50x – 13.50x (12.50x) |
| Securities | | | Liquidity Discount | 11.00% – 21.00% (16.00%) |

Level 3 Unregistered/Restricted Securities valued by using an unobservable input factor are directly affected by a change in that factor.

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The discounted cash flow analysis used to value the Fund's private investment in KKR Eagle Co-Invest LP uses the projected cash flows of the portfolio company to estimate the enterprise value and equity value attributable to the Fund's interest in the portfolio company. Such cash flows include a terminal value for the portfolio company, which is typically based on an EV/EBITDA multiple. A present value of these cash flows is determined by using estimated discount rates (a weighted average cost of capital or the expected return market participants would require of similar public securities).

As part of this valuation process, the Fund estimates operating results of the portfolio company (including EBITDA and unlevered cash flow). These estimates utilize unobservable inputs such as historical operating results, which may be unaudited, and projected operating results, which will be based on operating assumptions for such portfolio company. The Fund also consults with management of the portfolio company to develop these financial projections. These estimates will be sensitive to changes in assumptions specific to such portfolio company as well as general assumptions for the industry. Other unobservable inputs utilized in the valuation techniques outlined above include: discounts for lack of marketability (liquidity discount), selection of publicly-traded companies, selection of relevant M&A transactions, selected ranges for valuation multiples, and expected required rates of return (discount rates).

At August 31, 2017, gross unrealized appreciation and depreciation of investments, based on cost for federal income tax purposes were as follows:

| | |
|---|---------------|
| Cost of investments | \$319,467,055 |
| Gross unrealized appreciation | \$73,544,538 |
| Gross unrealized depreciation | (30,494,244) |
| Net unrealized appreciation/(depreciation) on investments | \$43,050,294 |

The difference between cost amounts for financial statement and federal income tax purposes is due primarily to income/(loss) from Master Limited Partnership ("MLP") K-1s, which is treated as an increase/(decrease) in cost basis of the MLP shares held, and timing differences in recognizing certain gains and losses in security transactions.

ITEM 2. CONTROLS AND PROCEDURES.

(a) The registrant's principal executive and principal financial officers have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") are effective, as of a date within 90 days of the filing date of this report, based on their evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended.

(b) There were no changes 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 have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS.

Certifications pursuant to Rule 30a-2(a) under the 1940 Act, for the Principal Executive Officer and Principal Financial Officer, are attached hereto.

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.

Center Coast MLP & Infrastructure Fund

By : /s/ Dan C. Tutchter
Dan C. Tutchter, President and Chief Executive Officer
(Principal Executive Officer)

Date October 30, 2017

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.

By: /s/ Dan C. Tutchter
Dan C. Tutchter, President and Chief Executive Officer
(Principal Executive Officer)

Date October 30, 2017

By: /s/ William H. Bauch
William H. Bauch, Treasurer and Chief Financial Officer
(Principal Financial Officer)

Date October 30, 2017