

TORTOISE CAPITAL RESOURCES CORP

Form N-2/A

June 19, 2008

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As filed with the Securities and Exchange Commission on June 19, 2008

Securities Act Registration No. 333-150146

**SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form N-2**

- REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933**
- PRE-EFFECTIVE AMENDMENT NO. 1**
- POST-EFFECTIVE AMENDMENT NO.**

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Approximate Date of Proposed Public Offering: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this form will be offered on a delayed or continuous basis in reliance on Rule 415 under the Securities Act of 1933, other than securities offered in connection with a dividend reinvestment plan, check the following box.

It is proposed that this filing will become effective (check appropriate box):

- when declared effective pursuant to Section 8(c).

CALCULATION OF REGISTRATION FEE UNDER THE SECURITIES ACT OF 1933

Title of Securities	Amount to be Registered	Proposed Maximum Offering Price per Share	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee(3)
Being Registered				
Common Stock, Preferred Stock, Debt Securities, Warrants to Purchase Common Stock, Subscription Rights to Purchase Common Stock	(1)		\$ 1,000,000	\$ 39.30

(1)

There are being registered hereunder a presently indeterminate number of shares of common stock, shares of preferred stock, debt securities subscription rights to purchase shares of common stock and warrants representing rights to purchase common stock, preferred stock or debt securities.

(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933. In no event will the aggregate initial offering price of all securities offered from time to time pursuant to the prospectus included as a part of this Registration Statement exceed \$.

(3) \$39.30 previously paid.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such dates as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

**Subject to Completion
Preliminary Prospectus dated June 19, 2008**

BASE PROSPECTUS

**\$ _____
Tortoise Capital Resources Corporation
Common Stock
Preferred Stock
Subscription Rights
Warrants
Debt Securities**

Tortoise Capital Resources Corporation (the Company, we, us or our) is a non-diversified closed-end management investment company focused on the U.S. energy infrastructure sector. We invest 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, of the U.S. energy infrastructure sector. Our goal is to provide our stockholders with a high level of total return, with an emphasis on distribution growth. We invest primarily in the equity securities of companies that we expect to pay us distributions on a current basis and provide us distribution growth. We have elected to be regulated as a business development company under the Investment Company Act of 1940.

We may offer, on an immediate, continuous or delayed basis, up to \$ _____ aggregate initial offering price of our common stock (\$0.001 par value per share), preferred stock (\$0.001 par value per share), debt securities, subscription rights to purchase shares of our common stock, or warrants representing rights to purchase shares of our common stock, preferred stock or debt securities, which we refer to in this prospectus collectively as our securities, in one or more offerings. We may offer our 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 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. We will not receive any of the proceeds from a sale of our common stock by any selling stockholder. 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 shares are traded on the New York Stock Exchange under the symbol TTO. On _____, 2008, the last reported sale price of our common shares on the New York Stock Exchange was \$.

Investing in our securities involves certain risks. You could lose some or all of your investment. See Risk Factors beginning on page ___ 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 _____, 2008

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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 this prospectus and any related prospectus supplement, which contain important information, before deciding whether to invest in our securities. You should retain this prospectus and any related prospectus supplement for future reference. We are required to file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission (SEC). You may request a free copy of our annual, quarterly and current reports or proxy statements, request other information or make stockholder inquiries, by calling toll-free at 1-866-362-9331 or by writing to us at 11550 Ash Street, Suite 300, Leawood, Kansas 66211. This information is also available on our website at www.tortoiseadvisors.com/tto.cfm. You can also 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 are 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, 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.

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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, especially the information set forth under the heading **Risk Factors** beginning on page ___ of this prospectus.*

The Company

We invest primarily in privately-held and micro-cap public energy companies focused on the midstream and downstream segments, and to a lesser extent the upstream segment, of the U.S. energy infrastructure sector. We believe companies in the energy infrastructure sector generally produce stable cash flows as a result of their fee-based revenues and limited exposure to the risks associated with changes in commodity prices. Our goal is to provide our stockholders with a high level of total return, with an emphasis on distribution growth. We invest primarily in the equity securities of companies that we expect to pay us distributions on a current basis and provide us distribution growth. These securities will generally be limited partner interests, including interests in master limited partnerships (MLPs), and limited liability company interests, and may also include, among others, general partner interests, common and preferred stock, convertible securities, warrants and depository receipts of companies that are organized as corporations, limited partnerships or limited liability companies. We may also invest in the securities of entities formed as joint ventures with companies in the energy infrastructure sector to spin off assets deemed to be better suited for ownership through a separate entity or to construct projects involving new energy infrastructure assets. We refer to such projects as greenfield projects.

Unlike most investment companies, we have not elected, and do not intend to elect, to be treated as a regulated investment company (RIC) under the Internal Revenue Code of 1986, as amended (the Code). Therefore, we are, and intend to continue to be, obligated to pay federal and applicable state corporate income taxes on our taxable income.

Companies in the midstream segment of the energy infrastructure sector engage in the business of transporting, processing or storing natural gas, natural gas liquids, coal, crude oil, refined petroleum products and renewable energy resources. Companies in the downstream segment of the energy infrastructure sector engage in distributing or marketing such commodities and companies in the upstream segment of the energy infrastructure sector engage in exploring, developing, managing or producing such commodities. Under normal conditions, we intend to invest at least 90% of our total assets (including assets obtained through leverage) in companies in the energy infrastructure sector. Companies in the energy infrastructure sector include (i) companies that derive a majority of their revenues from activities within the downstream, midstream and upstream segments of the energy infrastructure sector, and (ii) companies that derive a majority of their revenues from providing products or services to such companies. Our investments are expected to range between \$5.0 million and \$30.0 million per investment, although investment sizes may be smaller or larger than this targeted range.

As of February 29, 2008, we have invested a total of \$154.9 million in 13 portfolio companies in the U.S. energy infrastructure sector. Of the \$154.9 million, we have invested \$113.1 million in the midstream and downstream segments of the U.S. energy infrastructure sector, \$19.5 million in the upstream segment of the U.S. energy infrastructure sector and \$22.3 in other segments of the U.S. energy infrastructure sector.

The following table summarizes our investments in portfolio companies as of February 29, 2008. Eagle Rock Energy Partners, L.P., EV Energy Partners, L.P. and Legacy Reserves L.P. are publicly-traded. Abraxas Energy Partners, L.P. filed for its initial public offering with the Securities and Exchange Commission on July 13, 2007.

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Name of Portfolio Company (Segment)	Nature of its Principal Business	Securities Held by Us	Amount Invested (in millions)	Fair Market Value (in millions)	Current Yield⁽¹⁾
Abraxas Energy Partners, L.P. (Upstream)	Natural gas and oil exploitation and development in the Delaware and Gulf Coast Basins of Texas, the Rockies and mid-continent region of the U.S.	Common Units	\$ 7.5	\$ 7.5	9.0%
Eagle Rock Energy Partners, L.P. (Midstream)	Gatherer and processor of natural gas in north and east Texas and Louisiana and upstream assets located in 17 states	Common Units	12.1	9.9	8.5%
EV Energy Partners, L.P. (Upstream)	Acquirer, producer and developer of oil and gas properties	Common Units	7.5	6.1	7.0%
High Sierra Energy, LP (Midstream)	Marketer, processor, storer and transporter of hydrocarbons with operations primarily in Colorado, Wyoming and Florida	Common Units	24.8	27.3	9.8%
High Sierra Energy GP, LLC (Midstream)	General Partner of High Sierra Energy, LP	GP Interest	2.0	2.8	2.2% ⁽²⁾
International Resource Partners LP (Coal)	Operator of both metallurgical and steam coal mines in Central Appalachia	Class A Units	10.0	9.1	8.0%
Legacy Reserves LP (Upstream)	Oil and natural gas exploitation and development in the Permian Basin	Limited Partner Units	4.5	5.6	10.6%
LONESTAR Midstream Partners, LP (Midstream)	Gatherer and processor of natural gas in six counties in Texas	Class A Units	23.4	22.9	8.0% ⁽³⁾

(1) The current yield has been calculated by annualizing the most recent distribution and dividing by the amount invested in the underlying

security. Actual distributions to us are based on each company's available cash flow and are subject to change.

- (2) Includes original purchase of 3 percent equity interest, sale of 0.6274 percent equity interest in July 2007 and subsequent capital calls.
- (3) Distributions are paid in kind.
- (4) Represents an equity distribution on our invested capital. We expect that, pending cash availability, such equity distributions will recur on a quarterly basis at or above such yield.
- (5) Variable interest rate.

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We are an externally managed, 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). As a BDC, we are subject to numerous regulations and restrictions. See Regulation. Unlike most investment companies, we have not elected, and do not intend to elect, to be treated as a RIC under the Code. Therefore, we are, and intend to continue to be, obligated to pay federal and applicable state corporate income taxes on our taxable income. See Certain U.S. Federal Income Tax Considerations Taxation of U.S. Stockholders.

Our Adviser

We are externally managed by Tortoise Capital Advisors, L.L.C., a registered investment adviser specializing in the energy sector that managed approximately \$2.8 billion of assets as of April 30, 2008, including the assets of three other publicly traded and two privately-held closed-end management investment companies and separate accounts for institutions and high net worth individuals. Our Adviser's aggregate managed capital is among the largest of investment advisers managing closed-end management investment companies focused on the energy sector. Our Adviser also manages the investments of Tortoise Energy Infrastructure Corporation (TYG), Tortoise Energy Capital Corporation (TYY), Tortoise North American Energy Corporation (TYN), Tortoise Total Return Fund, LLC (TTRF) and Tortoise Gas and Oil Corporation (TGO). TYG is a publicly-traded, non-diversified, closed-end management investment company focused primarily on investing in MLPs in the midstream segment of the energy infrastructure sector. TYY is a publicly-traded, non-diversified, closed-end management investment company focused primarily on investing in MLPs in the midstream segment of the energy infrastructure sector. TYN is a publicly-traded, non-diversified, closed-end management investment company focused primarily on investing in publicly traded Canadian upstream royalty trusts and midstream and downstream income trusts, and publicly traded U.S. MLPs. TTRF is a privately held, closed-end management investment company targeted at institutional investors and focused primarily on investing in MLPs in the midstream segment of the energy infrastructure sector. TGO is a privately held, closed-end management investment company focused primarily on investing in companies in the upstream, and to a lesser extent the midstream, segments of the energy sector. Our Adviser has limited experience managing a BDC, which is subject to different regulations than the other closed-end management investment companies managed by our Adviser.

Our Adviser has 32 full time employees. Six of our Adviser's investment professionals are responsible for the origination, structuring and managing of our investments. These six investment professionals have approximately 120 years of combined experience in energy, leveraged finance, investment banking and private equity investing. Each of our Adviser's investment decisions will be reviewed and approved by its investment committee, which also acts as the investment committee for TYG, TYY, TYN, TTRF and TGO. To the extent any of TYG, TYY, TYN, TTRF or TGO targets investment opportunities similar to ours, our Adviser intends to allocate investment opportunities in a fair and equitable manner consistent with our investment objective and strategies and in accordance with written allocation policies and procedures of our Adviser, so that we will not be disadvantaged in relation to any other client. See Risk Factors Risks Related to Our Operations.

Our Adviser has retained Kenmont Investments Management, L.P. (Kenmont) as a sub-adviser. Kenmont is a Houston, Texas based registered investment adviser with experience investing in privately-held and public companies in the U.S. energy and power sectors. Kenmont provides additional contacts to us and enhances our number and range of potential investment opportunities. The principals of Kenmont have collectively created and managed private equity portfolios in excess of \$1.5 billion and have over 50 years of experience working for investment banks, commercial banks, accounting firms, operating companies and money management firms. Our Adviser compensates Kenmont for the services it provides to us. Our Adviser also indemnifies and holds us harmless from any obligation to pay or reimburse Kenmont for any fees or expenses incurred by Kenmont in providing such services to us. Entities managed by Kenmont own approximately 7.5% of our outstanding common shares and warrants to purchase an additional 281,666 of our common shares.

U.S. Energy Infrastructure Sector Focus

We pursue our investment objective by investing principally in a portfolio of privately-held and micro-cap public companies in the energy infrastructure sector. We focus our investments in the midstream and downstream segments, and to a lesser extent in the

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upstream segment, of the energy infrastructure sector. We also intend to allocate our investments among asset types and geographic regions within the United States.

We believe that the midstream and downstream segments of the energy infrastructure sector will provide attractive investment opportunities as a result of the following factors:

Strong Supply and Demand Fundamentals. The U.S. is the largest consumer of crude oil and natural gas products, the third largest producer of crude oil and the second largest producer of natural gas products in the world. The United States Department of Energy's Energy Information Administration, or EIA, projects that domestic natural gas and refined petroleum products consumption will increase annually by 0.8% and 1.1%, respectively, through 2030.

Substantial Capital Requirements. We believe, based on industry sources, that approximately \$20 billion of capital was invested by the midstream segment of the U.S. energy infrastructure sector during 2006 and that additional capital expenditures will occur in the future. We also believe that existing downstream infrastructure will require new capital investment to maintain an aging asset base, as well as to upgrade the asset base to respond to the evolution of supply and environmental regulations.

Substantial Asset Ownership Realignment. We believe that in the midstream and downstream segments of the U.S. energy infrastructure sector, the acquisition and divestiture market has averaged approximately \$34 billion of annual transactions between 2001 and 2006 and that such activity, particularly in the midstream segment, will continue. We also believe that the substantial number of domestic companies in the downstream segment of the U.S. energy infrastructure sector provides for attractive consolidation opportunities.

Renewable Energy Resources Opportunities. We believe that the demand for project financing relating to renewable energy resources will continue to grow and may provide investment opportunities consistent with our investment objective.

Although not part of our core focus, we believe the upstream segment of the energy infrastructure sector will benefit from strong, long-term demand fundamentals and will provide attractive investment opportunities.

Market Opportunity

We believe the environment for investing in privately-held and micro-cap public companies in the energy infrastructure sector is attractive for the following reasons:

Increased Demand Among Small and Middle Market Private Companies for Capital. We believe many private and micro-cap public companies have faced increased difficulty accessing the capital markets due to a continuing preference by investors for issuances in larger companies with more liquid securities. Such difficulties have been magnified in asset-focused and capital intensive industries such as the energy infrastructure sector. We believe that the U.S. energy infrastructure sector's high level of projected capital expenditures and continuing acquisition and divestiture activity will provide us with numerous attractive investment opportunities.

Finance Market for Small and Middle Market Energy Companies is Underserved by Many Capital Providers. We believe that many lenders have, in recent years, de-emphasized their service and product offerings to small and middle market energy companies in favor of lending to large corporate clients and managing capital markets transactions. We believe, in addition, that many capital providers lack the necessary technical expertise to evaluate the quality of the underlying assets of small and middle market private companies and micro-cap public companies in the energy infrastructure sector and lack a network of relationships with such companies.

Attractive Companies with Limited Access to Other Capital. We believe there are, and will continue to be, attractive companies that will benefit from private equity investments prior to a public offering of their equity, whether as an MLP or otherwise. We also believe that there are a number of companies in the midstream and downstream segments of the U.S. energy infrastructure sector with the same stable cash flow characteristics as

those being acquired by MLPs or funded by private equity capital in anticipation of contribution to an MLP. We believe that many such companies are not being acquired by MLPs or attracting private equity capital because they do not produce income that qualifies for inclusion in an MLP pursuant to the applicable U.S. Federal income tax laws, are perceived by such investors as too small, or are in areas of the midstream energy infrastructure segment in which most MLPs do not have specific expertise. We believe that these companies represent attractive investment candidates for us.

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Competitive Advantages

We believe that we are well positioned to meet the financing needs of companies within the U.S. energy infrastructure sector for the following reasons:

Existing Investment Platform and Focus on the Energy Infrastructure Sector. We believe that our Adviser's current investment platform provides us with significant advantages in sourcing, evaluating, executing and managing investments. Our Adviser specializes in the energy sector and had approximately \$2.8 billion of assets under management as of April 30, 2008, including the assets of three other publicly traded and two privately-held closed-end management investment companies and separate accounts for institutions and high net worth individuals. Our Adviser created the first publicly traded closed-end management investment company focused primarily on investing in MLPs involved in the energy infrastructure sector, and its aggregate managed capital is among the largest of those closed-end management investment company advisers focused on the energy sector.

Experienced Management Team. The members of our Adviser's investment committee have an average of over 20 years of financial investment experience. Our Adviser's six investment professionals are responsible for the structuring and managing of our investments and have approximately 120 years of combined experience in energy, leveraged finance and private equity investing. We believe that the members of our Adviser's investment committee and the Adviser's investment professionals have developed strong reputations in the capital markets, particularly in the energy infrastructure sector, that we believe affords us a competitive advantage in identifying and investing in energy infrastructure companies.

Disciplined Investment Philosophy. In making its investment decisions, our Adviser intends to continue the disciplined investment approach that it has used since its founding. That investment approach emphasizes current income with the potential for enhanced returns through distribution growth, capital appreciation, low volatility and minimization of downside risk. Our Adviser's investment process involves an assessment of the overall attractiveness of the specific subsector of the energy infrastructure sector in which a prospective portfolio company is involved; such company's specific competitive position within that subsector; potential commodity price, supply and demand and regulatory concerns; the stability and potential growth of the prospective portfolio company's cash flows; the prospective portfolio company's management track record and incentive structure and our Adviser's ability to structure an attractive investment.

Flexible Transaction Structuring. We are not subject to many of the regulatory limitations that govern traditional lending institutions such as commercial banks. As a result, we can be flexible in structuring investments and selecting the types of securities in which we invest. Our Adviser's investment professionals have substantial experience in structuring investments that balance the needs of energy infrastructure companies with appropriate risk control.

Extended Investment Horizon. Unlike private equity and venture capital funds, we are not subject to standard periodic capital return requirements. These provisions often force private equity and venture capital funds to seek quicker returns on their investments through mergers, public equity offerings or other liquidity events than may otherwise be desirable, potentially resulting in both a lower overall return to investors and an adverse impact on their portfolio companies. We believe our flexibility to make investments with a long-term view and without the capital return requirements of traditional private investment funds enhances our ability to generate attractive returns on invested capital.

Targeted Investment Characteristics

We anticipate that our targeted investments will have the following characteristics:

Long-Life Assets with Stable Cash Flows and Limited Commodity Price Sensitivity. We anticipate that most of our investments will be made in companies with assets having the potential to generate stable cash flows over long periods of time. We intend to invest a portion of our assets in companies that own and operate assets with

long useful lives and that generate cash flows by providing critical services primarily to the producers or end-users of energy. We expect to limit the direct exposure to energy commodity price risk in our portfolio. We intend to target companies that have a majority of their cash flows generated by contractual obligations.

Experienced Management Teams with Energy Infrastructure Focus. We target investments in companies with management teams that have a track record of success and that often have substantial knowledge and focus in particular segments of the

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energy infrastructure sector or with certain types of assets. We expect that our management team's extensive experience and network of business relationships in the energy infrastructure sector will allow us to identify and attract portfolio company management teams that meet these criteria.

Fixed Asset-Intensive Investments. We anticipate that most of our investments will be made in companies with a relatively significant base of fixed assets that we believe will provide for reduced downside risk compared to making investments in companies with lower relative fixed asset levels. As fixed asset-intensive companies typically have less variable cost requirements, we expect they will generate attractive cash flow growth even with limited demand-driven or supply-driven growth.

Limited Technological Risk. We do not intend to target investment opportunities involving the application of new technologies or significant geological, drilling or development risk.

Exit Opportunities. We focus our investments on prospective portfolio companies that we believe will generate a steady stream of cash flow to generate returns on our investments as well as allow such companies to reinvest in their respective businesses. We expect that such internally generated cash flow will lead to distributions or the repayment of the principal of our investments in portfolio companies and will be a key means by which we monetize our investments over time. In addition, we seek to invest in companies whose business models and expected future cash flows offer attractive exit possibilities. These companies include candidates for strategic acquisition by other industry participants and companies that may repay, or provide liquidity for, our investments through an initial public offering of common stock or other capital markets transactions. We believe our Adviser's investment experience will help us identify such companies.

Corporate Information

Our offices are located at 11550 Ash Street, Suite 300, Leawood, Kansas 66211, our telephone number is 1-866-362-9331 and our website is www.tortoiseadvisors.com/tto.cfm. Information posted to our website is not incorporated into this prospectus.

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THE OFFERING

Securities to be offered

We may offer, on an immediate, continuous or delayed basis, up to \$_____ of our securities, or certain of our stockholders who purchase common stock 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. Preferred stock and debt securities (collectively, senior securities), which may be auction rate securities, may not be listed on any exchange or automated quotation system.

While the number and amount of securities we may issue pursuant to this registration statement is limited to \$_____ of securities, our Board of Directors 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 Investment Company Act of 1940, as amended (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 our sale of our securities (including any net proceeds received upon their exercise) to invest in prospective portfolio companies in accordance with our investment objective and policies within approximately three to six months of receipt of such proceeds, to retire all or a portion of any debt under our secured credit facility or retire or redeem other senior securities. We may also use sale proceeds 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. See Use of Proceeds.

Regulatory status

We have elected to be regulated as a BDC under the 1940 Act. See Regulation.

Distributions

We intend, subject to adjustment at the discretion of our Board of Directors, each quarter to pay out substantially all of the amounts we receive as recurring cash or paid-in-kind distributions on equity securities we own and interest payments on debt securities we own, less current or anticipated operating expenses, current income taxes on our income and our leverage costs. On

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February 11, 2008, our Board of Directors declared, and on March 3, 2008, we paid, a \$0.25 per share distribution to stockholders of record on February 21, 2008. On May 12, 2008, our Board of Directors declared, and on June 2, 2008 we paid, a \$0.2625 per share distribution to stockholders of record on May 22, 2008. See [Price Range of Common Shares and Distributions](#) and [Management's Discussion and Analysis of Financial Condition and Results of Operation](#) [Determining Distributions to Stockholders](#).

Taxation

Unlike most investment companies, we have not elected, and do not intend to elect, to be treated as a RIC under the Code. Therefore, we are, and intend to continue to be, obligated to pay federal and applicable state corporate income taxes on our taxable income. As a result of not electing to be treated as a RIC, we are not subject to the Code's diversification rules limiting the assets in which a RIC can invest. In addition, we are not subject to the Code's restrictions on the types of income that a RIC can recognize without adversely affecting its election to be treated as a RIC. This allows us to invest in operating entities treated as partnerships under the Code, which we believe provide attractive investment opportunities. Finally, unlike RICs, we are not effectively required by the Code to distribute substantially all of our income and capital gains. Distributions on our common shares will be treated first as taxable dividend income to the extent of our current or accumulated earnings and profits, then as a tax free return of capital to the extent of a stockholder's tax basis in the common shares, and last as capital gain. We anticipate that the distributed cash from our portfolio investments in entities treated as partnerships for tax purposes will exceed our share of taxable income from those portfolio investments. Thus, we anticipate that only a portion of distributions we make on our common shares will be treated as taxable dividend income to our stockholders. If you are an individual citizen or resident of the United States or a United States estate or trust for U.S. federal income tax purposes and meet certain holding period and other applicable requirements, the portion of such distributions treated as taxable dividend income will be qualified dividend income currently subject to a maximum 15% U.S. federal income tax rate. See [Certain U.S. Federal Income Tax Considerations](#) [Taxation of U.S. Stockholders](#).

Investment adviser

Tortoise Capital Advisors, L.L.C., a Delaware limited liability company and registered investment adviser, serves as our investment adviser. See [Portfolio Management](#), [Management](#) and [Adviser](#).

Fees

Pursuant to our investment advisory agreement, we pay our Adviser a fee consisting of two components—a base management fee and an incentive fee. The base management fee commenced on December 8, 2005, is paid quarterly in arrears, and is equal to 0.375% (1.5%

annualized) of our average monthly Managed Assets (our total assets, including any assets purchased with or attributable to any borrowed funds, minus accrued liabilities other than (1) deferred taxes and (2) debt entered into for the purpose of leverage).

In November 2007, our Adviser agreed to reimburse us an amount equal to 0.25% of our average monthly Managed Assets on a quarterly basis beginning September 1, 2007 and ending December 31, 2008. The Adviser also terminated its right to receive the capital gains incentive fee described below, to the extent such fee would be due as to that portion of any scheduled periodic distributions made possible by the normally recurring cash flow from the operations of our portfolio companies (Expected Distributions) that is characterized by us as a return of capital for book purposes. This does not apply to any portion of any distribution from a portfolio company that is not an Expected Distribution.

The incentive fee payable to our Adviser consists of two parts. The first part, the investment income fee, is calculated and payable quarterly in arrears and will equal 15% of the excess, if any, of our net investment income for the quarter over a quarterly hurdle rate equal to 2% (8% annualized) of our average monthly net assets. No investment income fee was paid or earned prior to December 8, 2006.

The second part of the incentive fee, the capital gains fee, will be determined and payable in arrears as of the end of each fiscal year (or, upon termination of the investment advisory agreement, as of the termination date), and will equal (i) 15% of (a) our net realized capital gains on a cumulative basis from the commencement of our operations on December 8, 2005 to the end of each fiscal year, less (b) any unrealized capital depreciation at the end of such fiscal year, less (ii) the aggregate amount of all capital gains fees paid to our Adviser in prior

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years. For the fiscal year ended November 30, 2007, we accrued \$307,611 as a provision for capital gains incentive fees (net of \$1,326,001 which represents the portion of the capital gains incentive fee attributable to distributions that were characterized by the Company as return of capital for book purposes and waived as described below). The provision for capital gains incentive fees resulted from the increase in fair value and unrealized appreciation on investments, including return of capital on distributions received from investments. Pursuant to the investment advisory agreement, the capital gains incentive fee is paid annually only if there are realization events and only if the calculation defined in the agreement results in an amount due. As of November 30, 2007, no payments have been made, or are due to, our Adviser with respect to the capital gains incentive fees.

See Adviser Investment Advisory Agreement, which also contains a discussion of our expenses.

Sub-adviser

Kenmont Investment Management, L.P. serves as our sub-adviser. Kenmont is a Houston, Texas based registered investment adviser with experience investing in privately-held and public companies in the U.S. energy and power sectors. Pursuant to the sub-advisory agreement between Kenmont and our Adviser, our Adviser pays Kenmont a portion of the fee it receives from us. See Adviser Sub-Adviser Arrangement.

Leverage

The borrowing of money and the issuance of preferred stock and debt securities represents the leveraging of our common stock. We have and may borrow funds to make investments, and we have and may grant a security interest in our assets in connection with such borrowings, including any borrowings by any of our subsidiaries. We use this practice, which is known as leverage, to attempt to increase returns to our stockholders. However, leverage involves significant risks and the costs of any leverage transactions will be borne by our stockholders. See Risk Factors. With certain limited exceptions, we are only allowed to borrow amounts such that our asset coverage, as defined in the 1940 Act, equals at least 200% after such borrowing. The amount of leverage that we may employ will depend on our assessment of market conditions and other factors at the time of any proposed borrowing.

We have a \$50 million secured revolving credit facility with U.S. Bank National Association, as lender, agent and lead arranger, First National Bank of Kansas and Wells Fargo Bank, N.A. The credit facility terminates on March 20, 2009. As of April 30, 2008, we had an outstanding balance of approximately \$36.25 million under the credit facility. See Management's Discussion and Analysis of Financial Condition and Results of Operations Liquidity and Capital Resources

and Management's Discussion and Analysis of Financial Conditions and Result of Operations Borrowings and Management's Discussion and Analysis of Financial Condition and Results of Operations Senior Securities.

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Dividend reinvestment plan	We have an opt out dividend reinvestment plan. As a result, if we declare a distribution, stockholders cash distributions will be automatically reinvested in additional common shares, unless the stockholders specifically opt out of the dividend reinvestment plan so as to receive cash distributions. Stockholders who receive distributions in the form of common shares will generally be subject to the same federal, state and local tax consequences as stockholders who elect to receive their distributions in cash. See Dividend Reinvestment Plan and Certain U.S. Federal Income Tax Considerations Taxation of U.S. Stockholders.
Trading at a discount	Shares of closed-end investment companies frequently trade at a discount to their net asset value (NAV). The possibility that our common shares may trade at a discount to our net asset value is separate and distinct from the risk that our net asset value per share may decline. Our NAV immediately following this offering will reflect reductions resulting from the sales load (underwriting discount) and the amount of the offering expenses paid. This risk may have a greater effect on investors expecting to sell their shares soon after completion of this offering. We generally may not issue additional common shares at a price below our net asset value (net of any sales load (underwriting discount)) without first obtaining approval of our stockholders and Board of Directors. See Determination of Net Asset Value Determinations in Connections with Offerings. We cannot predict whether our common shares will trade above, at, or below net asset value.
Anti-takeover provisions	Our Board of Directors is divided into three classes of directors serving staggered three-year terms. This structure is intended to provide us with a greater likelihood of continuity of management, which may be necessary for us to realize the full value of our investments. A staggered Board of Directors also may deter hostile takeovers or proxy contests, as may certain provisions of Maryland law, our Charter or Bylaws or other measures adopted by us. These provisions or measures also may limit the ability of our stockholders to sell their shares at a premium over then-current market prices by discouraging a third party from seeking to obtain control of us. See Certain Provisions of Our Charter and Bylaws and the Maryland General Corporation Law.
Risk factors	Investing in our common shares involves certain risks relating to our structure and our investment objective that you should consider before deciding whether to invest in our common shares. In addition, we expect that our portfolio will consist primarily of securities issued by privately-held energy infrastructure companies. These investments may involve a high degree of business and financial risk, and they are generally illiquid. Our portfolio companies typically will require

additional outside capital beyond our investment in order to succeed. A large number of entities compete for the same kind of investment opportunities as we seek. We borrow funds to make our investments in portfolio companies. As a result, we are and will be exposed to the risks of leverage, which may be considered a speculative investment technique. Borrowings magnify the potential for gain and loss on amounts invested and, therefore, increase the risks associated with investing in our common shares.

Also, we are subject to certain risks associated with valuing our portfolio, changing interest rates, accessing additional capital, fluctuating quarterly results and operating in a regulated environment. See [Risk Factors](#) for a discussion of factors you should carefully consider before deciding whether to invest in our common shares.

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Available information

We have filed with the Securities and Exchange Commission, or SEC, a registration statement on Form N-2, including any amendments thereto and related exhibits, under the Securities Act of 1933, which we refer to as the Securities Act, with respect to our common shares offered by this prospectus. The registration statement contains additional information about us and our common shares being offered by this prospectus.

Our common shares are registered under the Securities Exchange Act of 1934, which we refer to as the Exchange Act, and we are required to file reports, proxy statements and other information with the SEC. This information may be obtained free of charge by contacting us at 11550 Ash Street, Suite 300, Leawood, Kansas 66211 or by telephone at 1-866-362-9331 or on our website at www.tortoiseadvisors.com/tto.cfm and is also available at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Information posted to our website is not incorporated by reference into this prospectus. You may obtain information about the operation of the SEC's public reference room by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet website, at <http://www.sec.gov>, that contains reports, proxy and information statements, and other information regarding issuers, including us, that file documents electronically with the SEC.

Table of Contents**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 February 29, 2008, 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 in which we invest. The table and example are based on our capital structure as of February 29, 2008. As of that date, we had \$32.1 million outstanding under our secured credit facility and senior securities represented approximately 20.6% of our total assets.

Stockholder transaction expenses (as a percentage of offering price):

Sales Load	— ⁽¹⁾
Offering Expenses Borne by Us	— ⁽¹⁾
Dividend Reinvestment Plan Fees	None ⁽²⁾

	Percentage of Net Assets Attributable to Common Stockholders⁽³⁾
Annual Expenses	
Management fee and Capital Gain Incentive Fee	2.21% ⁽⁴⁾
Interest Payments on Borrowed Funds	1.33% ⁽⁵⁾
Other Expenses	0.85% ⁽⁶⁾
Current Income Tax Expense	0%
Deferred Income Tax Expense	3.34% ⁽⁸⁾
Total Annual Expenses	7.73% ⁽⁹⁾
Less Expense Reimbursement	(0.32)% ⁽¹⁰⁾
Net Annual Expenses	7.41% ⁽⁹⁾

Example

The following example illustrates the expenses that common stockholders would pay on a \$1,000 investment in common stock, assuming (1) total annual expenses at the levels set forth in the table above except as indicated below (2) a 5% annual return, and (3) all distributions are reinvested at NAV:

	1 Year	3 Years	5 Years	10 Years
Total Expenses Paid by Common Stockholders ^{(9) (10)}	\$75	\$221	\$359	\$674

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. We have assumed the expense reimbursement agreement is applicable for six months of Year 1.

(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, the estimated offering expenses borne by us and a revised expense example.

- (2) The expenses associated with the administration of our dividend reinvestment plan are included in Other Expenses. Stockholders will pay a transaction fee plus brokerage charges if they direct the Plan Agent to sell common stock held in a dividend reinvestment account. See Dividend Reinvestment Plan.
- (3) Net assets attributable to common shares equals net assets (i.e., total assets less total liabilities) of (i) approximately \$117.7 million at February 29, 2008 and (ii) reflecting leverage of approximately \$32.1 million as set forth in footnote (5) below.