

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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 31, 2023

CVR PARTNERS, LP

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

001-35120

(Commission File Number)

56-2677689

(I.R.S. Employer Identification Number)

**2277 Plaza Drive, Suite 500
Sugar Land, Texas 77479**
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: **(281) 207-3200**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| <u>Title of Each Class</u> | <u>Trading Symbol(s)</u> | <u>Name of each exchange on which registered</u> |
|---|--------------------------|--|
| Common units representing limited partner interests | UAN | New York Stock Exchange |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On July 31, 2023, CVR Partners, LP (the “Partnership”) issued a press release announcing information regarding its results of operations and financial condition for the three months ended June 30, 2023, which is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information in Items 2.02 and 7.01 of this Current Report on Form 8-K (“Current Report”) and Exhibit 99.1 attached hereto is being “furnished” and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, unless specifically identified therein as being incorporated by reference. The furnishing of information in this Current Report (including Exhibit 99.1) is not intended to, and does not, constitute a determination or admission by the Partnership that the information in this Current Report is material or complete, or that investors should consider this information before making an investment decision with respect to any securities of the Partnership or its affiliates.

Item 7.01. Regulation FD Disclosure.

The information set forth under Item 2.02 is incorporated by reference as if fully set forth herein.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

The following exhibits are being “furnished” as part of this Current Report on Form 8-K:

| <u>Exhibit Number</u> | <u>Exhibit Description</u> |
|------------------------------|---|
| 99.1 | Press Release dated July 31, 2023. |
| 104 | Cover Page Interactive Data File (the cover page XBRL tags are embedded within the Inline XBRL document). |

SIGNATURES

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

Date: July 31, 2023

CVR Partners, LP
By: CVR GP, LLC, its general partner

By: /s/ Dane J. Neumann
Dane J. Neumann
Executive Vice President, Chief Financial Officer, Treasurer
and Assistant Secretary



CVR Partners Reports Second Quarter 2023 Results and Announces a Cash Distribution of \$4.14

SUGAR LAND, Texas (July 31, 2023) – CVR Partners, LP (“CVR Partners” or the “Partnership”) (NYSE: UAN), a manufacturer of ammonia and urea ammonium nitrate (“UAN”) solution fertilizer products, today announced net income of \$60 million, or \$5.66 per common unit, on net sales of \$183 million for the second quarter of 2023, compared to net income of \$118 million, or \$11.12 per common unit, on net sales of \$244 million for the second quarter of 2022. EBITDA was \$87 million for the second quarter of 2023, compared to EBITDA of \$147 million for the second quarter of 2022.

“CVR Partners achieved solid results for the 2023 second quarter led by strong production, including a combined ammonia production rate of 100 percent offset by lower fertilizer pricing,” said Mark Pytosh, Chief Executive Officer of CVR Partners’ general partner. “The spring planting season went well with favorable weather and strong demand for nitrogen fertilizer.

“As we enter a new planting season, nitrogen fertilizer prices have fully reset and we have seen strong demand for the second half of 2023,” Pytosh said. “Our focus for the remainder of the year will continue to be on safe, reliable operations and maximizing our free cash generation and cash distribution.”

Consolidated Operations

For the second quarter of 2023, CVR Partners’ average realized gate prices for UAN showed a reduction over the prior year, down 43 percent to \$316 per ton, and ammonia was down 40 percent over the prior year to \$707 per ton. Average realized gate prices for UAN and ammonia were \$555 and \$1,182 per ton, respectively, for the second quarter of 2022.

CVR Partners’ fertilizer facilities produced a combined 219,000 tons of ammonia during the second quarter of 2023, of which 70,000 net tons were available for sale while the rest was upgraded to other fertilizer products, including 339,000 tons of UAN. In the second quarter of 2022, the fertilizer facilities produced 193,000 tons of ammonia, of which 50,000 net tons were available for sale while the remainder was upgraded to other fertilizer products, including 331,000 tons of UAN. These increases were due to operating reliability after completing the planned turnarounds at both fertilizer facilities during the third quarter of 2022.

Distributions

CVR Partners also announced that on July 31, 2023, the Board of Directors of the Partnership’s general partner (the “Board”) declared a second quarter 2023 cash distribution of \$4.14 per common unit, which will be paid on August 21, 2023, to common unitholders of record as of August 14, 2023.

CVR Partners is a variable distribution master limited partnership. As a result, its distributions, if any, will vary from quarter to quarter due to several factors, including, but not limited to, its operating performance, fluctuations in the prices received for its finished products, maintenance capital expenditures, use of cash and cash reserves deemed necessary or appropriate by the Board.

Second Quarter 2023 Earnings Conference Call

CVR Partners previously announced that it will host its second quarter 2023 Earnings Conference Call on Tuesday, August 1, at 11 a.m. Eastern. The Earnings Conference Call may also include discussion of the Partnership’s developments, forward-looking information and other material information about business and financial matters.

The second quarter 2023 Earnings Conference Call will be webcast live and can be accessed on the Investor Relations section of CVR Partners' website at www.CVRPartners.com. For investors or analysts who want to participate during the call, the dial-in number is (877) 407-8029. The webcast will be archived and available for 14 days at <https://edge.media-server.com/mmc/p/o8wcogou>. A repeat of the call also can be accessed for 14 days by dialing (877) 660-6853, conference ID 13739749.

Qualified Notice

This release serves as a qualified notice to nominees and brokers as provided for under Treasury Regulation Section 1.1446-4(b). Please note that 100 percent of CVR Partners' distributions to foreign investors are attributable to income that is effectively connected with a United States trade or business. Accordingly, CVR Partners' distributions to foreign investors are subject to federal income tax withholding at the highest effective tax rate.

Forward-Looking Statements

This news release contains forward-looking statements. Statements concerning current estimates, expectations and projections about future results, performance, prospects, opportunities, plans, actions and events and other statements, concerns, or matters that are not historical facts are "forward-looking statements," as that term is defined under the federal securities laws. These forward-looking statements include, but are not limited to, statements regarding future: Partnership results, including the drivers thereof; production and shipment rates; nitrogen fertilizer pricing; planting season impacts; demand for nitrogen fertilizers; ability to maximize free cash generation and cash distributions; net income; net sales; EBITDA and Adjusted EBITDA; realized gate prices for ammonia and UAN; ammonia production levels, including volumes upgraded to other fertilizer products such as UAN, and the drivers thereof; distributions, including the timing, payment and amount (if any) thereof; the Partnership's cash distribution policy; continued safe and reliable operations; operating performance, operating costs and capital expenditures; Section 45Q credits and future payments arising under the 45Q Transaction (if any), including the amount, timing and receipt thereof; consideration of opportunities to reduce our carbon footprint; timing of turnaround and reliability projects and the impact thereof on operating rates and results; utilization and reliability of our plants, including the impacts thereon; global fertilizer industry conditions, including the drivers thereof; farm economics; cash flow, use of cash and reserves; weather conditions, including the impact thereof on our business; natural gas and global energy costs; risks related to the conclusion of consideration of a spin-off of some or all of the interests CVR Energy owns in the Partnership or potential future reconsideration thereof; and other matters. You can generally identify forward-looking statements by our use of forward-looking terminology such as "outlook," "anticipate," "believe," "continue," "could," "estimate," "expect," "explore," "evaluate," "intend," "may," "might," "plan," "potential," "predict," "seek," "should," or "will," or the negative thereof or other variations thereon or comparable terminology. These forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond our control. Investors are cautioned that various factors may affect these forward-looking statements, including (among others) the rate of any economic improvement, impacts of the planting season on our business, the health and economic effects of COVID-19 and any variants thereof, general economic and business conditions, political disturbances, geopolitical instability and tensions, and associated changes in global trade policies and economic sanctions, including, but not limited to, in connection with the Russia/Ukraine conflict, and other risks. For additional discussion of risk factors which may affect our results, please see the risk factors and other disclosures included in our most recent Annual Report on Form 10-K, any subsequently filed Quarterly Reports on Form 10-Q and our other Securities and Exchange Commission ("SEC") filings. These and other risks may cause our actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. Given these risks and uncertainties, you are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements included in this news release are made only as of the date hereof. CVR Partners disclaims any intention or obligation to update publicly or revise its forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent required by law.

About CVR Partners, LP

Headquartered in Sugar Land, Texas, CVR Partners, LP is a Delaware limited partnership focused on the production, marketing and distribution of nitrogen fertilizer products. It primarily produces urea ammonium nitrate (UAN) and ammonia, which are predominantly used by farmers to improve the yield and quality of their crops. CVR Partners' Coffeyville, Kansas, nitrogen fertilizer manufacturing facility includes a 1,300 ton-per-day ammonia unit, a 3,100 ton-per-day UAN unit and a dual-train gasifier complex having a capacity of 89 million standard cubic feet per day of hydrogen. CVR Partners' East Dubuque, Illinois, nitrogen fertilizer manufacturing facility includes a 1,075 ton-per-day ammonia unit and a 950 ton-per-day UAN unit.

Investors and others should note that CVR Partners may announce material information using SEC filings, press releases, public conference calls, webcasts, and the Investor Relations page of its website. CVR Partners may use these channels to distribute material information about the Partnership and to communicate important information about the Partnership, corporate initiatives and other matters. Information that CVR Partners posts on its website could be deemed material; therefore, CVR Partners encourages investors, the media, its customers, business partners and others interested in the Partnership to review the information posted on its website.

For further information, please contact:

Investor Relations

Richard Roberts
CVR Partners, LP
(281) 207-3205
InvestorRelations@CVRPartners.com

Media Relations

Brandee Stephens
CVR Partners, LP
(281) 207-3516
MediaRelations@CVRPartners.com

Non-GAAP Measures

Our management uses certain non-GAAP performance measures, and reconciliations to those measures, to evaluate current and past performance and prospects for the future to supplement our financial information presented in accordance with accounting principles generally accepted in the United States (“GAAP”). These non-GAAP financial measures are important factors in assessing our operating results and profitability and include the performance and liquidity measures defined below.

The following are non-GAAP measures we present for the period ended June 30, 2023:

EBITDA - Net income (loss) before (i) interest expense, net, (ii) income tax expense (benefit) and (iii) depreciation and amortization expense.

Adjusted EBITDA - EBITDA adjusted for certain significant non-cash items and items that management believes are not attributable to or indicative of our on-going operations or that may obscure our underlying results and trends.

Reconciliation of Net Cash Provided By Operating Activities to EBITDA - Net cash provided by operating activities reduced by (i) interest expense, net, (ii) income tax expense (benefit), (iii) change in working capital, and (iv) other non-cash adjustments.

Available Cash for Distribution - EBITDA for the quarter excluding non-cash income or expense items (if any), for which adjustment is deemed necessary or appropriate by the Board in its sole discretion, less (i) reserves for maintenance capital expenditures, debt service and other contractual obligations, and (ii) reserves for future operating or capital needs (if any), in each case, that the Board deems necessary or appropriate in its sole discretion. Available cash for distribution may be increased by the release of previously established cash reserves, if any, and other excess cash, at the discretion of the Board.

We present these measures because we believe they may help investors, analysts, lenders, and ratings agencies analyze our results of operations and liquidity in conjunction with our GAAP results, including, but not limited to, our operating performance as compared to other publicly traded companies in the fertilizer industry, without regard to historical cost basis or financing methods, and our ability to incur and service debt and fund capital expenditures. Non-GAAP measures have important limitations as analytical tools because they exclude some, but not all, items that affect net earnings and operating income. These measures should not be considered substitutes for their most directly comparable GAAP financial measures. Refer to the “Non-GAAP Reconciliations” included herein for reconciliation of these amounts. Due to rounding, numbers presented within this section may not add or equal to numbers or totals presented elsewhere within this document.

CVR Partners, LP
 (all information in this release is unaudited)

Consolidated Statement of Operations Data

| (in thousands, except per unit data) | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--|--------------------------------|------------|------------------------------|------------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ 183,005 | \$ 244,000 | \$ 409,266 | \$ 466,874 |
| Net sales ⁽¹⁾ | | | | |
| Operating costs and expenses: | | | | |
| Cost of materials and other | 33,410 | 40,984 | 69,989 | 71,230 |
| Direct operating expenses (exclusive of depreciation and amortization) | 55,759 | 48,767 | 113,303 | 109,084 |
| Depreciation and amortization | 19,755 | 21,220 | 34,965 | 40,686 |
| Cost of sales | 108,924 | 110,971 | 218,257 | 221,000 |
| Selling, general and administrative expenses | 7,291 | 7,008 | 14,675 | 15,752 |
| Loss on asset disposal | 64 | 93 | 256 | 267 |
| Operating income | 66,726 | 125,928 | 176,078 | 229,855 |
| Other (expense) income: | | | | |
| Interest expense, net | (6,919) | (8,308) | (14,093) | (18,343) |
| Other income (expense), net | 52 | 81 | (212) | 108 |
| Income before income tax expense | 59,859 | 117,701 | 161,773 | 211,620 |
| Income tax expense | 2 | 119 | 46 | 377 |
| Net income | \$ 59,857 | \$ 117,582 | \$ 161,727 | \$ 211,243 |
| Basic and diluted earnings per common unit | \$ 5.66 | \$ 11.12 | \$ 15.30 | \$ 19.90 |
| Distributions declared per common unit | 10.43 | 2.26 | 20.93 | 7.50 |
| EBITDA* | \$ 86,533 | \$ 147,229 | \$ 210,831 | \$ 270,649 |
| Available Cash for Distribution* | 43,778 | 106,206 | 154,071 | 130,041 |
| Weighted-average common units outstanding: | | | | |
| Basic and Diluted | 10,570 | 10,570 | 10,570 | 10,617 |

* See "Non-GAAP Reconciliations" section below for a reconciliation of these amounts.

(1) Below are the components of net sales:

| (in thousands) | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--------------------------|--------------------------------|------------|------------------------------|------------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ 167,006 | \$ 230,885 | \$ 377,018 | \$ 441,726 |
| Components of net sales: | | | | |
| Fertilizer sales | \$ 167,006 | \$ 230,885 | \$ 377,018 | \$ 441,726 |
| Freight in revenue | 10,910 | 9,856 | 21,846 | 19,071 |
| Other | 5,089 | 3,259 | 10,402 | 6,077 |
| Total net sales | \$ 183,005 | \$ 244,000 | \$ 409,266 | \$ 466,874 |

Selected Balance Sheet Data

(in thousands)

| | June 30, 2023 | December 31, 2022 |
|---------------------------------------|---------------|-------------------|
| Cash and cash equivalents | \$ 68,699 | \$ 86,339 |
| Working capital | 120,009 | 139,647 |
| Total assets | 1,018,990 | 1,100,402 |
| Total debt, including current portion | 547,050 | 546,800 |
| Total liabilities | 666,674 | 688,591 |
| Total partners' capital | 352,316 | 411,811 |

Selected Cash Flow Data

(in thousands)

Net cash flow provided by (used in):

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|--------------------------------|------------------|------------------------------|------------------|
| | 2023 | 2022 | 2023 | 2022 |
| Operating activities | \$ 60,844 | \$ 48,684 | \$ 191,287 | \$ 215,611 |
| Investing activities | (3,268) | (5,831) | 12,294 | (13,730) |
| Financing activities | (110,240) | (23,888) | (221,221) | (158,085) |
| Net (decrease) increase in cash and cash equivalents | \$ (52,664) | \$ 18,965 | \$ (17,640) | \$ 43,796 |

Capital Expenditures

(in thousands)

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|-----------------------------------|--------------------------------|-----------------|------------------------------|------------------|
| | 2023 | 2022 | 2023 | 2022 |
| Maintenance | \$ 5,691 | \$ 7,981 | \$ 9,191 | \$ 13,109 |
| Growth | 598 | 32 | 623 | 553 |
| Total capital expenditures | \$ 6,289 | \$ 8,013 | \$ 9,814 | \$ 13,662 |

Key Operating Data

Ammonia Utilization⁽¹⁾

(percent of capacity utilization)

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--------------|--------------------------------|------|------------------------------|------|
| | 2023 | 2022 | 2023 | 2022 |
| Consolidated | 100 % | 89 % | 103 % | 88 % |

(1) Reflects our ammonia utilization rates on a consolidated basis and at each of our facilities. Utilization is an important measure used by management to assess operational output at each of the Partnership's facilities. Utilization is calculated as actual tons produced divided by capacity. We present our utilization for the three and six months ended June 30, 2023 and 2022 and take into account the impact of our current turnaround cycles on any specific period. Additionally, we present utilization solely on ammonia production rather than each nitrogen product as it provides a comparative baseline against industry peers and eliminates the disparity of plant configurations for upgrade of ammonia into other nitrogen products. With our efforts being primarily focused on ammonia upgrade capabilities, this measure provides a meaningful view of how well we operate.

Sales and Production Data

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|--------------------------------|----------|------------------------------|----------|
| | 2023 | 2022 | 2023 | 2022 |
| <i>Consolidated sales (thousand tons):</i> | | | | |
| Ammonia | 79 | 52 | 121 | 91 |
| UAN | 329 | 287 | 688 | 609 |
| <i>Consolidated product pricing at gate (dollars per ton):⁽¹⁾</i> | | | | |
| Ammonia | \$ 707 | \$ 1,182 | \$ 770 | \$ 1,127 |
| UAN | 316 | 555 | 390 | 524 |
| <i>Consolidated production volume (thousand tons):</i> | | | | |
| Ammonia (gross produced) ⁽²⁾ | 219 | 193 | 442 | 380 |
| Ammonia (net available for sale) ⁽²⁾ | 70 | 50 | 132 | 102 |
| UAN | 339 | 331 | 705 | 648 |
| <i>Feedstock:</i> | | | | |
| Petroleum coke used in production (<i>thousand of tons</i>) | 124 | 116 | 255 | 224 |
| Petroleum coke used in production (<i>dollars per ton</i>) | \$ 73.91 | \$ 49.91 | \$ 75.62 | \$ 53.06 |
| Natural gas used in production (<i>thousands of MMBtu</i>) ⁽³⁾ | 2,194 | 1,936 | 4,296 | 3,697 |
| Natural gas used in production (<i>dollars per MMBtu</i>) ⁽³⁾ | \$ 2.35 | \$ 7.34 | \$ 4.02 | \$ 6.48 |
| Natural gas in cost of materials and other (<i>thousands of MMBtu</i>) ⁽³⁾ | 2,403 | 1,707 | 3,718 | 3,235 |
| Natural gas in cost of materials and other (<i>dollars per MMBtu</i>) ⁽³⁾ | \$ 4.11 | \$ 5.98 | \$ 5.41 | \$ 5.81 |

(1) Product pricing at gate represents sales less freight revenue divided by product sales volume in tons and is shown in order to provide a pricing measure that is comparable across the fertilizer industry.

(2) Gross tons produced for ammonia represent total ammonia produced, including ammonia produced that was upgraded into other fertilizer products. Net tons available for sale represent ammonia available for sale that was not upgraded into other fertilizer products.

(3) The feedstock natural gas shown above does not include natural gas used for fuel. The cost of fuel natural gas is included in direct operating expense.

Key Market Indicators

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--|--------------------------------|----------|------------------------------|----------|
| | 2023 | 2022 | 2023 | 2022 |
| Ammonia — Southern plains (<i>dollars per ton</i>) | \$ 435 | \$ 1,241 | \$ 586 | \$ 1,259 |
| Ammonia — Corn belt (<i>dollars per ton</i>) | 472 | 1,405 | 682 | 1,391 |
| UAN — Corn belt (<i>dollars per ton</i>) | 298 | 632 | 335 | 624 |
| Natural gas NYMEX (<i>dollars per MMBtu</i>) | \$ 2.33 | \$ 7.49 | \$ 2.54 | \$ 6.06 |

Q3 2023 Outlook

The table below summarizes our outlook for certain operational statistics and financial information for the third quarter of 2023. See “Forward-Looking Statements” above.

| | Q3 2023 | |
|---|----------------|-------------|
| | Low | High |
| <i>Ammonia utilization rates</i> | | |
| Consolidated | 95 % | 100 % |
| Coffeyville Facility | 95 % | 100 % |
| East Dubuque Facility | 95 % | 100 % |
| Direct operating expenses (<i>in millions</i>) ⁽¹⁾ | \$ 50 | \$ 55 |
| Capital expenditures (<i>in millions</i>) ⁽²⁾ | \$ 14 | \$ 16 |

(1) Direct operating expenses are shown exclusive of depreciation and amortization, turnaround expenses, and impacts of inventory adjustments.

(2) Capital expenditures are disclosed on an accrual basis.

Non-GAAP Reconciliations:

Reconciliation of Net Income to EBITDA and Adjusted EBITDA

| <i>(in thousands)</i> | Three Months Ended June 30, | | Six Months Ended June 30, | |
|-----------------------------------|-----------------------------|-------------------|---------------------------|-------------------|
| | 2023 | 2022 | 2023 | 2022 |
| Net income | \$ 59,857 | \$ 117,582 | \$ 161,727 | \$ 211,243 |
| Interest expense, net | 6,919 | 8,308 | 14,093 | 18,343 |
| Income tax expense | 2 | 119 | 46 | 377 |
| Depreciation and amortization | 19,755 | 21,220 | 34,965 | 40,686 |
| EBITDA and Adjusted EBITDA | \$ 86,533 | \$ 147,229 | \$ 210,831 | \$ 270,649 |

Reconciliation of Net Cash Provided By Operating Activities to EBITDA and Adjusted EBITDA

| <i>(in thousands)</i> | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--|-----------------------------|-------------------|---------------------------|-------------------|
| | 2023 | 2022 | 2023 | 2022 |
| Net cash provided by operating activities | \$ 60,844 | \$ 48,684 | \$ 191,287 | \$ 215,611 |
| <i>Non-cash items:</i> | | | | |
| Loss on extinguishment of debt | — | — | — | (628) |
| Share-based compensation | (2,203) | 721 | (4,136) | (11,353) |
| Other | (250) | (345) | (752) | (958) |
| <i>Adjustments:</i> | | | | |
| Interest expense, net | 6,919 | 8,308 | 14,093 | 18,343 |
| Income tax expense | 2 | 119 | 46 | 377 |
| Change in assets and liabilities | 21,221 | 89,742 | 10,293 | 49,257 |
| EBITDA and Adjusted EBITDA | \$ 86,533 | \$ 147,229 | \$ 210,831 | \$ 270,649 |

Reconciliation of EBITDA to Available Cash for Distribution

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--|--------------------------------|-------------------|------------------------------|-------------------|
| | 2023 | 2022 | 2023 | 2022 |
| (in thousands) | \$ 86,533 | \$ 147,229 | \$ 210,831 | \$ 270,649 |
| EBITDA | | | | |
| Current (reserves) adjustments for amounts related to: | | | | |
| Net cash interest expense (excluding capitalized interest) | (8,466) | (8,466) | (16,932) | (17,800) |
| Debt service | — | — | — | (65,000) |
| Financing fees | — | — | — | (815) |
| Maintenance capital expenditures | (5,691) | (7,981) | (9,191) | (13,109) |
| Utility pass-through | (675) | (675) | (1,350) | (1,350) |
| Major scheduled expenditures | 662 | — | 662 | — |
| Common units repurchased | — | — | — | (12,397) |
| Net cash proceeds from the 45Q Transaction | (701) | — | 17,351 | — |
| Other (reserves) releases: | | | | |
| Future turnaround | (3,334) | (9,875) | (6,500) | (16,750) |
| Cash reserves for future operating needs | (20,000) | (15,000) | (20,000) | (15,000) |
| Reserve for maintenance capital expenditures | (4,550) | 974 | (20,800) | 1,613 |
| Available Cash for distribution ⁽¹⁾⁽²⁾ | \$ 43,778 | \$ 106,206 | \$ 154,071 | \$ 130,041 |
| Common units outstanding | 10,570 | 10,570 | 10,570 | 10,570 |

(1) Amount represents the cumulative available cash based on quarter-to-date and year-to-date results. However, available cash for distribution is calculated quarterly, with distributions (if any) being paid in the period following declaration.

(2) The Partnership declared and paid a \$10.50 and \$10.43 cash distribution related to the fourth quarter of 2022 and first quarter of 2023, respectively, and declared a cash distribution of \$4.14 per common unit related to the second quarter of 2023 to be paid in August 2023.