TORTOISE ENERGY INFRASTRUCTURE CORP
Form 497
May 25, 2007

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Filed pursuant to Rules 497(c) and (h) under
the Securities Act of 1933, as amended,
File No. 333-140457

PROSPECTUS SUPPLEMENT
(To prospectus dated March 14, 2007)

$70,000,000
Tortoise Energy Infrastructure Corporation
Auction Rate Senior Notes (Tortoise Notes)
$70,000,000 Series E, Due May 30, 2047
$25,000 Denominations

Tortoise Energy Infrastructure Corporation (the Company, we, us or our) is a nondiversified, closed-end manageme investment company. Our investment objective is to seek a high level of total return with an emphasis on current distributions to stockholders.

We are offering an aggregate principal amount of $70,000,000 of our auction rate senior notes (Series E Tortoise Notes) in this prospectus supplement. This prospectus supplement is not complete and should be read in conjunction with our prospectus dated March 14, 2007 (the prospectus), which accompanies this prospectus supplement. This prospectus supplement does not include all information that you should consider before purchasing any Series E Tortoise Notes. You should read this prospectus supplement and the accompanying prospectus prior to purchasing any Series E Tortoise Notes.

The Series E Tortoise Notes together with the Series A, Series B, Series C and Series D Tortoise Notes currently outstanding, are referred to as Tortoise Notes. Individual series of Tortoise Notes are referred to as a series. Except as otherwise described in this prospectus supplement, the terms of the Series E Tortoise Notes and all other series are the same. Capitalized terms used but not defined in this prospectus supplement shall have the meanings given to such terms in the Supplemental Indenture, which is available from us upon request.

The Tortoise Notes will be issued without coupons in denominations of $25,000 and any integral multiple thereof. The principal amount of the Series E Tortoise Notes will be due and payable on May 30, 2047 (the Stated Maturity). There is no sinking fund with respect to the Tortoise Notes. The Tortoise Notes will be our unsecured obligations and, upon our liquidation, dissolution or winding up, will rank: (1) senior to all of our outstanding common stock and any outstanding preferred stock; (2) on a parity with any of our unsecured creditors and any unsecured senior securities representing our indebtedness, including other series of Tortoise Notes; and (3) junior to any of our secured creditors. We may redeem the Tortoise Notes prior to their Stated Maturity in certain circumstances described in this prospectus supplement.

Holders of the Tortoise Notes will be entitled to receive cash interest payments at an annual rate that may vary for each rate period. The initial rate period for the Series E Tortoise Notes is from the issue date through July 5, 2007. The interest rate for the initial rate period from and including the issue date through July 5, 2007, will be 5.27% per year for the Series E Tortoise Notes. For each subsequent rate period, the interest rate will be determined by an auction conducted in accordance with the procedures described in this prospectus supplement. Generally, following the initial rate period, each rate period will be 28 days for the Series E Tortoise Notes.

The Tortoise Notes will not be listed on any exchange or automated quotation system. Generally, you may only buy and sell Tortoise Notes through an order placed at an auction with or through a broker-dealer that has entered into an agreement with the auction agent or in a secondary market that those broker-dealers may maintain. These broker-dealers are not required to maintain a market in the Tortoise Notes, and a secondary market, if one develops, may not provide you with liquidity. See The Auction Certain Considerations Affecting Auction Rate Securities Existing Holder s Ability to Resell Auction Rate Securities May Be Limited.

Investing in Tortoise Notes involves certain risks. See Risk Factors beginning on page 27 of the accompanying prospectus and The Auction Auction Risk beginning on page S-19 of this prospectus supplement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per $25,000 Principal Amount of Series E Tortoise Notes	Total
Public offering price	$ 25,000	$ 70,000,000
Sales load	$ 250	$ 700,000
Proceeds to us (before expenses)(1)	$ 24,750	$ 69,300,000

(1) Does not include offering expenses payable by us, estimated to be $196,187.

The Underwriters expect to deliver the Series E Tortoise Notes in book-entry form, through the facilities of The Depository Trust Company, to Broker-Dealers on or about May 30, 2007.

Lehman Brothers **Merrill Lynch & Co.**

A.G. Edwards **Oppenheimer & Co.** **Stifel Nicolaus** **Wachovia Securities**

May 24, 2007

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The offering is conditioned upon the Series E Tortoise Notes receiving a rating of Aaa from Moody s and AAA from Fitch.

This prospectus supplement has been filed with the Securities and Exchange Commission (the SEC). Additional copies of this prospectus supplement, the prospectus or the statement of additional information dated March 14, 2007, as supplemented from time to time, are available by calling 1-866-362-9331 or by writing to us, or you may obtain copies (and other information regarding us) from the SEC s web site (http://www.sec.gov). You also may e-mail requests for these documents to the SEC at 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.

This prospectus supplement, which describes the specific terms of this offering, also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference in the prospectus. The prospectus gives more general information, some of which may not apply to this offering.

If the description of this offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information contained in this prospectus supplement; provided that if any statement in one of these documents is inconsistent with a statement in another document having a later date, the statement in the document having the later date modifies or supersedes the earlier statement.

The Tortoise Notes 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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Prospectus Supplement

Prospectus

You should rely on the information contained in or incorporated by reference in this prospectus supplement in making an investment decision. Neither we nor the underwriters have authorized anyone to provide you with different or inconsistent information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the Underwriters are not, making an offer to sell these notes in any jurisdiction where the offer or sale is not permitted. You should assume that the information in this prospectus supplement is accurate only as of the date of this prospectus supplement, and that our business, financial condition and prospects may have changed since this date. We will amend or supplement this prospectus supplement to reflect material changes to the information contained in this prospectus supplement to the extent required by applicable law.

CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus 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 supplement, as well as in the accompanying prospectus. 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 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 the prospectus accompanying this prospectus supplement. All forward-looking statements contained or incorporated by reference in this prospectus supplement or the accompanying prospectus are made as of the date of this prospectus supplement or the accompanying prospectus, 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 supplement and the accompanying prospectus 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 the prospectus accompanying this prospectus supplement as well as in Auction Risk and Certain Considerations Affecting Auction Rate Securities Existing Holder s Ability to Resell Auction Rate Securities May Be Limited in The Auction section of this prospectus supplement. We urge you to review carefully those sections for a more detailed discussion of the risks of an investment in the Tortoise Notes.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary contains basic information about us but does not contain all of the information that is important to your investment decision. You should read this summary together with the more detailed information contained elsewhere in this prospectus supplement and accompanying prospectus and in the statement of additional information, especially the information set forth under the heading Risk Factors beginning on page 27 of the accompanying prospectus and The Auction Auction Risk beginning on page S-19 of this prospectus supplement.

The Company

We seek to provide our stockholders with an efficient vehicle to invest in a portfolio of publicly traded master limited partnerships (MLPs) in the energy infrastructure sector. Our investment objective is to seek a high level of total return with an emphasis on current distributions paid to stockholders. For purposes of our investment objective, total return includes capital appreciation of, and all distributions received from, securities in which we invest regardless of the tax character of the distributions. Similar to the tax characterization of distributions made by MLPs to unitholders, a significant portion of our distributions to stockholders have been and are expected to continue to be treated as a return of capital to stockholders.

We are a nondiversified, closed-end management investment company. We commenced operations in February 2004 following our initial public offering. We were the first publicly traded investment company offering access to a portfolio of MLPs. Since that time, we completed four additional offerings of common stock in December 2004, August 2006, December 2006 and March 2007. As of the date of this prospectus supplement, we have three series of Money Market Cumulative Preferred (MMP®) Shares (MMP Shares) and four series of Tortoise Notes outstanding. We may borrow from time to time using our unsecured credit facility. We have a fiscal year ending November 30.

Investment Adviser

Tortoise Capital Advisors, L.L.C. (the Adviser) serves as our investment adviser. The Adviser specializes in managing portfolios of investments in MLPs and other energy infrastructure companies. The Adviser was formed in October 2002 to provide portfolio management services to institutional and high-net-worth investors seeking professional management of their MLP investments. As of April 30, 2007, the Adviser had approximately $2.9 billion of client assets under management. The Adviser s investment committee is comprised of five portfolio managers. See Management of the Company in the accompanying prospectus.

The Adviser also serves as the investment adviser to Tortoise Energy Capital Corporation (TYY) and Tortoise North American Energy Corporation (TYN), which are also publicly traded, closed-end management investment companies. TYY, which commenced operations on May 31, 2005, invests primarily in equity securities of MLPs and their affiliates in the energy infrastructure sector. TYN, which commenced operations on October 31, 2005, invests primarily in equity securities of companies in the energy sector whose primary operations are in North America. The Adviser also serves as the investment adviser to Tortoise Capital Resources Corporation (TTO), a 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). TTO, which commenced operations on December 8, 2005, invests 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.

The principal business address of the Adviser is 10801 Mastin Boulevard, Suite 222, Overland Park, Kansas 66210.

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The Offering

Tortoise Notes offered by the Company	Series E Tortoise Notes in an aggregate principal amount of $70,000,000. Series E Tortoise Notes will be sold in denominations of $25,000 and any integral multiple thereof. The Series E Tortoise Notes are being offered by Lehman Brothers Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, A.G. Edwards & Sons, Inc., Oppenheimer & Co., Stifel, Nicolaus & Company, Incorporated and Wachovia Capital Markets, LLC (the Underwriters). See Underwriting.
Use of proceeds	We estimate that our net proceeds from this offering will be approximately $69.1 million. We intend to use the net proceeds to: retire our short-term debt of approximately $59.6 million, which we incurred in connection with the acquisition of equity portfolio securities and certain open market purchases in pursuit of our investment objective and policies and for working capital purposes, and invest in energy infrastructure companies in accordance with our investment objective and policies, and for working capital purposes.
Trustee	BNY Midwest Trust Company
Auction Agent	The Bank of New York
Broker-Dealers	Lehman Brothers Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, A.G. Edwards & Sons, Inc., Oppenheimer & Co., Stifel, Nicolaus & Company, Incorporated and Wachovia Capital Markets, LLC (the Broker-Dealers).
Risk factors	See Risk Factors and other information included in the accompanying prospectus, as well as Auction Risk and Certain Considerations Affecting Auction Rate Securities Existing Holder s Ability to Resell Auction Rate Securities May Be Limited under The Auction in this prospectus supplement, for a discussion of factors you should carefully consider before deciding to invest in the Series E Tortoise Notes.

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Recent Developments

On March 22, 2007, we entered into an agreement establishing a new unsecured credit facility that allows us to borrow up to $150,000,000. The new credit facility replaces our previous credit facility and the outstanding balance on our previous credit facility was transferred to the new credit facility. As of the date of this prospectus supplement, we had approximately $59.6 million outstanding under our new credit facility.

Under the terms of the new credit facility, U.S. Bank N.A. serves as a lender and the lending syndicate agent on behalf of other lenders participating in the credit facility. Outstanding balances under the new credit facility generally will accrue interest at a variable annual rate equal to the one-month LIBOR rate plus 0.75%. The new credit facility will expire on March 21, 2008 and we may draw on the credit facility from time to time to invest in accordance with our investment policies and for working capital purposes.

On March 27, 2007, we issued an aggregate principal amount of $70,000,000 of our Series D Tortoise Notes (the Series D Tortoise Notes). The Series D Tortoise Notes were issued without coupons in denominations of $25,000 and are due and payable on March 27, 2047. We used all of the net proceeds (approximately $69.1 million) of the issuance of the Series D Tortoise Notes to retire a portion of the outstanding balance under our unsecured credit facility.

On March 30, 2007, we issued 427,915 shares of our common stock in a direct sale to certain purchasers. We used the net proceeds (approximately $15.5 million) of the issuance of the common stock to retire a portion of the outstanding balance under our unsecured credit facility.

On April 5, 2007, we issued an aggregate liquidation preference of $60,000,000 of an additional series (Series III) of MMP Shares. The Series III MMP Shares were issued with a liquidation preference of $25,000 per share. We used the net proceeds (approximately $59.4 million) of the issuance of the Series III MMP Shares to retire a portion of our outstanding balance under our unsecured credit facility.

On April 11, 2007, we entered into two interest rate swap contracts to reduce our exposure to increasing interest and dividend expense on the Series D Tortoise Notes and the Series III MMP Shares resulting from increasing short-term interest rates. Under the terms of these swap contracts, we are obligated to pay a rate of 4.99% on one swap contract with a notional amount of $60 million, and a rate of 5.03% on the other swap contract with a notional amount of $60 million. These swap contracts mature in 2012 and 2013, respectively.

On April 13, 2007, our stockholders approved a proposal that allows us to sell shares of our common stock below our net asset value (NAV) in accordance with certain conditions. See Issuance of Common Stock Below NAV in this prospectus supplement.

On May 14, 2007, we declared a quarterly dividend of $0.545 per share to common stockholders of record on May 24, 2007, which will be paid on June 1, 2007.

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FINANCIAL HIGHLIGHTS

Information contained in the table below under the heading Per Common Share Data and Supplemental Data and Ratios shows our per common share operating performance. Except when noted, the information in this table is derived from our financial statements audited by Ernst & Young LLP, whose report on such financial statements is contained in our 2006 Annual Report and incorporated by reference into the statement of additional information, both of which are available from us upon request. The information for the period from December 1, 2006 through February 28, 2007 appears in our unaudited interim financial statements as of February 28, 2007. See Where You Can Find More Information in this prospectus supplement.

	Period from December 1, 2006 through February 28, 2007 (Unaudited)	Year Ended November 30, 2006	Year Ended November 30, 2005	Period from February 27, 2004[1] through November 30, 2004
Per Common Share Data[2]				
Net Asset Value, beginning of period	$ 31.82	$ 27.12	$ 26.53	$
Public offering price				25.00
Underwriting discounts and offering costs on initial public offering				(1.17)
Underwriting discounts and offering costs on issuance of preferred shares			(0.02)	(0.06)
Premiums less underwriting discounts and offering costs on secondary offering[3]				
Underwriting discounts and offering costs on shelf offering of common stock[4]		(0.14)		
Premiums less underwriting discounts and offering costs on shelf offering of common stock[5]	0.08			
Income (loss) from Investment Operations:				
Net investment loss[6]	(0.07)	(0.32)	(0.16)	(0.03)
Net realized and unrealized gain on investments[6]	3.59	7.41	2.67	3.77
Total increase from investment operations	3.52	7.09	2.51	3.74

Less Dividends to Preferred Stockholders:								
Net investment income								
Return of capital		(0.05)		(0.23)		(0.11)		(0.01)
Total dividends to preferred stockholders		(0.05)		(0.23)		(0.11)		(0.01)
Less Dividends to Common Stockholders:								
Net investment income								
Return of capital		(0.54)		(2.02)		(1.79)		(0.97)
Total dividends to common stockholders		(0.54)		(2.02)		(1.79)		(0.97)
Net Asset Value, end of period	$	34.83	$	31.82	$	27.12	$	26.53
Per common share market value, end of period	$	36.38	$	36.13	$	28.72	$	27.06
Total Investment Return Based on Market Value[7]		2.25%		34.50%		13.06%		12.51%

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	Period from December 1, 2006 through February 28, 2007 (Unaudited)	Year Ended November 30, 2006	Year Ended November 30, 2005	Period from February 27, 2004[1] through November 30, 2004
Supplemental Data and Ratios				
Net assets applicable to common stockholders, end of period (000 s)	$ 635,044	$ 532,433	$ 404,274	$ 336,553
Ratio of expenses (including current and deferred income tax expense) to average net assets before waiver:[8][9][10]	31.26%	20.03%	9.10%	15.20%
Ratio of expenses (including current and deferred income tax expense) to average net assets after waiver:[8][9][10]	31.09%	19.81%	8.73%	14.92%
Ratio of expenses (excluding current and deferred income tax expense) to average net assets before waiver:[8][9][10][11]	3.85%	3.97%	3.15%	2.01%
Ratio of expenses (excluding current and deferred income tax expense) to average net assets after waiver:[8][9][10][11]	3.68%	3.75%	2.78%	1.73%
Ratio of expenses (excluding current and deferred income tax expense), without regard to non-recurring organizational expenses, to average net assets before waiver:[8][9][10][11]	3.85%	3.97%	3.15%	1.90%
Ratio of expenses (excluding current and deferred income tax expense), without regard to non-recurring organizational expenses, to average net assets after waiver:[8][9][10][11]	3.68%	3.75%	2.78%	1.62%
Ratio of net investment loss to average net assets before waiver:[8][9][11]	(2.33)%	(2.24)%	(1.42)%	(0.45)%
Ratio of net investment loss to average net assets after waiver:[8][9][11]	(2.16)%	(2.02)%	(1.05)%	(0.17)%
	(29.74)%	(18.31)%	(7.37)%	(13.37)%

Ratio of net investment loss to average net assets after current and deferred income tax expense, before waiver:(8)(9)(10)				
Ratio of net investment loss to average net assets after current and deferred income tax expense, after waiver:(8)(9)(10)	(29.57)%	(18.09)%	(7.00)%	(13.65)%
Portfolio turnover rate	0.65%	2.18%	4.92%	1.83%
Tortoise Auction Rate Senior Notes, end of period (000 s)	$ 165,000	$ 165,000	$ 165,000	$ 110,000
Tortoise Preferred Shares, end of period (000 s)	$ 70,000	$ 70,000	$ 70,000	$ 35,000
Per common share amount of auction rate senior notes outstanding at end of period	$ 9.05	$ 9.86	$ 11.07	$ 8.67
Per common share amount of net assets, excluding auction rate senior notes, at end of period	$ 43.88	$ 41.68	$ 38.19	$ 35.21
Asset coverage, per $1,000 of principal amount of auction rate senior notes and short-term borrowings(12)	$ 3,859	$ 4,051	$ 3,874	$ 4,378
Asset coverage ratio of auction rate senior notes and short-term borrowings(12)	386%	405%	387%	438%
Asset coverage, per $25,000 liquidation value per share of preferred shares(13)	$ 251,801	$ 215,155	$ 169,383	$ 265,395
Asset coverage, per $25,000 liquidation value per share of preferred shares(14)	$ 75,146	$ 74,769	$ 68,008	$ 83,026
Asset coverage ratio of preferred shares(14)	301%	299%	272%	332%

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(1) Commencement of Operations.

(2) Information presented relates to a share of common stock outstanding for the entire period.

(3) The amount is less than $0.01 per share, and represents the premium on the secondary offering of $0.14 per share, less the underwriting discounts and offering costs of $0.14 per share for the year ended November 30, 2005.

(4) Represents the dilution per common share from underwriting and other offering costs.

(5) Represents the premium on the shelf offering of $0.19 per share, less the underwriting and offering costs of $0.11 per share.

(6) The per common share data for the periods ended November 30, 2005 and 2004, do not reflect the change in estimate of investment income and return of capital, for the respective period. See Note 2C to the interim financial statements as of February 28, 2007 for further disclosure.

(7) Not annualized for periods less than a year. Total investment return is calculated assuming a purchase of common stock at the market price on the first day and a sale at the current market price on the last day of the period reported (excluding brokerage commissions). The calculation also assumes reinvestment of dividends at actual prices pursuant to the Company s dividend reinvestment plan.

(8) Annualized for periods less than one full year.

(9) The expense ratios and net investment loss ratios do not reflect the effect of dividend payments to preferred stockholders.

(10) The Company accrued $40,691,854, $71,661,802, $24,659,420 and $30,330,018 for the quarter ended February 28, 2007, the years ended November 30, 2006 and 2005 and for the period from February 27, 2004 through November 30, 2004, respectively, for current and deferred income tax expense.

(11) The ratio excludes the impact of current and deferred income taxes.

(12) Represents value of total assets less all liabilities and indebtedness not represented by auction rate senior notes, short-term borrowings and preferred shares at the end of the period divided by aucti