TORTOISE ENERGY INDEPENDENCE FUND, INC.
Form N-CSRS
July 26, 2017

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

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number **811-22690**

Tortoise Energy Independence Fund, Inc.
(Exact name of registrant as specified in charter)

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

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

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

Date of fiscal year end: **November 30**

Date of reporting period: **May 31, 2017**

Item 1. Reports to Stockholders.

Quarterly Report | May 31, 2017

2017 2nd Quarter Report

Closed-End Funds

Tortoise Capital Advisors
2017 2nd Quarter Report to Stockholders

This combined report provides you with a comprehensive review of our funds that span the entire energy value chain.

Tortoise Capital Advisors specializes in essential assets investing, including closed-end funds, open end funds, private funds and separate accounts.

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TTP and TPZ distribution policies

Tortoise Pipeline & Energy Fund, Inc. (TTP) and Tortoise Power and Energy Infrastructure Fund, Inc. (TPZ) are relying on exemptive relief permitting them to make long-term capital gain distributions throughout the year. Each of TTP and TPZ, with approval of its Board of Directors (the Board), has adopted a distribution policy (the Policy) with the purpose of distributing over the course of each year, through periodic distributions as nearly equal as practicable and any required special distributions, an amount closely approximating the total taxable income of TTP and TPZ during such year and, if so determined by the Board, all or a portion of the return of capital paid by portfolio companies to TTP and TPZ during such year. In accordance with its Policy, TTP distributes a fixed amount per common share, currently $0.4075, each quarter to its common shareholders and TPZ distributes a fixed amount per common share, currently $0.125, each month to its common shareholders. These amounts are subject to change from time to time at the discretion of the Board. Although the level of distributions is independent of TTP s and TPZ s performance, TTP and TPZ expect such distributions to correlate with its performance over time. Each quarterly and monthly distribution to shareholders is expected to be at the fixed amount established by the Board, except for extraordinary distributions in light of TTP s and TPZ s performance for the entire calendar year and to enable TTP and TPZ to comply with the distribution requirements imposed by the Internal Revenue Code. The Board may amend, suspend or terminate the Policy without prior notice to shareholders if it deems such action to be in the best interests of TTP, TPZ and their respective shareholders. For example, the Board might take such action if the Policy had the effect of shrinking TTP s or TPZ s assets to a level that was determined to be detrimental to TTP or TPZ shareholders. The suspension or termination of the Policy could have the effect of creating a trading discount (if TTP s or TPZ s stock is trading at or above net asset value), widening an existing trading discount, or decreasing an existing premium. You should not draw any conclusions about TTP s or TPZ s investment performance from the amount of the distribution or from the terms of TTP s or TPZ s distribution policy. Each of TTP and TPZ estimates that it has distributed more than its income and net realized capital gains; therefore, a portion of your distribution may be a return of capital. A return of capital may occur, for example, when some or all of the money that you invested in TTP or TPZ is paid back to you. A return of capital distribution does not necessarily reflect TTP s or TPZ s investment performance and should not be confused with yield or income. The amounts and sources of distributions reported are only estimates and are not being provided for tax reporting purposes. The actual amounts and sources of the amounts for tax reporting purposes will depend upon TTP s and TPZ s investment experience during the remainder of their fiscal year and may be subject to changes based on tax regulations. TTP and TPZ will send you a Form 1099-DIV for the calendar year that will tell you how to report these distributions for federal income tax purposes.

2017 2nd Quarter Report | May 31, 2017

Closed-end fund comparison

Name/Ticker	Primary focus	Structure	Total assets ($ millions)[1]	Portfolio mix by asset type[2]	Portfolio mix by structure[2]
Tortoise Energy Infrastructure Corp. NYSE: TYG Inception: 2/2004	Midstream MLPs	C-corp	$2,575.7		
Tortoise MLP Fund, Inc. NYSE: NTG Inception: 7/2010	Natural gas infrastructure MLPs	C-corp	$1,497.1		
Tortoise Pipeline & Energy Fund, Inc. NYSE: TTP Inception: 10/2011	North American pipeline companies	Regulated investment company	$277.7		
Tortoise Energy Independence Fund, Inc. NYSE: NDP Inception: 7/2012	North American oil & gas producers	Regulated investment company	$255.3		
Tortoise Power and Energy Infrastructure Fund, Inc. NYSE: TPZ Inception: 7/2009	Power & energy infrastructure companies (Fixed income & equity)	Regulated investment company	$211.7		

[1] As of 6/30/2017

[2] As a percentage of total long-term investments as of 5/31/2017

Tortoise Capital Advisors

Second quarter 2017 report to closed-end fund stockholders

Dear fellow stockholders,

Investor sentiment, mirroring the oil price, weighed down performance for the energy sector, although company fundamentals, particularly those in the midstream segment, were solid. The S&P Energy Select Sector® Index returned -7.8% for the fiscal quarter ending May 31, 2017, mostly driven by lower crude oil prices. Investors turned to weekly crude oil inventory reports to gauge supply and demand, and grew impatient with a lack of significant draws. In other cases, news that did not exceed expectations was not well received. For example, while the announcement at the May Organization of Petroleum Exporting Countries (OPEC) meeting was as expected, the market reaction was to the downside. This negative sentiment trumped fundamentals during the fiscal quarter.

Upstream

Upstream oil and gas producers, as represented by the Tortoise North American Oil and Gas Producers Index℠, returned -11.3% for the fiscal quarter. Sentiment was negative due to lower crude oil prices that started with West Texas Intermediate (WTI) at its peak price for the fiscal quarter of $54.01 per barrel, and ended the period lower at $48.32. These lower prices were driven by both domestic and global supply concerns. Stubbornly elevated global inventory balances, a function of rig counts up more than 100% since last year, are driving expectations for increased U.S. production in 2017 and 2018, as well as the strong return of Libyan and Nigerian production. In addition, while compliance with OPEC s curtailed production agreement was strong, exports remained higher than anticipated. Therefore, OPEC s agreement has yet to meaningfully reduce inventories.

The U.S. crude oil production forecast for 2017 was revised higher over last quarter, and is now expected to reach 9.3 million barrels per day (MMbbl/d)[1]. The 2018 forecast is calling for 10.0 MMbbl/d, which would exceed the previous record from 1970[1].

Natural gas prices opened the fiscal quarter near the low at $2.52 per million British thermal units (MMBtu) and ended higher at $3.00. The EIA predicts higher natural gas prices in 2018 due to increased domestic natural gas consumption, along with new export capabilities. Natural gas production is expected to average 72.0 billion cubic feet per day in 2017 and is anticipated to rise to 77.5 in 2018[2].

Midstream

Pipeline companies pulled back along with the broad energy sector, with the Tortoise North American Pipeline Index℠ returning -2.8%. MLPs faced additional pressure, causing them to retreat further with a return of -7.1% for the fiscal quarter, as represented by the Tortoise MLP Index®. While the midstream segment was negative for the fiscal quarter, not all pipeline companies retreated to the same extent. Refined products pipelines were the least affected by lower crude oil prices as lower prices tend to drive demand for refined products, such as gasoline. Crude oil pipeline companies were impacted the most with the implication that lower crude oil prices leads to decreased volumes.

Midstream companies typically perform well with growing volumes from U.S. producers in the upstream segment. However, sentiment drove quarterly performance. Solid distribution growth, constructive earnings announcements, and a shift in focus to fundamentals may reverse declines. Additionally, in our view, more open equity capital markets or clearer alternative sources of funding would be beneficial to companies with funding needs. Our long-term outlook for the midstream