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Credit Suisse 2006 Energy Summit

February 1, 2006

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Forward Looking Statements

This presentation contains forward looking statements, including these, within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Exchange Act of 1934, as amended. Forward looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. The future results and securities values of Kinder Morgan Inc., Kinder Morgan Energy Partners, L.P. and Kinder Morgan Management, LLC (collectively known as "Kinder Morgan") may differ materially from those expressed in the forward-looking statements contained throughout this presentation and in documents filed with the SEC. Many of the factors that will determine these results and values are beyond Kinder Morgan's ability to control or predict. These statements are necessarily based upon various assumptions involving judgments with respect to the future, including, among others, the ability to achieve synergies and revenue growth; national, international, regional and local economic, competitive and regulatory conditions and developments; technological developments; capital markets conditions; inflation rates; interest rates; the political and economic stability of oil producing nations; energy markets; weather conditions; environmental conditions; business and regulatory or legal decisions; the pace of deregulation of retail natural gas and electricity and certain agricultural products; the timing and success of business development efforts; terrorism; and other uncertainties. You are cautioned not to put undue reliance on any forward-looking statement.

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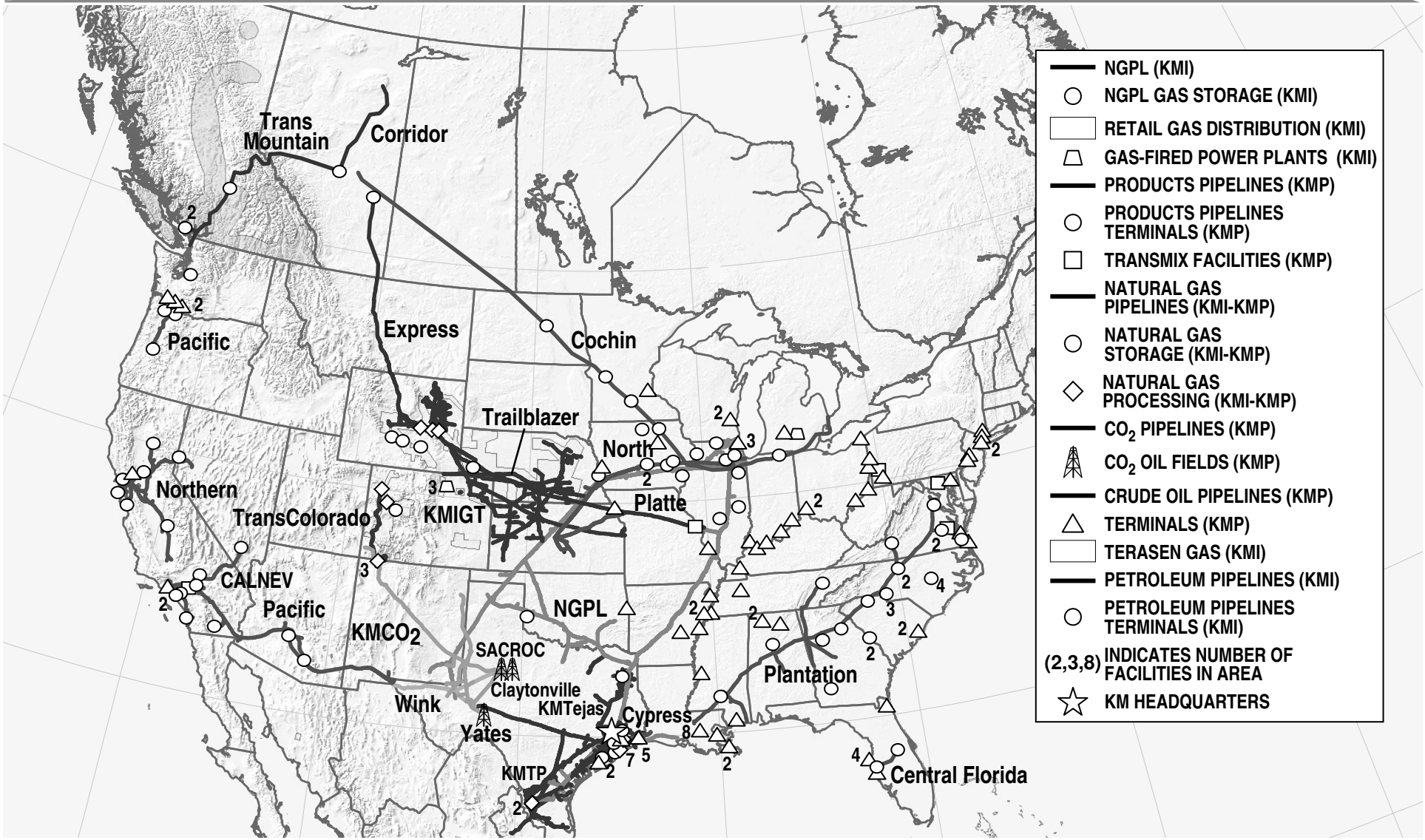
Kinder Morgan Assets



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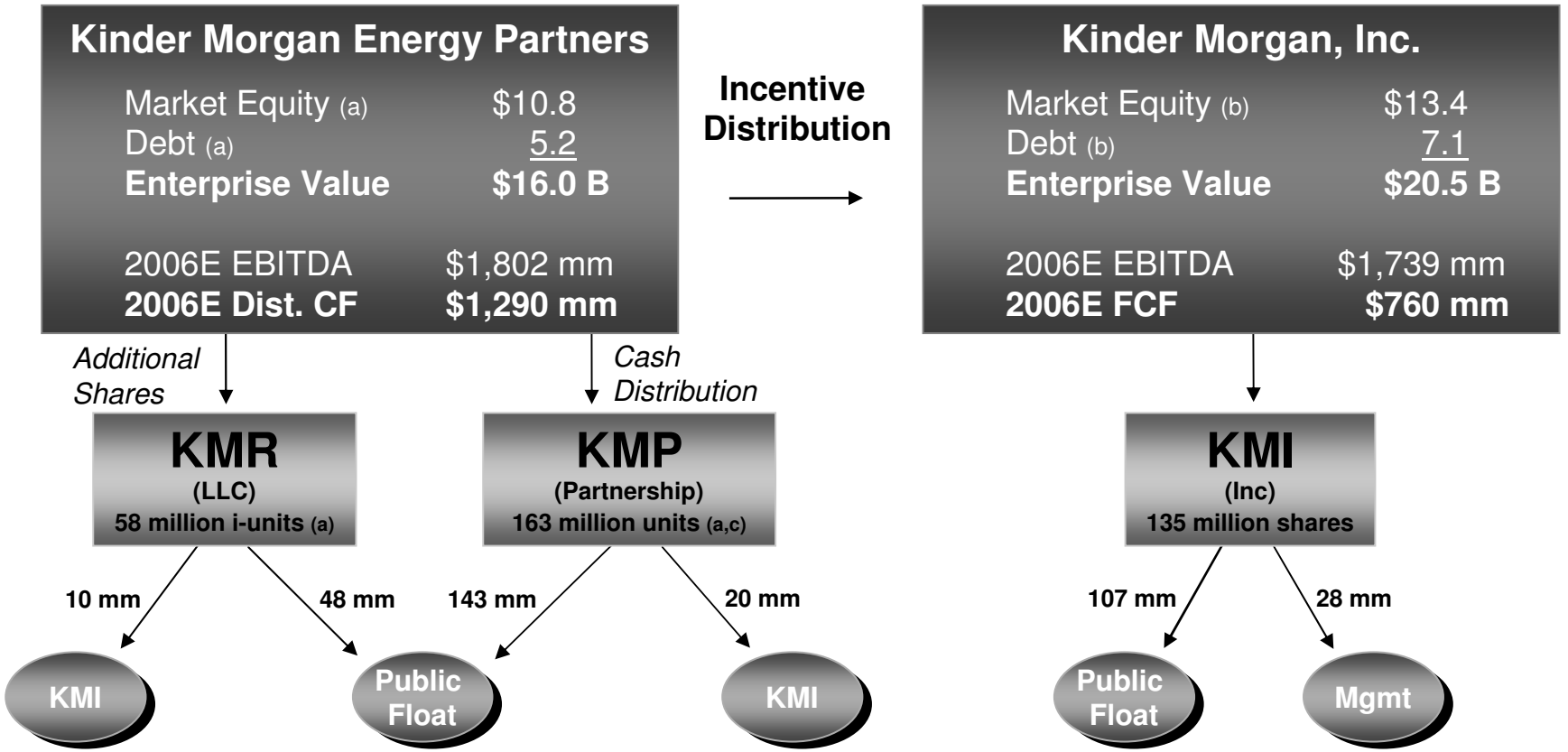
Kinder Morgan: Three Securities



Note: All amounts in U.S. dollars unless otherwise noted.

(a) KMP market cap based on 163 million common units at a price of $49.63 and 58 million KMR i-units at a price of $45.99 as of January 27, 2005. Debt balance as of December 31, 2005, excludes the fair value of interest rate swaps, net of cash.

(b) KMI market cap based on 135 million shares at a price of $96.53 as of January 27, 2005. Market equity also includes $391 million of preferred securities. Debt balance as of December 31, 2005, excludes the fair value of interest rate swaps and preferred securities, net of cash.

(c) Includes 5.3 million Class B units owned by KMI. Class B units are unlisted KMP common units.

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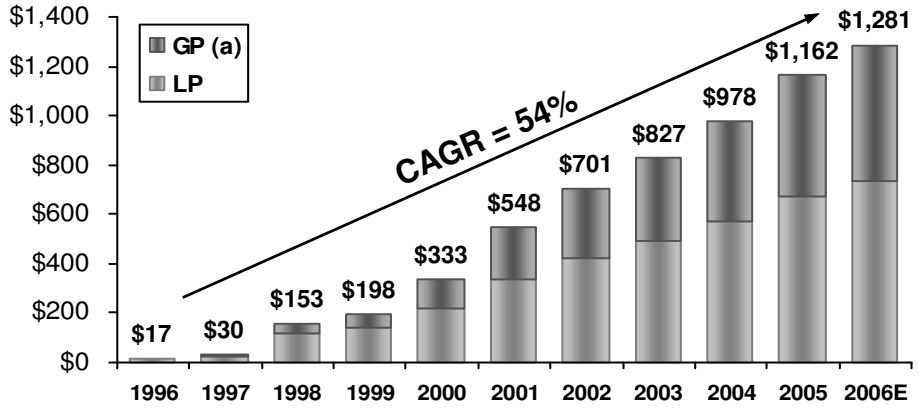
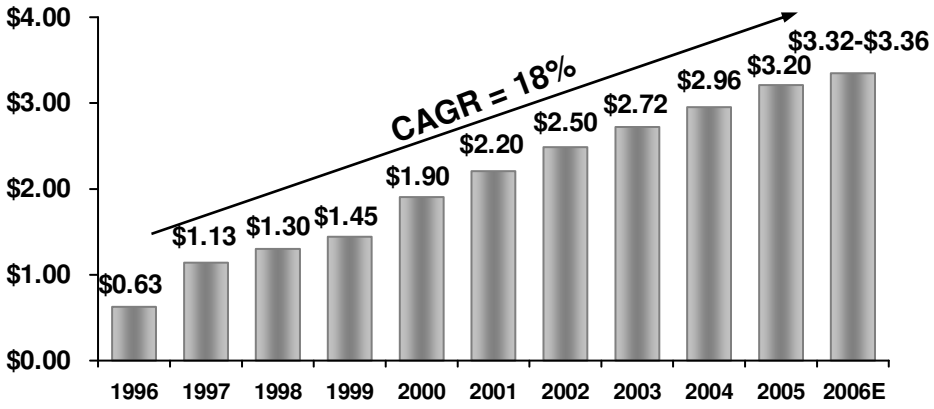
Consistent Track Record

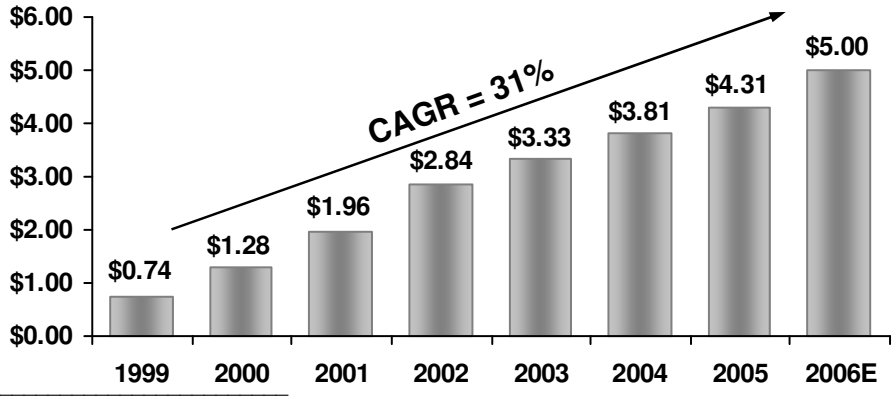
Total Distributions (GP + LP) ($mm)



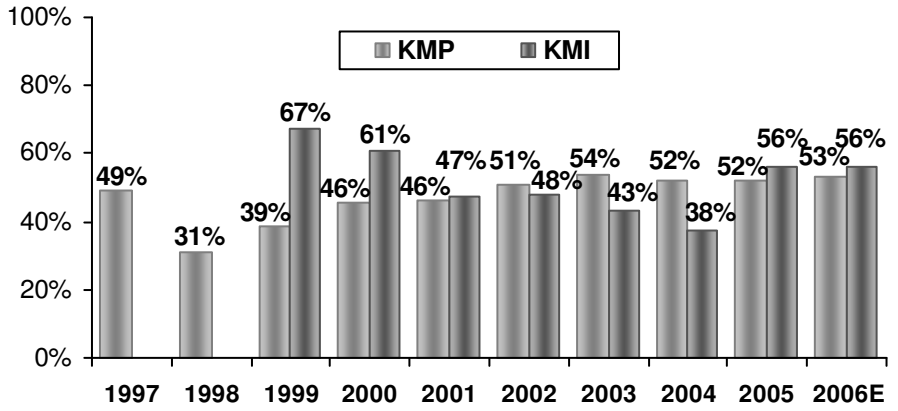
KMP Distribution Per Unit (b)



KMI Earnings Per Share (c)



Net Debt to Total Capital (d)



Note: All amounts in U.S. dollars unless otherwise noted.

(a) Includes 2% GP interest.

(b) Declared 4Q distribution annualized (i.e. multiplied by four)

(c) Excludes certain items and loss on early extinguishment of debt. KMI 2005 EPS excludes the December 2005 impact of Terasen.

(d) Excludes loss/gains in Other Comprehensive Income related to hedges; debt excludes preferred securities (KMI).

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The Kinder Morgan Strategy

Same Strategy Since Inception

- **Focus on stable, fee-based assets which are core to the energy infrastructure of growing markets**
- **Increase utilization of assets while controlling costs**
  - Classic fixed cost businesses with little variable costs
  - Improve productivity to drop all top-line growth to bottom line
- **Leverage economies of scale from incremental acquisitions and expansions**
  - Reduce needless overhead
  - Apply best practices to core operations
- **Maximize benefit of a unique financial structure which fits with strategy**
  - MLP avoids double taxation, increasing distributions from high cash flow businesses
  - Strong balance sheet allows flexibility when raising capital for acquisitions / expansions

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KMP: Solid Asset Base Generates Stable Fee Income

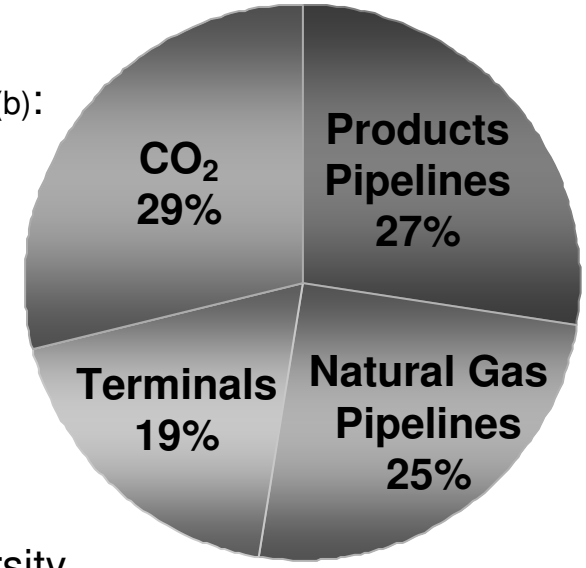
CO_2

- 30% CO_2 transport and sales
- 70% oil production related
- Expected production hedged (b):
  - 2006=88%
  - 2007=75%
  - 2008=54%

Terminals

- 47% Liquids, 53% Bulk
- Geographic and product diversity
- 3-4 year average contract life

KMP
2006 DCF (a)



Products Pipelines

- Refinery hub to population center strategy
- 68% Pipelines
- 27% Associated Terminals (c)
- 5% Transmix
- No commodity price risk

Natural Gas Pipelines

- 51% Texas Intrastate
- 49% Rockies
- Little incidental commodity risk

(a) Budgeted 2006 distributable cash flow before G&A and interest
(b) Net equity production, approved plus identified potential projects. Includes heavier NGL components (C4+).
(c) Terminals are not FERC regulated except portion of CalNev.

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KMI: Solid Asset Base Generates Stable Fee Income

Investment in KMP (b)

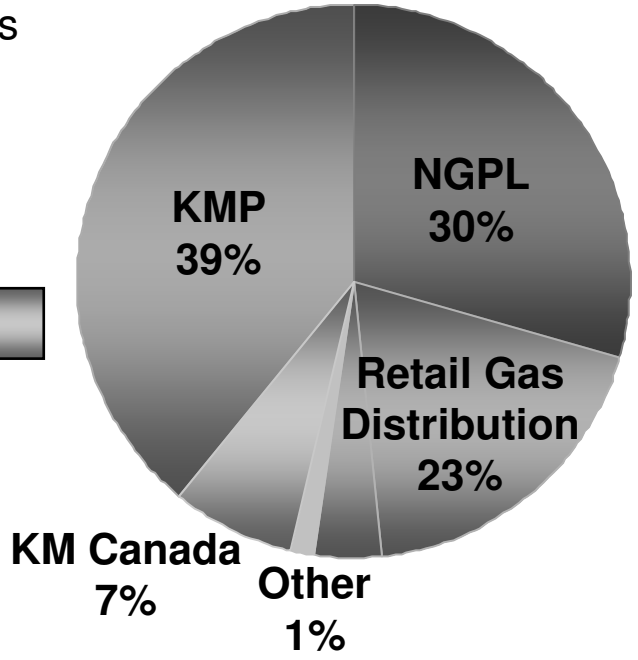
- General partner interest earns incentive distributions
- Owns 13% of total limited partner units

KM Canada

- Three major systems connected to Canadian Oilsands
- Existing capacity substantially committed under long-term contracts

KMI

2006 Segment Income (a)



NGPL

- FERC regulated with 3-year average contract life
- Primary customers are Chicago local distribution companies
- Little incidental commodity risk

Retail

- Natural gas distribution service
- Serve ~ 890,000 customers in British Columbia
- Serve ~ 245,000 customers in Colorado, Wyoming and Nebraska

(a) Budgeted 2006 segment earnings before G&A and interest.
(b) Includes: (i) general partner interest, (ii) earnings from ~ 20 million KMP units and (iii) earnings from ~ 10 million KMR shares.

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Vision: Where We're Going

Trend	KM Opportunity
Growing Rockies Natural Gas Production	*Rockies Express, Entrega*
Increased Supply of LNG on Gulf Coast	*Kinder Morgan Louisiana Pipeline*
Canadian Oilsands	*Trans Mountain, Corridor expansions* *Spirit condensate line, Edmonton terminal*
Increased Use of Heavy Crude	*Petcoke handling – Gulf Coast, Canada*
Growing Coal Imports	*Pier 9, Shipyard River terminal expansions*
High Oil Prices – Leading to Demand for Enhanced Oil Recovery	*McElmo Dome, Cortez expansion*
Natural Gas Price Volatility	*Sayre, North Lansing, Dayton storage expansions*
Demographic Growth in West and Southeast U.S.	*East Line, CALNEV expansions*
Increased Petroleum Products Imports	*New York, Houston terminal expansions*
Increased Ethanol Demand	*Storage expansions at Houston, Philadelphia* *Natural gas supply to ethanol plants thru KMIGT, NGPL, Retail*

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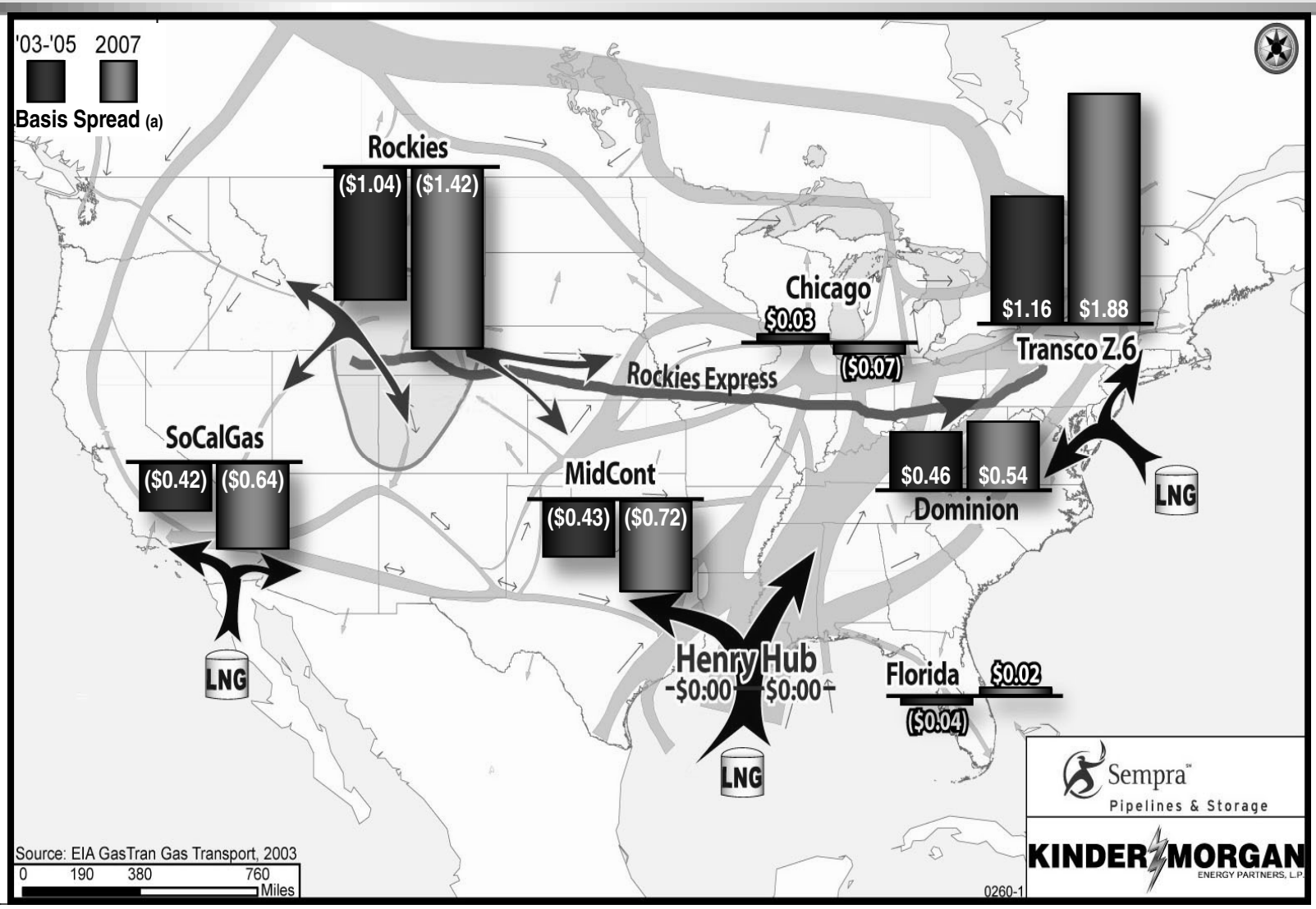
Rocky Mountain Natural Gas:
Basis Spreads Support Need for New Infrastructure



(a) Basis differential versus Henry Hub. Sources: Historical Prices – GasDat, Forward Prices – Sempra Oct 05 Curve.

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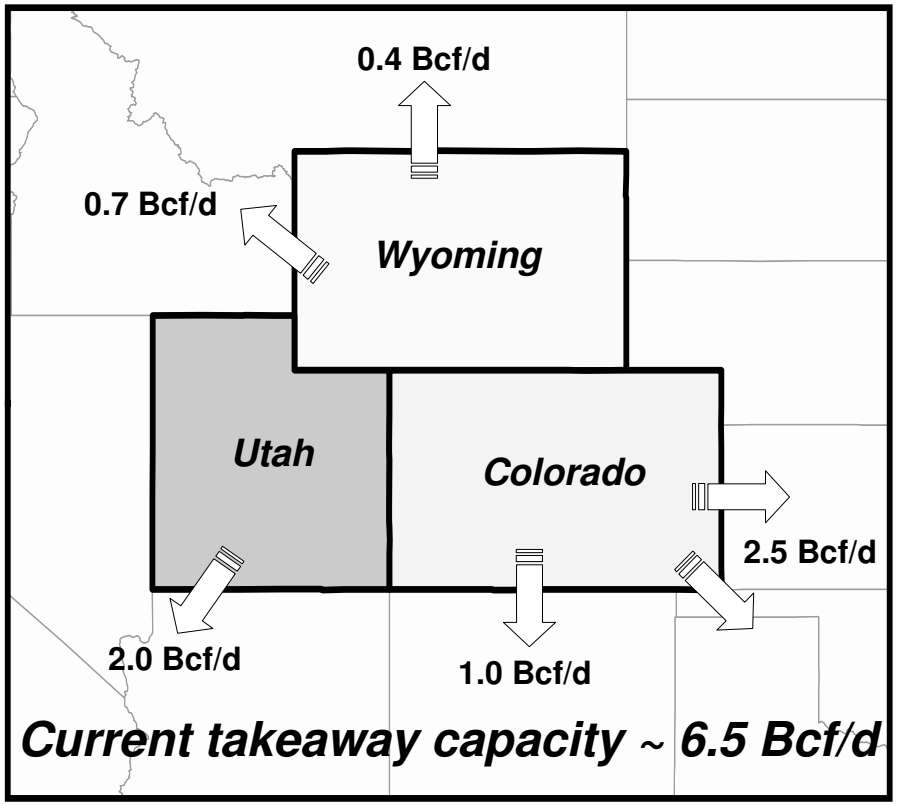
Rocky Mountain Natural Gas: Expected Production Growth Supports Need for New Infrastructure

Rocky Mountain natural gas production is growing, but takeaway capacity is limited

Rockies Production Growth (a)

	Production (Bcf/d)
2004	5.8
2007	7.0
2009	7.6
2012	8.3

Rockies Exports



(a) Source: CERA Wet Gas Capacity Outlook

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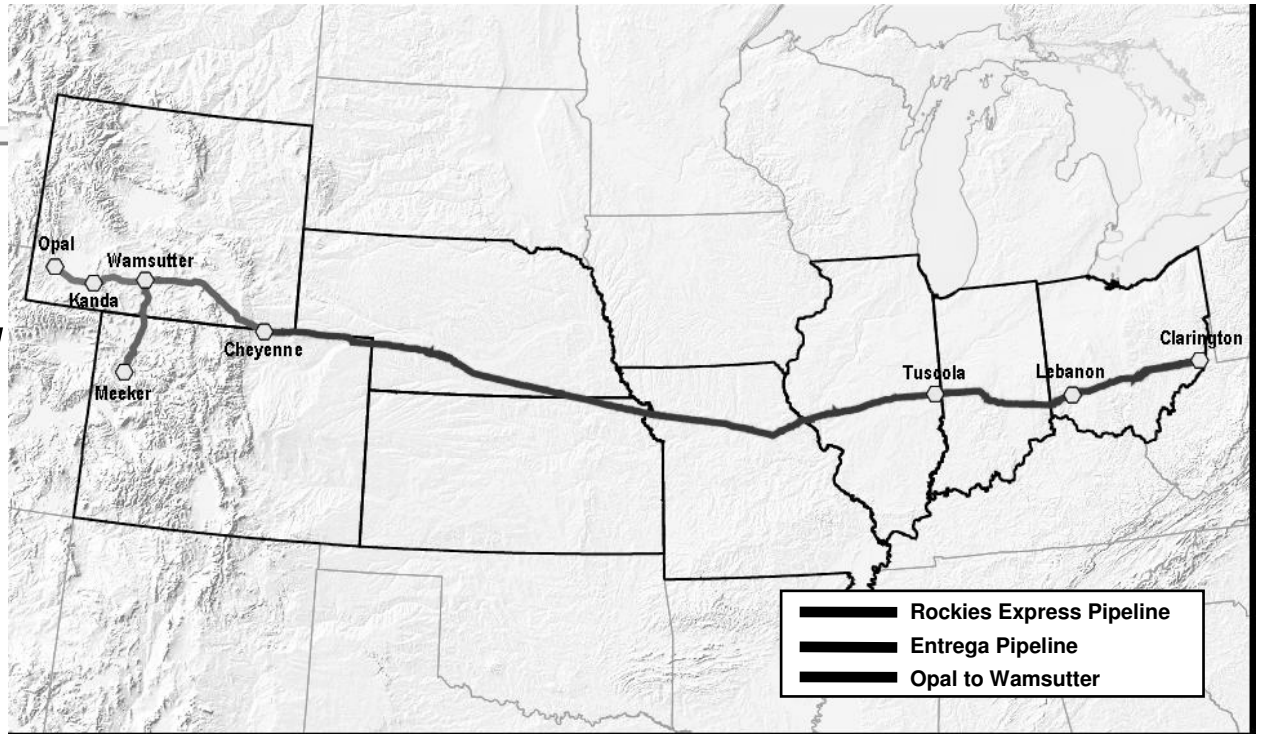
Rockies Express

Provides a long-term solution for addressing capacity constraints out of the Rockies



- **EnCana & Entrega Support**
  - 500,000 Dth/d firm long haul commitment
- **Kinder & Sempra Joint Development**
  - Kinder 2/3 equity, Sempra 1/3 equity
  - Sempra Affiliate committing to 200,000 Dth/d of FT
- **Wyoming Natural Gas Pipeline Authority**
  - up to 200,000 Dth/d of FT
- **Overthrust Pipeline Company**
  - OPC binding MOU for up to 1,500,000 Dth/d of capacity
  - Direct link to Opal

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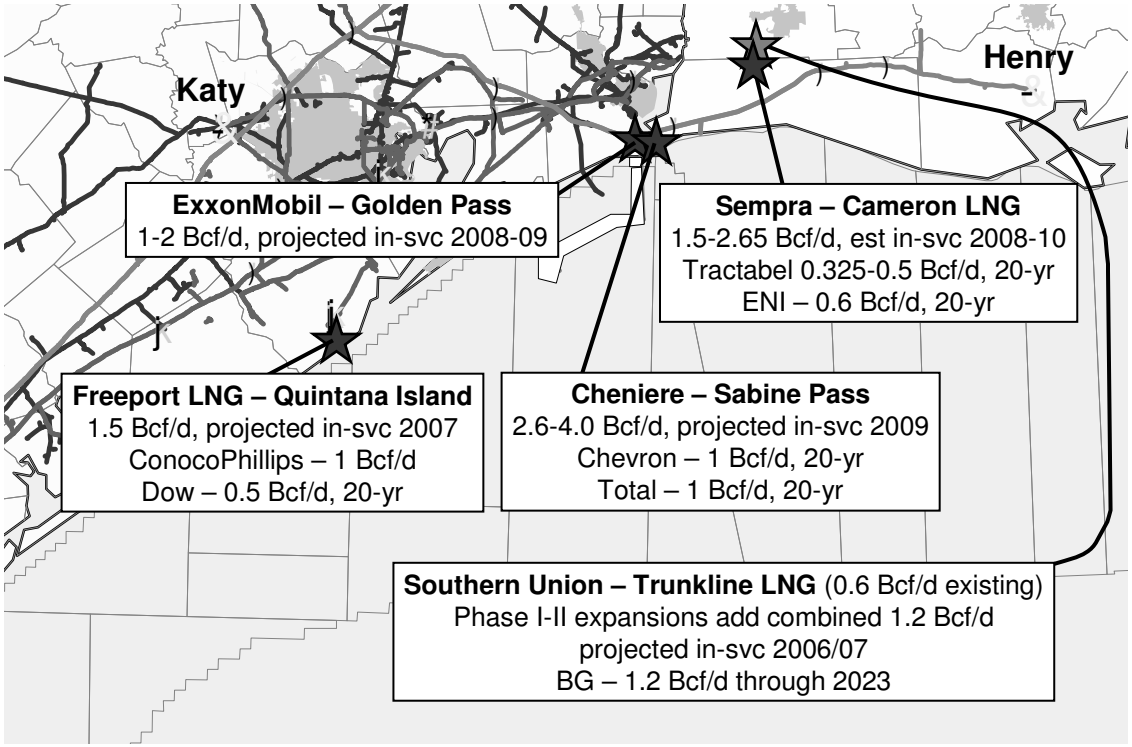
LNG:
Increased Supply on Gulf Coast

~8-11 Bcf/d of terminal capacity under construction with committed contracts

- **Louisiana Pipeline to serve 2.6 Bcf/d at Cheniere – Sabine Pass**

Gulf Coast LNG Projects Under Construction



Source: company websites

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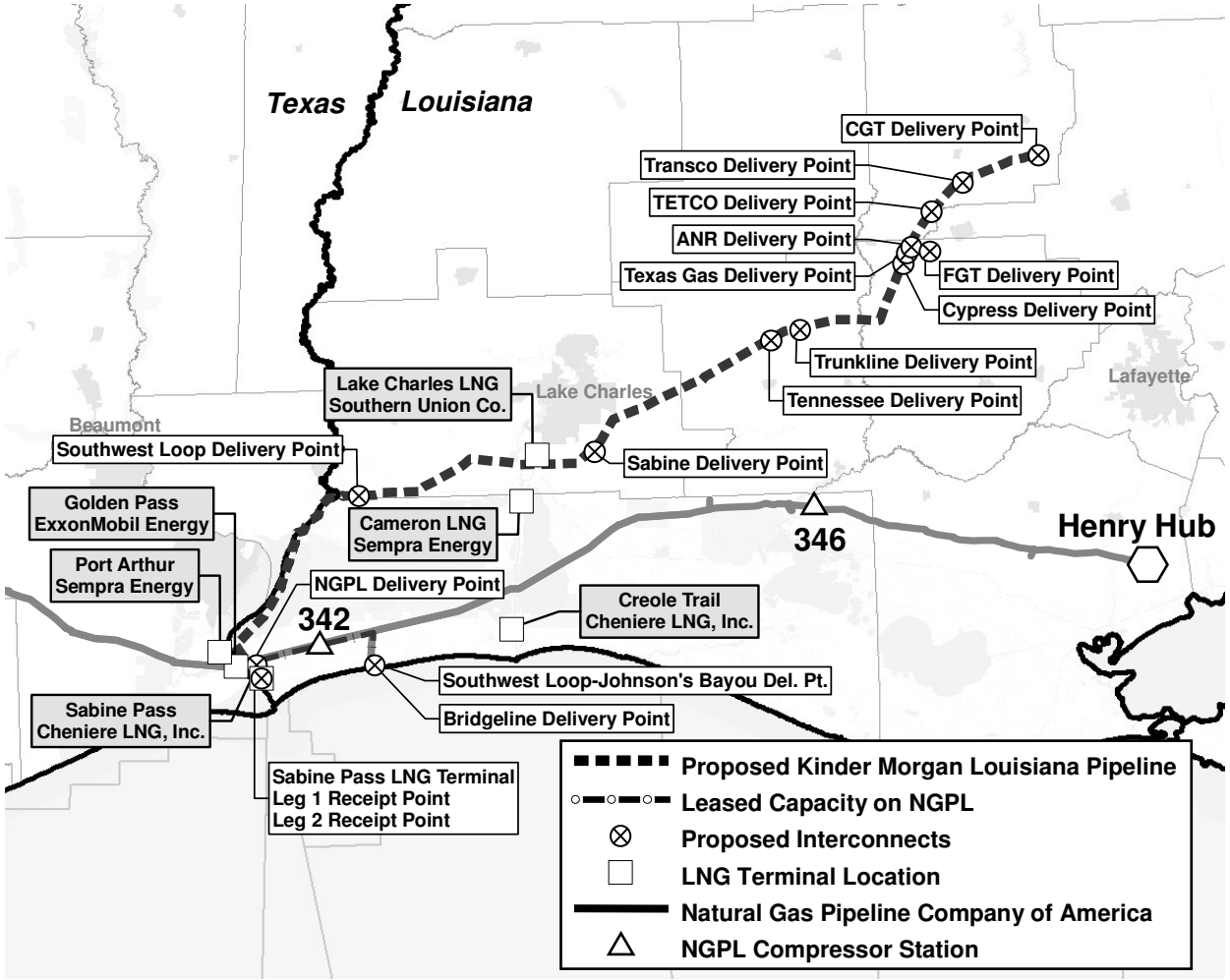
Kinder Morgan Louisiana Pipeline LLC

Provides key link between Sabine Pass LNG Terminal to interstate pipeline grid

- 137 miles 42”
- 2,130,000 Dth/d
- Chevron and Total subscribed to 100% of capacity
- 20 year contracts
- In-service April 1, 2009



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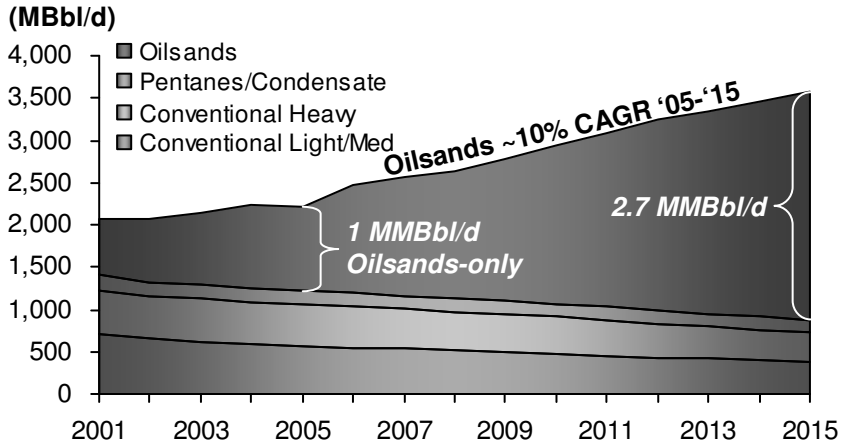
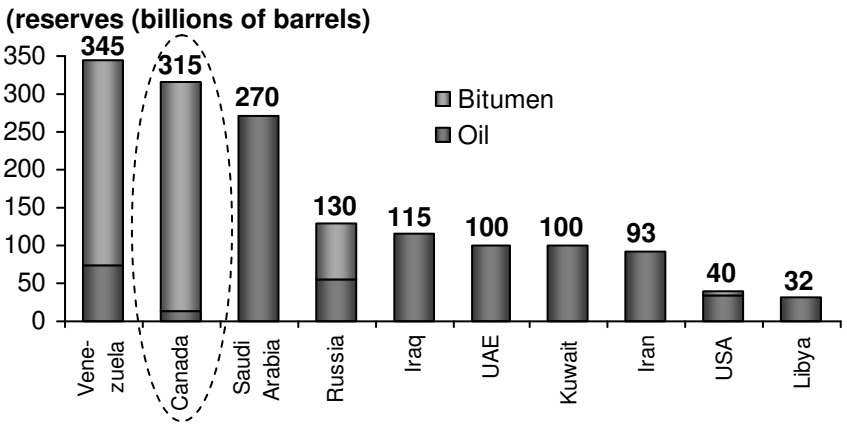
Canadian Oilsands: Supply

Canadian Crude Production by Type (a)



World Oil & Bitumen Reserves – Top 10 (b)



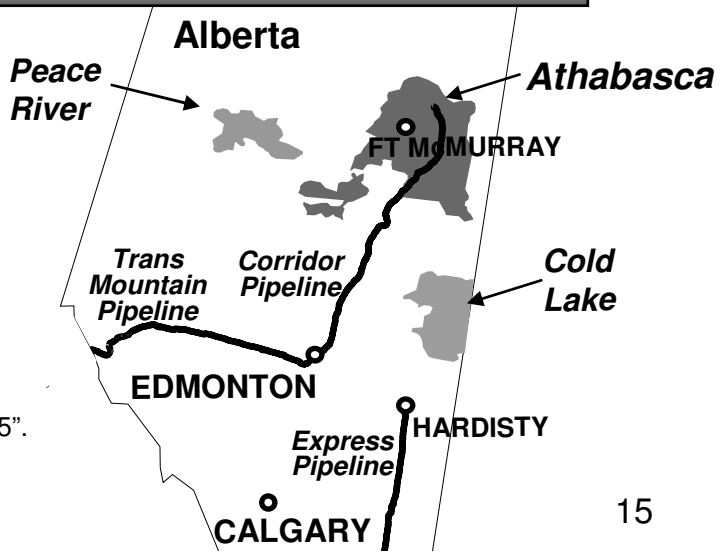
Production Costs: Mining (c)

Mining ⇒ Upgrading ⇒ Refining

Total Operating & Upgrade: Cdn $22-26/Bbl
US $19-22/Bbl

Price = 30-40% below WTI

Oilsands Production Areas (c)



All amounts in U.S. dollars unless otherwise noted.

(a) Source: CAAP Moderate Case, July 2005 Crude Production and Supply Forecast 2005-2015.

(b) Source: NEB 2003 study "Canada's Energy Future, Scenarios for Supply and Demand to 2025". Note: Total discovered recoverable reserves of crude and bitumen (Saudi values are proven reserves, implying higher degree of certainty).

(c) Source: DBRS October 2005 industry study "The Canadian Oil Sands"

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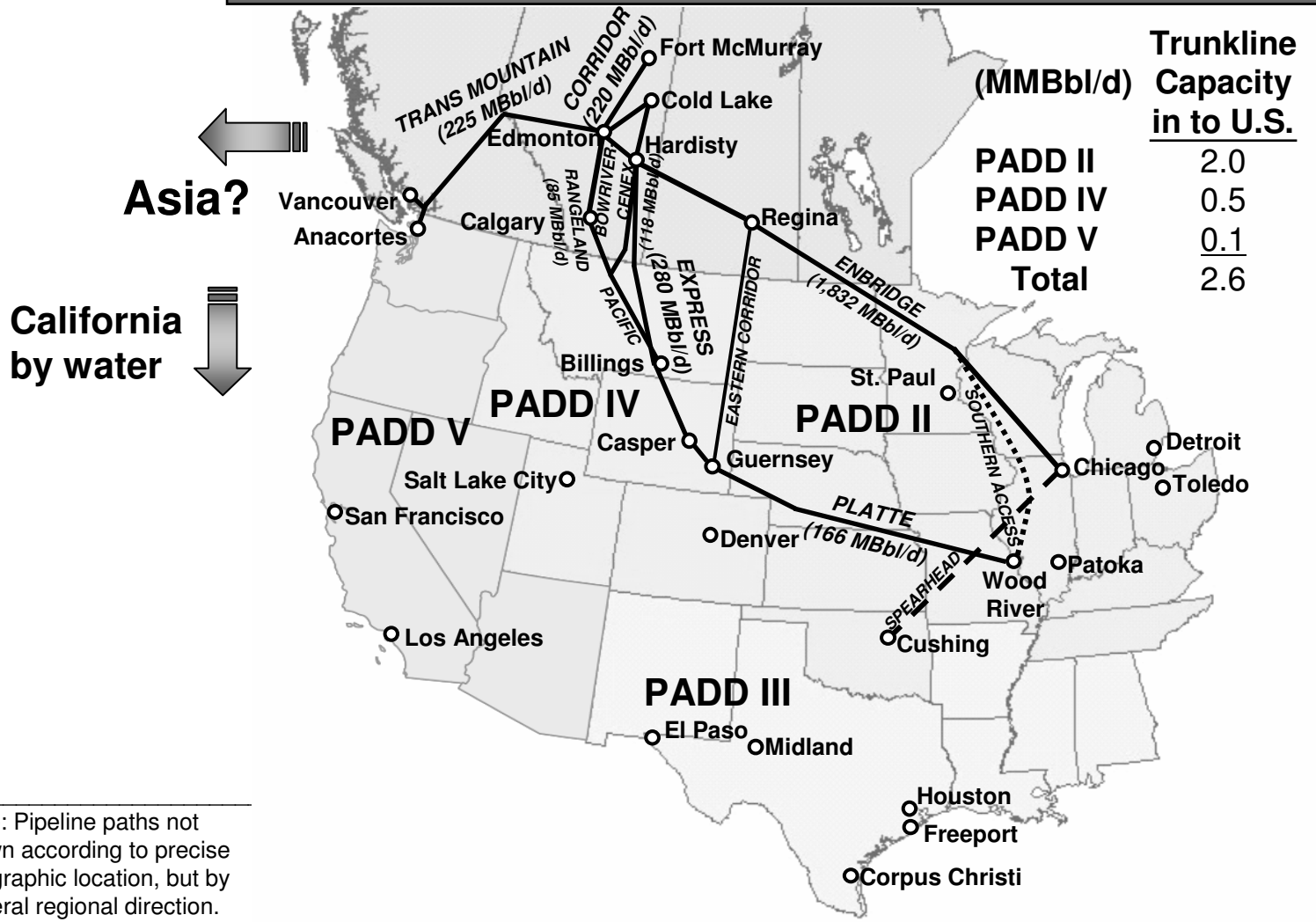
Canadian Oilsands: PADDs II and IV Have the Most Access to Canada

Major Canadian Oilsands Takeaway into the U.S.



(MMBbl/d)	Trunkline Capacity in to U.S.
PADD II	2.0
PADD IV	0.5
PADD V	0.1
Total	2.6

Note: Pipeline paths not drawn according to precise geographic location, but by general regional direction.

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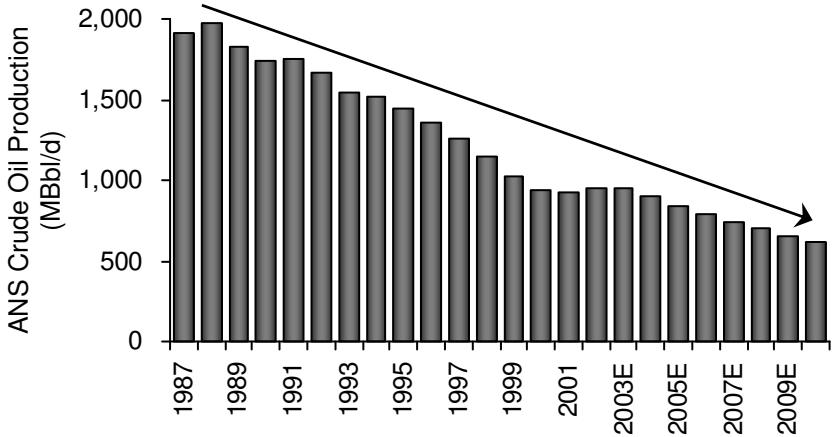
Canadian Oilsands: U.S. a Significant Importer of Crude

U.S. Crude Refinery Inputs by PADD – 2004 (a)

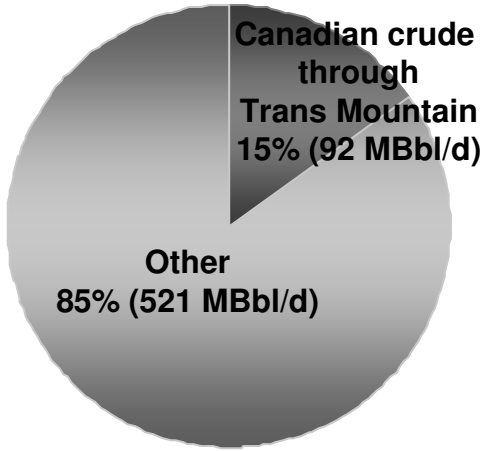
(MBbl/d)	Total Refinery Inputs	% Imports	Canadian Imports as % of Total Imports
PADD I (E. Coast)	1,597	97%	13%
PADD II (Midwest)	3,288	89%	36%
PADD III (G. Coast)	7,438	59%	---
PADD IV (Rockies)	556	46%	100%
PADD V (W. Coast)	2,596	36%	9%
Total	15,475	65%	16%

Every PADD uses significant imports:
PADD IV uses a very high percentage of Canadian
PADD II and V are opportunities

Alaskan North Slope Production Declining (b)



Washington State Refinery Capacity (c)



(a) Source: EIA "Petroleum Supply Annual 2004".
(b) Source: CIBC Jan-2006 industry report "Oil Pipeline Expansion: Refiners in Traditional Markets Girding for Expanded Diet of Canadian Heavy".
(c) Washington state crude oil refinery capacity. Sources: DBRS Oct-2005 industry report "The Canadian Oilsands", Company reports.

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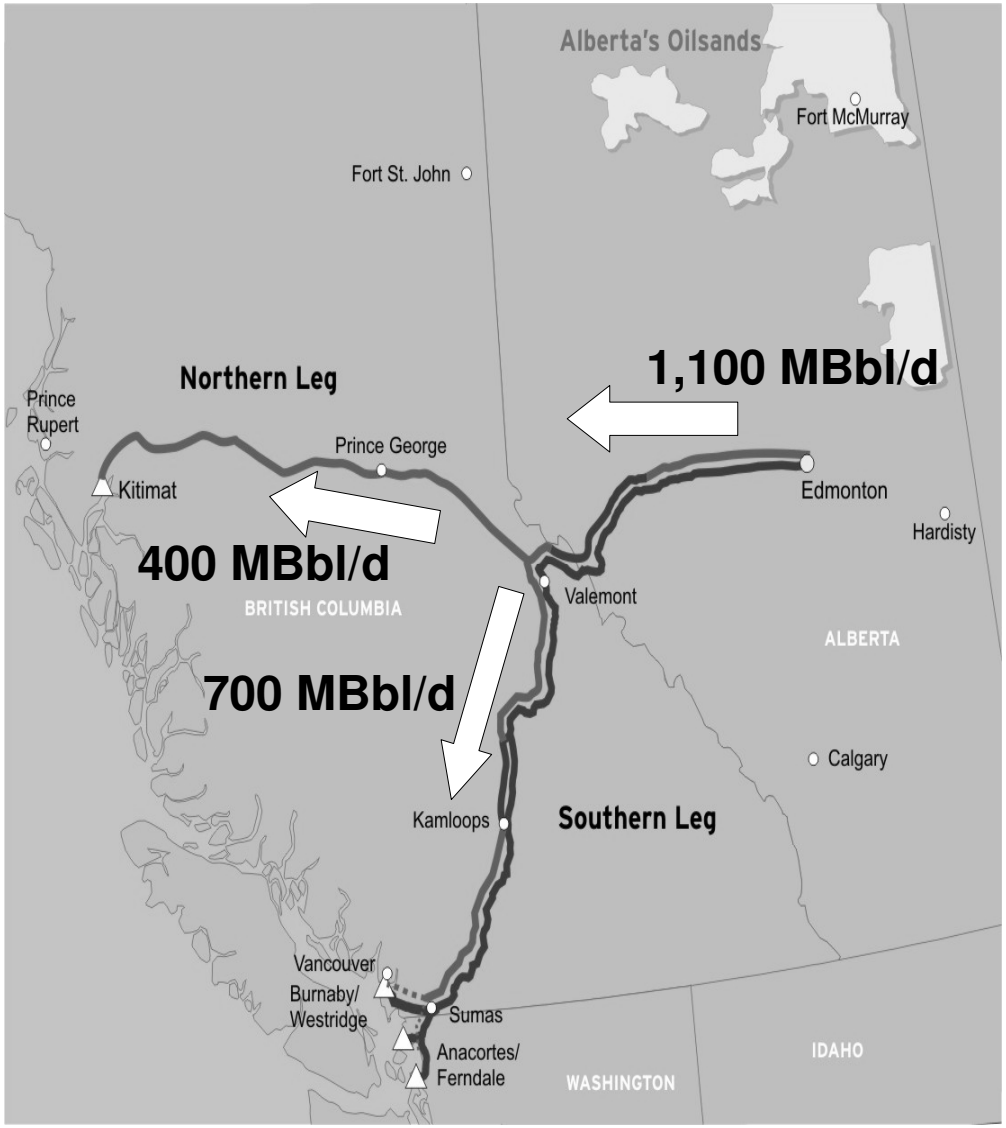
Trans Mountain Expansion



- **TMX1 –** C$595 million ⇒ additional 75 MBbl/d
  - Pump Station Expansion, C$230 million, 35 MBbl/d, in-svc by April 2007
  - Anchor Loop, C$365 million, 40 MBbl/d, in-svc at end of 2008
- **TMX2 –** Loop between Valemont & Kamloops and back to Edmonton, C$900 million, 100 MBbl/d by 2010
- **TMX3 –** Loop between Kamloops & Lower Mainland, C$900 million, 300 MBbl/d by 2011
- **TMX North –** Line between Valemont & Kitimat, C$2.0 billion, 400 MBbl/d

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Identified Future Growth Opportunities

Approximately $8 billion in identified growth opportunities over next 5 years

Entity	Project	Estimated Total Project Cost ($B)	Expected Completion
KMP	Louisiana Pipeline (LNG)	$0.5	2009
KMP	Entrega	0.5 (a)	2006-2007
KMP	Rockies Express	2.3 (a)	2008-2009
KMP	CO_2	1.1 (b)	2006-2010
KMP	East Line expansion	0.3 (c)	2006-2007
KMP	Spirit	0.4 (d)	2008-2009
KMI	Trans Mountain expansion	1.3	2007-2008
KMI	Corridor expansion	0.9	2009
KMP	Other identified expansions (e)	0.7	2006-2010
	Total	**$8.0**	

All amounts in U.S. dollars unless otherwise noted.

(a) Assumes 2/3 Kinder Morgan ownership. Entrega includes the purchase of Phase I.

(b) 2006-2010

(c) Phase I and phase II.

(d) Assumes 50% Kinder Morgan ownership.

(e) Shipyard River Terminal, Pier 9, Edmonton terminal, CALNEV and Dayton.

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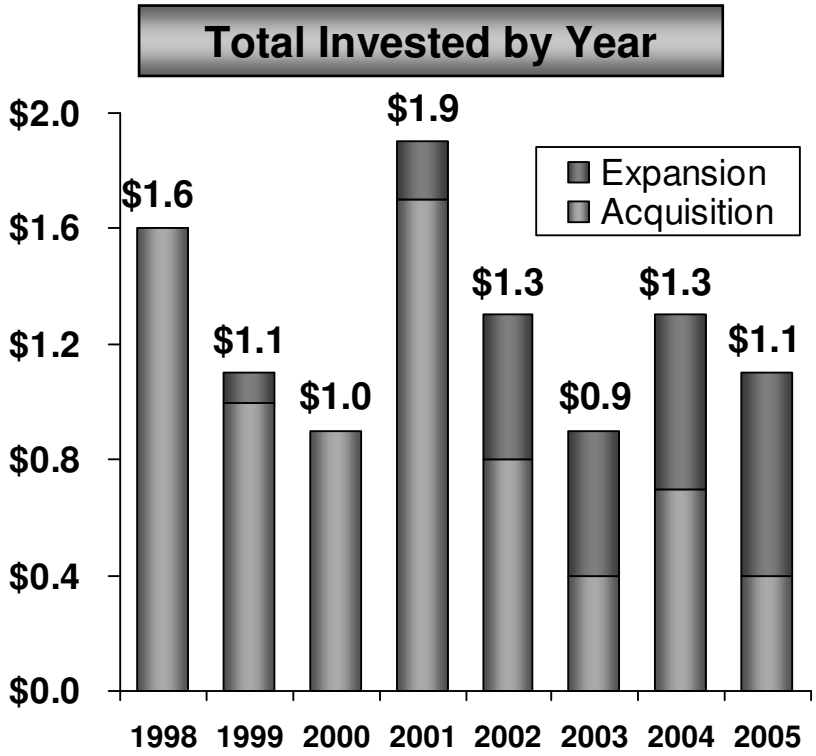
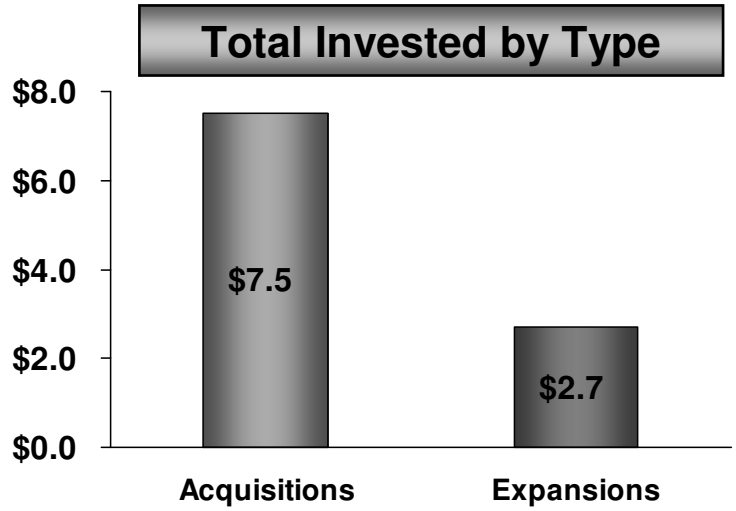
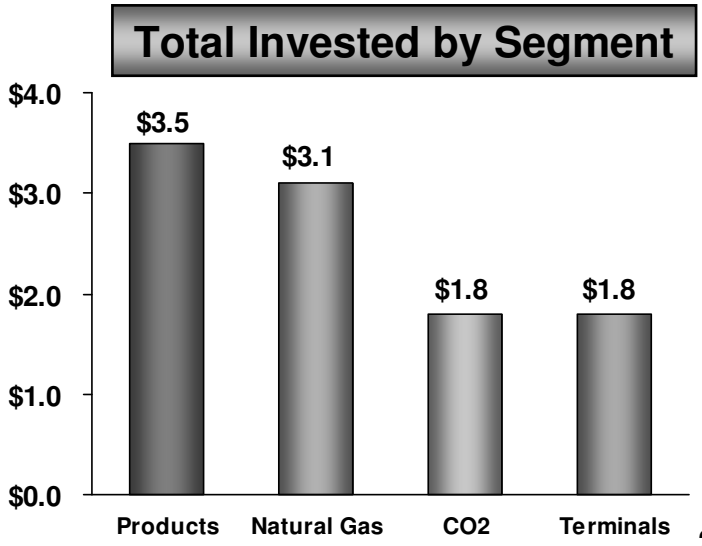
$10 Billion in Capital Invested at KMP

($ billions)







Note: All amounts in U.S. dollars unless otherwise noted.
See Appendix for details on calculations.

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Attractive Return on Capital

KMP

Return on Investment (a):	2000	2001	2002	2003	2004	2005
Products Pipelines	11.9%	11.8%	12.8%	12.9%	12.4%	11.3%
Natural Gas Pipelines	13.3	15.5	12.9	13.5	14.0	15.5
CO_2	27.5	24.6	22.0	21.9	23.8	25.7
Terminals	19.1	18.2	17.7	18.4	17.8	16.9
KMP Return on Investment	12.3%	12.7%	12.6%	13.1%	13.6%	14.2%
KMP Return on Equity	17.4%	19.0%	21.9%	23.2%	25.2%	26.6%

Note: Please see Appendix for details on calculations.

(a) G&A is deducted in calculating the return on investment for KMP, but is not allocated to the segments and therefore not deducted in calculating the segment information.

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Attractive Return on Capital

KMI

Return on Investment (a,b,c):	2000	2001	2002	2003	2004	2005
Investment in KMP	11.2%	16.9%	21.4%	25.0%	29.6%	37.9%
NGPL	11.4	11.1	10.9	11.4	12.1	12.6
Retail	13.0	11.7	15.0	14.5	13.1	10.6
Power	14.3	20.2	9.7	5.6	4.7	5.8
KMI Return on Investment	10.5%	11.7%	12.4%	13.3%	14.8%	17.0%
KMI Return on Equity	16.6%	19.0%	18.5%	21.3%	23.2%	22.3%

Note: Please see Appendix for details on calculations.

(a) G&A is deducted in calculating return on investment, but is not allocated to the segments and therefore not deducted in calculating the segment information.

(b) Totals include all assets owned in given year, even if subsequently divested.

(c) 2005 excludes impact of Terasen.

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KMI & KMP Have Solid Balance Sheets

($ millions)

Credit Summary

	KMP (a)	KMI
L-T Debt Rating	Baa1/BBB+	Baa2/BBB
Net Debt / Total Capital (b,c)	52%	56%
2006 Budget Estimates:		
Debt / EBITDA	3.1x	4.2x
EBITDA / Interest	5.6x	4.0x

CP Capacity (c)

	KMP	KMI
Total Bank Credit	$1,600	$1,811
Outstanding CP	539	611
TGVI Drawn	---	180
Letters of Credit	599	182
Excess Capacity	$462	$838

Long-term Debt Maturities (c)

	KMP	KMI
2006	$45	$346
2007	$255	$220
2008	$5	$639
2009	$250	$85
2010	$250	$129

Note: All amounts in U.S. dollars unless otherwise noted.

(a) Without additional/potential expansions outlined in Financial Review. For impact with potential expansions, see Financial Review.

(b) Debt excludes preferred securities (KMI) and fair value of interest rate swaps and is net of cash. Capital includes preferred securities (KMI) and excludes loss/gain from other comprehensive income.

(c) At December 31, 2005.

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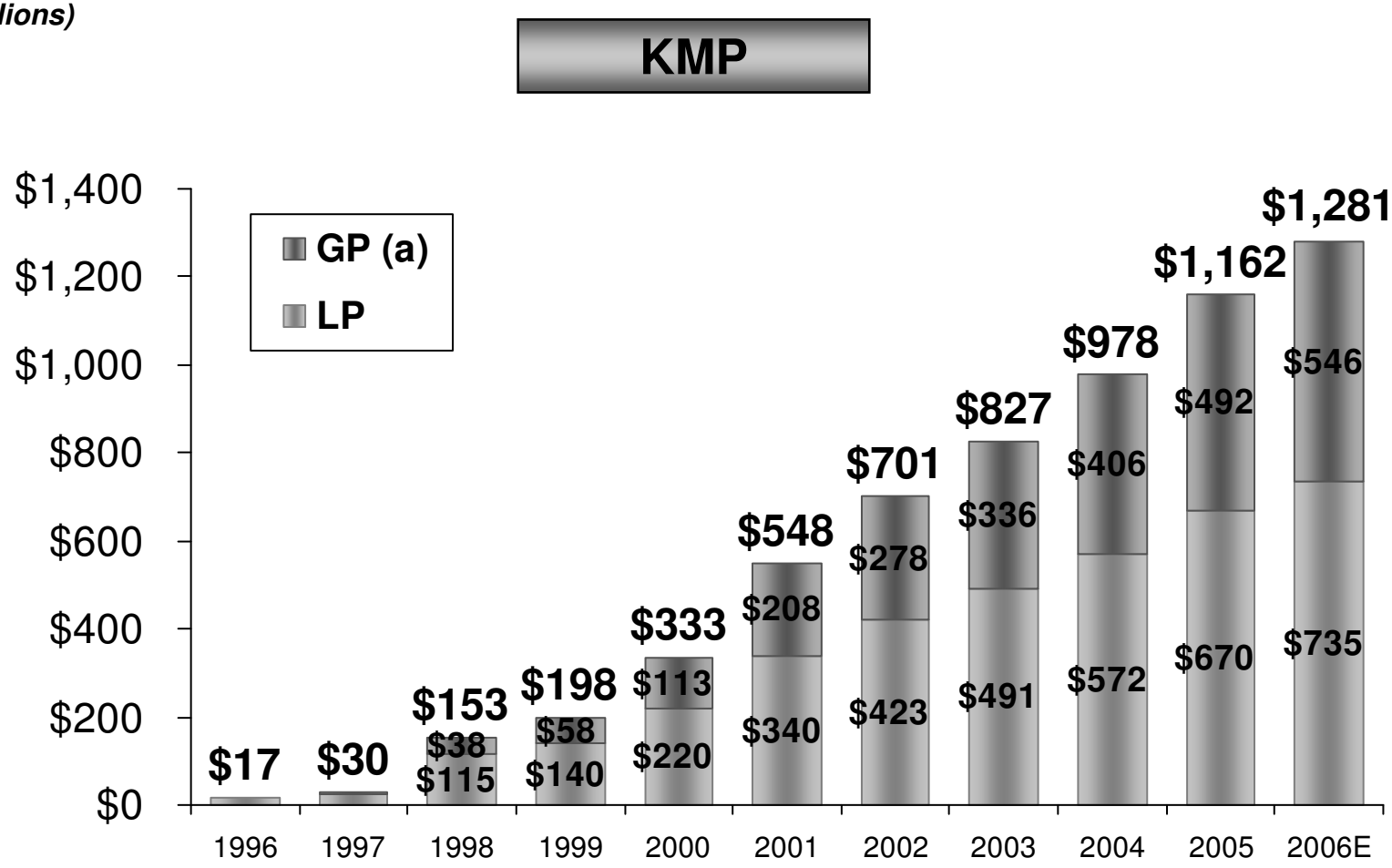
KMP Has Returned Nearly $5 Billion in Cash to Partners, 1996-2005

($ millions)



Note: All amounts in U.S. dollars unless otherwise noted.
(a) Includes 2% general partner interest.

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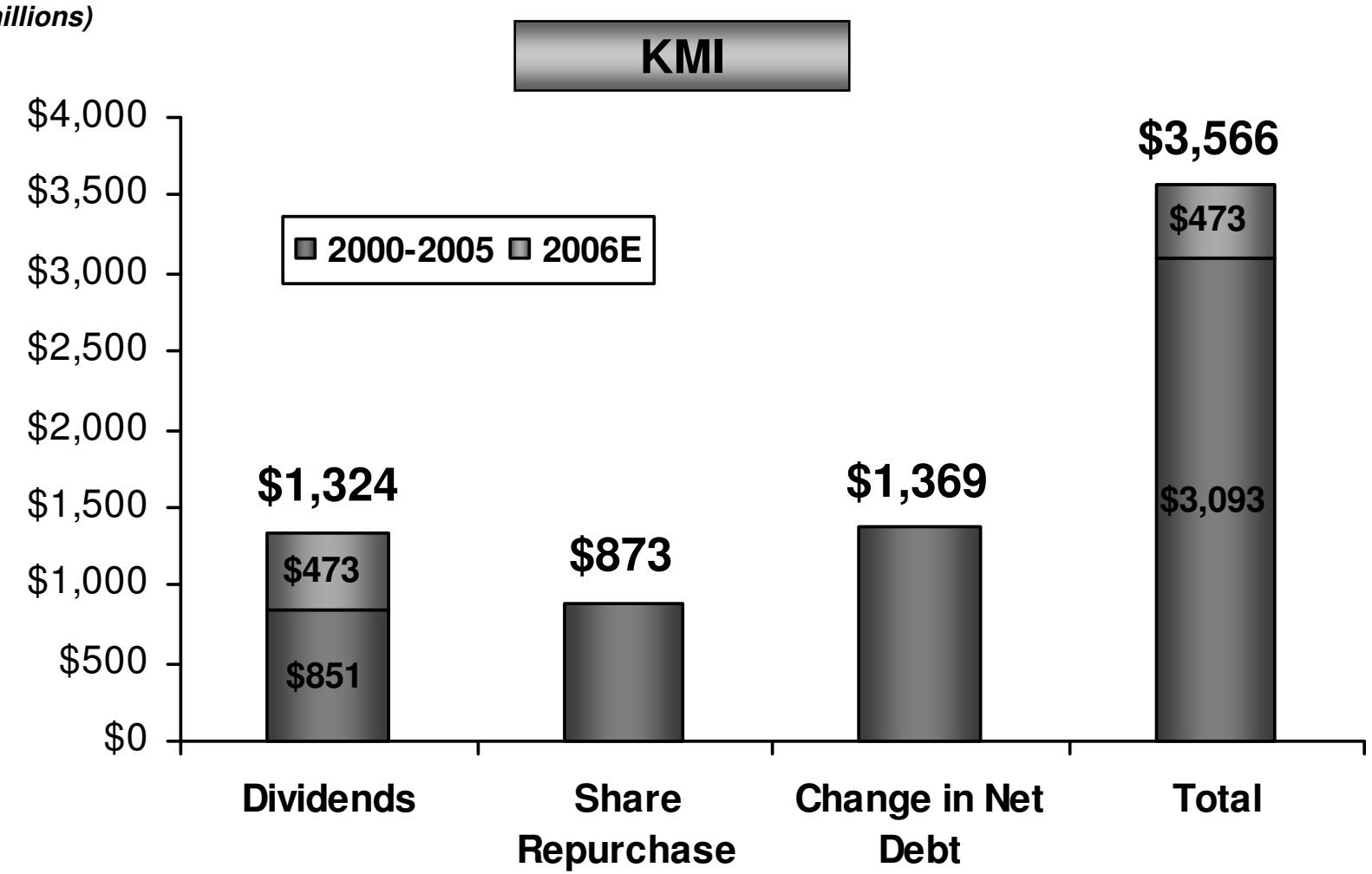
KMI Has Returned Over $3 Billion in Cash to Investors, 2000-2005



Note: All amounts in U.S. dollars unless otherwise noted.

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Risks

- **Regulatory**
  - Pacific Products Pipeline FERC/CPUC case
  - Periodic rate reviews
  - Unexpected FERC, NEB, BCUC policy changes
- **Environmental**
- **Terrorism**
- **Interest Rates**
  - 50% of debt is floating rate
  - Budget assumes an increase based on the forward curve
  - The full-year impact of a 100-bp increase in rates equates to an approximate $28 million increase in expense at KMP and $28 million at KMI

Note: All amounts in U.S. dollars unless otherwise noted.

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Summary

- **Stable Cash Flow**
  - Own assets core to energy infrastructure
- **Internal Growth Opportunities**
  - Critical Mass
  - Well-located assets/favorable demographics
- **Fixed Cost Business**
  - Drop growth to bottom line
- **Unique Structure**
  - Tax Efficient
  - Incentive Fee
- **Management Philosophy**
  - Low-Cost Operator
  - Focused on cash
  - Disciplined Investment

KMP/KMR:
6-7% Yield
and
8%
Long-Term
Growth

KMI:
3.6% Yield
and
10%
Long-Term
Growth


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