KINDER MORGAN INC.

Natural Gas Pipelines

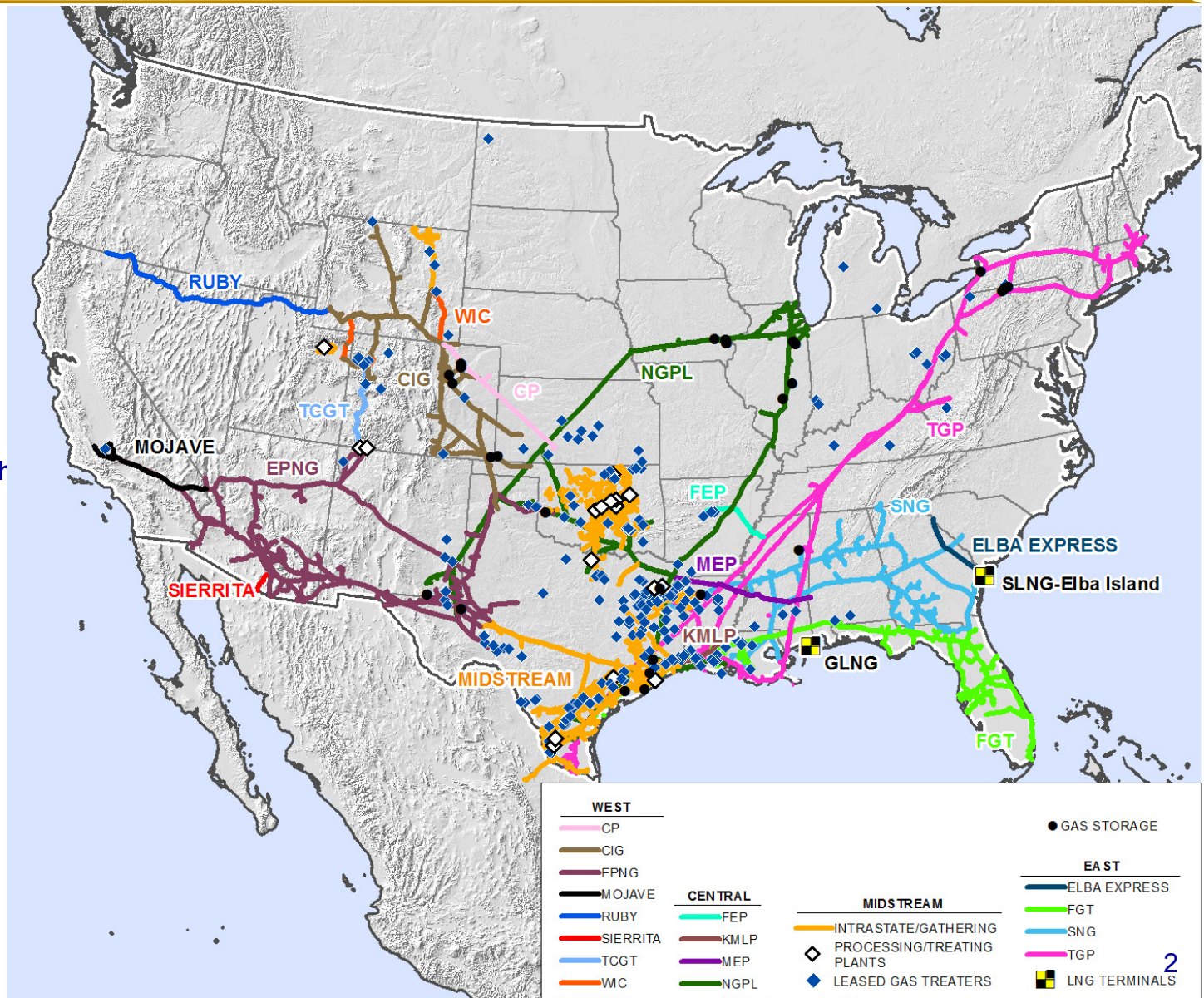
Tom Martin

President, Natural Gas Pipeline Group

Natural Gas Segment

Growth Drivers:

- Shale-driven expansions / extensions
- LNG exports
  - Liquefaction facilities
  - Pipeline infrastructure
- Gas demand for power generation
  - Coal plant retirements
  - Regional demand growth
- Industrial demand growth
- Exports to Mexico
- Repurposing opportunities



Contracted Capacity and Term by Region

Region		Contracted Capacity	Average Term Remaining
East	Storage	132 Bcf	3 yr, 4 mo
	Transport	18.9 Bcf/d	8 yr, 7 mo
	LNG	18 Bcf	17 yr, 5 mo
West	Storage	46 Bcf	5 yr, 11 mo
	Transport	18.4 Bcf/d	5 yr, 8 mo
Central	Storage	255 Bcf	2 yr, 5 mo
	Transport	12.6 Bcf/d	5 yr, 4 mo
Midstream	Purchases	2.3 Bcf/d	2 yr, 6 mo
	Sales	3 Bcf/d	2 yr, 8 mo
	Storage	88 Bcf	4 yr, 10 mo
	Transport	3.8 Bcf/d	5 yr, 3 mo
	Processing	1.7 Bcf/d	6 yr, 7 mo

Interstate Transport Contracts Avg. = 6 yr, 8 mo

- **Net annual incremental re-contracting exposure (KM share)[(a)]: (% of 2015 Gas Pipeline Group EBDDA)**

Region	2016	2017
East	+0.2%	(0.2%)
West	(1.5%)	(0.4%)
Central	(0.1%)	(0.2%)
Midstream	0.0%	0.0%
Total GPG	(1.4%)	(0.8%)

(a) Negative figures represent unfavorable re-contracting exposure. Includes transportation and storage contracts.

Projects Placed Into Service - 2014

Region	Asset	Project	In-service Date	Capacity	Capital, KM Share ($MM)	EBITDA ($MM)
East	TGP	Utica Backhaul	4/2014	500 MDth/d	175.1	
		Uniondale	11/2014	34 MDth/d	6.2	
		Rose Lake	11/2014	230 MDth/d	73.7	
	SNG	FGT/TECO Interconnect	7/2014	7.1 MDth/d	3.9	
West	SGPL	Sierrita Gas Pipeline	10/2014	200 MDth/d	65.6	
	CIG	High Plains Expansion	5/2014	600 MDth/d	9.6	
	WIC	Bucking Horse Meter Station	12/2014	105 MDth/d	2.7	
	EPNG	Upstream Sierrita	10/2014	200 MDth/d	2.3	
Central	MEP	Entergy Power Plant Interconnect	3/2014	180 MDth/d	3.6	
Midstream	Texas Intrastate	Calpine Magic Valley	3/2014	90 MDth/d	22.8	
		Mier Monterrey Interim Expansion	9/2014	200 MDth/d	11.2	
		Mier Monterrey Expansion	12/2014	225 MDth/d	94.0	
		West Clear Lake Cushion Conversion	1Q 2014	4 Bcf	12.7	
	Gathering/ Other	Eaglebine Phase II	6/2014	54 MDth/d	29.1	
		DK Expansion (incl. TXP3)	4Q 2014	480 MDth/d	236.1	
		Oklahoma Silver Creek	4Q 2014	32 MDth/d	39.0	
		Well / Market Connects	Throughout 2014	Various	27.1	
		Other System Expansions	Throughout 2014	Various	125.7	
				Total Gas Pipeline Group	940.4	290

New Firm Transport Capacity

Existing, New and Pending Firm Transport Capacity Commitments

December 1, 2013 to present:	Existing Capacity (MDth/d)	New Committed Capacity (MDth/d)	New Pending Capacity (MDth/d)	Total Capacity (MDth/d)	Capital, KM Share ($MM)	Wtd Avg. Contract Term (Yrs)
East	14	2,595		2,609	1,537	16.6
West	405	583		988	540	14.7
Central	370	700	1,200	2,270	333	18.8
Midstream	70	750		820	264	17.2
Total Gas Pipeline Group	859	4,628	1,200	6,687	2,674	17.1

Existing, New and Pending Firm Transport Capacity Commitments by Customer / End-use Market

December 1, 2013 to present:	LDC / End-user (MDth/d)	Producer (MDth/d)	Mexico (MDth/d)	LNG (MDth/d)	Total Capacity (MDth/d)
East	216	1,593	500	300	2,609
West	63	153	772		988
Central		370		1,900	2,270
Midstream	70	160		590	820
Total Gas Pipeline Group	349	2,276	1,272	2,790	6,687

Natural Gas Segment in a Low Oil Price Environment

Risk Assessment

- **Price sensitivity mainly in Midstream**
  - $0.10/Dth gas price change
    - $2.8 MM/yr (excluding hedges)
    - $2.4 MM/yr (including current hedges)
  - $1.00/bbl oil price change = $2.0 MM/yr
  - 1% change in NGL crude ratio = $1.5 MM/yr
- **Volume sensitivity mainly in Midstream**
  - Potential impact from reduced drilling plans and lower associated gas volumes
- **Credit exposure**
  - Low risk given scale of operations, diverse customer base, and existing collateral requirements
- **Backlog**
  - 96% of backlog capital is secured by customer contracts
  - LNG customers taking a longer term view

Opportunity Assessment

- **Acquisition opportunities**
  - Lower oil price environment expected to lead to greater acquisition opportunities
  - Supported by lower corporate cost of capital and ready access to capital
- **Additional growth project opportunities**
  - Less competition possible for new projects as peers reduce capex plans
  - Potential for peers to bring in partners on existing projects to reduce capex
- **Increased dry gas production**
  - Lower oil prices could lead to dry gas wells becoming more competitive
  - We are well positioned to benefit from increased dry gas production
- **Cost reductions**
  - Contractor costs expected to reduce

Gas Pipeline Group Project Backlog

Approximate $1.9 billion increase from 2014

Region	Asset	Board Approval	Customer Execution	Capital, KM Share ($MM)
East	TGP	Completed	Completed	1,591
	SNG/EEC	Completed	Completed	282
	ELC/SLNG	Completed	Completed	1,330
	East Region Total			3,203
West	EPNG	Completed	Completed	543
	CIG	Completed	Completed	1
	West Region Total			544
Central	KMLP	Completed	Completed	143
		Completed	Pending	190
	Central Region Total			333
Midstream	TX Intrastate	Completed	Completed	273
		Completed	Partial	12
	Gathering/Other	Completed	Completed	57
		Completed	Partial	147
	Midstream Total			489
Total Gas Pipeline Group				4,569

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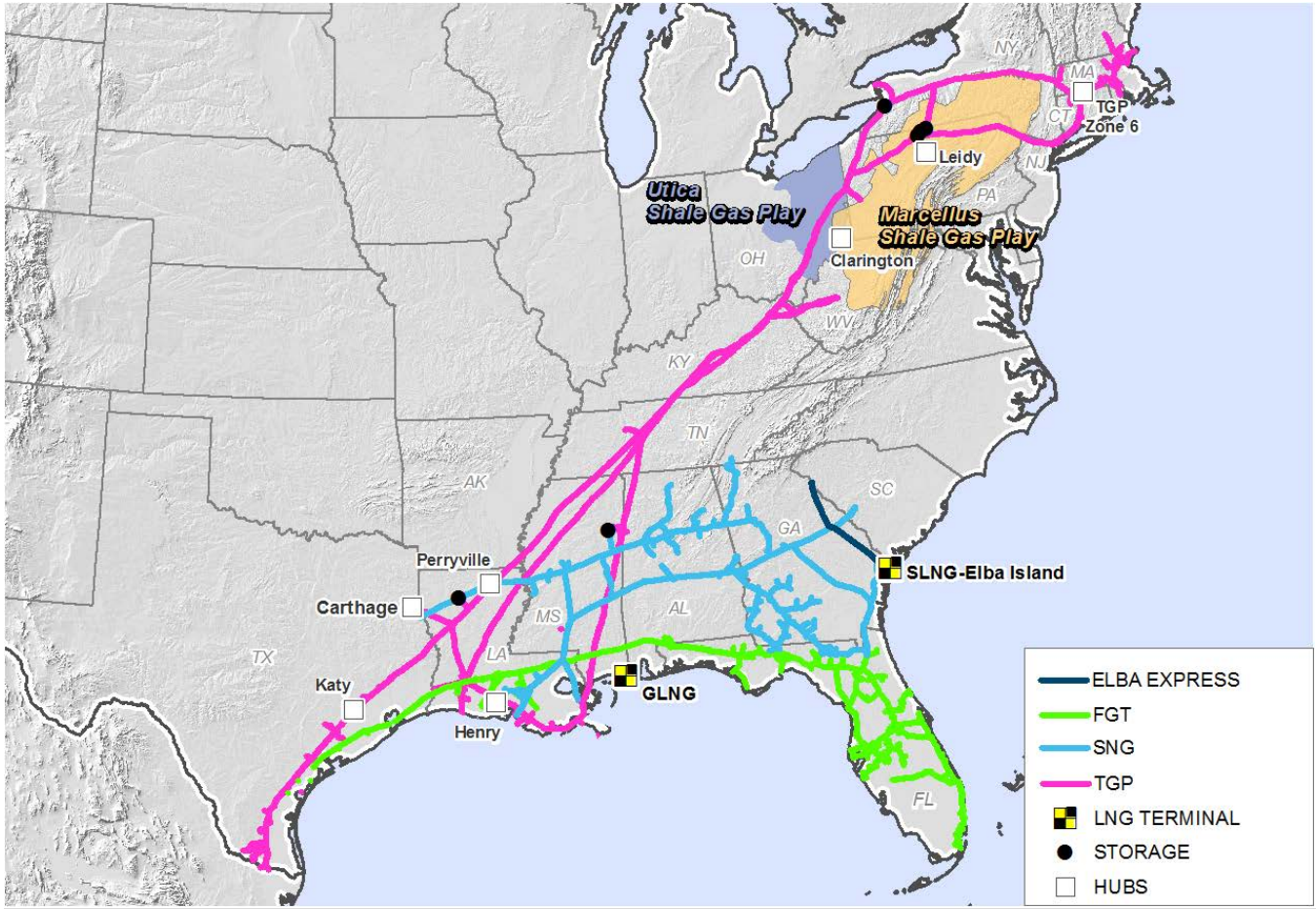
Region Asset Reviews

East Region Assets

Growth Drivers:

- **Asset footprint provides a base for serving growing and supply-constrained markets from both traditional and developing supply regions**
- **TGP uniquely positioned in growing Marcellus and Utica shale plays to provide region-wide access to both Gulf Coast and Northeast markets**
- **Market opportunities in New England and Canada driven by new gas service and conversions**
- **New infrastructure required to serve growth in gas-fired power generation**
- **Forecasted East Region power growth by 2024 for gas = 1.7 Bcf/d [a], driven by:**
  - Market demand growth in the Northeast/Southeast
  - Economic/environmental replacement of coal/oil generation
- **Positioned to participate in LNG export market development as both a provider of pipeline capacity and an export terminal owner/operator**
  - Potential to serve 10 Bcf/d of transportation demand from 6 announced LNG liquefaction projects near TGP
    - Potential expansion opportunities
    - Additional direct and indirect throughput opportunities for all KM pipes in the region
  - Liquefaction at SLNG and GLNG
- **Project opportunities to deliver shale volumes to the growing Mexico export market through existing direct and new third-party pipeline connections**
- **Opportunities on both TGP and SNG to provide gas supply for new industrial plant builds**
- **Significant storage capacity to supplement pipeline supply and provide incremental revenue generating opportunities**

(a) Source: Wood Mackenzie / KM analysis
(b) Transport / Storage
(c) On-going Docket RP15-101

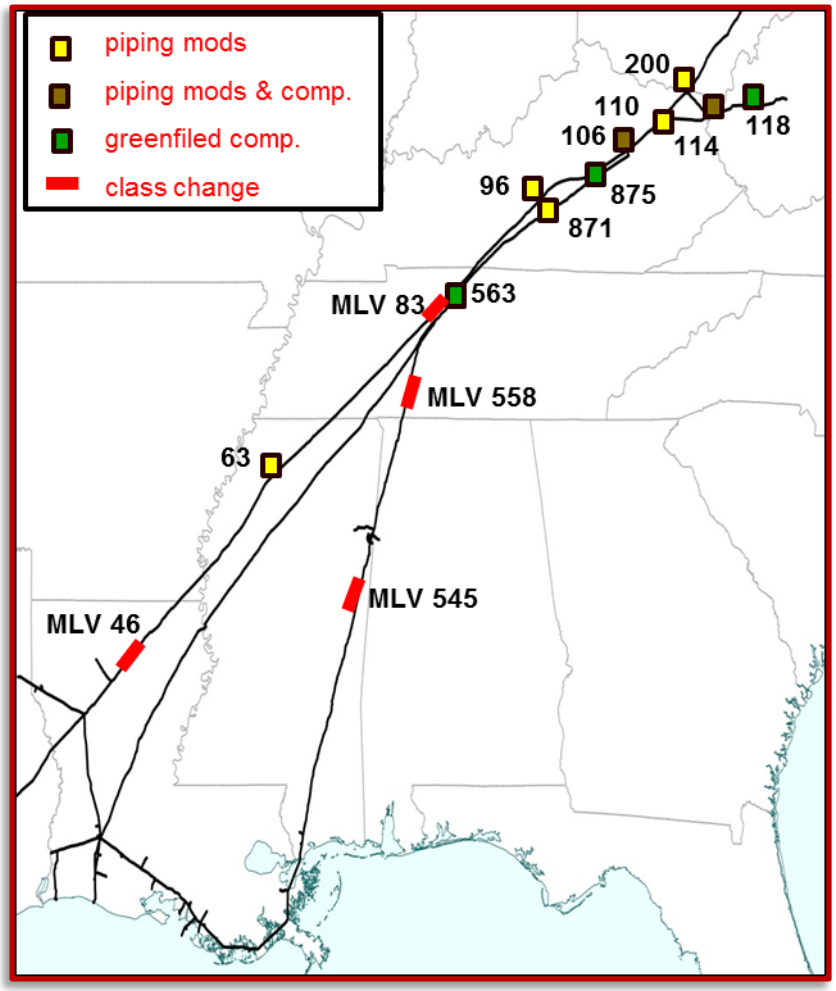


Asset (KM ownership shown if not 100%)	Miles	Capacity (Bcf/d)	Storage (Bcf)	Avg. Remaining Contract Term (Yrs)	Effective Date of Next Rate Case
Tennessee Gas Pipeline (TGP)	11,900	9.0	97	7.1 / 4.1 [b]	11/1/2015
Southern Natural Gas (SNG)	6,900	3.9	68	6.0 / 2.2 [b]	9/1/2018
Elba Express (EEC)	200	1.0	-	23.2	NA
Florida Gas Transmission (FGT, 50%)	5,300	3.6	-	11.2	11/1/2014 [c]
Elba Island LNG (SLNG)	-	1.7	11.5	17.8	NA
Gulf LNG (GLNG, 50%)	5	1.5	6.6	16.8	NA

East Region Project Backlog

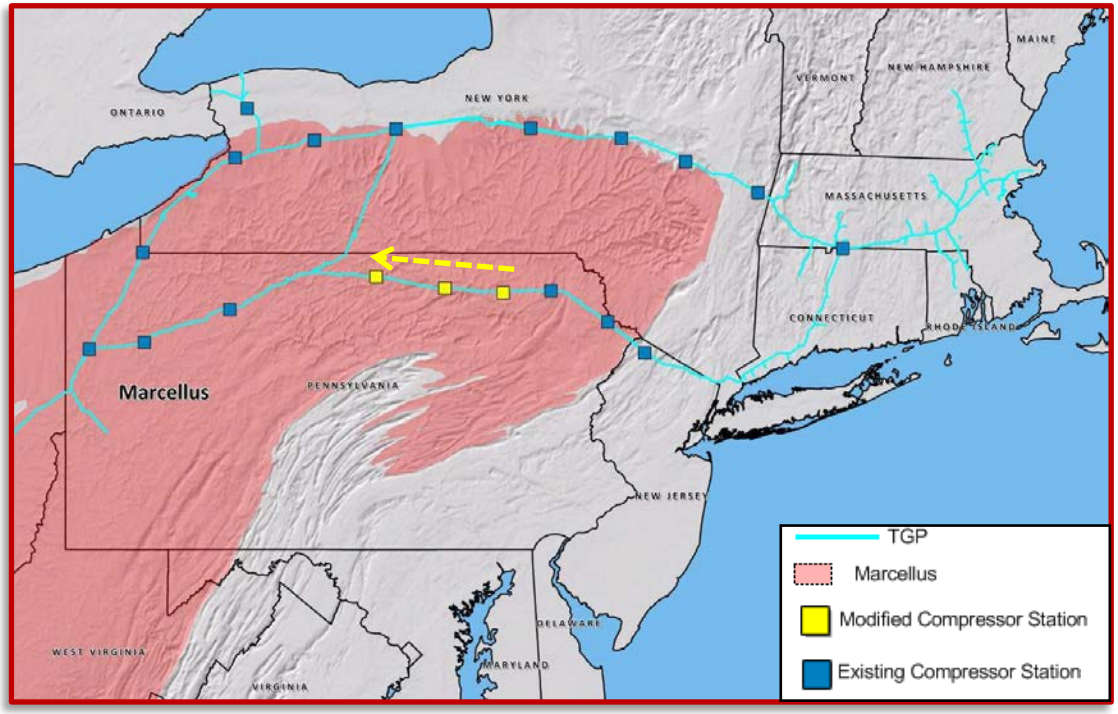
Asset	Board Approval	Customer Execution	Project	Capital, KM Share ($MM)	Capacity	In-service Date	Project Status
TGP	Completed	Completed	South System Flexibility	187.3	500 MDth/d	1/2015 - 12/2016	Capacity awarded; PA executed; initial project flows began 1/1/15
			Niagara Expansion	26.0	158 MDth/d	11/2015	FERC certificate imminent
			Broad Run Flexibility and Expansion	751.0	790 MDth/d	11/2015 & 11/2017	Final engineering and permitting
			Hebron Storage Cushion Conversion	4.3	1 Bcf	2015	Finalizing terms with JV partner
			Station 245 HP Replacement	6.4	23 MDth/d (winter only)	1/2016	Unit ordered
			Connecticut Expansion	82.2	72 MDth/d	11/2016	FERC application filed
			Susquehanna West	143.0	145 MDth/d	11/2017	Capacity awarded; PA executed
			Cameron LNG	138.4	900 MDth/d	2Q - 4Q 2018	All shipper conditions precedent met
			Marcellus to Milford	129.3	135 MDth/d	6/2018	PAs executed; open season starting on 1/31/15
			Lone Star	122.8	300 MDth/d	7/2019	Capacity awarded; PA executed
SNG	Completed	Completed	SNG Expansion	85.6	242 MDth/d	6/2016	Pre-construction activities underway; FERC applications filed
			EEC Expansion (non-Shell)	94.0	175 MDth/d		
			EEC Expansion (Shell to serve ELC)	102.5	436 MDth/d	6/2016 - 2017	
ELC/SLNG	Completed	Completed	Elba Liquefaction JV	884.0	350 MMcf/d	2017 - 2018	Shell committed to all 10 units
			SLNG Terminal for Elba Liquefaction	446.0		2017	
			Total East Region	3,202.8	EBITDA = $546 MM		

TGP - Broad Run Flexibility and Expansion



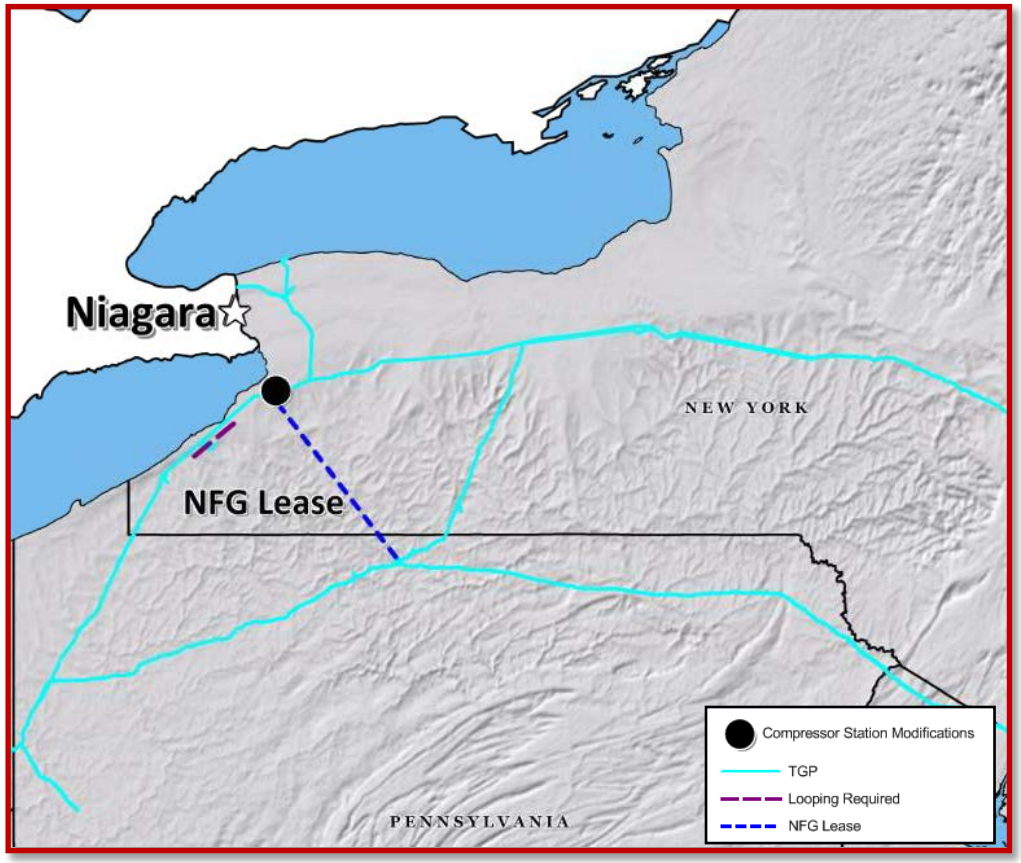
- **Capacity:** 790 MDth/d
- **Capital:** $751.0 MM
- **Estimated In-service:** 11/2015 and 11/2017
- **Project Scope:**
  - Piping/compression modifications to 7 existing stations
  - Horsepower at 3 greenfield stations
- **Commercial Benefit:** Moves gas north-to-south from a receipt point in West Virginia to delivery points in Mississippi and Louisiana
- **Avg. Contract Term:** 15 years
- **Current Status:**
  - Final engineering and permitting ongoing
  - Work ongoing at 2 existing compressor stations; preliminary work has begun at a third station
- **Major Milestones:**
  - FERC filing January 2015

TGP - Susquehanna West



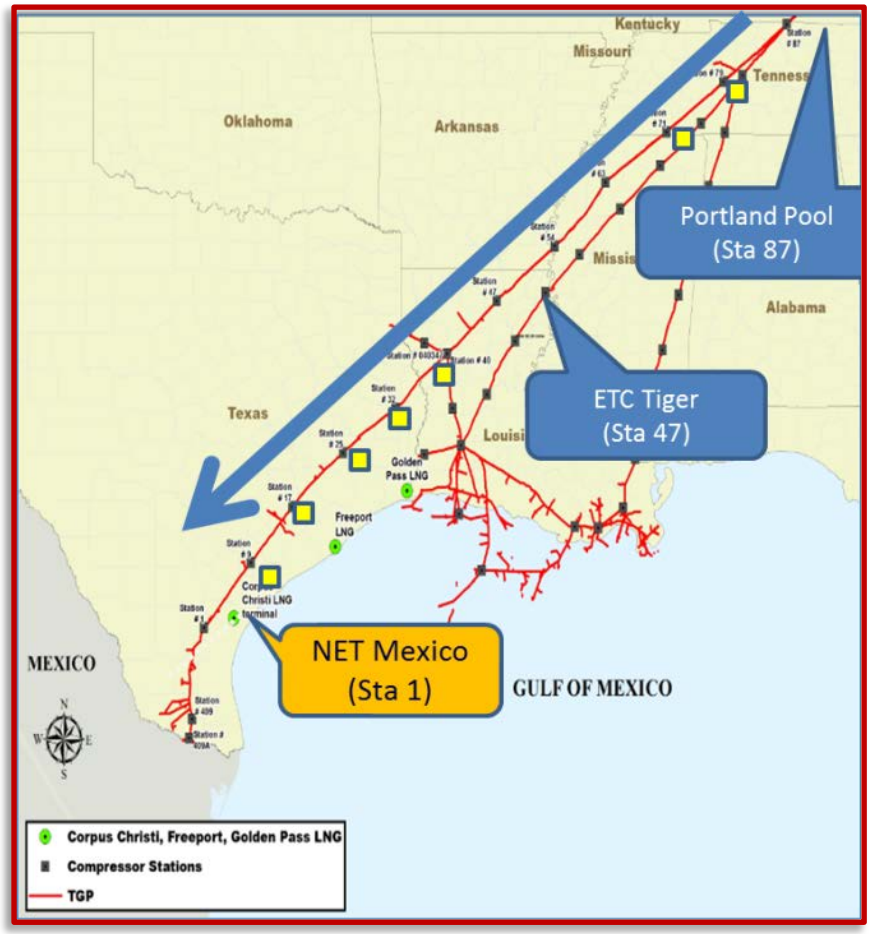
- **Capacity:** 145 MDth/d
- **Capital:** $143.0 MM
- **Estimated In-service:** November 2017
- **Project Scope:**
  - 8.2 miles of 36” pipeline loop
  - Compressor relocation
  - Upsize existing compressor
- **Commercial Benefit:** Northeast Marcellus to points of liquidity
- **Avg. Contract Term:** 15 years
- **Current Status:**
  - Successful open season; capacity awarded
  - PA executed
  - Pre-construction activities underway
- **Major Milestones:**
  - FERC filing anticipated April 2015

TGP - Niagara Expansion



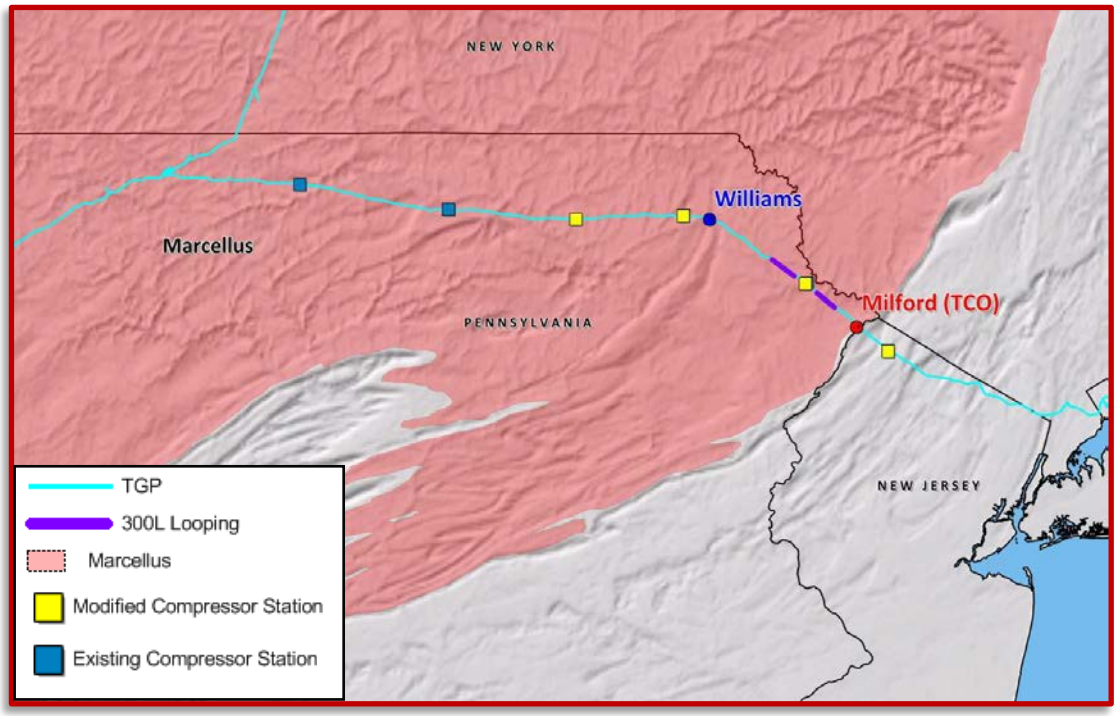
- **Capacity:** 158 MDth/d
- **Capital:** $26.0 MM
- **Estimated In-service:** November 2015
- **Project Scope:**
  - 3.1 miles of 30-inch pipe looping
  - Station 229 meter facilities
  - Lease on National Fuel Gas (140 MDth/d)
- **Commercial Benefit:** Provides additional market for Marcellus gas and supply diversification for the eastern Canadian markets
- **Avg. Contract Term:** 15 years
- **Current Status:**
  - Shipper PA and NFG Lease Agreement executed
  - FERC application filed, EA issued
  - Pre-construction activities underway
- **Major Milestones:** FERC certificate expected by end of 1Q 2015

TGP - South System Flexibility



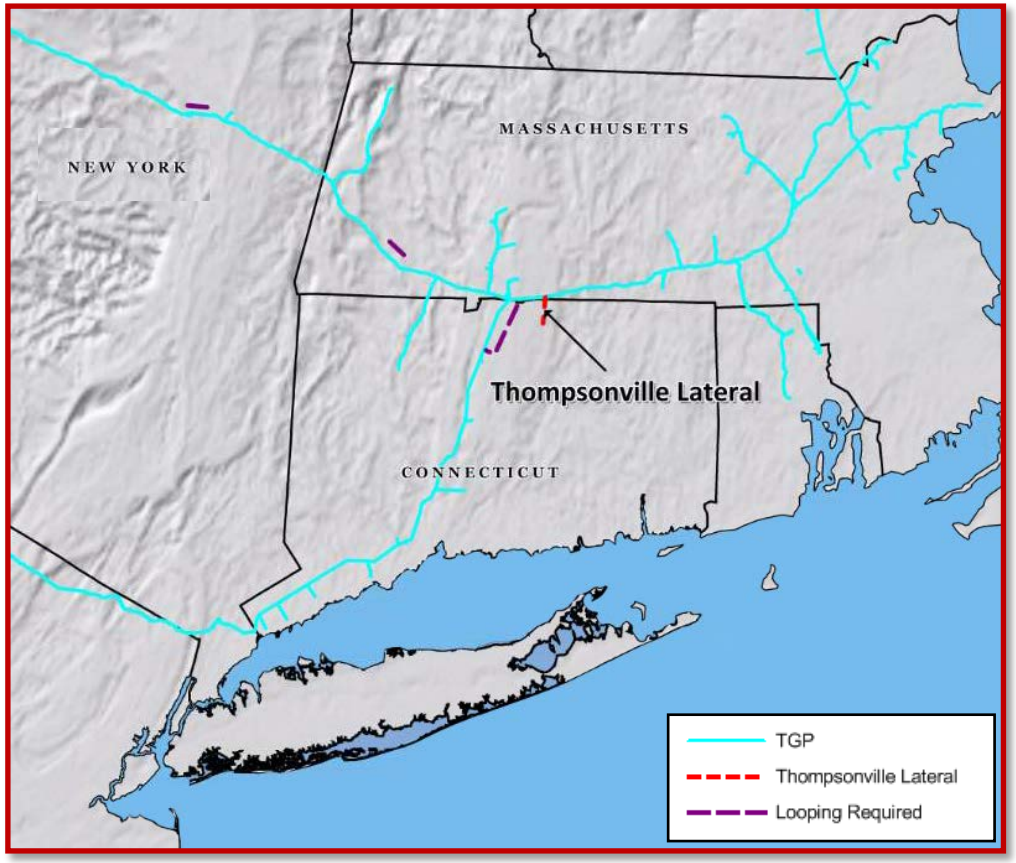
- **Capacity:** 500 MDth/d
- **Capital:** $187.3 MM
- **Estimated In-service:** 1/2015-12/2016
- **Project Scope:**
  - Station modifications at 7 stations
  - Horsepower replacement at 1 station
- **Commercial Benefit:** Provides more than 900 miles of north-to-south transportation capacity on the TGP system from Tennessee to south Texas and expands transportation service to Mexico
- **Avg. Contract Term:** 20 years
- **Current Status:**
  - Successful open season; capacity awarded
  - PA executed
  - Facilities in place for 1/2015
  - Further engineering work underway
- **Major Milestones:**
  - Jan 1, 2015 initial in-service

TGP - Marcellus to Milford



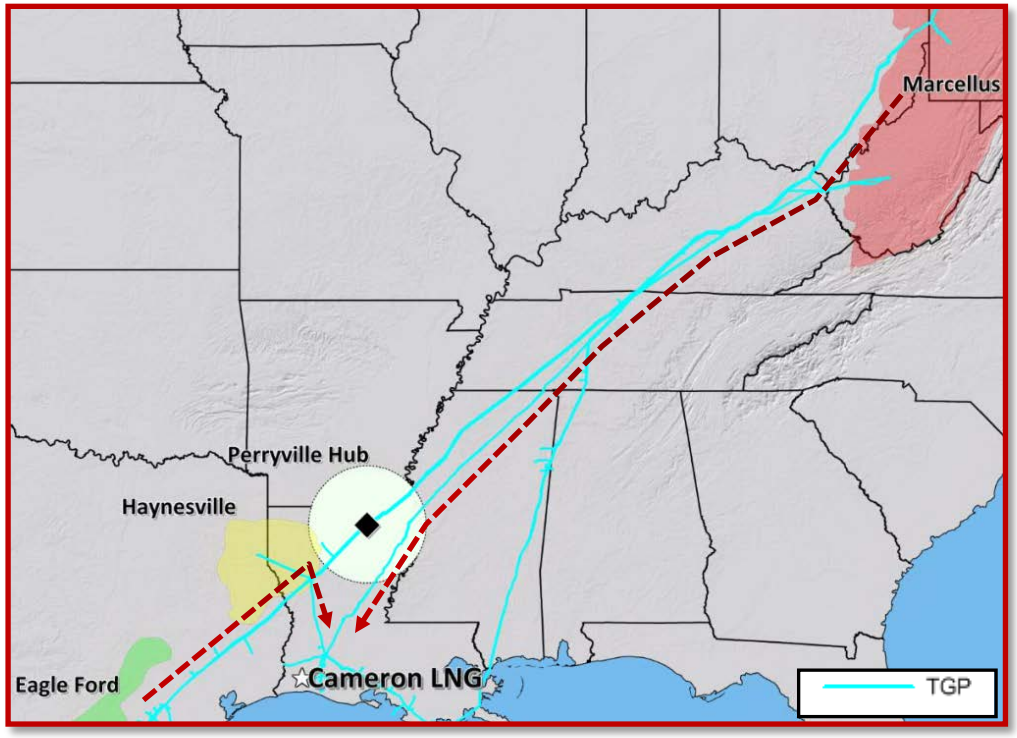
- **Capacity:** 135 MDth/d
- **Capital:** $129.3 MM
- **Estimated In-service:** June 2018
- **Project Scope:**
  - 12.9 miles of 36” looping
  - Station upgrades
- **Commercial Benefit:** Provides firm transportation to Milford (TCO)
- **Avg. Contract Term:** 15 years
- **Current Status:**
  - PAs executed
  - Pre-construction activities underway
- **Major Milestones:**
  - Binding open season to be held during February 2015

TGP - Connecticut Expansion



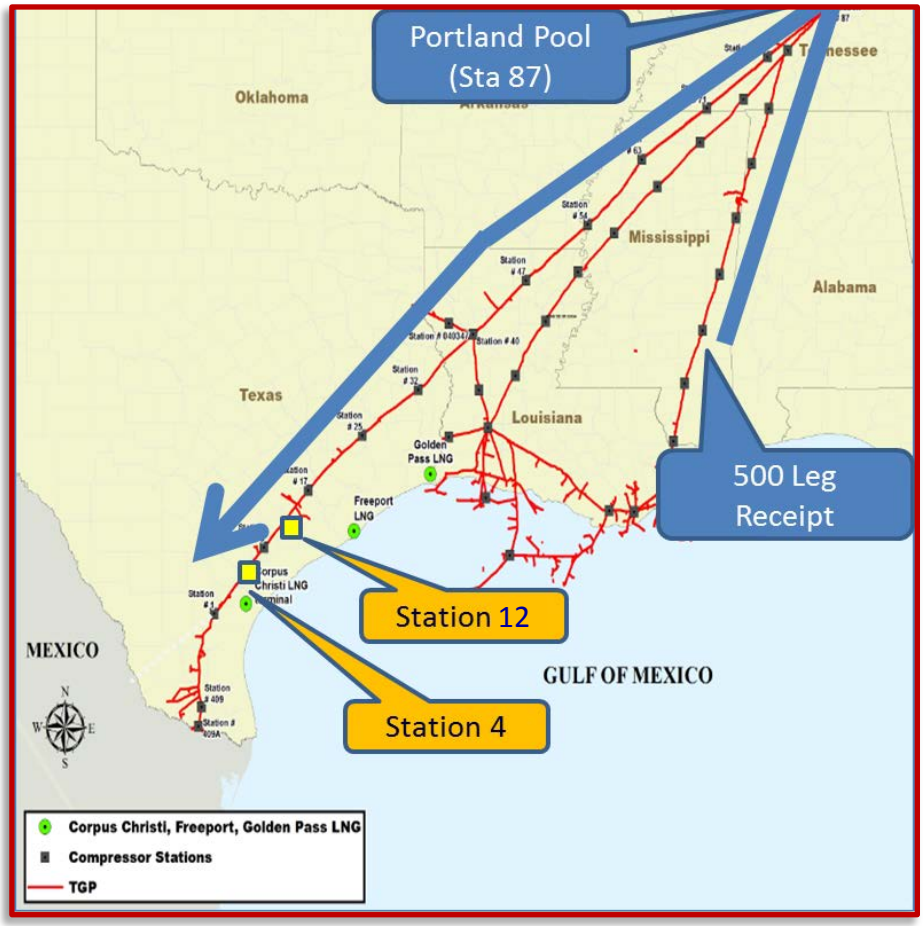
- **Capacity:** 72.1 MDth/d
- **Capital:** $82.2 MM
- **Estimated In-service:** November 2016
- **Project Scope:**
  - 13.3 miles of pipeline loop
  - Acquisition of Thompsonville Lateral
- **Commercial Benefit:** Additional capacity to serve New England market
- **Avg. Contract Term:** 15 years
- **Current Status:**
  - Contracts executed
  - Lateral acquired
  - FERC application filed
- **Major Milestones:** Jan 2015 supplemental FERC filing

TGP - Cameron LNG



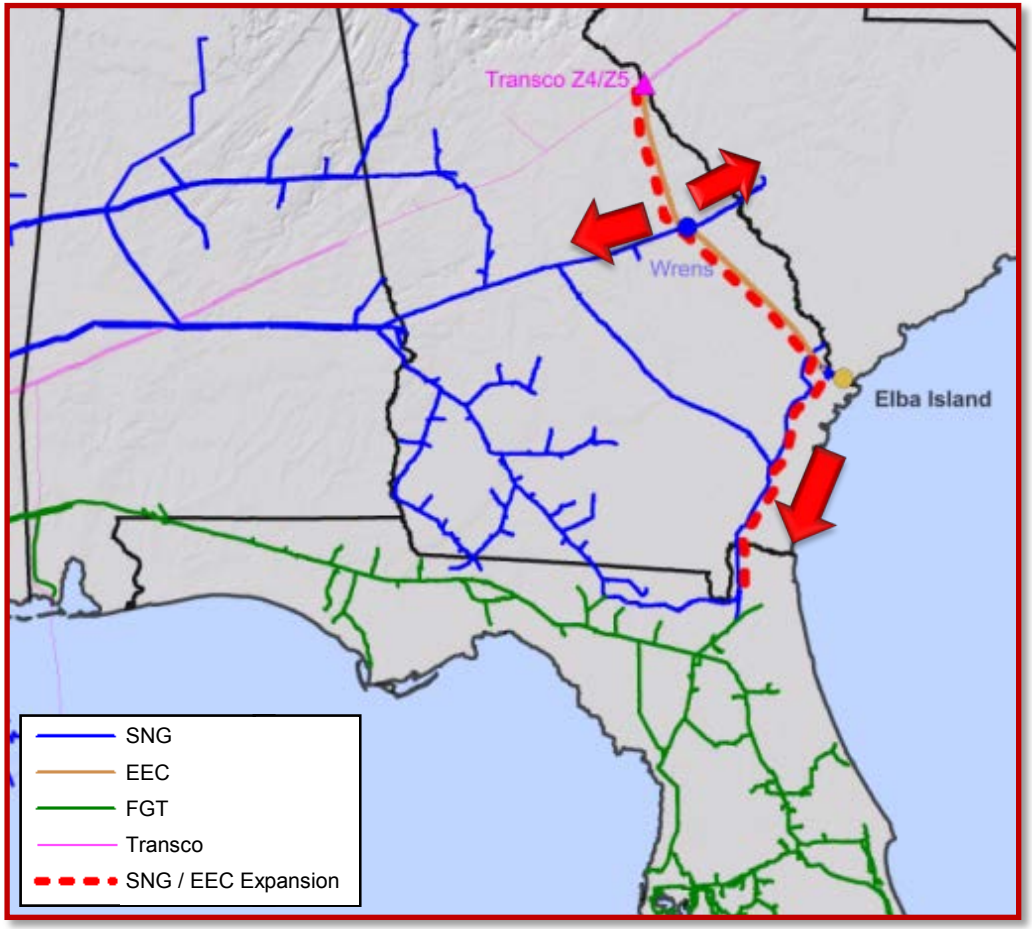
- **Capacity:** 900 MDth/d
- **Capital:** $138.4 MM
- **Estimated In-service:** 2Q-4Q 2018
- **Project Scope:**
  - Compressor station modifications to accommodate bi-directional flow
  - 18,000 HP of new compression
  - New pipeline laterals for enhanced supply access to the Perryville Hub
- **Commercial Benefit:** Supply from multiple sources for LNG export
- **Avg. Contract Term:** 21 years
- **Current Status:**
  - PAs executed
  - All shipper conditions precedent have been cleared
- **Major Milestones:**
  - FERC filing 4Q 2015

TGP - Lone Star



- **Capacity:** 300 MDth/d
- **Capital:** $122.8 MM
- **Estimated In-service:** July 2019
- **Project Scope:**
  - 2 greenfield compressor stations
- **Commercial Benefit:** Provide supply to Corpus Christi LNG liquefaction project
- **Avg. Contract Term:** 20 years
- **Current Status:**
  - PA fully executed
  - Service agreements executed
- **Major Milestones:**
  - TGP FERC filing 4Q 2016

SNG / Elba Express Expansion



- **Capacity:** 417 MDth/d (a)
- **Capital:** $179.6 MM (a)
- **Estimated In-service:** June 2016
- **Project Scope:**
  - Compression on SNG and EEC
  - Additional pipeline and other facilities
- **Commercial Benefit:** Additional access to Marcellus/Utica shale gas for existing and new SNG customers
  - Seamless transport on SNG from supply to market
  - Access to secondary receipt points on SNG system
  - Replacement supply for LNG-dependent markets
  - Offers incremental supply for new demand
- **Avg. Contract Term:** 14 years
- **Current Status:** Successful open seasons completed; PAs executed; FERC filings made
- **Major Milestones:** Notice to Proceed expected August 2015

(a) Does not include the cost ($102.5 MM) or capacity (436 MDth/d) for the component of the EEC expansion serving Elba Liquefaction. The total cost for the expansion of both SNG and EEC is $282.1 MM and total expansion capacity is 853 MDth/d.

Liquefaction at Elba Island

Elba Liquefaction Company (ELC) / SLNG



- **Capacity:** 350 MMcf/d
- **Capital (KM-share, $MM):**

ELC (KM 51%)	$884
SLNG (KM 100%)	446
Total	$1,330

- **Estimated In-service:** 2017 - 2018
- **Project Scope:**
  - ELC: Facilities for liquefaction
  - SLNG: Ship loading facilities; boil-off gas compression
- **Commercial Benefit:**
  - Gas supply via EEC for U.S. production from various supply regions
- **Avg. Contract Term:**
  - Liquefaction: 20 years
- **Current Status:**
  - Agreements executed with Shell
  - DOE FTA export authorization received; non-FTA application filed
  - FERC applications filed
  - FEED complete
  - Shell has committed to all 10 liquefaction units
- **Major Milestones:** Execution of EPC contract

East Region

Additional Potential Growth Projects

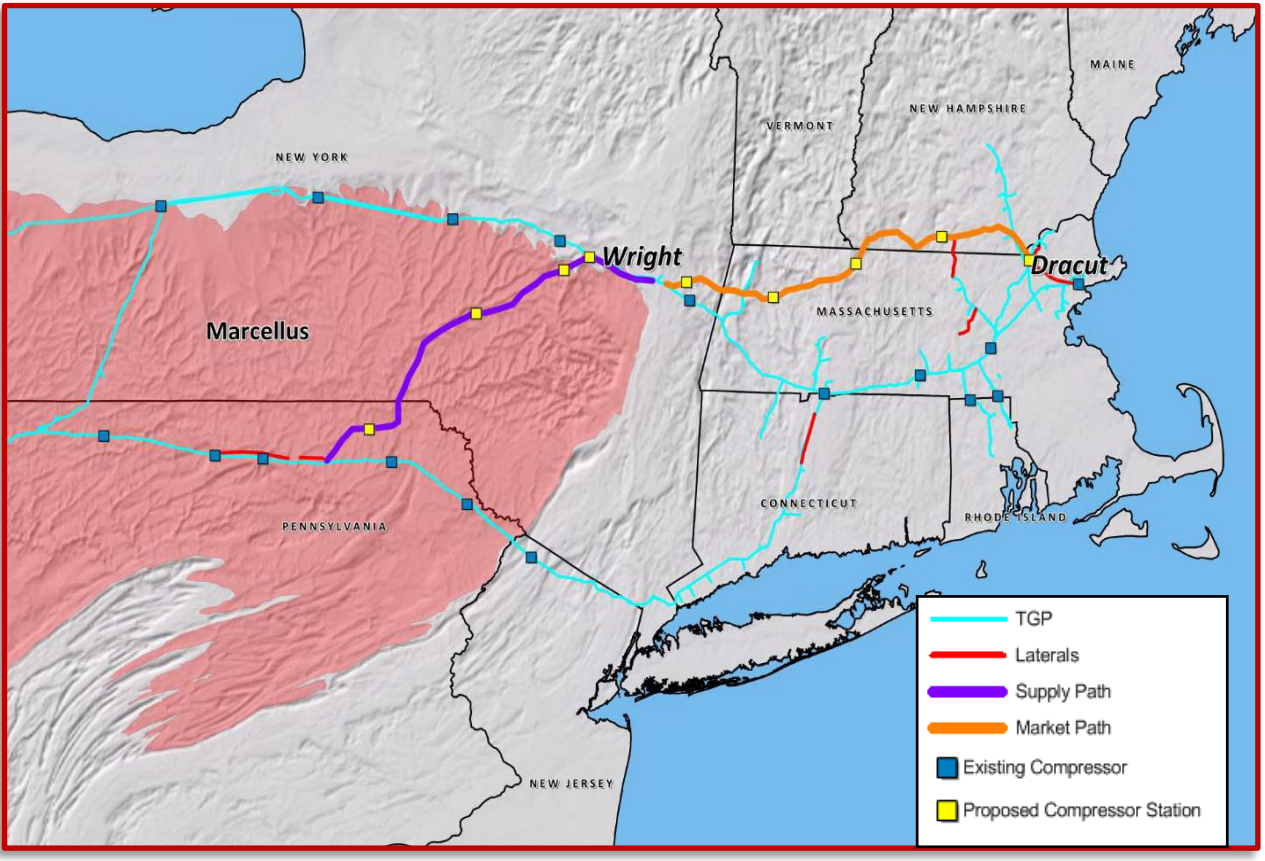
- **Additional Marcellus / Utica Project Opportunities**
  - Large production increases in these two areas will provide expansion and greenfield opportunities to move more gas into the Northeast and significant quantities south to the demand centers on the Gulf Coast
    - Additional Marcellus/Utica southbound expansion on TGP
    - Marcellus project on TGP to the Northeast at Wright
    - Greenfield project from Utica for larger volumes
- **Northeast Gas/Electric Initiatives**
  - New infrastructure is needed in the Northeast for load growth in gas and power markets
    - Northeast Energy Direct
- **Southeast Industrial Growth**
  - TGP and SNG both continue to have inquiries from the industrial sector for new plant builds
- **LNG Exports**
  - Gulf LNG liquefaction project
  - Expansion of Elba Island liquefaction project
  - Additional pipeline expansions to serve Gulf Coast LNG liquefaction projects
- **Repurposing Opportunities**
  - Conversions for NGL or condensate service
  - Rich gas service for Utica Shale

Opportunity to invest up to $10.2 billion beyond the current backlog

East Region Growth Opportunity

TGP Northeast Energy Direct (NED) Project

One Project – Two Components: Market Path & Supply Path

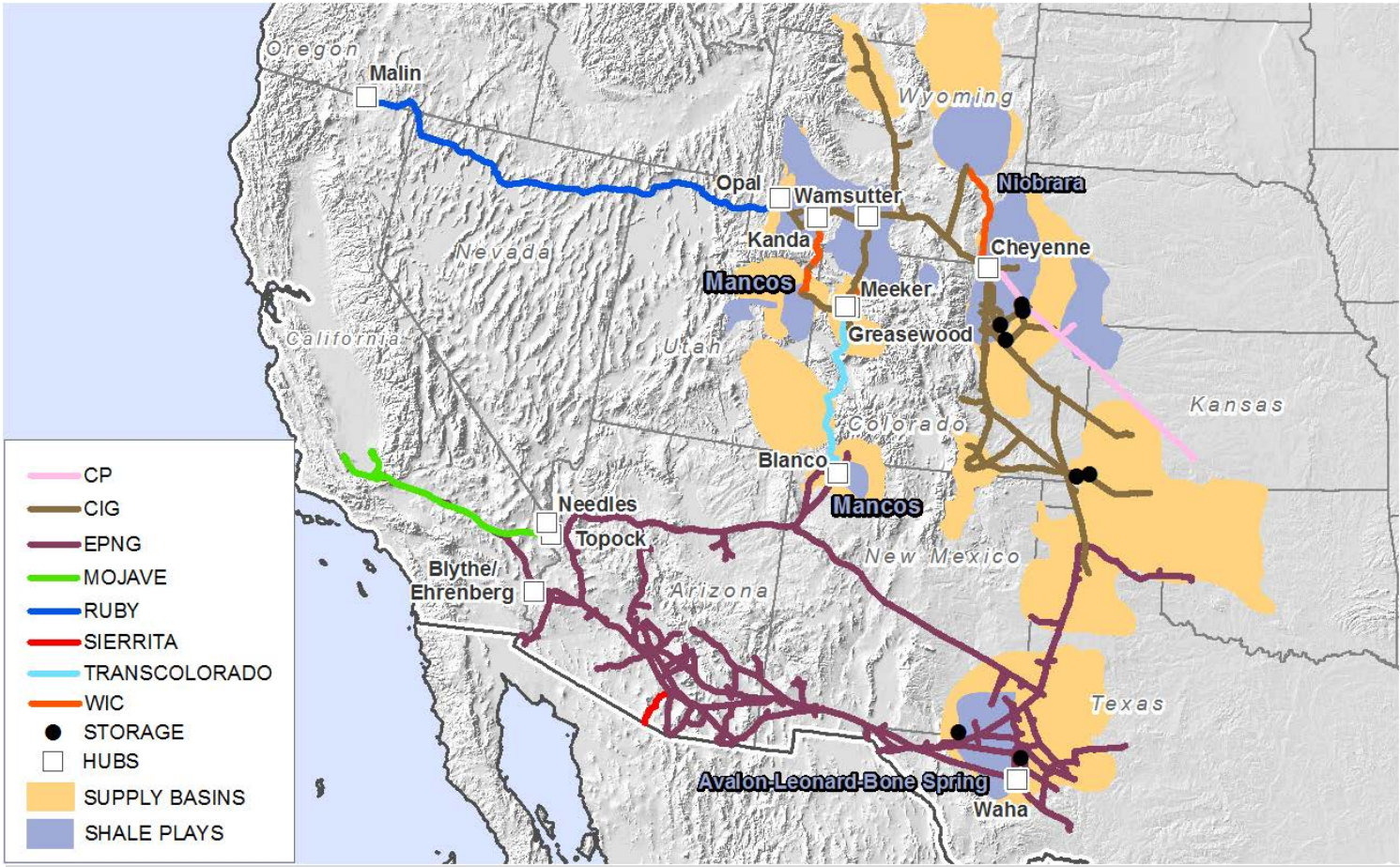


- **Market Path:**
  - From Wright to Dracut
  - 30” mainline
    - 0.8 - 1.2 Bcf/d
    - $2.9 - $3.5 billion
  - Potential upside, 36” mainline
    - Up to 2.2 Bcf/d
    - $3.8 - $4.4 billion
- **Supply Path:**
  - From Marcellus to Wright
  - 30” mainline
    - 0.7 - 1.2 Bcf/d
    - $1.6 - $2.1 billion
- **Platform for growth:**
  - Power generation
  - Gas utility growth needs
  - Producer basin growth
  - Atlantic Canada
  - LNG

West Region Assets

Growth Drivers:

- **Large asset footprint provides numerous opportunities for expansion capital investment**
- **West Region pipelines reach back to all Rockies basins**
  - Diverse geology, and hydrocarbon mix, coupled with changes in technology, create the opportunity for new builds and conversions
- **Competitive expandability and market leading connectivity for increased deliveries into Mexico for its growing reliance on natural gas**
  - Total exports to Mexico forecast at 4.6 Bcf/d by 2024 (a)
  - 2014 deliveries to Mexico:
    - 862 MDth/d, West Region
    - 1,953 MDth/d, KM-total
  - For all KM regions: Backlog & add'l growth project export capacity up to 5.0 Bcf/d
- **Western states' pursuit of renewable energy creates growth for greater gas-fired power generation backstop**
  - Forecasted Western U.S. power growth by 2024 for gas = 1.2 Bcf/d (a). Driven by:
    - Economic/environmental replacement of coal/oil generation
    - Market demand growth
    - EPA Carbon rules
- **Declining Canadian imports positions West Region pipes well for incremental growth**
- **Significant storage facilities with superior connectivity provide premium services ranging from interruptible to firm services**
- **Potential to serve 1 Bcf/d of transportation demand from announced LNG liquefaction projects along the West Coast near Ruby**



Asset (KM ownership shown if not 100%)	Miles	Capacity (Bcf/d)	Storage (Bcf)	Avg. Remaining Contract Term (Yrs)	Effective Date of Next Rate Case
Ruby (50%)	680	1.5	-	8.3	NA
El Paso Natural Gas (EPNG), incl. Mojave	10,700	5.6	44	5.5	Ongoing
Colorado Interstate Gas (CIG), incl. Young Gas Storage (YGS, 47.5%)	4,300	5.2	43	6.1 / 6.6 (b)	10/1/2016
TransColorado (TCGT)	310	1.0	-	2.3	NA
Wyoming Interstate (WIC)	850	3.9	-	5.2	NA
Cheyenne Plains (CP)	410	1.2	-	3.2	NA
Sierrita (35%)	60	0.2	-	24.0	NA
Keystone Gas Storage	-	-	6	2.2	NA

(a) Source: Wood Mackenzie / KM analysis
(b) Transport / Storage

West Region Project Backlog

Asset	Board Approval	Customer Execution	Project	Capital, KM Share ($MM)	Capacity	In-service Date	Project Status
EPNG	Completed	NA	Washington Ranch Storage Expansion	7.9	4 Bcf	12/2015	FERC prior notice to be filed 1Q 2015, construction to start 3Q 2015
		Completed	TGS Line 20121 Expansion	8.8	33 MDth/d	7/2015	Pre-construction activities initiated
			Upstream of Sierrita	525.9	350 MDth/d	10/2020	Phase I completed, placed in serv. 10/1/14
CIG	Completed	Completed	Lucerne Meter Station Expansion	1.1	200 MDth/d	4/2015	Under construction
			Total West Region	543.7	EBITDA = $78 MM		

EPNG - Upstream of Sierrita



Volume Ramp Up, MDth			
Start Date	Oct-14	Nov-17	Oct-20
End Date	Oct-17	Sep-20	Sep-35
Sierrita Delivery	162.9	162.9	510.0
Ehrenberg Delivery		37.1	40.0
Total Volume	162.9	200.0	550.0

- **Capacity:** Phase II, 350 MDth/d
- **Capital:** Phase II, $525.9 MM
- **Estimated In-service:** October 2020
- **Project Scope:**
  - Phase II:
    - New Franconia compressor station – 10,300 HP
    - 100 mile, 36” Havasu Loop
    - Reverse Casa Grande ‘A’ and ‘C’ and Cimarron compressor stations
- **Commercial Benefit:** Additional capacity to service continued growth in Mexican demand along the Sierrita pipeline
- **Contract Term:** 15 years
- **Current Status:** Phase I in service, 162.9 MDth/d
- **Major Milestones:** Additional Phase I capacity in service November 2017

West Region

Additional Potential Growth Projects

- **Growth in exports to Mexico**
  - Total incremental Mexico growth by 2025 projected up to 2.2 Bcf/d that can be served from the EPNG footprint
    - Incremental power generation demand growth on Willcox, Samalayuca laterals and Sierrita
    - Creates opportunity “above and beyond” current planned capacity additions
    - Further expansions of EPNG system to serve Mexico growth

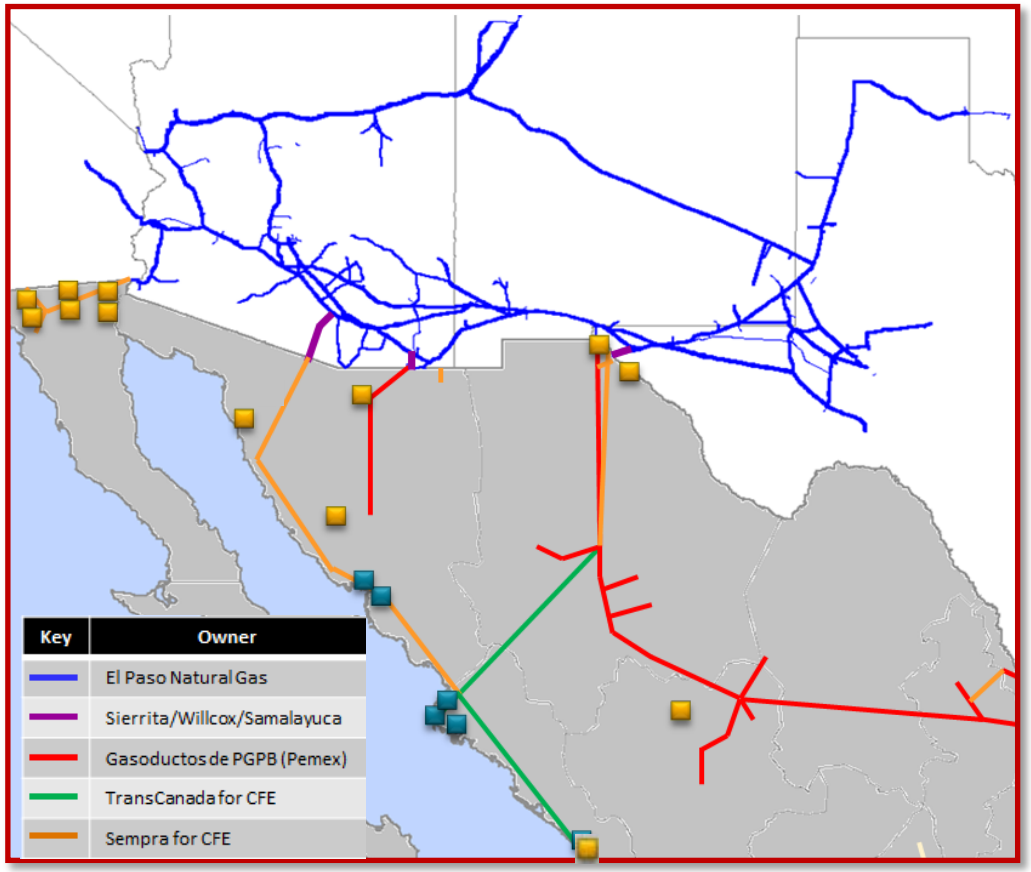
- **Continuing shift towards unconventional oil and liquids production**
  - Growing Permian production creates oil conversion opportunities on EPNG (Freedom Pipeline)
  - Driving an increase in associated gas
    - Niobrara shale (Powder River Basin and DJ Basin)
    - Permian Basin

- **Growing demand for natural gas in power generation and industrial sectors**
  - Additional markets in Desert Southwest (coal-to-gas conversions, power plants, and LDCs)
  - De-emphasizing nuclear increases need for gas-fired generation

Opportunity to invest up to $5.3 billion beyond current backlog

West Region Growth Opportunity

Mexico Incremental Gas Demand Potential



Key	Demand Type	Capacity (MW)	Est. Avg. Daily Gas Demand (MDth/d)
	Electric Gen Conversions[1]	3,000	380
	Electric Gen New Builds[2]	~10,000	1,300
	Industrial Potential		500
Total Incremental Mexico Demand Potential			**2,180**

- **Capital (KM share):** $120 MM - $140 MM
- **Estimated In-service:** Staged over the next 5 years
- **Commercial Benefit:** Opportunity for additional contracting and expansion of the EPNG and Sierrita pipeline systems to serve growing demand for natural gas from industrial and electric generation projects

[1]Based on "Programa Nacional de Infraestructura 2014-2018"
[2]Estimated from "Prospectiva Del Sector Electrico 2013-2027"

West Region Growth Opportunity

Conversion Opportunity - Freedom Pipeline

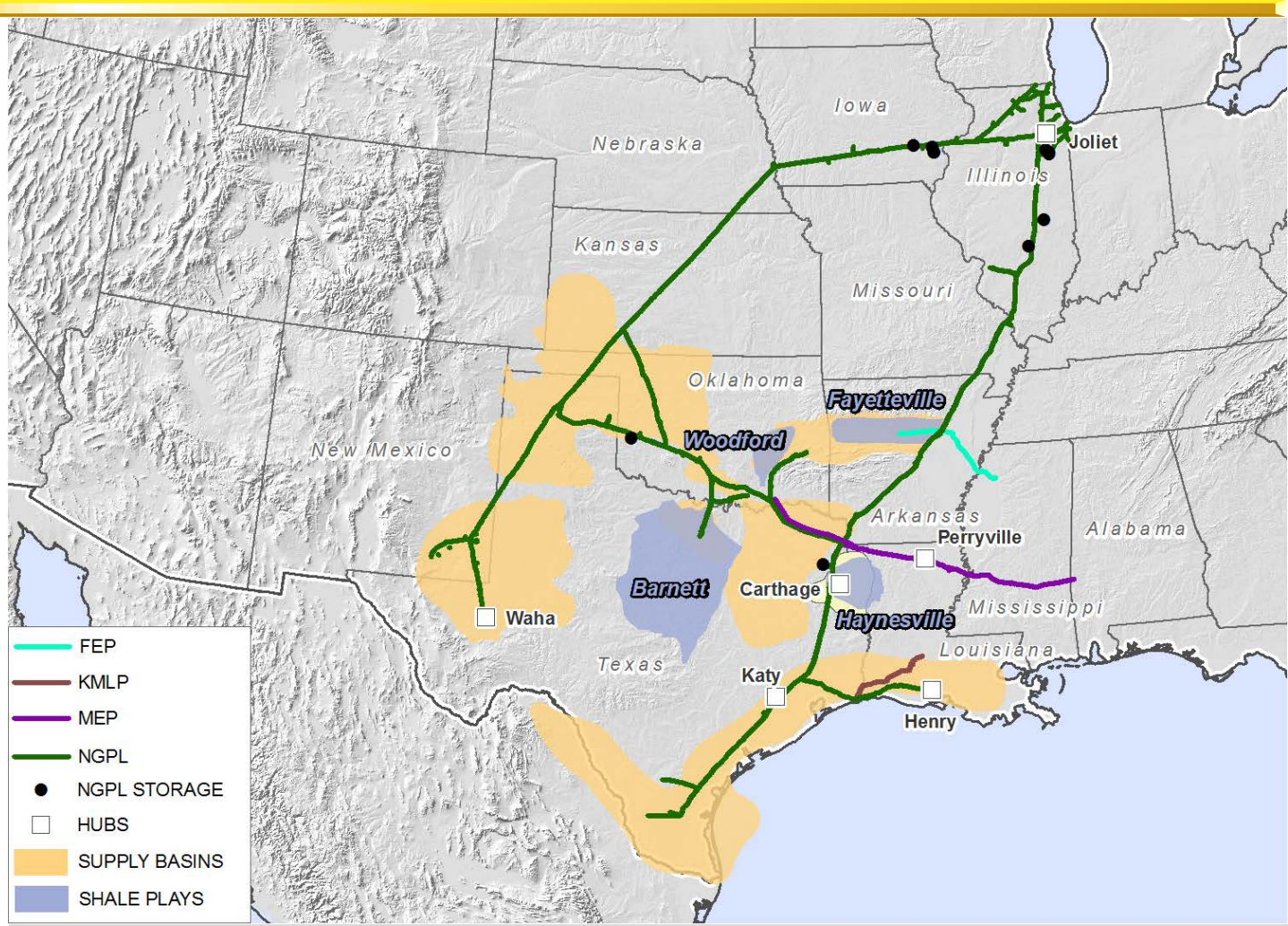


- **Capacity:**
  - 200,000 Bbl/d of 30º API crude
  - 100,000 Bbl/d of condensate
- **Capital:** $2.0 B - $2.5 B
- **Estimated In-service:** 2019
- **Project Scope:**
  - Converts underutilized EPNG Lines 2000 and 1903/04 to crude oil/condensate service for delivery to Northern and Southern California Intrastate crude oil pipelines
  - Alternate pipeline routes being considered
  - Wink area distillation facility creates exportable condensate
- **Commercial Benefit:** Provides safer and least cost oil transport to serve West Coast markets enhancing California refiner transportation and crude oil sourcing options

Central Region Assets

Growth Drivers:

- **Large and strategic asset footprint near major shale plays and supply basins provides opportunities to attach new supply**
  - Developing NGPL Gulf Coast Line expansion projects related to growing NE production
- **Potential to serve 11 Bcf/d of transportation demand from 6 announced LNG liquefaction projects along the Gulf Coast near NGPL and KMLP**
  - Potential expansion opportunities
  - Additional direct or indirect throughput opportunities for all KM pipes in the region
- **Well-positioned to serve growth from existing and new gas-fired electric generation**
- **Forecasted Central Region power growth by 2024 for gas = 3.1 Bcf/d [(a)]. Driven by:**
  - Economic/environmental replacement of coal/oil generation
  - Market demand growth
- **Potential new end-user markets**
  - Petchem and other industrial projects



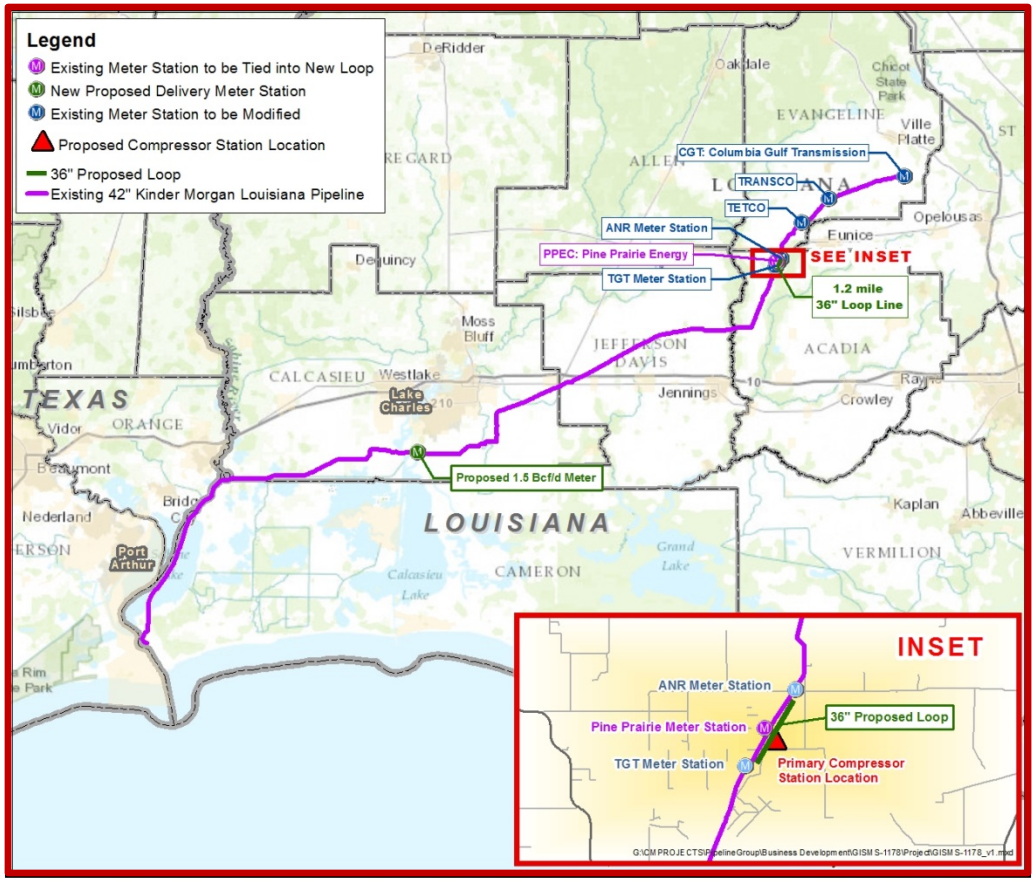
Asset (KM ownership shown if not 100%)	Miles	Capacity (Bcf/d)	Storage (Bcf)	Avg. Remaining Contract Term (Yrs)	Effective Date of Next Rate Case
Natural Gas Pipeline Co. of America (NGPL, 20%)	9,200	6.2 [(b)]	288	2.8/2.4 [(c)]	NA
Midcontinent Express (MEP, 50%)	510	1.8	-	4.2	NA
Kinder Morgan Louisiana Pipeline (KMLP)	135	3.2	-	14.5	NA
Fayetteville Express (FEP, 50%)	185	2.0	-	6.2	NA

(a) Source: Wood Mackenzie / KM analysis
(b) Total deliverability
(c) Transport / Storage

Central Region Project Backlog

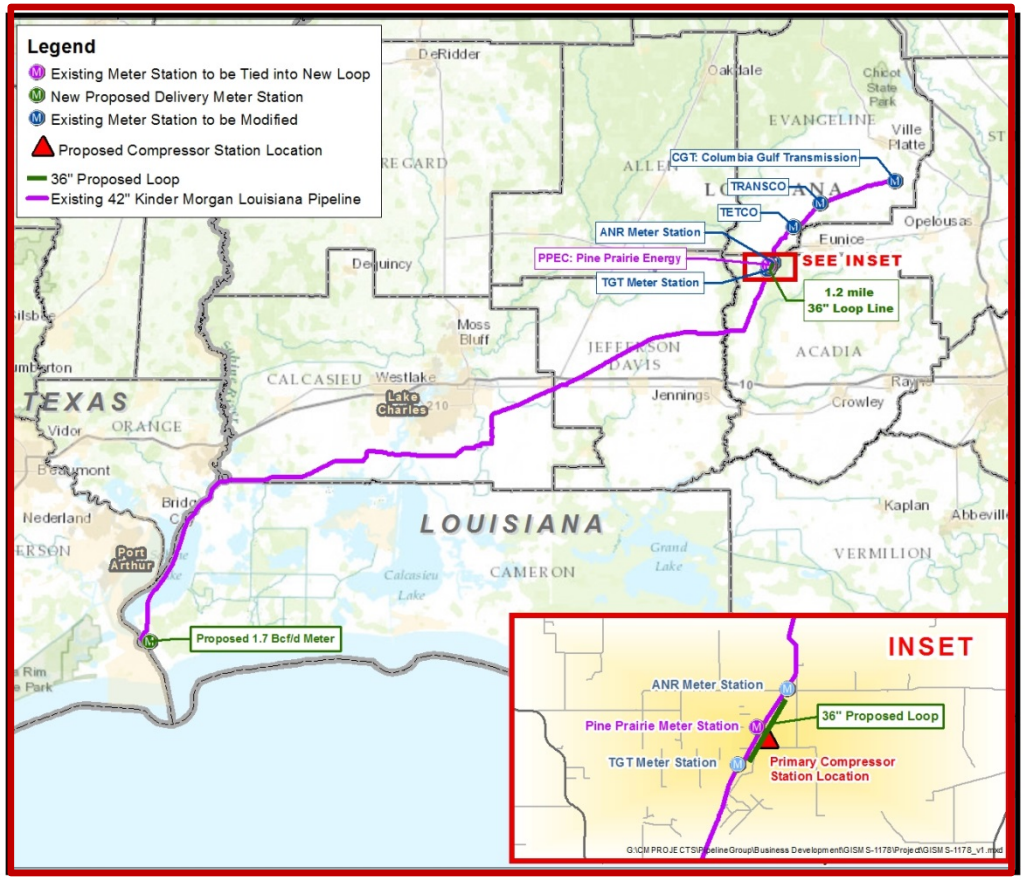
Asset	Board Approval	Customer Execution	Project	Capital, KM Share ($MM)	Capacity	In-service Date	Project Status
KMLP	Completed	Completed	Magnolia LNG Liquefaction Transport Project	142.7	700 MDth/d	3Q 2018	Tolling Agreement execution expected 1Q 2015
		Pending	LNG Liquefaction Transport Project	190.3	1.2 MMDth/d	3Q 2019	Project in development
			Total Central Region	333.0	EBITDA = $105 MM		

KMLP - Magnolia LNG Liquefaction Transport Project



- **Capacity:** 700 MDth/d
- **Capital:** $142.7 MM
- **Estimated In-service:** 3Q 2018
- **Project Scope:**
  - Construct 32,000 HP at a new compressor station in Acadia Parish, Louisiana
  - Modify existing meter facilities located in Evangeline and Acadia Parishes, Louisiana for bi-directional flow
  - Construct new 1.5 Bcf/d delivery meter with Magnolia LNG in Calcasieu Parish, LA
- **Commercial Benefit:** Provides LNG liquefaction projects with access to multiple pipelines to ensure deliveries of gas supply at competitive rates
- **Term:** 20 years
- **Project Status:**
  - Executed Precedent Agreement with Magnolia
  - Completed FERC application
- **Major Milestones:**
  - Magnolia Tolling Agreement execution expected 1Q 2015
  - Receive FERC certificate 3Q 2015
  - Magnolia achieves FID 4Q 2015

KMLP - LNG Liquefaction Transport Project



- **Capacity:** 1,200 MDth/d
- **Capital:** $190.3 MM
- **Estimated In-service:** 3Q 2019
- **Project Scope:**
  - Construct 82,000 HP at a compressor station in Acadia Parish, LA
  - Modify existing meter facilities located in Evangeline Parish, LA for bi-directional flow
  - Construct new 1.7 Bcf/d delivery meter in Cameron Parish, LA
- **Commercial Benefit:** Provides LNG liquefaction plant access to multiple pipelines to ensure gas supply at competitive rates
- **Project Status:** Developing precedent agreement
- **Major Milestone:** FID expected by customer in late 2015

Central Region

Additional Potential Growth Projects

- **Growth in Marcellus and Utica supply**
  - Continue to develop expansion opportunities related to growing Marcellus and Utica supply seeking Midwest and Gulf Coast markets
- **LNG Liquefaction Opportunities**
  - LNG liquefaction projects moving forward in South Texas/Louisiana provide potential expansion investment opportunities on both NGPL and KMLP
- **Future Power Plant Load**
  - Continue to work with power plants identified near NGPL and MEP for new interconnect and transport capacity
  - NGPL in a position to offer competitive transport options
- **Repurposing Opportunities**
  - Evaluating conversion to crude / liquids service on Louisiana system
- **Industrial Market Growth Opportunities**
  - Petchem and other industrial facilities on Gulf Coast for NGPL and KMLP

Opportunity to invest up to $400 million beyond current backlog

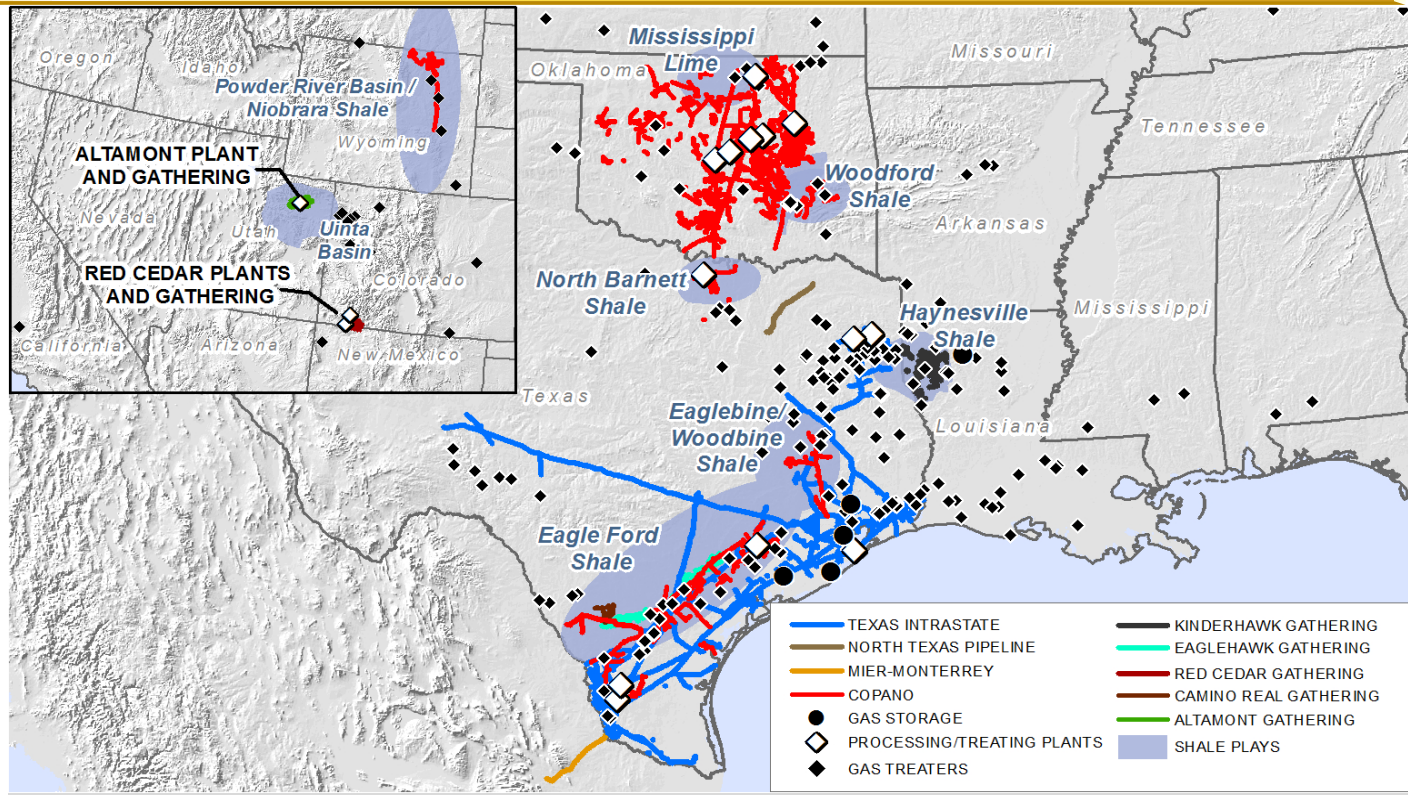
Midstream Assets

Growth Drivers:

- Large asset footprint provides continued expansion capital investment
- Competitive expandability and connectivity for increased deliveries into Mexico for its growing reliance on natural gas (Texas Intrastate)
- Significant storage positions and connectivity provide array of premium services, including load balancing to power and end use markets (Texas Intrastate)
- Investments/acquisitions of gathering systems, storage facilities and processing facilities
- Potential to serve 5 Bcf/d of transportation demand from 3 announced LNG liquefaction projects along the Gulf Coast near Texas Intrastates
- Industrial load growth from brownfield and greenfield plant expansions
- Recent acquisitions provide a large footprint and midstream services while leveraging G&P experience and expertise across portfolio of KM assets, including the development of new NGL initiatives

Commodity Price Exposure:

- **Processing exposure:**
  - $1 change in WTI
    - $2.0 MM/yr
  - 1% change in NGL crude ratio
    - $1.5 MM/yr
- **Gas price exposure:**
  - $0.10/Dth gas price change
    - $2.8 MM/yr (excluding hedges)
    - $2.4 MM/yr (including current hedges)



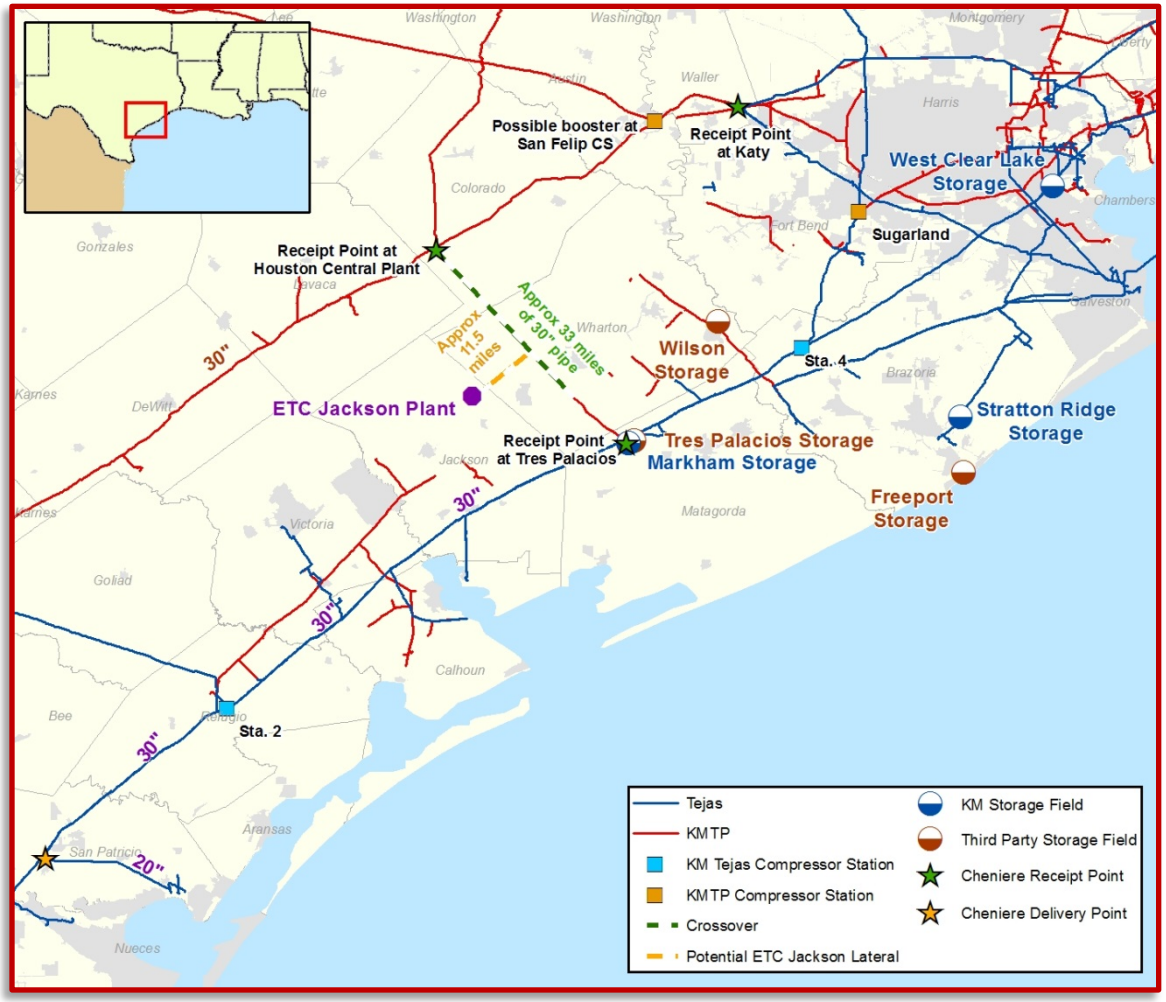
Asset (KM ownership shown if not 100%)	Pipeline Miles	Pipeline Capacity	Storage	Treating Capacity	Processing Capacity	Avg. Remaining Transport Contract Term (Yrs)
Intrastate Pipelines	5,800 miles	6.2 Bcf/d	120 Bcf	1,680 GPM	535 MMcf/d	5.3
North Texas Pipeline	80 miles	330 MMcf/d				18.6
Mier-Monterrey	95 miles	650 MMcf/d				11.1
KinderHawk Gathering	500 miles	2.0 Bcf/d		2,600 GPM		Life of Lease [a]
Eagle Hawk Gathering (25%)	490 miles - gas 370 miles - condensate	1.0 Bcf/d - gas 220 MBbl/d – condensate	60 MBbl			Life of Lease
Red Cedar Gathering (49%)	750 miles	700 MMcf/d		4,600 GPM		3.3
Camino Real Gathering	70 miles - gas 70 miles - oil	150 MMcf/d - gas 110 MBbl/d – oil	20 MBbl			8.0 8.0
Altamont Gathering	790 miles	80 MMcf/d			80 MMcf/d	6.3
Copano	5,900 miles – gas 400 miles – liquid	4.0 Bcf/d 115 MBbl/d			1.8 Bcf/d	5.5 7.6
Treating - Leased Units	79 plants in service – Amine; 152 plants in service – MRU; 17 plants in service - Dew Point					

(a) Minimum volume commitment of 860 MMcf/d expires in May 2015.

Midstream Project Backlog

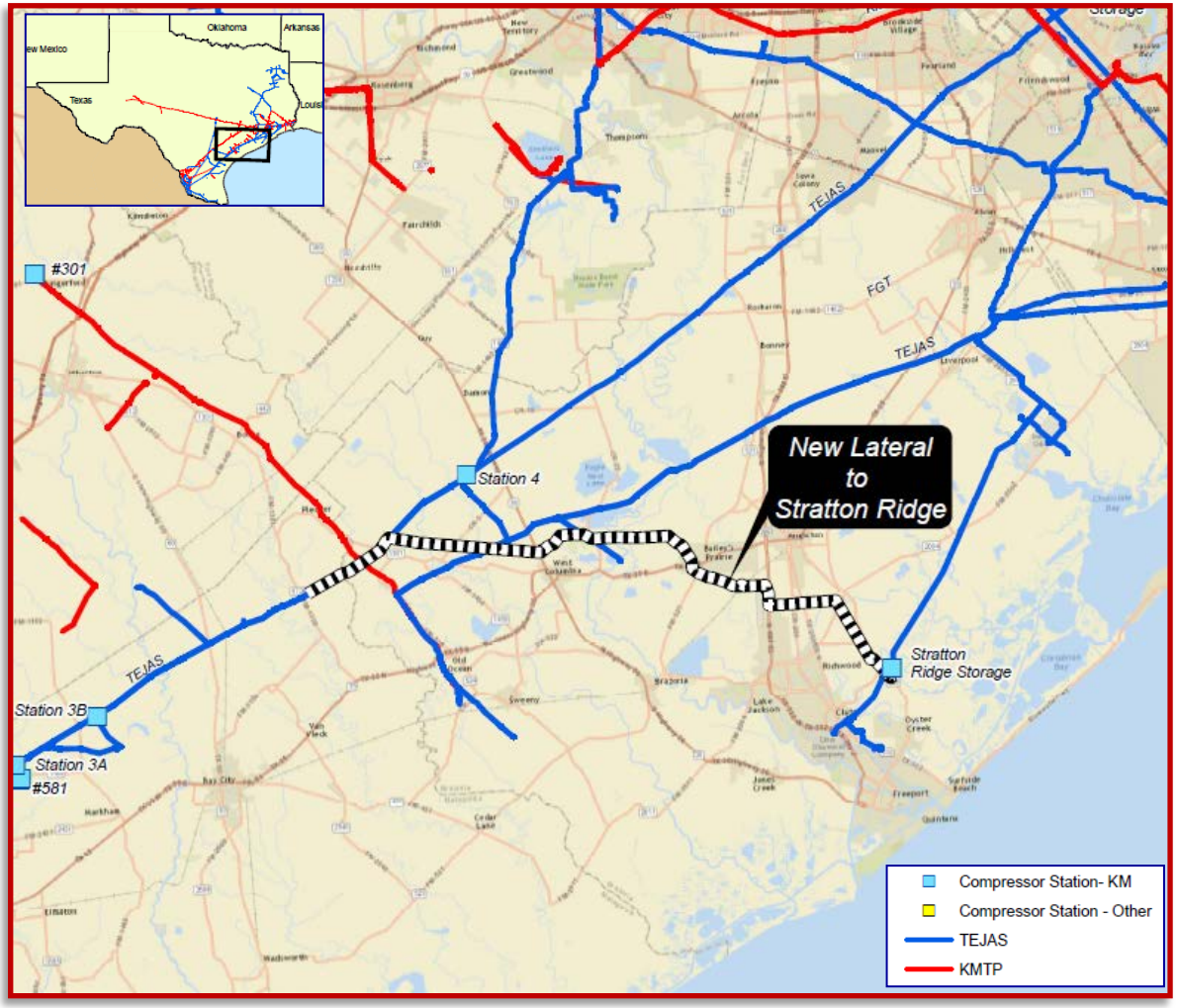
Asset	Board Approval	Customer Execution	Project	Capital, KM Share ($MM)	Capacity	In-service Date	Project Status
Texas Intrastate	Completed	Completed	Hill Country Pipeline Expansion	9.7	160 MDth/d	2Q 2015	Construction in progress
			DCP Goliad Plant Residue Lateral	33.1	160 MDth/d	3Q 2015	Construction in progress
			Cheniere Corpus Christi LNG	77.1	250 MDth/d	4Q 2018	Executed FTA
			SK Freeport LNG	153.3	440 MDth/d	3Q 2019	Executed FTA
Gathering/ Other	Completed	Completed	Boardwalk to Liberty Y Grade Pipeline	14.8	15 MBbl/d	1Q 2015	Commissioning underway / In-service (Jan-15)
			Altamont Bluebell Loop and East Station Expansion	9.4	6 MDth/d	1Q 2015	Construction in progress
			Oklahoma Processing Optimization	10.9	14.3 MDth/d	2Q 2015	Construction in progress
			Eagle Ford Fractionation Outlet	22.2	30 MBbl/d	4Q 2015	Completing ROW acquisition
		Partial	Other System Expansions (primarily Oklahoma and Eagle Hawk)	114.9	Varies	2015	Expansions / extensions of existing gathering systems
Texas Intrastate - Gathering/ Other	Completed	Partial	Well / Market Connects	43.5	Varies	2015	Expansion capex for well / market connects
			Total Midstream	488.9	EBITDA = $80 MM		

Cheniere Corpus Christi LNG



- **Capacity:** 250 MDth/d
- **Capital:** $77.1 MM
- **Estimated In-Service:** 4Q 2018
- **Project Scope:**
  - Crossover pipeline from KMTP Index 50 to Tejas mainlines
- **Commercial Benefit:**
  - Increase receipt capacity from Katy and HCP plant tailgate for delivery to Cheniere Corpus Christi LNG export facility
- **Current Status:**
  - Executed FTA
  - Executed Interconnect Agreement with Corpus Christi Pipeline
  - Anticipate Corpus Christi LNG "FID" by June 30, 2015

SK Freeport LNG



- **Capacity:** 440 MDth/d
- **Capital:** $153.3 MM
- **Estimated In-Service:** 3Q 2019
- **Project Scope:**
  - New 30” lateral from Tejas mainline to Stratton Ridge
  - Additional upstream compression on existing mainlines
- **Commercial Benefit:**
  - Deliver gas to Freeport LNG terminal and capture additional 3rd party markets
- **Current Status:**
  - Executed FTA
  - Anticipate Freeport LNG Train 3 “FID” by end of 2015

Midstream

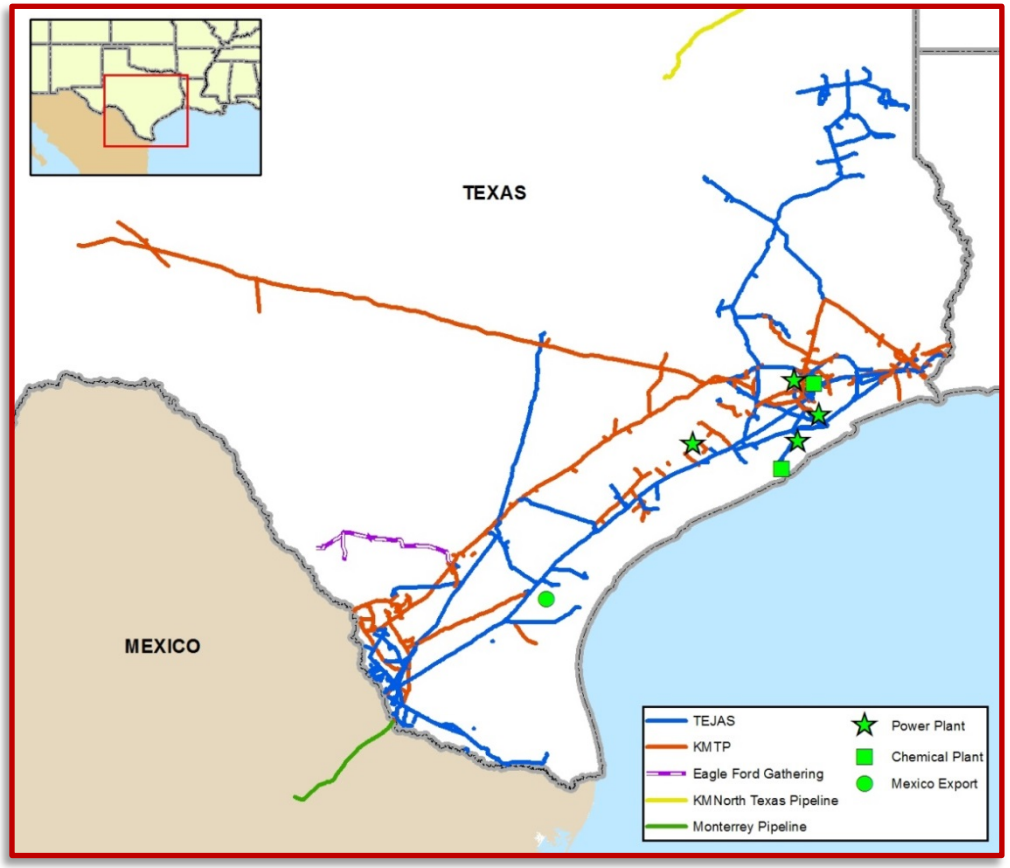
Additional Potential Growth Projects

- **Exports**
  - Electric generators in Mexico are looking towards natural gas to fuel new plants to meet growth and replace other fuels such as oil
  - Additional pipeline expansions to serve Texas LNG liquefaction projects
- **Processing and Gathering**
  - Continued growth in selected shale plays provides new opportunities for Kinder Morgan's Midstream businesses
- **Industrial Load Growth**
  - Continue to have inquiries from the manufacturing sector for brownfield and greenfield plant expansions surrounding our Texas Intrastate systems
- **Storage Expansions**
  - Further enhancements to West Clear Lake storage facility
  - Expansion of existing or development of additional caverns at Dayton storage facility

Opportunity to invest up to $1.4 billion beyond current backlog

Midstream Growth Opportunities

Gulf Coast Expansion Projects



- In addition to LNG gas exports, KM Midstream has opportunities to provide more gas to Mexico and to power and chemical plants that are expected to come on-line in 2015-2019 along the Texas Gulf Coast
- Capital: $200 MM - $750 MM
- Opportunity to supply 1,000 - 2,300 MDth/d of demand
- Negotiations in progress

Customer Type	Location (County)	Capacity / Usage (MDth/day)
	2015 / 2016	
Power Plant	Galveston	100
	2017 / 2018	
Power Plant	Wharton	165
Power Plant	Harris	140
Power Plant	Brazoria	40
Chemical	Harris	15
Mexico-Export	Nueces	400 to 1,700
	2019	
Chemical	Brazoria	150

Gas Pipeline Group Growth Outlook

Project Backlog

Region	Capital, KM Share ($MM)
East	3,203
West	544
Central	333
Midstream	489
Total	4,569

Additional Potential Growth Projects

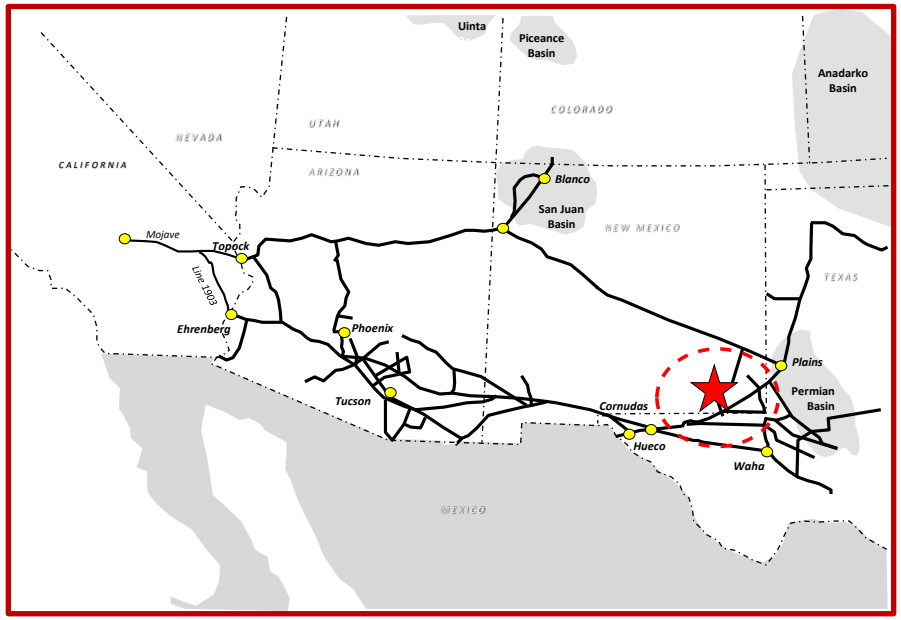
Region	Capital, KM Share ($MM)
East	10,200
West	5,300
Central	400
Midstream	1,400
Total	17,300

KINDER MORGAN INC.

Natural Gas Pipelines

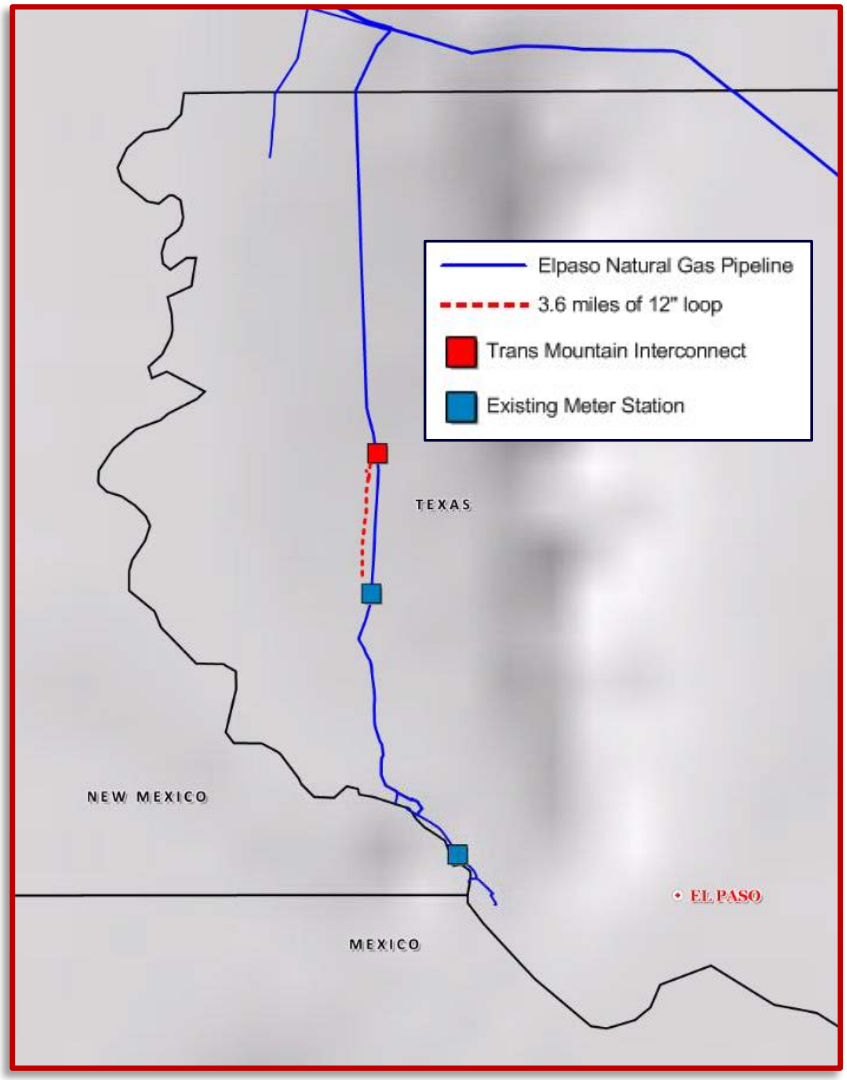
Appendix

EPNG - Washington Ranch Expansion Project



- **Capacity:** Increases operational capacity by 4 Bcf
- **Capital:** $7.9 MM
- **Estimated In-service:** December 2015
- **Project Scope:**
  - Drill and connect 2 wells (one core)
  - Test core to increase maximum reservoir pressure
- **Commercial Benefit:** Additional PAL capacity
- **Project Status:**
  - BLM permit – approval received September 2014
- **Major Milestones:**
  - FERC Prior Notice Filing – 1Q 2015
  - Plan to drill wells as soon as FERC approval is received and rig is available – Sept/Oct 2015
  - Pipeline and measurement complete – December 2015

EPNG - TGS Line 20121 Extension



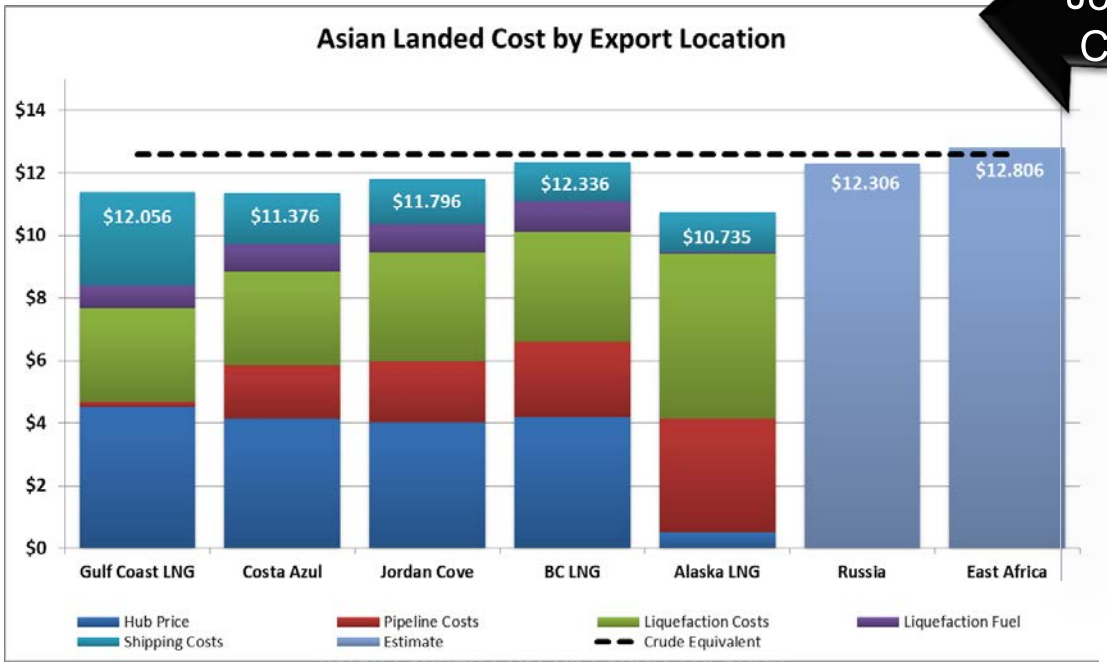
- **Capacity:** 33 MDth/d
- **Capital:** $8.8 MM
- **Estimated In-Service Date:** July 1, 2015
- **Project Scope:**
  - Trans Mountain meter station & regulation
  - 3.6 miles of 12” Pipeline extension of Line 20121 to Three Hills meter station
- **Commercial Benefit:** Additional capacity to serve an LDC power plant
- **Rate:** Negotiated
- **Avg. Contract Term:** 10 years
- **Project Status:**
  - FERC 45 day landowner notice period expired November 15 with no protests
  - Bid packages have been sent to contractors

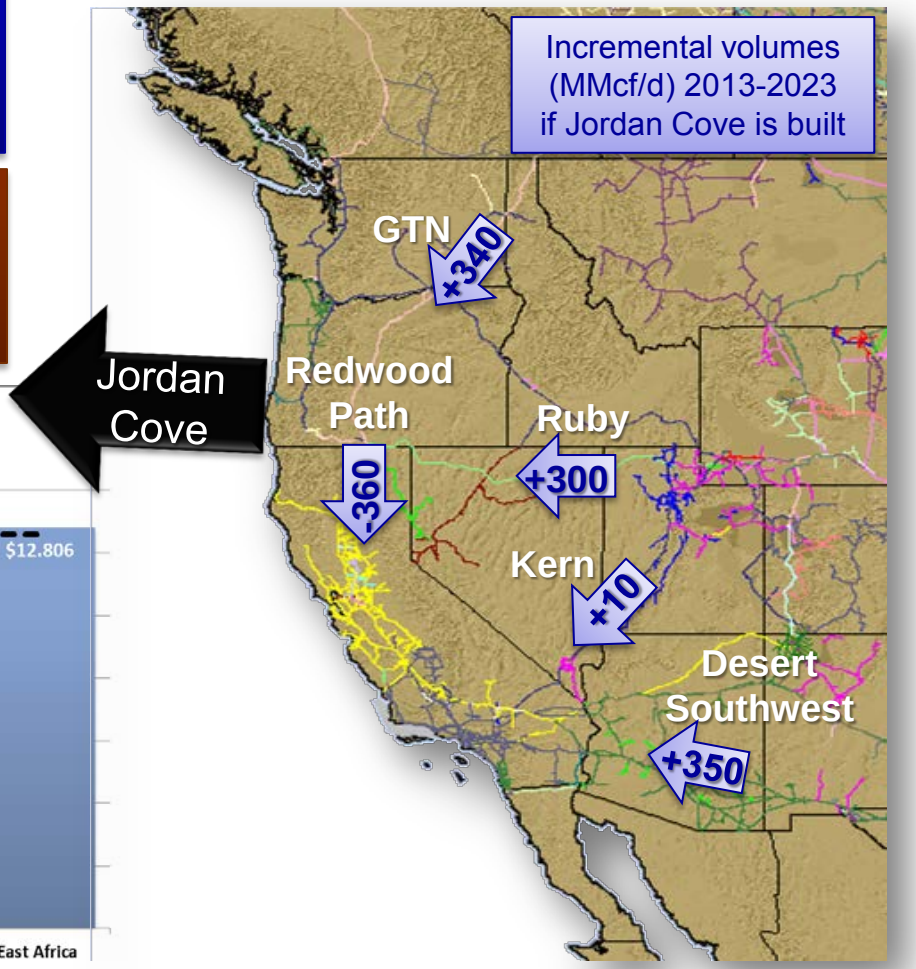
West Region Growth Opportunity

West Coast LNG Liquefaction Transportation

Jordan Cove LNG would be beneficial to western gas pipelines via higher throughput volumes.

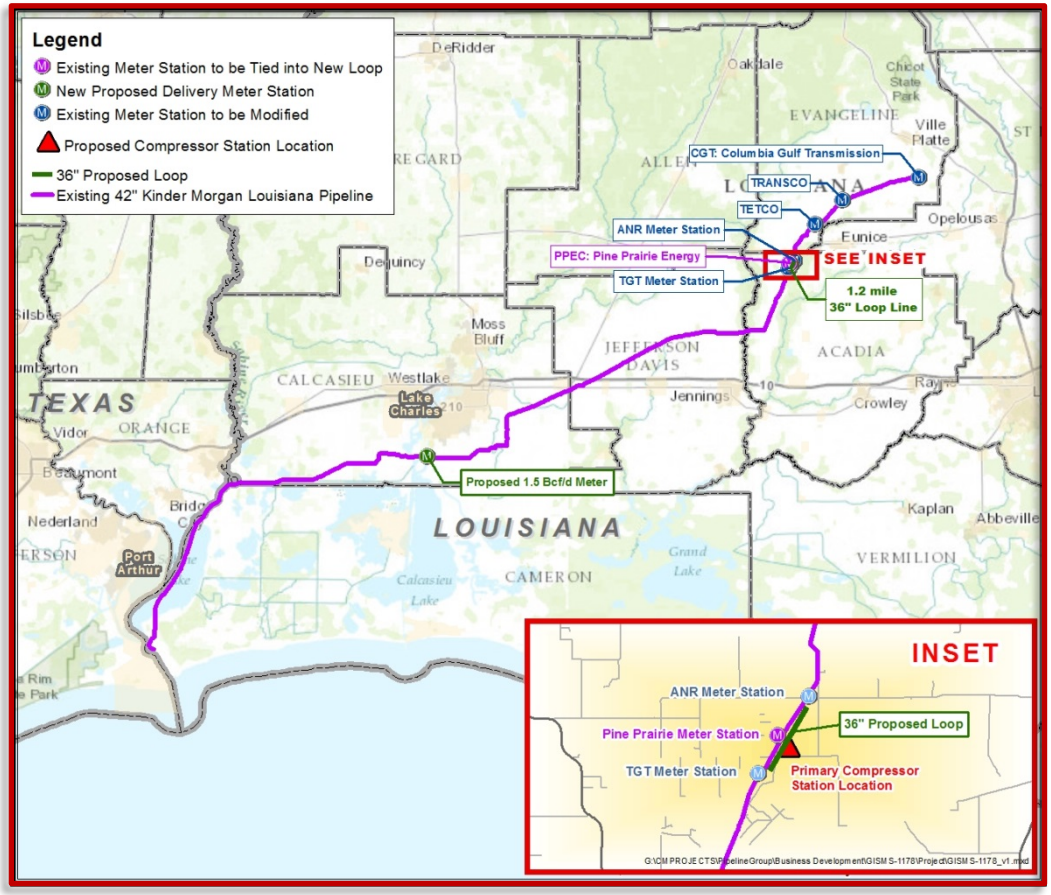
Based on the Brent forward prices, North American LNG export projects are still competitive to Asia.





Central Region Growth Opportunity

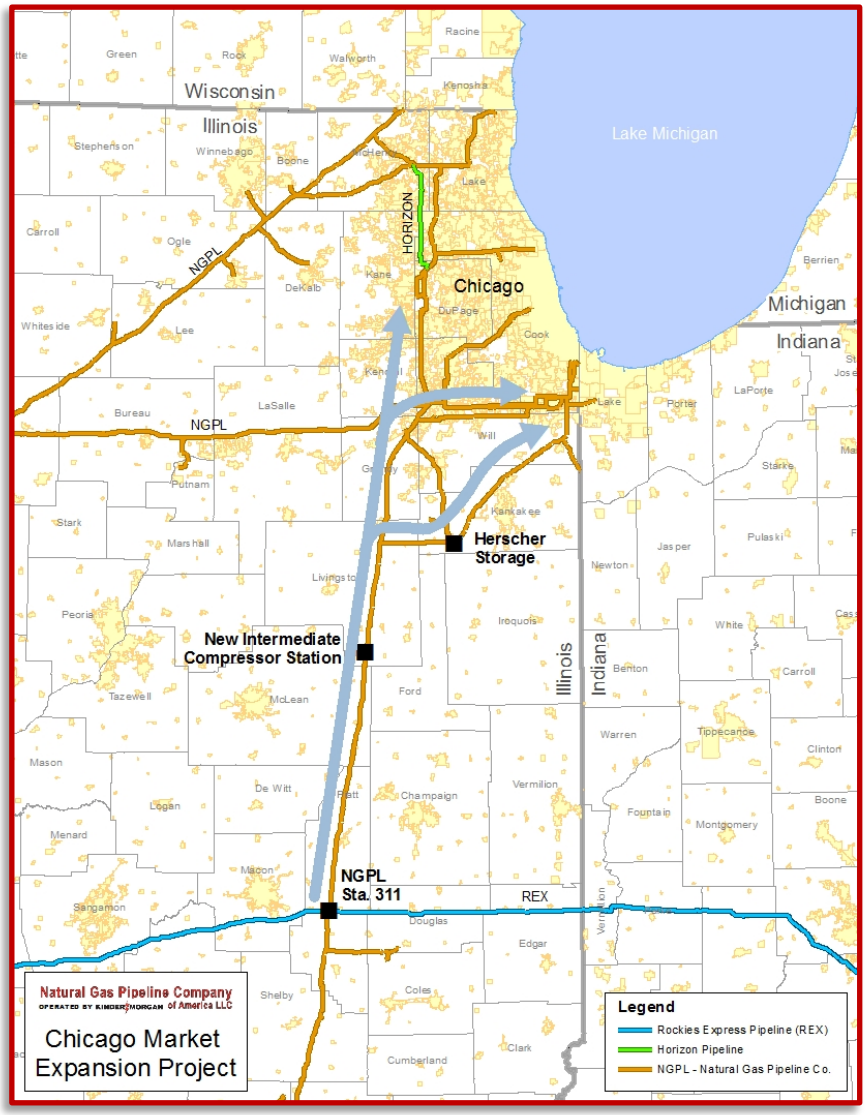
KMLP - Additional Magnolia LNG Liquefaction Transport



- **Capacity:** 700 MDth/d
- **Capital:** $57 MM - $172 MM
- **Estimated In-service:** Late 2019
- **Project Scope:**
  - Construct 30,000 HP at a new compressor station in Calcasieu Parish, LA
  - Construct 64,000 HP at a compressor station in Acadia Parish, LA
- **Commercial Benefit:** Provides LNG liquefaction plant access to multiple pipelines to ensure gas supply at competitive rates
- **Project Status:** Developing Precedent Agreement
- **Major Milestones:**
  - Receive FERC certificate 3Q 2015
  - Magnolia achieves FID 4Q 2015

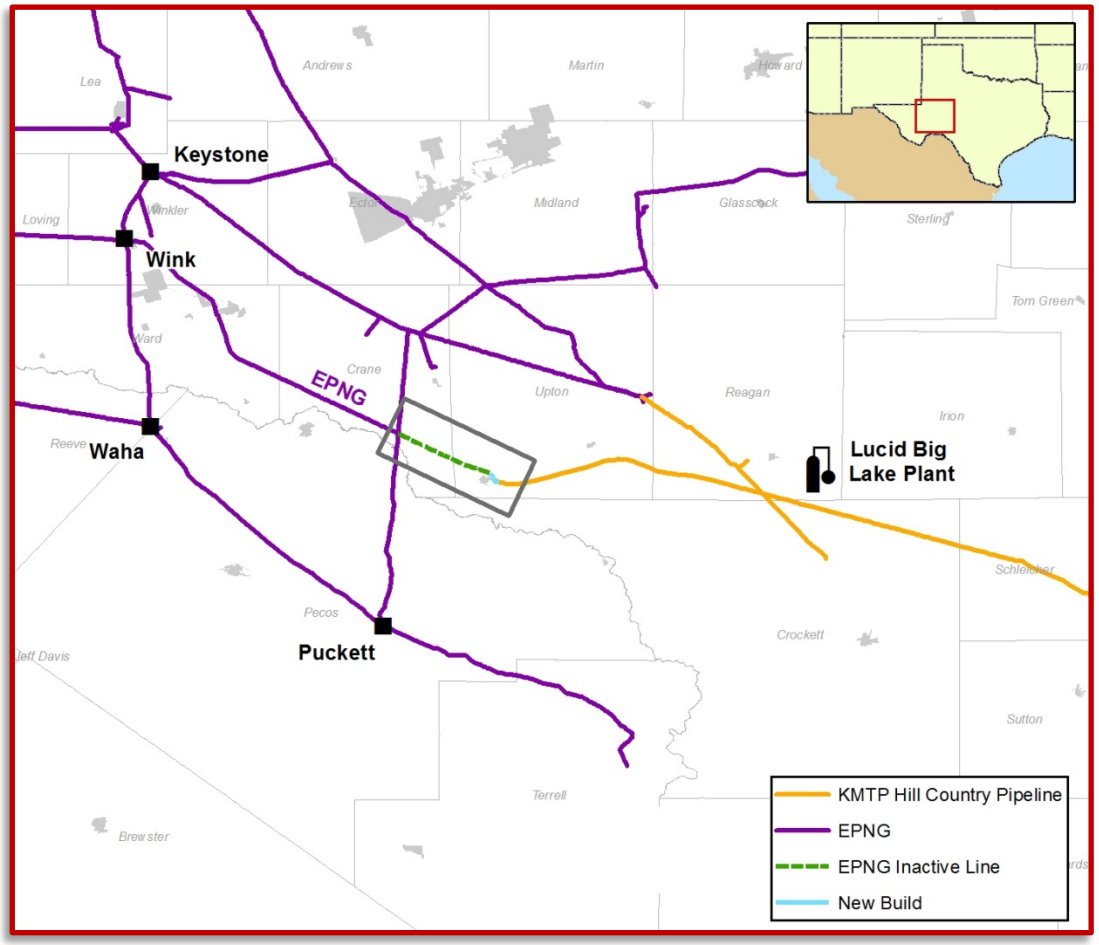
Central Region Growth Opportunity

Chicago Market Expansion Project (CMEP)



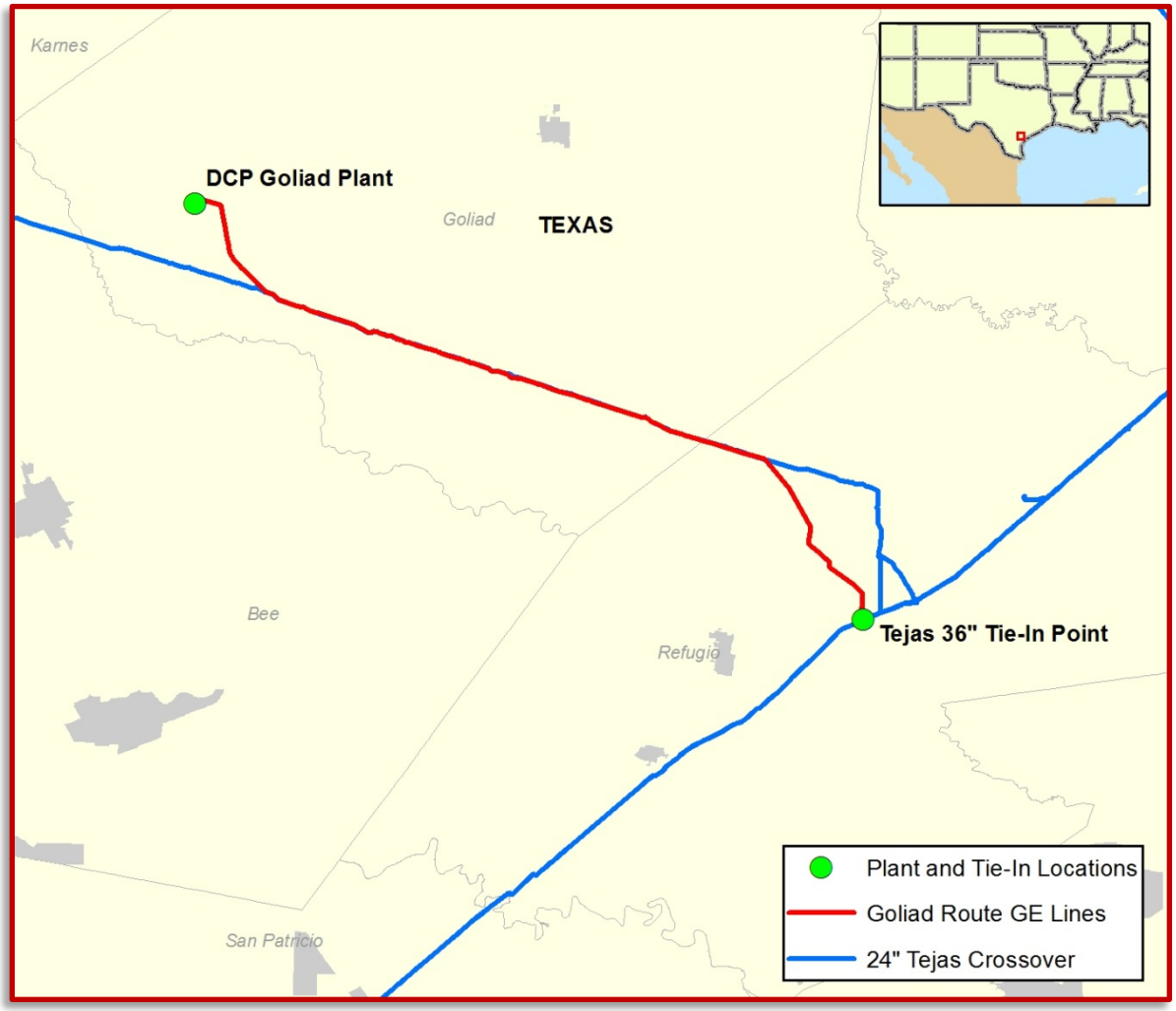
- **Capacity:** 240 MDth/d
- **Capital:** $14.5 MM (KM 20% share)
- **Estimated In-service:** Late 2016
- **Project Scope:**
  - Construct 30,000 HP at a new intermediate compressor station in Livingston County, IL
- **Commercial Benefit:** Provides REX shippers with direct access to the Chicago market area LDCs and industrial end users at competitive rates
- **Project Status:** Executed Precedent Agreements, developing FERC filing application
- **Major Milestone:**
  - File FERC application 2Q 2015
  - Commence construction 2Q 2016

Midstream - Hill Country Pipeline Expansion



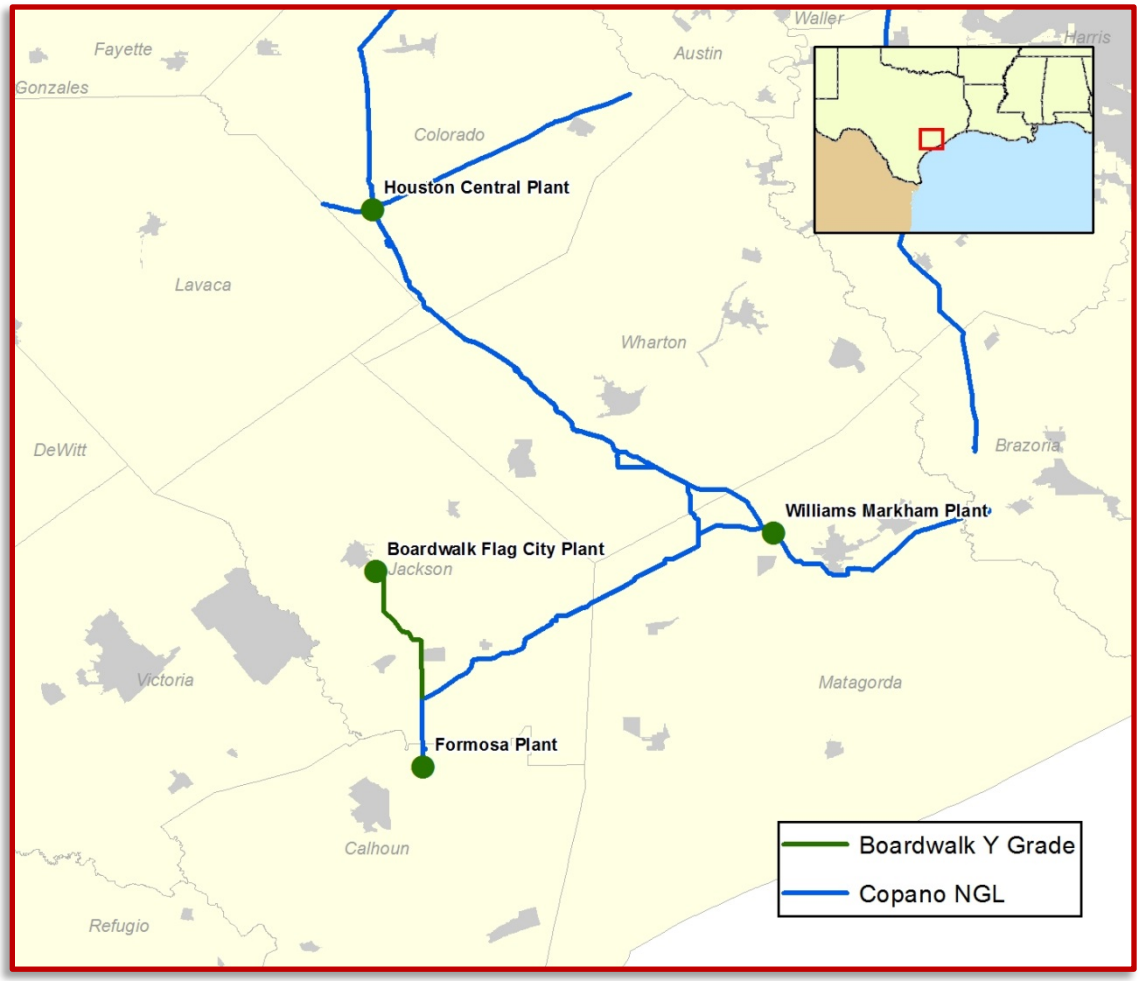
- **Capacity:** 160 MDth/d
- **Capital:** $9.7 MM
- **Estimated In-Service:** 2Q 2015
- **Project Scope:**
  - Extension of Hill Country Pipeline by purchase of EPNG pipeline and new construction
- **Commercial Benefit:**
  - Plant dedication with volume commitment
  - Provides low cost capacity displacement expansion for KMTP
  - Provides customers with access to Waha
- **Current Status:**
  - Awaiting FERC authorization for sale by abandonment, expected by March 2015
  - Facility upgrades and interconnecting pipe are under construction

Midstream - DCP Goliad Plant Residue Lateral



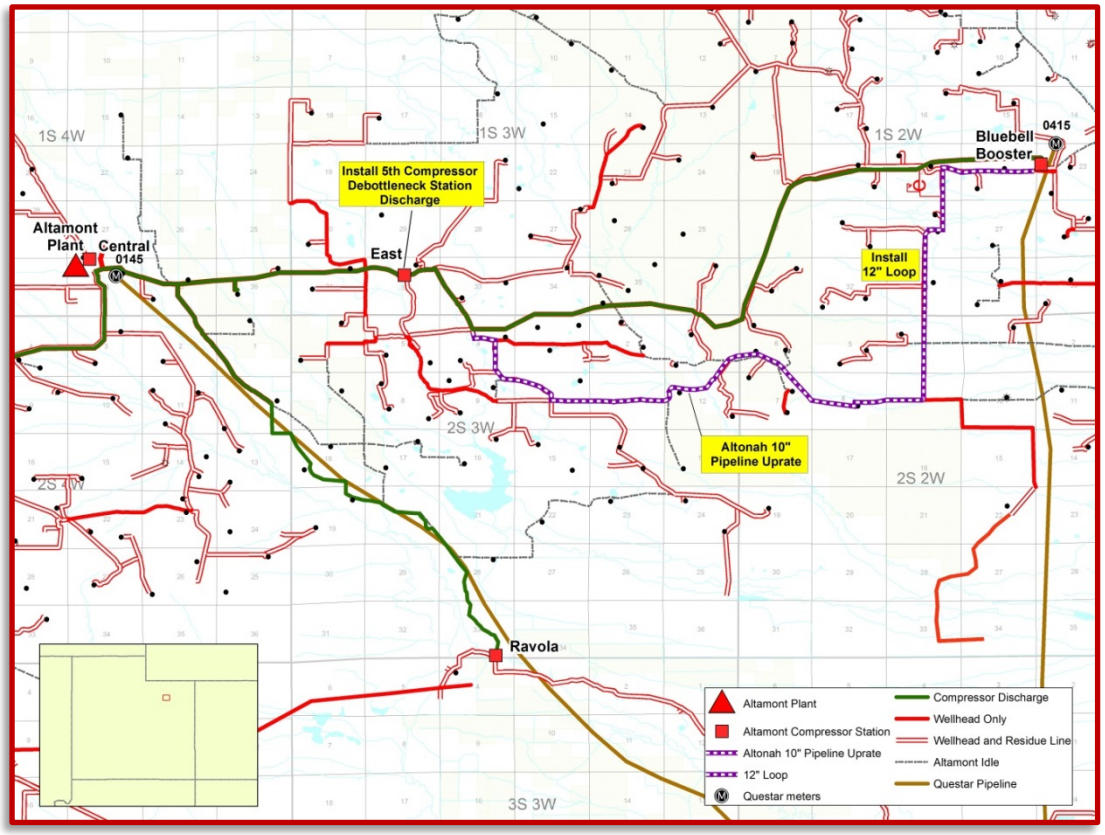
- **Capacity:** 160 MDth/d
- **Capital:** $33.1 MM
- **Estimated In-Service:** 3Q 2015
- **Project Scope:**
  - Construction of 34 miles of 16” pipeline from Goliad plant tailgate to Tejas mainline
- **Commercial Benefit:**
  - Demand fee based contract
  - Expands existing Tejas footprint
  - Adds additional supply source
- **Current Status:**
  - Under construction

Midstream - Boardwalk to Liberty Y Grade Pipeline



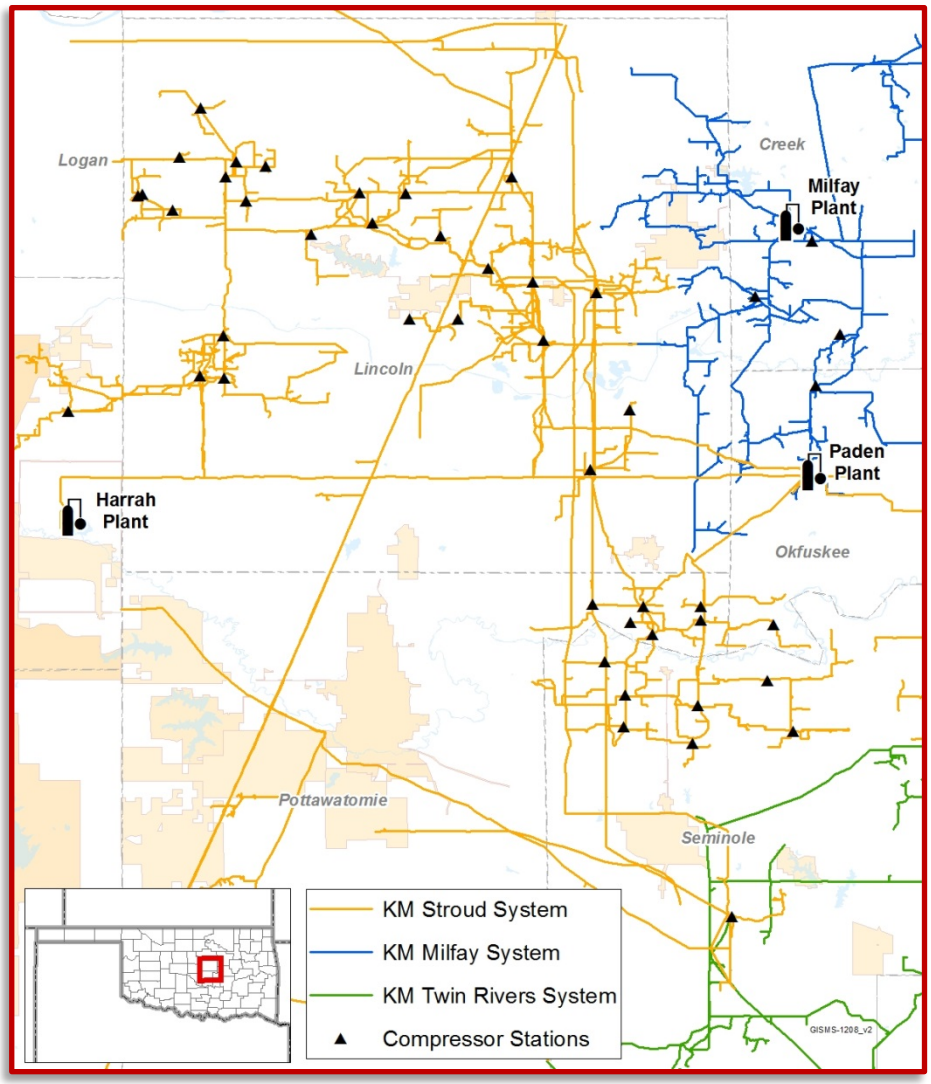
- **Capacity:** 15 MBbl/d
- **Capital:** $14.8 MM
- **Expected In-Service Date:** 1Q 2015
- **Project Scope:** 15 miles of 8" y-grade pipeline connecting Boardwalk's Flag City Plant to Liberty Pipeline (KM/ETC JV)
- **Commercial Benefits:**
  - Enables KM to take NGLs in-kind from Boardwalk when processing incremental gas at Flag City
  - Boardwalk made a firm commitment of 4,500 Bbl/d to KM for 5 years
- **Current Status:**
  - In-service, January 2015

Midstream - Altamont Bluebell Loop and East Station Expansion



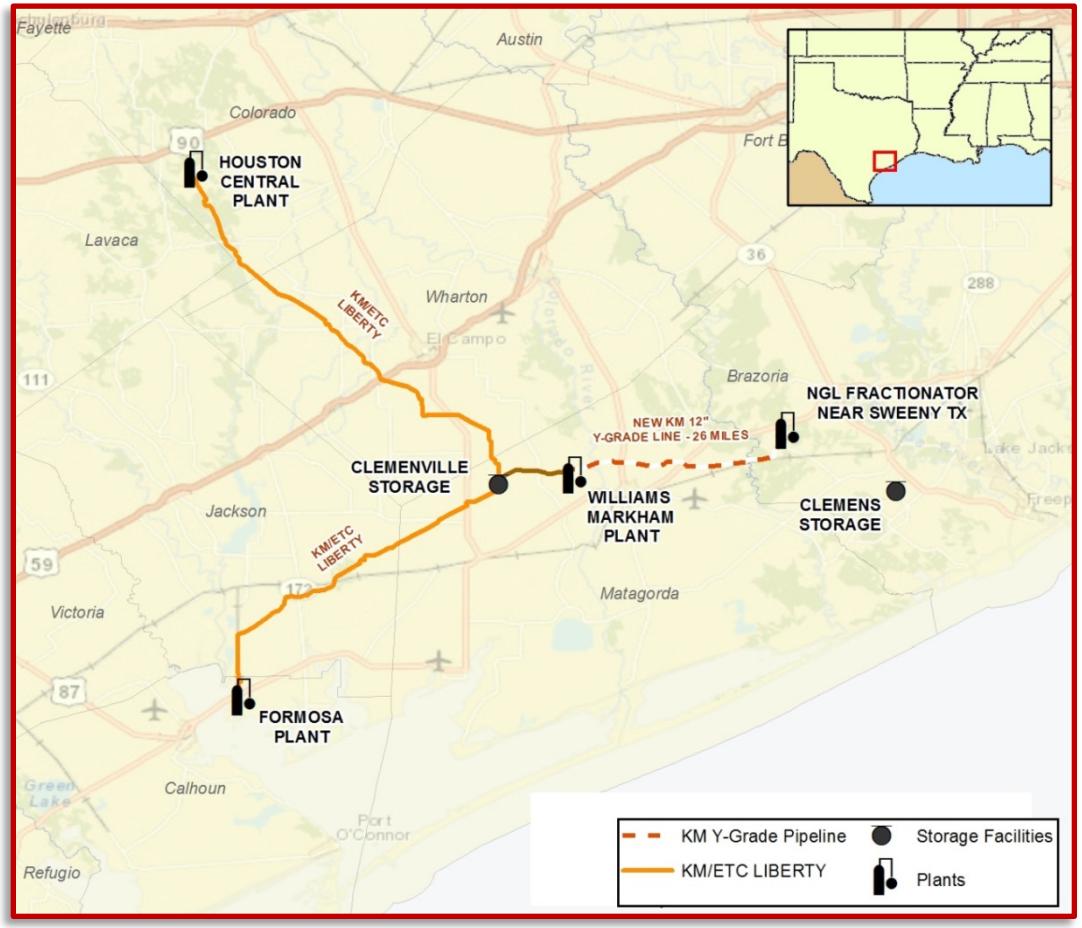
- **Capacity:** 6 MDth/d
- **Capital:** $9.4 MM
- **Expected In-Service Date:** 1Q 2015
- **Project Scope:**
  - 6 miles of 12” pipeline
  - Discharge piping and treating capacity upgrades at East Station
  - Compressor installed at East station
- **Commercial Benefits:**
  - Increase capacity for EP Energy volume growth
  - Lower line pressure would increase production and reduce flaring
- **Current Status:**
  - Pipeline in service December 2014
  - Compressor station construction is in progress

Midstream - Oklahoma Processing Optimization



- **Capacity Increase:** 14.3 MDth/d
- **Capital:** $10.9 MM
- **Expected In-Service Date:**
  - Paden Plant optimization: 2Q 2015
  - Harrah Plant optimization: 1Q 2015
- **Project Scope:**
  - Paden Plant optimization: Installation of heat exchangers, Sulfa Treat tower and clay filters as well as upgrades to amine system and flare
  - Harrah Plant optimization: Installation of stabilizer and a half mile of 10” pigging loop pipeline with switching valves
- **Commercial Benefits:**
  - Capacity increase to allow for additional growth
- **Current Status:**
  - Construction is in progress. Heat exchanger installed at Paden in January 2015

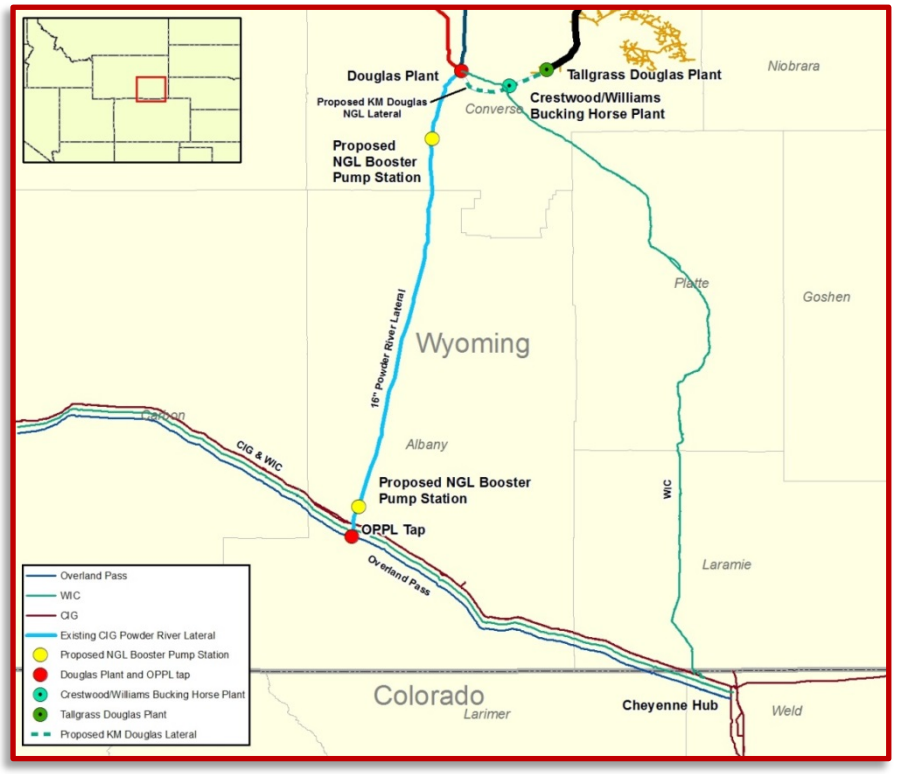
Midstream - Eagle Ford Fractionation Outlet



- **Capacity:** 30 MBbl/d
- **Capital:** $22.2 MM
- **Expected In-Service Date:** 4Q 2015
- **Project Scope:** ~26 miles of 12-inch pipeline from Markham, TX to a new NGL fractionator being constructed near Sweeny, TX
- **Commercial Benefits:**
  - Provides economic outlet for NGLs produced from expanded Houston Central Plant
  - Provides direct access to 30 MBbl/d of fractionation capacity (near Sweeny, TX) effective 4Q 2015
    - Includes direct access to 20 MBbl/d of existing interim fractionation capacity effective July 2014
- **Current Status:**
  - Completing ROW acquisition

Midstream West Region Growth Opportunity

Powder River Lateral Abandonment & Conversion to NGL Service



- **Initial Capacity:** 20 MBbl/d, expandable up to 70 to 100 MBbl/d with future pump station additions
- **Estimated In-Service:** 2016
- **Project Scope:**
  - Conversion of 16-inch lateral to NGL service
  - New 18-mile 8” to 10” connection to Bucking Horse and Douglas Plants, and Thunder Creek NGL Pipeline
  - Connect with Overland Pass NGL Pipeline at Laramie
  - Requires installation of new pumping and letdown stations and measurement
- **Commercial Benefit:**
  - Repurposing underutilized gas pipeline to NGL service
  - Projected growth in production from existing and new gas processing plants driving need for additional NGL pipeline transport out of basin


KINDER MORGAN
INC.