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

# F O R M 10-Q

**☑ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)**
**OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended **March 31, 2021**

or

**☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)**
**OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____to_____

Commission file number: **001-35081**




**KINDER MORGAN, INC.**
(Exact name of registrant as specified in its charter)

| **Delaware** | **80-0682103** |
|---|---|
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |

**1001 Louisiana Street, Suite 1000, Houston, Texas 77002**
(Address of principal executive offices)(zip code)
Registrant's telephone number, including area code: **713-369-9000**

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

| **Title of each class** | **Trading Symbol(s)** | **Name of each exchange on which registered** |
|---|---|---|
| Class P Common Stock | KMI | New York Stock Exchange |
| 1.500% Senior Notes due 2022 | KMI 22 | New York Stock Exchange |
| 2.250% Senior Notes due 2027 | KMI 27 A | New York Stock Exchange |

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☑ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

As of April 22, 2021, the registrant had 2,264,582,583 Class P shares outstanding.

**KINDER MORGAN, INC. AND SUBSIDIARIES**
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**KINDER MORGAN, INC. AND SUBSIDIARIES**
**GLOSSARY**

## Company Abbreviations

| | | | | | |
|---|---|---|---|---|---|
| CIG | = | Colorado Interstate Gas Company, L.L.C. | KMLT | = | Kinder Morgan Liquid Terminals, LLC |
| ELC | = | Elba Liquefaction Company, L.L.C. | Ruby | = | Ruby Pipeline Holding Company, L.L.C. |
| EPNG | = | El Paso Natural Gas Company, L.L.C. | SFPP | = | SFPP, L.P. |
| KMBT | = | Kinder Morgan Bulk Terminals, Inc. | SNG | = | Southern Natural Gas Company, L.L.C. |
| KMI | = | Kinder Morgan, Inc. and its majority-owned and/or controlled subsidiaries | TGP | = | Tennessee Gas Pipeline Company, L.L.C. |

Unless the context otherwise requires, references to "we," "us," "our," or "the Company" are intended to mean Kinder Morgan, Inc. and its majority-owned and/or controlled subsidiaries.

## Common Industry and Other Terms

| | | | | | |
|---|---|---|---|---|---|
| /d | = | per day | EPA | = | U.S. Environmental Protection Agency |
| Bbl | = | barrel | FASB | = | Financial Accounting Standards Board |
| BBtu | = | billion British Thermal Units | FERC | = | Federal Energy Regulatory Commission |
| Bcf | = | billion cubic feet | GAAP | = | U.S. Generally Accepted Accounting Principles |
| CERCLA | = | Comprehensive Environmental Response, Compensation and Liability Act | LLC | = | limited liability company |
| | | | LIBOR | = | London Interbank Offered Rate |
| $CO_2$ | = | carbon dioxide or our $CO_2$ business segment | MBbl | = | thousand barrels |
| COVID-19 | = | Coronavirus Disease 2019, a widespread contagious disease, or the related pandemic declared and resulting worldwide economic downturn | MMBbl | = | million barrels |
| | | | MMtons | = | million tons |
| DCF | = | distributable cash flow | NGL | = | natural gas liquids |
| DD&A | = | depreciation, depletion and amortization | NYMEX | = | New York Mercantile Exchange |
| EBDA | = | earnings before depreciation, depletion and amortization expenses, including amortization of excess cost of equity investments | OTC | = | over-the-counter |
| | | | ROU | = | Right-of-Use |
| EBITDA | = | earnings before interest, income taxes, depreciation, depletion and amortization expenses, and amortization of excess cost of equity investments | U.S. | = | United States of America |
| | | | WTI | = | West Texas Intermediate |

**Information Regarding Forward-Looking Statements**

This report includes forward-looking statements. These forward-looking statements are identified as any statement that does not relate strictly to historical or current facts. They use words such as "anticipate," "believe," "intend," "plan," "projection," "forecast," "strategy," "outlook," "continue," "estimate," "expect," "may," "will," "shall," or the negative of those terms or other variations of them or comparable terminology. In particular, expressed or implied statements concerning future actions, conditions or events, future operating results or the ability to generate sales, income or cash flow, service debt or pay dividends, are forward-looking statements. Forward-looking statements in this report include, among others, express or implied statements pertaining to: the long-term demand for our assets and services, the future impact on our business of the global economic consequences of the COVID-19 pandemic, including the timing and extent of any economic recovery, and our anticipated dividends and capital projects, including expected completion timing and benefits of those projects.

Important factors that could cause actual results to differ materially from those expressed in or implied by the forward-looking statements in this report include: the impacts of the COVID-19 pandemic and the pace and extent of economic recovery; the timing and extent of changes in the supply of and demand for the products we transport and handle; commodity prices; and the other risks and uncertainties described in Part I, Item 2. "*Management's Discussion and Analysis of Financial Condition of Operations*" and Part I, Item 3. "*Quantitative and Qualitative Disclosures About Market Risk*" in this report, as well as "*Information Regarding Forward-Looking Statements*" and Part I, Item 1A. "*Risk Factors*" in our Annual Report on Form 10-K for the year ended December 31, 2020 (except to the extent such information is modified or superseded by information in subsequent reports).

You should keep these risk factors in mind when considering forward-looking statements. These risk factors could cause our actual results to differ materially from those contained in any forward-looking statement. Because of these risks and uncertainties, you should not place undue reliance on any forward-looking statement. We disclaim any obligation, other than as required by applicable law, to publicly update or revise any of our forward-looking statements to reflect future events or developments.

**PART I. FINANCIAL INFORMATION**

**Item 1. Financial Statements.**

**KINDER MORGAN, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF OPERATIONS**
**(In millions, except per share amounts, unaudited)**

| | Three Months Ended March 31, | |
|---|---|---|
| | **2021** | **2020** |
| Revenues | | |
| Services | $ 1,917 | $ 1,992 |
| Commodity sales | 3,229 | 1,067 |
| Other | 65 | 47 |
| Total Revenues | 5,211 | 3,106 |
| Operating Costs, Expenses and Other | | |
| Costs of sales | 2,009 | 663 |
| Operations and maintenance | 514 | 620 |
| Depreciation, depletion and amortization | 541 | 565 |
| General and administrative | 156 | 153 |
| Taxes, other than income taxes | 110 | 92 |
| (Gain) loss on divestitures and impairments, net (Note 2) | (4) | 971 |
| Other income, net | (1) | (1) |
| Total Operating Costs, Expenses and Other | 3,325 | 3,063 |
| Operating Income | 1,886 | 43 |
| Other Income (Expense) | | |
| Earnings from equity investments | 66 | 192 |
| Amortization of excess cost of equity investments | (22) | (32) |
| Interest, net | (377) | (436) |
| Other, net (Note 2) | 223 | 2 |
| Total Other Expense | (110) | (274) |
| Income (Loss) Before Income Taxes | 1,776 | (231) |
| Income Tax Expense | (351) | (60) |
| Net Income (Loss) | 1,425 | (291) |
| Net Income Attributable to Noncontrolling Interests | (16) | (15) |
| Net Income (Loss) Attributable to Kinder Morgan, Inc. | $ 1,409 | $ (306) |
| | | |
| Class P Shares | | |
| Basic and Diluted Earnings (Loss) Per Share | $ 0.62 | $ (0.14) |
| Basic and Diluted Weighted Average Shares Outstanding | 2,264 | 2,264 |

The accompanying notes are an integral part of these consolidated financial statements.

**KINDER MORGAN, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**
**(In millions, unaudited)**

| | Three Months Ended March 31, | |
|---|---|---|
| | **2021** | **2020** |
| Net income (loss) | $ 1,425 | $ (291) |
| Other comprehensive (loss) income, net of tax | | |
| Change in fair value of hedge derivatives (net of tax benefit (expense) of $47 and $(67), respectively) | (156) | 222 |
| Reclassification of change in fair value of derivatives to net income (net of tax expense of $18 and $11, respectively) | 59 | 37 |
| Foreign currency translation adjustments (net of tax expense of $— and $—, respectively) | — | 1 |
| Benefit plan adjustments (net of tax expense of $4 and $3, respectively) | 17 | 11 |
| Total other comprehensive (loss) income | (80) | 271 |
| Comprehensive income (loss) | 1,345 | (20) |
| Comprehensive income attributable to noncontrolling interests | (16) | (15) |
| Comprehensive income (loss) attributable to Kinder Morgan, Inc. | $ 1,329 | $ (35) |

The accompanying notes are an integral part of these consolidated financial statements.

**KINDER MORGAN, INC. AND SUBSIDIARIES**
**CONSOLIDATED BALANCE SHEETS**
**(In millions, except per share amounts, unaudited)**

| | March 31, 2021 | December 31, 2020 |
|---|---|---|
| **ASSETS** | | |
| Current Assets | | |
| Cash and cash equivalents | $ 1,377 | $ 1,184 |
| Restricted deposits | 46 | 25 |
| Accounts receivable | 1,425 | 1,293 |
| Fair value of derivative contracts | 218 | 185 |
| Inventories | 389 | 348 |
| Other current assets | 279 | 168 |
| Total current assets | 3,734 | 3,203 |
| Property, plant and equipment, net | 35,605 | 35,836 |
| Investments | 7,693 | 7,917 |
| Goodwill | 19,851 | 19,851 |
| Other intangibles, net | 2,396 | 2,453 |
| Deferred income taxes | 213 | 536 |
| Deferred charges and other assets | 1,716 | 2,177 |
| Total Assets | $ 71,208 | $ 71,973 |
| **LIABILITIES, REDEEMABLE NONCONTROLLING INTEREST AND STOCKHOLDERS' EQUITY** | | |
| Current Liabilities | | |
| Current portion of debt | $ 2,173 | $ 2,558 |
| Accounts payable | 968 | 837 |
| Accrued interest | 304 | 525 |
| Accrued taxes | 205 | 267 |
| Accrued contingencies | 157 | 307 |
| Other current liabilities | 811 | 580 |
| Total current liabilities | 4,618 | 5,074 |
| Long-term liabilities and deferred credits | | |
| Long-term debt | | |
| Outstanding | 30,007 | 30,838 |
| Debt fair value adjustments | 1,054 | 1,293 |
| Total long-term debt | 31,061 | 32,131 |
| Other long-term liabilities and deferred credits | 2,221 | 2,202 |
| Total long-term liabilities and deferred credits | 33,282 | 34,333 |
| Total Liabilities | 37,900 | 39,407 |
| Commitments and contingencies (Notes 3 and 9) | | |
| Redeemable Noncontrolling Interest | 705 | 728 |
| Stockholders' Equity | | |
| Class P shares, $0.01 par value, 4,000,000,000 shares authorized, 2,264,470,730 and 2,264,257,336 shares, respectively, issued and outstanding | 23 | 23 |
| Additional paid-in capital | 41,775 | 41,756 |
| Accumulated deficit | (9,124) | (9,936) |
| Accumulated other comprehensive loss | (487) | (407) |
| Total Kinder Morgan, Inc.'s stockholders' equity | 32,187 | 31,436 |
| Noncontrolling interests | 416 | 402 |
| Total Stockholders' Equity | 32,603 | 31,838 |
| Total Liabilities, Redeemable Noncontrolling Interest and Stockholders' Equity | $ 71,208 | $ 71,973 |

The accompanying notes are an integral part of these consolidated financial statements.

**KINDER MORGAN, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(In millions, unaudited)**

| | Three Months Ended March 31, | |
|---|---|---|
| | **2021** | **2020** |
| Cash Flows From Operating Activities | | |
| Net income (loss) | $ 1,425 | $ (291) |
| Adjustments to reconcile net income (loss) to net cash provided by operating activities | | |
| Depreciation, depletion and amortization | 541 | 565 |
| Deferred income taxes | 347 | (69) |
| Amortization of excess cost of equity investments | 22 | 32 |
| (Gain) loss on divestitures and impairments, net (Note 2) | (4) | 971 |
| Gain from sale of interest in equity investment (Note 2) | (206) | — |
| Earnings from equity investments | (66) | (192) |
| Distributions from equity investment earnings | 184 | 152 |
| Changes in components of working capital | | |
| Accounts receivable | (122) | 222 |
| Inventories | (47) | 59 |
| Other current assets | 4 | 50 |
| Accounts payable | 26 | (200) |
| Accrued interest, net of interest rate swaps | (204) | (202) |
| Accrued taxes | (63) | (59) |
| Other current liabilities | 157 | (131) |
| Rate reparations, refunds and other litigation reserve adjustments | (144) | 10 |
| Other, net | 23 | (24) |
| Net Cash Provided by Operating Activities | 1,873 | 893 |
| Cash Flows From Investing Activities | | |
| Capital expenditures | (267) | (440) |
| Proceeds from sales of investments | 413 | 907 |
| Contributions to investments | (22) | (151) |
| Distributions from equity investments in excess of cumulative earnings | 18 | 41 |
| Other, net | (12) | (22) |
| Net Cash Provided by Investing Activities | 130 | 335 |
| Cash Flows From Financing Activities | | |
| Issuances of debt | 3,110 | 2,125 |
| Payments of debt | (4,268) | (1,969) |
| Debt issue costs | (10) | (7) |
| Dividends | (597) | (569) |
| Repurchases of shares | — | (50) |
| Contributions from investment partner and noncontrolling interests | 3 | 5 |
| Distributions to investment partner | (23) | (18) |
| Distributions to noncontrolling interests | (2) | (3) |
| Other, net | (2) | (1) |
| Net Cash Used in Financing Activities | (1,789) | (487) |
| Effect of Exchange Rate Changes on Cash, Cash Equivalents and Restricted Deposits | — | (8) |
| Net Increase in Cash, Cash Equivalents and Restricted Deposits | 214 | 733 |
| Cash, Cash Equivalents, and Restricted Deposits, beginning of period | 1,209 | 209 |
| Cash, Cash Equivalents, and Restricted Deposits, end of period | $ 1,423 | $ 942 |

**KINDER MORGAN, INC. AND SUBSIDIARIES (Continued)**
**CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(In millions, unaudited)**

| | Three Months Ended March 31, | |
|---|---|---|
| | **2021** | **2020** |
| Cash and Cash Equivalents, beginning of period | $ 1,184 | $ 185 |
| Restricted Deposits, beginning of period | 25 | 24 |
| Cash, Cash Equivalents, and Restricted Deposits, beginning of period | 1,209 | 209 |
| Cash and Cash Equivalents, end of period | 1,377 | 360 |
| Restricted Deposits, end of period | 46 | 582 |
| Cash, Cash Equivalents, and Restricted Deposits, end of period | 1,423 | 942 |
| Net Increase in Cash, Cash Equivalents and Restricted Deposits | $ 214 | $ 733 |
| | | |
| Non-cash Investing and Financing Activities | | |
| ROU assets and operating lease obligations recognized | $ 7 | $ 14 |
| Increase in property, plant and equipment from both accruals and contractor retainage | | 41 |
| Supplemental Disclosures of Cash Flow Information | | |
| Cash paid during the period for interest (net of capitalized interest) | 589 | 661 |
| Cash paid during the period for income taxes, net | 1 | 134 |

The accompanying notes are an integral part of these consolidated financial statements.

**KINDER MORGAN, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**
**(In millions, unaudited)**

| | Common stock | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Issued shares | Par value | Additional paid-in capital | Accumulated deficit | Accumulated other comprehensive loss | Stockholders' equity attributable to KMI | Non-controlling interests | Total |
| Balance at December 31, 2020 | 2,264 | $ 23 | $ 41,756 | $ (9,936) | $ (407) | $ 31,436 | $ 402 | $31,838 |
| Restricted shares | | | 19 | | | 19 | | 19 |
| Net income | | | | 1,409 | | 1,409 | 16 | 1,425 |
| Distributions | | | | | | — | (3) | (3) |
| Contributions | | | | | | — | 2 | 2 |
| Dividends | | | | (597) | | (597) | | (597) |
| Other | | | | | | — | (1) | (1) |
| Other comprehensive loss | | | | | (80) | (80) | | (80) |
| Balance at March 31, 2021 | 2,264 | $ 23 | $ 41,775 | $ (9,124) | $ (487) | $ 32,187 | $ 416 | $32,603 |

| | Common stock | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Issued shares | Par value | Additional paid-in capital | Accumulated deficit | Accumulated other comprehensive loss | Stockholders' equity attributable to KMI | Non-controlling interests | Total |
| Balance at December 31, 2019 | 2,265 | $ 23 | $ 41,745 | $ (7,693) | $ (333) | $ 33,742 | $ 344 | $34,086 |
| Repurchases of shares | (4) | | (50) | | | (50) | | (50) |
| Restricted shares | | | 18 | | | 18 | | 18 |
| Net (loss) income | | | | (306) | | (306) | 15 | (291) |
| Distributions | | | | | | — | (3) | (3) |
| Contributions | | | | | | — | 2 | 2 |
| Dividends | | | | (569) | | (569) | | (569) |
| Other comprehensive income | | | | | 271 | 271 | | 271 |
| Balance at March 31, 2020 | 2,261 | $ 23 | $ 41,713 | $ (8,568) | $ (62) | $ 33,106 | $ 358 | $33,464 |

The accompanying notes are an integral part of these consolidated financial statements.

## 1. General

***Organization***

We are one of the largest energy infrastructure companies in North America. We own an interest in or operate approximately 83,000 miles of pipelines and 144 terminals. Our pipelines transport natural gas, refined petroleum products, crude oil, condensate, $CO_2$ and other products, and our terminals store and handle various commodities including gasoline, diesel fuel, chemicals, metals and petroleum coke.

***Basis of Presentation***

*General*

Our accompanying unaudited consolidated financial statements have been prepared under the rules and regulations of the U.S. Securities and Exchange Commission (SEC). These rules and regulations conform to the accounting principles contained in the FASB's Accounting Standards Codification (ASC), the single source of GAAP. In compliance with such rules and regulations, all significant intercompany items have been eliminated in consolidation.

In our opinion, all adjustments, which are of a normal and recurring nature, considered necessary for a fair statement of our financial position and operating results for the interim periods have been included in the accompanying consolidated financial statements, and certain amounts from prior periods have been reclassified to conform to the current presentation. Interim results are not necessarily indicative of results for a full year; accordingly, you should read these consolidated financial statements in conjunction with our consolidated financial statements and related notes included in our 2020 Form 10-K.

The accompanying unaudited consolidated financial statements include our accounts and the accounts of our subsidiaries over which we have control or are the primary beneficiary. We evaluate our financial interests in business enterprises to determine if they represent variable interest entities where we are the primary beneficiary. If such criteria are met, we consolidate the financial statements of such businesses with those of our own.

***Earnings per Share***

We calculate earnings per share using the two-class method. Earnings were allocated to Class P shares and participating securities based on the amount of dividends paid in the current period plus an allocation of the undistributed earnings or excess distributions over earnings to the extent that each security participates in earnings or excess distributions over earnings. Our unvested restricted stock awards, which may be restricted stock or restricted stock units issued to employees and non-employee directors and which include dividend equivalent payments, do not participate in excess distributions over earnings.

The following table sets forth the allocation of net income (loss) available to shareholders of Class P shares and participating securities:

| | Three Months Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| | (In millions, except per share amounts) | |
| Net Income (Loss) Available to Stockholders | $ 1,409 | $ (306) |
| Participating securities: | | |
| Less: Net Income allocated to restricted stock awards(a) | (7) | (3) |
| Net Income (Loss) Allocated to Class P Stockholders | $ 1,402 | $ (309) |
| | | |
| Basic Weighted Average Shares Outstanding | 2,264 | 2,264 |
| Basic Earnings (Loss) Per Share | $ 0.62 | $ (0.14) |

(a) As of March 31, 2021, there were approximately 12 million restricted stock awards outstanding.

The following maximum number of potential common stock equivalents are antidilutive and, accordingly, are excluded from the determination of diluted earnings per share:

| | Three Months Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| | (In millions on a weighted average basis) | |
| Unvested restricted stock awards | 13 | 12 |
| Convertible trust preferred securities | 3 | 3 |

## 2. Gains and Losses on Divestitures, Impairments and Other Write-downs

We recognized the following non-cash pre-tax (gains) losses on divestitures, impairments and other write-downs, net on assets during the three months ended March 31, 2021 and 2020:

| | Three Months Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| | (In millions) | |
| **Natural Gas Pipelines** | | |
| Gain on sale of interest in NGPL Holdings LLC(a) | $ (206) | $ — |
| Loss on write-down of related party note receivable(a) | 117 | — |
| **Products Pipelines** | | |
| Impairment of long-lived and intangible assets | — | 21 |
| **Terminals** | | |
| Gain on divestitures of long-lived assets | (1) | — |
| **$CO_2$** | | |
| Impairment of goodwill(a) | — | 600 |
| Impairment of long-lived assets(a) | — | 350 |
| Other gain on divestitures of long-lived assets | (3) | — |
| Pre-tax (gain) loss on divestitures, impairments and other write-downs, net | $ (93) | $ 971 |

(a) See below for a further discussion of these items.

***Sale of an Interest in NGPL Holdings***

On March 8, 2021, we and Brookfield Infrastructure Partners L.P. (Brookfield) completed the sale of a combined 25% interest in our joint venture, NGPL Holdings LLC (NGPL Holdings), to a fund controlled by ArcLight Capital Partners, LLC (ArcLight). We received net proceeds of $413 million for our proportionate share of the interests sold which included the transfer of $125 million of our $500 million related party promissory note receivable from NGPL Holdings to ArcLight with quarterly interest payments at 6.75%. We recognized a pre-tax gain of $206 million for our proportionate share, which is included within “Other, net” in our accompanying consolidated statement of operations for the three months ended March 31, 2021. Upon closing, we and Brookfield each hold a 37.5% interest in NGPL Holdings.

***Impairments***

During the first quarter of 2020, the energy production and demand factors related to COVID-19 and the sharp decline in commodity prices represented a triggering event that required us to perform impairment testing on certain businesses that are sensitive to commodity prices. As a result, we performed an impairment analysis of long-lived assets within our $CO_2$ business segment and conducted interim tests of the recoverability of goodwill for our $CO_2$ and Natural Gas Pipelines Non-Regulated reporting units as of March 31, 2020, which resulted in impairments of long-lived assets and goodwill within our $CO_2$ business segment shown in the above table during the three months ended March 31, 2020.

***Other Write-downs***

During the first quarter of 2021, we recognized a pre-tax charge of $117 million related to a write-down of our subordinated note receivable from our equity investee, Ruby, driven by the recent impairment by Ruby of its assets, which is included within "Earnings from equity investments" in our accompanying consolidated statement of operations. The impairment at Ruby was the result of upcoming contract expirations and additional uncertainty identified in late February 2021 regarding the proposed development of a third party liquefied natural gas exporting facility that could significantly increase the demand for its services.

## 3. Debt

The following table provides information on the principal amount of our outstanding debt balances:

| | March 31, 2021 | December 31, 2020 |
|---|---|---|
| | (In millions, unless otherwise stated) | |
| **Current portion of debt** | | |
| $4 billion credit facility due November 16, 2023 | $ — | $ — |
| Commercial paper notes | — | — |
| Current portion of senior notes | | |
| 5.00%, due February 2021(a) | — | 750 |
| 3.50%, due March 2021(a) | — | 750 |
| 5.80%, due March 2021(a) | — | 400 |
| 5.00%, due October 2021 | 500 | 500 |
| 8.625%, due January 2022 | 260 | — |
| 4.15%, due March 2022 | 375 | — |
| 1.50%, due March 2022(b) | 880 | — |
| Trust I preferred securities, 4.75%, due March 2028 | 111 | 111 |
| Current portion of other debt | 47 | 47 |
| Total current portion of debt | 2,173 | 2,558 |
| | | |
| **Long-term debt (excluding current portion)** | | |
| Senior notes | 29,314 | 30,141 |
| EPC Building, LLC, promissory note, 3.967%, due 2020 through 2035 | 361 | 364 |
| Trust I preferred securities, 4.75%, due March 2028 | 110 | 110 |
| Other | 222 | 223 |
| Total long-term debt | 30,007 | 30,838 |
| Total debt(c) | $ 32,180 | $ 33,396 |

(a) We repaid the principal amounts on these senior notes during the first quarter of 2021.

(b) Consists of senior notes denominated in Euros that have been converted to U.S. dollars. The March 31, 2021 balance is reported above at the exchange rate of 1.1730 U.S. dollars per Euro. As of March 31, 2021, the cumulative change in the exchange rate of U.S. dollars per Euro since issuance had resulted in an increase to our debt balance of $65 million related to these notes. The cumulative increase in debt due to the changes in exchange rates for the 1.50% notes due 2022 is offset by a corresponding change in the value of cross-currency swaps reflected in "Other current assets" and "Other current liabilities" on our accompanying consolidated balance sheets. At the time of issuance, we entered into foreign currency contracts associated with these senior notes, effectively converting these Euro-denominated senior notes to U.S. dollars (see Note 5 "*Risk Management—Foreign Currency Risk Management*").

(c) Excludes our "Debt fair value adjustments" which, as of March 31, 2021 and December 31, 2020, increased our total debt balances by $1,054 million and $1,293 million, respectively.

We and substantially all of our wholly owned domestic subsidiaries are parties to a cross guarantee agreement whereby each party to the agreement unconditionally guarantees, jointly and severally, the payment of specified indebtedness of each other party to the agreement.

On February 11, 2021, we issued in a registered offering $750 million aggregate principal amount of 3.60% senior notes due 2051 and received net proceeds of $741 million. These notes are guaranteed through the cross guarantee agreement discussed above.

***Credit Facility***

As of March 31, 2021, we had no borrowings outstanding under our $4.0 billion credit facility, no borrowings outstanding under our commercial paper program and $81 million in letters of credit. Our availability under our credit facility as of March 31, 2021 was $3,919 million. As of March 31, 2021, we were in compliance with all required covenants.

***Fair Value of Financial Instruments***

The carrying value and estimated fair value of our outstanding debt balances are disclosed below:

| | March 31, 2021 | | December 31, 2020 | |
|---|---|---|---|---|
| | Carrying value | Estimated fair value | Carrying value | Estimated fair value |
| | (In millions) | | | |
| Total debt | $ 33,234 | $ 37,050 | $ 34,689 | $ 39,622 |

We used Level 2 input values to measure the estimated fair value of our outstanding debt balance as of both March 31, 2021 and December 31, 2020.

**4. Stockholders' Equity**

***Class P Stock***

On July 19, 2017, our board of directors approved a $2 billion common share buy-back program that began in December 2017. Since December 2017, in total, we have repurchased approximately 32 million of our Class P shares under the program at an average price of approximately $17.71 per share for approximately $575 million.

*Dividends*

The following table provides information about our per share dividends:

| | Three Months Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| Per share cash dividend declared for the period | $ 0.27 | $ 0.2625 |
| Per share cash dividend paid in the period | 0.2625 | 0.25 |

On April 21, 2021, our board of directors declared a cash dividend of $0.27 per share for the quarterly period ended March 31, 2021, which is payable on May 17, 2021 to shareholders of record as of the close of business on April 30, 2021.

***Accumulated Other Comprehensive Loss***

*Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Loss*

Cumulative revenues, expenses, gains and losses that under GAAP are included within our comprehensive income but excluded from our earnings are reported as "Accumulated other comprehensive loss" within "Stockholders' Equity" in our consolidated balance sheets. Changes in the components of our "Accumulated other comprehensive loss" not including non-controlling interests are summarized as follows:

| | Net unrealized gains/(losses) on cash flow hedge derivatives | Foreign currency translation adjustments | Pension and other postretirement liability adjustments | Total accumulated other comprehensive loss |
|---|---|---|---|---|
| | | | (In millions) | |
| Balance as of December 31, 2020 | $ (13) | $ — | $ (394) | $ (407) |
| Other comprehensive (loss) gain before reclassifications | (156) | — | 17 | (139) |
| Loss reclassified from accumulated other comprehensive loss | 59 | — | — | 59 |
| Net current-period change in accumulated other comprehensive loss | (97) | — | 17 | (80) |
| Balance as of March 31, 2021 | $ (110) | $ — | $ (377) | $ (487) |

| | Net unrealized gains/(losses) on cash flow hedge derivatives | Foreign currency translation adjustments | Pension and other postretirement liability adjustments | Total accumulated other comprehensive loss |
|---|---|---|---|---|
| | | | (In millions) | |
| Balance as of December 31, 2019 | $ (7) | $ — | $ (326) | $ (333) |
| Other comprehensive gain before reclassifications | 222 | 1 | 11 | 234 |
| Loss reclassified from accumulated other comprehensive loss | 37 | — | — | 37 |
| Net current-period change in accumulated other comprehensive (loss) income | 259 | 1 | 11 | 271 |
| Balance as of March 31, 2020 | $ 252 | $ 1 | $ (315) | $ (62) |

## 5. Risk Management

Certain of our business activities expose us to risks associated with unfavorable changes in the market price of natural gas, NGL and crude oil. We also have exposure to interest rate and foreign currency risk as a result of the issuance of our debt obligations. Pursuant to our management's approved risk management policy, we use derivative contracts to hedge or reduce our exposure to some of these risks.

***Energy Commodity Price Risk Management***

As of March 31, 2021, we had the following outstanding commodity forward contracts to hedge our forecasted energy commodity purchases and sales:

| | Net open position long/(short) | |
|---|---|---|
| **Derivatives designated as hedging contracts** | | |
| Crude oil fixed price | (16.6) | MMBbl |
| Crude oil basis | (8.7) | MMBbl |
| Natural gas fixed price | (35.0) | Bcf |
| Natural gas basis | (30.5) | Bcf |
| NGL fixed price | (1.2) | MMBbl |
| **Derivatives not designated as hedging contracts** | | |
| Crude oil fixed price | (1.0) | MMBbl |
| Crude oil basis | (12.6) | MMBbl |
| Natural gas fixed price | (8.2) | Bcf |
| Natural gas basis | (10.6) | Bcf |
| NGL fixed price | (1.1) | MMBbl |

As of March 31, 2021, the maximum length of time over which we have hedged, for accounting purposes, our exposure to the variability in future cash flows associated with energy commodity price risk is through December 2025.

***Interest Rate Risk Management***

We utilize interest rate derivatives to hedge our exposure to both changes in the fair value of our fixed rate debt instruments and variability in expected future cash flows attributable to variable interest rate payments. The following table summarizes our outstanding interest rate contracts as of March 31, 2021:

| | Notional amount | Accounting treatment | Maximum term |
|---|---|---|---|
| | (In millions) | | |
| **Derivatives designated as hedging instruments** | | | |
| Fixed-to-variable interest rate contracts(a) | $ 7,100 | Fair value hedge | March 2035 |
| Variable-to-fixed interest rate contracts | 250 | Cash flow hedge | January 2023 |
| **Derivatives not designated as hedging instruments** | | | |
| Variable-to-fixed interest rate contracts | 2,500 | Mark-to-Market | December 2021 |

(a) The principal amount of hedged senior notes consisted of $250 million included in “Current portion of debt” and $6,850 million included in “Long-term debt” on our accompanying consolidated balance sheet.

During the three months ended March 31, 2021, we entered into fixed-to-variable interest rate swap agreements with a combined notional principal amount of $375 million. These agreements were designated as accounting hedges and convert a portion of our fixed rate debt to variable rate through February 2028.

***Foreign Currency Risk Management***

We utilize foreign currency derivatives to hedge our exposure to variability in foreign exchange rates. The following table summarizes our outstanding foreign currency contracts as of March 31, 2021:

| | Notional amount | Accounting treatment | Maximum term |
|---|---|---|---|
| | (In millions) | | |
| **Derivatives designated as hedging instruments** | | | |
| EUR-to-USD cross currency swap contracts(a) | $ 1,358 | Cash flow hedge | March 2027 |

(a) These swaps eliminate the foreign currency risk associated with our Euro-denominated debt.

The following table summarizes the fair values of our derivative contracts included in our accompanying consolidated balance sheets:

**Fair Value of Derivative Contracts**

| | | Derivatives Asset | | Derivatives Liability | |
|---|---|---|---|---|---|
| | | March 31, 2021 | December 31, 2020 | March 31, 2021 | December 31, 2020 |
| | Location | Fair value | | Fair value | |
| | | (In millions) | | | |
| **Derivatives designated as hedging instruments** | | | | | |
| Energy commodity derivative contracts | Fair value of derivative contracts/(Other current liabilities) | $ 13 | $ 42 | $ (92) | $ (33) |
| | Deferred charges and other assets/(Other long-term liabilities and deferred credits) | 6 | 33 | (29) | (8) |
| Subtotal | | 19 | 75 | (121) | (41) |
| Interest rate contracts | Fair value of derivative contracts/(Other current liabilities) | 126 | 119 | (3) | (3) |
| | Deferred charges and other assets/(Other long-term liabilities and deferred credits) | 364 | 575 | (19) | (7) |
| Subtotal | | 490 | 694 | (22) | (10) |
| Foreign currency contracts | Fair value of derivative contracts/(Other current liabilities) | 56 | — | (12) | (6) |
| | Deferred charges and other assets/(Other long-term liabilities and deferred credits) | 43 | 138 | — | — |
| Subtotal | | 99 | 138 | (12) | (6) |
| Total | | 608 | 907 | (155) | (57) |
| **Derivatives not designated as hedging instruments** | | | | | |
| Energy commodity derivative contracts | Fair value of derivative contracts/(Other current liabilities) | 23 | 24 | (33) | (21) |
| | Deferred charges and other assets/(Other long-term liabilities and deferred credits) | — | — | (1) | — |
| Total | | 23 | 24 | (34) | (21) |
| Total derivatives | | $ 631 | $ 931 | $ (189) | $ (78) |

The following two tables summarize the fair value measurements of our derivative contracts based on the three levels established by the ASC. The tables also identify the impact of derivative contracts which we have elected to present on our accompanying consolidated balance sheets on a gross basis that are eligible for netting under master netting agreements.

| | Balance sheet asset fair value measurements by level | | | | | | |
|---|---|---|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Gross amount | Contracts available for netting | Cash collateral held(b) | Net amount |
| | (In millions) | | | | | | |
| **As of March 31, 2021** | | | | | | | |
| Energy commodity derivative contracts(a) | $ 10 | $ 32 | $ — | $ 42 | $ (37) | $ — | $ 5 |
| Interest rate contracts | — | 490 | — | 490 | (9) | — | 481 |
| Foreign currency contracts | — | 99 | — | 99 | (12) | — | 87 |
| **As of December 31, 2020** | | | | | | | |
| Energy commodity derivative contracts(a) | $ 6 | $ 93 | $ — | $ 99 | $ (35) | $ — | $ 64 |
| Interest rate contracts | — | 694 | — | 694 | (2) | — | 692 |
| Foreign currency contracts | — | 138 | — | 138 | (6) | — | 132 |

| | Balance sheet liability fair value measurements by level | | | | | | |
|---|---|---|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Gross amount | Contracts available for netting | Cash collateral posted(b) | Net amount |
| | (In millions) | | | | | | |
| **As of March 31, 2021** | | | | | | | |
| Energy commodity derivative contracts(a) | $ (12) | $ (143) | $ — | $ (155) | $ 37 | $ 6 | $ (112) |
| Interest rate contracts | — | (22) | — | (22) | 9 | — | (13) |
| Foreign currency contracts | — | (12) | — | (12) | 12 | — | — |
| **As of December 31, 2020** | | | | | | | |
| Energy commodity derivative contracts(a) | $ (7) | $ (56) | $ — | $ (63) | $ 35 | $ (8) | $ (36) |
| Interest rate contracts | — | (10) | — | (10) | 2 | — | (8) |
| Foreign currency contracts | — | (6) | — | (6) | 6 | — | — |

(a) Level 1 consists primarily of NYMEX natural gas futures. Level 2 consists primarily of OTC WTI swaps, NGL swaps and crude oil basis swaps.

(b) Any cash collateral paid or received is reflected in this table, but only to the extent that it represents variation margins. Any amount associated with derivative prepayments or initial margins that are not influenced by the derivative asset or liability amounts or those that are determined solely on their volumetric notional amounts are excluded from this table.

The following tables summarize the pre-tax impact of our derivative contracts in our accompanying consolidated statements of operations and comprehensive income (loss):

| Derivatives in fair value hedging relationships | Location | Gain/(loss) recognized in income on derivative and related hedged item | |
|---|---|---|---|
| | | Three Months Ended March 31, | |
| | | 2021 | 2020 |
| | | (In millions) | |
| Interest rate contracts | Interest, net | $ (217) | $ 433 |
| Hedged fixed rate debt(a) | Interest, net | $ 219 | $ (440) |

(a) As of March 31, 2021, the cumulative amount of fair value hedging adjustments to our hedged fixed rate debt was an increase of $484 million included in “Debt fair value adjustments” on our accompanying consolidated balance sheet.

| Derivatives in cash flow hedging relationships | Gain/(loss) recognized in OCI on derivative(a) | | Location | Gain/(loss) reclassified from Accumulated OCI into income(b) | |
|---|---|---|---|---|---|
| | Three Months Ended March 31, | | | Three Months Ended March 31, | |
| | 2021 | 2020 | | 2021 | 2020 |
| | (In millions) | | | (In millions) | |
| Energy commodity derivative contracts | $ (158) | $ 379 | Revenues—Commodity sales | $ (20) | $ (8) |
| | | | Costs of sales | 4 | (17) |
| Interest rate contracts | 1 | (8) | Earnings from equity investments(c) | — | — |
| Foreign currency contracts | (46) | (82) | Other, net | (61) | (23) |
| Total | $ (203) | $ 289 | Total | $ (77) | $ (48) |

(a) We expect to reclassify approximately $35 million of loss associated with cash flow hedge price risk management activities included in our accumulated other comprehensive loss balance as of March 31, 2021 into earnings during the next twelve months (when the associated forecasted transactions are also expected to impact earnings); however, actual amounts reclassified into earnings could vary materially as a result of changes in market prices.

(b) During the three months ended March 31, 2021 and 2020, we recognized gains of $6 million and $12 million, respectively, associated with a write-down of hedged inventory. All other amounts reclassified were the result of the hedged forecasted transactions actually affecting earnings (i.e., when the forecasted sales and purchases actually occurred).

(c) Amounts represent our share of an equity investee's accumulated other comprehensive income (loss).

| Derivatives not designated as accounting hedges | Location | Gain/(loss) recognized in income on derivatives | |
|---|---|---|---|
| | | Three Months Ended March 31, | |
| | | 2021 | 2020 |
| | | (In millions) | |
| Energy commodity derivative contracts | Revenues—Commodity sales | $ (631) | $ 117 |
| | Costs of sales | 163 | 4 |
| Total(a) | | $ (468) | $ 121 |

(a) The three months ended March 31, 2021 and 2020 amounts include approximate losses of $448 million and gains of $74 million, respectively, associated with natural gas, crude and NGL derivative contract settlements.

***Credit Risks***

In conjunction with certain derivative contracts, we are required to provide collateral to our counterparties, which may include posting letters of credit or placing cash in margin accounts. As of March 31, 2021 and December 31, 2020, we had no outstanding letters of credit supporting our commodity price risk management program. As of March 31, 2021, we had cash margins of $30 million posted by us with our counterparties as collateral and reported within "Restricted deposits" on our accompanying consolidated balance sheet. As of December 31, 2020, we had cash margins of $3 million posted by our counterparties with us as collateral and reported within "Other current liabilities" on our accompanying consolidated balance sheet. The balance at March 31, 2021 represents the net of our initial margin requirements of $24 million and counterparty variation margin requirements of $6 million. We also use industry standard commercial agreements that allow for the netting of exposures associated with transactions executed under a single commercial agreement. Additionally, we generally utilize master netting agreements to offset credit exposure across multiple commercial agreements with a single counterparty.

We also have agreements with certain counterparties to our derivative contracts that contain provisions requiring the posting of additional collateral upon a decrease in our credit rating. As of March 31, 2021, based on our current mark-to-market positions and posted collateral, we estimate that if our credit rating were downgraded one notch, we would not be required to post additional collateral. If we were downgraded two notches, we estimate that we would be required to post $67 million of additional collateral.

## 6. Revenue Recognition

***Disaggregation of Revenues***

The following tables present our revenues disaggregated by revenue source and type of revenue for each revenue source:

| | Three Months Ended March 31, 2021 | | | | | |
|---|---|---|---|---|---|---|
| | Natural Gas Pipelines | Products Pipelines | Terminals | $CO_2$ | Corporate and Eliminations | Total |
| | (In millions) | | | | | |
| Revenues from contracts with customers(a) | | | | | | |
| Services | | | | | | |
| Firm services(b) | $ 866 | $ 59 | $ 191 | $ — | $ — | $ 1,116 |
| Fee-based services | 178 | 221 | 81 | 15 | — | 495 |
| Total services | 1,044 | 280 | 272 | 15 | — | 1,611 |
| Commodity sales | | | | | | |
| Natural gas sales | 3,319 | — | — | 1 | (5) | 3,315 |
| Product sales | 220 | 125 | 5 | 229 | (10) | 569 |
| Total commodity sales | 3,539 | 125 | 5 | 230 | (15) | 3,884 |
| Total revenues from contracts with customers | 4,583 | 405 | 277 | 245 | (15) | 5,495 |
| Other revenues(c) | | | | | | |
| Leasing services(d) | 119 | 43 | 143 | 12 | (1) | 316 |
| Derivatives adjustments on commodity sales | (618) | — | — | (33) | — | (651) |
| Other | 41 | 5 | — | 5 | — | 51 |
| Total other revenues | (458) | 48 | 143 | (16) | (1) | (284) |
| Total revenues | $ 4,125 | $ 453 | $ 420 | $ 229 | $ (16) | $ 5,211 |

| | Three Months Ended March 31, 2020 | | | | | |
|---|---|---|---|---|---|---|
| | Natural Gas Pipelines | Products Pipelines | Terminals | $CO_2$ | Corporate and Eliminations | Total |
| | (In millions) | | | | | |
| Revenues from contracts with customers(a) | | | | | | |
| Services | | | | | | |
| Firm services(b) | $ 865 | $ 79 | $ 189 | $ — | $ — | $ 1,133 |
| Fee-based services | 193 | 260 | 121 | 13 | — | 587 |
| Total services | 1,058 | 339 | 310 | 13 | — | 1,720 |
| Commodity sales | | | | | | |
| Natural gas sales | 501 | — | — | — | (2) | 499 |
| Product sales | 136 | 109 | 3 | 232 | (13) | 467 |
| Total commodity sales | 637 | 109 | 3 | 232 | (15) | 966 |
| Total revenues from contracts with customers | 1,695 | 448 | 313 | 245 | (15) | 2,686 |
| Other revenues(c) | | | | | | |
| Leasing services(d) | 113 | 42 | 129 | 10 | — | 294 |
| Derivatives adjustments on commodity sales | 52 | — | — | 52 | — | 104 |
| Other | 15 | 5 | — | 2 | — | 22 |
| Total other revenues | 180 | 47 | 129 | 64 | — | 420 |
| Total revenues | $ 1,875 | $ 495 | $ 442 | $ 309 | $ (15) | $ 3,106 |

(a) Differences between the revenue classifications presented on the consolidated statements of operations and the categories for the disaggregated revenues by type of revenue above are primarily attributable to revenues reflected in the "Other revenues" category (see note (c)).

(b) Includes non-cancellable firm service customer contracts with take-or-pay or minimum volume commitment elements, including those contracts where both the price and quantity amount are fixed. Excludes service contracts with index-based pricing, which along with revenues from other customer service contracts are reported as Fee-based services.

(c) Amounts recognized as revenue under guidance prescribed in Topics of the ASC other than in Topic 606 were primarily from leases and derivative contracts. See Note 5 for additional information related to our derivative contracts.

(d) Our revenues from leasing services are predominantly comprised of specific assets that we lease to customers under operating leases where one customer obtains substantially all of the economic benefit from the asset and has the right to direct the use of that asset. These leases primarily consist of specific tanks, treating facilities, marine vessels and gas equipment and pipelines with separate control locations. We do not lease assets that qualify as sales-type or finance leases.

***Contract Balances***

As of March 31, 2021 and December 31, 2020, our contract asset balances were $31 million and $20 million, respectively. Of the contract asset balance at December 31, 2020, $9 million was transferred to accounts receivable during the three months ended March 31, 2021. As of March 31, 2021 and December 31, 2020, our contract liability balances were $243 million and $239 million, respectively. Of the contract liability balance at December 31, 2020, $24 million was recognized as revenue during the three months ended March 31, 2021.

***Revenue Allocated to Remaining Performance Obligations***

The following table presents our estimated revenue allocated to remaining performance obligations for contracted revenue that has not yet been recognized, representing our "contractually committed" revenue as of March 31, 2021 that we will invoice or transfer from contract liabilities and recognize in future periods:

| Year | Estimated Revenue |
|---|---|
| | (In millions) |
| Nine months ended December 31, 2021 | $ 3,276 |
| 2022 | 3,626 |
| 2023 | 2,924 |
| 2024 | 2,508 |
| 2025 | 2,124 |
| Thereafter | 13,585 |
| Total | $ 28,043 |

Our contractually committed revenue, for purposes of the tabular presentation above, is generally limited to service or commodity sale customer contracts which have fixed pricing and fixed volume terms and conditions, generally including contracts with take-or-pay or minimum volume commitment payment obligations. Our contractually committed revenue amounts generally exclude, based on the following practical expedient that we elected to apply, remaining performance obligations for contracts with index-based pricing or variable volume attributes in which such variable consideration is allocated entirely to a wholly unsatisfied performance obligation.

**7. Reportable Segments**

Financial information by segment follows:

| | Three Months Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| | (In millions) | |
| **Revenues** | | |
| Natural Gas Pipelines | | |
| Revenues from external customers | $ 4,110 | $ 1,861 |
| Intersegment revenues | 15 | 14 |
| Products Pipelines | 453 | 495 |
| Terminals | | |
| Revenues from external customers | 419 | 441 |
| Intersegment revenues | 1 | 1 |
| $CO_2$ | 229 | 309 |
| Corporate and intersegment eliminations | (16) | (15) |
| Total consolidated revenues | $ 5,211 | $ 3,106 |

| | Three Months Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| | (In millions) | |
| **Segment EBDA(a)** | | |
| Natural Gas Pipelines | $ 2,103 | $ 1,196 |
| Products Pipelines | 248 | 269 |
| Terminals | 227 | 257 |
| $CO_2$ | 286 | (755) |
| Total Segment EBDA | 2,864 | 967 |
| DD&A | (541) | (565) |
| Amortization of excess cost of equity investments | (22) | (32) |
| General and administrative and corporate charges | (148) | (165) |
| Interest, net | (377) | (436) |
| Income tax expense | (351) | (60) |
| Total consolidated net income (loss) | $ 1,425 | $ (291) |

| | March 31, 2021 | December 31, 2020 |
|---|---|---|
| | (In millions) | |
| **Assets** | | |
| Natural Gas Pipelines | $ 48,262 | $ 48,597 |
| Products Pipelines | 9,152 | 9,182 |
| Terminals | 8,560 | 8,639 |
| $CO_2$ | 2,517 | 2,478 |
| Corporate assets(b) | 2,717 | 3,077 |
| Total consolidated assets | $ 71,208 | $ 71,973 |

(a) Includes revenues, earnings from equity investments, other, net, less operating expenses, (gain) loss on divestitures and impairments, net, and other income, net.

(b) Includes cash and cash equivalents, restricted deposits, certain prepaid assets and deferred charges, including income tax related assets, risk management assets related to derivative contracts, corporate headquarters in Houston, Texas and miscellaneous corporate assets (such as information technology, telecommunications equipment and legacy activity) not allocated to our reportable segments.

## 8. Income Taxes

Income tax expense included in our accompanying consolidated statements of operations is as follows:

| | Three Months Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| | (In millions, except percentages) | |
| Income tax expense | $ 351 | $ 60 |
| Effective tax rate | 19.8 % | (26.0)% |

The effective tax rate for the three months ended March 31, 2021 is lower than the statutory federal rate of 21% primarily due to the release of the valuation allowance on our investment in NGPL Holdings upon the sale of a partial interest in NGPL Holdings, and dividend-received deductions from our investments in Citrus Corporation (Citrus), NGPL Holdings and Products (SE) Pipe Line Corporation (PPL), partially offset by state income taxes.

The effective tax rate for the three months ended March 31, 2020 is "negative" and lower than the statutory federal rate of 21% primarily due to a $600 million impairment of goodwill, which is a reduction to income but is not deductible for tax purposes. This was partially offset by the refund of alternative minimum tax sequestration credits and dividend-received deductions from our investment in Citrus and PPL. While we would normally expect a federal income tax benefit from our loss

before income taxes for the three months ended March 31, 2020, because a tax benefit is not allowed on the goodwill impairment, we incurred an income tax expense for the period.

**9. Litigation and Environmental**

We and our subsidiaries are parties to various legal, regulatory and other matters arising from the day-to-day operations of our businesses or certain predecessor operations that may result in claims against the Company. Although no assurance can be given, we believe, based on our experiences to date and taking into account established reserves and insurance, that the ultimate resolution of such items will not have a material adverse impact to our business. We believe we have meritorious defenses to the matters to which we are a party and intend to vigorously defend the Company. When we determine a loss is probable of occurring and is reasonably estimable, we accrue an undiscounted liability for such contingencies based on our best estimate using information available at that time. If the estimated loss is a range of potential outcomes and there is no better estimate within the range, we accrue the amount at the low end of the range. We disclose contingencies where an adverse outcome may be material or, in the judgment of management, we conclude the matter should otherwise be disclosed.

*SFPP FERC Proceedings*

The FERC approved the SFPP East Line Settlement in Docket No. IS21-138 ("EL Settlement") on December 31, 2020 and it became final and effective on February 2, 2021. The EL Settlement resolved certain dockets in their entirety (IS09-437 and OR16-6) and resolved the SFPP East Line related disputes in other dockets which remain ongoing (OR14-35/36 and OR19-21/33/37). The amounts SFPP agreed to pay pursuant to the EL Settlement were fully accrued on or before December 31, 2020.

The tariffs and rates charged by SFPP which were not fully resolved by the EL Settlement are subject to a number of ongoing shipper-initiated proceedings at the FERC. In general, these complaints and protests allege the rates and tariffs charged by SFPP are not just and reasonable under the Interstate Commerce Act (ICA). In some of these proceedings shippers have challenged the overall rate being charged by SFPP, and in others the shippers have challenged SFPP's index-based rate increases. The issues involved in these proceedings include, among others, whether indexed rate increases are justified, and the appropriate level of return and income tax allowance SFPP may include in its rates. If the shippers prevail on their arguments or claims, they would be entitled to seek reparations for the two-year period preceding the filing date of their complaints and/or prospective refunds in protest cases from the date of protest, and SFPP may be required to reduce its rates going forward. With respect to the ongoing shipper-initiated proceedings at the FERC that were not fully resolved by the EL Settlement, the shippers pleaded claims to at least $50 million in rate refunds and unspecified rate reductions as of the date of their complaints in 2014 and 2018. The claims pleaded by the shippers are expected to change due to the passage of time and interest. These proceedings tend to be protracted, with decisions of the FERC often appealed to the federal courts. Management believes SFPP has meritorious arguments supporting SFPP's rates and intends to vigorously defend SFPP against these complaints and protests. We do not believe the ultimate resolution of the shipper complaints and protests seeking rate reductions or refunds in the ongoing proceedings will have a material adverse impact on our business.

*Gulf LNG Facility Disputes*

On March 1, 2016, Gulf LNG Energy, LLC and Gulf LNG Pipeline, LLC (GLNG) received a Notice of Arbitration from Eni USA Gas Marketing LLC (Eni USA), one of two companies that entered into a terminal use agreement for capacity of the Gulf LNG Facility in Mississippi for an initial term that was not scheduled to expire until the year 2031. Eni USA is an indirect subsidiary of Eni S.p.A., a multi-national integrated energy company headquartered in Milan, Italy. Pursuant to its Notice of Arbitration, Eni USA sought declaratory and monetary relief based upon its assertion that (i) the terminal use agreement should be terminated because changes in the U.S. natural gas market since the execution of the agreement in December 2007 have "frustrated the essential purpose" of the agreement and (ii) activities allegedly undertaken by affiliates of Gulf LNG Holdings Group LLC "in connection with a plan to convert the LNG Facility into a liquefaction/export facility have given rise to a contractual right on the part of Eni USA to terminate" the agreement. On June 29, 2018, the arbitration panel delivered its Award, and the panel's ruling called for the termination of the agreement and Eni USA's payment of compensation to GLNG. The Award resulted in our recording a net loss in the second quarter of 2018 of our equity investment in GLNG due to a non-cash impairment of our investment in GLNG partially offset by our share of earnings recognized by GLNG. On February 1, 2019, the Delaware Court of Chancery issued a Final Order and Judgment confirming the Award, which was paid by Eni USA on February 20, 2019.

On September 28, 2018, GLNG filed a lawsuit against Eni S.p.A. in the Supreme Court of the State of New York in New York County to enforce a Guarantee Agreement entered into by Eni S.p.A. in connection with the terminal use agreement. On December 12, 2018, Eni S.p.A. filed a counterclaim seeking unspecified damages from GLNG. This lawsuit remains pending.

On June 3, 2019, Eni USA filed a second Notice of Arbitration against GLNG asserting the same breach of contract claims that had been asserted in the first arbitration and alleging that GLNG negligently misrepresented certain facts or contentions in the first arbitration. By its second Notice of Arbitration, Eni USA sought to recover as damages some or all of the payments made by Eni USA to satisfy the Final Order and Judgment of the Court of Chancery. In response to the second Notice of Arbitration, GLNG filed a complaint with the Court of Chancery together with a motion seeking to permanently enjoin the arbitration. On cross-appeals from an Order and Final Judgment of the Court of Chancery, the Delaware Supreme Court ruled in favor of GLNG on November 17, 2020 and a permanent injunction was entered prohibiting Eni USA from re-arbitrating both the breach of contract and negligent misrepresentation claims. On April 15, 2021, Eni USA filed a petition for writ of certiorari with the U.S. Supreme Court seeking review of the Delaware Supreme Court's decision. This petition remains pending.

On December 20, 2019, GLNG's remaining customer, Angola LNG Supply Services LLC (ALSS), filed a Notice of Arbitration seeking a declaration that its terminal use agreement should be deemed terminated as of March 1, 2016 on substantially the same terms and conditions as set forth in the arbitration award pertaining to Eni USA. ALSS also seeks a declaration that activities allegedly undertaken by affiliates of Gulf LNG Holdings Group LLC in connection with the pursuit of an LNG liquefaction export project have given rise to a contractual right on the part of ALSS to terminate the agreement. ALSS also seeks a monetary award directing GLNG to reimburse ALSS for all reservation charges and operating fees paid by ALSS after December 31, 2016 plus interest. A final decision in this arbitration is expected before the end of the third quarter of 2021.

GLNG intends to continue to vigorously prosecute and defend all of the foregoing proceedings.

*Continental Resources, Inc. v. Hiland Partners Holdings, LLC*

On December 8, 2017, Continental Resources, Inc. (CLR) filed an action in Garfield County, Oklahoma state court alleging that Hiland Partners Holdings, LLC (Hiland Partners) breached a Gas Purchase Agreement, dated November 12, 2010, as amended (GPA), by failing to receive and purchase all of CLR's dedicated gas under the GPA (produced in three North Dakota counties). CLR also alleged fraud, maintaining that Hiland Partners promised the construction of several additional facilities to process the gas without an intention to build the facilities. Hiland Partners denied these allegations, but the parties entered into a settlement agreement in June 2018, under which CLR agreed to release all of its claims in exchange for Hiland Partners' construction of 10 infrastructure projects by November 1, 2020. CLR has filed an amended petition in which it asserts that Hiland Partners' failure to construct certain facilities by specific dates nullifies the release contained in the settlement agreement. CLR's amended petition makes additional claims under both the GPA and a May 8, 2008 gas purchase contract covering additional North Dakota counties, including CLR's contention that Hiland Partners is not allowed to deduct third-party processing fees from the gas purchase price. CLR seeks damages in excess of $225 million. Hiland Partners denies and will vigorously defend against these claims.

*Pipeline Integrity and Releases*

From time to time, despite our best efforts, our pipelines experience leaks and ruptures. These leaks and ruptures may cause explosions, fire, and damage to the environment, damage to property and/or personal injury or death. In connection with these incidents, we may be sued for damages caused by an alleged failure to properly mark the locations of our pipelines and/or to properly maintain our pipelines. Depending upon the facts and circumstances of a particular incident, state and federal regulatory authorities may seek civil and/or criminal fines and penalties.

***General***

As of March 31, 2021 and December 31, 2020, our total reserve for legal matters was $130 million and $273 million, respectively.

***Environmental Matters***

We and our subsidiaries are subject to environmental cleanup and enforcement actions from time to time. In particular, CERCLA generally imposes joint and several liability for cleanup and enforcement costs on current and predecessor owners and operators of a site, among others, without regard to fault or the legality of the original conduct, subject to the right of a liable party to establish a "reasonable basis" for apportionment of costs. Our operations are also subject to local, state and federal laws and regulations relating to protection of the environment. Although we believe our operations are in substantial compliance with applicable environmental laws and regulations, risks of additional costs and liabilities are inherent in pipeline, terminal and $CO_2$ field and oil field operations, and there can be no assurance that we will not incur significant costs and

liabilities. Moreover, it is possible that other developments could result in substantial costs and liabilities to us, such as increasingly stringent environmental laws, regulations and enforcement policies under the terms of authority of those laws, and claims for damages to property or persons resulting from our operations.

We are currently involved in several governmental proceedings involving alleged violations of local, state and federal environmental and safety regulations. As we receive notices of non-compliance, we attempt to negotiate and settle such matters where appropriate. These alleged violations may result in fines and penalties, but we do not believe any such fines and penalties will be material to our business, individually or in the aggregate. We are also currently involved in several governmental proceedings involving groundwater and soil remediation efforts under state or federal administrative orders or related remediation programs. We have established a reserve to address the costs associated with the remediation efforts.

In addition, we are involved with and have been identified as a potentially responsible party (PRP) in several federal and state Superfund sites. Environmental reserves have been established for those sites where our contribution is probable and reasonably estimable. In addition, we are from time to time involved in civil proceedings relating to damages alleged to have occurred as a result of accidental leaks or spills of refined petroleum products, NGL, natural gas or $CO_2$.

*Portland Harbor Superfund Site, Willamette River, Portland, Oregon*

On January 6, 2017, the EPA issued a Record of Decision (ROD) that established a final remedy and cleanup plan for an industrialized area on the lower reach of the Willamette River commonly referred to as the Portland Harbor Superfund Site (PHSS). The cost for the final remedy is estimated by the EPA to be more than $3 billion and active cleanup is expected to take more than 10 years to complete. KMLT, KMBT, and some 90 other PRPs identified by the EPA are involved in a non-judicial allocation process to determine each party's respective share of the cleanup costs related to the final remedy set forth by the ROD. We are participating in the allocation process on behalf of KMLT (in connection with its ownership or operation of two facilities) and KMBT (in connection with its ownership or operation of two facilities). Effective January 31, 2020, KMLT entered into separate Administrative Settlement Agreements and Orders on Consent (ASAOC) to complete remedial design for two distinct areas within the PHSS associated with KMLT's facilities. The ASAOC obligates KMLT to pay a share of the remedial design costs for cleanup activities related to these two areas as required by the ROD. Our share of responsibility for the PHSS costs will not be determined until the ongoing non-judicial allocation process is concluded or a lawsuit is filed that results in a judicial decision allocating responsibility. At this time we anticipate the non-judicial allocation process will be complete in or around June 2023. Until the allocation process is completed, we are unable to reasonably estimate the extent of our liability for the costs related to the design of the proposed remedy and cleanup of the PHSS. Because costs associated with any remedial plan are expected to be spread over at least several years, we do not anticipate that our share of the costs of the remediation will have a material adverse impact to our business.

In addition to CERCLA cleanup costs, we are reviewing and will attempt to settle, if possible, natural resource damage (NRD) claims asserted by state and federal trustees following their natural resource assessment of the PHSS. At this time, we are unable to reasonably estimate the extent of our potential NRD liability.

*Uranium Mines in Vicinity of Cameron, Arizona*

In the 1950s and 1960s, Rare Metals Inc., a historical subsidiary of EPNG, mined approximately 20 uranium mines in the vicinity of Cameron, Arizona, many of which are located on the Navajo Indian Reservation. The mining activities were in response to numerous incentives provided to industry by the U.S. to locate and produce domestic sources of uranium to support the Cold War-era nuclear weapons program. In May 2012, EPNG received a general notice letter from the EPA notifying EPNG of the EPA's investigation of certain sites and its determination that the EPA considers EPNG to be a PRP within the meaning of CERCLA. In August 2013, EPNG and the EPA entered into an Administrative Order on Consent and Scope of Work pursuant to which EPNG is conducting environmental assessments of the mines and the immediate vicinity. On September 3, 2014, EPNG filed a complaint in the U.S. District Court for the District of Arizona seeking cost recovery and contribution from the applicable federal government agencies toward the cost of environmental activities associated with the mines. The U.S. District Court issued an order on April 16, 2019 that allocated 35% of past and future response costs to the U.S. The decision does not provide or establish the scope of a remedial plan with respect to the sites, nor does it establish the total cost for addressing the sites, all of which remain to be determined in subsequent proceedings and adversarial actions, if necessary, with the EPA. Until such issues are determined, we are unable to reasonably estimate the extent of our potential liability. Because costs associated with any remedial plan approved by the EPA are expected to be spread over at least several years, we do not anticipate that our share of the costs of the remediation will have a material adverse impact to our business.

*Lower Passaic River Study Area of the Diamond Alkali Superfund Site, New Jersey*

EPEC Polymers, Inc. (EPEC Polymers) and EPEC Oil Company Liquidating Trust (EPEC Oil Trust), former El Paso Corporation entities now owned by KMI, are involved in an administrative action under CERCLA known as the Lower Passaic River Study Area (Site) concerning the lower 17-mile stretch of the Passaic River. It has been alleged that EPEC Polymers and EPEC Oil Trust may be PRPs under CERCLA based on prior ownership and/or operation of properties located along the relevant section of the Passaic River. EPEC Polymers and EPEC Oil Trust entered into two Administrative Orders on Consent (AOCs) with the EPA which obligate them to investigate and characterize contamination at the Site. They are also part of a joint defense group of approximately 44 cooperating parties, referred to as the Cooperating Parties Group (CPG), which is directing and funding the AOC work required by the EPA. Under the first AOC, the CPG submitted draft remedial investigation and feasibility studies (RI/FS) of the Site to the EPA in 2015, and EPA approval remains pending. Under the second AOC, the CPG conducted a CERCLA removal action at the Passaic River Mile 10.9, and is obligated to conduct EPA-directed post-remedy monitoring in the removal area. We have established a reserve for the anticipated cost of compliance with these two AOCs.

On March 4, 2016, the EPA issued its Record of Decision (ROD) for the lower eight miles of the Site. At that time the final cleanup plan in the ROD was estimated by the EPA to cost $1.7 billion. On October 5, 2016, the EPA entered into an AOC with Occidental Chemical Company (OCC), a member of the PRP group requiring OCC to spend an estimated $165 million to perform engineering and design work necessary to begin the cleanup of the lower eight miles of the Site. The design work is underway. Initial expectations were that the design work would take four years to complete. The cleanup is expected to take at least six years to complete once it begins.

In addition, the EPA and numerous PRPs, including EPEC Polymers, are engaged in an allocation process for the implementation of the remedy for the lower eight miles of the Site. That process was completed December 28, 2020. We anticipate the PRPs, including EPEC Polymers, will engage in further discussions with the EPA during 2021. There remains significant uncertainty as to the implementation and associated costs of the remedy set forth in the ROD. There is also uncertainty as to the impact of the EPA FS directive for the upper nine miles of the Site not subject to the lower eight mile ROD. In a letter dated October 10, 2018, the EPA directed the CPG to prepare a streamlined FS for the Site that evaluates interim remedy alternatives for sediments in the upper nine miles of the Site. Until the PRPs engage in discussions with the EPA, the FS is completed, and the RI/FS is finalized, we are unable to reasonably estimate the extent of our potential liability. Because costs associated with any remedial plan are expected to be spread over at least several years, we do not anticipate that our share of the costs of the remediation will have a material adverse impact to our business.

*Louisiana Governmental Coastal Zone Erosion Litigation*

Beginning in 2013, several parishes in Louisiana and the City of New Orleans filed separate lawsuits in state district courts in Louisiana against a number of oil and gas companies, including TGP and SNG. In these cases, the parishes and New Orleans, as Plaintiffs, allege that certain of the defendants' oil and gas exploration, production and transportation operations were conducted in violation of the State and Local Coastal Resources Management Act of 1978, as amended (SLCRMA) and that those operations caused substantial damage to the coastal waters of Louisiana and nearby lands. The Plaintiffs seek, among other relief, unspecified money damages, attorneys' fees, interest, and payment of costs necessary to restore the affected areas. There are more than 40 of these cases pending in Louisiana against oil and gas companies, one of which is against TGP and one of which is against SNG, both described further below.

On November 8, 2013, the Parish of Plaquemines, Louisiana filed a petition for damages in the state district court for Plaquemines Parish, Louisiana against TGP and 17 other energy companies, alleging that the defendants' operations in Plaquemines Parish violated SLCRMA and Louisiana law, and caused substantial damage to the coastal waters and nearby lands. Plaquemines Parish seeks, among other relief, unspecified money damages, attorney fees, interest, and payment of costs necessary to restore the allegedly affected areas. In May 2018, the case was removed to the U.S. District Court for the Eastern District of Louisiana. In May 2019, the case was remanded to the state district court for Plaquemines Parish. At the same time, the U.S. District Court certified a federal jurisdiction issue for review by the U.S. Fifth Circuit Court of Appeals. On August 10, 2020, the Fifth Circuit affirmed remand. The defendants filed a motion for rehearing which is pending. The case remains effectively stayed pending a final ruling by the Court of Appeals. Until these and other issues are determined, we are not able to reasonably estimate the extent of our potential liability, if any. We will continue to vigorously defend this case.

On March 29, 2019, the City of New Orleans and Orleans Parish (collectively, Orleans) filed a petition for damages in the state district court for Orleans Parish, Louisiana against SNG and 10 other energy companies alleging that the defendants'

operations in Orleans Parish violated the SLCRMA and Louisiana law, and caused substantial damage to the coastal waters and nearby lands. Orleans seeks, among other relief, unspecified money damages, attorney fees, interest, and payment of costs necessary to restore the allegedly affected areas. In April 2019, the case was removed to the U.S. District Court for the Eastern District of Louisiana. In May 2019, Orleans moved to remand the case to the state district court. In January 2020, the U.S. District Court ordered the case to be stayed and administratively closed pending the resolution of issues in a separate case to which SNG is not a party; *Parish of Cameron vs. Auster Oil & Gas, Inc.*, pending in U.S. District Court for the Western District of Louisiana; after which either party may move to re-open the case. Until these and other issues are determined, we are not able to reasonably estimate the extent of our potential liability, if any. We will continue to vigorously defend this case.

*Louisiana Landowner Coastal Erosion Litigation*

Beginning in January 2015, several private landowners in Louisiana, as Plaintiffs, filed separate lawsuits in state district courts in Louisiana against a number of oil and gas pipeline companies, including three cases against TGP, two cases against SNG, and one case against both TGP and SNG. In these cases, the Plaintiffs allege that the defendants failed to properly maintain pipeline canals and canal banks on their property, which caused the canals to erode and widen and resulted in substantial land loss, including significant damage to the ecology and hydrology of the affected property, and damage to timber and wildlife. The Plaintiffs allege the defendants' conduct constitutes a breach of the subject right of way agreements, is inconsistent with prudent operating practices, violates Louisiana law, and that defendants' failure to maintain canals and canal banks constitutes negligence and trespass. The plaintiffs seek, among other relief, unspecified money damages, attorney fees, interest, and payment of costs necessary to return the canals and canal banks to their as-built conditions and restore and remediate the affected property. The Plaintiffs also seek a declaration that the defendants are obligated to take steps to maintain canals and canal banks going forward. We will continue to vigorously defend the remaining cases.

*General*

Although it is not possible to predict the ultimate outcomes, we believe that the resolution of the environmental matters set forth in this note, and other matters to which we and our subsidiaries are a party, will not have a material adverse effect on our business. As of March 31, 2021 and December 31, 2020, we have accrued a total reserve for environmental liabilities in the amount of $256 million and $250 million, respectively. In addition, as of both March 31, 2021 and December 31, 2020, we had a receivable of $12 million recorded for expected cost recoveries that have been deemed probable.

**10. Recent Accounting Pronouncements**

***Reference Rate Reform (Topic 848)***

On March 12, 2020, the FASB issued Accounting Standards Update (ASU) No. 2020-04, "*Reference Rate Reform - Facilitation of the Effects of Reference Rate Reform on Financial Reporting.*" This ASU provides temporary optional expedients and exceptions to GAAP guidance on contract modifications and hedge accounting to ease the financial reporting burdens of the expected market transition from LIBOR and other interbank offered rates to alternative reference rates, such as the Secured Overnight Financing Rate. Entities can elect not to apply certain modification accounting requirements to contracts affected by reference rate reform, if certain criteria are met. An entity that makes this election would not have to remeasure the contracts at the modification date or reassess a previous accounting determination. Entities can also elect various optional expedients that would allow them to continue applying hedge accounting for hedging relationships affected by reference rate reform, if certain criteria are met.

On January 7, 2021, the FASB issued ASU No. 2021-01, "*Reference Rate Reform (Topic 848): Scope.*" This ASU clarifies that all derivative instruments affected by changes to the interest rates used for discounting, margining or contract price alignment (the "Discounting Transition") are in the scope of ASC 848 and therefore qualify for the available temporary optional expedients and exceptions. As such, entities that employ derivatives that are the designated hedged item in a hedge relationship where perfect effectiveness is assumed can continue to apply hedge accounting without de-designating the hedging relationship to the extent such derivatives are impacted by the Discounting Transition.

The guidance is effective upon issuance and generally can be applied through December 31, 2022. We are currently reviewing the effect of Topic 848 to our financial statements.

***ASU No. 2020-06***

On August 5, 2020, the FASB issued ASU No. 2020-06, "*Debt - Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging - Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity*." This ASU (i) simplifies an issuer's accounting for convertible instruments by eliminating two of the three models in ASC 470-20 that require separate accounting for embedded conversion features; (ii) amends diluted EPS calculations for convertible instruments by requiring the use of the if-converted method; and (iii) simplifies the settlement assessment entities are required to perform on contracts that can potentially settle in an entity's own equity by removing certain requirements. ASU No. 2020-06 will be effective for us for the fiscal year beginning January 1, 2022, and earlier adoption is permitted. We are currently reviewing the effect of this ASU to our financial statements.

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

### General and Basis of Presentation

The following discussion and analysis should be read in conjunction with our accompanying interim consolidated financial statements and related notes included elsewhere in this report, and in conjunction with (i) our consolidated financial statements and related notes; (ii) our management's discussion and analysis of financial condition and results of operations included in our 2020 Form 10-K; (iii) "*Information Regarding Forward-Looking Statements*" at the beginning of this report and in our 2020 Form 10-K; and (iv) "*Risk Factors*" in our 2020 Form 10-K.

#### *Sale of an Interest in NGPL Holdings LLC*

On March 8, 2021, we and Brookfield Infrastructure Partners L.P. (Brookfield) completed the sale of a combined 25% interest in our joint venture, NGPL Holdings LLC (NGPL Holdings), to a fund controlled by ArcLight Capital Partners, LLC (ArcLight). We received net proceeds of $413 million for our proportionate share of the interests sold which included the transfer of $125 million of our $500 million related party promissory note receivable from NGPL Holdings to ArcLight with quarterly interest payments at 6.75%. We recognized a pre-tax gain of $206 million for our proportionate share, which is included within "Other, net" in our accompanying consolidated statement of operations for the three months ended March 31, 2021. Upon closing, we and Brookfield each hold a 37.5% interest in NGPL Holdings.

#### *February 2021 Winter Storm*

Our first quarter earnings reflect impacts of the February 2021 winter storm that affected Texas, which are largely nonrecurring. See "—Segment Earnings Results" below. Some of the transactions executed during the winter storm remain subject to risks, including counterparty financial risk, potential disputed purchases and sales and potential legislative or regulatory action in response to, or litigation arising out of, the unprecedented circumstances of the winter storm, which could adversely affect our future earnings, cash flows and financial condition.

#### *2021 Dividends and Discretionary Capital*

We expect to declare dividends of $1.08 per share for 2021, a 3% increase from the 2020 declared dividends of $1.05 per share. We also expect to invest $0.8 billion in expansion projects and contributions to joint ventures during 2021.

The expectations for 2021 discussed above involve risks, uncertainties and assumptions, and are not guarantees of performance. Many of the factors that will determine these expectations are beyond our ability to control or predict, and because of these uncertainties, it is advisable not to put undue reliance on any forward-looking statement. Furthermore, we plan to provide updates to these 2021 expectations when we believe previously disclosed expectations no longer have a reasonable basis.

### Results of Operations

#### *Overview*

As described in further detail below, our management evaluates our performance primarily using the GAAP financial measures of Segment EBDA (as presented in Note 7, *"Reportable Segments"*) and net income (loss) attributable to Kinder Morgan, Inc., along with the non-GAAP financial measures of Adjusted Earnings and DCF, both in the aggregate and per share for each, Adjusted Segment EBDA, Adjusted EBITDA, Net Debt and Net Debt to Adjusted EBITDA.

*GAAP Financial Measures*

The Consolidated Earnings Results for the three months ended March 31, 2021 and 2020 present Segment EBDA and net income (loss) attributable to Kinder Morgan, Inc. which are prepared and presented in accordance with GAAP. Segment EBDA is a useful measure of our operating performance because it measures the operating results of our segments before DD&A and certain expenses that are generally not controllable by our business segment operating managers, such as general and administrative expenses and corporate charges, interest expense, net, and income taxes. Our general and administrative expenses and corporate charges include such items as unallocated employee benefits, insurance, rentals, unallocated litigation and environmental expenses, and shared corporate services including accounting, information technology, human resources and legal services.

*Non-GAAP Financial Measures*

Our non-GAAP financial measures described below should not be considered alternatives to GAAP net income (loss) attributable to Kinder Morgan, Inc. or other GAAP measures and have important limitations as analytical tools. Our computations of these non-GAAP financial measures may differ from similarly titled measures used by others. You should not consider these non-GAAP financial measures in isolation or as substitutes for an analysis of our results as reported under GAAP. Management compensates for the limitations of these non-GAAP financial measures by reviewing our comparable GAAP measures, understanding the differences between the measures and taking this information into account in its analysis and its decision making processes.

Certain Items

Certain Items, as adjustments used to calculate our non-GAAP financial measures, are items that are required by GAAP to be reflected in net income (loss) attributable to Kinder Morgan, Inc., but typically either (i) do not have a cash impact (for example, asset impairments), or (ii) by their nature are separately identifiable from our normal business operations and in our view are likely to occur only sporadically (for example, certain legal settlements, enactment of new tax legislation and casualty losses). We also include adjustments related to joint ventures (see "Amounts from Joint Ventures" below and the tables included in *"—Consolidated Earnings Results (GAAP)—Certain Items Affecting Consolidated Earnings Results," "—Non-GAAP Financial Measures—Reconciliation of Net Income (Loss) Attributable to Kinder Morgan, Inc. (GAAP) to Adjusted EBITDA" and "—Non-GAAP Financial Measures—Supplemental Information"* below). In addition, Certain Items are described in more detail in the footnotes to tables included in *"—Segment Earnings Results"* and *"—DD&A, General and Administrative and Corporate Charges, Interest, net, and Noncontrolling Interests"* below.

Adjusted Earnings

Adjusted Earnings is calculated by adjusting net income (loss) attributable to Kinder Morgan, Inc. for Certain Items. Adjusted Earnings is used by us and certain external users of our financial statements to assess the earnings of our business excluding Certain Items as another reflection of our ability to generate earnings. We believe the GAAP measure most directly comparable to Adjusted Earnings is net income (loss) attributable to Kinder Morgan, Inc. Adjusted Earnings per share uses Adjusted Earnings and applies the same two-class method used in arriving at basic earnings (loss) per share. See *"—Non-GAAP Financial Measures—Reconciliation of Net Income (Loss) Attributable to Kinder Morgan, Inc. (GAAP) to Adjusted Earnings to DCF"* below.

DCF

DCF is calculated by adjusting net income (loss) attributable to Kinder Morgan, Inc. for Certain Items (Adjusted Earnings), and further by DD&A and amortization of excess cost of equity investments, income tax expense, cash taxes, sustaining capital expenditures and other items. We also include amounts from joint ventures for income taxes, DD&A and sustaining capital expenditures (see "Amounts from Joint Ventures" below). DCF is a significant performance measure useful to management and external users of our financial statements in evaluating our performance and in measuring and estimating the ability of our assets to generate cash earnings after servicing our debt, paying cash taxes and expending sustaining capital, that could be used for discretionary purposes such as dividends, stock repurchases, retirement of debt, or expansion capital expenditures. DCF should not be used as an alternative to net cash provided by operating activities computed under GAAP. We believe the GAAP measure most directly comparable to DCF is net income (loss) attributable to Kinder Morgan, Inc. DCF per share is DCF divided by average outstanding shares, including restricted stock awards that participate in dividends. See *"—Non-GAAP Financial Measures—Reconciliation of Net Income (Loss) Attributable to Kinder Morgan, Inc. (GAAP) to Adjusted Earnings to DCF"* and *"—Adjusted Segment EBDA to Adjusted EBITDA to DCF"* below.

Adjusted Segment EBDA

Adjusted Segment EBDA is calculated by adjusting Segment EBDA for Certain Items attributable to the segment. Adjusted Segment EBDA is used by management in its analysis of segment performance and management of our business. We believe Adjusted Segment EBDA is a useful performance metric because it provides management and external users of our financial statements additional insight into the ability of our segments to generate cash earnings on an ongoing basis. We believe it is useful to investors because it is a measure that management uses to allocate resources to our segments and assess each segment's performance. We believe the GAAP measure most directly comparable to Adjusted Segment EBDA is Segment EBDA. See *"—Consolidated Earnings Results (GAAP)—Certain Items Affecting Consolidated Earnings Results"* for a reconciliation of Segment EBDA to Adjusted Segment EBDA by business segment.

Adjusted EBITDA

Adjusted EBITDA is calculated by adjusting EBITDA for Certain Items. We also include amounts from joint ventures for income taxes and DD&A (see "Amounts from Joint Ventures" below). Adjusted EBITDA is used by management and external users, in conjunction with our Net Debt (as described further below), to evaluate certain leverage metrics. Therefore, we believe Adjusted EBITDA is useful to investors. We believe the GAAP measure most directly comparable to Adjusted EBITDA is net income (loss) attributable to Kinder Morgan, Inc. In prior periods Net income (loss) was considered the comparable GAAP measure and has been updated to Net income (loss) attributable to Kinder Morgan, Inc. for consistency with our other non-GAAP performance measures. See *"—Adjusted Segment EBDA to Adjusted EBITDA to DCF"* and *"—Non-GAAP Financial Measures—Reconciliation of Net Income (Loss) Attributable to Kinder Morgan, Inc. (GAAP) to Adjusted EBITDA"* below.

Amounts from Joint Ventures

Certain Items, DCF and Adjusted EBITDA reflect amounts from unconsolidated joint ventures and consolidated joint ventures utilizing the same recognition and measurement methods used to record "Earnings from equity investments" and "Noncontrolling interests," respectively. The calculations of DCF and Adjusted EBITDA related to our unconsolidated and consolidated joint ventures include the same items (DD&A and income tax expense, and for DCF only, also cash taxes and sustaining capital expenditures) with respect to the joint ventures as those included in the calculations of DCF and Adjusted EBITDA for our wholly-owned consolidated subsidiaries. (See *"—Non-GAAP Financial Measures—Supplemental Information"* below.) Although these amounts related to our unconsolidated joint ventures are included in the calculations of DCF and Adjusted EBITDA, such inclusion should not be understood to imply that we have control over the operations and resulting revenues, expenses or cash flows of such unconsolidated joint ventures.

Net Debt

Net Debt is calculated, based on amounts as of March 31, 2021, by subtracting the following amounts from our debt balance of $33,234 million: (i) cash and cash equivalents of $1,377 million; (ii) debt fair value adjustments of $1,054 million; and (iii) the foreign exchange impact on Euro-denominated bonds of $109 million for which we have entered into currency swaps. Net Debt is a non-GAAP financial measure that is useful to investors and other users of our financial information in evaluating our leverage. We believe the most comparable measure to Net Debt is debt net of cash and cash equivalents.

***Consolidated Earnings Results (GAAP)***

The following tables summarize the key components of our consolidated earnings results.

| | Three Months Ended March 31, | | | |
|---|---|---|---|---|
| | 2021 | 2020 | Earnings increase/(decrease) | |
| | (In millions, except percentages) | | | |
| Segment EBDA(a) | | | | |
| Natural Gas Pipelines | $ 2,103 | $ 1,196 | $ 907 | 76 % |
| Products Pipelines | 248 | 269 | (21) | (8)% |
| Terminals | 227 | 257 | (30) | (12)% |
| $CO_2$ | 286 | (755) | 1,041 | 138 % |
| Total Segment EBDA | 2,864 | 967 | 1,897 | 196 % |
| DD&A | (541) | (565) | 24 | 4 % |
| Amortization of excess cost of equity investments | (22) | (32) | 10 | 31 % |
| General and administrative and corporate charges | (148) | (165) | 17 | 10 % |
| Interest, net | (377) | (436) | 59 | 14 % |
| Income (loss) before income taxes | 1,776 | (231) | 2,007 | 869 % |
| Income tax expense | (351) | (60) | (291) | (485)% |
| Net income (loss) | 1,425 | (291) | 1,716 | 590 % |
| Net income attributable to noncontrolling interests | (16) | (15) | (1) | (7)% |
| Net income (loss) attributable to Kinder Morgan, Inc. | $ 1,409 | $ (306) | $ 1,715 | 560 % |

(a) Includes revenues, earnings from equity investments, and other, net, less operating expenses, (gain) loss on divestitures and impairments, net, and other income, net. Operating expenses include costs of sales, operations and maintenance expenses, and taxes, other than income taxes.

Net income (loss) attributable to Kinder Morgan, Inc. increased $1,715 million in 2021 compared to 2020. The increase in results were impacted by higher earnings from our Natural Gas Pipelines and $CO_2$ business segments primarily related to the February 2021 winter storm and therefore largely nonrecurring, a combined $950 million of non-cash impairments of goodwill associated with our $CO_2$ reporting unit and of certain oil and gas producing assets in our $CO_2$ business segment recognized in 2020, lower interest expense and DD&A expense, partially offset by lower earnings from our Terminals and Products Pipelines business segments.

*Certain Items Affecting Consolidated Earnings Results*

| | Three Months Ended March 31, | | | | | | |
|---|---|---|---|---|---|---|---|
| | 2021 | | | 2020 | | | |
| | GAAP | Certain Items | Adjusted | GAAP | Certain Items | Adjusted | Adjusted amounts increase/ (decrease) to earnings |
| | (In millions) | | | | | | |
| Segment EBDA | | | | | | | |
| Natural Gas Pipelines | $ 2,103 | $ (9) | $ 2,094 | $ 1,196 | $ (17) | $ 1,179 | $ 915 |
| Products Pipelines | 248 | 15 | 263 | 269 | 4 | 273 | (10) |
| Terminals | 227 | — | 227 | 257 | — | 257 | (30) |
| $CO_2$ | 286 | 5 | 291 | (755) | 930 | 175 | 116 |
| Total Segment EBDA(a) | 2,864 | 11 | 2,875 | 967 | 917 | 1,884 | 991 |
| DD&A and amortization of excess cost of equity investments | (563) | — | (563) | (597) | — | (597) | 34 |
| General and administrative and corporate charges(a) | (148) | — | (148) | (165) | 25 | (140) | (8) |
| Interest, net(a) | (377) | (6) | (383) | (436) | 1 | (435) | 52 |
| Income (loss) before income taxes | 1,776 | 5 | 1,781 | (231) | 943 | 712 | 1,069 |
| Income tax expense(b) | (351) | (40) | (391) | (60) | (96) | (156) | (235) |
| Net income (loss) | 1,425 | (35) | 1,390 | (291) | 847 | 556 | 834 |
| Net income attributable to noncontrolling interests(a) | (16) | — | (16) | (15) | — | (15) | (1) |
| Net income (loss) attributable to Kinder Morgan, Inc. | $ 1,409 | $ (35) | $ 1,374 | $ (306) | $ 847 | $ 541 | $ 833 |

(a) For a more detailed discussion of Certain Items, see the footnotes to the tables within *"—Segment Earnings Results"* and *"—DD&A, General and Administrative and Corporate Charges, Interest, net and Noncontrolling Interests"* below.

(b) The combined net effect of the Certain Items represents the income tax provision on Certain Items plus discrete income tax items.

Net income (loss) attributable to Kinder Morgan, Inc. adjusted for Certain Items (Adjusted Earnings) increased by $833 million in 2021 compared to 2020. The increase in Adjusted Segment EBDA was impacted by higher earnings from our Natural Gas Pipelines and $CO_2$ business segments primarily related to the February 2021 winter storm, and therefore largely nonrecurring, and lower interest expense and DD&A expense partially offset by lower earnings from our Terminals and Products Pipelines business segments.

***Non-GAAP Financial Measures***

*Reconciliation of Net Income (Loss) Attributable to Kinder Morgan, Inc. (GAAP) to Adjusted Earnings to DCF*

| | Three Months Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| | (In millions) | |
| Net income (loss) attributable to Kinder Morgan, Inc. (GAAP) | $ 1,409 | $ (306) |
| Total Certain Items | (35) | 847 |
| Adjusted Earnings(a) | 1,374 | 541 |
| DD&A and amortization of excess cost of equity investments for DCF(b) | 638 | 691 |
| Income tax expense for DCF(a)(b) | 419 | 181 |
| Cash taxes(b) | 1 | (3) |
| Sustaining capital expenditures(b) | (107) | (141) |
| Other items(c) | 4 | (8) |
| DCF | $ 2,329 | $ 1,261 |

*Adjusted Segment EBDA to Adjusted EBITDA to DCF*

| | Three Months Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| | (In millions, except per share amounts) | |
| Natural Gas Pipelines | $ 2,094 | $ 1,179 |
| Products Pipelines | 263 | 273 |
| Terminals | 227 | 257 |
| $CO_2$ | 291 | 175 |
| Adjusted Segment EBDA(a) | 2,875 | 1,884 |
| General and administrative and corporate charges(a) | (148) | (140) |
| Joint venture DD&A and income tax expense(a)(b) | 103 | 119 |
| Net income attributable to noncontrolling interests(a) | (16) | (15) |
| Adjusted EBITDA | 2,814 | 1,848 |
| Interest, net(a) | (383) | (435) |
| Cash taxes(b) | 1 | (3) |
| Sustaining capital expenditures(b) | (107) | (141) |
| Other items(c) | 4 | (8) |
| DCF | $ 2,329 | $ 1,261 |
| | | |
| Adjusted Earnings per share | $ 0.60 | $ 0.24 |
| Weighted average shares outstanding for dividends(d) | 2,277 | 2,277 |
| DCF per share | $ 1.02 | $ 0.55 |
| Declared dividends per share | $ 0.27 | $ 0.2625 |

(a) Amounts are adjusted for Certain Items. See tables included in *"—Reconciliation of Net Income (Loss) Attributable to Kinder Morgan, Inc. (GAAP) to Adjusted EBITDA"* and *"—Supplemental Information"* below.

(b) Includes or represents DD&A, income tax expense, cash taxes and/or sustaining capital expenditures (as applicable for each item) from joint ventures. See tables included in *"—Supplemental Information"* below.

(c) Includes non-cash compensation associated with our restricted stock program, non-cash pension expense and pension contributions.

(d) Includes restricted stock awards that participate in share dividends.

*Reconciliation of Net Income (Loss) Attributable to Kinder Morgan, Inc. (GAAP) to Adjusted EBITDA*

| | Three Months Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| | (In millions) | |
| Net income (loss) attributable to Kinder Morgan, Inc. (GAAP)(a) | $ 1,409 | $ (306) |
| Certain Items: | | |
| Fair value amortization | (4) | (8) |
| Legal, environmental and taxes other than income tax reserves | 84 | (8) |
| Change in fair value of derivative contracts(b) | 14 | (36) |
| (Gain) loss on divestitures, impairments and other write-downs, net(c) | (89) | 371 |
| Loss on impairment of goodwill(d) | — | 600 |
| Income tax Certain Items | (40) | (96) |
| Other | — | 24 |
| Total Certain Items(e) | (35) | 847 |
| DD&A and amortization of excess cost of equity investments | 563 | 597 |
| Income tax expense(f) | 391 | 156 |
| Joint venture DD&A and income tax expense(f)(g) | 103 | 119 |
| Interest, net(f) | 383 | 435 |
| Adjusted EBITDA | $ 2,814 | $ 1,848 |

(a) In prior periods, Net income (loss) was considered the comparable GAAP measure and has been updated to Net income (loss) attributable to Kinder Morgan, Inc. for consistency with our other non-GAAP performance measures.

(b) Gains or losses are reflected in our DCF when realized.

(c) 2021 amount includes a pre-tax gain of $206 million associated with the sale of a partial interest in our equity investment in NGPL Holdings, offset partially by a write-down of $117 million on a long-term subordinated note receivable from an equity investee, Ruby. 2020 amount includes a pre-tax non-cash impairment loss of $350 million related to oil and gas producing assets in our $CO_2$ business segment driven by low oil prices and $21 million for asset impairments in our Products Pipelines business segment, which are reported within "(Gain) loss on divestitures and impairments, net" on the accompanying consolidated statement of operations.

(d) 2020 amount represents a non-cash impairment of goodwill associated with our $CO_2$ reporting unit.

(e) 2021 amount includes $117 million and 2020 amount includes less than $1 million reported within "Earnings from equity investments" on our consolidated statements of operations.

(f) Amounts are adjusted for Certain Items. See tables included in *"—Supplemental Information"* and *"—DD&A, General and Administrative and Corporate Charges, Interest, net, and Noncontrolling Interests"* below.

(g) Represents joint venture DD&A and income tax expense. See tables included in *"—Supplemental Information"* below.

*Supplemental Information*

| | Three Months Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| | (In millions) | |
| DD&A (GAAP) | $ 541 | $ 565 |
| Amortization of excess cost of equity investments (GAAP) | 22 | 32 |
| DD&A and amortization of excess cost of equity investments | 563 | 597 |
| Joint venture DD&A | 75 | 94 |
| DD&A and amortization of excess cost of equity investments for DCF | $ 638 | $ 691 |
| | | |
| Income tax expense (GAAP) | $ 351 | $ 60 |
| Certain Items | 40 | 96 |
| Income tax expense(a) | 391 | 156 |
| Unconsolidated joint venture income tax expense(a)(b) | 28 | 25 |
| Income tax expense for DCF(a) | $ 419 | $ 181 |
| | | |
| **Additional joint venture information** | | |
| Unconsolidated joint venture DD&A | $ 86 | $ 103 |
| Less: Consolidated joint venture partners' DD&A | 11 | 9 |
| Joint venture DD&A | 75 | 94 |
| Unconsolidated joint venture income tax expense(a)(b) | 28 | 25 |
| Joint venture DD&A and income tax expense(a) | $ 103 | $ 119 |
| | | |
| Unconsolidated joint venture cash taxes(b) | $ — | $ (4) |
| | | |
| Unconsolidated joint venture sustaining capital expenditures | $ (20) | $ (26) |
| Less: Consolidated joint venture partners' sustaining capital expenditures | (1) | (1) |
| Joint venture sustaining capital expenditures | $ (19) | $ (25) |

(a) Amounts are adjusted for Certain Items.
(b) Amounts are associated with our Citrus, NGPL and Products (SE) Pipe Line equity investments.

***Segment Earnings Results***

*Natural Gas Pipelines*

| | Three Months Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| | (In millions, except operating statistics) | |
| Revenues | $ 4,125 | $ 1,875 |
| Operating expenses | (2,270) | (848) |
| Other income | 1 | 1 |
| Earnings from equity investments | 41 | 164 |
| Other, net | 206 | 4 |
| Segment EBDA | 2,103 | 1,196 |
| Certain Items(a) | (9) | (17) |
| Adjusted Segment EBDA | $ 2,094 | $ 1,179 |

| Change from prior period | Increase/ (Decrease) |
|---|---|
| Adjusted Segment EBDA | $ 915 |

| Volumetric data(b) | | |
|---|---|---|
| Transport volumes (BBtu/d) | 37,222 | 38,328 |
| Sales volumes (BBtu/d) | 2,260 | 2,495 |
| Gathering volumes (BBtu/d) | 2,509 | 3,361 |
| NGLs (MBbl/d) | 30 | 30 |

Certain Items affecting Segment EBDA

(a) Includes Certain Item amounts of $(9) million and $(17) million for 2021 and 2020, respectively. 2021 amount includes a pre-tax gain of $206 million associated with the sale of a partial interest in our equity investment in NGPL Holdings partially offset by a write-down of $117 million on a long-term subordinated note receivable from an equity investee, Ruby, and an increase in expense of $69 million related to a certain litigation matter. 2020 amount includes an increase in revenues of $24 million related to non-cash mark-to-market derivative contracts used to hedge forecasted natural gas and NGL sales partially offset by an increase in expense associated with a certain EPNG litigation matter.

Other

(b) Joint venture throughput is reported at our ownership share. Volumes for assets sold are excluded for all periods presented.

Below are the changes in Adjusted Segment EBDA in the comparable three-month periods ended March 31, 2021 and 2020:

**Three Months Ended March 31, 2021 versus Three Months Ended March 31, 2020**

| | Adjusted Segment EBDA increase/(decrease) | |
|---|---|---|
| | (In millions, except percentages) | |
| Midstream | $ 901 | 284% |
| East Region | 19 | 3% |
| West Region | (5) | (2)% |
| Total Natural Gas Pipelines | $ 915 | 78 % |

The changes in Segment EBDA for our Natural Gas Pipelines business segment are further explained by the following discussion of the significant factors driving Adjusted Segment EBDA in the comparable three-month periods ended March 31, 2021 and 2020:

- $901 million (284%) increase in Midstream was primarily due to (i) higher sales margins driven by higher commodity prices as a result of the February 2021 winter storm on our Texas intrastate natural gas pipeline operations; (ii) higher commodity prices as a result of the February 2021 winter storm on our South Texas assets; and (iii) higher equity earnings due to the Permian Highway Pipeline being placed in service in January 2021. These increases were partially offset by lower earnings on (i) our Oklahoma assets due to higher commodity prices on certain purchase contracts as a result of the February 2021 winter storm; and (ii) KinderHawk due to lower volumes. Overall Midstream's revenues increased primarily due to higher commodity prices which was partially offset by corresponding increases in costs of sales; and
- $19 million (3%) increase in the East Region was primarily due to an increase in earnings from (i) TGP as a result of increased revenues primarily driven by the February 2021 winter storm; and (ii) ELC resulting from the liquefaction units of the Elba Liquefaction project being fully operational as of August 2020, partially offset by reduced equity earnings from Fayetteville Express Pipeline LLC primarily due to lower revenues as a result of contract expirations.

*Products Pipelines*

| | Three Months Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| | (In millions, except operating statistics) | |
| Revenues | $ 453 | $ 495 |
| Operating expenses | (219) | (221) |
| Loss on divestitures and impairments, net | — | (21) |
| Earnings from equity investments | 14 | 15 |
| Other, net | — | 1 |
| Segment EBDA | 248 | 269 |
| Certain Items(a) | 15 | 4 |
| Adjusted Segment EBDA | $ 263 | $ 273 |

| Change from prior period | Increase/ (Decrease) |
|---|---|
| Adjusted Segment EBDA | $ (10) |

| Volumetric data(b) | | |
|---|---|---|
| Gasoline(c) | 892 | 961 |
| Diesel fuel | 379 | 358 |
| Jet fuel | 175 | 293 |
| Total refined product volumes | 1,446 | 1,612 |
| Crude and condensate | 507 | 702 |
| Total delivery volumes (MBbl/d) | 1,953 | 2,314 |

Certain Items affecting Segment EBDA

(a) Includes Certain Item amounts of $15 million and $4 million for 2021 and 2020, respectively. 2021 amount includes an increase in expense of $15 million related to an environmental reserve adjustment. 2020 amount includes a non-cash loss on impairment of our Belton Terminal of $21 million and a $17 million favorable adjustment for tax reserves, other than income taxes.

Other

(b) Joint venture throughput is reported at our ownership share.

(c) Volumes include ethanol pipeline volumes.

Below are the changes in Adjusted Segment EBDA in the comparable three-month periods ended March 31, 2021 and 2020:

**Three Months Ended March 31, 2021 versus Three Months Ended March 31, 2020**

| | Adjusted Segment EBDA increase/(decrease) | |
|---|---|---|
| | (In millions, except percentages) | |
| West Coast Refined Products | $ (13) | (11)% |
| Crude and Condensate | (10) | (10)% |
| Southeast Refined Products | 13 | 25 % |
| Total Products Pipelines | $ (10) | (4)% |

The changes in Segment EBDA for our Products Pipelines business segment are further explained by the following discussion of the significant factors driving Adjusted Segment EBDA in the comparable three-month periods ended March 31, 2021 and 2020:

- $13 million (11%) decrease in West Coast Refined Products was primarily due to decreased earnings on Pacific (SFPP) operations driven by lower services revenues as a result of lower volumes and higher operating expense as a result of higher integrity management spending;
- $10 million (10%) decrease in Crude and Condensate was primarily due to decreased earnings from Kinder Morgan Crude & Condensate Pipeline (KMCC) and the Bakken Crude assets. KMCC's decreased earnings was primarily due to expiration of contracts in 2020 and lower volumes which were exacerbated by temporary supply and demand interruptions from the February 2021 winter storm partially offset by lower operating expense attributable to first quarter 2020 unfavorable inventory valuation adjustments. The Bakken Crude assets decreased earnings were primarily driven by lower volumes partially offset by lower operating expense attributable to first quarter 2020 unfavorable inventory valuation adjustments and lower field operating expenses; and
- $13 million (25%) increase in Southeast Refined Products was primarily due to lower operating expenses at our Transmix processing operations driven by first quarter 2020 unfavorable inventory adjustments.

*Terminals*

| | Three Months Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| | (In millions, except operating statistics) | |
| Revenues | $ 420 | $ 442 |
| Operating expenses | (197) | (192) |
| Gain on divestitures and impairments, net | 1 | — |
| Earnings from equity investments | 3 | 5 |
| Other, net | — | 2 |
| Segment EBDA | 227 | 257 |
| Certain Items | — | — |
| Adjusted Segment EBDA | $ 227 | $ 257 |

| Change from prior period | Increase/ (Decrease) |
|---|---|
| Adjusted Segment EBDA | $ (30) |

| Volumetric data(a) | | |
|---|---|---|
| Liquids leasable capacity (MMBbl) | 79.9 | 79.7 |
| Liquids utilization %(b) | 94.6 % | 93.6 % |
| Bulk transload tonnage (MMtons) | 11.0 | 13.0 |

Other

(a) Volumes for assets sold are excluded for all periods presented.

(b) The ratio of our tankage capacity in service to tankage capacity available for service.

Below are the changes in Adjusted Segment EBDA in the comparable three-month periods ended March 31, 2021 and 2020:

**Three Months Ended March 31, 2021 versus Three Months Ended March 31, 2020**

| | Adjusted Segment EBDA increase/(decrease) | |
|---|---|---|
| | (In millions, except percentages) | |
| Gulf Central | $ (15) | (44)% |
| Marine operations | (10) | (19)% |
| Gulf Liquids | (5) | (6)% |
| All others (including intrasegment eliminations) | — | — % |
| Total Terminals | $ (30) | (12)% |

The changes in Segment EBDA for our Terminals business segment are further explained by the following discussion of the significant factors driving Adjusted Segment EBDA in the comparable three-month periods ended March 31, 2021 and 2020:

- $15 million (44%) decrease in the Gulf Central terminals primarily driven by unfavorable petroleum coke volumes due to refinery outages associated with the February 2021 winter storm as well as an increase in property tax expense at Battleground Oil Specialty Terminal Company LLC;
- $10 million (19%) decrease in Marine operations was primarily due to lower fleet utilization due to market weakness associated with demand reduction attributable to COVID-19; and
- $5 million (6%) decrease in the Gulf Liquids terminals was primarily driven by lower volumes and associated ancillary fees related to both continued demand reduction attributable to COVID-19 and the February 2021 winter storm, which also resulted in higher utility costs. These items were partially offset by additional contributions from growth projects placed in service.

*$CO_2$*

| | Three Months Ended March 31, | |
|---|---|---|
| | 2021 | 2020 |
| | (In millions, except operating statistics) | |
| Revenues | $ 229 | $ 309 |
| Operating benefit (expenses) | 49 | (122) |
| Loss on divestitures and impairments, net | — | (950) |
| Earnings from equity investments | 8 | 8 |
| Segment EBDA | 286 | (755) |
| Certain Items(a) | 5 | 930 |
| Adjusted Segment EBDA | $ 291 | $ 175 |

| Change from prior period | Increase/ (Decrease) |
|---|---|
| Adjusted Segment EBDA | $ 116 |
| | |
| Volumetric data | |
| SACROC oil production | 19.4 |
| Yates oil production | 6.1 |
| Katz and Goldsmith oil production | 2.6 |
| Tall Cotton oil production | 0.9 |
| Total oil production, net (MBbl/d)(b) | 29.0 |
| NGL sales volumes, net (MBbl/d)(b) | 8.8 |
| $CO_2$ sales volumes, net (Bcf/d) | 0.4 |
| Realized weighted average oil price ($ per Bbl) | $ 51.05 |
| Realized weighted average NGL price ($ per Bbl) | $ 20.14 |

| | | |
|---|---|---|
| | | 23.2 |
| | | 7.0 |
| | | 3.4 |
| | | 2.4 |
| | | 36.0 |
| | | 9.8 |
| | | 0.5 |
| | $ 54.61 | |
| | $ 19.74 | |

Certain Items affecting Segment EBDA

(a) Includes Certain Item amounts of $5 million and $930 million for 2021 and 2020, respectively. 2020 amount includes (i) a $600 million goodwill impairment on our $CO_2$ reporting unit; (ii) non-cash impairments of $350 million on our oil and gas producing assets; and (iii) an increase in revenues of $20 million related to mark-to-market gains associated with derivative contracts used to hedge forecasted commodity sales.

Other

(b) Net of royalties and outside working interests.

Below are the changes in Adjusted Segment EBDA in the comparable three-month periods ended March 31, 2021 and 2020:

**Three Months Ended March 31, 2021 versus Three Months Ended March 31, 2020**

| | Adjusted Segment EBDA increase/(decrease) | |
|---|---|---|
| | (In millions, except percentages) | |
| Oil and Gas Producing activities | $ 123 | 110 % |
| Source and Transportation activities | (7) | (10)% |
| Total $CO_2$ | $ 116 | 67 % |

The changes in Segment EBDA for our $CO_2$ business segment are further explained by the following discussion of the significant factors driving Adjusted Segment EBDA in the comparable three-month periods ended March 31, 2021 and 2020:

- $123 million (110%) increase in Oil and Gas Producing activities primarily due to lower operating expenses of $163 million driven by a benefit for the current period realized from returning power to the grid by curtailing oil production during the February 2021 winter storm partially offset by lower volumes driven in part by the curtailed oil production, which decreased revenues by $24 million and lower realized crude oil prices which decreased revenues by $14 million; and
- $7 million (10%) decrease in Source and Transportation activities primarily due to a decrease of $12 million related to lower $CO_2$ sales volumes partially offset by lower operating expenses of $7 million.

We believe that our existing hedge contracts in place within our $CO_2$ business segment substantially mitigate commodity price sensitivities in the near-term and to lesser extent over the following few years from price exposure. Below is a summary of our $CO_2$ business segment hedges outstanding as of March 31, 2021.

| | Remaining 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| Crude Oil(a) | | | | | |
| Price ($ per Bbl) | $ 50.38 | $ 51.03 | $ 49.30 | $ 45.11 | $ 46.89 |
| Volume (MBbl/d) | 25.70 | 13.80 | 8.65 | 2.85 | 0.80 |
| NGLs | | | | | |
| Price ($ per Bbl) | $ 31.75 | $ 44.57 | | | |
| Volume (MBbl/d) | 5.36 | 0.16 | | | |
| Midland-to-Cushing Basis Spread | | | | | |
| Price ($ per Bbl) | $ 0.26 | $ 0.73 | | | |
| Volume (MBbl/d) | 24.55 | 10.25 | | | |

(a) Includes West Texas Intermediate hedges.

***DD&A, General and Administrative and Corporate Charges, Interest, net and Noncontrolling Interests***

| | Three Months Ended March 31, | | Earnings increase/(decrease) | |
|---|---|---|---|---|
| | 2021 | 2020 | | |
| | (In millions, except percentages) | | | |
| DD&A (GAAP) | $ (541) | $ (565) | $ 24 | 4 % |
| | | | | |
| General and administrative (GAAP) | $ (156) | $ (153) | $ (3) | (2)% |
| Corporate benefit (charges) | 8 | (12) | 20 | 167 % |
| Certain Items(a) | — | 25 | (25) | (100)% |
| General and administrative and corporate charges(b) | $ (148) | $ (140) | $ (8) | (6)% |
| | | | | |
| Interest, net (GAAP) | $ (377) | $ (436) | $ 59 | 14 % |
| Certain Items(c) | (6) | 1 | (7) | (700)% |
| Interest, net(b) | $ (383) | $ (435) | $ 52 | 12 % |
| | | | | |
| Net income attributable to noncontrolling interests (GAAP) | $ (16) | $ (15) | $ (1) | (7)% |
| Certain Items(d) | — | — | — | — % |
| Net income attributable to noncontrolling interests(b) | $ (16) | $ (15) | $ (1) | (7)% |

Certain items

(a) 2020 amount includes an increase in expense of $23 million associated with the non-cash fair value adjustment and the dividend accrual prior to the sale of our investment in Pembina common stock.
(b) Amounts are adjusted for Certain Items.
(c) 2021 and 2020 amounts include (i) decreases in interest expense of $4 million and $8 million, respectively, related to non-cash debt fair value adjustments associated with acquisitions and (ii) a decrease and an increase in expense of $2 million and $11 million, respectively, related to non-cash mismatches between the change in fair value of interest rate swaps and change in fair value of hedged debt.
(d) 2021 and 2020 amounts each include less than $1 million of noncontrolling interests associated with Certain Items.

DD&A expense decreased $24 million in 2021 when compared to 2020 primarily due to non-cash impairments taken in the first quarter 2020 on our oil and gas producing assets.

General and administrative expenses and corporate charges adjusted for Certain Items increased $8 million in 2021 when compared to 2020 primarily due to lower capitalized costs of $16 million reflecting reduced capital spending primarily by our Natural Gas Pipelines business segment partially offset by $10 million of cost savings associated with organizational efficiency efforts.

In the table above, we report our interest expense as "net," meaning that we have subtracted interest income and capitalized interest from our total interest expense to arrive at one interest amount. Our consolidated interest expense, net adjusted for Certain Items decreased $52 million in 2021 when compared to 2020 primarily due to lower LIBOR and long-term interest rates.

We use interest rate swap agreements to convert a portion of the underlying cash flows related to our long-term fixed rate debt securities (senior notes) into variable rate debt in order to achieve our desired mix of fixed and variable rate debt. As of March 31, 2021 and December 31, 2020, approximately 14% and 16%, respectively, of the principal amount of our debt balances were subject to variable interest rates—either as short-term or long-term variable rate debt obligations or as fixed-rate debt converted to variable rates through the use of interest rate swaps. For more information on our interest rate swaps, see Note 5 *"Risk Management—Interest Rate Risk Management"* to our consolidated financial statements.

Net income attributable to noncontrolling interests represents the allocation of our consolidated net income attributable to all outstanding ownership interests in our consolidated subsidiaries that are not owned by us.

***Income Taxes***

Our tax expense for the three months ended March 31, 2021 was approximately $351 million as compared with $60 million for the same period of 2020. The $291 million increase in tax expense was due primarily to higher pre-tax book income in the 2021 period and the refund of alternative minimum tax sequestration credits in the 2020 period, offset by the prior year disallowance of a tax benefit for the non-tax deductible goodwill impairment and the current year release of the valuation allowance on our investment in NGPL Holdings.

**Liquidity and Capital Resources**

***General***

As of March 31, 2021, we had $1,377 million of "Cash and cash equivalents," an increase of $193 million from December 31, 2020. Additionally, as of March 31, 2021, we had borrowing capacity of approximately $3.9 billion under our $4 billion revolving credit facility (discussed below in "—*Short-term Liquidity*"). As discussed further below, we believe our cash flows from operating activities, cash position and remaining borrowing capacity on our credit facility are more than adequate to allow us to manage our day-to-day cash requirements and anticipated obligations.

We have consistently generated substantial cash flows from operations, providing a source of funds of $1,873 million and $893 million in the first three months of 2021 and 2020, respectively. The period-to-period increase is discussed below in "—*Cash Flows—Operating Activities*." We primarily rely on cash provided from operations to fund our operations as well as our debt service, sustaining capital expenditures, dividend payments and our growth capital expenditures. We believe our current cash on hand, our cash flows from operations, and our borrowing capacity under our revolving credit facility are more than adequate to allow us to manage our cash requirements, including maturing debt, through 2021; however, we may access the debt capital markets from time to time to refinance our maturing long-term debt.

Our board of directors declared a quarterly dividend of $0.27 per share for the first quarter of 2021, a 3% increase over the dividend declared for the previous quarter. We expect to fully fund our dividend payments as well as our discretionary spending for 2021 without funding from the capital markets and still have additional flexibility to engage in share repurchases on an opportunistic basis.

On February 11, 2021, we issued in a registered offering $750 million aggregate principal amount of 3.60% senior notes due 2051 and received net proceeds of $741 million which were used to repay maturing senior notes.

***Short-term Liquidity***

As of March 31, 2021, our principal sources of short-term liquidity are (i) cash from operations; (ii) our $4.0 billion revolving credit facility and associated commercial paper program; and (iii) cash and cash equivalents. The loan commitments under our revolving credit facility can be used for working capital and other general corporate purposes and as a backup to our commercial paper program. Letters of credit and commercial paper borrowings reduce borrowings allowed under our credit facility. We provide for liquidity by maintaining a sizable amount of excess borrowing capacity under our credit facility and, as previously discussed, have consistently generated strong cash flows from operations. We do not anticipate any significant limitations from the impacts of COVID-19 with respect to our ability to access funding through our credit facility.

As of March 31, 2021, our $2,173 million of short-term debt consisted primarily of senior notes that mature in the next twelve months. We intend to fund our debt, as it becomes due, primarily through cash on hand, credit facility borrowings, commercial paper borrowings, cash flows from operations, and/or issuing new long-term debt. Our short-term debt balance as of December 31, 2020 was $2,558 million.

We had working capital (defined as current assets less current liabilities) deficits of $884 million and $1,871 million as of March 31, 2021 and December 31, 2020, respectively. From time to time, our current liabilities may include short-term borrowings used to finance our expansion capital expenditures, which we may periodically replace with long-term financing and/or pay down using retained cash from operations. The overall $987 million favorable change from year-end 2020 was primarily due to (i) a decrease of approximately $385 million in senior notes that mature in the next twelve months; (ii) a $221 million decrease in accrued interest; (iii) a $193 million increase in cash and cash equivalents; (iv) a $150 million decrease in accrued contingencies; and (v) an increase in accounts receivable, net of change in accounts payable, of $85 million, partially offset by a $186 million increase in current regulatory liabilities. Generally, our working capital balance varies due to factors such as the timing of scheduled debt payments, timing differences in the collection and payment of receivables and payables, the change in fair value of our derivative contracts, and changes in our cash and cash equivalent balances as a result of excess cash from operations after payments for investing and financing activities.

***Counterparty Creditworthiness***

Some of our customers or other counterparties may experience severe financial problems that may have a significant impact on their creditworthiness. These financial problems may arise from our current global economic conditions, continued volatility of commodity prices, or otherwise. In such situations, we utilize, to the extent allowable under applicable contracts, tariffs and regulations, prepayments and other security requirements, such as letters of credit, to enhance our credit position relating to amounts owed from these counterparties. While we believe we have taken reasonable measures to protect against counterparty credit risk, we cannot provide assurance that one or more of our customers or other counterparties will not become financially distressed and will not default on their obligations to us or that such a default or defaults will not have a material adverse effect on our business, financial position, future results of operations, or future cash flows. The balance of our allowance for credit losses as of March 31, 2021 and December 31, 2020, was $29 million and $26 million, respectively, reflected in “Other current assets” on our consolidated balance sheets.

***Capital Expenditures***

We account for our capital expenditures in accordance with GAAP. We also distinguish between capital expenditures that are maintenance/sustaining capital expenditures and those that are expansion capital expenditures (which we also refer to as discretionary capital expenditures). Expansion capital expenditures are those expenditures that increase throughput or capacity from that which existed immediately prior to the addition or improvement, and are not deducted in calculating DCF (see *“Results of Operations—Overview—Non-GAAP Financial Measures—DCF”*). With respect to our oil and gas producing activities, we classify a capital expenditure as an expansion capital expenditure if it is expected to increase capacity or throughput (i.e., production capacity) from the capacity or throughput immediately prior to the making or acquisition of such additions or improvements. Maintenance capital expenditures are those that maintain throughput or capacity. The distinction

between maintenance and expansion capital expenditures is a physical determination rather than an economic one, irrespective of the amount by which the throughput or capacity is increased.

Budgeting of maintenance capital expenditures is done annually on a bottom-up basis. For each of our assets, we budget for and make those maintenance capital expenditures that are necessary to maintain safe and efficient operations, meet customer needs and comply with our operating policies and applicable law. We may budget for and make additional maintenance capital expenditures that we expect to produce economic benefits such as increasing efficiency and/or lowering future expenses. Budgeting and approval of expansion capital expenditures are generally made periodically throughout the year on a project-by-project basis in response to specific investment opportunities identified by our business segments from which we generally expect to receive sufficient returns to justify the expenditures. Generally, the determination of whether a capital expenditure is classified as a maintenance/sustaining or as an expansion capital expenditure is made on a project level. The classification of our capital expenditures as expansion capital expenditures or as maintenance capital expenditures is made consistent with our accounting policies and is generally a straightforward process, but in certain circumstances can be a matter of management judgment and discretion. The classification has an impact on DCF because capital expenditures that are classified as expansion capital expenditures are not deducted from DCF, while those classified as maintenance capital expenditures are.

Our capital expenditures for the three months ended March 31, 2021, and the amount we expect to spend for the remainder of 2021 to sustain and grow our businesses are as follows:

| | Three Months Ended March 31, 2021 | 2021 Remaining | Total 2021 |
|---|---|---|---|
| | | (In millions) | |
| Sustaining capital expenditures(a)(b) | $ 107 | $ 757 | $ 864 |
| Discretionary capital investments(b)(c)(d) | 132 | 703 | 835 |

(a) Three months ended March 31, 2021, 2021 Remaining, and Total 2021 amounts include $18 million, $86 million, and $104 million, respectively, for sustaining capital expenditures from unconsolidated joint ventures, reduced by consolidated joint venture partners' sustaining capital expenditures. See table included in "*Non-GAAP Financial Measures—Supplemental Information.*"

(b) Three months ended March 31, 2021 amount excludes $67 million due to decreases in accrued capital expenditures and contractor retainage and net changes in other.

(c) Three months ended March 31, 2021 amount includes $21 million of our contributions to certain unconsolidated joint ventures for capital investments.

(d) Amounts include our actual or estimated contributions to certain equity investees, net of actual or estimated contributions from certain partners in non-wholly owned consolidated subsidiaries for capital investments.

***Off Balance Sheet Arrangements***

There have been no material changes in our obligations with respect to other entities that are not consolidated in our financial statements that would affect the disclosures presented as of December 31, 2020 in our 2020 Form 10-K.

Commitments for the purchase of property, plant and equipment as of March 31, 2021 and December 31, 2020 were $182 million and $141 million, respectively. The increase of $41 million was primarily driven by capital commitments related to our Natural Gas Pipelines business segment.

***Cash Flows***

*Operating Activities*

Cash provided by operating activities increased $980 million in the three months ended March 31, 2021 compared to the respective 2020 period primarily due to:

- a $1,043 million increase in cash after adjusting the $1,716 million increase in net income by $673 million for the combined effects of the period-to-period net changes in non-cash items including the following: (i) gain from the sale of a partial interest in our equity investment in NGPL Holdings (see discussion above in "*—Results of Operations*"); (ii) (gain) loss on divestitures and impairments, net (see discussion above in "*—Results of Operations*"); (iii) DD&A expenses (including amortization of excess cost of equity investments); (iv) deferred income taxes; and (v) earnings from equity investments (including a non-cash write-down of a related party note receivable from Ruby); partially offset by,
- a $63 million decrease in cash associated with net changes in working capital items and other non-current assets and liabilities. The decrease was driven, among other things, primarily by an unfavorable change in accounts

receivables due to the timing of collections from customers, offset by a favorable change due to the timing of trade payables payments in the 2021 period compared to the 2020 period. The decrease was also driven by payments for litigation matters in the 2021 period.

*Investing Activities*

Cash provided by investing activities decreased $205 million for the three months ended March 31, 2021 compared to the respective 2020 period primarily attributable to:

- a $494 million decrease in cash primarily due to $413 million of net proceeds received from the sale of a partial interest in our equity investment in NGPL Holdings in the 2021 period, versus the $907 million of proceeds received from the sale of Pembina shares in the 2020 period. See Note 2 "*Gains and Losses from Divestitures, Impairments and Other Write-downs*" to our consolidated financial statements for further information regarding the transaction of the sale of an interest in NGPL Holdings; partially offset by,
- a $173 million decrease in capital expenditures reflecting our overall reduction of expansion capital projects in the 2021 period over the comparative 2020 period; and
- a $129 million decrease in cash used for contributions to equity investees driven by lower contributions to SNG and Permian Highway Pipeline in the 2021 period compared with the 2020 period.

*Financing Activities*

Cash used in financing activities increased $1,302 million for the three months ended March 31, 2021 compared to the respective 2020 period primarily attributable to:

- a $1,317 million net increase in cash used related to debt activity as a result of $1,168 million of net debt payments in the 2021 period compared to $149 million of net debt issuances in the 2020 period.

***Dividends***

We expect to declare dividends of $1.08 per share on our stock for 2021. The table below reflects our 2021 dividends declared:

| Three months ended | Total quarterly dividend per share for the period | Date of declaration | Date of record | Date of dividend |
|---|---|---|---|---|
| March 31, 2021 | $ 0.27 | April 21, 2021 | April 30, 2021 | May 17, 2021 |

The actual amount of dividends to be paid on our capital stock will depend on many factors, including our financial condition and results of operations, liquidity requirements, business prospects, capital requirements, legal, regulatory and contractual constraints, tax laws, Delaware laws and other factors. See Item 1A. "*Risk Factors—The guidance we provide for our anticipated dividends is based on estimates. Circumstances may arise that lead to conflicts between using funds to pay anticipated dividends or to invest in our business."* of our 2020 Form 10-K. All of these matters will be taken into consideration by our board of directors in declaring dividends.

Our dividends are not cumulative. Consequently, if dividends on our stock are not paid at the intended levels, our stockholders are not entitled to receive those payments in the future. Our dividends generally are expected to be paid on or about the 15th day of each February, May, August and November.

**Summarized Combined Financial Information for Guarantee of Securities of Subsidiaries**

KMI and certain subsidiaries (Subsidiary Issuers) are issuers of certain debt securities. KMI and substantially all of KMI's wholly owned domestic subsidiaries (Subsidiary Guarantors), are parties to a cross guarantee agreement whereby each party to the agreement unconditionally guarantees, jointly and severally, the payment of specified indebtedness of each other party to the agreement. Accordingly, with the exception of certain subsidiaries identified as Subsidiary Non-Guarantors, the parent issuer, subsidiary issuers and Subsidiary Guarantors (the "Obligated Group") are all guarantors of each series of our guaranteed debt (Guaranteed Notes). As a result of the cross guarantee agreement, a holder of any of the Guaranteed Notes issued by KMI or subsidiary issuers are in the same position with respect to the net assets, and income of KMI and the Subsidiary Issuers and Guarantors. The only amounts that are not available to the holders of each of the Guaranteed Notes to satisfy the repayment of such securities are the net assets, and income of the Subsidiary Non-Guarantors.

In lieu of providing separate financial statements for subsidiary issuers and guarantors, we have presented the accompanying supplemental summarized combined income statement and balance sheet information for the Obligated Group based on Rule 13-01 of the SEC's Regulation S-X. Also, see Exhibit 10.1 to this report "*Cross Guarantee Agreement, dated as of November 26, 2014, among Kinder Morgan, Inc. and certain of its subsidiaries, with schedules updated as of March 31, 2021.*"

All significant intercompany items among the Obligated Group have been eliminated in the supplemental summarized combined financial information. The Obligated Group's investment balances in Subsidiary Non-guarantors have been excluded from the supplemental summarized combined financial information. Significant intercompany balances and activity for the Obligated Group with other related parties, including Subsidiary Non-Guarantors, (referred to as "affiliates") are presented separately in the accompanying supplemental summarized combined financial information.

Excluding fair value adjustments, as of March 31, 2021 and December 31, 2020, the Obligated Group had $31,353 million and $32,563 million, respectively, of Guaranteed Notes outstanding.

Summarized combined balance sheet and income statement information for the Obligated Group follows:

| Summarized Combined Balance Sheet Information | March 31, 2021 | December 31, 2020 |
|---|---|---|
| | (In millions) | |
| Current assets | $ 3,465 | $ 2,957 |
| Current assets - affiliates | 1,197 | 1,151 |
| Noncurrent assets | 60,648 | 61,783 |
| Noncurrent assets - affiliates | 506 | 616 |
| Total Assets | $ 65,816 | $ 66,507 |
| | | |
| Current liabilities | $ 4,295 | $ 4,528 |
| Current liabilities - affiliates | 1,223 | 1,209 |
| Noncurrent liabilities | 32,847 | 33,907 |
| Noncurrent liabilities - affiliates | 893 | 1,078 |
| Total Liabilities | 39,258 | 40,722 |
| Redeemable noncontrolling interest | 705 | 728 |
| Kinder Morgan, Inc.'s stockholders' equity | 25,853 | 25,057 |
| Total Liabilities, Redeemable Noncontrolling Interest and Stockholders' Equity | $ 65,816 | $ 66,507 |

| Summarized Combined Income Statement Information | Three Months Ended March 31, 2021 |
|---|---|
| | (In millions) |
| Revenues | $ 4,902 |
| Operating income | 1,829 |
| Net income | 1,377 |

**Item 3. Quantitative and Qualitative Disclosures About Market Risk.**

There have been no material changes in market risk exposures that would affect the quantitative and qualitative disclosures presented as of December 31, 2020, in Item 7A in our 2020 Form 10-K. For more information on our risk management activities, refer to Item 1, Note 5 *"Risk Management"* to our consolidated financial statements.

**Item 4. Controls and Procedures.**

As of March 31, 2021, our management, including our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rule 13a-15(b) under the Securities Exchange Act of 1934. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives. Based upon and as of the date of the evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that the design and operation of our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the reports we file and submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported as and when required, and is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. There has been no change in our internal control over financial reporting during the quarter ended March 31, 2021 that materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

**PART II. OTHER INFORMATION**

**Item 1. Legal Proceedings.**

See Part I, Item 1, Note 9 to our consolidated financial statements entitled "Litigation and Environmental" which is incorporated in this item by reference.

**Item 1A. Risk Factors.**

There have been no material changes in the risk factors disclosed in Part I, Item 1A in our 2020 Form 10-K. For more information on our risk management activities, refer to Item 1, Note 5 "*Risk Management*" to our consolidated financial statements.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.**

None.

**Item 3. Defaults Upon Senior Securities.**

None.

**Item 4. Mine Safety Disclosures.**

The Company does not own or operate mines for which reporting requirements apply under the mine safety disclosure requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank), except for one terminal that is in temporary idle status with the Mine Safety and Health Administration. The Company has not received any specified health and safety violations, orders or citations, related assessments or legal actions, mining-related fatalities, or similar events requiring disclosure pursuant to the mine safety disclosure requirements of Dodd-Frank for the quarter ended March 31, 2021.

**Item 5. Other Information.**

None.

**Item 6. Exhibits.**

| Exhibit Number | Description |
|---|---|
| 4.1 | Certificate of the Vice President and Chief Financial Officer, and Vice President, Investor Relations and Treasurer of Kinder Morgan, Inc. establishing the terms of the 3.60% Notes due February 15, 2051. |
| 10.1 | Cross Guarantee Agreement, dated as of November 26, 2014, among Kinder Morgan, Inc. and certain of its subsidiaries, with schedules updated as of March 31, 2021. |
| 22.1 | Subsidiary guarantors and issuers of guaranteed securities. |
| 31.1 | Certification by Chief Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 31.2 | Certification by Chief Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 32.1 | Certification by Chief Executive Officer furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 32.2 | Certification by Chief Financial Officer furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 101 | Interactive data files pursuant to Rule 405 of Regulation S-T formatted in iXBRL (Inline Extensible Business Reporting Language): (i) our Consolidated Statements of Operations for the three months ended March 31, 2021 and 2020; (ii) our Consolidated Statements of Comprehensive Income (Loss) for the three months ended March 31, 2021 and 2020; (iii) our Consolidated Balance Sheets as of March 31, 2021 and December 31, 2020; (iv) our Consolidated Statements of Cash Flows for the three months ended March 31, 2021 and 2020; (v) our Consolidated Statements of Stockholders' Equity for the three months ended March 31, 2021 and 2020; and (vi) the notes to our Consolidated Financial Statements. |
| 104 | Cover Page Interactive Data File pursuant to Rule 406 of Regulation S-T formatted in iXBRL (Inline Extensible Business Reporting Language) and contained in Exhibit 101. |

**SIGNATURE**

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

**KINDER MORGAN, INC.**

Registrant

Date: April 23, 2021

By: /s/ David P. Michels

David P. Michels
Vice President and Chief Financial Officer
(principal financial and accounting officer)

**KINDER MORGAN, INC.**

**OFFICERS' CERTIFICATE**

**PURSUANT TO SECTION 301 OF INDENTURE**

Each of the undersigned, Anthony Ashley and David Michels, the Vice President, Investor Relations and Treasurer and the Vice President and Chief Financial Officer, respectively, of Kinder Morgan, Inc., a Delaware corporation (the "Corporation"), does hereby establish the terms of a series of senior debt Securities of the Corporation under the Indenture relating to senior debt Securities, dated as of March 1, 2012 (the "Indenture"), between the Corporation and U.S. Bank National Association, as trustee (the "Trustee"), pursuant to resolutions adopted by the Board of Directors of the Corporation, or a committee thereof, on January 20, 2021 and February 8, 2021, and in accordance with Section 301 of the Indenture, as follows:

**1. The title of the Securities shall be "3.600% Senior Notes due 2051" (the "Notes");**

**2. The aggregate principal amount of the Notes that initially may be authenticated and delivered under the Indenture shall be limited to a maximum of $750,000,000 except for Notes authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Notes pursuant to the terms of the Indenture, and except that any additional principal amount of Notes may be issued in the future without the consent of Holders of the Notes so long as such additional principal amount of Notes are authenticated as required by the Indenture;**

**3. The Notes shall be issued on February 11, 2021; the principal of the Notes shall be payable on February 15, 2051; and the Notes will not be entitled to the benefit of a sinking fund;**

**4. The Notes shall bear interest at the rate of 3.600% per annum, which interest shall accrue from February 11, 2021, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, which dates shall be February 15 and August 15 of each year; and such interest on the Notes shall be payable semiannually in arrears on February 15 and August 15 of each year, commencing August 15, 2021, to holders of record at the close of business on the February 1 or August 1, respectively, preceding each such Interest Payment Date;**

**5. The principal of, and premium, if any, and interest on, the Notes shall be payable at the office or agency of the Corporation maintained for that purpose in the Borough of Manhattan, New York, New York; provided, however, that at the option of the Corporation, payment of interest may be made from such office in the Borough of Manhattan, New York, New York by check mailed to the address of the person entitled thereto as such address shall appear in the Security Register. If at any time there shall be no such office or agency in the Borough of Manhattan, New York, New York, where the Notes may be presented or surrendered for payment, the Corporation shall forthwith designate and maintain such an office or agency in the Borough of Manhattan,**

**New York, New York, in order that the Notes shall at all times be payable in the Borough of Manhattan, New York, New York. The Corporation hereby initially designates the Corporate Trust Office of the Trustee in the Borough of Manhattan, New York, New York, as one such office or agency;**

**6. U.S. Bank National Association is appointed as the Trustee for the Notes, and U.S. Bank National Association, and any other banking institution hereafter selected by the officers of the Corporation, are appointed agents of the Corporation (a) where the Notes may be presented for registration of transfer or exchange, (b) where notices and demands to or upon the Corporation in respect of the Notes or the Indenture may be made or served and (c) where the Notes may be presented for payment of principal and interest;**

**7. At any time prior to August 15, 2050 (the "Early Call Date"), the Notes will be redeemable, at the Corporation's option, at any time in whole or from time to time in part, at a redemption price, as determined by the Corporation, equal to (a) the greater of: (1) 100% of the principal amount of the Notes to be redeemed; or (2) the sum of the present values of the remaining scheduled payments of principal and interest on the Notes being redeemed that would be due if such Notes matured on the Early Call Date but for the redemption (exclusive of any portion of the payments of interest accrued to the date of redemption), discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Yield (as defined below) plus 25 basis points, plus (b) accrued and unpaid interest thereon to, but not including, the redemption date.**

At any time on or after the Early Call Date, the Notes will be redeemable in whole or in part, at the Corporation's option, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed plus accrued and unpaid interest thereon, but not including, the redemption date.

"Treasury Yield" means, with respect to any redemption date, the rate per year equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for the redemption date.

"Comparable Treasury Issue" means the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the Notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such Notes (assuming for this purpose, that the Notes mature on the Early Call Date).

"Comparable Treasury Price" means, with respect to any redemption date, (1) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (2) if the Independent Investment Banker obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations.

"Independent Investment Banker" means one of the Reference Treasury Dealers that the Corporation appoints to act as the Independent Investment Banker from time to time.

"Reference Treasury Dealer" means each of (1) Barclays Capital Inc. and TD Securities (USA) LLC and their respective successors, unless it ceases to be a primary U.S. Government securities dealer in New York City (a "Primary Treasury Dealer"), in which case the Corporation will substitute another Primary Treasury Dealer, (2) a Primary Treasury Dealer selected by each of CIBC World Markets Corp. and SMBC Nikko Securities America, Inc. and their respective successors and (3) any other Primary Treasury Dealer the Corporation selects.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the applicable Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third business day preceding such redemption date.

Notice of redemption will be mailed or electronically delivered at least 30 but not more than 60 days before the redemption date to each holder of record of the Notes to be redeemed at its registered address. The notice of redemption for the Notes will state, among other things, the amount of the Notes to be redeemed, the redemption date, the manner in which the redemption price will be calculated and the place or places that payment will be made upon presentation and surrender of the Notes to be redeemed. Unless the Corporation defaults in the payment of the redemption price, interest will cease to accrue on any of the Notes that have been called for redemption on the redemption date. If less than all of the Notes are to be redeemed, the Notes to be redeemed shall be selected according to the procedures of The Depository Trust Company, in the case of Notes represented by a global note, or by lot, in the case of Notes that are not represented by a global note.

**8. Payment of principal of, and interest on, the Notes shall be without deduction for taxes, assessments or governmental charges paid by Holders of the Notes;**

**9. The Notes shall be issuable only in registered form without coupons in minimum denominations of U.S. $2,000 and integral multiples of U.S. $1,000 in excess thereof.**

**10. The Notes are approved in the form attached hereto as Exhibit A and shall be issued upon original issuance in whole in the form of one or more book-entry Global Securities, and the Depositary shall be The Depository Trust Company;**

**11. The Notes shall be entitled to the benefits of the Indenture, including the covenants and agreements of the Corporation set forth therein, except to the extent expressly otherwise provided herein or in the Notes; and**

**12. The Trustee shall have the right to accept and act upon any notice, instruction, or other communication, including any funds transfer instruction (each, a "Notice") received pursuant to the Indenture by electronic transmission (including by e-mail, facsimile transmission, web portal or other electronic methods) and shall not have any duty to confirm**

**that the person sending such Notice is, in fact, a person authorized to do so. Electronic signatures believed by the Trustee to comply with the ESIGN Act of 2000 or other applicable law (including electronic images of handwritten signatures and digital signatures provided by DocuSign, Orbit, Adobe Sign or any other digital signature provider identified by the Corporation and acceptable to the Trustee) shall be deemed original signatures for all purposes. The Corporation assumes all risks arising out of the use of electronic signatures and electronic methods to send Notices to the Trustee, including without limitation the risk of the Trustee acting on an unauthorized Notice and the risk of interception or misuse by third parties. Notwithstanding the foregoing, the Trustee may in any instance and in its sole discretion require that a Notice in the form of an original document bearing a manual signature be delivered to the Trustee in lieu of, or in addition to, any such electronic Notice.**

Any initially capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Indenture.

IN WITNESS WHEREOF, each of the undersigned has hereunto signed his name this 11th day of February, 2021.

/s/ Anthony Ashley
Anthony Ashley
*Vice President, Investor Relations and Treasurer*

/s/ David Michels
David Michels
*Vice President and Chief Financial Officer*

**EXHIBIT A**

[FORM OF GLOBAL NOTE]

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE THEREOF. THIS SECURITY MAY NOT BE TRANSFERRED TO, OR REGISTERED OR EXCHANGED FOR SECURITIES REGISTERED IN THE NAME OF, ANY PERSON OTHER THAN THE DEPOSITARY OR A NOMINEE THEREOF AND NO SUCH TRANSFER MAY BE REGISTERED, EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE. EVERY SECURITY AUTHENTICATED AND DELIVERED UPON REGISTRATION OF TRANSFER OF, OR IN EXCHANGE FOR OR IN LIEU OF, THIS SECURITY SHALL BE A GLOBAL SECURITY SUBJECT TO THE FOREGOING, EXCEPT IN SUCH LIMITED CIRCUMSTANCES.

UNLESS THIS SECURITY IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION, TO THE CORPORATION OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL IN AS MUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

KINDER MORGAN, INC.

NO. [___] 3.600% NOTE DUE 2051 U.S.$ [_____]

CUSIP No. 49456B AT8

KINDER MORGAN, INC., a Delaware corporation (herein called the "Corporation," which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to CEDE & CO., or registered assigns, the principal sum of [_____] United States Dollars (U.S.$ [_____]) on February 15, 2051, and to pay interest thereon from February 11, 2021, or from the most recent Interest Payment Date to which interest has been paid, semi-annually in arrears on February 15 and August 15 in each year, commencing August 15, 2021 at the rate of 3.600% per annum, until the principal hereof is paid. The amount of interest payable for any period shall be computed on the basis of twelve 30-day months and a 360-day year. The amount of interest payable for any partial period shall be computed on the basis of a 360-day year of twelve 30-day months and the days elapsed in any partial month. In the event that any date on which interest is payable on this Security is not a Business Day, then a payment of the interest payable on such date will be made on the next succeeding day which is a Business Day (and without any interest or other payment in respect of any such delay) with the same force and effect as if made on the date the payment was originally

payable. A "Business Day" shall mean, when used with respect to any Place of Payment, each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in that Place of Payment are authorized or obligated by law, executive order or regulation to close. The interest so payable, and punctually paid, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the February 1 or August 1 (regardless of whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid shall forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice of which shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange or automated quotation system on which the Securities of this series may be listed or traded, and upon such notice as may be required by such exchange or automated quotation system, all as more fully provided in such Indenture.

The principal of (and premium, if any) and interest on, this Security shall be payable at the office or agency of the Corporation maintained for that purpose in the Borough of Manhattan, New York, New York; provided, however, that at the option of the Corporation, payment of interest may be made from such office in the Borough of Manhattan, New York, New York by check mailed to the address of the person entitled thereto as such address shall appear in the Security Register. If at any time there shall be no such office or agency in the Borough of Manhattan, New York, New York where this Security may be presented or surrendered for payment, the Corporation shall forthwith designate and maintain such an office or agency in the Borough of Manhattan, New York, New York, in order that this Security shall at all times be payable in the Borough of Manhattan, New York, New York. The Corporation hereby initially designates the Corporate Trust Office of the Trustee in the Borough of Manhattan, New York, New York, as one such office or agency.

Payment of the principal of (and premium, if any) and any such interest on this Security will be made by transfer of immediately available funds to a bank account designated by the Holder in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Corporation has caused this instrument to be duly executed.

Dated: February 11, 2021

KINDER MORGAN, INC.,

By: _____
Anthony Ashley
*Vice President, Investor Relations and Treasurer*

This is one of the Securities designated therein referred to in the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION,
*As Trustee*

By: _____
*Authorized Signatory*

This Security is one of a duly authorized issue of securities of the Corporation (the "Securities"), issued and to be issued in one or more series under an Indenture dated as of March 1, 2012 relating to senior debt Securities (the "Indenture"), between the Corporation and U.S. Bank National Association, as trustee (the "Trustee", which term includes any successor trustee under the Indenture), to which Indenture, all indentures supplemental thereto and the Officers' Certificate pursuant to Section 301 of the Indenture, dated February 11, 2021, relating to the Securities reference is hereby made for a statement of the respective rights, limitations of rights, obligations, duties and immunities thereunder of the Corporation, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. As provided in the Indenture, the Securities may be issued in one or more series, which different series may be issued in various aggregate principal amounts, may mature at different times, may bear interest, if any, at different rates, may be subject to different redemption provisions, if any, may be subject to different sinking, purchase or analogous funds, if any, may be subject to different covenants and Events of Default and may otherwise vary as in the Indenture provided or permitted. This Security is one of the series designated on the face hereof, originally issued in book-entry only form in the aggregate principal amount of $750,000,000. This series of Securities may be reopened for issuances of additional Securities without the consent of Holders.

At any time prior to August 15, 2050 (the "Early Call Date"), the Securities will be redeemable, at the Corporation's option, at any time in whole or from time to time in part, at a redemption price, as determined by the Corporation, equal to (a) the greater of: (1) 100% of the principal amount of the Securities to be redeemed; or (2) the sum of the present values of the remaining scheduled payments of principal and interest on the Securities being redeemed that would be due if such Securities matured on the Early Call Date but for the redemption (exclusive of any portion of the payments of interest accrued to the date of redemption), discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Yield (as defined below) plus 25 basis points, plus (b) accrued and unpaid interest thereon to, but not including, the redemption date.

At any time on or after the Early Call Date, the Securities will be redeemable in whole or in part, at the Corporation's option, at a redemption price equal to 100% of the principal amount of the Securities to be redeemed plus accrued and unpaid interest thereon to, but not including, the redemption date.

"Treasury Yield" means, with respect to any redemption date, the rate per year equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for the redemption date.

"Comparable Treasury Issue" means the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the Securities to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such Securities (assuming for this purpose, that the Securities mature on the Early Call Date).

“Comparable Treasury Price” means, with respect to any redemption date, (1) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (2) if the Independent Investment Banker obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations.

“Independent Investment Banker” means one of the Reference Treasury Dealers that the Corporation appoints to act as the Independent Investment Banker from time to time.

"Reference Treasury Dealer" means each of (1) Barclays Capital Inc. and TD Securities (USA) LLC and their respective successors, unless it ceases to be a primary U.S. Government securities dealer in New York City (a "Primary Treasury Dealer"), in which case the Corporation will substitute another Primary Treasury Dealer, (2) a Primary Treasury Dealer selected by each of CIBC World Markets Corp. and SMBC Nikko Securities America, Inc. and their respective successors and (3) any other Primary Treasury Dealer the Corporation selects.

“Reference Treasury Dealer Quotations” means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the applicable Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third business day preceding such redemption date.

Notice of redemption will be mailed or electronically delivered at least 30 but not more than 60 days before the redemption date to each holder of record of the Securities to be redeemed at its registered address. The notice of redemption for the Securities will state, among other things, the amount of the Securities to be redeemed, the redemption date, the manner in which the redemption price will be calculated and the place or places that payment will be made upon presentation and surrender of the Securities to be redeemed. Unless the Corporation defaults in the payment of the redemption price, interest will cease to accrue on any of the Securities that have been called for redemption on the redemption date. If less than all of the Securities are to be redeemed, the Securities to be redeemed shall be selected according to the procedures of The Depository Trust Company, in the case of Securities represented by a global note, or by lot, in the case of Securities that are not represented by a global note.

In the event of redemption of this Security in part only, a new Security or Securities of this series and of like tenor for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.

If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of, and any premium and accrued but unpaid interest on, the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Corporation and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Corporation and the Trustee with the consent of not less than the Holders of a majority in aggregate principal

amount of the Outstanding Securities of all series to be affected (voting as one class). The Indenture also contains provisions permitting the Holders of a majority in aggregate principal amount of the Outstanding Securities of all affected series (voting as one class), on behalf of the Holders of all Securities of such series, to waive compliance by the Corporation with certain provisions of the Indenture. The Indenture permits, with certain exceptions as therein provided, the Holders of a majority in principal amount of Securities of any series then Outstanding to waive past defaults under the Indenture with respect to such series and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

As provided in and subject to the provisions of the Indenture, the Holder of this Security shall not have the right to institute any proceeding with respect to the Indenture or for the appointment of a receiver or trustee or for any other remedy thereunder, unless such Holder shall have previously given the Trustee written notice of a continuing Event of Default with respect to the Securities of this series, the Holders of not less than 25% in principal amount of the Securities of this series at the time Outstanding shall have made written request to the Trustee to institute proceedings in respect of such Event of Default as Trustee and offered the Trustee reasonable indemnity and the Trustee shall not have received from the Holders of a majority in principal amount of Securities of this series at the time Outstanding a direction inconsistent with such request, and shall have failed to institute any such proceeding, for 90 days after receipt of such notice, request and offer of indemnity. The foregoing shall not apply to any suit instituted by the Holder of this Security for the enforcement of any payment of principal hereof or any premium or interest hereon on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall, without the consent of the Holder, alter or impair the obligation of the Corporation, which is absolute and unconditional, to pay the principal of and any premium and interest on this Security at the times, place(s) and rate, and in the coin or currency, herein prescribed.

This Security shall be entitled to the benefits of the Indenture, including the covenants and agreements of the Corporation set forth therein, except to the extent expressly otherwise set forth herein.

This Global Security or portion hereof may not be exchanged for Definitive Securities of this series except in the limited circumstances provided in the Indenture.

The Holders of beneficial interests in this Global Security will not be entitled to receive physical delivery of Definitive Securities except as described in the Indenture and will not be considered the Holders thereof for any purpose under the Indenture.

The Securities of this series are issuable only in registered form without coupons in minimum denominations of U.S. $2,000 and integral multiples of U.S. $1,000 in excess thereof. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for a like aggregate principal amount of Securities of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Corporation may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Corporation, the Trustee and any agent of the Corporation or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security is overdue, and neither the Corporation, the Trustee nor any such agent shall be affected by notice to the contrary.

Obligations of the Corporation under the Indenture and the Securities thereunder, including this Security, are non-recourse to the Corporation's Affiliates, and payable only out of cash flow and assets of the Corporation. The Trustee, and each Holder of a Security by its acceptance hereof, will be deemed to have agreed in the Indenture that (1) none of the Corporation's Affiliates, nor their respective assets, shall be liable for any of the obligations of the Corporation under the Indenture or such Securities, including this Security, and (2) no director, officer, employee, agent or shareholder, as such, of the Corporation, the Trustee or any of their respective Affiliates shall have any personal liability in respect of the obligations of the Corporation under the Indenture or such Securities by reason of his, her or its status.

The Indenture contains provisions that relieve the Corporation from the obligation to comply with certain restrictive covenants in the Indenture and for satisfaction and discharge at any time of the entire indebtedness upon compliance by the Corporation with certain conditions set forth in the Indenture.

This Security shall be governed by and construed in accordance with the laws of the State of New York.

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

**Exhibit 10.1**

CROSS GUARANTEE AGREEMENT

This CROSS GUARANTEE AGREEMENT is dated as of November 26, 2014 (as amended, restated, supplemented or otherwise modified from time to time, this "Agreement"), by each of the signatories listed on the signature pages hereto and each of the other entities that becomes a party hereto pursuant to Section 19 (the "Guarantors" and individually, a "Guarantor"), for the benefit of the Guaranteed Parties (as defined below).

W I T N E S S E T H:

WHEREAS, Kinder Morgan, Inc., a Delaware corporation ("KMI"), and certain of its direct and indirect Subsidiaries have outstanding senior, unsecured Indebtedness and may from time to time issue additional senior, unsecured Indebtedness;

WHEREAS, each Guarantor, other than KMI, is a direct or indirect Subsidiary of KMI;

WHEREAS, each Guarantor desires to provide the guarantee set forth herein with respect to the Indebtedness of such Guarantors that constitutes the Guaranteed Obligations; and

WHEREAS, each Guarantor acknowledges that it will derive substantial direct and indirect benefit from the making of the guarantees hereby;

NOW, THEREFORE, in consideration of the premises, the Guarantors hereby agree with each other for the benefit of the Guaranteed Parties as follows:

1. Defined Terms.

(a) As used in this Agreement, the following terms have the meanings specified below:

"Agreement" has the meaning provided in the preamble hereto.

"Bankruptcy Code" means Title 11 of the United States Code, as now or hereafter in effect, or any successor thereto.

"Capital Stock" means, with respect to any Person, any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents (however designated) of such Person's equity, including (i) all common stock and preferred stock, any limited or general partnership interest and any limited liability company member interest, (ii) beneficial interests in trusts, and (iii) any other interest or participation that confers upon a Person the right to receive a share of the profits and losses of, or distribution of assets of, the issuing Person.

"CFC" means a Person that is a "controlled foreign corporation" within the meaning of Section 957 of the Internal Revenue Code of 1986, as amended.

"Commodity Exchange Act" means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

"Consolidated Assets" means, at the date of any determination thereof, the total assets of KMI and its Subsidiaries as set forth on a consolidated balance sheet of KMI and its Subsidiaries for their most recently completed fiscal quarter, prepared in accordance with GAAP.

"Consolidated Tangible Assets" means, at the date of any determination thereof, Consolidated Assets after deducting therefrom the value, net of any applicable reserves and accumulated amortization, of all goodwill, trade names, trademarks, patents and other like intangible assets, all as set forth, or on a pro forma basis would be set forth, on a consolidated balance sheet of KMI and its Subsidiaries for their most recently completed fiscal quarter, prepared in accordance with GAAP.

"Domestic Subsidiary" means any Subsidiary of KMI organized under the laws of any jurisdiction within the United States.

"Excluded Subsidiary" means (i) any Subsidiary that is not a Wholly-owned Domestic Operating Subsidiary, (ii) any Domestic Subsidiary that is a Subsidiary of a CFC or any Domestic Subsidiary (including a disregarded entity for U.S. federal income tax purposes) substantially all of whose assets (held directly or through Subsidiaries) consist of Capital Stock of one or more CFCs or Indebtedness of such CFCs, (iii) any Immaterial Subsidiary, (iv) any Subsidiary listed on Schedule III, (v) each of Calnev Pipe Line LLC, SFPP, L.P., Kinder Morgan G.P., Inc. and EPEC Realty, Inc. and each of its Subsidiaries, (vi) any other Subsidiary that is not a Guarantor under the Revolving Credit Agreement Guarantee, (vii) any not-for-profit Subsidiary, (viii) any Subsidiary that is prohibited by a Requirement of Law from guaranteeing the Guaranteed Obligations, and (ix) any Subsidiary acquired by KMI or its Subsidiaries after the date of this Agreement to the extent, and so long as, the financing documentation governing any existing Indebtedness of such Subsidiary that survives such acquisition prohibits such Subsidiary from guaranteeing the Guaranteed Obligations; *provided*, that notwithstanding the foregoing, any Subsidiary that is party to the Revolving Credit Agreement Guarantee or that Guarantees any senior notes or senior debt securities issued by KMI (other than pursuant to this Agreement) shall not constitute an Excluded Subsidiary for so long as such Guarantee is in effect.

"Excluded Swap Obligation" means, with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the Guarantee of such Guarantor of such Swap Obligation (or any Guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act and the regulations thereunder at the time the Guarantee of such Guarantor becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Guarantee is or becomes illegal.

"GAAP" means generally accepted accounting principles in the United States of America from time to time, including as set forth in the opinions, statements and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and the Financial Accounting Standards Board.

"Governmental Authority" means the government of the United States of America or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra national bodies such as the European Union or the European Central Bank).

"Guarantee" of or by any Person (the "guarantor") means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (ii) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or (iv) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation; *provided* that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business.

"Guarantee Termination Date" has the meaning set forth in Section 2(d).

"Guaranteed Obligations" means the Indebtedness set forth on Schedule I hereto, as such schedule may be amended from time to time in accordance with the terms of this Agreement; *provided* that the term "Guaranteed Obligations" shall exclude any Excluded Swap Obligations.

"Guaranteed Parties" means, collectively, (i) in the case of Guaranteed Obligations that are governed by trust indentures, the holders (as that term is defined in the applicable trust indenture) of such Guaranteed Obligations, (ii) in the case of Guaranteed Obligations that are governed by loan agreements, credit agreements, or similar agreements, the lenders providing such loans or credit, and (iii) in the case of Guaranteed Obligations with respect to Hedging Agreements, the counterparties under such agreements.

"Guarantor" has the meaning provided in the preamble hereto. Schedule II hereto, as such schedule may be amended from time to time in accordance with the terms of this Agreement, sets forth the name of each Guarantor.

"Hedging Agreement" means a financial instrument, agreement or security which hedges or is used to hedge or manage the risk associated with a change in interest rates, foreign currency exchange rates or commodity prices (but excluding any purchase, swap, derivative contract or similar agreement relating to power, electricity or any related commodity product).

"Immaterial Subsidiary" means any Subsidiary that is not a Material Subsidiary.

"Indebtedness" means, collectively, (i) any senior, unsecured obligation created or assumed by any Person for borrowed money, including all obligations of such Person evidenced by bonds, debentures, notes or similar instruments (other than surety, performance and guaranty bonds), and (ii) all payment obligations of any Person with respect to obligations under Hedging Agreements.

"Investment Grade Rating" means a rating equal to or higher than Baa3 by Moody's and BBB- by S&P; *provided, however,* that if (i) either of Moody's or S&P changes its rating system, such ratings shall be the equivalent ratings after such changes or (ii) Moody's or S&P shall not make a rating of a Guaranteed Obligation publicly available, the references above to Moody's or S&P or both of them, as the case may be, shall be to a nationally recognized U.S. rating agency or agencies, as the case may be, selected by KMI and the references to the ratings categories above shall be to the corresponding rating categories of such rating agency or rating agencies, as the case may be.

"Issuer" means the issuer, borrower, or other applicable primary obligor of a Guaranteed Obligation.

"KMI" has the meaning provided in the recitals hereto.

"Lien" means, with respect to any asset (i) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset, and (ii) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset.

"Material Subsidiary" means, as at any date of determination, any Subsidiary of KMI whose total tangible assets (for purposes of the below, when combined with the tangible assets of such Subsidiary's Subsidiaries, after eliminating intercompany obligations) as at such date of determination are greater than or equal to 5% of Consolidated Tangible Assets as of the last day of the fiscal quarter most recently ended for which financial statements of KMI have been filed with the SEC.

"Moody's" means Moody's Investors Service, Inc. and its successors.

"Operating Subsidiary" means any operating company that is a Subsidiary of KMI.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Qualified ECP Guarantor" means, in respect of any Swap Obligation, each Guarantor that has total assets exceeding $10,000,000 at the time the relevant Guarantee becomes effective with respect to such Swap Obligation or such other person as constitutes an "eligible contract participant" under the Commodity Exchange Act or any regulations promulgated thereunder and can cause another person to qualify as an "eligible contract participant" at such time by entering into a keepwell under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

"Rating Agencies" means Moody's and S&P; *provided* that, if at the relevant time neither Moody's nor S&P shall be rating the relevant Guaranteed Obligation, then "Rating Agencies" shall mean another nationally recognized rating service that rates such Guaranteed Obligation.

"Rating Date" means the date immediately prior to the earlier of (i) the occurrence of a Release Event and (ii) public notice of the intention to effect a Release Event.

"Rating Decline" means, with respect to a Guaranteed Obligation, the occurrence of the following on, or within 90 days after, the date of the occurrence of a Release Event or of public notice of the intention to effect a Release Event (which period may be extended so long as the rating of such Guaranteed Obligation is under publicly announced consideration for possible downgrade by either of the Rating Agencies): (i) in the event such Guaranteed Obligation is assigned an Investment Grade Rating by both Rating Agencies on the Rating Date, the rating of such Guaranteed Obligation by one or both of the Rating Agencies shall be below an Investment Grade Rating; or (ii) in the event such Guaranteed Obligation is rated below an Investment Grade Rating by either of the Rating Agencies on the Rating Date, any such below-Investment Grade Rating of such Guaranteed Obligation shall be decreased by one or more gradations (including gradations within rating categories as well as between rating categories).

"Release Event" has the meaning set forth in Section 6(b).

"Requirement of Law" means any law, statute, code, ordinance, order, determination, rule, regulation, judgment, decree, injunction, franchise, permit, certificate, license, authorization or other

directive or requirement (whether or not having the force of law), including environmental laws, energy regulations and occupational, safety and health standards or controls, of any Governmental Authority.

"Revolving Credit Agreement" means the Revolving Credit Agreement, dated as of September 19, 2014, among KMI, the lenders party thereto and Barclays Bank PLC, as administrative agent, as such credit agreement may be amended, modified, supplemented or restated from time to time, or refunded, refinanced, restructured, replaced, renewed, repaid or extended from time to time (whether with the original agents and lenders or other agents or lenders or trustee or otherwise, and whether provided under the original credit agreement or other credit agreements or note indentures or otherwise), including, without limitation, increasing the amount of available borrowings or other Indebtedness thereunder.

"Revolving Credit Agreement Guarantee" means the Guarantee Agreement, dated as of November 26, 2014, made by the Subsidiaries of KMI party thereto in favor of Barclays Bank PLC, as administrative agent, for the benefit of the lenders and the issuing banks under the Revolving Credit Agreement, as such guarantee agreement may be amended, modified, supplemented or restated from time to time, and as it may be replaced or renewed from time to time in connection with any amendment, modification, supplement, restatement, refunding, refinancing, restructuring, replacement, renewal, repayment, or extension of any Revolving Credit Agreement from time to time.

"S&P" means Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc., and its successors.

"SEC" means the United States Securities and Exchange Commission.

"Subsidiary" means, with respect to any Person (the "parent") at any date, any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of the parent in the parent's consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other corporation, limited liability company, partnership, association or other entity (a) of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partner interests are, as of such date, owned, controlled or held, or (b) that is, as of such date, otherwise controlled, by the parent or one or more Subsidiaries of the parent or by the parent and one or more Subsidiaries of the parent. Unless the context otherwise clearly requires, references in this Agreement to a "Subsidiary" or the "Subsidiaries" refer to a Subsidiary or the Subsidiaries of KMI. Notwithstanding the foregoing, Plantation Pipe Line Company, a Delaware and Virginia corporation, shall not be a Subsidiary of KMI until such time as its assets and liabilities, profit or loss and cash flow are required under GAAP to be consolidated with those of KMI.

"Swap Obligation" means, with respect to any Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of Section 1a(47) of the Commodity Exchange Act.

"Wholly-owned Domestic Operating Subsidiary" means any Wholly-owned Subsidiary that constitutes (i) a Domestic Subsidiary and (ii) an Operating Subsidiary.

"Wholly-owned Subsidiary" means a Subsidiary of which all issued and outstanding Capital Stock (excluding in the case of a corporation, directors' qualifying shares) is directly or indirectly owned by KMI.

(b) The words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section references are to Sections of this Agreement unless otherwise specified. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation".

(c) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

2. Guarantee.

(a) Subject to the provisions of Section 2(b), each of the Guarantors hereby, jointly and severally, unconditionally and irrevocably, guarantees, as primary obligor and not merely as surety, for the benefit of the Guaranteed Parties, the prompt and complete payment when due (whether at the stated maturity, by acceleration or otherwise) of the Guaranteed Obligations; *provided* that each Guarantor shall be released from its respective guarantee obligations under this Agreement as provided in Section 6(b). Upon the failure of an Issuer to punctually pay any Guaranteed Obligation, each Guarantor shall, upon written demand by the applicable Guaranteed Party to such Guarantor, pay or cause to be paid such amounts.

(b) Anything herein to the contrary notwithstanding, the maximum liability of each Guarantor hereunder shall in no event exceed the amount that can be guaranteed by such Guarantor under the Bankruptcy Code or any applicable laws relating to fraudulent conveyances, fraudulent transfers or the insolvency of debtors after giving full effect to the liability under this Agreement and its related contribution rights set forth in this Section 2, but before taking into account any liabilities under any other Guarantees.

(c) Each Guarantor agrees that the Guaranteed Obligations may at any time and from time to time exceed the amount of the liability of such Guarantor hereunder (as a result of the limitations set forth in Section 2(b) or elsewhere in this Agreement) without impairing this Agreement or affecting the rights and remedies of any Guaranteed Party hereunder.

(d) No payment or payments made by any Issuer, any of the Guarantors, any other guarantor or any other Person or received or collected by any Guaranteed Party from any Issuer, any of the Guarantors, any other guarantor or any other Person by virtue of any action or proceeding or any set-off or appropriation or application at any time or from time to time in reduction of or in payment of any Guaranteed Obligation shall be deemed to modify, reduce, release or otherwise affect the liability of any Guarantor hereunder, which shall, notwithstanding any such payment or payments, other than payments made by such Guarantor in respect of such Guaranteed Obligation or payments received or collected from such Guarantor in respect of such Guaranteed Obligation, remain liable for the Guaranteed Obligations up to the maximum liability of such Guarantor hereunder until all Guaranteed Obligations (other than any contingent indemnity obligations not then due and any letters of credit that remain outstanding which have been fully cash collateralized or otherwise back-stopped to the reasonable satisfaction of the applicable issuing bank) shall have been discharged by payment in full or shall have been deemed paid and discharged by defeasance pursuant to the terms of the instruments governing such Guaranteed Obligations (the "Guarantee Termination Date").

(e) If and to the extent required in order for the obligations of any Guarantor hereunder to be enforceable under applicable federal, state and other laws relating to the insolvency of debtors, the maximum liability of such Guarantor hereunder shall be limited to the greatest amount which can lawfully be guaranteed by such Guarantor under such laws, after giving effect to any rights of

contribution, reimbursement and subrogation arising hereunder. Each Guarantor acknowledges and agrees that, to the extent not prohibited by applicable law, (i) such Guarantor (as opposed to its creditors, representatives of creditors or bankruptcy trustee, including such Guarantor in its capacity as debtor in possession exercising any powers of a bankruptcy trustee) has no personal right under such laws to reduce, or request any judicial relief that has the effect of reducing, the amount of its liability under this Agreement, (ii) such Guarantor (as opposed to its creditors, representatives of creditors or bankruptcy trustee, including such Guarantor in its capacity as debtor in possession exercising any powers of a bankruptcy trustee) has no personal right to enforce the limitation set forth in this Section 2(e) or to reduce, or request judicial relief reducing, the amount of its liability under this Agreement, and (iii) the limitation set forth in this Section 2(e) may be enforced only to the extent required under such laws in order for the obligations of such Guarantor under this Agreement to be enforceable under such laws and only by or for the benefit of a creditor, representative of creditors or bankruptcy trustee of such Guarantor or other Person entitled, under such laws, to enforce the provisions hereof.

3. Right of Contribution. Each Guarantor hereby agrees that to the extent that a Guarantor shall have paid more than its proportionate share of any payment made hereunder (including by way of set-off rights being exercised against it), such Guarantor shall be entitled to seek and receive contribution from and against any other Guarantor hereunder who has not paid its proportionate share of such payment as set forth in this Section 3. To the extent that any Guarantor shall be required hereunder to pay any portion of any Guaranteed Obligation guaranteed hereunder exceeding the greater of (a) the amount of the value actually received by such Guarantor and its Subsidiaries from such Guaranteed Obligation and (b) the amount such Guarantor would otherwise have paid if such Guarantor had paid the aggregate amount of such Guaranteed Obligation guaranteed hereunder (excluding the amount thereof repaid by the Issuer of such Guaranteed Obligation) in the same proportion as such Guarantor's net worth on the date enforcement is sought hereunder bears to the aggregate net worth of all the Guarantors on such date, then such Guarantor shall be reimbursed by such other Guarantors for the amount of such excess, pro rata, based on the respective net worth of such other Guarantors on such date; *provided* that any Guarantor's right of reimbursement shall be subject to the terms and conditions of Section 5 hereof. For purposes of determining the net worth of any Guarantor in connection with the foregoing, all Guarantees of such Guarantor other than pursuant to this Agreement will be deemed to be enforceable and payable after its obligations pursuant to this Agreement. The provisions of this Section 3 shall in no respect limit the obligations and liabilities of any Guarantor to the Guaranteed Parties, and each Guarantor shall remain liable to the Guaranteed Parties for the full amount guaranteed by such Guarantor hereunder.

4. No Right of Set-off. No Guaranteed Party shall have, as a result of this Agreement, any right of set-off against any amount owing by such Guaranteed Party to or for the credit or the account of a Guarantor.

5. No Subrogation. Notwithstanding any payment or payments made by any of the Guarantors hereunder, no Guarantor shall be entitled to be subrogated to any of the rights (or if subrogated by operation of law, such Guarantor hereby waives such rights to the extent permitted by applicable law) of any Guaranteed Party against any Issuer or any other Guarantor or any collateral security or guarantee or right of offset held by any Guaranteed Party for the payment of any Guaranteed Obligation, nor shall any Guarantor seek or be entitled to seek any contribution or reimbursement from any Issuer or any other Guarantor in respect of payments made by such Guarantor hereunder, until the Guarantee Termination Date. If any amount shall be paid to any Guarantor on account of such subrogation, contribution or reimbursement rights at any time prior to the Guarantee Termination Date, such amount shall be held by such Guarantor in trust for the applicable Guaranteed Parties, segregated from other funds of such Guarantor, and shall, forthwith upon receipt by such Guarantor, be turned over to the applicable Guaranteed Parties in the exact form received by such Guarantor (duly indorsed by such

Guarantor to the applicable Guaranteed Parties if required), to be applied against the applicable Guaranteed Obligation, whether due or to become due.

6. Amendments, etc. with Respect to the Guaranteed Obligations; Waiver of Rights; Release.

(a) Each Guarantor shall remain obligated hereunder notwithstanding that, without any reservation of rights against any Guarantor and without notice to or further assent by any Guarantor, (i) any demand for payment of any Guaranteed Obligation made by any Guaranteed Party may be rescinded by such party and any Guaranteed Obligation continued, (ii) a Guaranteed Obligation, or the liability of any other party upon or for any part thereof, or any collateral security or guarantee therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, allowed to lapse, surrendered or released by any Guaranteed Party, (iii) the instruments governing any Guaranteed Obligation may be amended, modified, supplemented or terminated, in whole or in part, and (iv) any collateral security, guarantee or right of offset at any time held by any Guaranteed Party for the payment of any Guaranteed Obligation may be sold, exchanged, waived, allowed to lapse, surrendered or released. No Guaranteed Party shall have any obligation to protect, secure, perfect or insure any Lien at any time held by it as security for the Guaranteed Obligations or for this Agreement or any property subject thereto. When making any demand hereunder against any Guarantor, a Guaranteed Party may, but shall be under no obligation to, make a similar demand on the Issuer of the applicable Guaranteed Obligation or any other Guarantor or any other person, and any failure by a Guaranteed Party to make any such demand or to collect any payments from such Issuer or any other Guarantor or any other person or any release of such Issuer or any other Guarantor or any other person shall not relieve any Guarantor in respect of which a demand or collection is not made or any Guarantor not so released of its several obligations or liabilities hereunder, and shall not impair or affect the rights and remedies, express or implied, or as a matter of law, of any Guaranteed Party against any Guarantor. For the purposes hereof "demand" shall include the commencement and continuance of any legal proceedings.

(b) A Guarantor shall be automatically released from its guarantee hereunder upon release of such Guarantor from the Revolving Credit Agreement Guarantee, including upon consummation of any transaction resulting in such Guarantor ceasing to constitute a Subsidiary or upon any Guarantor becoming an Excluded Subsidiary (such transaction or event, a "Release Event").

(c) Upon the occurrence of a Release Event, each Guaranteed Obligation for which such released Guarantor was the Issuer shall be automatically released from the provisions of this Agreement and shall cease to constitute a Guaranteed Obligation hereunder; *provided* that in the case of any Guaranteed Obligation that has been assigned an Investment Grade Rating by the Rating Agencies, such Guaranteed Obligation shall be so released, effective as of the 91st day after the occurrence of the Release Event, if and only if a Rating Decline with respect to such Guaranteed Obligation does not occur.

7. Guarantee Absolute and Unconditional.

(a) Each Guarantor waives any and all notice of the creation, contraction, incurrence, renewal, extension, amendment, waiver or accrual of any of the Guaranteed Obligations, and notice of or proof of reliance by any Guaranteed Party upon this Agreement or acceptance of this Agreement. To the fullest extent permitted by applicable law, each Guarantor waives diligence, promptness, presentment, protest and notice of protest, demand for payment or performance, notice of default or nonpayment, notice of acceptance and any other notice in respect of the Guaranteed Obligations or any part of them, and any defense arising by reason of any disability or other defense of any Issuer or any of the Guarantors with respect to the Guaranteed Obligations. Each Guarantor understands and agrees that this Agreement

shall be construed as a continuing, absolute and unconditional guarantee of payment without regard to (i) the validity, regularity or enforceability of any of the Guaranteed Obligations, the indenture, loan agreement, note or other instrument evidencing or governing any of the Guaranteed Obligations or any collateral security therefor or guarantee or right of offset with respect thereto at any time or from time to time held by any Guaranteed Party, (ii) any defense, set-off or counterclaim (other than a defense of payment or performance) that may at any time be available to or be asserted by any Issuer against any Guaranteed Party or (iii) any other circumstance whatsoever (with or without notice to or knowledge of any Issuer or such Guarantor) that constitutes, or might be construed to constitute, an equitable or legal discharge of any Issuer for any of the Guaranteed Obligations, or of such Guarantor under this Agreement, in bankruptcy or in any other instance. When pursuing its rights and remedies hereunder against any Guarantor, any Guaranteed Party may, but shall be under no obligation to, pursue such rights and remedies as it may have against the Issuer or any other Person or against any collateral security or guarantee for the Guaranteed Obligations or any right of offset with respect thereto, and any failure by any Guaranteed Party to pursue such other rights or remedies or to collect any payments from the Issuer or any such other Person or to realize upon any such collateral security or guarantee or to exercise any such right of offset, or any release of the Issuer or any such other Person or any such collateral security, guarantee or right of offset, shall not relieve such Guarantor of any liability hereunder, and shall not impair or affect the rights and remedies, whether express, implied or available as a matter of law, of the other Guaranteed Parties against such Guarantor.

(b) This Agreement shall remain in full force and effect and be binding in accordance with and to the extent of its terms upon each Guarantor and the successors and assigns thereof and shall inure to the benefit of the Guaranteed Parties and their respective successors, indorsees, transferees and assigns until the Guarantee Termination Date.

8. Reinstatement. This Agreement shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Guaranteed Obligations is rescinded or must otherwise be restored or returned by any Guaranteed Party upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of any Issuer or any Guarantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, any Issuer or any Guarantor or any substantial part of its property, or otherwise, all as though such payments had not been made.

9. Payments. Each Guarantor hereby guarantees that payments hereunder will be paid to the applicable Guaranteed Parties without set-off or counterclaim in dollars.

10. Representations and Warranties. Each Guarantor hereby represents and warrants to each Guaranteed Party that the following representations and warranties are true and correct in all material respects as of the date of this Agreement or as of the date such Guarantor became a party to this Agreement, as applicable:

(a) such Guarantor (i) is a corporation, partnership or limited liability company duly organized or formed, validly existing and in good standing under the laws of the state of its incorporation, organization or formation, (ii) has all requisite corporate, partnership, limited liability company or other power and all material governmental licenses, authorizations, consents and approvals required to carry on its business as now conducted and (iii) is duly qualified to do business and is in good standing in every jurisdiction in which the failure to be so qualified would have a material adverse effect on its ability to perform its obligations under this Agreement;

(b) such Guarantor has all requisite corporate (or other organizational) power and authority to execute and deliver and to perform its obligations under this Agreement, and all such actions have been duly authorized by all necessary proceedings on its behalf;

(c) this Agreement has been duly and validly executed and delivered by or on behalf of such Guarantor and constitutes the valid and legally binding agreement of such Guarantor, enforceable against such Guarantor in accordance with its terms, except (i) as may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer, fraudulent conveyance or other similar laws relating to or affecting the enforcement of creditors' rights generally, and by general principles of equity (including principles of good faith, reasonableness, materiality and fair dealing) which may, among other things, limit the right to obtain equitable remedies (regardless of whether considered in a proceeding in equity or at law) and (ii) as to the enforceability of provisions for indemnification for violation of applicable securities laws, limitations thereon arising as a matter of law or public policy;

(d) no authorization, consent, approval, license or exemption of or registration, declaration or filing with any Governmental Authority is necessary for the valid execution and delivery of, or the performance by such Guarantor of its obligations hereunder, except those that have been obtained and such matters relating to performance as would ordinarily be done in the ordinary course of business after the date of this Agreement or as of the date such Guarantor became a party to this Agreement, as applicable; and

(e) neither the execution and delivery of, nor the performance by such Guarantor of its obligations under, this Agreement will (i) breach or violate any applicable Requirement of Law, (ii) result in any breach or violation of any of the terms, covenants, conditions or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any Lien upon any of its property or assets (other than Liens created or contemplated by this Agreement) pursuant to the terms of, any indenture, mortgage, deed of trust, agreement or other instrument to which it or any of its Subsidiaries is party or by which any of its properties or assets, or those of any of its Subsidiaries is bound or to which it is subject, except for breaches, violations and defaults under clauses (i) and (ii) that neither individually nor in the aggregate could reasonably be expected to result in a material adverse effect on its ability to perform its obligations under this Agreement, or (iii) violate any provision of the organizational documents of such Guarantor.

11. Rights of Guaranteed Parties. Each Guarantor acknowledges and agrees that any changes in the identity of the Persons from time to time comprising the Guaranteed Parties gives rise to an equivalent change in the Guaranteed Parties, without any further act. Upon such an occurrence, the persons then comprising the Guaranteed Parties are vested with the rights, remedies and discretions of the Guaranteed Parties under this Agreement.

12. Notices.

(a) All notices, requests, demands and other communications to any Guarantor pursuant hereto shall be in writing and mailed, telecopied or delivered to such Guarantor in care of KMI, 1001 Louisiana Street, Suite 1000, Houston, Texas 77002, Attention: Treasurer, Telecopy: (713) 445-8302.

(b) KMI will provide a copy of this Agreement, including the most recently amended schedules and supplements hereto, to any Guaranteed Party upon written request to the address set forth in Section 12(a); *provided, however*, that KMI's obligations under this Section 12(b) shall be deemed satisfied if KMI has filed a copy of this Agreement, including the most recently amended schedules and

supplements hereto, with the SEC within three months preceding the date on which KMI receives such written request.

13. Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by facsimile or other electronic transmission), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. A set of the copies of this Agreement signed by all the parties shall be lodged with KMI.

14. Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

15. Integration. This Agreement represents the agreement of each Guarantor with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by any Guaranteed Party relative to the subject matter hereof not expressly set forth or referred to herein.

16. Amendments; No Waiver; Cumulative Remedies.

(a) None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except by a written instrument executed by the affected Guarantors and KMI.

(b) The Guarantors may amend or supplement this Agreement by a written instrument executed by all Guarantors:

(i) to cure any ambiguity, defect or inconsistency;

(ii) to reflect a change in the Guarantors or the Guaranteed Obligations made in accordance with this Agreement;

(iii) to make any change that would provide any additional rights or benefits to the Guaranteed Parties or that would not adversely affect the legal rights hereunder of any Guaranteed Party in any material respect; or

(iv) to conform this Agreement to any change made to the Revolving Credit Agreement or to the Revolving Credit Agreement Guarantee.

Except as set forth in this clause (b) or otherwise provided herein, the Guarantors may not amend, supplement or otherwise modify this Agreement prior to the Guarantee Termination Date without the prior written consent of the holders of the majority of the outstanding principal amount of the Guaranteed Obligations (excluding obligations with respect to Hedging Agreements). Notwithstanding the foregoing, in the case of an amendment that would reasonably be expected to adversely, materially and disproportionately affect Guaranteed Parties with Guaranteed Obligations existing under Hedging Agreements relative to the other Guaranteed Parties, the foregoing exclusion of obligations with respect to Hedging Agreements shall not apply, and the outstanding principal amount attributable to each such Guaranteed Party's Guaranteed Obligations shall be deemed to be equal to the termination payment that

would be due to such Guaranteed Party as if the valuation date were an "Early Termination Date" under and calculated in accordance with each applicable Hedging Agreement.

(c) No Guaranteed Party shall by any act, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any breach of any of the terms and conditions hereof. No failure to exercise, nor any delay in exercising, on the part of any Guaranteed Party, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by a Guaranteed Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy that such Guaranteed Party would otherwise have on any future occasion.

(d) The rights, remedies, powers and privileges herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

17. Section Headings. The Section headings used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

18. Successors and Assigns. This Agreement shall be binding upon the successors and assigns of each Guarantor and shall inure to the benefit of the Guaranteed Parties and their respective successors and permitted assigns, except that no Guarantor may assign, transfer or delegate any of its rights or obligations under this Agreement except pursuant to a transaction permitted by the Revolving Credit Agreement and in connection with a corresponding assignment under the Revolving Credit Agreement Guarantee.

19. Additional Guarantors.

(a) KMI shall cause each Subsidiary (other than any Excluded Subsidiary) formed or otherwise purchased or acquired after the date of this Agreement (including each Subsidiary that ceases to constitute an Excluded Subsidiary after the date of this Agreement) to execute a supplement to this Agreement and become a Guarantor within 45 days of the occurrence of the applicable event specified in this Section 19(a).

(b) Each Subsidiary of KMI that becomes, at the request of KMI, or that is required pursuant to Section 19(a) to become, a party to this Agreement shall become a Guarantor, with the same force and effect as if originally named as a Guarantor herein, for all purposes of this Agreement upon execution and delivery by such Subsidiary of a written supplement substantially in the form of Annex A hereto. The execution and delivery of any instrument adding an additional Guarantor as a party to this Agreement shall not require the consent of any other Guarantor hereunder. The rights and obligations of each Guarantor hereunder shall remain in full force and effect notwithstanding the addition of any new Guarantor as a party to this Agreement.

20. Additional Guaranteed Obligations. Any Indebtedness issued by a Guarantor or for which a Guarantor otherwise becomes obligated after the date of this Agreement shall become a Guaranteed Obligation upon the execution by all Guarantors of a notation of guarantee substantially in the form of Annex B hereto, which shall be affixed to the instrument or instruments evidencing such Indebtedness. Each such notation of guarantee shall be signed on behalf of each Guarantor by a duly authorized officer prior to the authentication or issuance of such Indebtedness.

21. **GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.**

22. Keepwell. Each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Guarantor to honor all of its obligations under this Agreement in respect of Swap Obligations (provided, however, that each Qualified ECP Guarantor shall only be liable under this Section 22 for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section 22, or otherwise under this Agreement, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of each Qualified ECP Guarantor under this Section shall remain in full force and effect until the Guarantee Termination Date. Each Qualified ECP Guarantor intends that this Section 22 constitute, and this Section 22 shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of each other Guarantor for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

[Signature pages follow]

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed and delivered by its duly authorized officer or other representative as of the day and year first above written.

**GUARANTORS**

KINDER MORGAN, INC.

By: /s/ Anthony B. Ashley
Name: Anthony B. Ashley
Title: Treasurer

AGNES B CRANE, LLC
AMERICAN PETROLEUM TANKERS II LLC
AMERICAN PETROLEUM TANKERS III LLC
AMERICAN PETROLEUM TANKERS IV LLC
AMERICAN PETROLEUM TANKERS LLC
AMERICAN PETROLEUM TANKERS PARENT LLC
AMERICAN PETROLEUM TANKERS V LLC
AMERICAN PETROLEUM TANKERS VI LLC
AMERICAN PETROLEUM TANKERS VII LLC
APT FLORIDA LLC
APT INTERMEDIATE HOLDCO LLC
APT NEW INTERMEDIATE HOLDCO LLC
APT PENNSYLVANIA LLC
APT SUNSHINE STATE LLC
AUDREY TUG LLC
BEAR CREEK STORAGE COMPANY, L.L.C.
BETTY LOU LLC
CAMINO REAL GATHERING COMPANY, L.L.C.
CANTERA GAS COMPANY LLC
CDE PIPELINE LLC
CENTRAL FLORIDA PIPELINE LLC
CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.
CIG GAS STORAGE COMPANY LLC
CIG PIPELINE SERVICES COMPANY, L.L.C.
CIMMARRON GATHERING LLC
COLORADO INTERSTATE GAS COMPANY, L.L.C.
COLORADO INTERSTATE ISSUING CORPORATION
COPANO DOUBLE EAGLE LLC
COPANO ENERGY FINANCE CORPORATION
COPANO ENERGY, L.L.C.
COPANO ENERGY SERVICES/UPPER GULF COAST LLC
COPANO FIELD SERVICES GP, L.L.C.
COPANO FIELD SERVICES/NORTH TEXAS, L.L.C.
COPANO FIELD SERVICES/SOUTH TEXAS LLC
COPANO FIELD SERVICES/UPPER GULF COAST LLC
COPANO LIBERTY, LLC
COPANO NGL SERVICES (MARKHAM), L.L.C.
COPANO NGL SERVICES LLC
COPANO PIPELINES GROUP, L.L.C.

COPANO PIPELINES/NORTH TEXAS, L.L.C.
COPANO PIPELINES/ROCKY MOUNTAINS, LLC
COPANO PIPELINES/SOUTH TEXAS LLC
COPANO PIPELINES/UPPER GULF COAST LLC
COPANO PROCESSING LLC
COPANO RISK MANAGEMENT LLC
COPANO/WEBB-DUVAL PIPELINE LLC
CPNO SERVICES LLC
DAKOTA BULK TERMINAL, INC.
DELTA TERMINAL SERVICES LLC
EAGLE FORD GATHERING LLC
EL PASO CHEYENNE HOLDINGS, L.L.C.
EL PASO CITRUS HOLDINGS, INC.
EL PASO CNG COMPANY, L.L.C.
EL PASO ENERGY SERVICE COMPANY, L.L.C.
EL PASO LLC
EL PASO MIDSTREAM GROUP LLC
EL PASO NATURAL GAS COMPANY, L.L.C.
EL PASO NORIC INVESTMENTS III, L.L.C.
EL PASO PIPELINE CORPORATION
EL PASO PIPELINE GP COMPANY, L.L.C.
EL PASO PIPELINE HOLDING COMPANY, L.L.C.
EL PASO PIPELINE LP HOLDINGS, L.L.C.
EL PASO PIPELINE PARTNERS, L.P.
By El Paso Pipeline GP Company, L.L.C., its general partner
EL PASO PIPELINE PARTNERS OPERATING COMPANY, L.L.C.
EL PASO RUBY HOLDING COMPANY, L.L.C.
EL PASO TENNESSEE PIPELINE CO., L.L.C.
ELBA EXPRESS COMPANY, L.L.C.
ELIZABETH RIVER TERMINALS LLC
EMORY B CRANE, LLC
EPBGP CONTRACTING SERVICES LLC
EP ENERGY HOLDING COMPANY
EP RUBY LLC
EPTP ISSUING CORPORATION
FERNANDINA MARINE CONSTRUCTION MANAGEMENT LLC
FRANK L. CRANE, LLC
GENERAL STEVEDORES GP, LLC
GENERAL STEVEDORES HOLDINGS LLC
GLOBAL AMERICAN TERMINALS LLC
HAMPSHIRE LLC
HARRAH MIDSTREAM LLC
HBM ENVIRONMENTAL, INC.
ICPT, L.L.C
J.R. NICHOLLS LLC
JAVELINA TUG LLC
JEANNIE BREWER LLC
JV TANKER CHARTERER LLC
KINDER MORGAN (DELAWARE), INC.
KINDER MORGAN 2-MILE LLC
KINDER MORGAN ADMINISTRATIVE SERVICES TAMPA LLC
KINDER MORGAN ALTAMONT LLC

KINDER MORGAN AMORY LLC
KINDER MORGAN ARROW TERMINALS HOLDINGS, INC.
KINDER MORGAN ARROW TERMINALS, L.P.
By Kinder Morgan River Terminals, LLC, its general partner
KINDER MORGAN BALTIMORE TRANSLOAD TERMINAL LLC
KINDER MORGAN BATTLEGROUND OIL LLC
KINDER MORGAN BORDER PIPELINE LLC
KINDER MORGAN BULK TERMINALS, INC.
KINDER MORGAN CARBON DIOXIDE TRANSPORTATION COMPANY
KINDER MORGAN CO2 COMPANY, L.P.
By Kinder Morgan G.P., Inc., its general partner
KINDER MORGAN COCHIN LLC
KINDER MORGAN COLUMBUS LLC
KINDER MORGAN COMMERCIAL SERVICES LLC
KINDER MORGAN CRUDE & CONDENSATE LLC
KINDER MORGAN CRUDE OIL PIPELINES LLC
KINDER MORGAN CRUDE TO RAIL LLC
KINDER MORGAN CUSHING LLC
KINDER MORGAN DALLAS FORT WORTH RAIL TERMINAL LLC
KINDER MORGAN ENDEAVOR LLC
KINDER MORGAN ENERGY PARTNERS, L.P.
By Kinder Morgan G.P., Inc., its general partner
KINDER MORGAN EP MIDSTREAM LLC
KINDER MORGAN FINANCE COMPANY LLC
KINDER MORGAN FLEETING LLC
KINDER MORGAN FREEDOM PIPELINE LLC
KINDER MORGAN KEYSTONE GAS STORAGE LLC
KINDER MORGAN KMAP LLC
KINDER MORGAN LAS VEGAS LLC
KINDER MORGAN LINDEN TRANSLOAD TERMINAL LLC
KINDER MORGAN LIQUIDS TERMINALS LLC
KINDER MORGAN LIQUIDS TERMINALS ST. GABRIEL LLC
KINDER MORGAN MARINE SERVICES LLC
KINDER MORGAN MATERIALS SERVICES, LLC
KINDER MORGAN MID ATLANTIC MARINE SERVICES LLC
KINDER MORGAN NATGAS O&M LLC
KINDER MORGAN NORTH TEXAS PIPELINE LLC
KINDER MORGAN OPERATING L.P. “A”
By Kinder Morgan G.P., Inc., its general partner
KINDER MORGAN OPERATING L.P. “B”
By Kinder Morgan G.P., Inc., its general partner
KINDER MORGAN OPERATING L.P. “C”
By Kinder Morgan G.P., Inc., its general partner
KINDER MORGAN OPERATING L.P. “D”
By Kinder Morgan G.P., Inc., its general partner
KINDER MORGAN PECOS LLC
KINDER MORGAN PECOS VALLEY LLC
KINDER MORGAN PETCOKE GP LLC

KINDER MORGAN PETCOKE, L.P.
By Kinder Morgan Petcoke GP LLC, its general partner
KINDER MORGAN PETCOKE LP LLC
KINDER MORGAN PETROLEUM TANKERS LLC
KINDER MORGAN PIPELINE LLC
KINDER MORGAN PIPELINES (USA) INC.
KINDER MORGAN PORT MANATEE TERMINAL LLC
KINDER MORGAN PORT SUTTON TERMINAL LLC
KINDER MORGAN PORT TERMINALS USA LLC
KINDER MORGAN PRODUCTION COMPANY LLC
KINDER MORGAN RAIL SERVICES LLC
KINDER MORGAN RESOURCES II LLC
KINDER MORGAN RESOURCES III LLC
KINDER MORGAN RESOURCES LLC
KINDER MORGAN RIVER TERMINALS LLC
KINDER MORGAN SERVICES LLC
KINDER MORGAN SEVEN OAKS LLC
KINDER MORGAN SOUTHEAST TERMINALS LLC
KINDER MORGAN TANK STORAGE TERMINALS LLC
KINDER MORGAN TEJAS PIPELINE LLC
KINDER MORGAN TERMINALS, INC.
KINDER MORGAN TEXAS PIPELINE LLC
KINDER MORGAN TEXAS TERMINALS, L.P.
By General Stevedores GP, LLC, its general partner
KINDER MORGAN TRANSMIX COMPANY, LLC
KINDER MORGAN TREATING LP
By KM Treating GP LLC, its general partner
KINDER MORGAN URBAN RENEWAL, L.L.C.
KINDER MORGAN UTICA LLC
KINDER MORGAN VIRGINIA LIQUIDS TERMINALS LLC
KINDER MORGAN WINK PIPELINE LLC
KINDERHAWK FIELD SERVICES LLC
KM CRANE LLC
KM DECATUR, INC.
KM EAGLE GATHERING LLC
KM GATHERING LLC
KM KASKASKIA DOCK LLC
KM LIQUIDS TERMINALS LLC
KM NORTH CAHOKIA LAND LLC
KM NORTH CAHOKIA SPECIAL PROJECT LLC
KM NORTH CAHOKIA TERMINAL PROJECT LLC
KM SHIP CHANNEL SERVICES LLC
KM TREATING GP LLC
KM TREATING PRODUCTION LLC
KMBT LLC
KMGP CONTRACTING SERVICES LLC
KMGP SERVICES COMPANY, INC.
KN TELECOMMUNICATIONS, INC.
KNIGHT POWER COMPANY LLC
LOMITA RAIL TERMINAL LLC
MILWAUKEE BULK TERMINALS LLC
MJR OPERATING LLC
MOJAVE PIPELINE COMPANY, L.L.C.
MOJAVE PIPELINE OPERATING COMPANY, L.L.C.
MR. BENNETT LLC

MR. VANCE LLC
NASSAU TERMINALS LLC
NGPL HOLDCO INC.
NS 307 HOLDINGS INC.
PADDY RYAN CRANE, LLC
PALMETTO PRODUCTS PIPE LINE LLC
PI 2 PELICAN STATE LLC
PINNEY DOCK & TRANSPORT LLC
QUEEN CITY TERMINALS LLC
RAHWAY RIVER LAND LLC
RAZORBACK TUG LLC
RCI HOLDINGS, INC.
RIVER TERMINALS PROPERTIES GP LLC
RIVER TERMINAL PROPERTIES, L.P.
By River Terminals Properties GP LLC, its general partner
SCISSORTAIL ENERGY, LLC
SNG PIPELINE SERVICES COMPANY, L.L.C.
SOUTHERN GULF LNG COMPANY, L.L.C.
SOUTHERN LIQUEFACTION COMPANY LLC
SOUTHERN LNG COMPANY, L.L.C.
SOUTHERN NATURAL GAS COMPANY, L.L.C.
SOUTHERN NATURAL ISSUING CORPORATION
SOUTHTEX TREATERS LLC
SOUTHWEST FLORIDA PIPELINE LLC
SRT VESSELS LLC
STEVEDORE HOLDINGS, L.P.
By Kinder Morgan Petcoke GP LLC, its general partner
TAJON HOLDINGS, INC.
TEJAS GAS, LLC
TEJAS NATURAL GAS, LLC
TENNESSEE GAS PIPELINE COMPANY, L.L.C.
TENNESSEE GAS PIPELINE ISSUING CORPORATION
TEXAN TUG LLC
TGP PIPELINE SERVICES COMPANY, L.L.C.
TRANS MOUNTAIN PIPELINE (PUGET SOUND) LLC
TRANSCOLORADO GAS TRANSMISSION COMPANY LLC
TRANSLOAD SERVICES, LLC
UTICA MARCELLUS TEXAS PIPELINE LLC
WESTERN PLANT SERVICES, INC.
WYOMING INTERSTATE COMPANY, L.L.C.

By: /s/ Anthony B. Ashley
Anthony Ashley
Vice President

**Exhibit 10.1**

ANNEX A TO
THE CROSS GUARANTEE AGREEMENT

SUPPLEMENT NO. [ ] dated as of [ ] to the CROSS GUARANTEE AGREEMENT dated as of [ ] (the "Agreement"), among each of the Guarantors listed on the signature pages thereto and each of the other entities that becomes a party thereto pursuant to Section 19 of the Agreement (each such entity individually, a "Guarantor" and, collectively, the "Guarantors"). Unless otherwise defined herein, terms defined in the Agreement and used herein shall have the meanings given to them in the Agreement.

A. The Guarantors consist of Kinder Morgan, Inc., a Delaware corporation ("KMI"), and certain of its direct and indirect Subsidiaries, and the Guarantors have entered into the Agreement in order to provide guarantees of certain of the Guarantors' senior, unsecured Indebtedness outstanding from time to time.

B. Section 19 of the Agreement provides that additional Subsidiaries may become Guarantors under the Agreement by execution and delivery of an instrument in the form of this Supplement. Each undersigned Subsidiary (each a "New Guarantor") is executing this Supplement at the request of KMI or in accordance with the requirements of the Agreement to become a Guarantor under the Agreement.

Accordingly, each New Guarantor agrees as follows:

SECTION 1. In accordance with Section 19 of the Agreement, each New Guarantor by its signature below becomes a Guarantor under the Agreement with the same force and effect as if originally named therein as a Guarantor and each New Guarantor hereby (a) agrees to all the terms and provisions of the Agreement applicable to it as a Guarantor thereunder and (b) represents and warrants that the representations and warranties made by it as a Guarantor thereunder are true and correct on and as of the date hereof. Each reference to a Guarantor in the Agreement shall be deemed to include each New Guarantor. The Agreement is hereby incorporated herein by reference.

SECTION 2. Each New Guarantor represents and warrants to the Guaranteed Parties that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms.

SECTION 3. This Supplement may be executed by one or more of the parties to this Supplement on any number of separate counterparts (including by facsimile or other electronic transmission), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. A set of the copies of this Supplement signed by all the parties shall be lodged with KMI. This Supplement shall become effective as to each New Guarantor when KMI shall have received a counterpart of this Supplement that bears the signature of such New Guarantor.

SECTION 4. Except as expressly supplemented hereby, the Agreement shall remain in full force and effect.

**SECTION 5. THIS SUPPLEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.**

SECTION 6. Any provision of this Supplement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or

unenforceability without invalidating the remaining provisions hereof and in the Agreement, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7. All notices, requests and demands pursuant hereto shall be made in accordance with Section 12 of the Agreement. All communications and notices hereunder to each New Guarantor shall be given to it in care of KMI at the address set forth in Section 12 of the Agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, each New Guarantor has duly executed this Supplement to the Agreement as of the day and year first above written.

_____
as Guarantor

By:_____
Name:
Title:

**Exhibit 10.1**

ANNEX B TO
THE CROSS GUARANTEE AGREEMENT

FORM OF NOTATION OF GUARANTEE

Subject to the limitations set forth in the Cross Guarantee Agreement, dated as of [•] (the "Guarantee Agreement"), the undersigned Guarantors hereby certify that this [Indebtedness] constitutes a Guaranteed Obligation, entitled to all the rights as such set forth in the Guarantee Agreement. The Guarantors may be released from their guarantees upon the terms and subject to the conditions provided in the Guarantee Agreement. Capitalized terms used but not defined in this notation of guarantee have the meanings assigned such terms in the Guarantee Agreement, a copy of which will be provided to [a holder of this instrument] upon request to [Issuer].

Schedule I of the Guarantee Agreement is hereby deemed to be automatically updated to include this [Indebtedness] thereon as a Guaranteed Obligation.

[GUARANTORS],
as Guarantor

By: _____
Name:
Title:

**Exhibit 10.1**

SCHEDULE I

Guaranteed Obligations
Current as of: March 31, 2021

| Issuer | Indebtedness | Maturity |
|---|---|---|
| Kinder Morgan, Inc. | 1.500% notes | March 16, 2022 |
| Kinder Morgan, Inc. | 3.150% bonds | January 15, 2023 |
| Kinder Morgan, Inc. | Floating rate bonds | January 15, 2023 |
| Kinder Morgan, Inc. | 5.625% notes | November 15, 2023 |
| Kinder Morgan, Inc. | 4.30% notes | June 1, 2025 |
| Kinder Morgan, Inc. | 6.70% bonds (Coastal) | February 15, 2027 |
| Kinder Morgan, Inc. | 2.250% notes | March 16, 2027 |
| Kinder Morgan, Inc. | 6.67% debentures | November 1, 2027 |
| Kinder Morgan, Inc. | 7.25% debentures | March 1, 2028 |
| Kinder Morgan, Inc. | 4.30% notes | March 1, 2028 |
| Kinder Morgan, Inc. | 6.95% bonds (Coastal) | June 1, 2028 |
| Kinder Morgan, Inc. | 8.05% bonds | October 15, 2030 |
| Kinder Morgan, Inc. | 2.00% notes | February 15, 2031 |
| Kinder Morgan, Inc. | 7.80% bonds | August 1, 2031 |
| Kinder Morgan, Inc. | 7.75% bonds | January 15, 2032 |
| Kinder Morgan, Inc. | 5.30% notes | December 1, 2034 |
| Kinder Morgan, Inc. | 7.75% bonds (Coastal) | October 15, 2035 |
| Kinder Morgan, Inc. | 6.40% notes | January 5, 2036 |
| Kinder Morgan, Inc. | 7.42% bonds (Coastal) | February 15, 2037 |
| Kinder Morgan, Inc. | 5.55% notes | June 1, 2045 |
| Kinder Morgan, Inc. | 5.050% notes | February 15, 2046 |
| Kinder Morgan, Inc. | 5.20% notes | March 1, 2048 |
| Kinder Morgan, Inc. | 3.25% notes | August 1, 2050 |
| Kinder Morgan, Inc. | 3.60% notes | February 15, 2051 |
| Kinder Morgan, Inc. | 7.45% debentures | March 1, 2098 |
| Kinder Morgan, Inc. | $100 Million Letter of Credit Facility | November 30, 2021 |
| Kinder Morgan Energy Partners, L.P. | 4.15% bonds | March 1, 2022 |
| Kinder Morgan Energy Partners, L.P. | 3.95% bonds | September 1, 2022 |
| Kinder Morgan Energy Partners, L.P. | 3.45% bonds | February 15, 2023 |
| Kinder Morgan Energy Partners, L.P. | 3.50% bonds | September 1, 2023 |
| Kinder Morgan Energy Partners, L.P. | 4.15% bonds | February 1, 2024 |
| Kinder Morgan Energy Partners, L.P. | 4.25% bonds | September 1, 2024 |
| Kinder Morgan Energy Partners, L.P. | 7.40% bonds | March 15, 2031 |
| Kinder Morgan Energy Partners, L.P. | 7.75% bonds | March 15, 2032 |
| Kinder Morgan Energy Partners, L.P. | 7.30% bonds | August 15, 2033 |
| Kinder Morgan Energy Partners, L.P. | 5.80% bonds | March 15, 2035 |
| Kinder Morgan Energy Partners, L.P. | 6.50% bonds | February 1, 2037 |
| Kinder Morgan Energy Partners, L.P. | 6.95% bonds | January 15, 2038 |
| Kinder Morgan Energy Partners, L.P. | 6.50% bonds | September 1, 2039 |

Schedule I
(Guaranteed Obligations)
Current as of: March 31, 2021

| Issuer | Indebtedness | Maturity |
|---|---|---|
| Kinder Morgan Energy Partners, L.P. | 6.55% bonds | September 15, 2040 |
| Kinder Morgan Energy Partners, L.P. | 6.375% bonds | March 1, 2041 |
| Kinder Morgan Energy Partners, L.P. | 5.625% bonds | September 1, 2041 |
| Kinder Morgan Energy Partners, L.P. | 5.00% bonds | August 15, 2042 |
| Kinder Morgan Energy Partners, L.P. | 5.00% bonds | March 1, 2043 |
| Kinder Morgan Energy Partners, L.P. | 5.50% bonds | March 1, 2044 |
| Kinder Morgan Energy Partners, L.P. | 5.40% bonds | September 1, 2044 |
| Kinder Morgan Energy Partners, L.P.[(1)] | 5.00% bonds | October 1, 2021 |
| Kinder Morgan Energy Partners, L.P.[(1)] | 4.30% bonds | May 1, 2024 |
| Kinder Morgan Energy Partners, L.P.[(1)] | 7.50% bonds | November 15, 2040 |
| Kinder Morgan Energy Partners, L.P.[(1)] | 4.70% bonds | November 1, 2042 |
| Tennessee Gas Pipeline Company, L.L.C. | 7.00% bonds | March 15, 2027 |
| Tennessee Gas Pipeline Company, L.L.C. | 7.00% bonds | October 15, 2028 |
| Tennessee Gas Pipeline Company, L.L.C. | 2.90% bonds | March 1, 2030 |
| Tennessee Gas Pipeline Company, L.L.C. | 8.375% bonds | June 15, 2032 |
| Tennessee Gas Pipeline Company, L.L.C. | 7.625% bonds | April 1, 2037 |
| El Paso Natural Gas Company, L.L.C. | 8.625% bonds | January 15, 2022 |
| El Paso Natural Gas Company, L.L.C. | 7.50% bonds | November 15, 2026 |
| El Paso Natural Gas Company, L.L.C. | 8.375% bonds | June 15, 2032 |
| Colorado Interstate Gas Company, L.L.C. | 4.15% notes | August 15, 2026 |
| Colorado Interstate Gas Company, L.L.C. | 6.85% bonds | June 15, 2037 |
| El Paso Tennessee Pipeline Co. L.L.C. | 7.25% bonds | December 15, 2025 |
| Other | Cora industrial revenue bonds | April 1, 2024 |

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[(1)] The original issuer, El Paso Pipeline Partners, L.P. merged with and into Kinder Morgan Energy Partners, L.P. effective January 1, 2015.

Schedule I
(Guaranteed Obligations)
Current as of: March 31, 2021

**Hedging Agreements**[1]

| Issuer | Guaranteed Party | Date |
|---|---|---|
| Kinder Morgan, Inc. | Bank of America, N.A. | January 4, 2018 |
| Kinder Morgan, Inc. | BNP Paribas | September 15, 2016 |
| Kinder Morgan, Inc. | Citibank, N.A. | March 16, 2017 |
| Kinder Morgan, Inc. | J. Aron & Company | December 23, 2011 |
| Kinder Morgan, Inc. | SunTrust Bank | August 29, 2001 |
| Kinder Morgan, Inc. | Barclays Bank PLC | November 26, 2014 |
| Kinder Morgan, Inc. | Bank of Montreal | April 25, 2019 |
| Kinder Morgan, Inc. | Bank of Tokyo-Mitsubishi, Ltd., New York Branch | November 26, 2014 |
| Kinder Morgan, Inc. | Canadian Imperial Bank of Commerce | November 26, 2014 |
| Kinder Morgan, Inc. | Commerzbank AG | August 22, 2019 |
| Kinder Morgan, Inc. | Compass Bank | March 24, 2015 |
| Kinder Morgan, Inc. | Credit Agricole Corporate and Investment Bank | November 26, 2014 |
| Kinder Morgan, Inc. | Credit Suisse International | November 26, 2014 |
| Kinder Morgan, Inc. | Deutsche Bank AG | November 26, 2014 |
| Kinder Morgan, Inc. | ING Capital Markets LLC | November 26, 2014 |
| Kinder Morgan, Inc. | Intesa Sanpaolo S.p.A. | July 1, 2019 |
| Kinder Morgan, Inc. | JPMorgan Chase Bank, N.A. | February 19, 2015 |
| Kinder Morgan, Inc. | Mizuho Capital Markets Corporation | November 26, 2014 |
| Kinder Morgan, Inc. | Morgan Stanley Capital Services LLC | July 9, 2018 |
| Kinder Morgan, Inc. | PNC Bank National Association | February 4, 2019 |
| Kinder Morgan, Inc. | Royal Bank of Canada | November 26, 2014 |
| Kinder Morgan, Inc. | SMBC Capital Markets, Inc. | April 26, 2017 |
| Kinder Morgan, Inc. | The Bank of Nova Scotia | November 26, 2014 |
| Kinder Morgan, Inc. | The Royal Bank of Scotland PLC | November 26, 2014 |
| Kinder Morgan, Inc. | Societe Generale | November 26, 2014 |
| Kinder Morgan, Inc. | The Toronto-Dominion Bank | October 2, 2017 |
| Kinder Morgan, Inc. | UBS AG | November 26, 2014 |
| Kinder Morgan, Inc. | Wells Fargo Bank, N.A. | November 26, 2014 |
| Kinder Morgan Energy Partners, L.P. | Bank of America, N.A. | April 14, 1999 |
| Kinder Morgan Energy Partners, L.P. | Bank of Tokyo-Mitsubishi, Ltd., New York Branch | November 23, 2004 |
| Kinder Morgan Energy Partners, L.P. | Barclays Bank PLC | November 18, 2003 |
| Kinder Morgan Energy Partners, L.P. | Canadian Imperial Bank of Commerce | August 4, 2011 |
| Kinder Morgan Energy Partners, L.P. | Citibank, N.A. | March 14, 2002 |
| Kinder Morgan Energy Partners, L.P. | Credit Agricole Corporate and Investment Bank | June 20, 2014 |
| Kinder Morgan Energy Partners, L.P. | Credit Suisse International | May 14, 2010 |

[1] Guaranteed Obligations with respect to Hedging Agreements include International Swaps and Derivatives Association Master Agreements ("ISDAs") and all transactions entered into pursuant to any ISDA listed on this Schedule I.

Schedule I
(Guaranteed Obligations)
Current as of: March 31, 2021

**Hedging Agreements**[1]

| Issuer | Guaranteed Party | Date |
|---|---|---|
| Kinder Morgan Energy Partners, L.P. | Deutsche Bank AG | April 2, 2009 |
| Kinder Morgan Energy Partners, L.P. | ING Capital Markets LLC | September 21, 2011 |
| Kinder Morgan Energy Partners, L.P. | J. Aron & Company | November 11, 2004 |
| Kinder Morgan Energy Partners, L.P. | JPMorgan Chase Bank | August 29, 2001 |
| Kinder Morgan Energy Partners, L.P. | Mizuho Capital Markets Corporation | July 11, 2014 |
| Kinder Morgan Energy Partners, L.P. | Morgan Stanley Capital Services Inc. | March 10, 2010 |
| Kinder Morgan Energy Partners, L.P. | Royal Bank of Canada | March 12, 2009 |
| Kinder Morgan Energy Partners, L.P. | The Royal Bank of Scotland PLC | March 20, 2009 |
| Kinder Morgan Energy Partners, L.P. | The Bank of Nova Scotia | August 14, 2003 |
| Kinder Morgan Energy Partners, L.P. | Societe Generale | July 18, 2014 |
| Kinder Morgan Energy Partners, L.P. | SunTrust Bank | March 14, 2002 |
| Kinder Morgan Energy Partners, L.P. | UBS AG | February 23, 2011 |
| Kinder Morgan Energy Partners, L.P. | Wells Fargo Bank, N.A. | July 31, 2007 |
| Kinder Morgan Texas Pipeline LLC | Bank of Montreal | April 25, 2019 |
| Kinder Morgan Texas Pipeline LLC | Barclays Bank PLC | January 10, 2003 |
| Kinder Morgan Texas Pipeline LLC | BNP Paribas | March 2, 2005 |
| Kinder Morgan Texas Pipeline LLC | Canadian Imperial Bank of Commerce | December 18, 2006 |
| Kinder Morgan Texas Pipeline LLC | Citibank, N.A. | February 22, 2005 |
| Kinder Morgan Texas Pipeline LLC | Credit Suisse International | August 31, 2012 |
| Kinder Morgan Texas Pipeline LLC | Deutsche Bank AG | June 13, 2007 |
| Kinder Morgan Texas Pipeline LLC | ING Capital Markets LLC | April 17, 2014 |
| Kinder Morgan Texas Pipeline LLC | Intesa Sanpaolo S.p.a | October 29, 2020 |
| Kinder Morgan Production LLC | J. Aron & Company | June 12, 2006 |
| Kinder Morgan Texas Pipeline LLC | J. Aron & Company | June 8, 2000 |
| Kinder Morgan Texas Pipeline LLC | JPMorgan Chase Bank, N.A. | September 7, 2006 |
| Kinder Morgan Texas Pipeline LLC | Macquarie Bank Limited | September 20, 2010 |
| Kinder Morgan Texas Pipeline LLC | Merrill Lynch Commodities, Inc. | October 24, 2001 |
| Kinder Morgan Texas Pipeline LLC | Natixis | June 13, 2011 |
| Kinder Morgan Texas Pipeline LLC | Phillips 66 Company | March 30, 2015 |
| Kinder Morgan Texas Pipeline LLC | PNC Bank, National Association | July 11, 2018 |
| Kinder Morgan Texas Pipeline LLC | Royal Bank of Canada | October 18, 2018 |
| Kinder Morgan Texas Pipeline LLC | The Bank of Nova Scotia | May 8, 2014 |
| Kinder Morgan Texas Pipeline LLC | Societe Generale | January 14, 2003 |
| Kinder Morgan Texas Pipeline LLC | Wells Fargo Bank, N.A. | June 1, 2013 |
| Copano Risk Management, LLC | Citibank, N.A. | July 21, 2008 |
| Copano Risk Management, LLC | J. Aron & Company | December 12, 2005 |
| Copano Risk Management, LLC | Morgan Stanley Capital Group Inc. | May 4, 2007 |

[1] Guaranteed Obligations with respect to Hedging Agreements include International Swaps and Derivatives Association Master Agreements ("ISDAs") and all transactions entered into pursuant to any ISDA listed on this Schedule I.

**Exhibit 10.1**

SCHEDULE II

Guarantors
Current as of: March 31, 2021

Agnes B Crane, LLC
American Petroleum Tankers II LLC
American Petroleum Tankers III LLC
American Petroleum Tankers IV LLC
American Petroleum Tankers LLC
American Petroleum Tankers Parent LLC
American Petroleum Tankers V LLC
American Petroleum Tankers VI LLC
American Petroleum Tankers VII LLC
American Petroleum Tankers VIII LLC
American Petroleum Tankers IX LLC
American Petroleum Tankers X LLC
American Petroleum Tankers XI LLC
APT Florida LLC
APT Intermediate Holdco LLC
APT New Intermediate Holdco LLC
APT Pennsylvania LLC
APT Sunshine State LLC
Betty Lou LLC
Camino Real Gas Gathering Company LLC
Camino Real Gathering Company, L.L.C.
Cantera Gas Company LLC
CDE Pipeline LLC
Central Florida Pipeline LLC
Cheyenne Plains Gas Pipeline Company, L.L.C.
CIG Gas Storage Company LLC
CIG Pipeline Services Company, L.L.C.
Colorado Interstate Gas Company, L.L.C.
Colorado Interstate Issuing Corporation
Copano Double Eagle LLC
Copano Energy Finance Corporation
Copano Energy Services/Upper Gulf Coast LLC
Copano Energy, L.L.C.
Copano Field Services GP, L.L.C.
Copano Field Services/North Texas, L.L.C.
Copano Field Services/South Texas LLC
Copano Field Services/Upper Gulf Coast LLC
Copano Liberty, LLC
Copano Liquids Marketing LLC
Copano NGL Services (Markham), L.L.C.
Copano NGL Services LLC
Copano Pipelines Group, L.L.C.
Copano Pipelines/North Texas, L.L.C.
Copano Pipelines/Rocky Mountains, LLC
Copano Pipelines/South Texas LLC
Copano Pipelines/Upper Gulf Coast LLC
Copano Processing LLC
Copano Risk Management LLC
Copano Terminals LLC
Copano/Webb-Duval Pipeline LLC
CPNO Services LLC
Dakota Bulk Terminal LLC
Delta Terminal Services LLC
Eagle Ford Gathering LLC
El Paso Cheyenne Holdings, L.L.C.
El Paso Citrus Holdings, Inc.
El Paso CNG Company, L.L.C.
El Paso Energy Service Company, L.L.C.
El Paso LLC
El Paso Midstream Group LLC
El Paso Natural Gas Company, L.L.C.
El Paso Noric Investments III, L.L.C.
El Paso Ruby Holding Company, L.L.C.
El Paso Tennessee Pipeline Co., L.L.C.
Elba Express Company, L.L.C.
Elizabeth River Terminals LLC
Emory B Crane, LLC
EP Ruby LLC
EPBGP Contracting Services LLC
EPTP Issuing Corporation
Frank L. Crane, LLC
General Stevedores GP, LLC
General Stevedores Holdings LLC
Harrah Midstream LLC
HBM Environmental LLC
Hiland Crude, LLC
Hiland Partners Holdings LLC
HPH Oklahoma Gathering LLC
ICPT, L.L.C
Independent Trading & Transportation Company I, L.L.C.
JV Tanker Charterer LLC
Kinder Morgan 2-Mile LLC
Kinder Morgan Administrative Services Tampa LLC
Kinder Morgan Altamont LLC
Kinder Morgan Baltimore Transload Terminal LLC
Kinder Morgan Battleground Oil LLC
Kinder Morgan Border Pipeline LLC
Kinder Morgan Bulk Terminals LLC
Kinder Morgan Carbon Dioxide Transportation Company
Kinder Morgan CO2 Company LLC
Kinder Morgan Commercial Services LLC

Schedule II
(Guarantors)
Current as of: March 31, 2021

Kinder Morgan Contracting Services LLC
Kinder Morgan Crude & Condensate LLC
Kinder Morgan Crude Marketing LLC
Kinder Morgan Crude Oil Pipelines LLC
Kinder Morgan Crude to Rail LLC
Kinder Morgan Cushing LLC
Kinder Morgan Dallas Fort Worth Rail Terminal LLC
Kinder Morgan Deeprock North Holdco LLC
Kinder Morgan Endeavor LLC
Kinder Morgan Energy Partners, L.P.
Kinder Morgan Energy Transition Ventures LLC
Kinder Morgan EP Midstream LLC
Kinder Morgan Finance Company LLC
Kinder Morgan Freedom Pipeline LLC
Kinder Morgan Galena Park West LLC
Kinder Morgan IMT Holdco LLC
Kinder Morgan, Inc.
Kinder Morgan Keystone Gas Storage LLC
Kinder Morgan KMAP LLC
Kinder Morgan Las Vegas LLC
Kinder Morgan Linden Transload Terminal LLC
Kinder Morgan Liquids Terminals LLC
Kinder Morgan Liquids Terminals St. Gabriel LLC
Kinder Morgan Louisiana Pipeline Holding LLC
Kinder Morgan Louisiana Pipeline LLC
Kinder Morgan Marine Services LLC
Kinder Morgan Materials Services, LLC
Kinder Morgan Mid Atlantic Marine Services LLC
Kinder Morgan NatGas O&M LLC
Kinder Morgan NGPL Holdings LLC
Kinder Morgan North Texas Pipeline LLC
Kinder Morgan Operating LLC “A”
Kinder Morgan Operating LLC “B”
Kinder Morgan Operating LLC “C”
Kinder Morgan Operating LLC “D”
Kinder Morgan Pecos LLC
Kinder Morgan Pecos Valley LLC
Kinder Morgan Petcoke GP LLC
Kinder Morgan Petcoke LP LLC
Kinder Morgan Petcoke, L.P.
Kinder Morgan Petroleum Tankers LLC
Kinder Morgan Pipeline LLC
Kinder Morgan Port Manatee Terminal LLC
Kinder Morgan Port Sutton Terminal LLC
Kinder Morgan Port Terminals USA LLC
Kinder Morgan Portland Jet Line LLC
Kinder Morgan Production Company LLC
Kinder Morgan Products Terminals LLC
Kinder Morgan Rail Services LLC
Kinder Morgan Resources II LLC
Kinder Morgan Resources III LLC
Kinder Morgan Resources LLC
Kinder Morgan Scurry Connector LLC
Kinder Morgan Seven Oaks LLC
Kinder Morgan SNG Operator LLC
Kinder Morgan Southeast Terminals LLC
Kinder Morgan Tank Storage Terminals LLC
Kinder Morgan Tejas Pipeline LLC
Kinder Morgan Terminals, Inc.
Kinder Morgan Terminals Wilmington LLC
Kinder Morgan Texas Pipeline LLC
Kinder Morgan Texas Terminals, L.P.
Kinder Morgan Transmix Company, LLC
Kinder Morgan Treating LP
Kinder Morgan Urban Renewal, L.L.C.
Kinder Morgan Utica LLC
Kinder Morgan Vehicle Services LLC
Kinder Morgan Virginia Liquids Terminals LLC
Kinder Morgan Wink Pipeline LLC
KinderHawk Field Services LLC
KM Crane LLC
KM Decatur LLC
KM Eagle Gathering LLC
KM Gathering LLC
KM Kaskaskia Dock LLC
KM Liquids Terminals LLC
KM North Cahokia Land LLC
KM North Cahokia Special Project LLC
KM North Cahokia Terminal Project LLC
KM Ship Channel Services LLC
KM Treating GP LLC
KM Treating Production LLC
KM Utopia Operator LLC
KMBT Legacy Holdings LLC
KMBT LLC
KMGP Services Company, Inc.
KN Telecommunications, Inc.
Knight Power Company LLC
Lomita Rail Terminal LLC
Milwaukee Bulk Terminals LLC
MJR Operating LLC
Mojave Pipeline Company, L.L.C.
Mojave Pipeline Operating Company, L.L.C.
Paddy Ryan Crane, LLC
Palmetto Products Pipe Line LLC
PI 2 Pelican State LLC
Pinney Dock & Transport LLC
Queen City Terminals LLC
Rahway River Land LLC

Schedule II
(Guarantors)
Current as of: March 31, 2021

River Terminals Properties GP LLC
River Terminal Properties, L.P.
ScissorTail Energy, LLC
SNG Pipeline Services Company, L.L.C.
Southern Dome, LLC
Southern Gulf LNG Company, L.L.C.
Southern Liquefaction Company LLC
Southern LNG Company, L.L.C.
Southern Oklahoma Gathering LLC
SouthTex Treaters LLC
Southwest Florida Pipeline LLC
SRT Vessels LLC
Stevedore Holdings, L.P.
Tejas Gas, LLC
Tejas Natural Gas, LLC
Tennessee Gas Pipeline Company, L.L.C.
Tennessee Gas Pipeline Issuing Corporation
Texan Tug LLC
TGP Pipeline Services Company, L.L.C.
TransColorado Gas Transmission Company LLC
Transload Services, LLC
Utica Marcellus Texas Pipeline LLC
Western Plant Services LLC
Wyoming Interstate Company, L.L.C.

**Exhibit 10.1**

SCHEDULE III

Excluded Subsidiaries

ANR Real Estate Corporation
Coastal Eagle Point Oil Company
Coastal Oil New England, Inc.
Colton Processing Facility
Coscol Petroleum Corporation
El Paso CGP Company, L.L.C.
El Paso Energy Capital Trust I
El Paso Energy E.S.T. Company
El Paso Energy International Company
El Paso Marketing Company, L.L.C.
El Paso Merchant Energy North America Company, L.L.C.
El Paso Merchant Energy-Petroleum Company
El Paso Reata Energy Company, L.L.C.
El Paso Remediation Company
El Paso Services Holding Company
EPEC Corporation
EPEC Oil Company Liquidating Trust
EPEC Polymers, Inc.
EPED Holding Company
KN Capital Trust I
KN Capital Trust III
Mesquite Investors, L.L.C.

Note: The Excluded Subsidiaries listed on this Schedule III may also be Excluded Subsidiaries pursuant to other exceptions set forth in the definition of "Excluded Subsidiary".

**Exhibit 22.1**

## List of Guarantor Subsidiaries

The Cross Guarantee Agreement furnished as Exhibit 10.1 to this Quarterly Report on Form 10-Q sets forth, as of March 31, 2021, the registrant's guarantor subsidiaries on Schedule II thereto and the guaranteed securities on Schedule I thereto.

**Exhibit 31.1**

**KINDER MORGAN, INC. AND SUBSIDIARIES**
**CERTIFICATION PURSUANT TO RULE 13A-14(A) OR 15D-14(A)**
**OF THE SECURITIES EXCHANGE ACT OF 1934,**
**AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Steven J. Kean, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kinder Morgan, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in the United States;

   (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 23, 2021

/s/ Steven J. Kean
Steven J. Kean
Chief Executive Officer

**Exhibit 31.2**

**KINDER MORGAN, INC. AND SUBSIDIARIES**
**CERTIFICATION PURSUANT TO RULE 13A-14(A) OR 15D-14(A)**
**OF THE SECURITIES EXCHANGE ACT OF 1934,**
**AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, David P. Michels, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kinder Morgan, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in the United States;

   (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 23, 2021

/s/ David P. Michels
David P. Michels
Vice President and Chief Financial Officer

**Exhibit 32.1**

**KINDER MORGAN, INC. AND SUBSIDIARIES**
**Exhibit 32.1 - CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Kinder Morgan, Inc. (the "Company") for the quarterly period ended March 31, 2021, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, in the capacity and on the date indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to Kinder Morgan, Inc. and will be retained by Kinder Morgan, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Date: April 23, 2021

/s/ Steven J. Kean
Steven J. Kean
Chief Executive Officer

**Exhibit 32.2**

**KINDER MORGAN, INC. AND SUBSIDIARIES**
**Exhibit 32.2 - CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Kinder Morgan, Inc. (the "Company") for the quarterly period ended March 31, 2021, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, in the capacity and on the date indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to Kinder Morgan, Inc. and will be retained by Kinder Morgan, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Date: April 23, 2021

/s/ David P. Michels
David P. Michels
Vice President and Chief Financial Officer