KINDER MORGAN

# *Companies Run By Shareholders, For Shareholders*

*David Kinder*
*VP, Corporate Development and Treasurer*

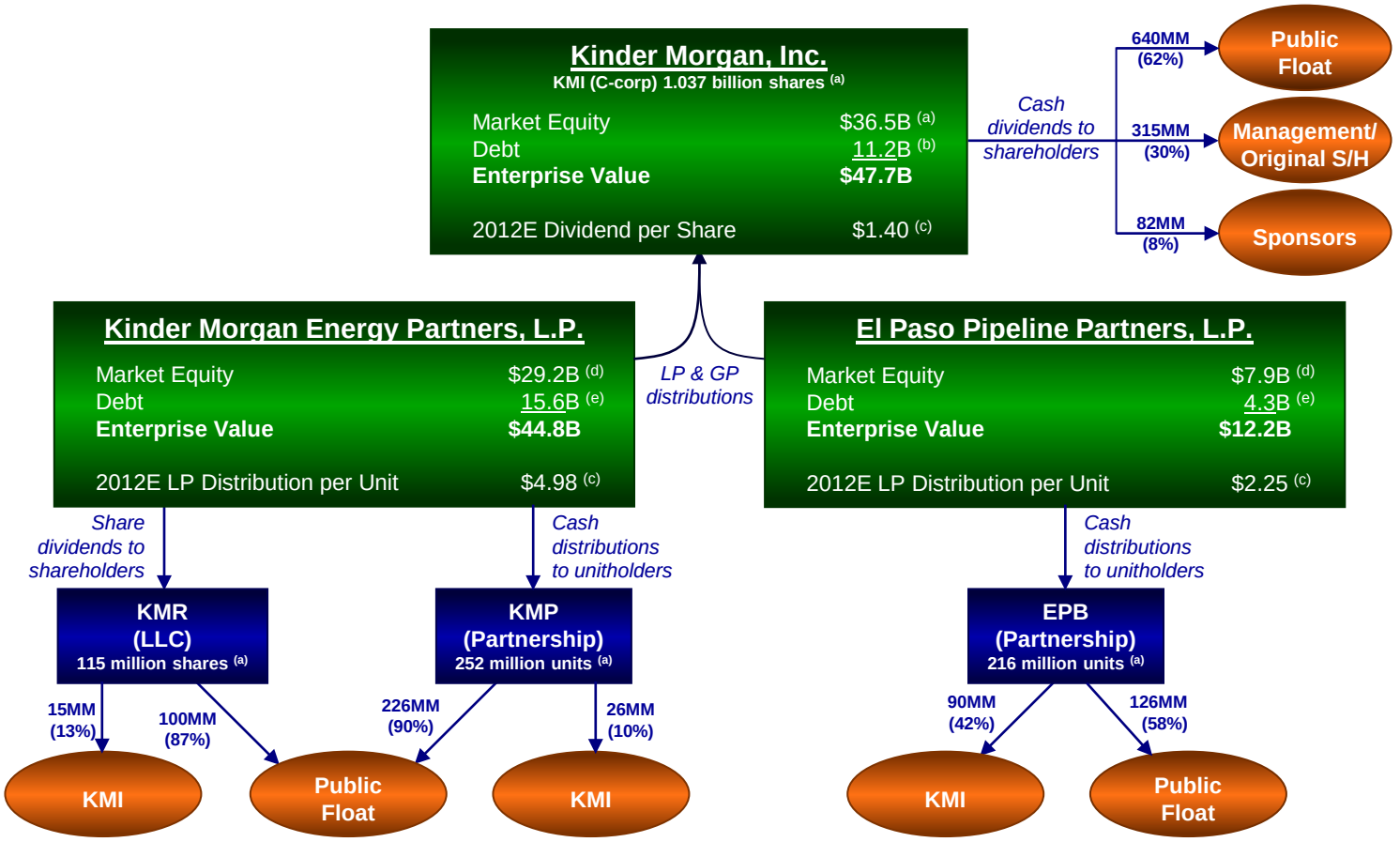
*December 4, 2012*

# Forward-Looking Statements / Non-GAAP Financial Measures

This presentation contains forward-looking statements. These forward-looking statements are identified as any statement that does not relate strictly to historical or current facts. In particular, statements, express or implied, concerning future actions, conditions or events, future operating results or the ability to generate revenues, income or cash flow or to make distributions or pay dividends are forward-looking statements. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Future actions, conditions or events and future results of operations of Kinder Morgan Energy Partners, L.P., Kinder Morgan Management, LLC, El Paso Pipeline Partners, L.P., and Kinder Morgan, Inc. may differ materially from those expressed in these forward-looking statements. Many of the factors that will determine these results are beyond Kinder Morgan's ability to control or predict. These statements are necessarily based upon various assumptions involving judgments with respect to the future, including, among others, the ability to achieve synergies and revenue growth; national, international, regional and local economic, competitive and regulatory conditions and developments; technological developments; capital and credit markets conditions; inflation rates; interest rates; the political and economic stability of oil producing nations; energy markets; weather conditions; environmental conditions; business and regulatory or legal decisions; the pace of deregulation of retail natural gas and electricity and certain agricultural products; the timing and success of business development efforts; terrorism; and other uncertainties. There is no assurance that any of the actions, events or results of the forward-looking statements will occur, or if any of them do, what impact they will have on our results of operations or financial condition. Because of these uncertainties, you are cautioned not to put undue reliance on any forward-looking statement. Please read "Risk Factors" and "Information Regarding Forward-Looking Statements" in our most recent Annual Reports on Form 10-K and our subsequently filed Exchange Act reports, which are available through the SEC's EDGAR system at www.sec.gov and on our website at www.kindermorgan.com.

We use non-generally accepted accounting principles ("non-GAAP") financial measures in this presentation, and our reconciliations of non-GAAP financial measures to our GAAP financial statements are on our website, at www.kindermorgan.com. These non-GAAP measures should not be considered an alternative to GAAP financial measures.

# Kinder Morgan – Four Ways to Invest: KMP, KMR, EPB & KMI




(a) Market prices as of 11/23/2012; KMI market equity based on ~1,037 million shares (assumes full conversion of Class A, B and C shares in to Class P shares) at a price of $32.58 and ~445 million warrants at a price of $3.30; figures reflect KMI share follow-on offering (including greenshoe) by sponsors settled on 10/17/2012.

(b) Debt of KMI and its subsidiaries as of 9/30/2012; excludes debt of KMP and its subsidiaries and EPB and its subsidiaries; excludes the fair value of interest rate swaps, purchase accounting and Kinder Morgan G.P., Inc.'s $100 million of Series A Fixed-to-floating Rate Term Cumulative Preferred Stock due 2057, net of cash.

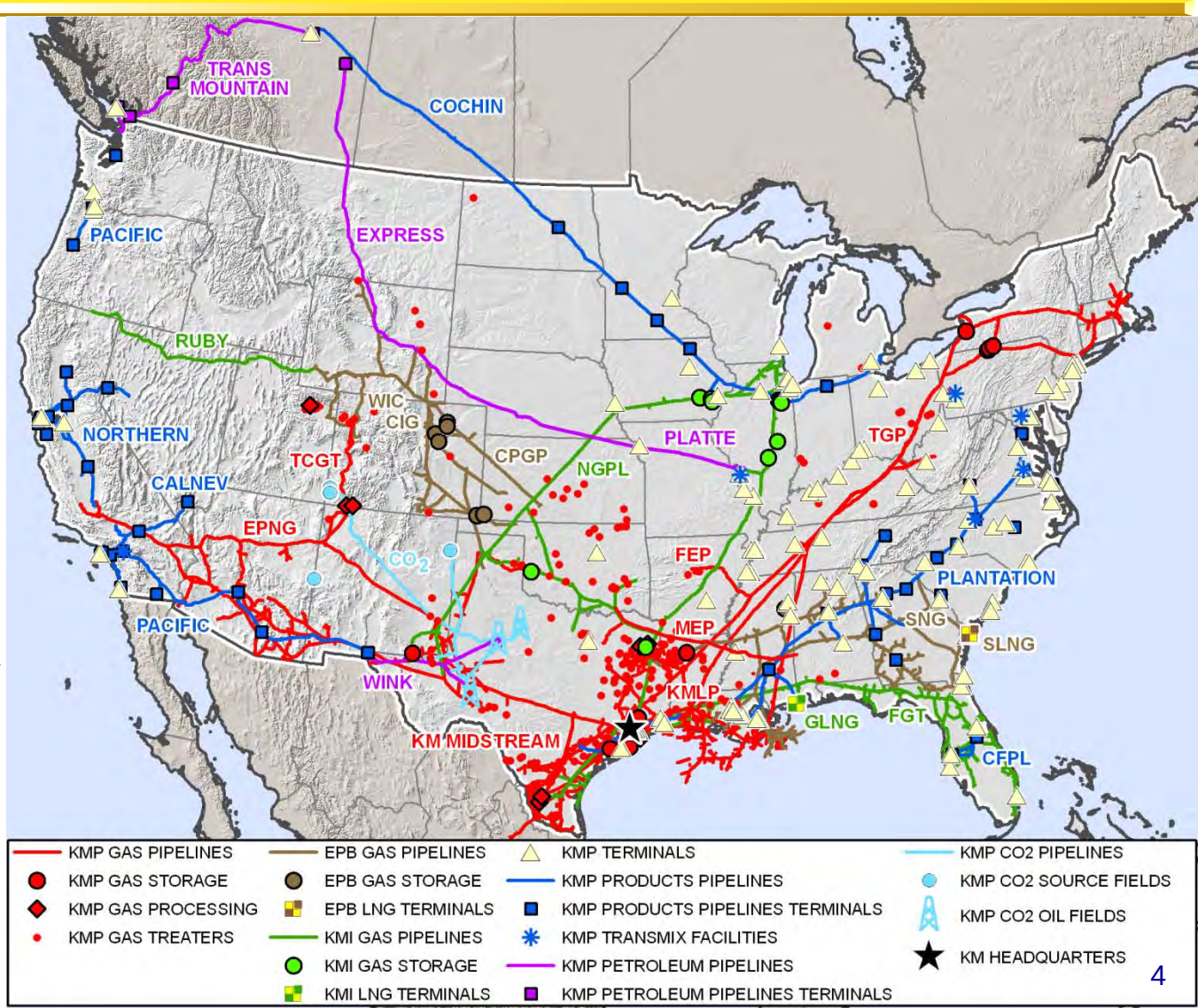
(c) 2012 forecast.

(d) Market prices as of 11/23/2012; KMP market equity based on ~252 million common units (includes 5.3 million Class B units owned by Kinder Morgan, Inc.; Class B units are unlisted KMP common units) at a price of $80.64, ~115 million KMR shares at a price of $73.74, and ~216 million EPB units at a price of $36.21; KMR figures reflect share dividend paid on 11/14/2012.

(e) Debt balances of KMP and EPB as of 9/30/2012; KMP net of proceeds from FTC divestiture; exclude the fair value of interest rate swaps, net of cash.

# Unparalleled Asset Footprint

- **3rd largest energy company in North America with combined enterprise value of approximately $100 billion [(a)]**
- **Largest natural gas network in U.S.**
  - Own an interest in / operate over 62,000 [(b)] miles of natural gas pipeline
  - Connected to every important U.S. natural gas resource play, including: Eagle Ford, Marcellus, Utica, Haynesville, Fayetteville and Barnett
- **Largest independent transporter of petroleum products in U.S.**
  - Transport ~1.9 MMBbl/d [(b)]
- **Largest transporter of $CO_2$ in U.S.**
  - Transport ~1.3 Bcf/d of $CO_2$ [(b)]
- **2nd largest oil producer in Texas**
  - Produce ~51 MBbl/d of crude oil gross (~34 MBbl/d net) [(b)]
- **Largest independent terminal operator in U.S.**
  - Own an interest in or operate ~180 liquids / dry bulk terminals
  - ~111 MMBbls domestic liquids capacity
  - Handle ~108 MMtons of dry bulk products [(b)]
- **Only Oilsands pipe serving West Coast**
  - TMPL transports ~300 MBbl/d to Vancouver / Washington State




(a) Combined enterprise of KMI, KMP & EPB as of 9/14/2012; adjusted for KMP / KMR / EPB units / shares owned by KMI, see footnotes on slide 3 for further information regarding certain pro forma adjustments made.

(b) 2012 budgeted volumes.

# Significant Identified Growth Opportunities

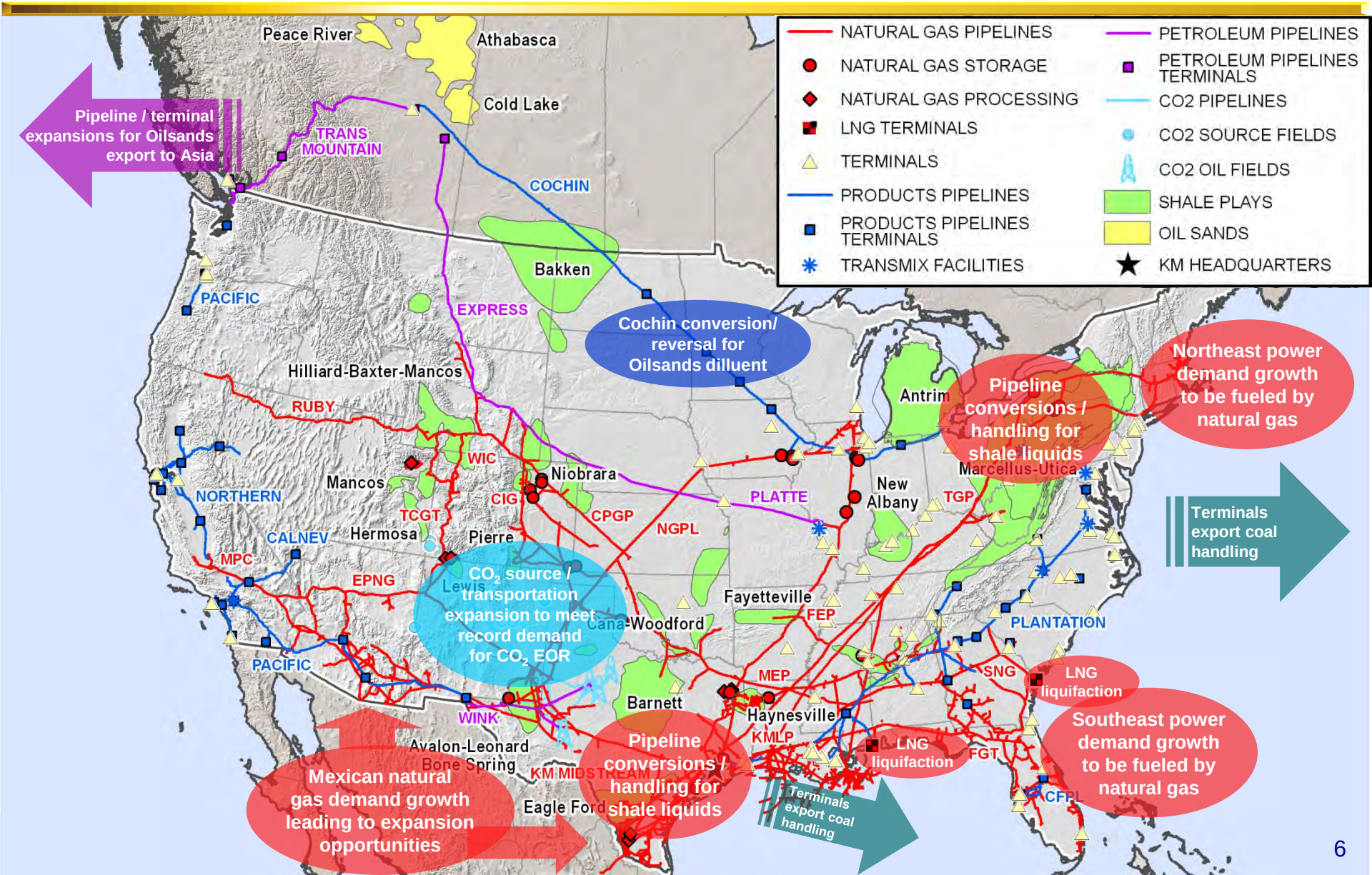
***Tremendous footprint provides $11B of identified growth projects over next 5 years [(a)]***

| | Approximate Growth Capex [(a)] ($B) | Selected Potential Growth Projects |
|---|---|---|
| **Natural Gas Pipelines** | $2.0 – 2.5 | ▪ TGP Northeast upgrade<br>▪ LNG expansions<br>▪ EPNG Mexico border expansion |
| **Products Pipelines** | 0.8 | ▪ Condensate processing facility<br>▪ Cochin reversal<br>▪ Parkway Pipeline |
| **$CO_2$ – S&T** | 1.4 | ▪ McElmo Dome and Doe Canyon expansions<br>▪ St. Johns buildout |
| **$CO_2$ – EOR [(b)] Oil Production** | 1.0 | ▪ Continued EOR [(b)] oilfield development |
| **Terminals** | 1.6 | ▪ BOSTCO project<br>▪ Edmonton tank expansion<br>▪ IMT coal export expansion<br>▪ Deepwater coal export handling |
| **Kinder Morgan Canada** | 4.1 | ▪ Trans Mountain Pipeline expansion |
| **Total** | **$10.9 – 11.4** | |

(a) Includes KM's proportionate share of non-wholly owned projects
(b) $CO_2$ EOR = Enhanced Oil Recovery

# Opportunity Set Within Existing Assets Leverages Diverse Energy Themes

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# Our Strategy – Stay the Course

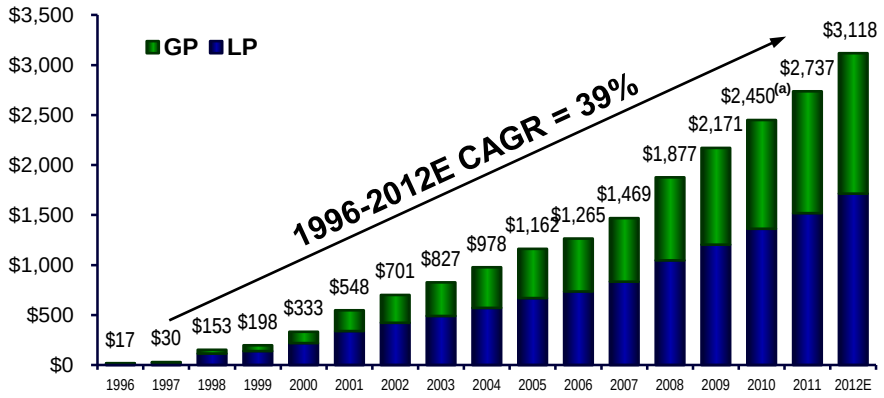
## *Same Strategy Since Inception*

- **Focus on stable fee-based assets that are core to North American energy infrastructure**
  - Market leader in each of our business segments
- **Control costs**
  - It's the investors' money, not management's – treat it that way
- **Leverage asset footprint to seek attractive capital investment opportunities, both expansion and acquisition**
  - KMP has completed $15 billion in acquisitions and $15 billion of expected greenfield / expansion projects since inception (a)
  - KMI acquisition of El Paso for $38 billion
- **Maintaining a strong balance sheet is paramount**
  - Enables continued access to capital markets to grow the business
  - KMP accessed capital markets for $31 billion since inception (b)

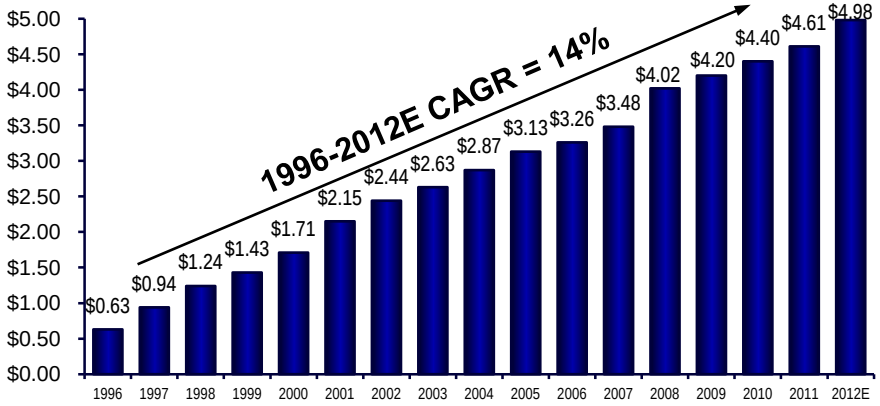
(a) From 1997 through full-year 2012 (forecast, net of proceeds from FTC divestiture).
(b) Gross capital issued through 9/30/2012, adjusted for KMR dividend paid 11/14/2012 and net proceeds from FTC divestiture. Gross capital of $28 billion net of refinancing.

# 16 Years of Consistent Growth

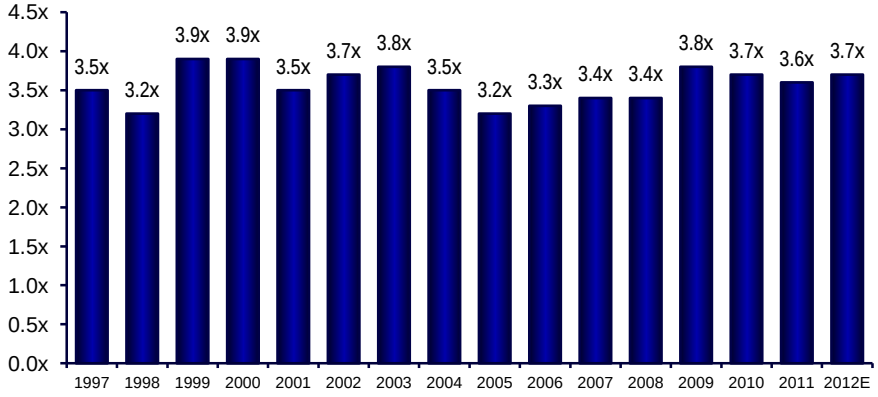
## Total Distributions (GP + LP) ($MM)




## KMP Annual LP Distribution per Unit (b)




## KMP Net Debt to EBITDA (c)




Note: excludes any impact from the proposed acquisition of El Paso by KMI, except as noted in footnote (c) below.

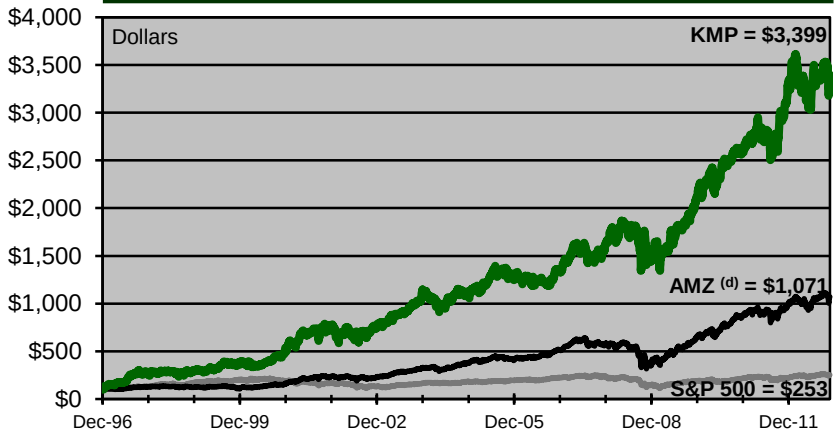
(a) In 2010, total distributions paid were $2,280 million. These distributions would have been $2,450 million ($170 million greater) if all distributions paid in August 2010 had been cash from operations, rather than a portion being a distribution of cash from interim capital transactions; the GP receives only 2% of distributions of cash from interim capital transactions; 2012 budget.

(b) Annual LP declared distributions, rounded to 2 decimals where applicable; 2012 forecast.

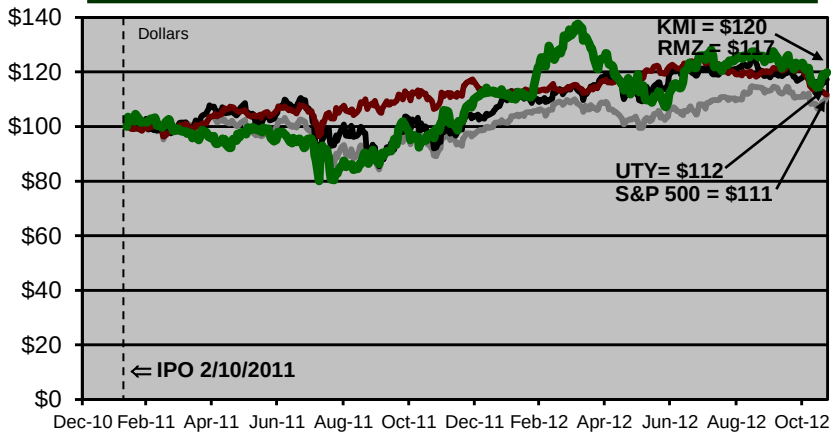
(c) Debt is net of cash and excluding fair value of interest rate swaps; 2012E assumes full year contribution from 100% of TGP and 50% of EPNG.

# Significant Historical Returns [a]

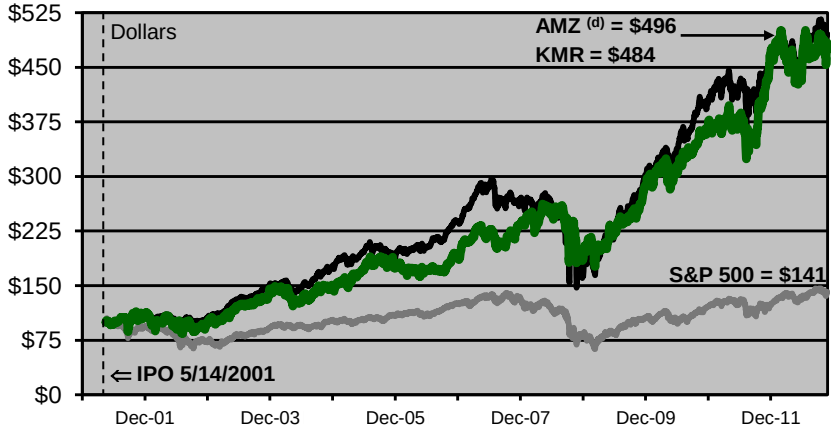
## KMP: 25% CATR Since '96 [b]




## KMI: 11% CATR Since Inception [e]




## KMR: 15% CATR Since Inception [c]




| Total Return | 2011 [f] | 2-yr [f] | 3-yr [f] | 5-yr [f] | 10-yr [f] |
|---|---|---|---|---|---|
| KMP | 29% | 58% | 129% | 149% | 338% |
| KMR | 26% | 66% | 148% | 150% | 327% |
| KMI | 11% [g] | n/a | n/a | n/a | n/a |
| S&P 500 Index | 2% | 17% | 49% | -1% | 33% |
| Alerian MLP Index | 14% | 55% | 173% | 95% | 324% |
| MSCI REIT Index | 9% | 40% | 79% | -7% | 224% |
| Philadelphia UTY Index | 19% | 26% | 39% | 20% | 119% |

Source: Bloomberg.

(a) Total returns calculated on daily basis through 11/23/2012, except where noted; assumes dividends / distributions reinvested in index / stock / unit.

(b) Start date 12/31/1996.

(c) Start date 5/14/2001: KMR initial public offering; KMP CATR over same period is 15%.

(d) Alerian MLP Index.

(e) Start date 2/10/2011.

(f) Calculated through 12/30/2011; start dates for 2-year, 3-year, 5-year and 10-year return calculations are 12/31/2009, 12/29/2008, 12/31/2006 and 12/31/2001, respectively.

(g) Annualized total return based on partial year return following IPO on 2/10/2011; partial-year return for period is 10.0%.

# Promises Made, Promises Kept

| Promises Made | Promises Kept |
|---|---|
| **KMP Budgeted LP Distribution:** | **KMP Actual LP Distribution:** |
| 2000: $1.60 | 2000: $1.71 |
| 2001: $1.95 | 2001: $2.15 |
| 2002: $2.40 | 2002: $2.435 |
| 2003: $2.63 | 2003: $2.63 |
| 2004: $2.84 | 2004: $2.87 |
| 2005: $3.13 | 2005: $3.13 |
| 2006: $3.28 | 2006: $3.26 |
| 2007: $3.44 | 2007: $3.48 |
| 2008: $4.02 | 2008: $4.02 |
| 2009: $4.20 | 2009: $4.20 |
| 2010: $4.40 | 2010: $4.40 |
| 2011: $4.60 | 2011: $4.61 |
| 2012: $4.98 (a) | |
| **KMI Budgeted Dividend:** | **KMI Actual Dividend:** |
| 2011: $1.16 (b) | 2011: $1.20 (b) |
| 2012: $1.35 (c) | |
| **EPB Forecast Dividend:** | **EPB Actual Dividend:** |
| 2012: $2.25 (a) | |

***KMP achieved LP distribution target in 11 out of 12 years***

(a) Original 2012 budget / current target.
(b) Presented as if KMI were publically traded for all of 2011.
(c) Original 2012 budget excluding EP was $1.35, current target is $1.40 including EP.

# 2013 Budget Guidance

- **KMI 2013 budgeted dividend: $1.57 per share**

- **KMP 2013 budgeted LP distribution: $5.28 per unit**
  - Total segment EBDA of over $5.4 billion
  - Excess coverage of over $30 million
  - Assumes WTI oil price of $91.68/Bbl for unhedged oil production
    - Sensitivity is ~$8 million per $1/Bbl change in crude price (~0.15% of total segment EBDA)
  - Total growth capital expenditures of ~$2.8 billion (excluding dropdowns)
    - Over $625 million of equity funded by KMR dividend
  - Expected dropdowns from KMI of remaining 50% interest in EPNG and 50% interest in midstream assets

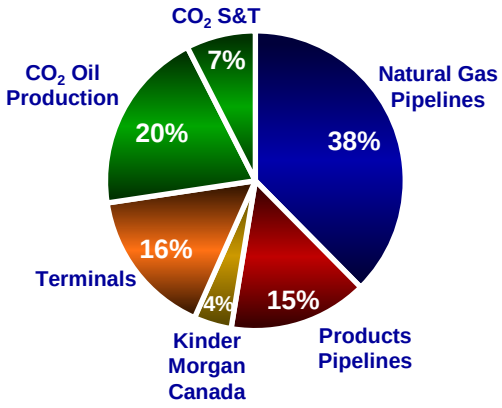
- **EPB 2013 budgeted LP distribution: $2.55 per unit**
  - Total segment EBDA of ~$1.2 billion
  - Excess coverage of ~$25 million
  - Expected dropdown from KMI of 50% interest in Gulf LNG

# Stable, Diversified Cash Flow

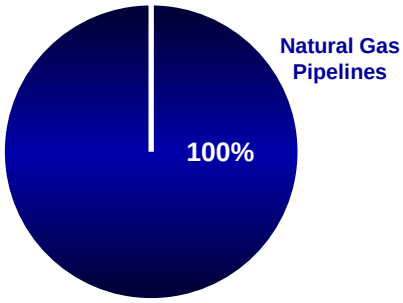
- **Addition of El Paso assets increases natural gas pipeline business mix**
  - KMP's natural gas pipelines segment contribution increases from ~30% to ~38% pro forma for dropdown of TGP / 50% EPNG and FTC divestitures [(a)]
  - EPB is 100% natural gas pipelines
  - KMI's overall linkage to natural gas pipelines increases from ~30% to ~54 [(a)]
- **Stable, FERC-regulated, fee-based, long-haul, interstate pipeline revenue will constitute the largest portion of Kinder Morgan's pro forma cash flow profile**
- **Cash flow stability supported by scale and scope of combined company's comprehensive infrastructure system**
  - Nationwide gas infrastructure system will interconnect with every major system in the U.S. and serve every major U.S. end-market

## 2012 Pro Forma Business Mix [(a)]

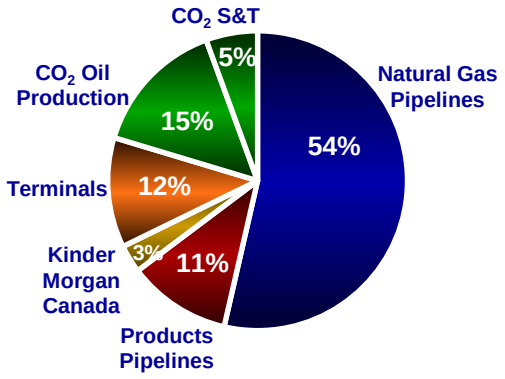
### KMP




### EPB




### KMI Consolidated



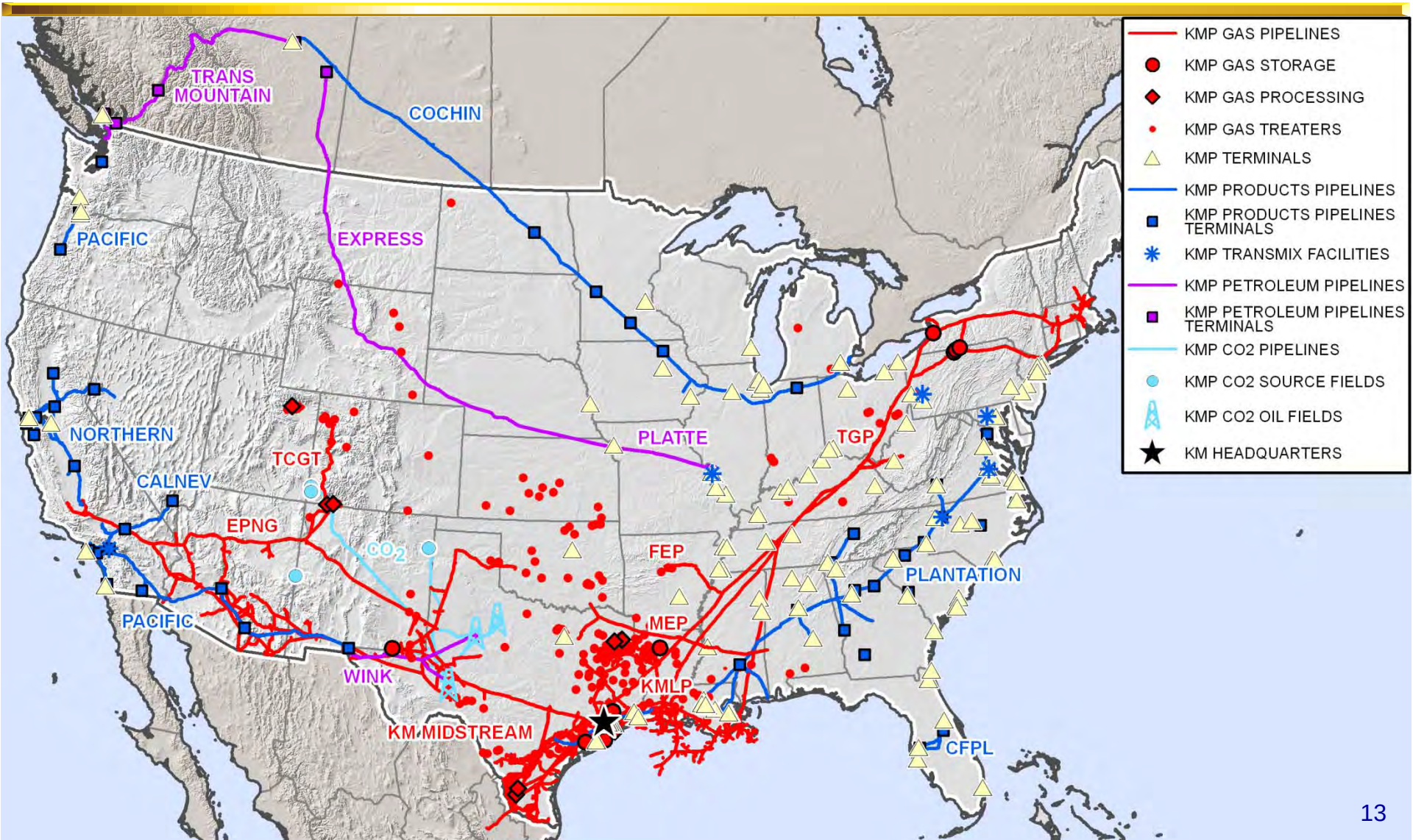

(a) Segment earnings before DD&A including proportionate amount of JV DD&A and excluding certain items; as if drop downs of 100% of TGP and 50% of EPNG, as well as the FTC divestitures, occurred on 1/1/2012.

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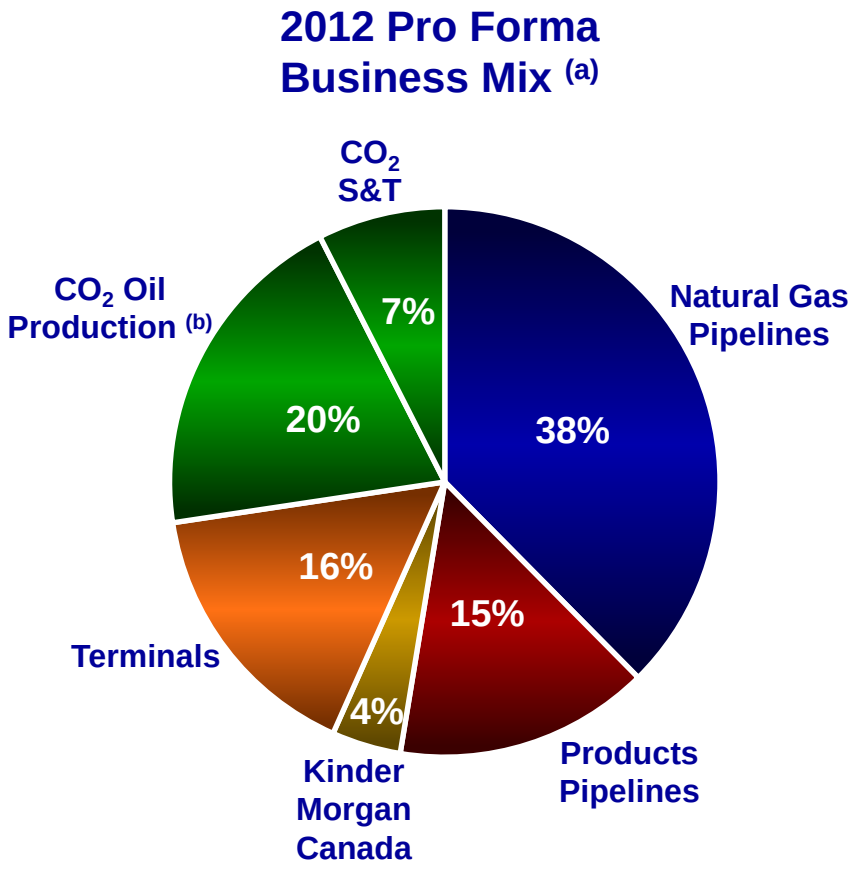
# KMP / KMR

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# KMP System Map



# KMP's Diversified Cash Flow




**Natural Gas Pipelines**

- ~60% interstate
- ~40% intrastate (c)

**Products Pipelines**

- ~55% pipelines
- ~45% associated terminals / transmix

**$CO_2$**

- ~27% $CO_2$ transport and sales
- ~73% oil production-related
  - Production hedged (b):
    2012=76% ($90)
    2013=64% ($95)
    2014=53% ($94)
    2015=28% ($94)

**Terminals**

- ~55% liquids
- ~45% bulk

**Kinder Morgan Canada**

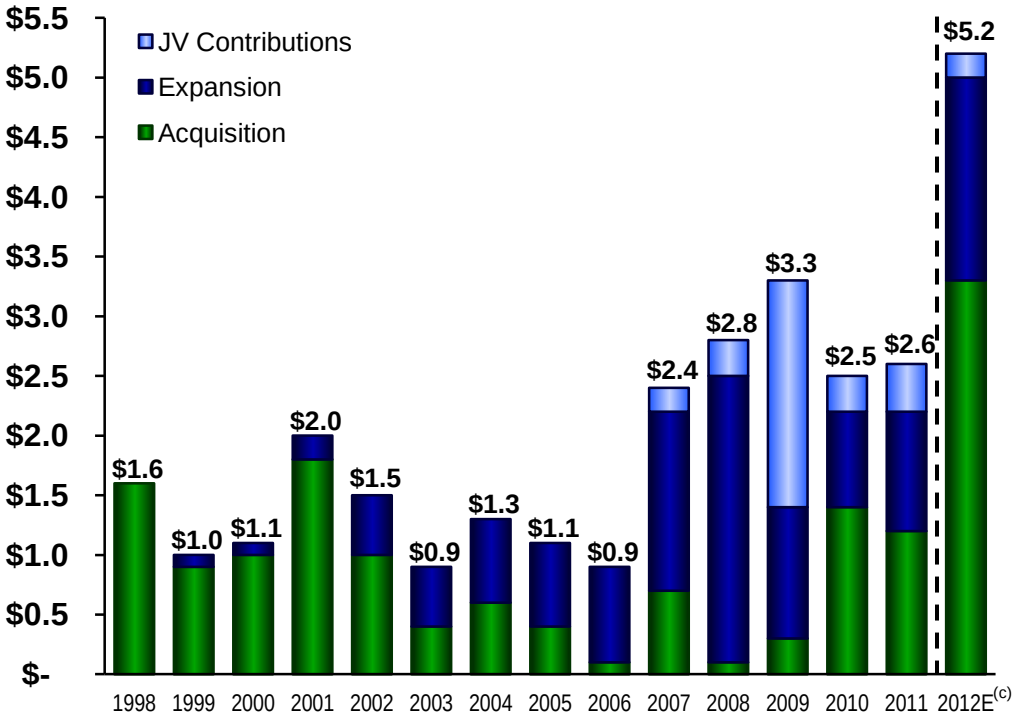
- 100% petroleum pipelines

(a) Forecast segment earnings before DD&A including proportionate amount of JV DD&A and excluding certain items; pro forma for dropdown of TGP / 50% EPNG and FTC divestiture as if occurring on 1/1/2012.
(b) Percent of estimated net crude oil and heavy natural gas liquids production; 2012 = October through December.
(c) Includes upstream assets

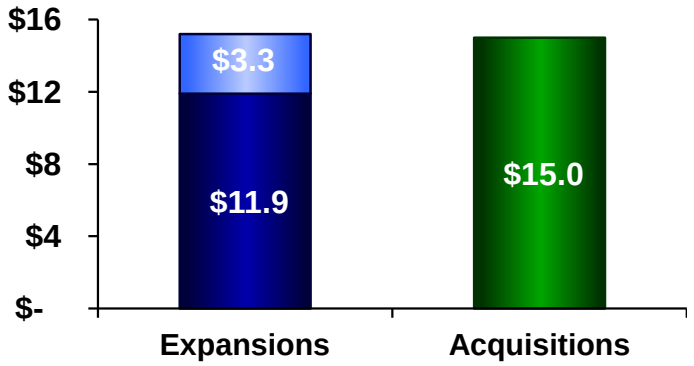
# $30B of Growth Capital Invested at KMP (a,b)

*($ in billions)*

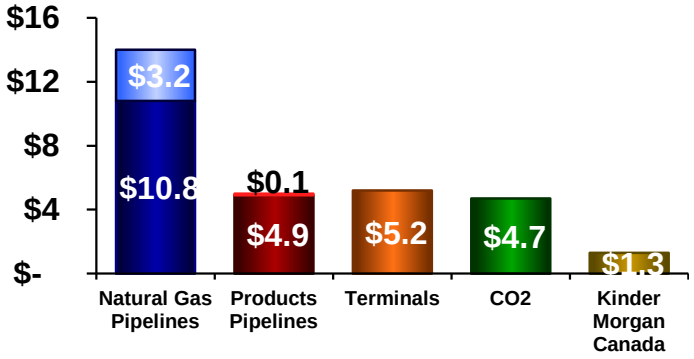
## Total Invested by Year (a)




## Total Invested by Type (a,b)




## Total Invested by Segment (a,b)




(a) Includes equity contributions to joint ventures
(b) From 1997 through full-year 2012 (forecast), including dropdown and funding of TGP and 50% EPNG from KMI (net of proceeds from FTC divestiture)
(c) Full-year 2012 forecast

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(KMP/KMR)

# How We Have Done: KMP Returns on Capital

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Segment ROI [a]:** | | | | | | | | | | | | |
| **Products Pipelines** | 11.9% | 11.8% | 12.8% | 12.9% | 12.4% | 11.6% | 11.8% | 13.2% | 12.5% | 13.4% | 13.7% | 12.9% |
| **Natural Gas Pipelines** | 13.3 | 15.5 | 12.9 | 13.5 | 14.0 | 15.5 | 16.7 | 17.5 | 16.9 | 14.0 | 11.9 | 11.9 |
| **$CO_2$** | 27.5 | 24.6 | 22.0 | 21.9 | 23.8 | 25.7 | 23.1 | 21.8 | 25.9 | 23.5 | 25.7 | 26.2 |
| **Terminals** | 19.1 | 18.2 | 17.7 | 18.4 | 17.8 | 16.9 | 17.1 | 15.8 | 15.5 | 15.1 | 14.6 | 14.3 |
| **Kinder Morgan Canada** | -- | -- | -- | -- | -- | -- | -- | 11.0 | 12.1 | 12.8 | 13.7 | 14.1 |
| **KMP ROI** | 12.3% | 12.7% | 12.6% | 13.1% | 13.6% | 14.3% | 14.4% | 14.1% | 14.9% | 13.9% | 13.5% | 13.5% |
| **KMP Return on Equity** | 17.2% | 19.4% | 20.9% | 21.7% | 23.4% | 23.9% | 22.6% | 22.9% | 25.2% | 25.2% | 24.3% | 24.0% |

(a) G&A is deducted to calculate the KMP ROI, but is not allocated to the segments and therefore not deducted to calculate the individual Segment ROI

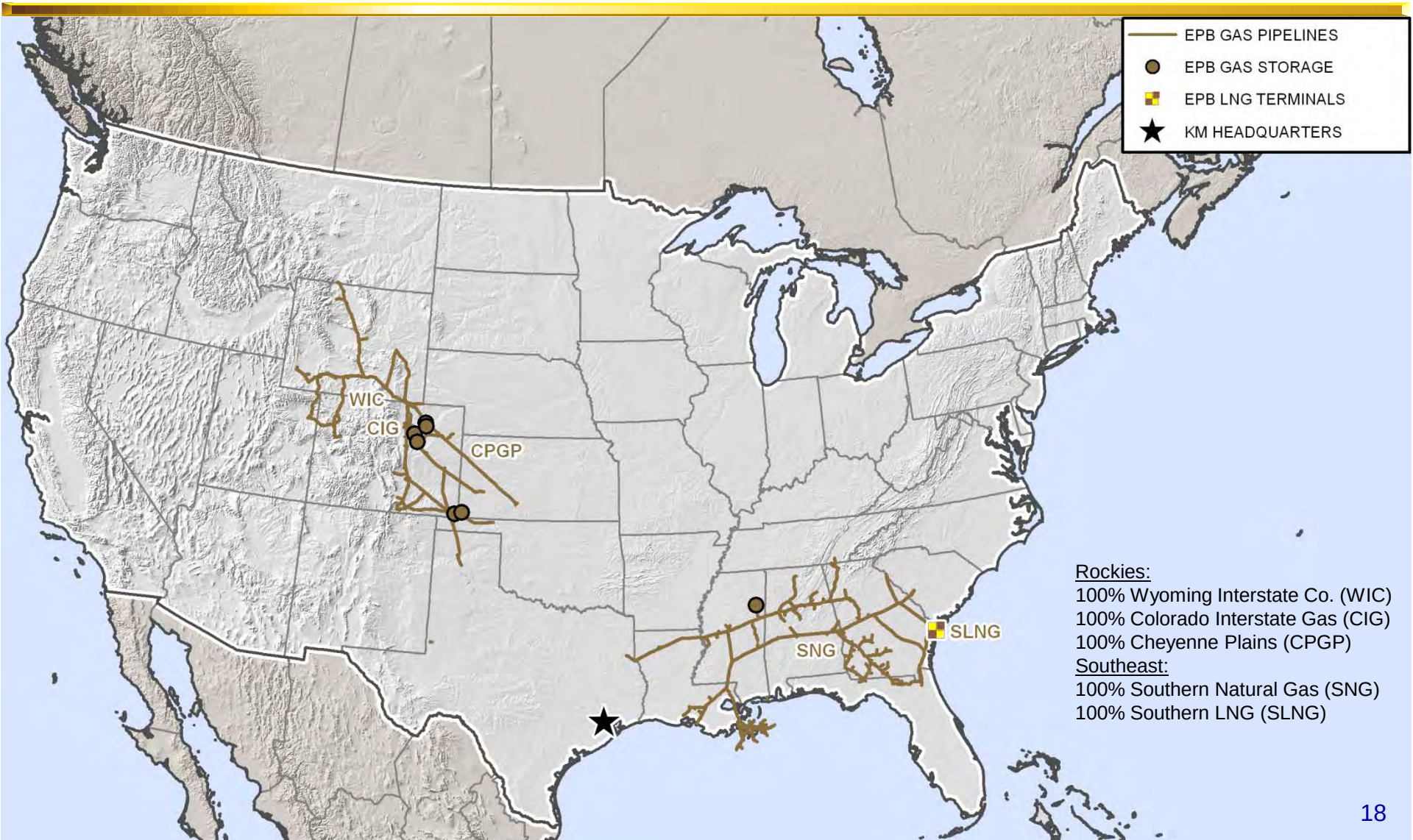
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# EL PASO PIPELINE PARTNERS

a Kinder Morgan company

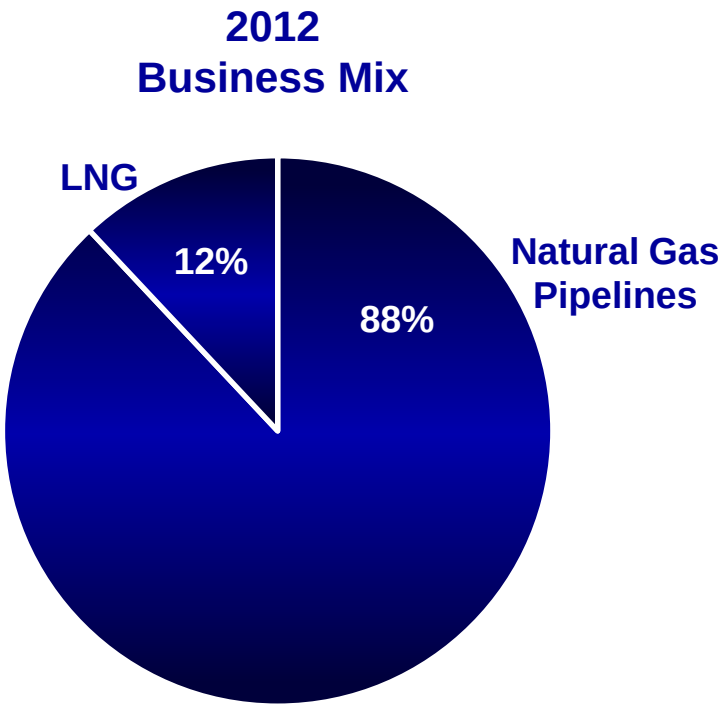
## EPB

# EPB System Map




Rockies:
100% Wyoming Interstate Co. (WIC)
100% Colorado Interstate Gas (CIG)
100% Cheyenne Plains (CPGP)
Southeast:
100% Southern Natural Gas (SNG)
100% Southern LNG (SLNG)

# Well-positioned in Natural Gas




**Natural Gas**

- **Highly stable cash flow stream**
  - Over 90% of revenue comes from capacity reservation charges
  - Average contract life of ~8 years
  - Minimal throughput and commodity exposure
- **Opportunities for growth**
  - Continue history of distribution growth
    - Targeting 17% growth in 2012
  - Integration cost savings (most already in place)
  - Dropdown opportunities from KMI
  - Expansion opportunities
    - Growing power generation demand in Southeast
    - LNG exports
    - Demand growth on Front Range, Colorado
    - Storage in Rockies and Southeast

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INC.

# KMI

# KMI Overview

- **KMI pays regular c-corp dividend with attractive combination of yield plus growth**
- **KMI Investments / Assets:**
  - Investment in MLPs
    - KMP:
      - General Partner (GP) interest receives incentive distributions from KMP
      - KMI owns ~11% of total limited partner (LP) interests
    - EPB:
      - GP interest receives incentive distributions from EPB
      - KMI owns ~42% of total LP interests
  - KMI intends to return to being a pure-play GP in 2014 with completion of multi-year dropdown phase
    - Remaining assets available for dropdown to MLPs:
      - 50% of El Paso Natural Gas (EPNG) [(a)]
      - 50% of Florida Gas Transmission (FGT)
      - 50% of Ruby
      - 50% of Gulf LNG (GLNG)
      - 50% of El Paso Midstream [(a)]
        - Altamont gathering & processing
        - Camino Real gathering
  - KMI's legacy 20% investment in NGPL – no current plans to dropdown
- **Substantial management commitment through ownership of KMI stock:**
  - Public ~62%
  - Rich Kinder, other management and original stockholders ~30%
  - Sponsors ~8%

(a) KMP owns other 50% interest

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(KMI)

# EP Merger Progress Consistent With Expectations

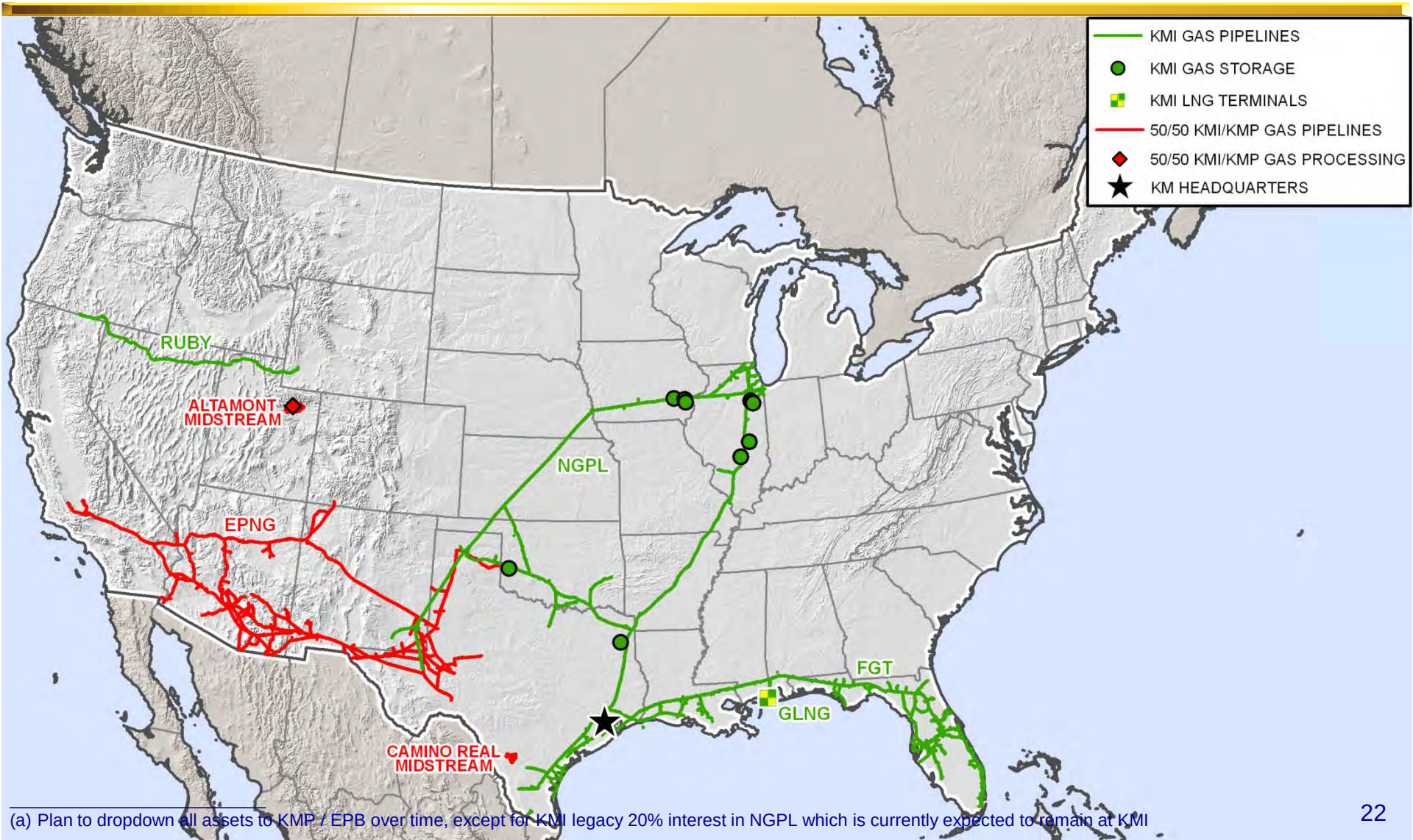
| What management committed to: | What actually happened: |
|---|---|
| ■ Close EP merger in 2Q 2012 | √ Merger completed 5/25/2012 |
| ■ Offer assets to KMP and EPB | √ EPB acquired all of Cheyenne Plains and remaining 14% interest in CIG |
| | √ KMP acquired all of TGP and 50% interest in EPNG |
| | √ 2013 budget contemplates dropdowns to both KMP and EPB |
| ■ Sell EP E&P assets at same time as merger close | √ Completed sale of EP E&P business as one package prior to KMI / EP merger |
| ■ Sell FTC-mandated Rockies assets | √ Completed Rocky Mountain asset sale 11/13/2012 |
| ■ Use proceeds from EP E&P sale and dropdowns to quickly de-lever KMI | √ As of 9/30/2012, approximately $9.1B of the committed $11.8B of 364-day facility and 3-year term loan have been repaid |
| ■ Expected cost savings of $350 million | √ Identified year-one cost savings of at least $400 million |

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(KMI)

# KMI Remaining Assets Available For Dropdown

## *Plan to move all assets to KMP / EPB over time, except NGPL [(a)]*




(a) Plan to dropdown all assets to KMP / EPB over time, except for KMI legacy 20% interest in NGPL which is currently expected to remain at KMI

# Risks

- **Regulatory (KMP/EPB/KMI)**
  - Pacific Products Pipeline FERC / CPUC cases
  - Periodic rate reviews
  - Unexpected policy changes
- **Crude oil production volumes (KMP)**
- **Crude oil prices (KMP)**
  - 2012 budget assumes $93.75/Bbl realized price on unhedged barrels
  - 2012 sensitivity is ~$5.8 million DCF per $1/Bbl change in crude oil prices
- **Economically sensitive businesses (e.g., steel terminals) (KMP)**
- **Environmental (KMP/EPB/KMI)**
- **Terrorism (KMP/EPB/KMI)**
- **Interest rates (KMP/EPB/KMI)**
  - Full-year impact of 100-bp increase in floating rates equates to ~$55 million increase in interest expense at KMP, ~$4 million increase at EPB, and ~$35 million increase at KMI [(a)]

(a) As of 9/30/2012, adjusted for FTC divestiture.

# Attractive Value Proposition

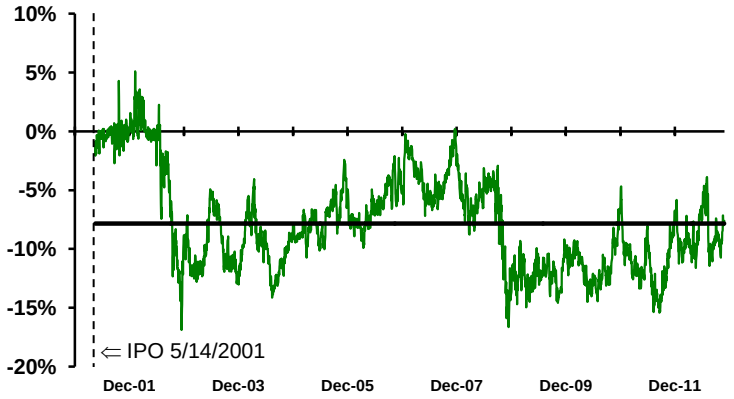
- Unparalleled asset footprint
- Highly visible, attractive dropdown inventory at KMI via El Paso pipeline assets
- Significant, identified growth opportunities across each segment
- Attractive returns driven by combination of yield plus growth
- Established track record
- Industry leader in all business segments
- Experienced management team
- Supportive general partner
- Transparency to investors

# Appendix

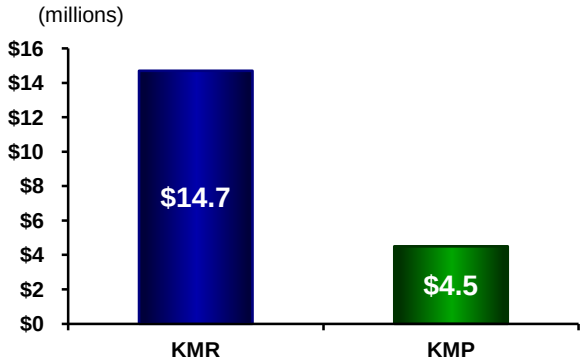
# KMR 101

- **KMR *is* KMP**
  - KMR shares are pari passu with KMP units
  - KMR dividend equal to KMP cash distribution, but paid in additional shares; effectively a dividend reinvestment program (a)
  - Like KMP units, KMR shares are tax efficient — but with simplified tax reporting (no K-1s, UBTI)
- **KMR is a significant entity**
  - KMR market cap = $8.7 billion, ~30% of total KMP capitalization
  - ~$31 million in daily liquidity
- **KMR has generated a 14.6% compound annual total return since 2001 IPO, vs. 14.7% for KMP (b)**
- **Potential for KMP to become self-funding through KMR dividend**
  - Possibility of KMR share buybacks if quarterly dividends exceed equity funding needs
- **Insiders prefer KMR**
  - Management has purchased KMR at a rate of about 3:1 vs. KMP, or 10:1 excluding one transaction (c)
  - ~$15 million in total management purchases of KMR since IPO (c)

**KMR Discount to KMP**




**Management Purchases of KMR / KMP (c)**




Note: All figures through / as of 11/23/2012.

(a) Calculation of share dividend: KMP quarterly cash distribution per unit divided by KMR 10-day average price prior to x-date = fractional share paid for every KMR share owned, e.g. $1.26 / $77.478 = 0.016263 share; example reflects actual KMR share dividend calculated for 3Q 2012 paid on 11/14/2012; refer to KMP 3Q 2012 10-Q for more information.

(b) See footnotes on slide 10 for explanation of total return calculations.

(c) Purchase of KMR shares and KMP units by directors and officers of KMR/KMP since the KMR IPO in 2001, as reported in SEC Form 4 filings; 10:1 ratio excludes one open market purchase of KMP units relating to an arrangement requiring cash distributions for payment of interest.

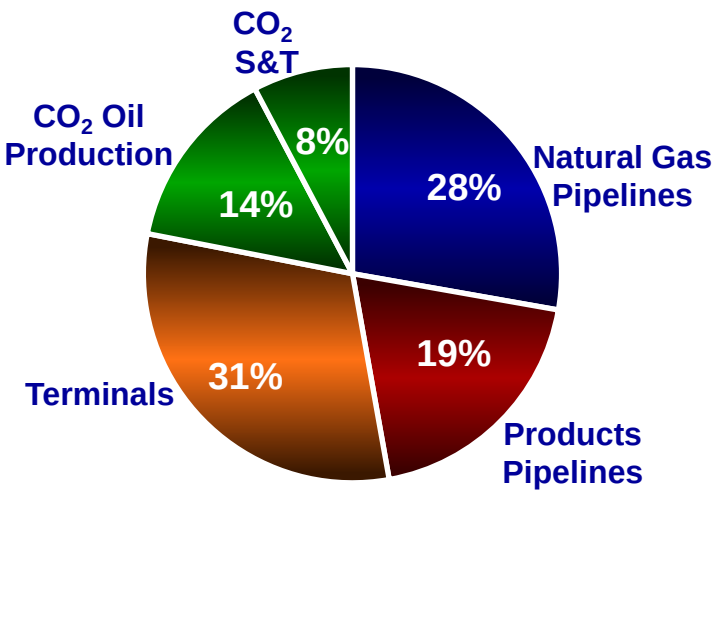
# Toll Road-like, Fee-based Business Model

| | Natural Gas Pipelines (KMP/EPB/KMI) | Products Pipelines (KMP) | $CO_2$ (KMP) | Terminals (KMP) | Kinder Morgan Canada (KMP) |
|---|---|---|---|---|---|
| **Volume Security** | – Interstate: virtually all take or pay<br>– Intrastate: ~75% take or pay [a] | – Volume based | – S&T: primarily minimum volume guarantee | – Take or pay, minimum volume guarantees, or requirements | – Essentially no volume risk |
| **Avg. Remaining Contract Life** | – Transportation: KMP ranging from ~3-18 yrs, EPB ~8 yrs | – Not applicable | – S&T: 4.0 yrs | – Liquids: 4.0 yrs<br>– Bulk: 3.8 yrs | – 2.0 yrs [b] |
| **Pricing Security** | – Interstate: primarily fixed based on contract<br>– Intrastate: primarily fixed margin | – PPI + 2.65% | – S&T: 70% of revenue protected by floors<br>– O&G: volumes 76% hedged [c] | – Based on contract; typically fixed or tied to PPI | – Fixed based on toll settlement |
| **Regulatory Security** | – Interstate: regulatory return mitigates downside; may receive higher recourse rates for increased costs<br>– Intrastate: essentially market-based | – Pipeline: regulatory return mitigates downside<br>– Terminals & transmix: not price regulated [d] | – Primarily unregulated | – Not price regulated [d] | – Regulatory return mitigates downside |
| **Commodity Price Exposure** | – Interstate: no direct<br>– Intrastate: limited | – No direct | – Full-yr impact is ~$5.8MM in DCF per $1/Bbl change in oil price | – No direct | – No direct |

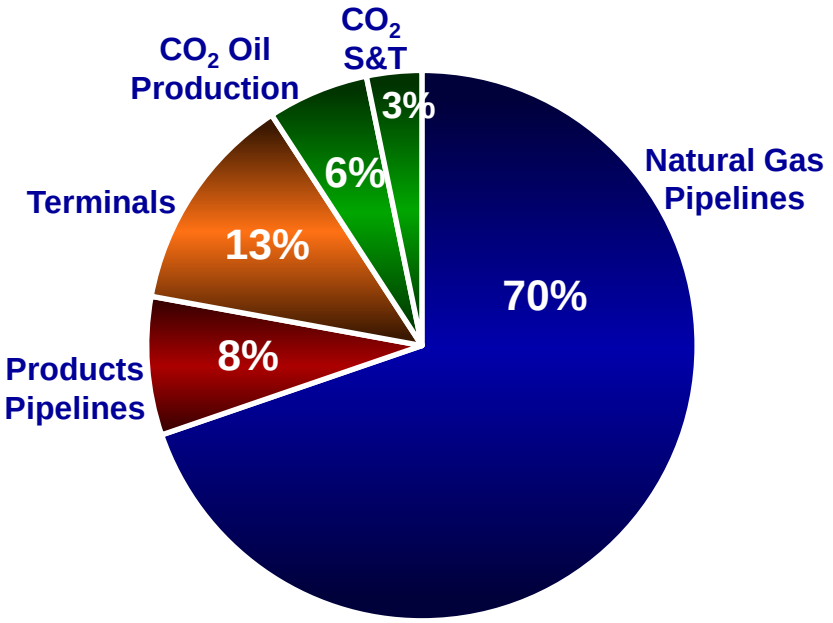
All figures as of 1/1/2012, except where noted
(a) Transportation for intrastate pipelines includes term purchase and sale portfolio, 75% figure is prior to acquisition of 50% interest in El Paso Midstream
(b) Assumes 1-year rate 2012 settlement on Trans Mountain
(c) Percent of Jul-Dec 2012 expected production, includes heavier NGL components (C4+)
(d) Terminals not FERC regulated, except portion of CALNEV

# KMP 2012 Growth Expenditure Forecast

**Pre-dropdown**
**= $2.2 billion (a,b,c)**




**Post-dropdown**
**= $5.2 billion (a,b,d)**



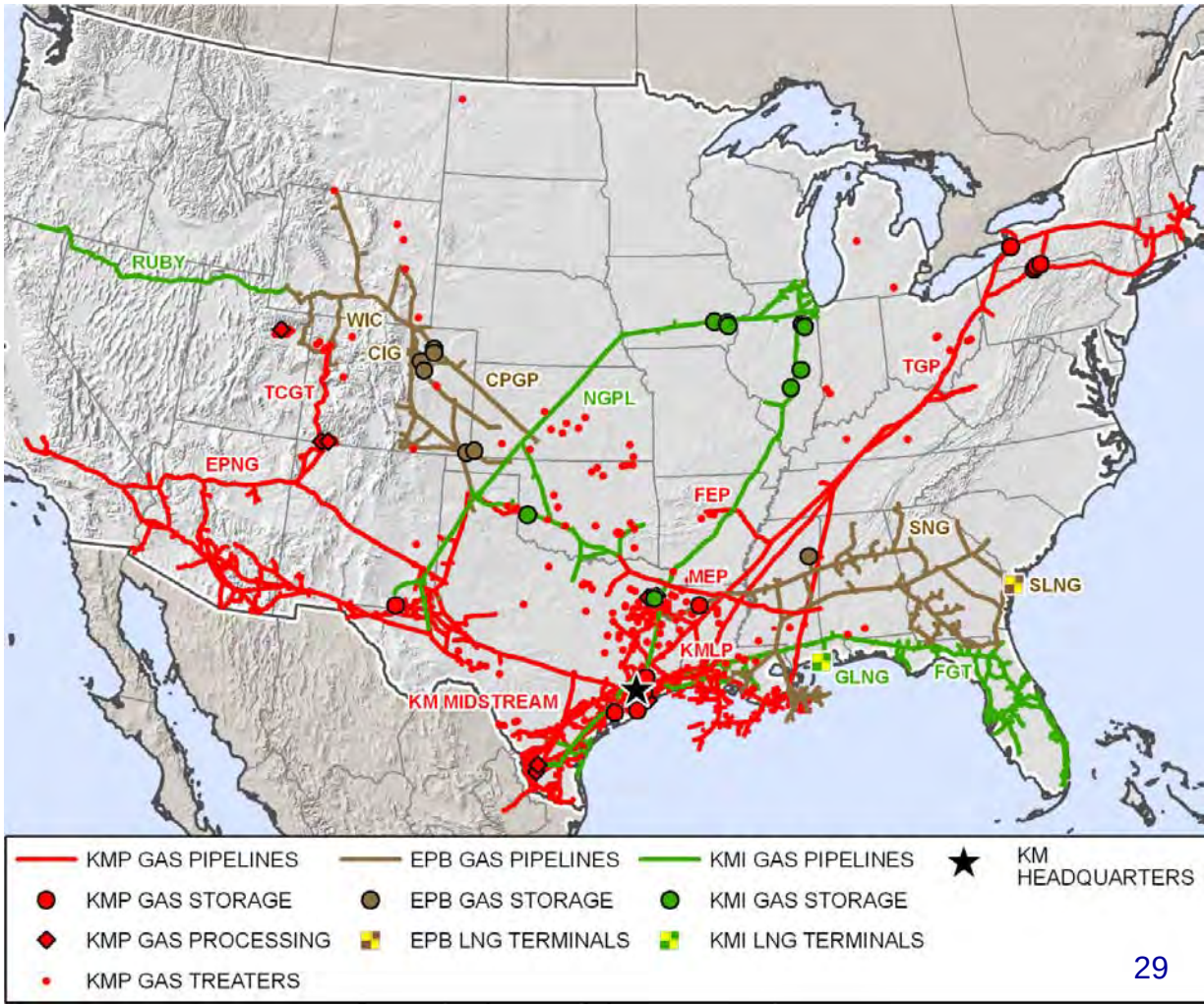

(a) Expansion capital expenditures aggregate for KMP of approximately $1,571 million excluding TGP / 50% EPNG dropdown, or approximately $1,673 million including TGP / 50% EPNG dropdown
(b) Includes equity contributions to joint ventures; aggregate for KMP of approximately $226 million excluding TGP / 50% EPNG dropdown, or approximately $241 million including TGP / 50% EPNG dropdown
(c) Products Pipelines includes growth capital expenditures for Kinder Morgan Canada of approximately $11 million
(d) Includes acquisitions; aggregate for KMP of approximately $387 million excluding TGP / 50% EPNG dropdown, or approximately $3,307 million including TGP / 50% EPNG dropdown (net of proceeds from FTC divestiture).

# Natural Gas Pipelines Segment

***Well-positioned connecting key natural gas resource plays with major demand centers***

## Long-term Growth Drivers:

- **Highly visible, attractive dropdown inventory at KMI via El Paso pipeline assets**
- **Natural gas the logical fuel of choice**
  - **Cheap, abundant, domestic and clean**
- **Unparalleled natural gas network**
  - **Sources natural gas from every important natural gas resource play in the U.S.**
    - Eagle Ford, Marcellus, Utica, Haynesville, Fayetteville and Barnett
  - **Connected to every major demand center in the U.S.**
- **Demand growth and shifting supply from multiple basins lead to:**
  - **Pipeline / storage expansions and extensions**
  - **Greenfield development**
  - **Optionality of deploying portions of existing footprint in different product uses**
- **Expand service offerings to customers (e.g. treating and G&P)**
- **LNG exports**
- **Acquisitions**




Note: reflects KMP divestiture of Rockies assets.

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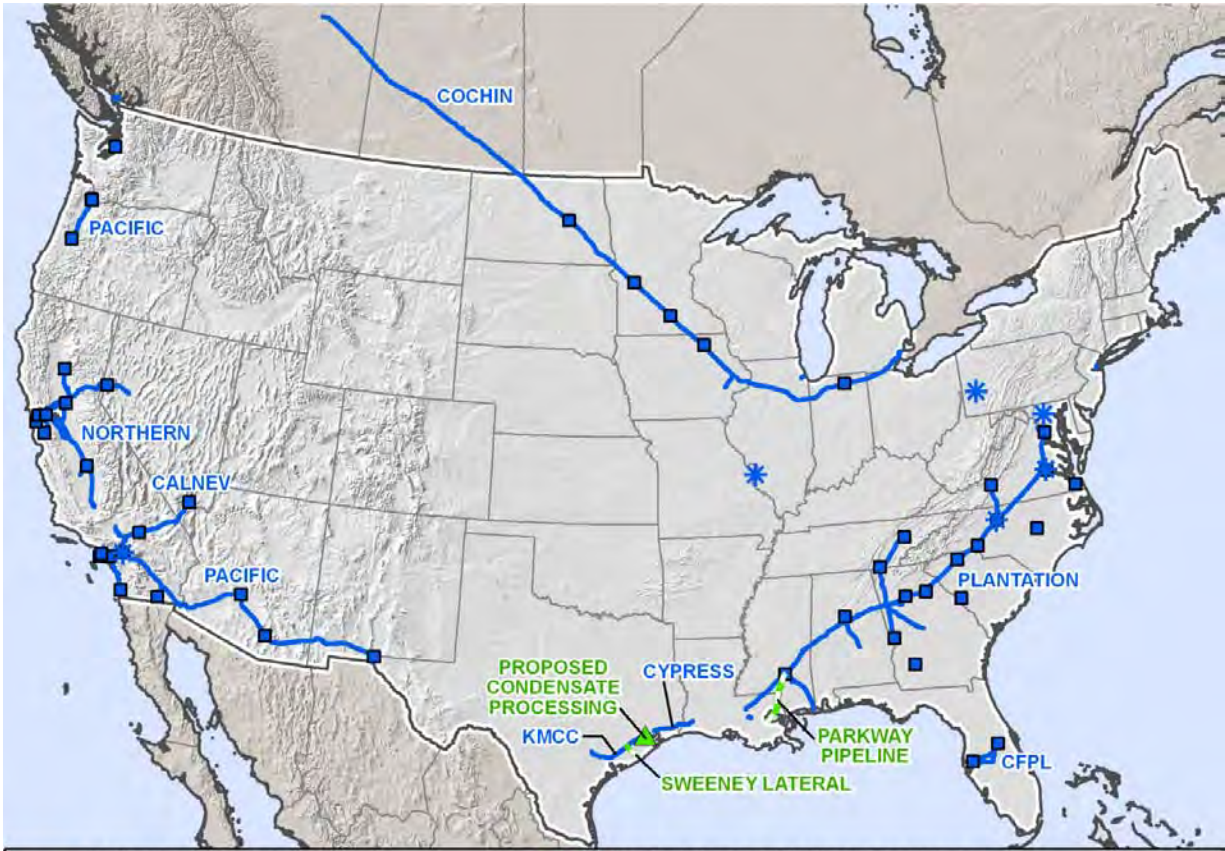
(KMP)

# Products Pipelines Segment

***Well-located with origin in refinery / port hubs and terminus in population centers***

## Long-term Growth Drivers:

- **Development of shale play liquids infrastructure**
  - **Condensate transportation, processing and storage services from Eagle Ford**
    - Condensate processing facility located in Houston Ship Channel, in-service Jan-2014
  - **Crude / condensate service on Cochin, target in-service 2014**
- **Parkway Pipeline in-service 2013**
- **Increased fuel export opportunities**
- **RFS [(a)] increases demand for storage and ancillary services**
  - **Ethanol and biodiesel growth including terminals and pipeline expansions**
- **Tariff index adjustments / organic volume growth**
- **Tuck-in acquisitions**




(a) RFS (U.S. Renewable Fuels Standard) requires an increase in use of renewable fuels, from 15 Bgal/yr in 2012 to 36 Bgal/yr in 2022.

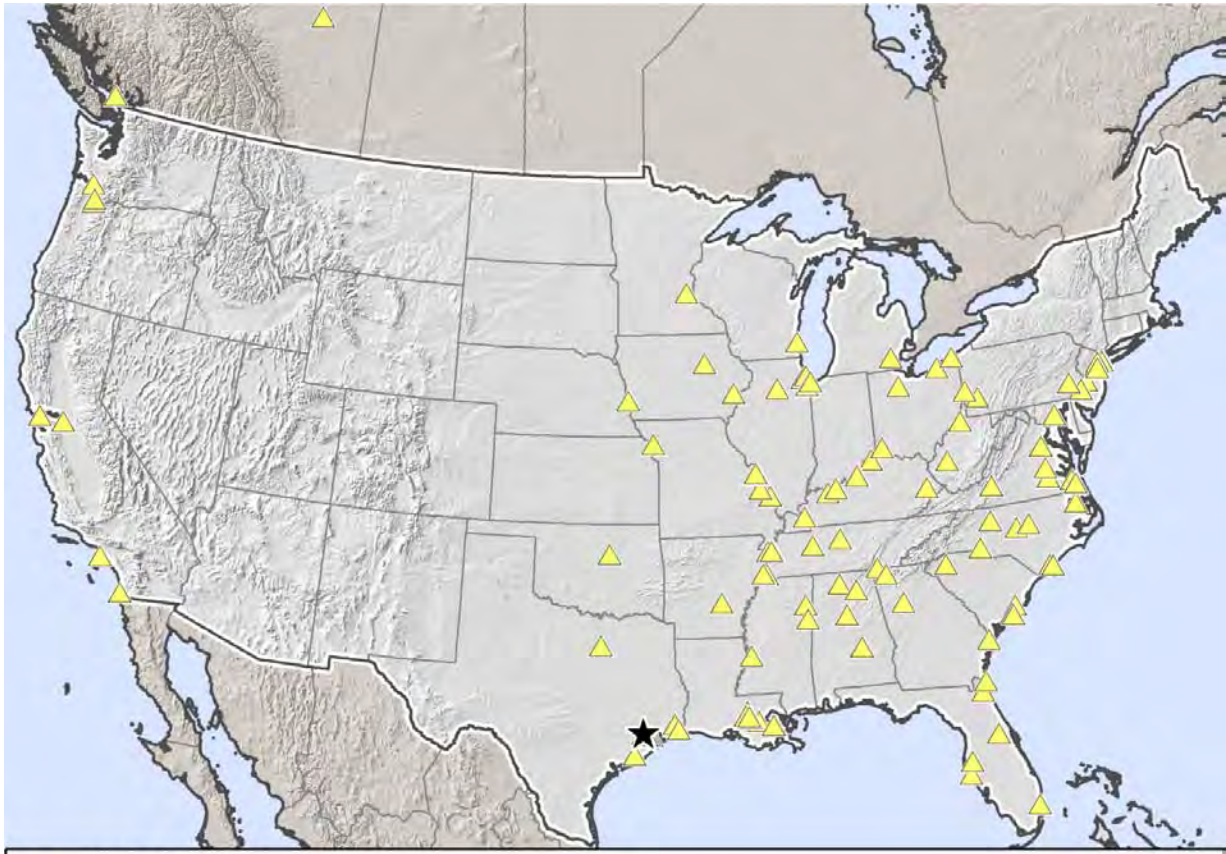
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(KMP)

# Terminals Segment

***Well-located in refinery / port hubs and inland waterways***

## Long-term Growth Drivers:

- **$1.6 billion of identified major projects**
- **Newbuild and expansion of export coal and petcoke terminals (IMT, Houston, Whiting)**
- **Expansions and higher rates at well-located, high-connectivity terminals**
- **Petroleum exports**
- **Canadian crude oil merchant tankage**
- **Increase in use of renewable fuels [(a)] leads to ethanol / biofuel expansion**
- **Acquisition of terminals from "mom and pop" owners and from majors**



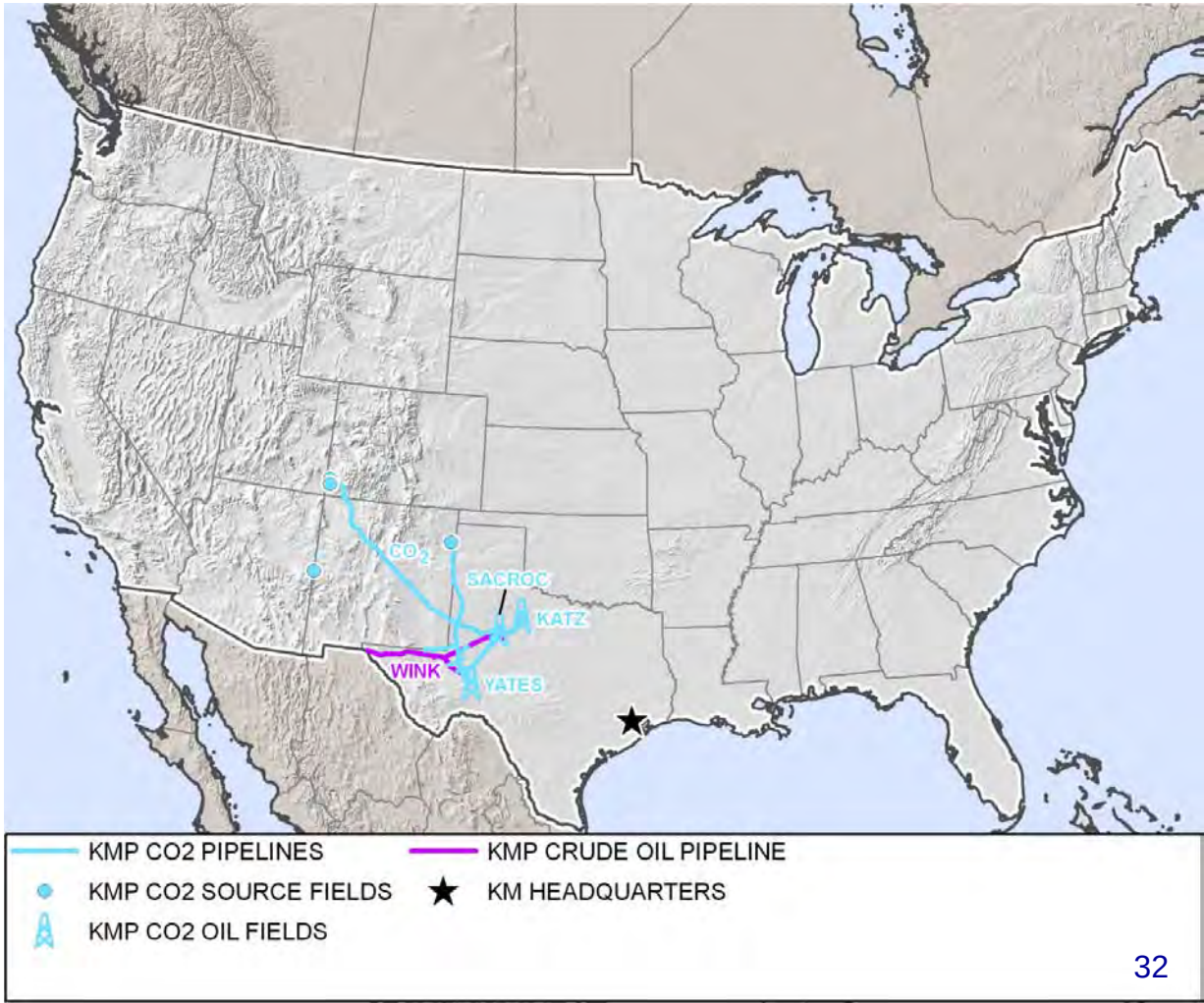

(a) RFS (U.S. Renewable Fuels Standard) requires an increase in use of renewable fuels, from 15 Bgal/yr in 2012 to 36 Bgal/yr in 2022.

# $CO_2$ Segment

***Own and operate best source of $CO_2$ for EOR***

## Long-term Growth Drivers:

- **Strong demand for $CO_2$**
  - **Expansion of $CO_2$ source fields and pipelines**
    - Several large, long-term $CO_2$ S&T contracts executed
  - **Higher rates and better terms on new/renewed $CO_2$ S&T contracts**
  - **St. Johns $CO_2$ field acquisition**
- **Billions of barrels of domestic oil still in place to be recovered at SACROC, Yates and Katz**



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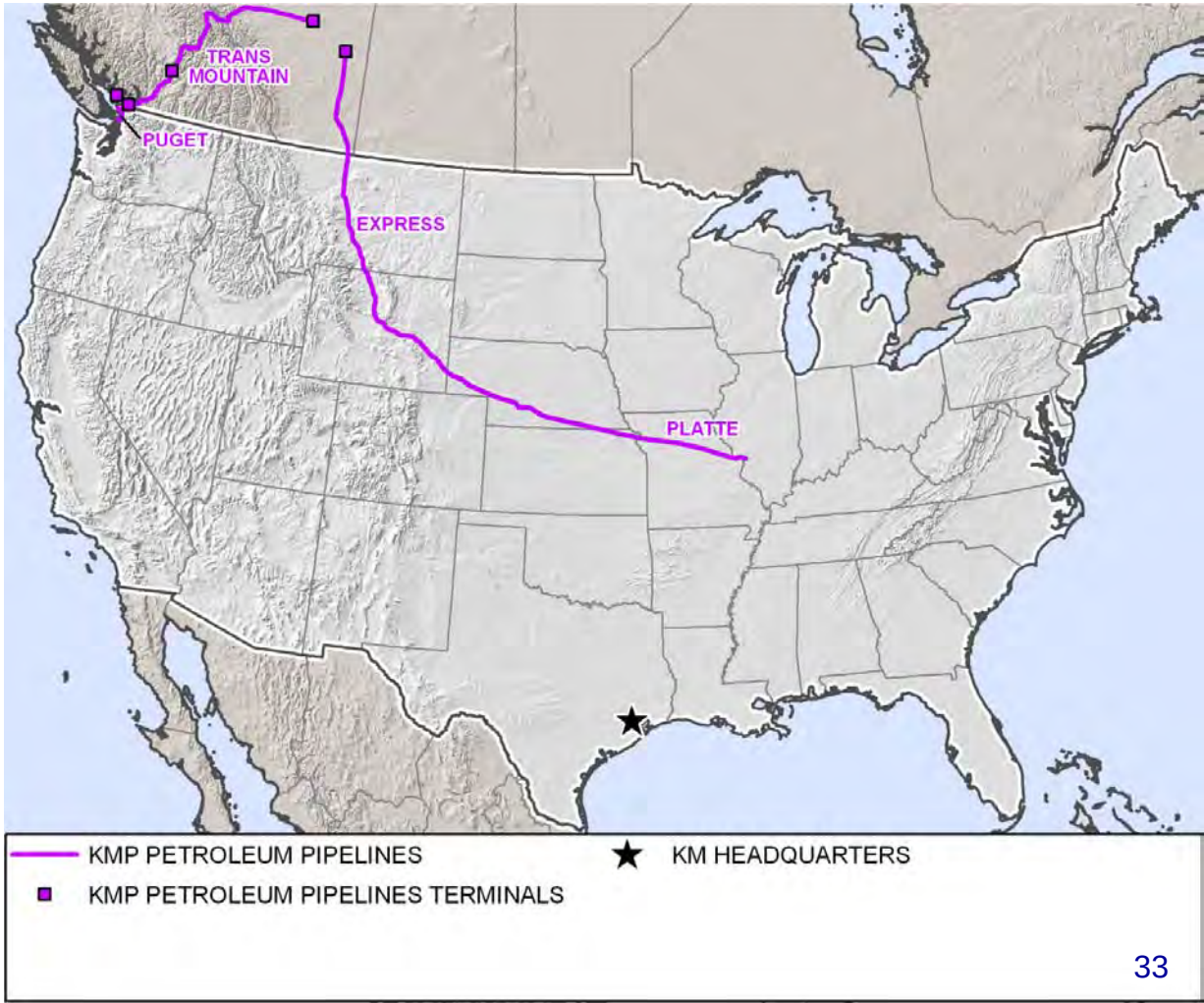
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# Kinder Morgan Canada Segment

***Sole oil pipeline from Oilsands to West Coast / export markets***

## Long-term Growth Drivers:

- **Expand Oilsands export capacity to West Coast and Asia**
  - **TMPL is lowest-cost option for expansion to West Coast**
  - **Following successful open season, major expansion under way**
    - More than doubling capacity from 300 MBbl/d currently to approximately 750 MBbl/d
    - Strong commercial support from shippers with binding 20-year contracts for 510 MBbl/d of firm transport capacity
    - Projected cost of $4.1 billion
    - Proceeding with initial project design and planning
    - Expected in-service 2017
- **Expanded dock capabilities (Vancouver)**




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