Barclays Investment Grade Energy and Pipeline Conference

February 28, 2018

Steve Kean, President and CEO
Anthony Ashley, Vice President and Treasurer

KINDER MORGAN

Disclosure

Forward Looking Statements / Non-GAAP Financial Measures

General – The information contained in this presentation does not purport to be all-inclusive or to contain all information that prospective investors may require. Prospective investors are encouraged to conduct their own analysis and review of information contained in this presentation as well as important additional information through the SEC's EDGAR system at www.sec.gov (for both Kinder Morgan Inc. (KMI) and Kinder Morgan Canada Limited (KML)), the SEDAR system at www.sedar.com (for KML) and on our websites at www.kindermorgan.com (for KMI) and www.kindermorgancanadalimited.com (for KML).

GAAP – Unless otherwise stated, all historical and estimated future financial and other information and the financial statements included in this presentation have been prepared in accordance with generally accepted accounting principles in the United States ("GAAP"). The reporting currencies for KMI and KML are U.S. dollars and Canadian dollars, respectively. As GAAP differs in certain material respects from International Financial Reporting Standards ("IFRS"), such information and financial statements may not be directly comparable to the financial information or financial statements of entities prepared in accordance with IFRS.

Non-GAAP – In addition to using financial measures prescribed by GAAP, we use non-generally accepted accounting principles ("non-GAAP") financial measures in this presentation. Our reconciliation of non-GAAP financial measures to comparable GAAP measures can be found in Section M. of this presentation. These non-GAAP measures do not have any standardized meaning under GAAP and therefore may not be comparable to similarly titled measures presented by other issuers. As such, they should not be considered as alternatives to GAAP financial measures.

Forward-Looking Statements (FLS) – This presentation includes forward-looking statements within the meaning of applicable securities laws. Forward-looking statements include any statement that does not relate strictly to historical or current facts and include statements accompanied by or using words such as "anticipate," "believe," "intend," "plan," "projection," "forecast," "strategy," "outlook," "continue," "estimate," "expect," "may," or "long-term". 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 pay dividends are forward-looking statements. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. 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 refer to "KMI FLS" and "KML FLS" below.

KMI FLS – Future actions, conditions or events and future results of operations of KMI may differ materially from those expressed in these forward-looking statements. Many of the factors that will determine these results are beyond KMI'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 timing and extent of changes in the supply of and demand for the products we transport and handle; national, international, regional and local economic, competitive, political and regulatory conditions and developments; the timing and success of business development efforts; the timing, cost, and success of expansion projects; technological developments; condition of capital and credit markets; inflation rates; interest rates; the political and economic stability of oil producing nations; energy markets; income tax legislation; weather conditions; environmental conditions; business, regulatory and legal decisions; terrorism, including cyber-attacks; and other uncertainties. Please read "Risk Factors" and "Information Regarding Forward-Looking Statements" in KMI's most recent Annual Report on Form 10-K and 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.

Disclosure

Forward Looking Statements / Non-GAAP Financial Measures

KML FLS – Forward-looking statements in this presentation include statements, express or implied, concerning: (i) the Trans Mountain Expansion Project ("TMEP") and Base Line Terminal project, including completion of such projects, construction plans, anticipated funding and costs, anticipated capital expenditures, community and Aboriginal engagement, scheduling and in-service dates, the possibility of mitigation to address project delays, future benefits and utilization, anticipated project contributions to Adjusted EBITDA and DCF; (ii) the anticipated dividends and the intended payment thereof; (iii) anticipated growth and the potential growth opportunities of KML's business; (iv) expected demand and market conditions and the anticipated competitive position of KML's business; (v) and anticipated tolls. Many of the factors that will determine these results are beyond the ability of KML to control or predict. KML's business and financial condition are substantially dependent on the successful development of the TMEP. As a result, factors or events that impact the costs associated with and the time required to complete (if completed) the TMEP, are likely to have a commensurate impact on KML, the market price and value of its restricted voting shares and KML's ability to pay dividends. Similarly, given the nature of the relationships between KML and KMI, factors or events that impact KMI may have consequences for KML.

Among other things, specific factors that could cause actual results to differ from those indicated in the forward-looking statements include, without limitation: issues, delays or stoppages associated with major expansion projects, including the TMEP; changes in public opinion, public opposition, the concerns and the resolution of issues relating to the concerns of individuals, special interest or Aboriginal groups, governmental organizations, non-governmental organizations and other third parties that may result in higher project or operating costs, project delays or even project cancellations; an increase in the indebtedness of KML and/or significant unanticipated cost overruns or required capital expenditures; the breakdown or failure of equipment, pipelines and facilities, releases or spills, operational disruptions or service interruptions; the ability of KML to access sufficient external sources of financing; and changes in governmental support and the regulatory environment. In addition to the foregoing, please read important additional information respecting the assumptions, expectations and risks applicable to the forward-looking statements in this presentation (A) in the sections of KML's final initial public offering prospectus dated May 25, 2017 (the "IPO Prospectus") titled "Notice to Investors – Forward-Looking Statements", "Notice to Investors – Growth Estimates" and "Risk Factors" and KML's press release issued on December 4, 2017 regarding KML's 2018 Financial Expectations, each as filed on SEDAR, (B) the sections titled "Special Note Regarding Forward Looking Statements" and "Risk Factors" in KML's Registration Statement on Form 10 as filed on EDGAR, and (C) as described from time to time in KML'S other periodic filings on SEDAR and EDGAR.

KML United States Matters – KML's securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the U.S. Securities Act), or any state securities laws. Accordingly, these securities may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or except pursuant to exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws. This presentation does not constitute an offer to sell or a solicitation of an offer to buy any of KML's securities in the United States.

Unparalleled Asset Footprint

One of the Largest Energy Infrastructure Companies in North America

Natural Gas Pipelines

- Largest natural gas transmission network in North America
- Own or operate ~70,000 miles of natural gas pipeline
- Connected to every important U.S. natural gas resource play

Products Pipelines

- Largest independent transporter of petroleum products in North America (~2.1 mmbbld)

CO_2

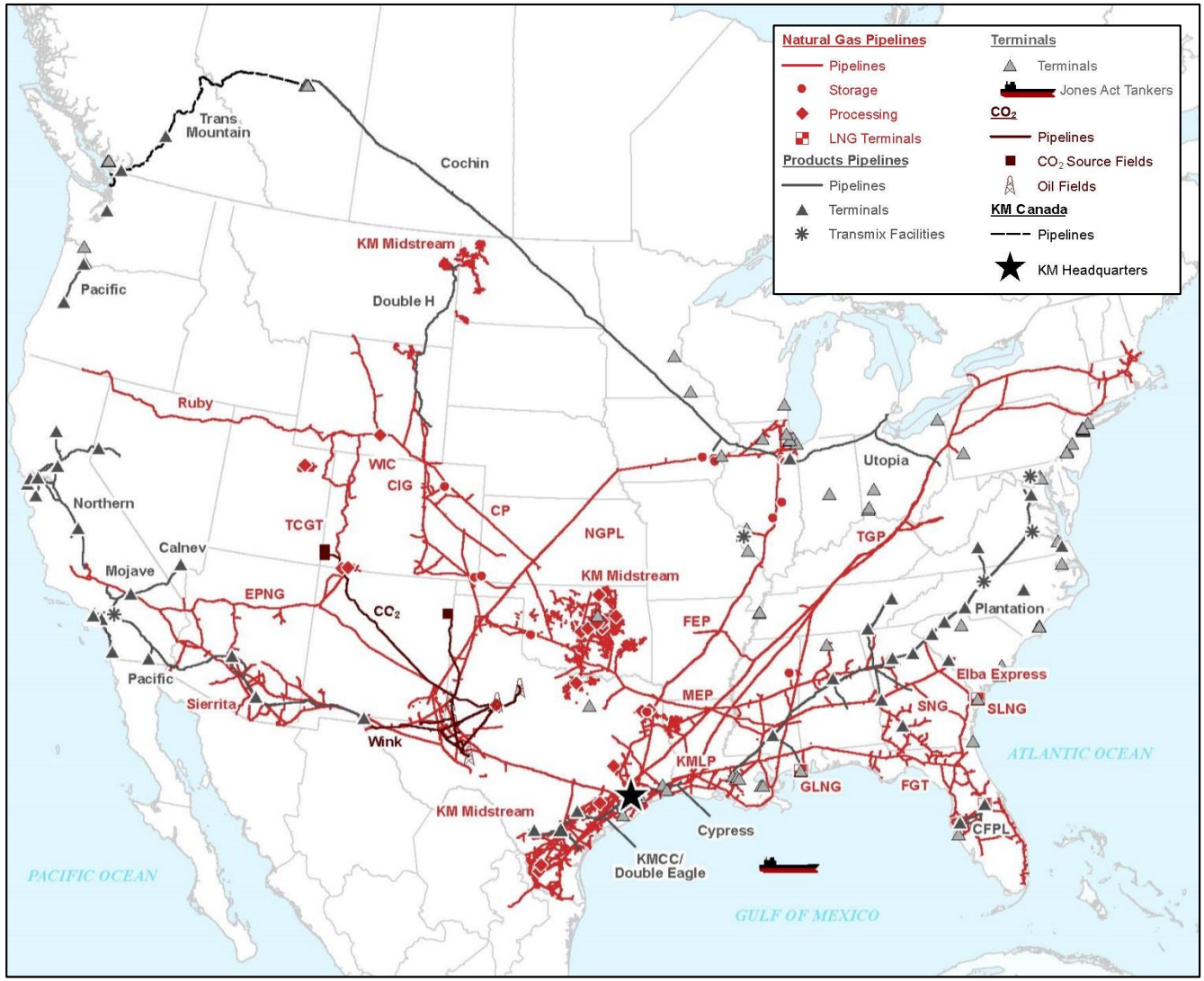
- Largest transporter of CO_2 in North America (~1.2 Bcfd[(a)])

Terminals

- Largest independent operator in North America
- Own or operate 152 terminals
- ~151 mmbbls of liquids capacity
- Handle ~59 mmtpa of dry bulk products[(a)]
- Own 16 Jones Act vessels

KM Canada

- Only Oilsands pipeline serving West Coast
- Transports ~300 mbbld to Vancouver / WA; planned expansion would increase capacity to 890 mbbld

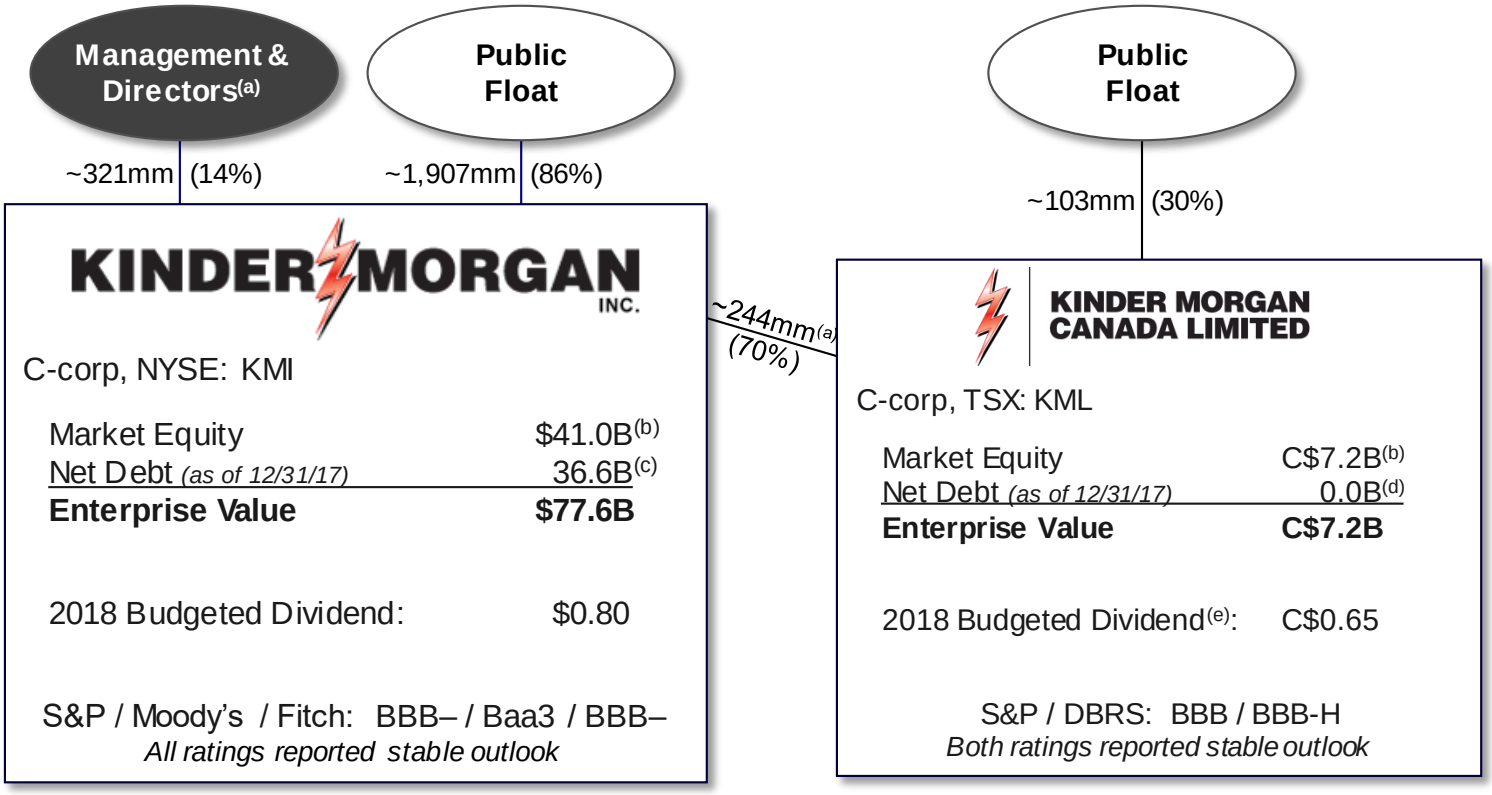


(a) 2018 budget.

KMI & KML Overview

Management is Aligned with Investors

14% MANAGEMENT STAKE IN KMI
MANAGEMENT IS ALIGNED WITH INVESTOR INTERESTS



(a) KMI includes Form-4 filers and management unvested restricted shares. KML includes LTIP shares issued to management.
(b) Market prices as of 2/16/2018.
– KMI based on ~2,228mm shares, including unvested restricted stock, at $17.06 and 32mm mandatorily convertible depositary shares at $35.09, ~104mm KML restricted shares (including LTIP shares issued to management) at a price of C$19.97, 50% of KML's 12mm series 1 preferred shares at C$25.15, and 50% of KML's 10mm series 3 preferred shares at C$25.00.
– KML based on ~347mm restricted and voting shares (including LTIP shares issued to management) at C$19.97, 50% of KML's 12mm series 1 preferred shares at C$25.15, and 50% of KML's 10mm series 3 preferred shares at C$25.00.
(c) Debt of KMI and its consolidated subsidiaries, net of cash, excluding fair value adjustments, and Kinder Morgan G.P., Inc.'s $100 million preferred stock due 2057, and including 50% of KML's Series 1 and Series 3 preferred shares.
(d) Debt of KML and its consolidated subsidiaries, net of cash.
(e) Dividend for KML's restricted voting shares.

Kinder Morgan's Strategy

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Core Fee-Based Assets

- Focus on stable, fee-based assets that are core to North American energy infrastructure
- Market leader in each of our business segments
- Fees largely independent of commodity prices and substantially secured by take-or-pay contracts

Maintain Strong Balance Sheet

- Our primary investing entity has been investment grade since inception
- Net debt reduced by close to $6 billion since the end of 3Q 2015
- Funding all investment needs at KMI out of internally generated cash flow

Operate Safely & Efficiently

- Control costs; it's investors' money, not management's – treat it that way
- Consistently performing better than industry averages; target zero incidents

Seek Attractive Investments

- Leverage asset footprint to seek attractive capital investment opportunities, both expansion and acquisition
- Since 1997, Kinder Morgan has completed ~$31 billion in acquisitions and invested ~$30 billion in projects[(a)]

Transparency

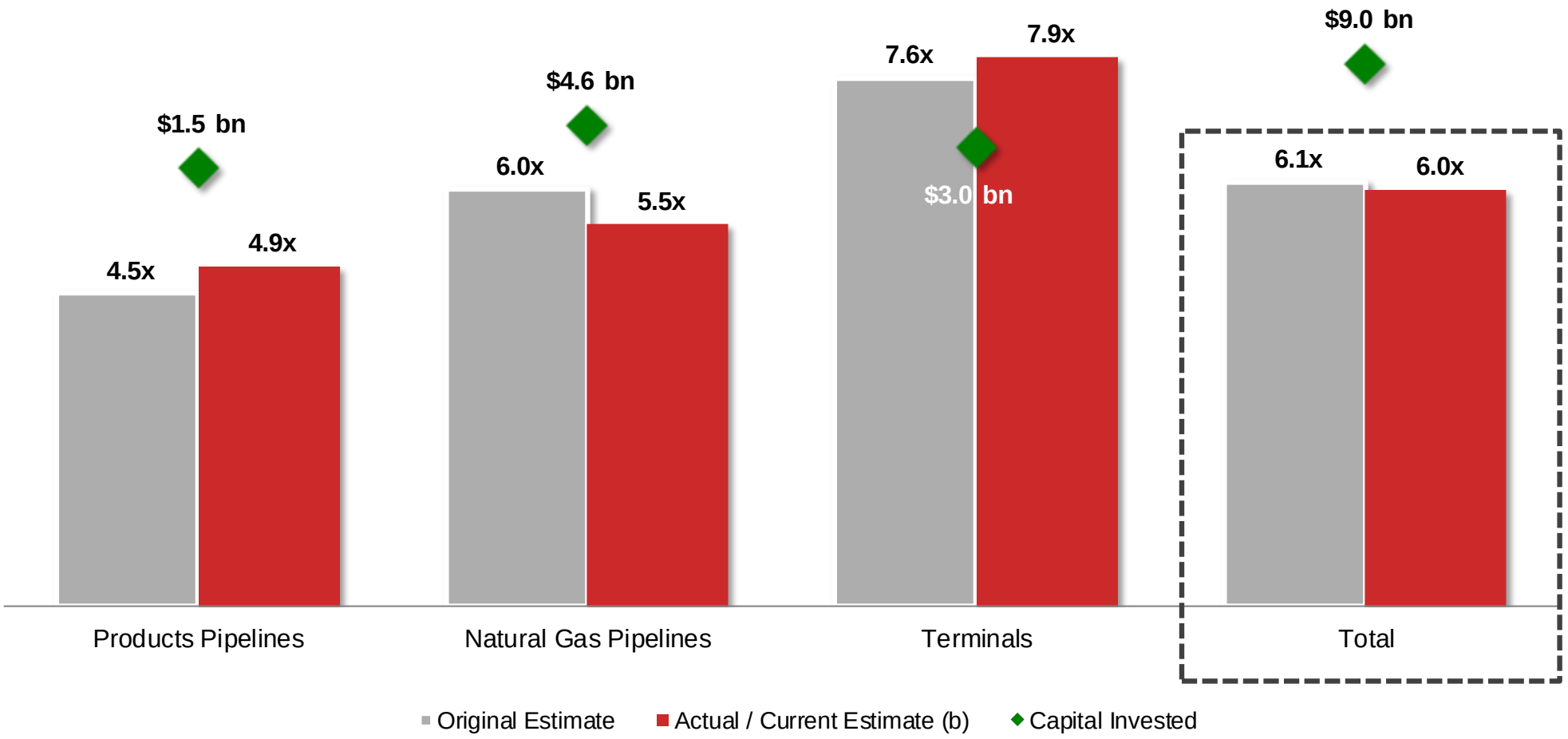
- Provide highest level of transparency with investors
- Publish our annual budget at the beginning of each year; compare actual results against budget throughout the year

(a) From 1997 inception through 2017; represents combined investment of KMP (1997-2014), EPB (2013-2014), and KMI (2015-2017).

Attractive Results on Recent Expansion Projects

Capital Invested / Year-2 EBITDA[(a)]

THE CAPEX MULTIPLE FOR PROJECTS COMPLETED DURING 2015 – 2017 HAS SLIGHTLY EXCEEDED OUR EXPECTATIONS



Note: Includes certain projects placed in service prior to 2015, but continued to incur project-related costs. Project completion is generally determined when project-related costs are no longer being incurred.

(a) Multiple reflects KM share of invested capital divided by project EBITDA generated in its second full year of operations. Excludes CO_2 segment projects.

(b) Capital invested is actual, except for 2 projects ($585mm of capex, 6% of total capex), which are partially in service. EBITDA is actual or current estimate.

KMI 2018 Guidance: Published Budget

Supported by Diversified, Fee-Based Cash Flow

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KMI 2018 Budget

	2018 Budget	Δ from 2017
Adjusted EBITDA	$7,485 million	4%
Distributable Cash Flow	$4,567 million	2%
DCF per Share	$2.05	3%
Dividend per Share	$0.80	60%
Growth Capex[(a)]	$2,215 million	(26%)
Year-end Net Debt / Adj. EBITDA	5.1x	-

Commentary

- **2018B excess cash flow of $568 million**
- **After dividend and Capex, excess cash flow will be invested in:**
  - Additional high-return projects
  - Additional share repurchases
  - Debt pay-down
- **$2bn share repurchase program initiated early**
  - Initiated the buyback in December 2017, one month ahead of the original target
  - ~27 million shares repurchased for ~$500mm since December 2017

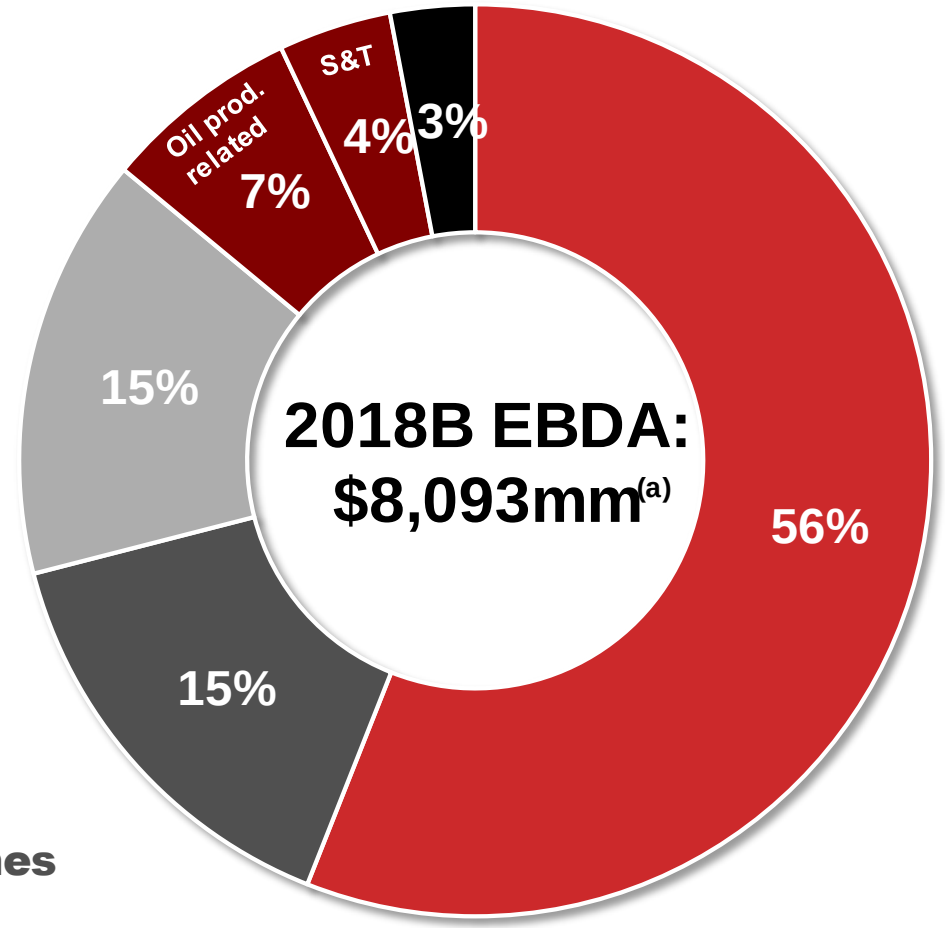
Note: See Appendix for defined terms and reconciliations of non-GAAP measures for the historical period.
(a) Excludes capital spending by KML, which is a self-funding entity.

2018 Budgeted EBDA by Business Segment

93% of 2018B EBDA is Generated from Pipelines and Terminals

Kinder Morgan Canada
100% petroleum pipelines

CO_2
66% oil production related
34% source & transportation



Terminals
80% liquids
- 64% terminals
- 16% Jones Act tankers

20% bulk

Natural Gas Pipelines
73% interstate pipelines
9% intrastate pipelines & storage
18% gathering, processing & treating

Products Pipelines
61% refined products
39% crude / NGLs

(a) 2018 budgeted Segment EBDA before Certain Items and including KM-share of Certain Equity Investee DD&A (non-GAAP measure).

Contracts & Asset Footprint Protect KM Cash Flow

96% of 2018B Cash Flow is Independent of Commodity Price

2018B Segment EBDA of $8.1 Billion[(a)]

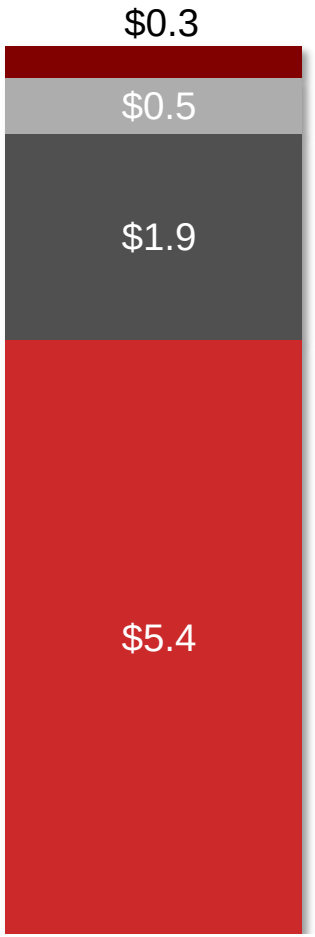
4% Commodity Based Cash Flow

6% Hedged Cash Flow

24% Other Fee-Based Cash Flow

Comprised of 10% natural gas pipelines, 9% products pipelines, 4% terminals, and 1% CO_2 & KMC

66% Fee-Based Take-or-Pay Cash Flow



Stability of Cash Flows

Hedged (6%): disciplined approach to managing price volatility

- CO_2 actual oil volumes produced have been within 1.5% of budget over the past 10 years
- CO_2 oil production hedge schedule[(b)]:

Year	Hedged Vol.	% Hedged	Avg. Px.
2018	33,483	70%	$58
2019	17,401	47%	$55
2020	9,300	35%	$53
2021	4,300	24%	$52
2022	–	–	–

Other Fee-Based (24%): dependable cash flow, independent from commodity price

- Supported by stable volumes, critical infrastructure between major supply hubs and stable end-user demand
- Natural Gas Pipelines (10%): G&P cash flow protected by dedications of economically viable acreage
- Products Pipelines (9%): competitively advantaged connection between refineries and end markets results in refined products piped volumes being within 1.2% of budget over the past 8 years
- Terminals (4%): 88% of fee-based associated with high-utilization liquids assets and requirements contracts for petcoke and steel

Fee-Based Take-or-Pay (66%): highly dependable cash flow

- Entitled to payment regardless of throughput

(a) Based on 2018 budgeted Segment EBDA before Certain Items and including KM-share of Certain Equity Investee DD&A (non-GAAP measure).
(b) Percentages based on currently hedged crude oil and propane volumes as of 12/31/2017 relative to crude oil, propane and heavy NGL (C4+) net equity production projected for 2018, and the Ryder Scott reserve report for 2019-2022 (historically below management expectations).

5-Year Growth Project Backlog[(a)]

~$12 Billion of Attractive, Substantially Fee-Based Projects

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High-Quality Growth Projects Driving Value

- World-class asset footprint has driven attractive growth opportunities, secured by long-term, fee-based contracts with creditworthy counterparties
- ~85% of backlog is for fee-based pipelines, terminals, and associated facilities
- ~$1.6 billion of Adjusted EBITDA expected to be generated from fee-based growth backlog projects[(b)], resulting in ~6.5x investment multiple[(c)]
- Target >15% unlevered after-tax return to fund CO_2 production projects

Cumulative Adjusted EBITDA

$1.6 billion

of Cumulative Adjusted EBITDA expected from fee-based growth projects

Growth Capital by Segment ($bn)

Natural Gas Pipelines	$3.8
Products Pipelines	0.4
Terminals	0.3
KM Canada	5.7
Fee-Based Growth Capital Subtotal	***$10.2***
CO_2 – Source & Transportation	0.3
CO_2 – Oil & Gas Production	1.3
Total	**$11.8**

(a) 5-year growth project backlog primarily consists of projects in progress for which commercial contracts have been secured. Includes KM's proportionate share of non-wholly owned projects. Includes estimated capitalized corporate overhead of $0.5 billion. Projects in service prior to 1/1/2018 excluded.

(b) Estimated first full-year Adjusted EBITDA generated from fee-based pipelines, terminals and associated facilities. Excludes Adjusted EBITDA from CO_2 projects and includes 100% of TMEP. Includes roughly $310 million of Adjusted EBITDA contribution in the 2018 budget.

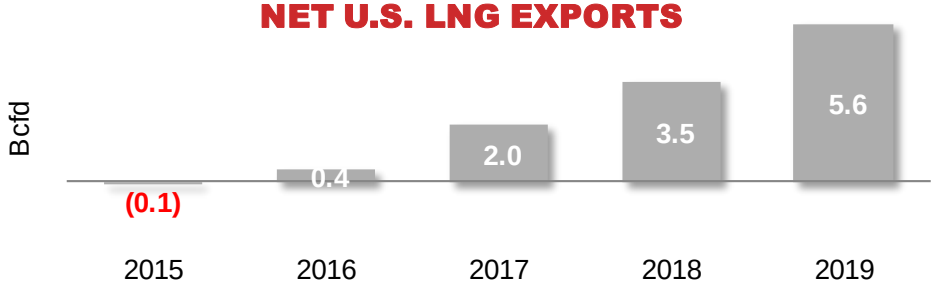
(c) Investment multiple calculated as total project cost divided by first full-year expected Adjusted EBITDA.

Recent Market Trends

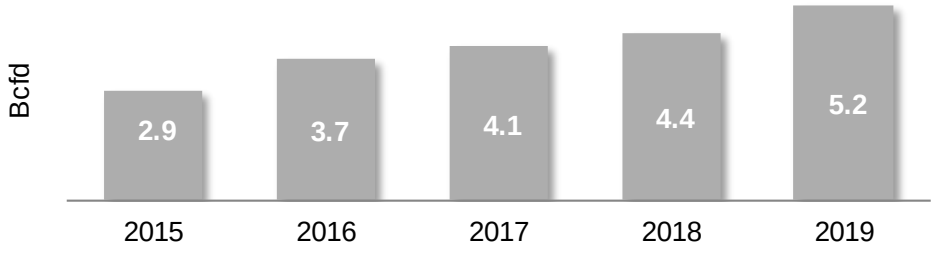
Hydrocarbon Fuel Demand Remains Strong

U.S. Natural Gas Demand, 2015-2019[a]

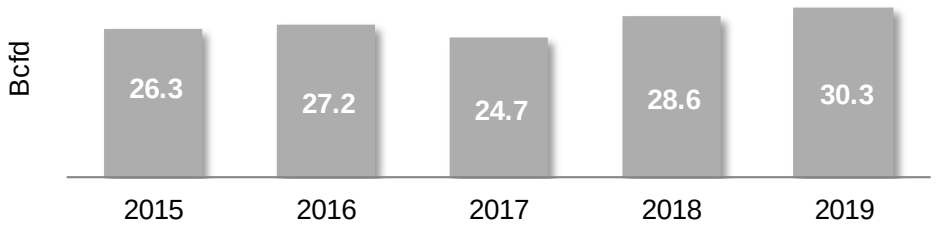
NET U.S. LNG EXPORTS



NET U.S. EXPORTS TO MEXICO

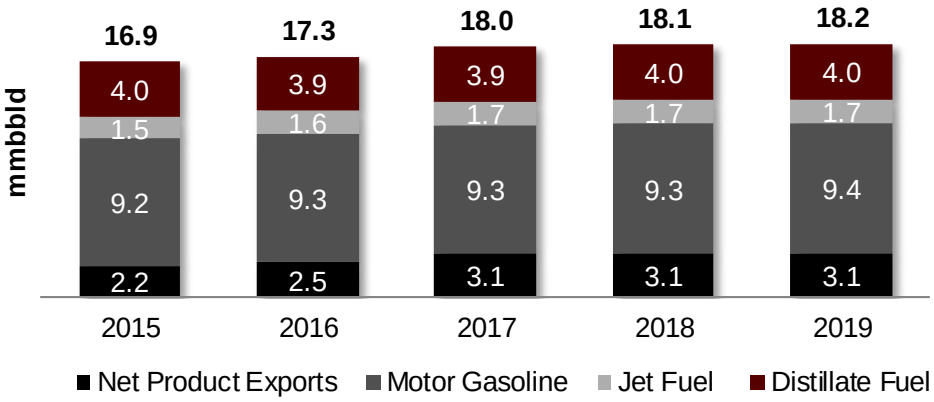


NATURAL GAS USED FOR POWER GENERATION

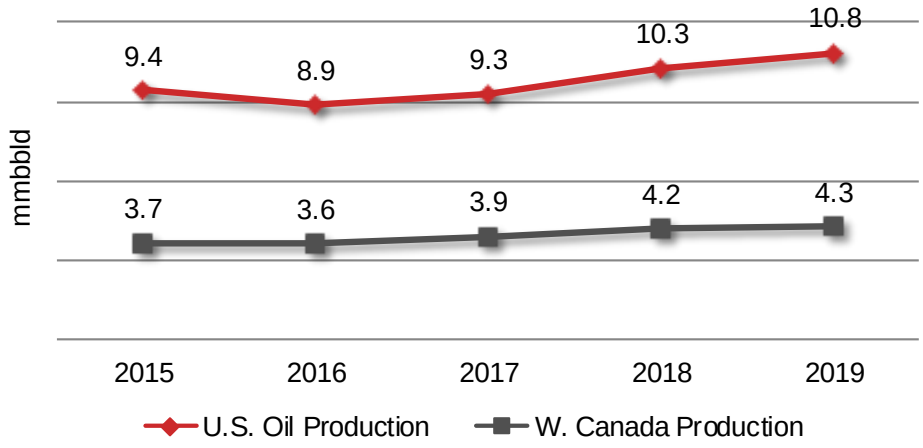


U.S. Refined Product Demand, 2015-2019[b]

- Continued steady, modest volume growth



Crude Oil Production, 2015-2019[b,c]



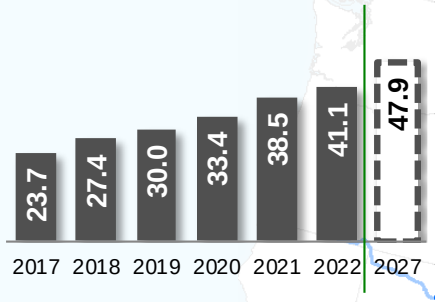
(a) WoodMackenzie, North America Gas Markets Long-Term Outlook, Fall 2017.
(b) EIA, Short-Term Energy Outlook, January 2018.
(c) CAPP Canadian Crude Oil Forecast, June 2017.

KMI Positioned to Support Future of Natural Gas

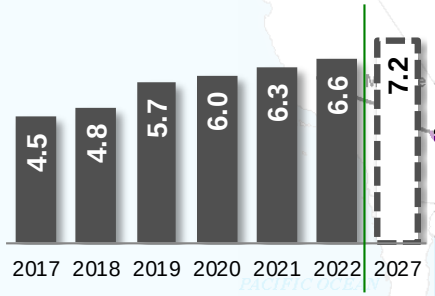
Kinder Morgan Transports ~40% of all Natural Gas Consumed in the U.S.

Demand (Bcfd)	2017	2022	2027	5-yr Δ	10-yr Δ
Total U.S. demand	79.5	98.7	105.7	19.2	26.2
% Δ				*24%*	*33%*

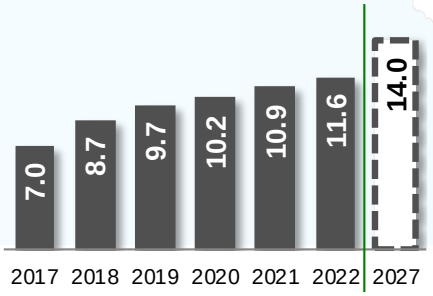
Utica/Marc. Supply (Bcfd)

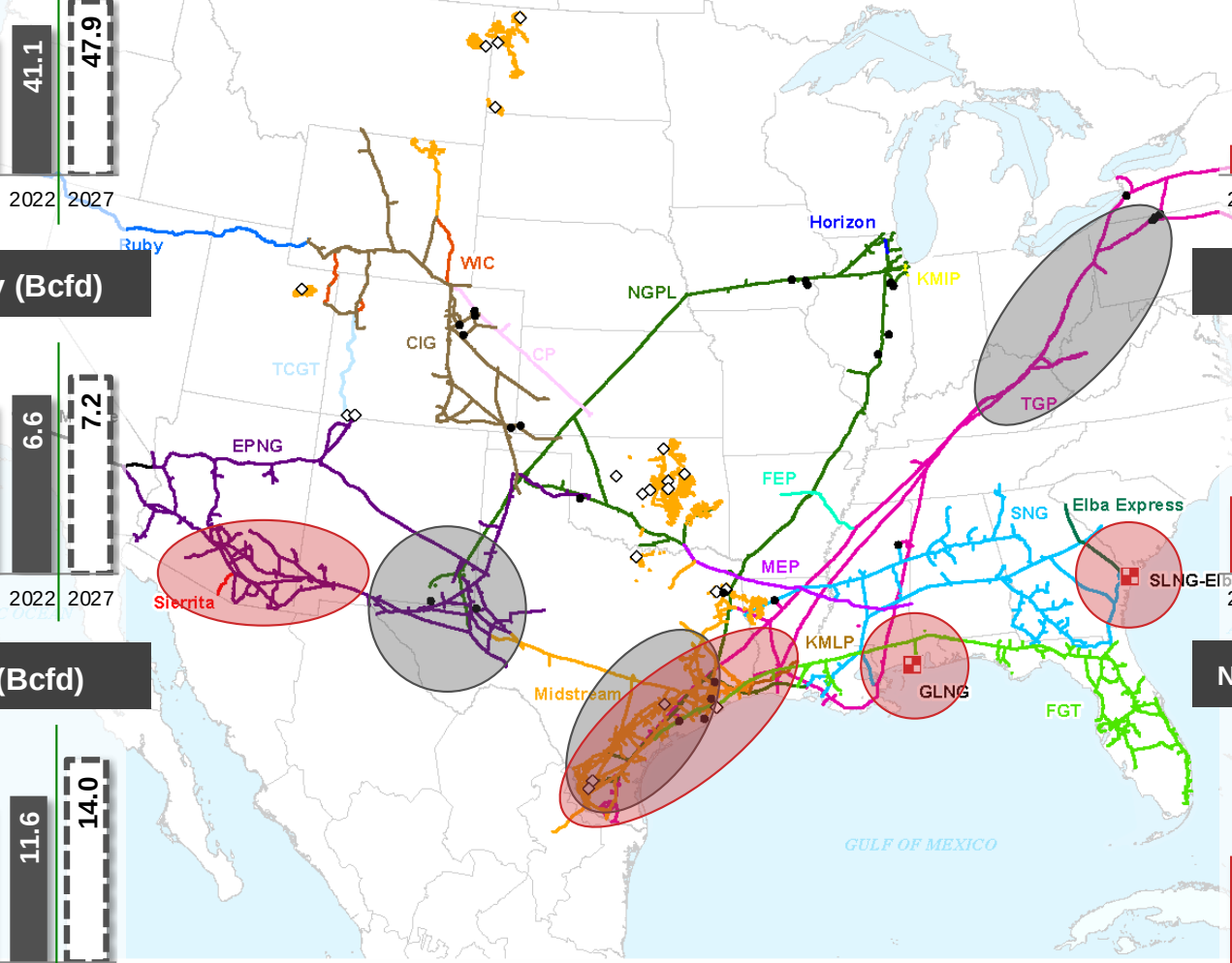


Eagle Ford Supply (Bcfd)

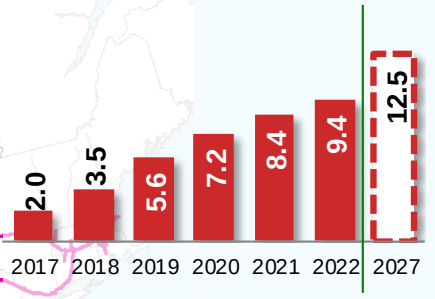


Permian Supply (Bcfd)

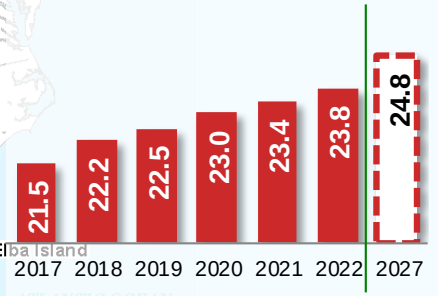




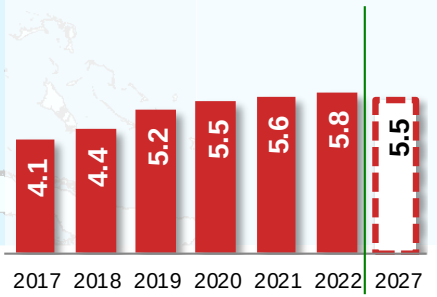
Net LNG Export Demand (Bcfd)



Industrial Demand (Bcfd)



Net Mexico Export Demand (Bcfd)



INCREASED U.S. VOLUMES = INCREASED NEED FOR KINDER MORGAN INFRASTRUCTURE

Note: WoodMackenzie, North America Gas Markets Long-Term Outlook, Fall 2017.

Well Positioned for Long-Term Success

Disciplined Capital Allocation and Operational Excellence

KINDER MORGAN

Poised for Success

- **World class midstream assets**
- **Fee-based cash flows**
  - Secure and growing
- **Disciplined capital allocator**
  - High bar for new investment opportunities
- **Attractive project execution**
  - Capex multiple of 6.0x on projects placed in service in past 3 years
- **Strong financial position**
  - Investment grade balance sheet
  - Substantial liquidity
  - Ahead of the curve in sector's shift toward self-funding, lower leverage, and greater coverage
- **Experienced management team**
  - Aligned with investors
- **Transparent with investors**

Best is Yet to Come

- Cornerstone of management philosophy since inception: deliver value to shareholders
- Excess cash flow will be used to enhance shareholder value:

Invest

IN HIGH-RETURN **ACQUISITIONS** AND/OR **EXPANSIONS**

De-Lever

THE BALANCE SHEET **FURTHER**

Return

CASH TO SHAREHOLDERS VIA **INCREASED DIVIDENDS** AND/OR **SHARE BUYBACKS**

BOUGHT ~27 MILLION SHARES SINCE DECEMBER 2017 FOR ~$500 MILLION

KMI: Credit Ratios and Liquidity[a]

$ Millions

Consolidated leverage metrics	2014	2015	2016	2017	2018 Budget
Net debt[b] to Adjusted EBITDA	**5.5x**	**5.6x**	**5.3x**	**5.1x**	**5.1x**

KMI revolver capacity[c]	
Committed revolving credit facility	$ 5,000
Less:	
CP / Revolver borrowing	(365)
Letters of credit	(107)
Excess capacity	**$ 4,528**

KMI long-term debt maturities[d]	
2018	$ 2,322
2019	2,813
2020	2,198
2021	2,416
2022	2,466

Note: As of 12/31/2017. See Appendix for defined terms and reconciliations of non-GAAP measures for the historical period.

(a) Debt of KMI and its consolidated subsidiaries excluding fair value adjustments.

(b) Debt as defined in footnote above, net of cash and excluding Kinder Morgan G.P. Inc.'s $100 million preferred stock due 2057 and foreign exchange impact on Euro denominated debt. 2017 and after include 50% of KML preferred stock.

(c) KMI corporate revolver has a November 2019 maturity.

(d) 5-year maturity schedule of KMI's debt and its consolidated subsidiaries, excluding fair value adjustments, $111 million preferred securities, $86 million non-cash foreign exchange impact on Euro denominated debt, and immaterial capital lease obligations.

KMI Business Risks

Summary Business Risks

- **Regulatory**
  - FERC rate cases (Products Pipelines and Natural Gas Pipelines)
  - Provincial, state, and local permitting issues
- **CO_2 crude oil production volumes**
- **Throughput on our volume-based assets**
- **Commodity prices**
  - 2018 budget average strip price assumptions: $56.50/bbl for crude and $3.00/mmbtu for natural gas
  - Price sensitivities (full-year):

Price Δ	Commodity	DCF Impact
$1/bbl	Oil	~$7mm
$0.10/mmbtu	Natural Gas	~$1mm
1%	NGL / crude ratio	~$2mm

- **Project cost overruns / in-service delays**
- **Economically sensitive business**
- **Foreign exchange rates**
  - 2018 budget rate assumption of 0.79 USD / CAD
  - Sensitivity (full-year): 0.01 ratio change = ~$2 million DCF impact
- **Environmental (e.g. pipeline / asset failures)**
- **Terrorism**
- **Interest rates**
  - Sensitivity (full-year): 100-bp change in floating rates = ~$104 million interest expense impact[(b)]

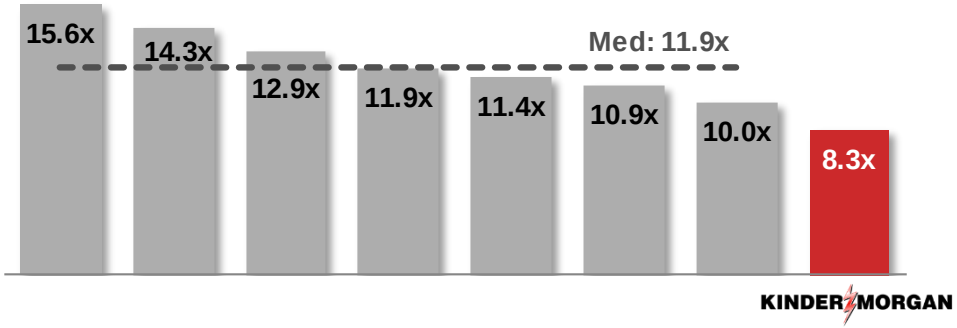
(a) Natural Gas Midstream sensitivity incorporates current hedges, and assumes ethane recovery for majority of year, constant ethane frac spread, and assumes other NGL prices maintain same relationship with oil prices.
(b) As of 12/31/2017, approximately $10.4 billion of KMI's net debt was floating rate (~28% floating).

KMI's Compelling Investment Thesis

Attractive Relative Value, Best-in-Class Dividend Growth and Coverage

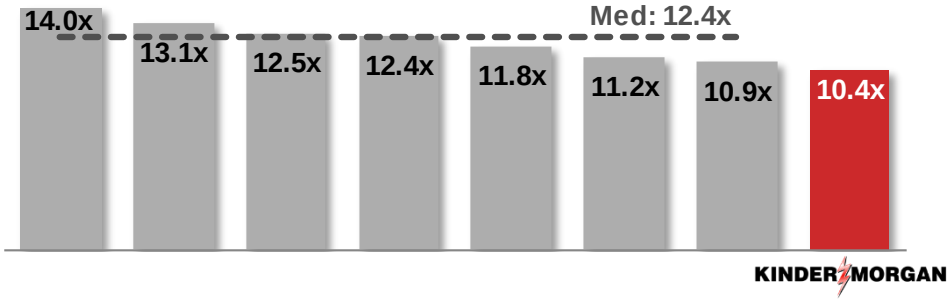
Price / 2018E DCFPS[(a)]

ATTRACTIVE RELATIVE VALUE



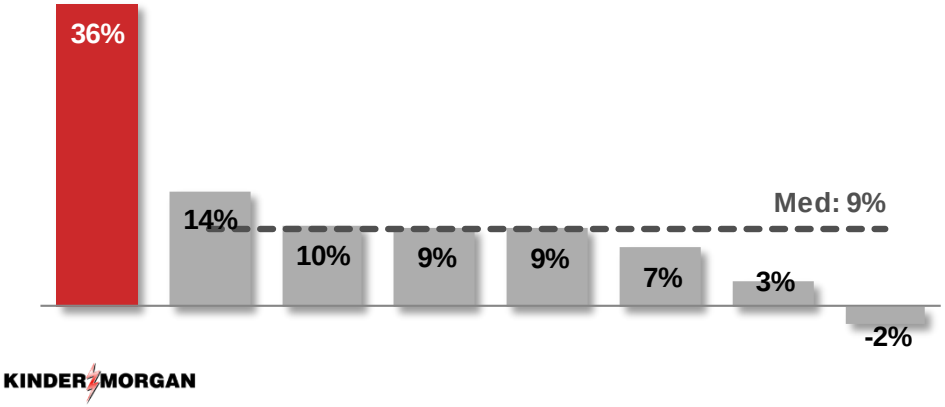
EV / 2018E EBITDA[(b)]

UNDERVALUED RELATIVE TO PEERS



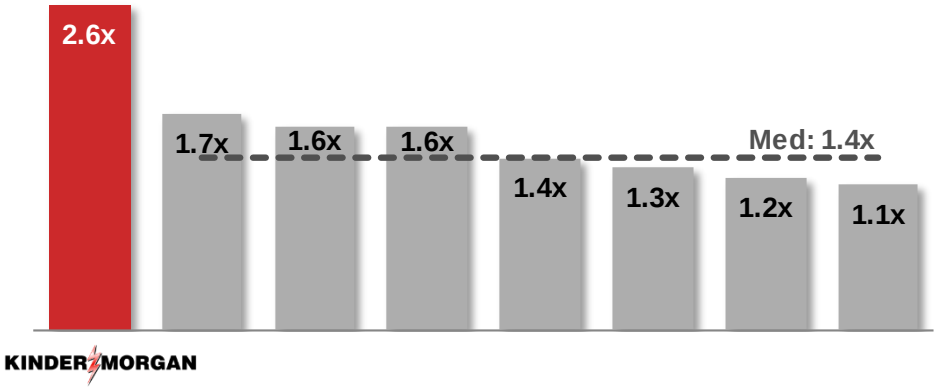
2017-2020E Dividend Growth CAGR[(c)]

BEST-IN-CLASS DIVIDEND GROWTH



2018E Dividend Coverage[(d)]

BEST-IN-CLASS COVERAGE



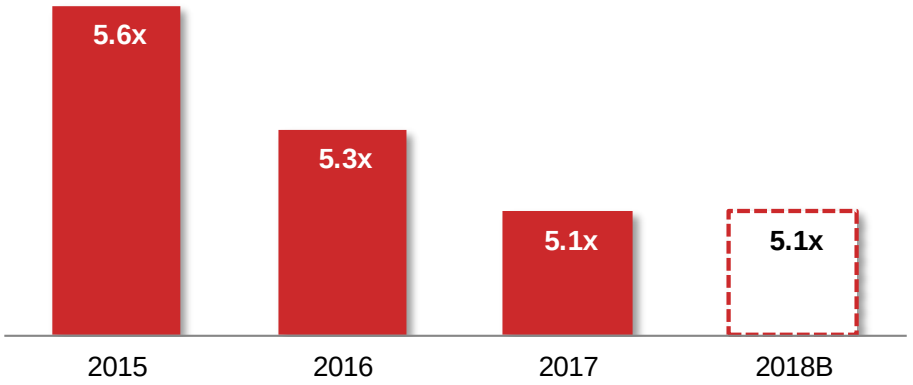
Notes: KMI financial measures before Certain Items. See Appendix for defined terms and reconciliations to GAAP measures.
Peer group: ENB, EPD, ETE, MMP, PAA, TRP, and WMB. Bloomberg consensus data.

(a) 2/16/2018 share price divided by 2018E DCF per share. Peer estimates per Bloomberg consensus and budget for KMI.
(b) 2/16/2018 enterprise value divided by 2018E EBITDA. Peer estimates and enterprise values per Bloomberg consensus and budget for KMI.
(c) Dividend per share CAGR per Bloomberg consensus estimates for peers and public guidance for KMI.
(d) 2018E DCF per share divided by 2018E dividend per share. Peer estimates per Bloomberg consensus and budget for KMI.

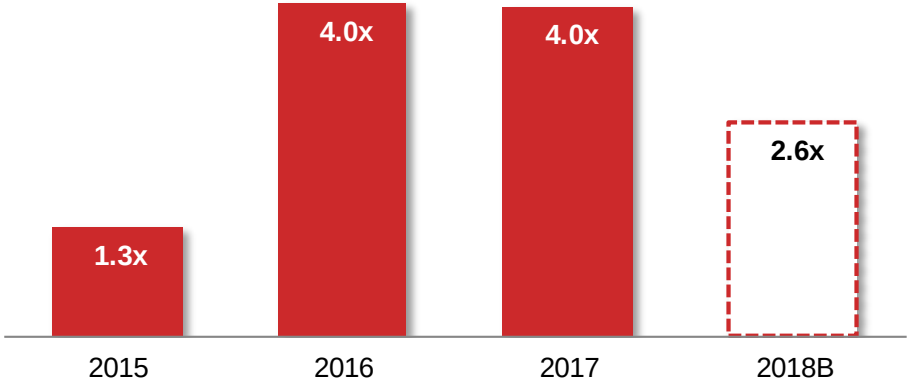
KMI's Recent Evolution: Corner Has Been Turned

Results in Strong Financial Profile that Matches Portfolio of Stable Assets

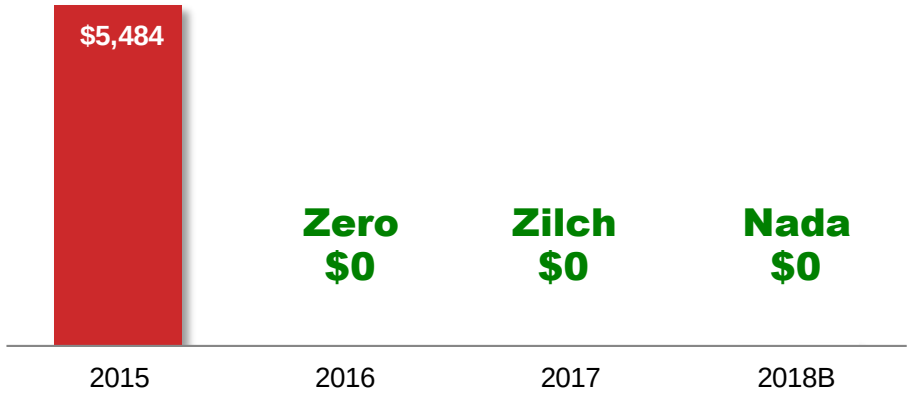
Year-End Net Debt / Adjusted EBITDA



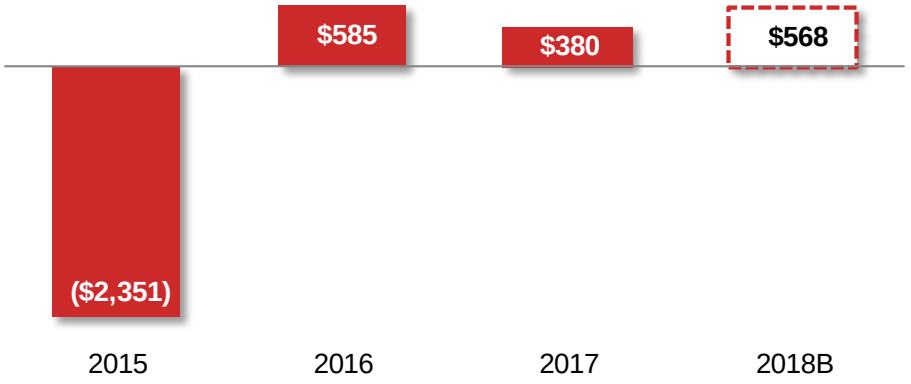
Dividend Coverage



Equity Issuance ($mm)



DCF Less Dividend Less Growth Capex ($mm)



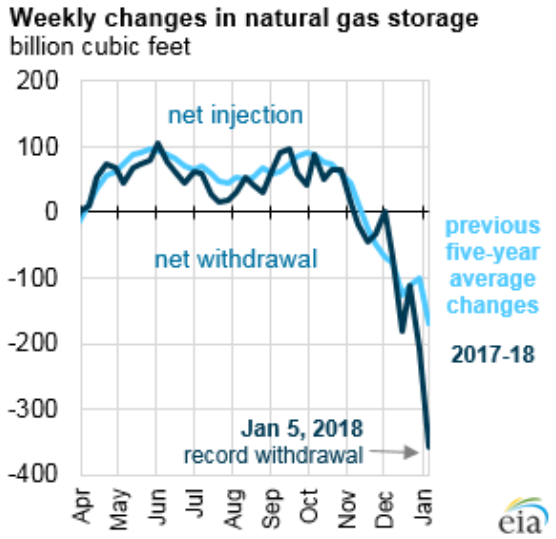
Appendix – Corporate Slides

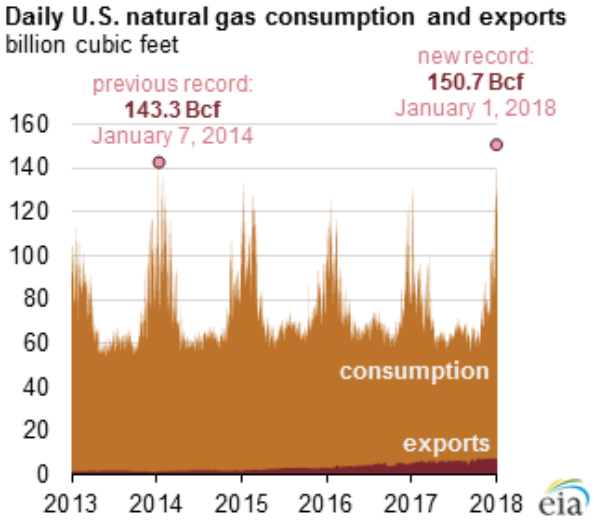
KMI Natural Gas Assets Are Critical to Many Needs

Kinder Morgan Transports ~40% of all Natural Gas Consumed in the U.S.

KM's Natural Gas Assets Provide:

- **Building blocks for critical, every-day products**
- **Backstop to enable renewable power generation**
- **Reliable energy source to supply growing electric vehicle power demand**
- **And, of course, fuel that heats and lights our homes; Natural gas infrastructure is especially critical in times of peak demand**
  - Cold weather this winter drove record natural gas demand across the country and demonstrated the resiliency of our transportation and storage network
  - Record U.S. natural gas demand of 150.7 billion cubic feet (Bcf) on Jan. 1, 2018, surpassing the previous single-day record set in 2014[(a)]
  - Record U.S. storage withdrawal of 359 Bcf for the week ending Jan. 5, 2018 exceeded the previous record of 288 Bcf set four years ago[(b)]
  - TGP – System delivery record of ~12.0 Bcfd set on Jan. 2, 2018 (4 other days this winter also beat the previous record of 11.3 Bcfd set on 12/15/16)
  - NGPL – System delivery record of ~7.6 Bcfd set on Dec. 27, 2017 (5 other days this winter also beat the previous record of 7.0 set on 1/6/17)
  - TX Intrastates – System delivery record of ~7.0 Bcfd set on Jan. 2, 2018 (previous record of ~6.7 Bcfd set on 2/23/15)
  - **During this record demand for deliverability, Kinder Morgan successfully met its customers' needs**





(a) EIA, Today in Energy, January 5, 2018, based on PointLogic.
(b) EIA, Weekly Natural Gas Storage Report, January 12, 2018.

KMI's Evolution

Adjusted Course in Early Response to Industry Catalysts

KINDER MORGAN

Industry Catalysts

- Oil prices declined from over $100/bbl in 2014 to below $30/bbl in 2016
- Volatile capital markets
- More value / focus on balance sheet and dividend coverage
- Less investor willingness to accept IDR burden
- Less value placed on dividend payout
- Less investor willingness to accept continual equity issuances
- Increased investor focus on returns on capital invested
- Sector trend toward self-funding goes in to full swing



KMI Actions and Achievements

- KMI became a pure C-corp and eliminated IDRs in acquisition of its MLPs
- Reduced dividend in 2015; started funding expansions with cash flow; removed requirement to access capital markets for funding growth
- High-graded project backlog
- Increased minimum project return threshold for new project commitments
- Achieved multiple JVs on projects under construction (reduced KM capital burden and enhanced returns on project capital)
- Completed IPO of Canadian assets for net proceeds of $1.2 billion
- Announced dividend growth guidance with substantial DCF coverage
- Implemented $2.0bn share buyback program (unique for our sector)
- Net debt close to $6 billion lower since 3Q15
- Reduced leverage from 5.6x Net Debt / Adjusted EBITDA in 2015, to 5.1x in 2018

***HOW KMI HAS NOT CHANGED*: SAME DISCIPLINE IN OPERATING OUR ASSETS SAFELY & RELIABLY; SAME DISCIPLINED CAPITAL ALLOCATION; SAME MANAGEMENT FOCUS ON DETAILS; SAME FOCUS ON STABLE, FEE-BASED ENERGY INFRASTRUCTURE**

Questions You've Asked:

Answers to Frequently Asked Questions

KINDER MORGAN

Q1. What is management's capital allocation philosophy?	— Our first priority is a healthy balance sheet: Long-term target for Debt / EBITDA is 5.0x or below; Year-end 2018 budget is 5.1x — We believe in investing in projects with positive NPV; Once project needs are met, excess cash flow should be used for dividends, share buybacks and/or to further de-lever — Dividends return value to shareholders and help instill management discipline; Our 3-year dividend growth outlook maintains best-in-class dividend coverage
Q2. Is KMI going to continue to grow?	EBITDA is budgeted to grow 4% in 2018; $11.8 billion 5-year backlog is expected to generate ~$1.6 billion of cumulative EBITDA (excluding CO_2)
Q3. Will KMI be able to replenish its growth backlog?	Our significant asset footprint is well-positioned to secure North American growth prospects (GCX is a recent example), and is a critical network needed to meet increasing U.S. and global hydrocarbon demand, particularly for natural gas where we transport ~40% of U.S. gas and are a key supplier to the increasing LNG and Mexico markets
Q4. Are there recontracting risks on KMI's assets?	Substantial KM contracts expire annually, but our risk is limited as our assets are well-positioned with end-users; We estimate net recontracting exposure for our natural gas segment to be ~(0.5%) and ~(1.2%) in 2019 and 2020, respectively, relative to 2018 Segment EBDA budget of ~$8.1 billion
Q5. What is the status of TMEP?	Good progress made in 2017, though at a slower pace than expected; To prudently manage shareholder capital, current spending is primarily for permitting, rather than full construction, until we have greater clarity on key permits, approvals and judicial reviews; Refer to KML overview pages for additional updates
Q6. Is CO_2 a strategic asset for KMI?	CO_2 has been the segment with our highest ROIC and generates significant free cash flow; We have a long history of successfully optimizing and believe we are one of the most effective operators of EOR assets; However, as a shareholder-driven firm, we continuously evaluate all options to enhance shareholder value
Q7. What is KMI's expected impact from tax reform?	KMI is modestly better off from a cash tax standpoint under the new bill; Refer to the Tax Reform slide in the Financial Excellence section of the 2018 Analyst Day presentation dated 1/24/2018 for additional information

Energy Toll Road

Cash Flow Security

	Natural Gas Pipelines	Products Pipelines	Terminals	CO_2	Kinder Morgan Canada
Volume Security	■ **Interstate & LNG:** take-or-pay ■ **Intrastate:** ~76% take-or-pay[a,b] ■ **G&P:** ~86% fee-based[b] with minimum volume requirements / acreage dedications	■ **Refined products:** primarily volume-based ■ **Crude / liquids:** primarily take-or-pay	■ **Liquids & Jones Act:** primarily take-or-pay ■ **Bulk:** primarily minimum volume guarantee, or requirements	■ **S&T:** primarily minimum volume guarantee ■ **O&G:** volume-based	■ Essentially no volume risk
Average Remaining Contract Life	■ **Interstate:** 6.1 yrs. ■ **LNG:** 14.4 yrs. ■ **Intrastate:** 5.8 yrs.[a] ■ **G&P:** 5.6 yrs.	■ **Refined products:** generally not applicable ■ **Crude / liquids:** 5.0 yrs.	■ **Liquids:** 3.4 yrs. ■ **Jones Act:** 2.8 yrs.[c] ■ **Bulk:** 4.0 yrs.	■ **S&T:** 7.6 yrs.	■ 1.0 yrs.[d]
Pricing Security	■ **Interstate:** primarily fixed based on contract ■ **Intrastate:** primarily fixed margin ■ **G&P:** primarily fixed price	■ **Refined products:** annual FERC tariff escalator (PPI-FG + 1.23%) ■ **Crude / NGLs:** primarily fixed based on contract	■ Based on contract; typically fixed or tied to PPI	■ **S&T:** 78% protected by minimum volumes and floors[b] ■ **O&G:** volumes 70% hedged[e]	■ Fixed based on toll settlement
Regulatory Security	■ **Interstate:** regulated return ■ **Intrastate:** essentially market-based ■ **G&P:** market-based	■ **Pipelines:** regulated return ■ **Terminals & transmix:** not price regulated[f]	■ Not price regulated	■ Primarily unregulated	■ Regulated return
Commodity Price Exposure	■ **Interstate:** no direct exposure ■ **Intrastate:** limited exposure ■ **G&P:** limited exposure	■ Minimal, limited to transmix business	■ No direct exposure	■ Full-yr 2018: $6mm in DCF per $1/Bbl change in oil price	■ No direct exposure

Note: All figures as of 1/1/2018, unless otherwise noted.
(a) Includes term sale portfolio.
(b) Based on KMI 2018 budgeted Segment EBDA before Certain Items and including KM-share of Certain Equity Investee DD&A where applicable (non-GAAP measure).
(c) Jones Act vessels: average remaining contract term is 2.8 years, or 5.0 years including options to extend.
(d) Provisions in TMPL's negotiated toll settlement allow for the parties to extend the agreement to coincide with in-service of the Trans Mountain expansion project.
(e) Percentage of 2018 budgeted net crude oil, propane and heavy NGL (C4+) net equity production.
(f) Terminals not FERC regulated, except portion of CALNEV.

KMI: 2018B Growth Capital

$ Millions

Growth capital	2018 Budget[(a)]	2017 Actual
Natural Gas Pipelines	$ 1,633	$ 1,602
CO_2 - S&T	32	19
CO_2 - EOR	420	410
Products Pipelines	86	267
Terminals	44	629
Kinder Morgan Canada	-	55
Total growth capital	**$ 2,215**	**$ 2,982**

FULLY FUNDED BY INTERNALLY GENERATED CASH FLOW.
NO NEED FOR CAPITAL MARKETS.
EXCLUDES GROWTH CAPITAL FOR KML AS WE EXPECT KML WILL BE A SELF-FUNDING ENTITY.

(a) 2018 includes JV contributions of $225 million to equity investments and is net of $285 million partner contributions for consolidated JVs.

KMI: Credit Ratios and Liquidity[a]

$ Millions

Consolidated leverage metrics	2014	2015	2016	2017	2018 Budget
Net debt[b] to Adjusted EBITDA	**5.5x**	**5.6x**	**5.3x**	**5.1x**	**5.1x**

KMI revolver capacity[c]	
Committed revolving credit facility	$ 5,000
Less:	
CP / Revolver borrowing	(365)
Letters of credit	(107)
Excess capacity	**$ 4,528**

KMI long-term debt maturities[d]	
2018	$ 2,322
2019	2,813
2020	2,198
2021	2,416
2022	2,466

Note: As of 12/31/2017. See Appendix for defined terms and reconciliations of non-GAAP measures for the historical period.

(a) Debt of KMI and its consolidated subsidiaries excluding fair value adjustments.

(b) Debt as defined in footnote above, net of cash and excluding Kinder Morgan G.P. Inc.'s $100 million preferred stock due 2057 and foreign exchange impact on Euro denominated debt. 2017 and after include 50% of KML preferred stock.

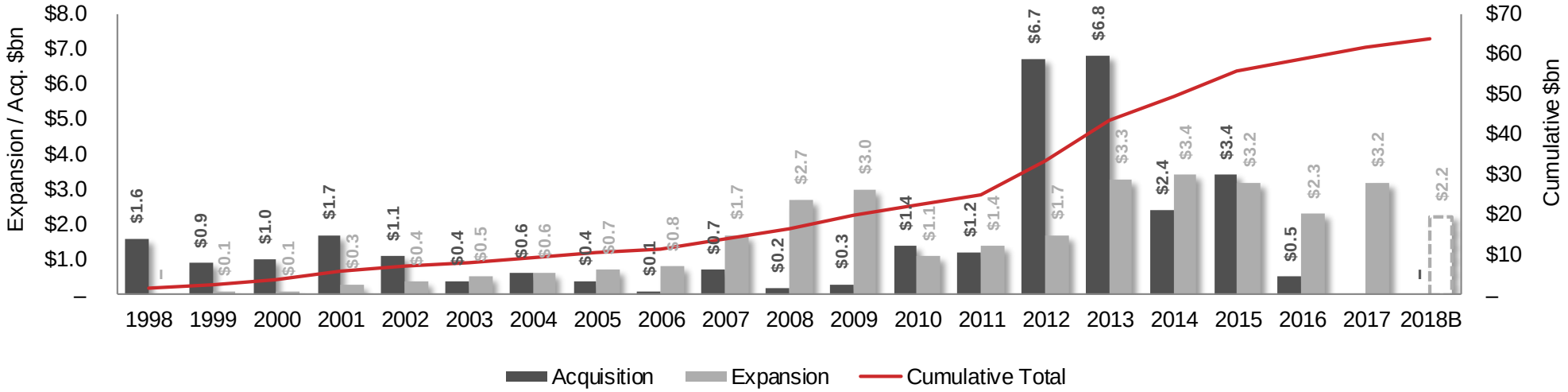
(c) KMI corporate revolver has a November 2019 maturity.

(d) 5-year maturity schedule of KMI's debt and its consolidated subsidiaries, excluding fair value adjustments, $111 million preferred securities, $86 million non-cash foreign exchange impact on Euro denominated debt, and immaterial capital lease obligations.

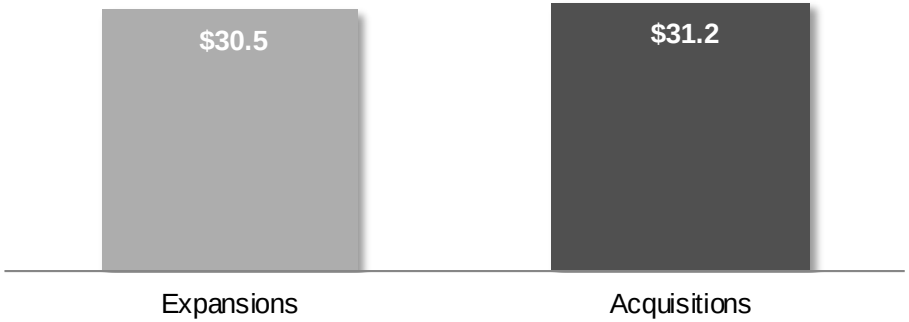
Deployed Over $60 Billion of Capital

Asset Investment & Acquisitions Since Inception

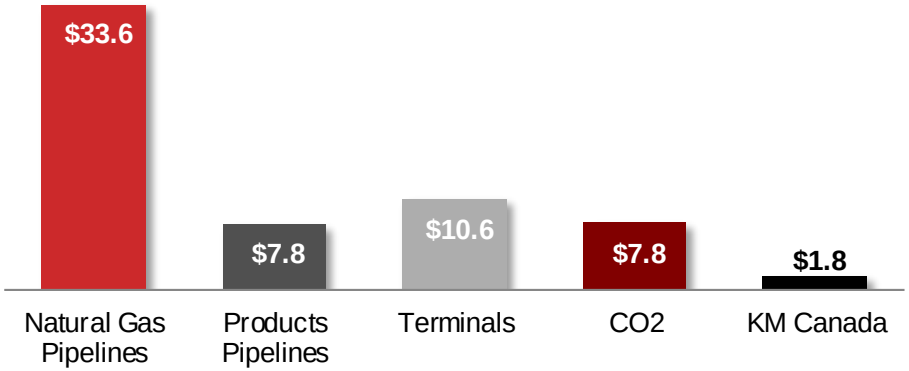
Total Invested by Year[b,c,d]



Total Invested by Type: 1998-2017[a,c,d]



Total Invested by Segment: [a,c,d]



Note: Includes equity contributions to joint ventures.

(a) 1997-2016; includes investment of KMP (1997-2014), EPB (2013-2014), and KMI (2015-2017).

(b) 1997-2017B; includes investment of KMP (1997-2014), EPB (2013-2014), and KMI (2015-2018B).

(c) Natural Gas Pipelines segment: Excludes $2.6 billion and $1.8 billion for 2016 50% SNG divestiture and 2012 FTC Rockies divestiture, respectively. Excludes $11.3 billion in EPB asset acquisitions from El Paso prior to KMI's acquisition of El Paso and $2.0 billion for Citrus acquisition at KMI.
Kinder Morgan Canada segment: Excludes $0.3 billion for 2013 divestiture of Express-Platte pipeline system.
Products Pipelines segment: Excludes $0.9 billion of legal and other settlements incurred over the past decade. However, we do include these impacts in the denominator of our ROI calculation.

(d) Excludes capital expenditures of our Canadian assets from KML IPO (May 2017) forward.

Returns on Invested Capital

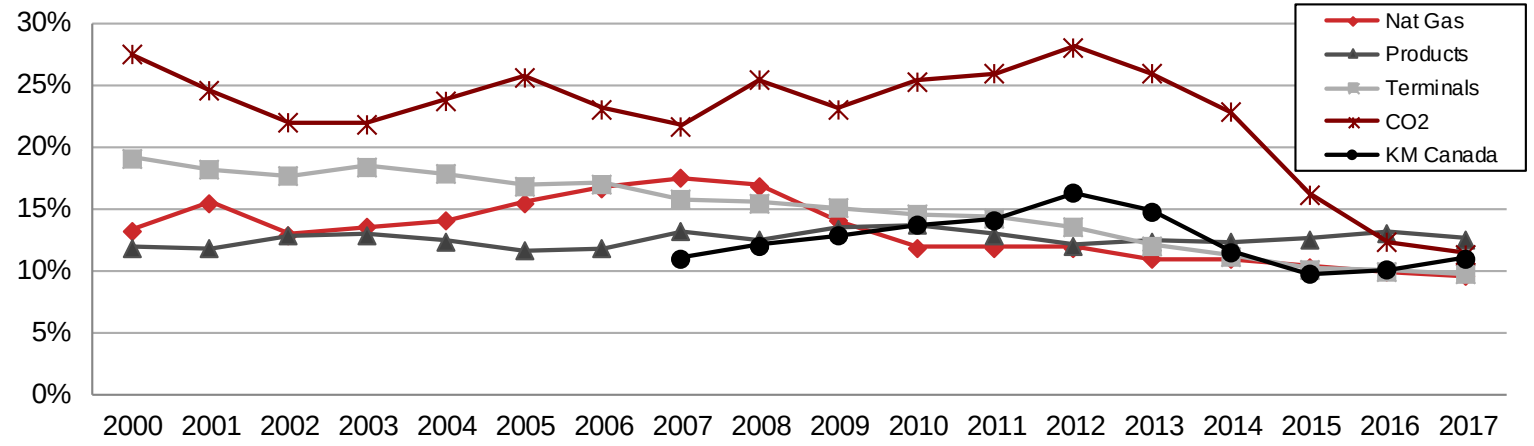
Targeted Returns for New Capital Investment Are Substantially Above Cost of Capital

Commentary

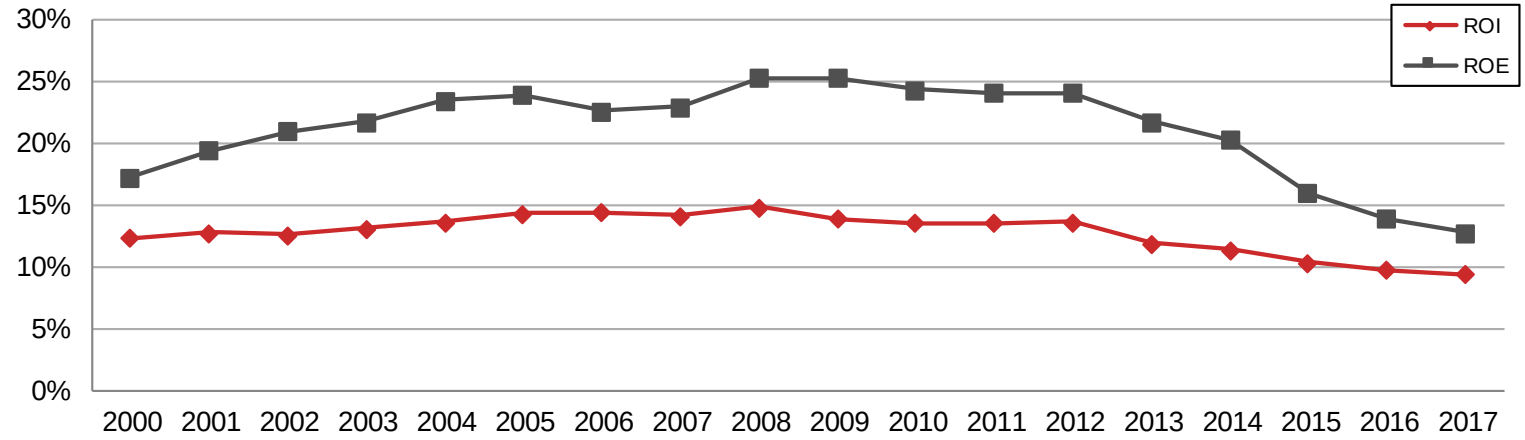
Items leading to decline in returns since 2012:

- **Natural Gas Segment** – EPB included since 2013 (primarily a drop-down MLP), $1.1bn in REX leave-behind costs since 2013 (invested capital in excess of proceeds received); lower volumes on G&P assets since 2015; contract buy-outs on KMLP in 2014 and 2015, unfavorable re-contracted rates on certain Rockies pipelines since 2013
- **Terminals Segment** – Coal bankruptcies in 2015
- **CO_2 Segment** – Oil price decline
- **KM Canada Segment** – DCF adjusted for current FX, but invested capital is not; led to lower returns as CAD/USD ratio declined since 2013
- **Return on Equity** – since 3Q15, KMI has been funding growth capital with DCF, which is treated as equity funding

Segment ROI[(a,b)]



Kinder Morgan Returns



Notes: Reflects KMP (2000-2012), KMP and EPB (2013-2014) and KMI (2015-2017).
(a) G&A is deducted to calculate the combined Return on Investment, but is not allocated to the segments and therefore not deducted to calculate the individual Segment ROI.
(b) Natural Gas segment ROI includes NGPL and Citrus investments since 2015.

Compliance is Important to Kinder Morgan

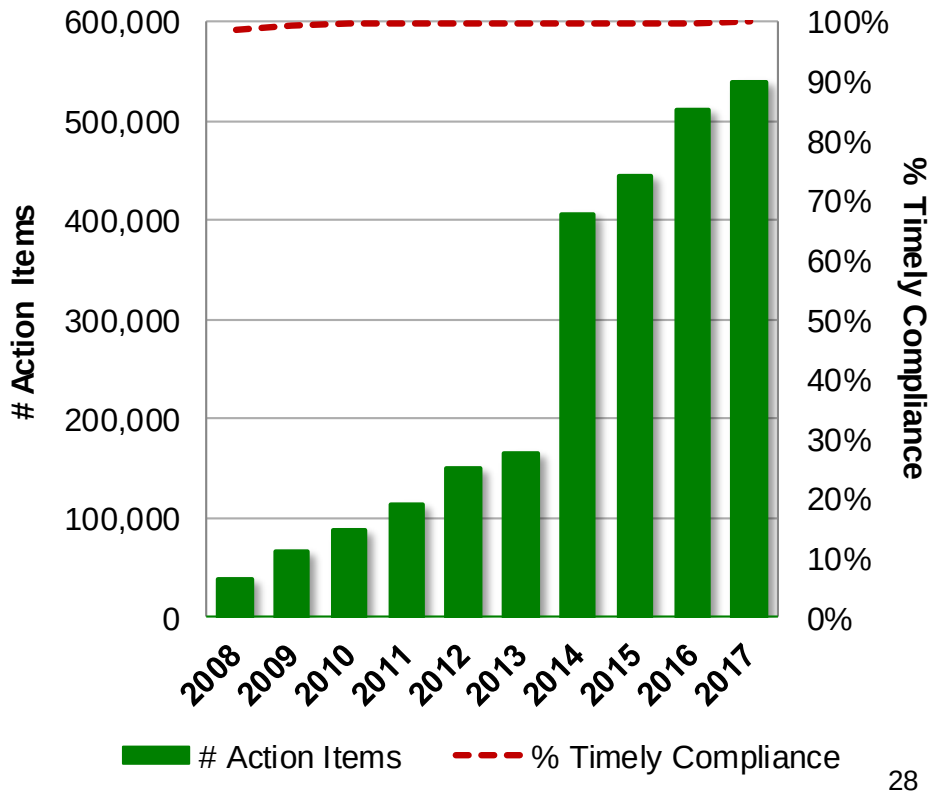
Kinder Morgan's On-Time Compliance Metrics are Consistently High

Operate in Compliance

- On-time compliance is a critical leading indicator for the performance of our assets
- Compliance systems allow us to reduce compliance and operational risks, which facilitates permitting of new facilities and growth at existing facilities
- Monthly internal reporting improves accountability for on-time compliance which promotes and reinforces our culture of excellence
- Other items tracked include
  - Regulatory changes and compliance plans
  - Audit action item closures
  - Regulatory agency interactions
  - Training assignments completed
  - One call ticket exceptions
- Kinder Morgan's on-time compliance metrics are consistently high

Kinder Morgan's On-Time Compliance Performance

- In 2017, we tracked 540,000 compliance activities to check we are doing what needs to be done when it needs to done
- Currently we are performing at a 99.9% timely compliance rate (up from 98.4% in 2008)



Asset Integrity and Safety are Top Priorities

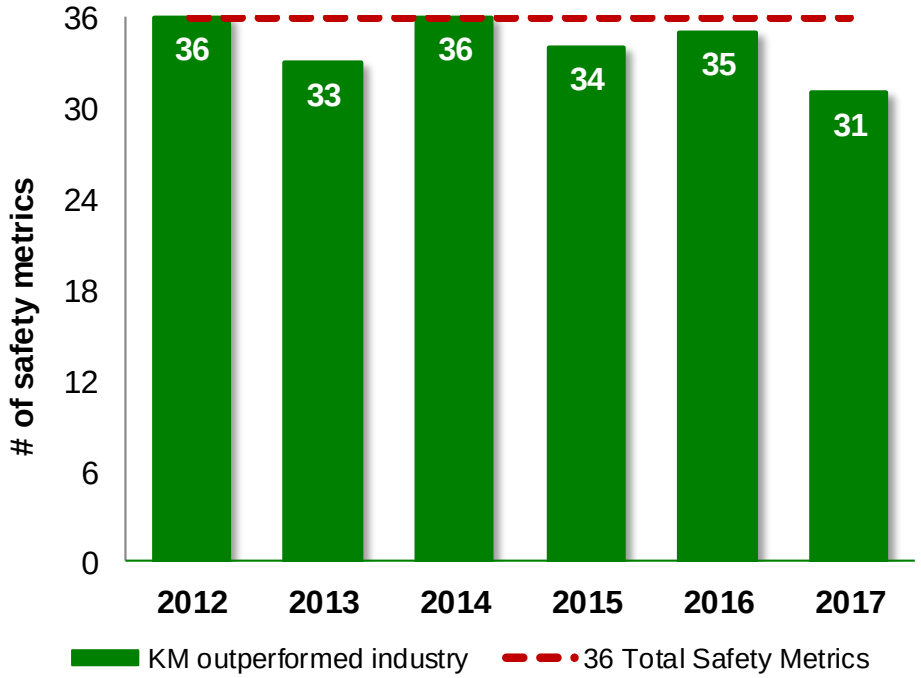
Kinder Morgan's EHS Metrics Consistently Outperform the Industry

Operate Safely & Efficiently

- Safe operation of our assets is mission critical to our long-term success
- We continue to reduce operational risks, which in turn benefits our employees, contractors, assets, the public, and the environment
- We strive for improvement in safety and efficiency of existing operations
- Additionally, we properly execute expansions and effectively integrate acquired operations
- Kinder Morgan's EHS statistics consistently outperform the industry average

Kinder Morgan's Safety Performance vs. Industry[(a)]

- We track 36+ safety metrics and post monthly updates to our public website
- Currently we are outperforming the industry in 31 of the 36 metrics that we track



(a) Based on period-end Kinder Morgan metrics versus most applicable industry performance.

Appendix – KMI Business Segment Overview

Segment Outlook and Asset Overview

Well-Positioned: Connecting Key Natural Gas Resources with Major Demand Centers

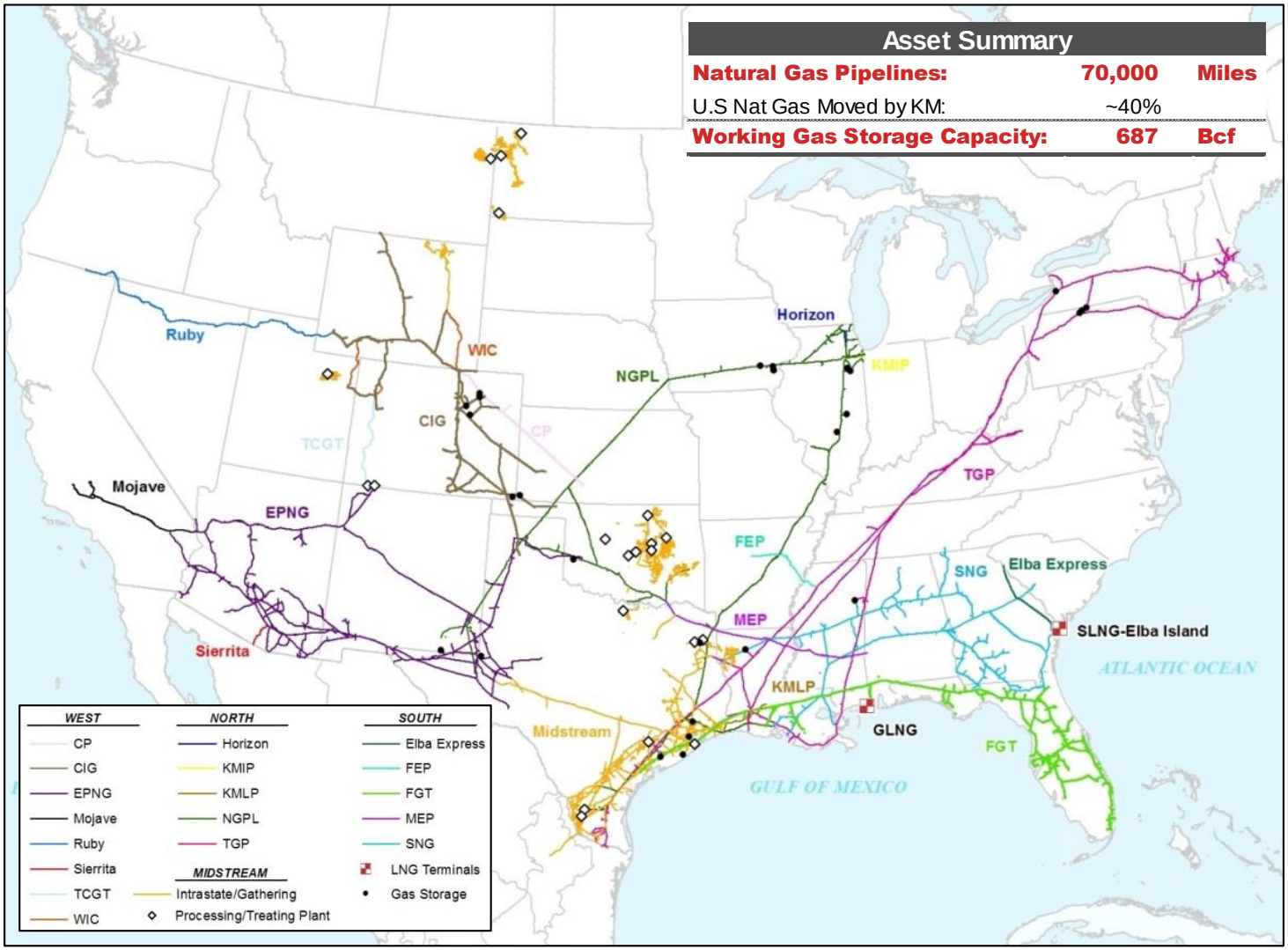
Long-Term Growth Drivers

- **Shale-driven expansions / extensions**
  - Greenfield projects
  - Expansions / extensions off existing footprint
- **Exports**
  - LNG exports: liquefaction facilities and pipeline infrastructure
  - Exports to Mexico
- **End-user / LDC demand growth**
  - Gulf Coast industrial growth
  - Regional power gen. opportunities
  - Enhanced access to LDC markets
- **Pipeline Conversions**
  - Repurpose assets to achieve greater value
- **Storage**
  - Support LNG Liquefaction
  - Backstop variable renewable generation
- **Acquisitions**

Project Backlog

$3.8 billion of identified growth projects over 2018-2021 time period[a]

- Gulf Coast Express Pipeline
- LNG liquefaction (Elba Island)
- Transport projects supporting LNG liquefaction
- Expansions to Mexico border
- TGP North-South projects



(a) Includes KM share of non-wholly owned projects. Includes projects currently under construction.

Project Highlight: Gulf Coast Express (GCX)

Joint Venture Project Satisfying Multiple Growth Drivers

Project Overview

Project Scope

- Mainline: 82 miles of 36" pipeline and 365 miles of 42" pipeline originating at the Waha Hub and terminating near Agua Dulce, Texas
- Midland lateral: 50 miles of 36" pipeline
- 198,150 HP of installed compression
- KMTP operator and constructor
- KM 50%, DCP 25%, and Targa 25% ownership interest

Project Statistics

- Initial Capacity: 1.92 Bcfd
- Capital (100%): $1.7 billion
- In-Service: October 2019
- Minimum contract term: 10 years

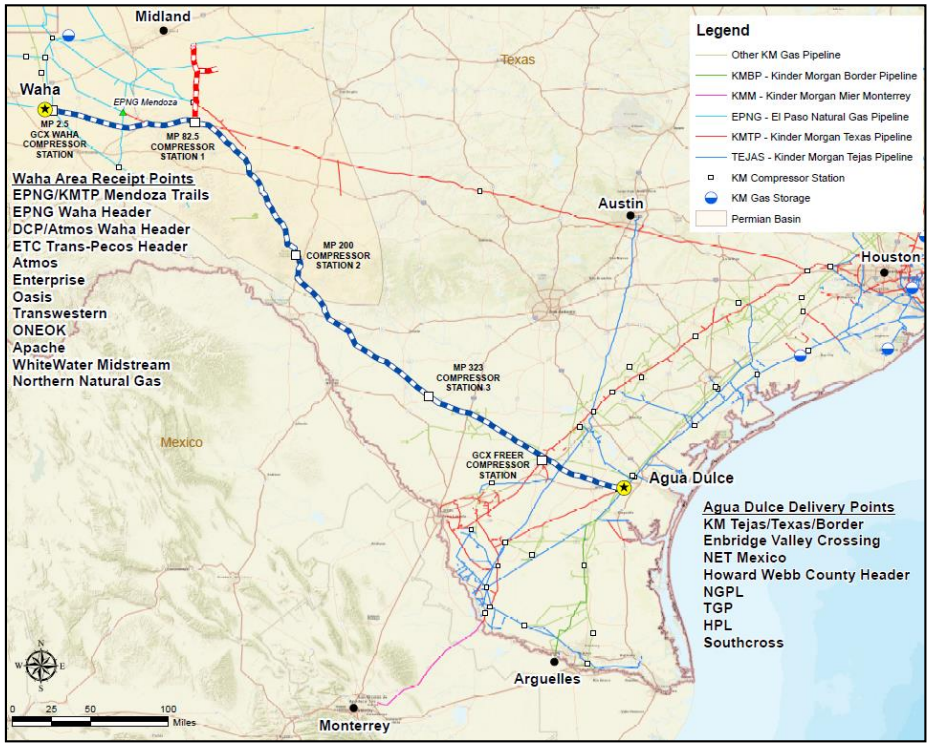
Current Status

- Final investment decision to proceed made December 2017
- Approximately 85% of project capacity sold under long-term contracts
- Remaining project capacity expected to be sold in 1Q18
- Shipper Apache Corp. has option to purchase 15% equity stake in the project from KM
- Received binding bids for 68% of project cost (construction, surveying, pipe and compression)

Project Drivers / Asset Overview

Project Drivers

- Producer push project to transport prolific growing supply from the Permian Basin to Agua Dulce
- Provides access to growing markets:
  - Exports to Mexico and Gulf Coast LNG liquefaction terminals
  - Growing Industrial demand
  - Multiple pipeline interconnects at Agua Dulce, incl. KMI Intrastate capacities of over 7 Bcfd (pipeline) and 132 Bcf (storage)

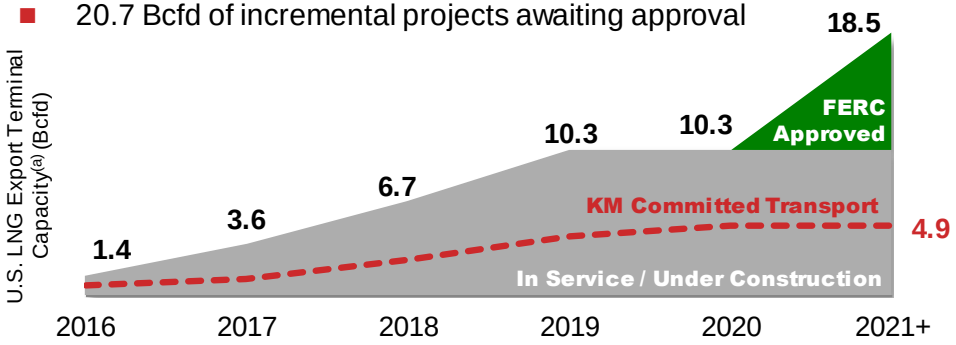


Growth Driver: Exports – Liquefied Natural Gas

Kinder Morgan Leverages Asset Footprint to Facilitate Booming U.S. LNG Exports

Global Demand Drives Opportunity for U.S. to Export

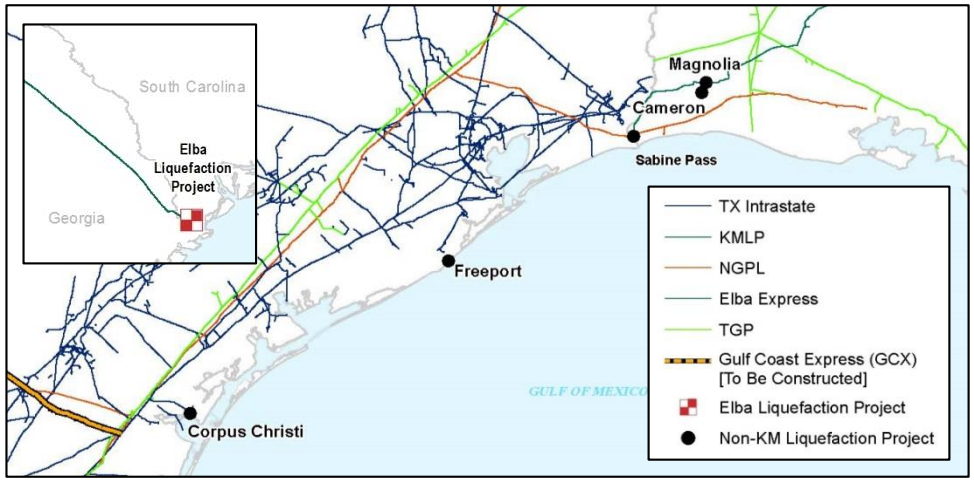
- 18.5 Bcfd of FERC-approved projects for U.S. LNG export terminals
  - 10.3 Bcfd already in service/under construction
- 20.7 Bcfd of incremental projects awaiting approval



KM Plans to Participate

- Eight active transportation projects on five Kinder Morgan pipelines
  - 18 years – average contract term
  - ~ $1 billion – capital investment
  - 4.9 Bcfd – contracted transport capacity
- Kinder Morgan network is well-positioned for additional growth
  - Transport opportunities to future facilities
  - Upstream capacity sales to 3rd party pipelines
- GCX will provide significant additional supply access to LNG export facilities
- Liquefaction at Elba Island LNG Terminal

KM Network positioned for Additional Growth



KM Projects / Long-Term Commitments(b)

KM Asset	Contracted Capacity (mDthd)	KM Capital ($mm)
TGP	1,200	$328
KMLP	1,300	$249
NGPL	1,335	$137
Intrastate	590	$134
EEC	436	$101
Subtotal:	**4,861**	**$949**
Elba Liquefaction	357	$1,176
Total:	**5,218**	**$2,125**

(a) Source: FERC data.
(b) Includes firm transport to the following terminals: Sabine Pass, Corpus Christi, Elba Island, Cameron, Freeport, and Magnolia.

Growth Driver: Exports – Mexico

Kinder Morgan Delivers ~71% of U.S. Exports to Mexico (2017 YTD through October)

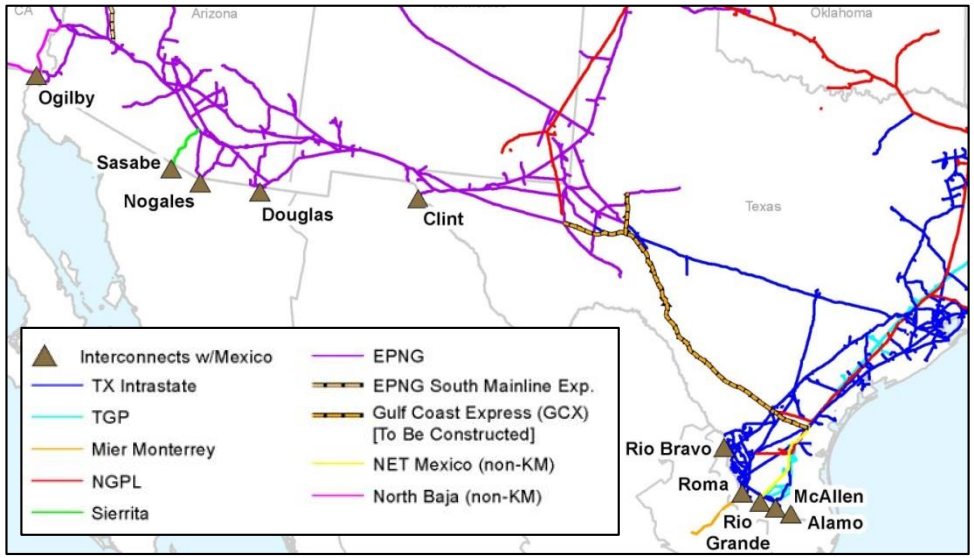
Mexico Natural Gas Market

- U.S. Exports to Mexico are expected to grow by ~2 Bcfd to 6.1 Bcfd by 2022[(a)]
  - Current exports ~4.2 Bcfd (2017 YTD through October)
- KM is well positioned to serve incremental demand through its extensive network
  - KM delivers ~2.9 Bcfd[(b)] (up 7% from 2016)
  - 16 interconnects (12 direct and 4 indirect)
- SENER and CENAGAS supporting storage development
- Mexico natural gas market deregulation is progressing

KM Plans to Participate

- KM's extensive footprint with access to numerous supply basins, hubs and Mexico interconnections provide a strong position to serve growing Mexican demand
  - Expansions of existing KM infrastructure
  - Construction of new infrastructure (including GCX)
  - Development of new hubs
- Increased storage opportunities near U.S. / Mexico border
  - Services for daily and seasonal demand variability from existing facilities
  - Expand existing and develop new storage facilities
- Deregulation provides KM additional marketing opportunities

KM Network Positioned for Additional Growth



KM Projects / Long-Term Commitments

KM Asset	Contracted Capacity (mDthd)	KM Capital ($mm)
TGP	600	$230
TX Intrastate	752	$219
EPNG	585	$135
Sierrita	430	$81
Border Pipeline	100	$17
Total:	**2,467**	**$682**

(a) Wood Mackenzie, Fall 2017 North American Natural Gas Long-Term Outlook, December 2017, Mexico Energy Secretariat (SENER) Long-Term Forecast.
(b) 2017 calendar year average.

Contracted Capacity and Term by Region

Region		Contracted Capacity	Average Term Remaining
NORTH	Storage	326 Bcf	2 yr, 11 mo
	Transport	19.3 Bcfd	6 yr, 3 mo
SOUTH	Storage	52 Bcf	1 yr, 8 mo
	Transport	13.2 Bcfd	7 yr, 2 mo
	LNG	18 Bcf	14 yr, 5 mo
WEST	Storage	45 Bcf	6 yr, 8 mo
	Transport	17.2 Bcfd	5 yr, 3 mo
MIDSTREAM	Purchases	2.7 Bcfd	2 yr, 0 mo
	Sales	2.7 Bcfd	2 yr, 2 mo
	Storage	74.3 Bcf	2 yr, 5 mo
	Transport [(a)]	5.6 Bcfd	5 yr, 9 mo
	Processing	1.9 Bcfd	5 yr, 6 mo

Interstate Transport Contracts Avg. = 6 yr, 1 mo

Net Annual Incremental Re-Contracting Exposure (KM Share): % of $8.1bn Total KMI Segment EBDA

Region	2019	2020
NORTH	0.1%	(0.1%)
SOUTH	(0.3%)	(0.9%)
WEST	(0.1%)	0.0%
MIDSTREAM	(0.2%)	(0.2%)
Total Natural Gas Pipeline Segment	**(0.5%)**	**(1.2%)**

- **Negative figures represent unfavorable re-contracting exposure based on Nov. 2017 market assumptions**
- **Excludes projects currently in the project backlog**

(a) Gathering contracts not included.

Segment Outlook and Asset Overview

Products Pipelines: Stable, Strategic Assets

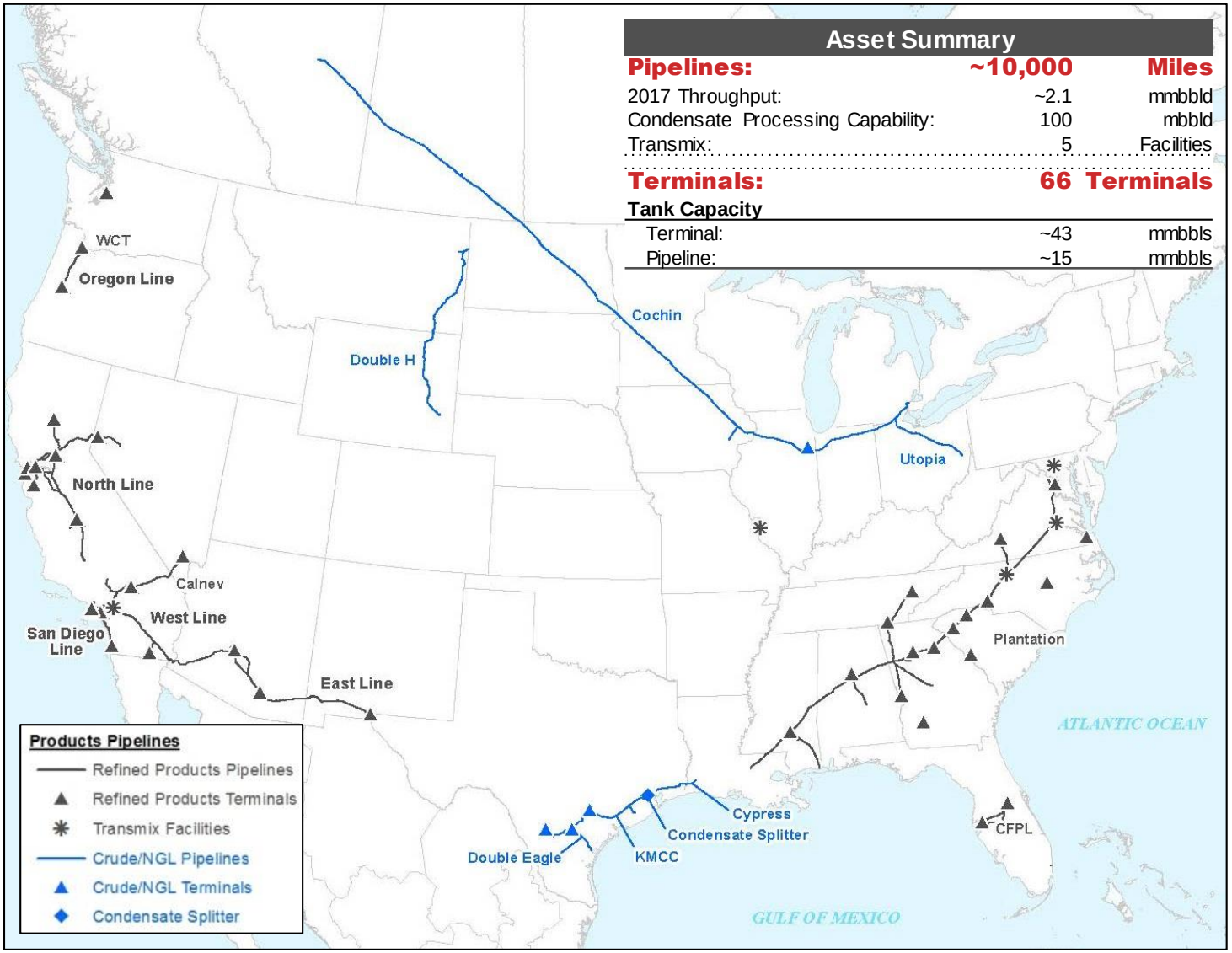
Long-Term Stability

- **Steady demand** for refined products volumes on strategically located assets
- **Annual** FERC index rate adjustments
- **Expansion** of refined products pipeline systems and terminals networks
- **Repurposing** portions of existing footprint in different product uses

Project Backlog

$372 million of identified growth projects over 2018-2019 time period[(a)]

- Utopia Pipeline
- Multiple refined products and NGL Terminaling projects
- Additional condensate splitter processing capabilities for existing throughput



(a) Includes KM share of non-wholly owned projects. Includes projects currently under construction. Includes Utopia at 51% KM share.

Project Highlight: Utopia Pipeline Project

Supported by Long-Term Volume Commitment

Project Overview

Project Scope

- 50/50 JV with Riverstone Holdings
- 267-mile12” pipeline
- Will transport ethane from points in Harrison County, Ohio to Windsor, Ontario, Canada
- Initial pipeline capacity of 50 mbbld; expandable to 75 mbbld
- Approximate $550 million investment (100% project cost, excluding AFUDC)
- Achieved commercial in-service January 2018

Market Drivers

- Utopia provides a new feedstock source for petrochemical companies in Ontario, and a new market outlet for Utica NGL producers
- Common carrier pipeline system is supported by a long-term (20+ years), volume commitment

Asset Overview



Segment Outlook and Asset Overview

A Diversified System Across Liquid and Bulk Hubs and Services

Long-Term Growth Drivers

- **North American Logistics Solutions**
  - Crude and NGL growth
  - Refining and petrochemical growth
- **Refined Products**
  - Shifts in supply / demand patterns
  - Export demand growth
  - Increasing renewables
- **Petrochemicals**
  - Industry production increases
  - Logistics solutions
- **Core Hub Terminal Focus**
  - Increased connectivity
  - New market access & optionality
  - Further value-added services
  - Complementary acquisitions

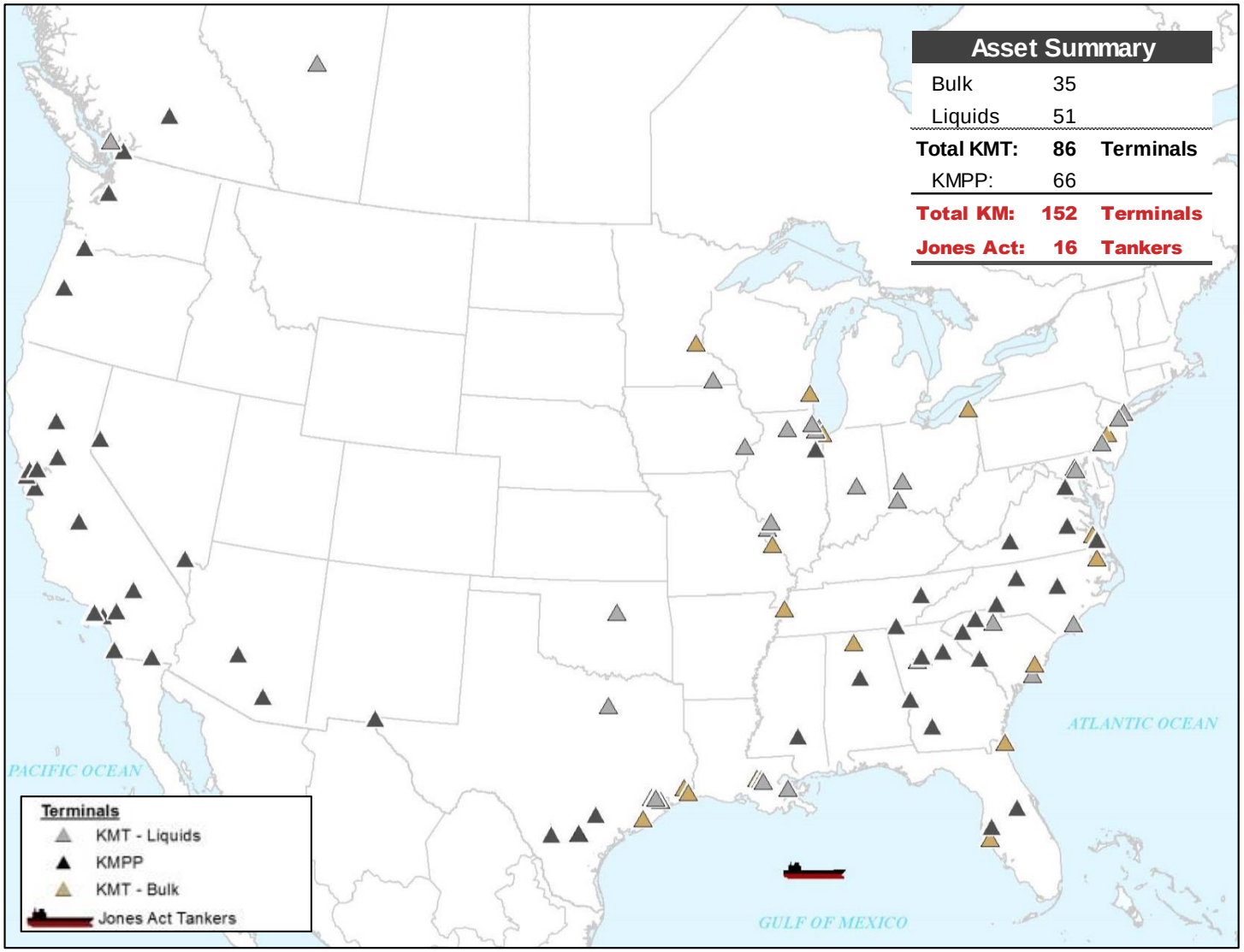
Project Backlog[(a)]

$1.1 billion placed into service in 2017

- Houston Ship Channel
- Jones Act Tankers

$0.3 billion to be completed in 2018

- Edmonton

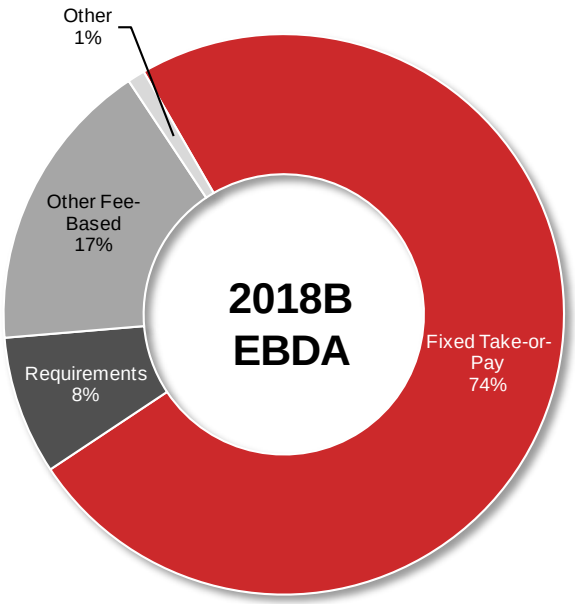


UNPARALLELED FOOTPRINT ACROSS NORTH AMERICA
152 COMBINED SEGMENT TERMINALS AND 16 JONES ACT TANKERS

(a) Includes KM share of non-wholly owned projects. Includes projects currently under construction.

Terminals' Fee-Based Business

Earnings Predicated on Stable, Fee-Based Business



Terminals with a secured earnings profile

Limited variability and independent of inventories

Infrastructure and services required to meet customer, market and industry needs

Take-or-Pay 74%

- Term leased tank capacity (monthly)
- Term tanker charters (monthly)
- Term volumes (per bbl or ton)

Requirements[(a)] 8%

- Ratable – tied to customer production levels
- Refineries – petroleum coke production
- Steelmaking – Nucor plant services

Other Fee-Based 17%

- Based on customer use (per bbl or ton)
- Secured by customer and market needs
- Ancillary services (e.g., vessel loading and blending)

Other 1%

- Other ancillary services
- No KM marketing or equity bbls at our facilities
- Not competing with our customers

EARNINGS STABILITY THROUGH FEE-BASED BUSINESSES
RATABLE CUSTOMER AND MARKET DEMAND-DRIVEN CONTRACTED SERVICES

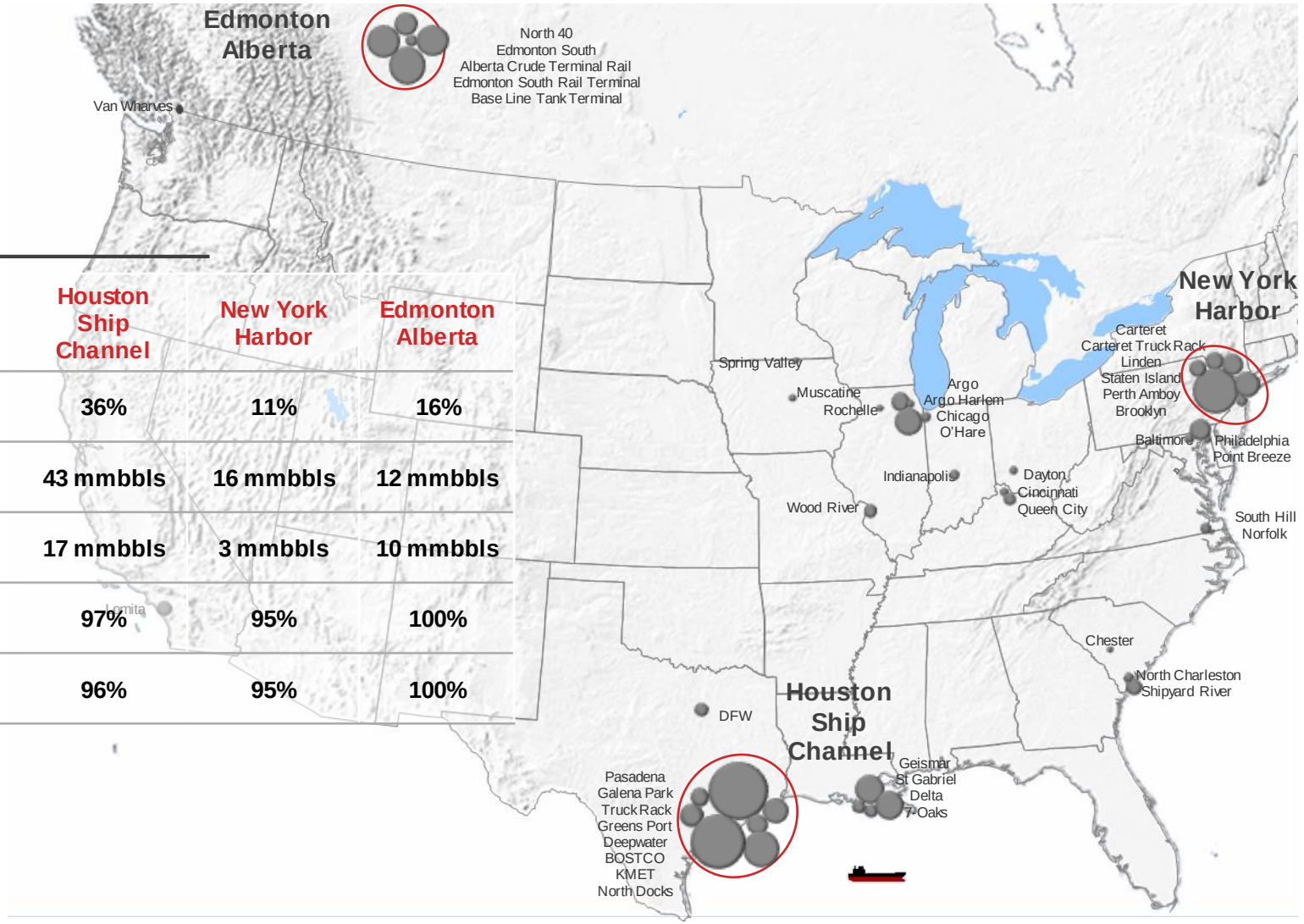
(a) Customer has a physical requirement and, in almost all cases, contractual obligation to exclusively use our facility or services.

Liquids Terminals

~$5.8 Billion Invested Capital since 2010 – Houston, Edmonton & Jones Act Tankers

Hub Terminals

	Houston Ship Channel	New York Harbor	Edmonton Alberta
% of 2018B Liquids EBDA	36%	11%	16%
Total Terminal Capacity	43 mmbbls	16 mmbbls	12 mmbbls
New Capacity since 2010	17 mmbbls	3 mmbbls	10 mmbbls
Utilization 5-year Average	97%	95%	100%
Utilization, 2018 Budget	96%	95%	100%



LIQUIDS TERMINALS: ~80% TERMINALS' EBDA

Notes: Liquids EBDA includes Jones Act Tankers.
Total terminaling capacity reflects projects which will be completed in 2018.
Terminal utilizations reflect tankage unavailable for lease due to API inspections and routine maintenance.
Size indicative of relative liquids revenue contribution.

Jones Act Tankers

Largest, Most modern and Efficient Fleet in the United States

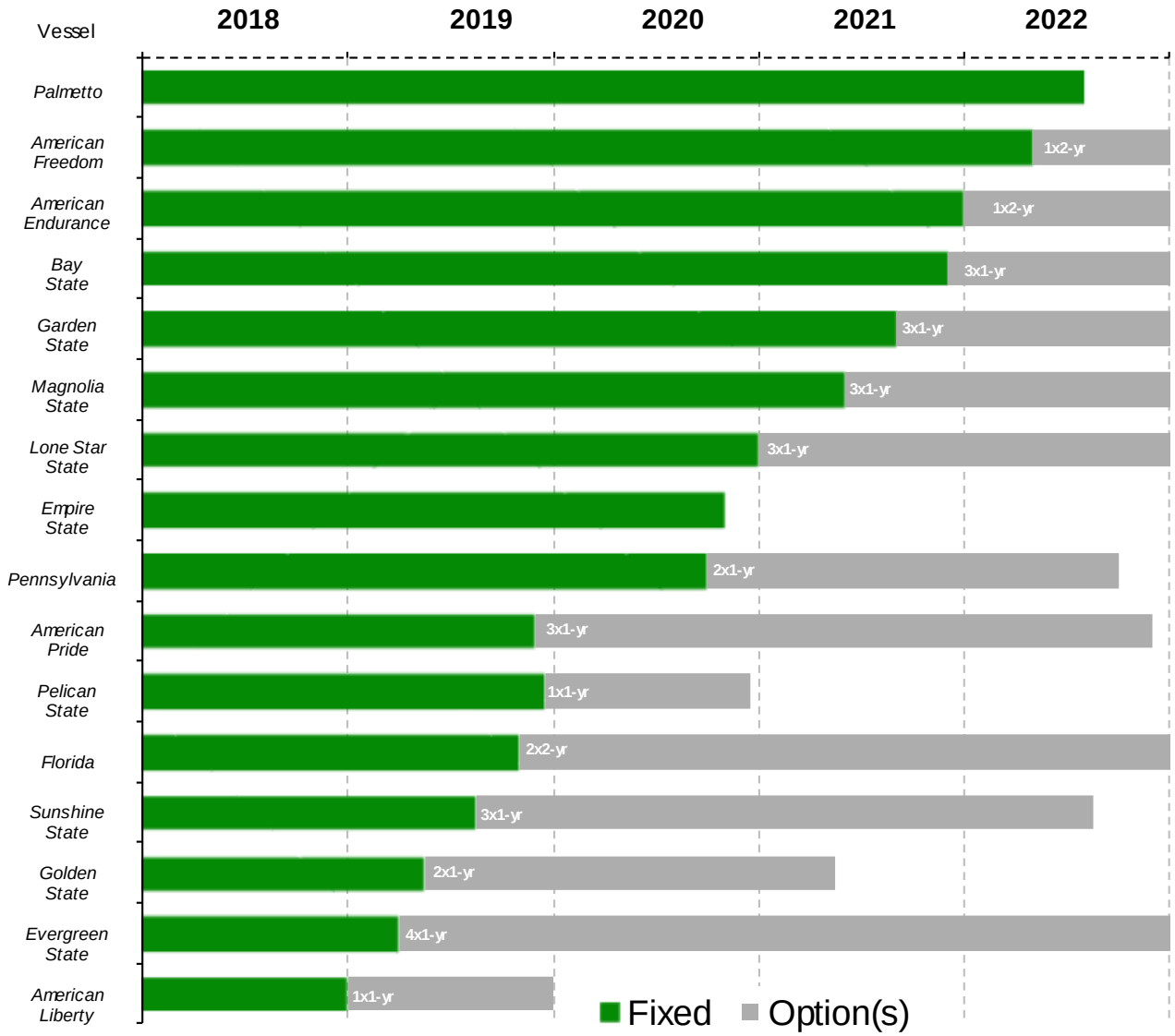
APT Overview

- **American Petroleum Tankers (APT)**
  - Final 4 vessels delivered in 2017
  - Largest Jones Act tanker fleet
  - Modern, average age of 3.8 years
  - Fuel-efficient
- **Current Charters**
  - No risk in 2018, limited risk until 2020
  - 2.8 years average remaining fixed term
  - 5.0 years with customer renewal options
- **No exposure to IMO 2020**
  - 0.5% sulfur limits on heavy international-water bunker fuels beginning in 2020
  - APT's tankers currently fueled by 0.1% sulfur marine distillate as required in coastal waters
  - 9 of APT's vessels are designed to facilitate conversion to LNG fuel if warranted

APT Growth

- **Growing Jones Act Markets**
  - Gulf Coast gasoline & distillate trade
  - Gulf Coast crude trade
  - Increasing U.S. crude oil shale production
- **Markets are returning to balance**
  - Expected retirements of aged vessels
  - No new tankers under construction or planned
- **Leverage KMT customer base**

Jones Act Tankers: Contract Schedule



AMERICAN PETROLEUM TANKERS: 16 X 330 MBBLS JONES ACT TANKERS

Segment Outlook and Asset Overview

Own and Operate CO_2 for Enhanced Oil Recovery (EOR)

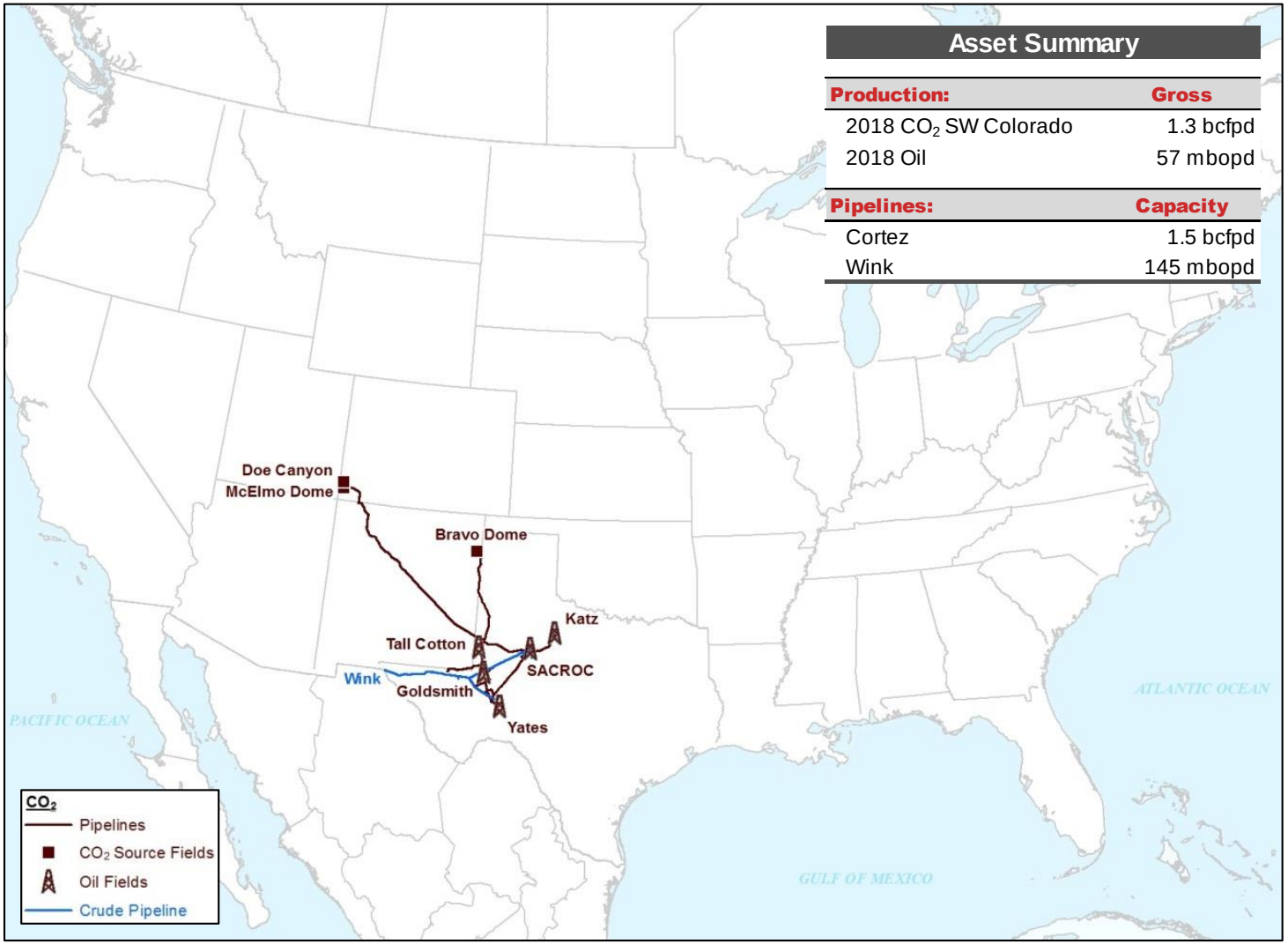
Long-Term Growth Drivers

- Demand for scarce supply of CO_2 drives volume and price
- Trillions of cubic feet of recoverable CO_2 in KM operated fields
- Billions of barrels of oil still in place to be recovered in the Permian Basin
- ~9 billion barrels Original Oil in Place in KM operated fields

Project Backlog

$1.6 billion of identified growth projects over 2018-2022 time period[(a)]

- $1.3 billion related to Oil & Gas Production and $0.3 billion related to S&T
- Oil & Gas Production: SACROC / Yates / Goldsmith / Tall Cotton oil production
- S&T: Southwest Colorado CO_2 production



Asset Summary

Production:	Gross
2018 CO_2 SW Colorado	1.3 bcfpd
2018 Oil	57 mbopd

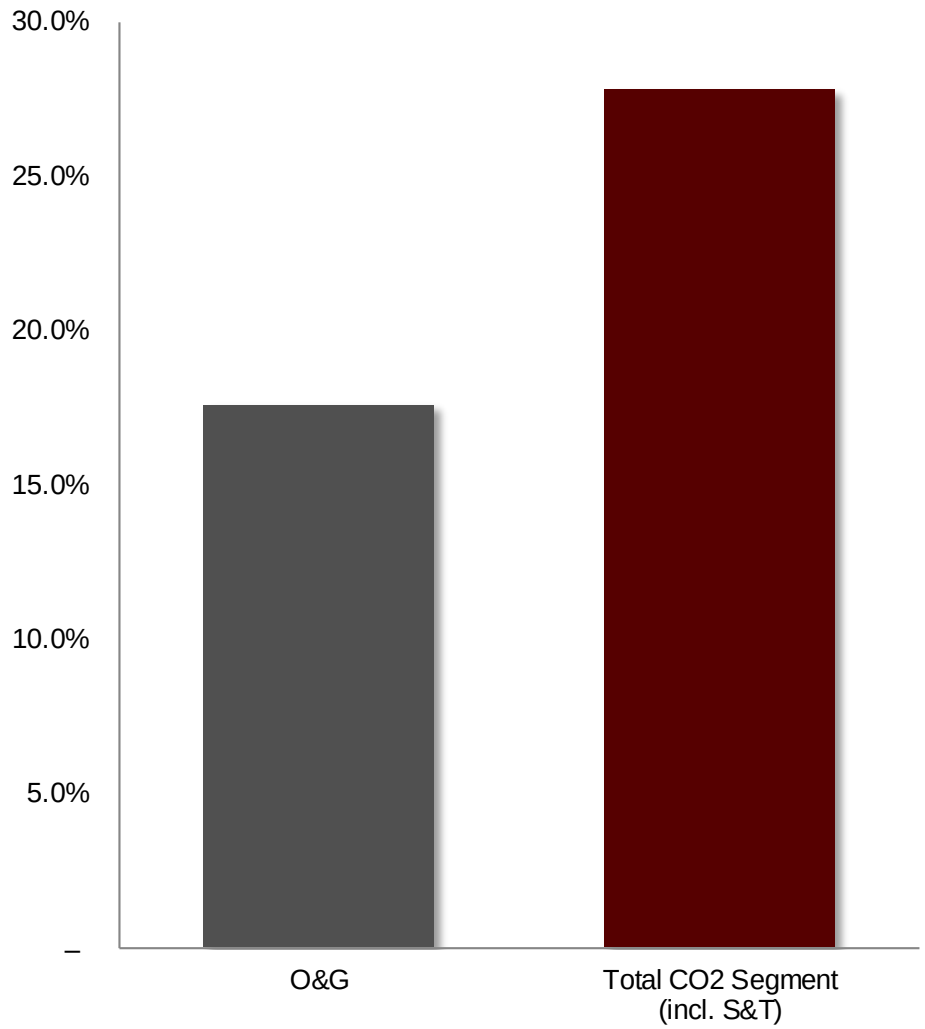
Pipelines:	Capacity
Cortez	1.5 bcfpd
Wink	145 mbopd

Note: S&T = Source and Transportation.
(a) Includes KM share of non-wholly owned projects. Includes projects currently under construction.

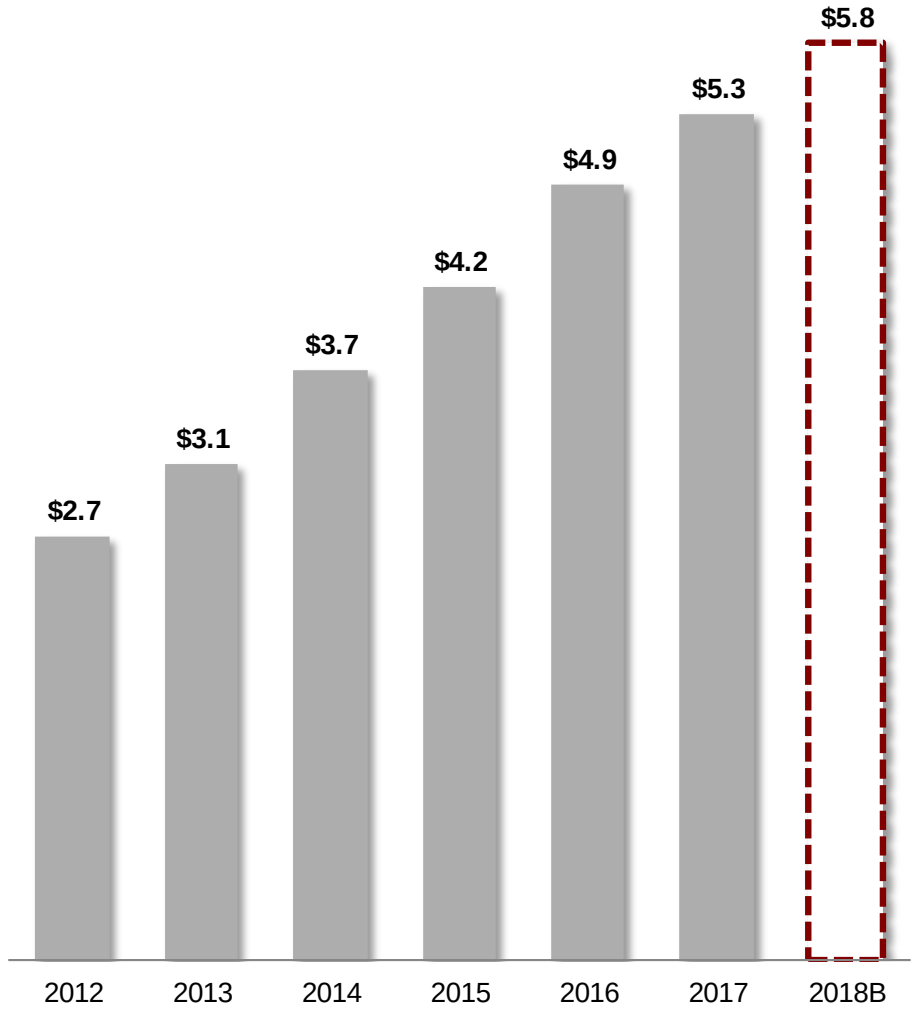
CO_2 Segment Significant Returns and FCF

Generating High Returns and ~$6 Billion in Cumulative Free Cash Flow

IRR% 2000-2017



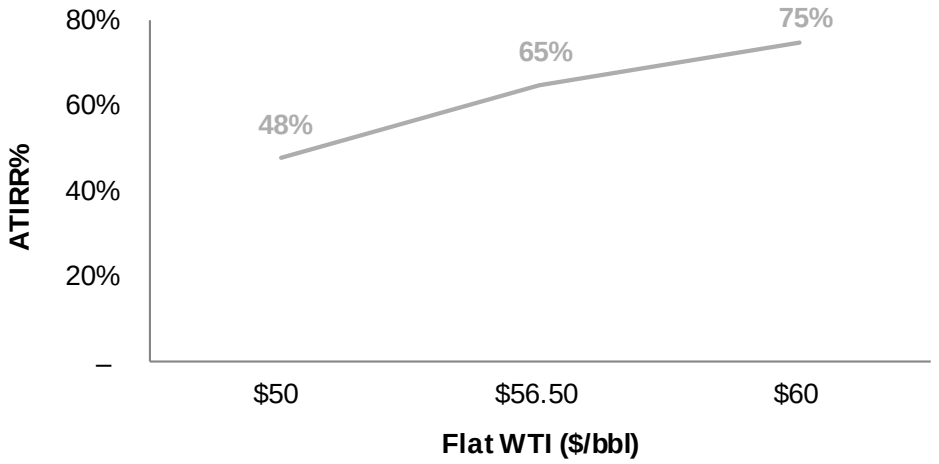
Cumulative FCF Generation $bn



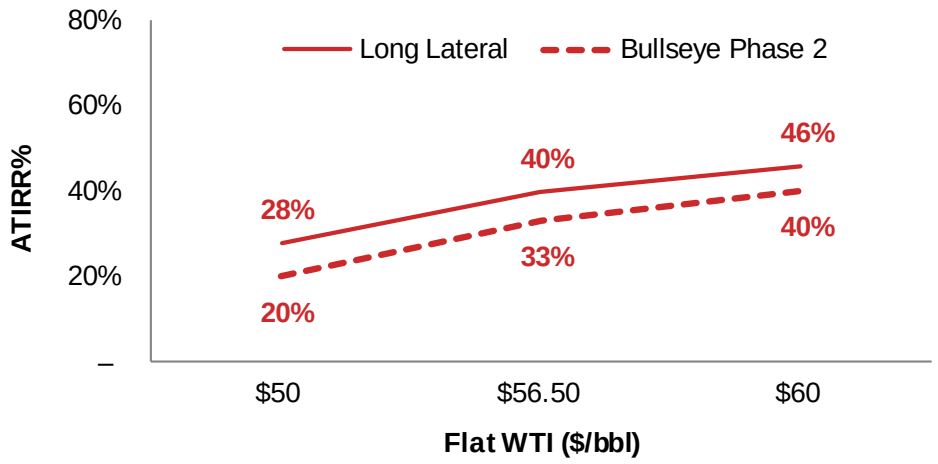
Continued Focus on High-Return Projects

2018 Project Returns at Various Flat Pricing Levels

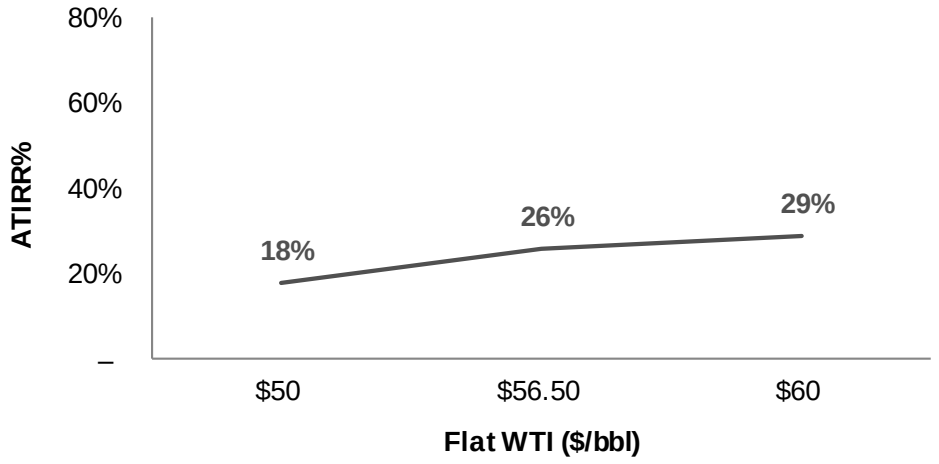
Yates HZ Drain Hole Program



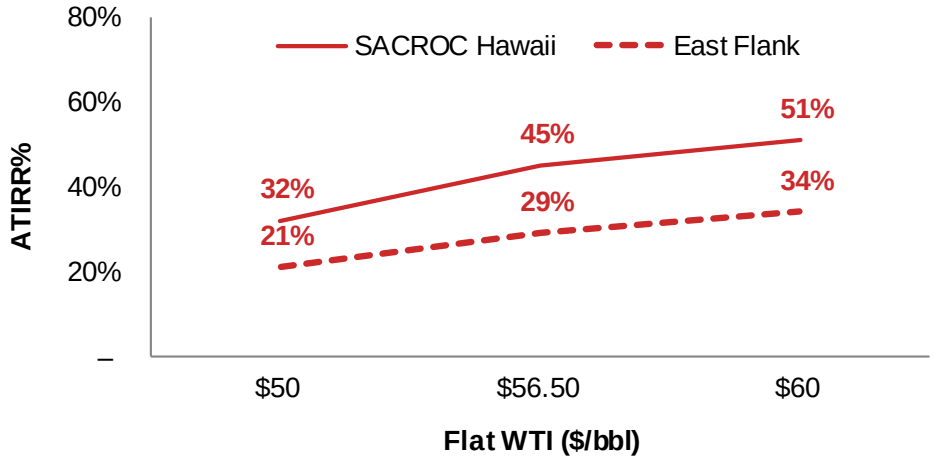
SACROC Conventional



Tall Cotton Phase 3



SACROC Transition Zone



Big Fields Get Bigger

Successful Track Record of Extending SACROC Production Life

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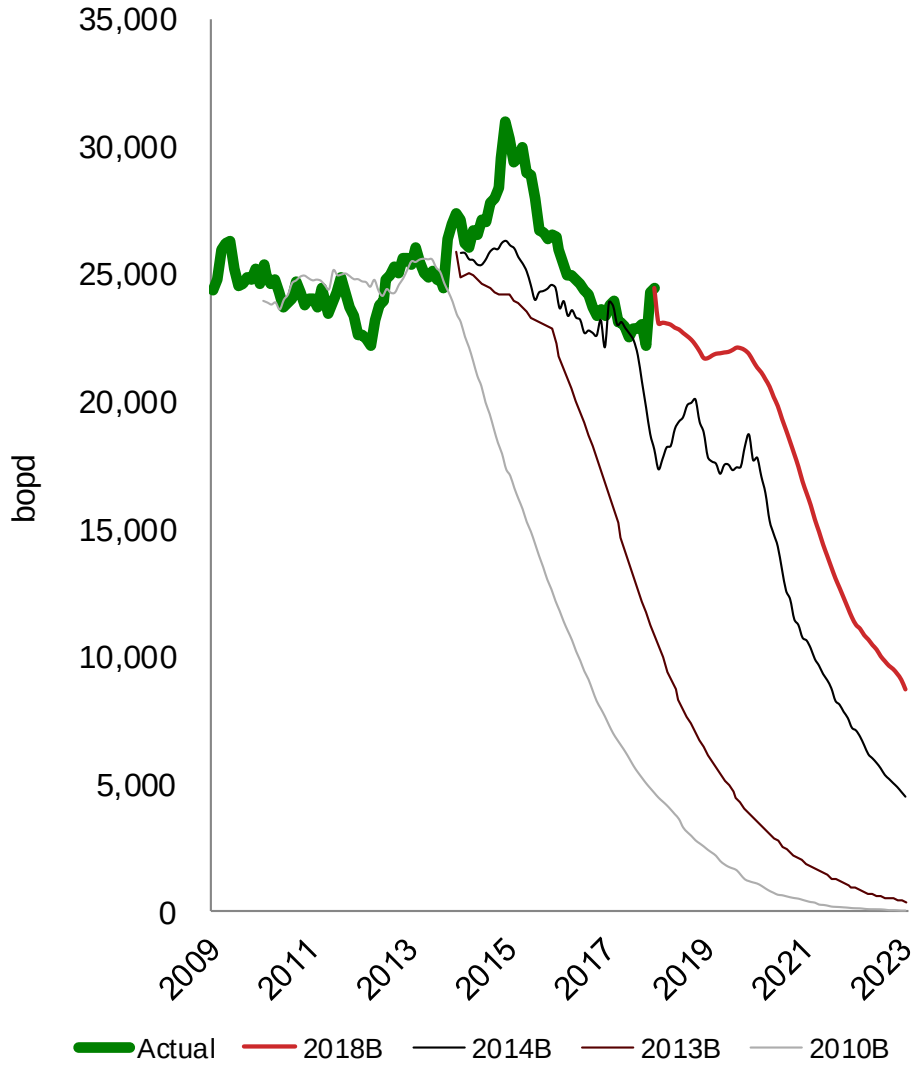
Big Fields

- **SACROC – 2.8 billion barrels of original oil in place**
- **Yates – 5.0 billion barrels of original oil in place**

SACROC Strategy

- **Long track record of expanding the field through advanced technology and new exploitation techniques**
  - Advanced Seismic technology used to identify:
    - Infill prospects
    - Bypass pay projects
    - Transition zone
  - Horizontal drilling technology
  - Conformance technologies and techniques:
    - Polymers – gels, foams
    - Mechanical
- **Transition Zone is the next opportunity to expand SACROC**
  - 700mm OOIP target
  - Delineation efforts ongoing
  - Executed five projects to date
  - Executing two projects in 2018

SACROC Net Oil Production Forecasts



Segment Outlook and Asset Overview

Sole Oil Pipeline Providing Oilsands Production Access to West Coast / Export Markets

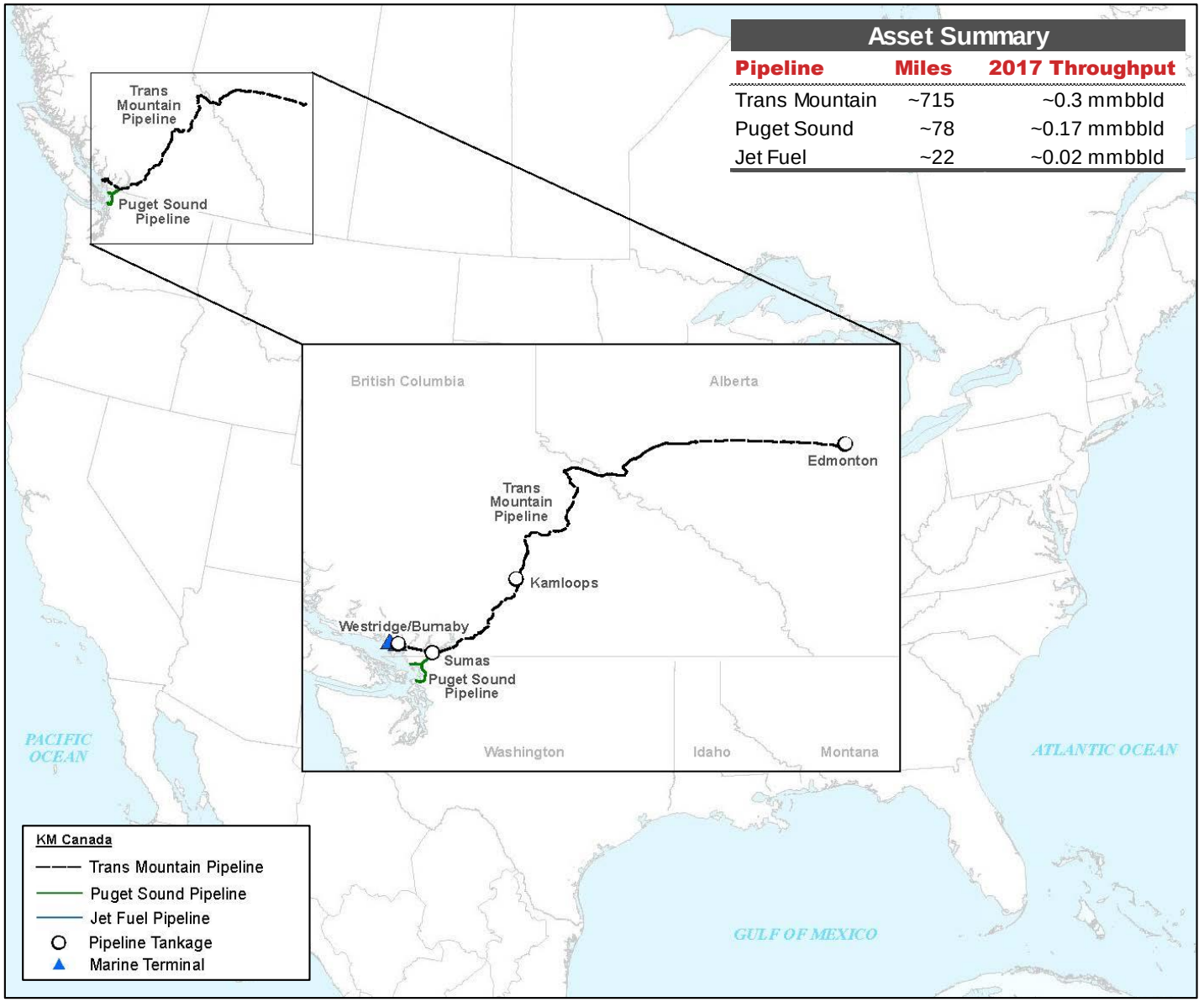
Long-Term Growth Drivers

- **Constrained pipeline capacity**
  - Trans Mountain only pipeline to the West Coast
  - Continued proration
  - Crude by rail growth to NA markets until pipeline expansion
- **Access to new markets**
  - Growing Asia-Pacific demand
  - World pricing for Canadian crude
- **Growing Production**
  - 1.5 mmbbld increase by 2030(a)

Project Backlog

U.S.$5.7 billion

- Trans Mountain Expansion Project (TMEP)



(a) 2017 CAPP Crude Oil Forecast, Markets and Transportation report.

Appendix – KML Overview

KML Overview

Integrated Network of Strategically Located Assets

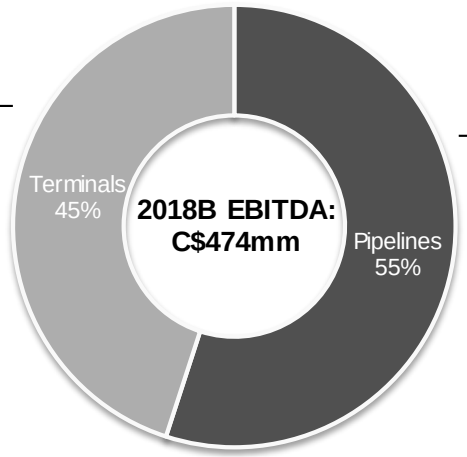
KML Summary

- A premier integrated network of pipeline systems and terminal facilities serving Western Canada
- Initial Public Offering on TSX in May 2017
- KMI owns ~70% interest, public owns ~30% interest
- Two business segments: Pipelines and Terminals

KML Segment Detail[(a)]

Terminals

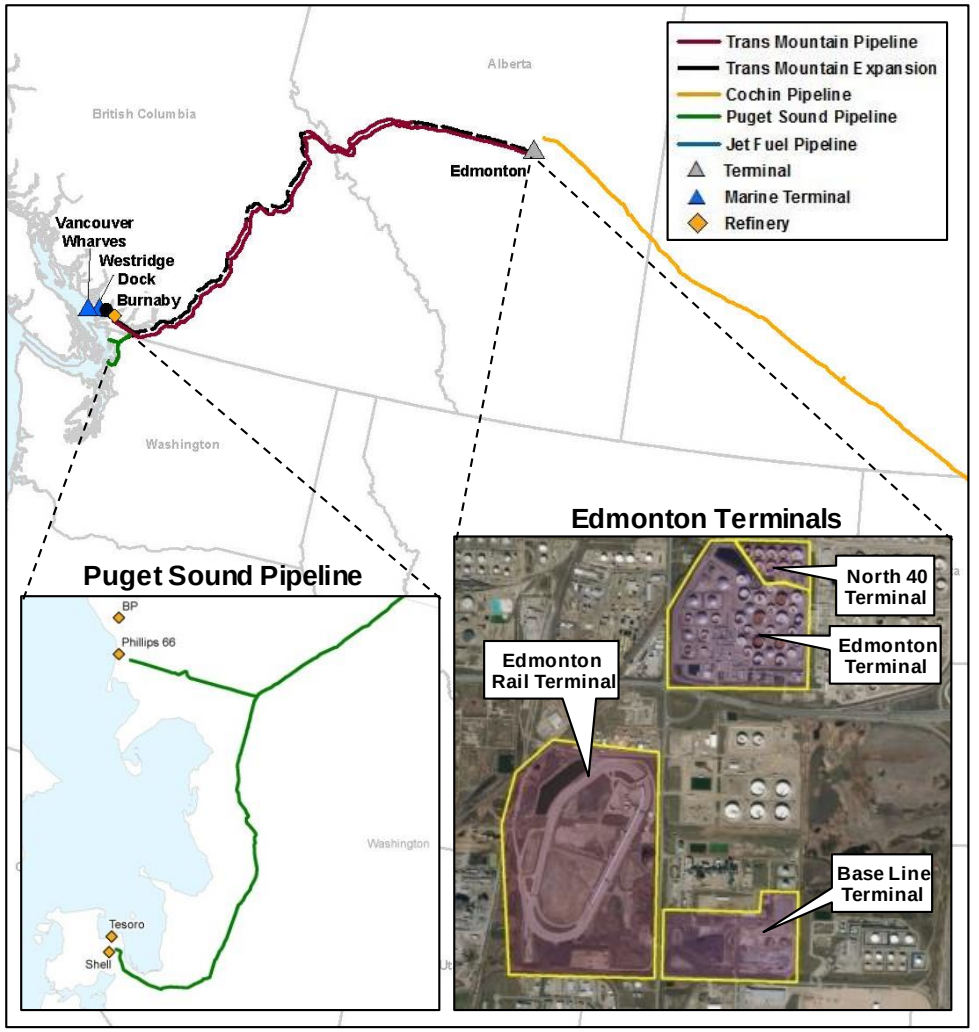
- Edmonton South Terminal
- North 40 Terminal
- Base Line Terminal
- Edmonton and Alberta Rail Terminals
- Vancouver Wharves



Pipelines

- Trans Mountain Pipeline
- Puget Sound System
- Canadian portion of Cochin Pipeline
- Jet Fuel pipeline

KML Assets[(b)]



(a) Segment split based on segment EBDA % split.
(b) Terminals statistics exclude terminals related to the regulated Trans Mountain system.

KML: 2018 Published Budget

Supported by Fee-Based Cash Flow

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KML 2018 Budget (C$)

	2018 Budget	Δ from 2017
Adjusted EBITDA[(a)]	C$474 million	22%
Distributable Cash Flow[(a)]	C$349 million	8%
DCF per Share[(a,b)]	C$0.96	5%
Dividend per Share[(b)]	C$0.65	-
Growth Capex[(d)]	C$1.9 billion	200%
Year-end Net Debt[(c)] / Adj. EBITDA	2.7x	NM

2018 Budget Highlights

	YoY Δ in EBDA	Business Segment Commentary
Pipelines	**+27%**	■ Additional capitalized equity financing costs due to continued spread on TMEP
Terminals	**+13%**	■ Contribution from Base Line Terminal expansion, which is expected to be placed in service throughout 2018

2018 Budget Assumptions

- In order to prudently manage shareholder capital, spending on TMEP in 1H 2018 is for "primarily permitting", rather than full construction
- Provides financial flexibility while KML continues to gain clarity around key permits, approvals and judicial reviews
- To the extent TMEP spending varies from our budget, the amount of capitalized equity financing costs (which are booked to other income) could be impacted
- Foreign exchange rates: 2018 budget rate assumption of 1.27 CAD / USD
  - Sensitivity (full-year): 0.01 ratio change = ~$1 million DCF impact

Note: See Appendix for additional key assumptions for the 2018 budget, as well as defined terms and reconciliations of non-GAAP measures for the historical period.
(a) Our non-GAAP measures of DCF and Adjusted EBITDA are before Certain Items. DCF per Share for KML represents DCF available to restricted voting shareholders divided by total restricted voting shares.
(b) For comparability, 2017 per share metrics presented as if KML IPO occurred at the beginning of 2017.
(c) Includes 50% of our outstanding preferred stock.
(d) Comprised of C$1.7bn related to TMEP and the remaining C$0.2bn related to other projects.

Project Highlight: Trans Mountain Expansion

Only Crude Oil Pipeline Serving Canadian West Coast

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Trans Mountain Expansion Project (TMEP)

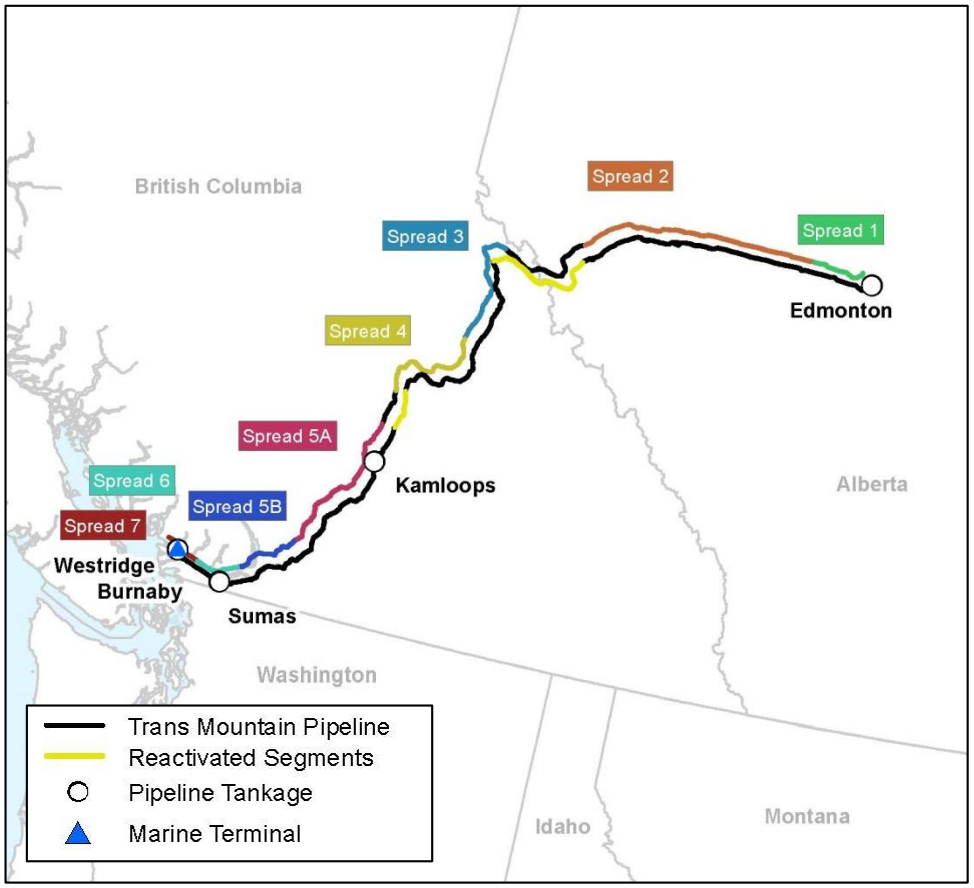
Project Scope

- Expansion to 890 mbbld from 300 mbbld today
- 615 miles new pipe; 12 new pump stations
- 630 mbbld tanker export capacity; 3 new berths
- 18 new tanks, 2 existing tanks

Project Statistics

- 13 shippers contracted for 708 mbbld
  - 15 and 20-year take-or-pay contracts
  - Commercial terms approved by NEB May 2013
- Final cost estimate of C$7.4 billion(a)
- Cost protection on ~24% of construction spend:
  - Price of steel for pipe
  - Pipeline spreads 5B, 7 and Burnaby tunnel
  - Land acquisition costs between Langley and Burnaby
  - Consultation and accommodation costs for indigenous and non-indigenous communities

TMEP Overview



(a) Including capitalized finance charges.

Trans Mountain Expansion Project Status

Actively Evaluating Mitigation Efforts

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Current TMEP Status

- **Original estimated in-service date of December 2019**

- **Slower than expected permitting process thus far could result in a delay estimated at up to 12 months (to Dec. 2020)**
  - We continue to evaluate mitigation efforts

- **Additionally, to prudently manage shareholder capital, spending on TMEP is budgeted to be "primarily permitting", rather than full construction, until we have greater clarity on key permits, approvals and judicial reviews**
  - If uncertainty around permitting and judicial processes extends further into 2018, TMEP would expect to reduce 2018 spend and the previously announced unmitigated delay could extend beyond December 2020

- **We have spent a total of ~C$930mm through 2017 with ~C$6.5bn remaining (~C$5.9bn excluding capitalized financing) based on our initial total cost estimate**
  - We are budgeting to spend C$1.7 billion in 2018, subject to continued evaluation of legal, regulatory and permitting processes
  - Construction delays entail increased costs due to a variety of factors; however, as the extent of a delay is currently unknown, we are not updating cost estimate at this time

KML Business Risks and Key Assumptions

Summary Business Risks

- **Project cost overruns and in-service delays**
- **Regulatory**
  - Legislative and regulatory changes
  - Federal, provincial, state and local
  - Regulatory cost and indexing approvals
- **Non-governmental individuals and organizations could impact projects and operations**
- **Aboriginal relationships**
- **Throughput on our volume-based assets**
- **Foreign exchange rates**
  - 2018 budget rate assumption of 1.27 CAD / USD
  - Sensitivity (full-year): 0.01 ratio change = ~$1 million DCF impact
- **Industry demand / supply trends**
- **Environmental (e.g. pipeline / asset failures)**
- **Terrorism**
- **Interest rates**
- **Access to external capital**

KML Business Risks and Key Assumptions

- **<u>Base Business</u> – Our base business is expected to be relatively stable, though it is subject to re-contracting and other risks**
- **<u>2018 Adjusted EBITDA</u>**
  - Includes $71 million of capitalized equity financing costs (AEDC) related to TMEP based on prior capital spent and 2018 projected capital spend (AEDC applies a 45% equity capital structure and a 9.5% return on equity to the monthly average cumulative spend on TMEP)
  - Includes $22 million from a partial year contribution from the Base Line Terminal project based on contracted volumes, rates and expected costs (with a full $44 million of Adjusted EBTIDA expected on an annualized basis)
- **<u>TMEP Forecast</u>**
  - We currently expect TMEP to generate $900 million of incremental Adjusted EBITDA in its first 12 months of service (or approximately $75 million of Adjusted EBITDA per month)
  - This is based on our average current expected toll rate of $5.17 per barrel for our contracted minimum volume commitments of 707.5 mbbld less projected operating costs and less the existing Trans Mountain System's Adjusted EBITDA contribution
  - This $900 million of Adjusted EBITDA is incremental to Adjusted EBITDA in previous periods after removing the contribution of capitalized equity financing costs to Adjusted EBITDA during periods prior to the TMEP completion
  - Once the TMEP is in service, Adjusted EBITDA will not include AEDC for TMEP, which are included in Adjusted EBITDA for pre-completion periods
  - If TMEP construction costs increase by 10%, the impact on Adjusted EBITDA from the TMEP would be an increase of approximately 3%, assuming those costs were allocated approximately 24% to uncapped and approximately 76% to capped TMEP costs
  - The forecasted operating costs are based on our experience operating similar assets, and if these costs were to increase or decrease by 10%, the resulting impact on Adjusted EBITDA from the TMEP would be an increase or decrease of less than 1.5% on a full year basis
  - Estimated incremental Adjusted EBITDA attributable to the TMEP as described above excludes any utilization of spot volumes, which could add more than $200 million of Adjusted EBITDA annually

Appendix – Other

Use of Non-GAAP Financial Measures

The non-GAAP financial measures of distributable cash flow (DCF), both in the aggregate and per share, Segment EBDA before Certain Items (in the case of KMI only), Adjusted EBITDA, and Adjusted Earnings, both in the aggregate and per share, are presented herein.

Our non-GAAP measures described above have important limitations as analytical tools and should not be considered alternatives to GAAP net income or other GAAP measures. Our non-GAAP measures may differ from similarly titled measures used by others. You should not consider these non-GAAP measures in isolation or as substitutes for an analysis of our results as reported under GAAP. DCF should not be used as an alternative to net cash provided by operating activities computed under GAAP. Management compensates for the limitations of these non-GAAP 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. Reconciliations of DCF, Segment EBDA before Certain Items, Adjusted EBITDA and Adjusted Earnings to their most directly comparable GAAP financial measures are included herein.

Certain Items, as used to calculate our non-GAAP measures, are items that are required by GAAP to be reflected in net income, but typically either (1) do not have a cash impact (for example, asset impairments), or (2) 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).

DCF – For KMI, DCF is calculated by adjusting net income available to common stockholders before Certain Items for depreciation, depletion and amortization, or "DD&A," total book and cash taxes, sustaining capital expenditures and other items. For KML, DCF is calculated by adjusting net income before Certain Items for DD&A, total book and cash taxes, preferred share dividends and sustaining capital expenditures. DCF is a significant performance measure useful to management and external users of our financial statements in evaluating our performance and measuring and estimating the ability of our assets to generate cash earnings after servicing our debt and preferred stock dividends, paying cash taxes and expending sustaining capital, that could be used for discretionary purposes such as common stock dividends, stock repurchases, retirement of debt, or expansion capital expenditures. We believe the GAAP measure most directly comparable to DCF is net income available to common stockholders for KMI and net income for KML. For KMI, DCF per share is DCF divided by average outstanding shares, including restricted stock awards that participate in dividends. For KML, DCF to restricted voting shareholders per restricted voting share is DCF attributable to restricted voting shareholders divided by average outstanding restricted voting shares, including restricted share unit awards that participate in dividends.

Segment EBDA before Certain Items is calculated by adjusting segment earnings before DD&A for Certain Items attributable to a segment. General and administrative expenses are generally not under the control of our segment operating managers, and therefore, are excluded when we measure business segment operating performance. Segment EBDA before Certain Items is a significant performance measure useful to management and external users to evaluate segment performance and to provide additional insights into the ability of our segments to generate segment cash earnings on an ongoing basis. Additionally, management uses this measure, among others, to allocate resources to our segments. We believe the GAAP measure most directly comparable to Segment EBDA before Certain Items is segment earnings before DD&A (Segment EBDA).

Use of Non-GAAP Financial Measures (Cont'd)

Adjusted EBITDA is calculated by adjusting net income before interest expense, taxes, and DD&A (EBITDA) for Certain Items, and for KMI, by also adjusting net income before Certain Items for noncontrolling interests before Certain Items, and our share, if any, of certain equity investees' DD&A and book taxes. Adjusted EBITDA is useful to management and external users to evaluate, in conjunction with our net debt, certain leverage metrics. We believe the GAAP measure most directly comparable to Adjusted EBITDA is net income available to common stockholders for KMI and net income for KML.

Adjusted Earnings – For KMI, Adjusted Earnings are calculated by adjusting net income available to common stockholders for Certain Items, and Adjusted Earnings per share is Adjusted Earnings divided by average adjusted common shares which include KMI's weighted average common shares outstanding, including restricted stock awards that participate in dividends. For KML, Adjusted Earnings are calculated by adjusting net income available to restricted voting stockholders for Certain Items, and Adjusted Earnings per restricted voting share is net income available to restricted voting shareholders divided by average outstanding restricted voting shares, including restricted share unit stock awards that participate in dividends. Adjusted Earnings is used by certain external users of our financial statements to assess the earnings of our business excluding Certain Items as another reflection of our business's ability to generate earnings. We believe the GAAP measure most directly comparable to Adjusted Earnings is net income available to common stockholders for KMI and net income available to restricted voting stockholders for KML.

Budgeted Net Income (the GAAP financial measure most directly comparable to DCF, Adjusted EBITDA and Adjusted Earnings) is not provided due to the inherent difficulty and impracticability of predicting certain amounts required by GAAP, such as ineffectiveness on commodity, interest rate and foreign currency hedges, unrealized gains and losses on derivatives marked to market, and potential changes in estimates for certain contingent liabilities.

For KMI, certain equity investees, for the periods during which these are accounted for as equity method investments, include Plantation, Cortez, SNG, ELC, MEP, FEP, EagleHawk, Red Cedar, Bear Creek, Cypress, Parkway, Sierrita, Bighorn, Fort Union, Webb/Duvall, Liberty, Double Eagle, Endeavor, WYCO, GLNG, Ruby, Young Gas, Citrus, NGPL and others. DD&A and sustaining capex are included for Plantation and Cortez for the periods presented after 2016. For joint ventures consolidated by KMI, JV DD&A and sustaining capex are net of our partners' share of these items. KML proportionately consolidates its ownership interests in its equity investees.

KMI GAAP Reconciliation

$ in Millions

Reconciliation of DCF	Yr. Ended 12/31/17
Net Income	$ 223
Certain Items	1,445
Net Income before Certain Items (Adjusted Earnings)	1,668
DD&A	2,322
JV DD&A[(a)]	362
Book taxes[(b)]	957
Cash taxes	(72)
Noncontrolling interests[(c)]	(40)
Sustaining capex[(d)]	(588)
Other[(e)]	29
Distributable Cash Flow (DCF) attributable to Kinder Morgan, Inc.	4,638
Preferred stock dividends	(156)
DCF attributable to Common Stockholders	$ 4,482

Reconciliation of Segment EBDA before Certain Items	
Segment EBDA before DD&A	$ 6,975
Certain Items impacting segments	384
Segment EBDA before Certain Items	7,359

Reconciliation of net debt	
Long-term debt excluding fair value adjustments[(f)]	$ 33,845
Current portion of debt	2,828
50% KML preferred equity	215
Less: cash & equivalents	(264)
Net debt	$ 36,624

Reconciliation of Adjusted EBITDA	Yr. Ended 12/31/17
Net Income	$ 223
Certain Items	1,445
Net Income before Certain Items (Adjusted Earnings)	1,668
Book taxes[(g)]	967
Noncontrolling interests[(h)]	(12)
DD&A	2,322
JV DD&A[(i)]	382
Interest, net before Certain Items	1,871
Adjusted EBITDA	$ 7,198

Certain Items	
Acquisition and divestiture related costs	$ 8
Fair value amortization	(53)
Contract and debt early termination	(19)
Legal and environmental reserves	(37)
Change in fair market value of derivative contracts	40
Losses on impairments and divestitures, net	170
Hurricane damage	27
Other	5
Subtotal	141
Book tax Certain Items	(77)
Impact of 2017 Tax Cuts and Jobs Act	1,381
Total Certain Items	$ 1,445

Note: Definitions for defined terms found in the Appendix.

(a) Includes KMI share of certain equity investees' DD&A, net of the noncontrolling interests' portion of KML DD&A and consolidating joint venture partners' share of DD&A of $362 million.

(b) Includes KMI share of taxable equity investees' book taxes, net of the noncontrolling interests' portion of KML book taxes of $104 million, and excludes book tax certain items of $77 million.

(c) Before Certain Items. Represents net income allocated to third-party ownership interests in consolidated subsidiaries.

(d) Includes KMI share of certain equity investees' sustaining capital expenditures of $107 million. Excludes the noncontrolling interests' portion of KML sustaining capital expenditures.

(e) Primarily non-cash compensation associated with our restricted stock program partially offset by pension and retiree medical contributions.

(f) Excludes Kinder Morgan G.P. Inc.'s $100 million preferred stock due 2057 and $143 million non-cash foreign exchange impact on KMI's Euro denominated debt.

(g) Includes KMI share of taxable equity investees' book taxes.

(h) Before Certain Items. Represents 3rd party share of certain consolidated joint ventures excluding KML noncontrolling interests of ($27) million.

(i) Includes KMI share of certain equity investee DD&A.

KML GAAP Reconciliation

$ in Millions of CAD

Reconciliation of DCF	Yr. Ended 12/31/17
Net Income	$ 160
Certain Items	4
Net Income before Certain Items (Adjusted Earnings)	164
DD&A	142
Book taxes	66
Cash taxes	(0)
Preferred dividends	(6)
Sustaining capex	(43)
Distributable Cash Flow (DCF)	323
DCF attributable to KMI interest[(a)]	(267)
U.S. taxes attributable to restricted voting stockholders	(1)
DCF attributable to restricted voting stockholders	$ 55

Reconciliation of net debt	
Long-term debt	$ -
Current portion of debt	-
50% of preferred equity	275
Less: cash & equivalents	(239)
Net debt	$ 36

Reconciliation of Adjusted EBITDA	Yr. Ended 12/31/17
Net Income	$ 160
Certain Items	4
Net Income before Certain Items (Adjusted Earnings)	164
Book taxes	66
DD&A	142
Interest, net	16
Adjusted EBITDA	$ 388

Certain Items	
Foreign exchange gain (loss) on the KMI Loans	$ 2
Other	3
Subtotal	5
Book taxes on Certain Items	(1)
Total Certain Items	$ 4

Note: Definitions for defined terms found in the Appendix.

(a) Prior to KML's May 2017 IPO, 100% of DCF was allocated to KMI.

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Steve Kean, President and CEO
Anthony Ashley, Vice President and Treasurer

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