KINDER MORGAN INC.

Built for the Long-Term

January 27, 2016

Forward-Looking Statements / Non-GAAP Financial Measures

This presentation includes forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and Section 21E of the Securities and Exchange Act of 1934. 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 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, 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 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 and regulatory conditions and developments; the timing and success of business development efforts; 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, regulatory and legal decisions; terrorism, including cyber-attacks; 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 Report 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. Our reconciliation of non-GAAP financial measures to comparable GAAP measures can be found in the Appendix to this presentation and on our website at www.kindermorgan.com. These non-GAAP measures should not be considered an alternative to GAAP financial measures.

Kinder Morgan Investor Conference

8:00	-	8:20	Vision – Rich Kinder
8:20	-	9:30	Operational Excellence – Steve Kean
9:30	-	9:45	Break
9:45	-	10:30	Financial Excellence – Kimberly Dang
10:30	-	11:30	Q&A

This page intentionally left blank

Vision

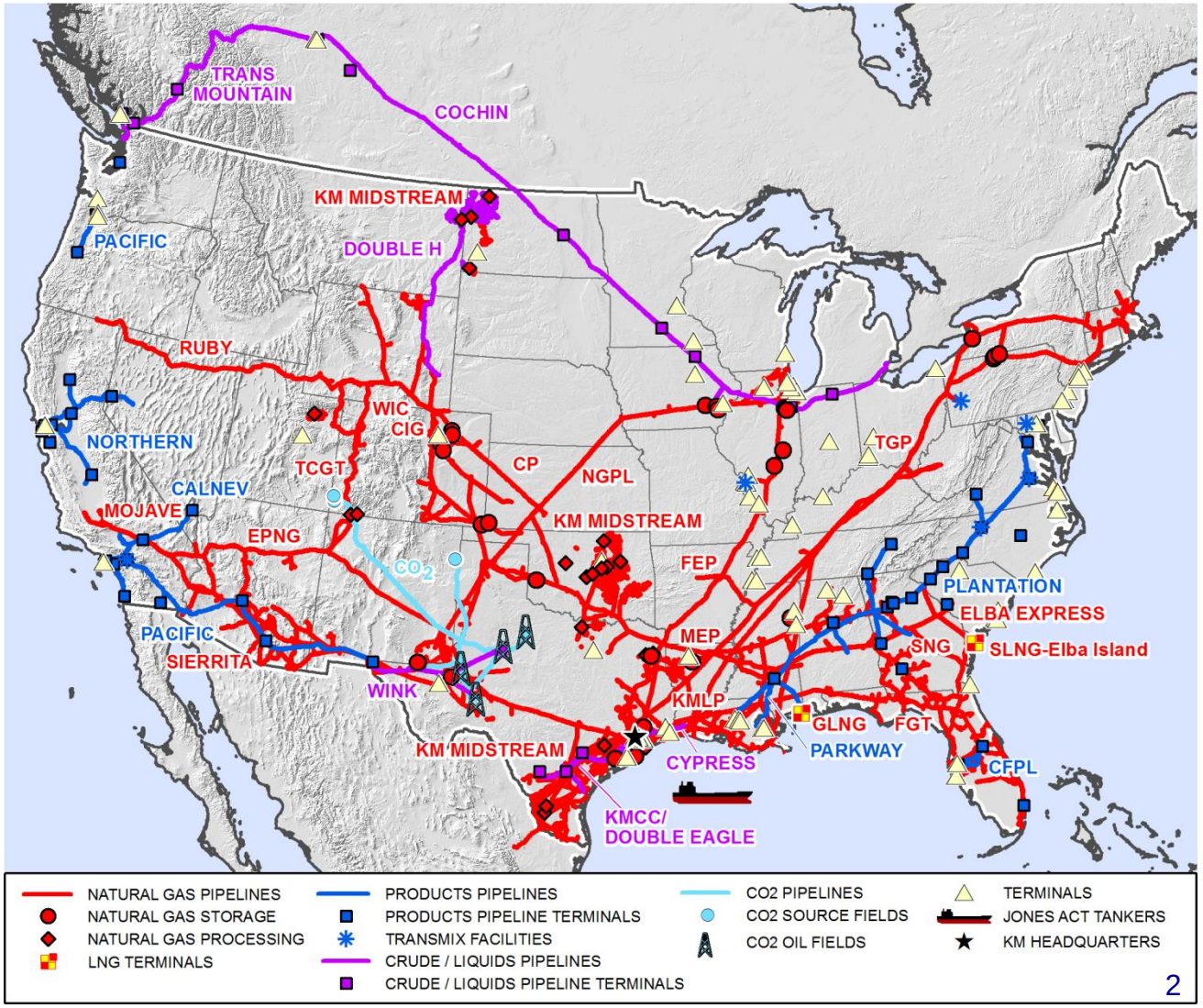
Rich Kinder

Executive Chairman

Unparalleled Asset Footprint

Largest Energy Infrastructure Company in North America

- **$18.2 billion of currently identified organic growth projects**
- **Largest natural gas network in North America**
  - Own an interest in/ operate ~69,000 miles of natural gas pipeline
  - Connected to every important natural gas resource play in the U.S., including: Eagle Ford, Marcellus, Utica, Bakken, Uinta, Haynesville, Fayetteville and Barnett
- **Largest independent transporter of petroleum products in North America**
  - Transport ~2.1 MMBbl/d[(a)]
- **Largest transporter of CO_2 in N. America**
  - Transport ~1.2 Bcf/d of CO_2[(a)]
- **Largest independent terminal operator in North America[(b)]**
  - Own an interest in or operate 180 liquids/ dry bulk terminals
  - ~152 MMBbls domestic liquids capacity
  - Handle ~65 MMtons of dry bulk products[(a)]
  - Strong Jones Act shipping position
- **Only Oilsands pipe serving West Coast**
  - Transports ~300 MBbl/d to Vancouver/ Washington State; proposed expansion takes capacity to 890 MBbl/d

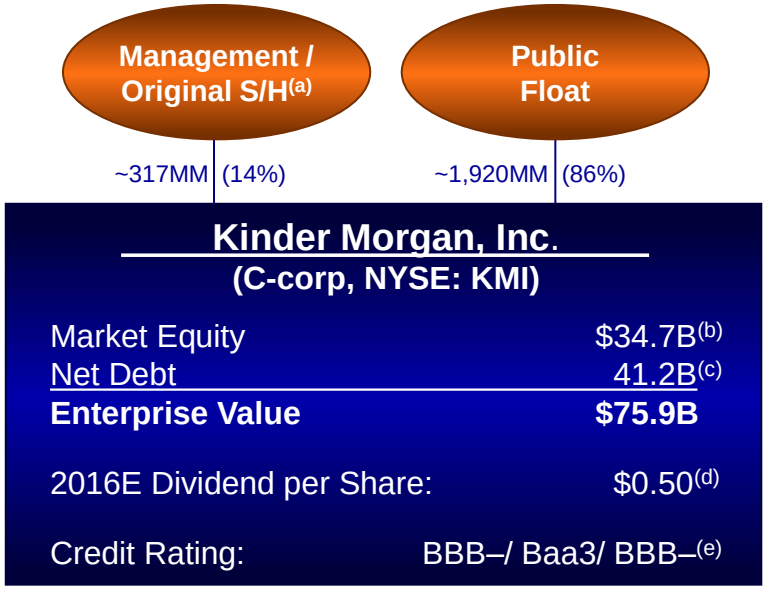


(a) 2016 budget.
(b) Includes KMI/ BP JV terminals.

KMI Overview

Management Aligned with Investors; 14% Stake in KMI

Simple Public Structure



Simple Structure:

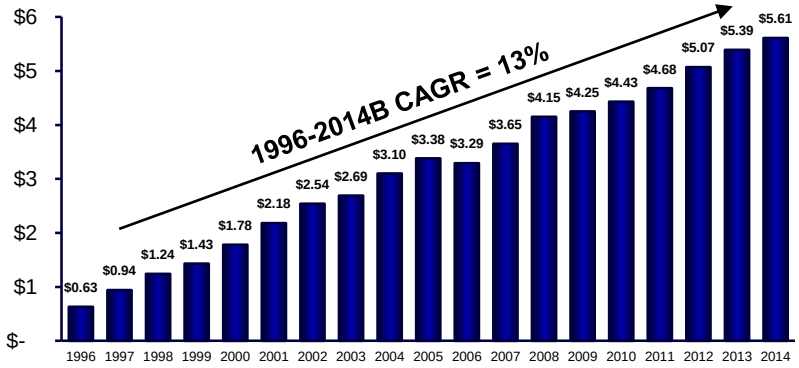
- One equity base
- One dividend policy
- One debt rating
- No structural subordination
- No incentive distribution rights

(a) Includes Form-4 filers and unvested restricted shares.
(b) Market prices as of 12/31/2015; KMI market equity based on ~2,237 million shares outstanding (including restricted shares) at a price of $14.92, ~293 million warrants at a price of $0.06, and 32 million mandatorily convertible depositary shares at a price of $40.30.
(c) Debt of KMI and its consolidated subsidiaries as of 12/31/2015, net of cash, and excluding fair value adjustments and Kinder Morgan G.P., Inc.'s $100 million preferred stock due 2057.
(d) Declared dividend per share per 2016 budget.
(e) KMI corporate credit ratings from S&P (Stable outlook), Moody's (Stable) and Fitch (Stable), respectively.

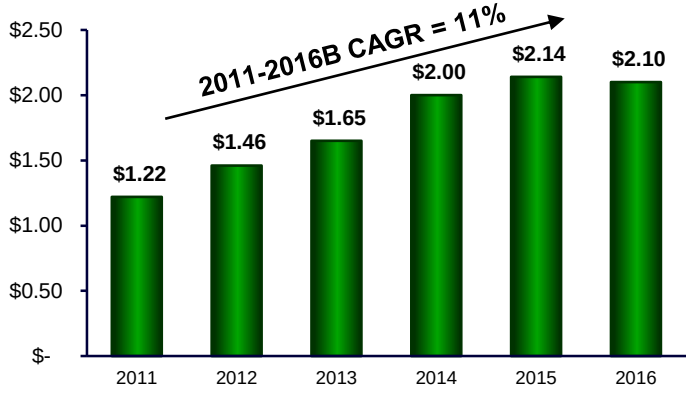
19 Years of Stable Growth

Strategy Has Led to Consistent, Growing Results

KMP Annual LP DCF per Unit[(a)]



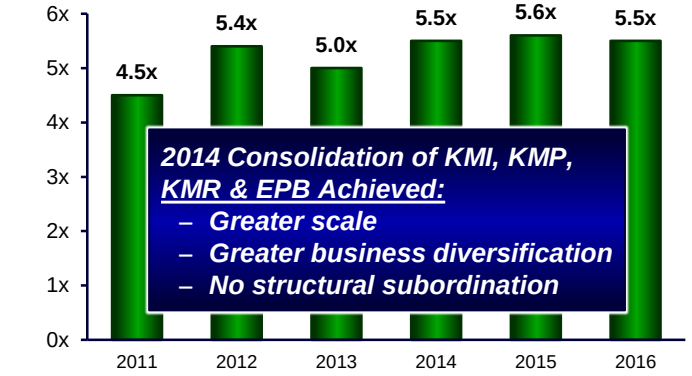
KMI Annual DCF per Common Share[(c)]



KMP Net Debt[(b)] to Adjusted EBITDA



KMI Net Debt[(b)] to Adjusted EBITDA



Notes: Before certain items. 2016 per budget. See Appendix for defined terms and reconciliation to GAAP measures.
KMP was Kinder Morgan's primary investment vehicle and held the majority of operating assets from 1996 to 2014.

(a) KMP annual LP DCF per share. 2014 data per budget as KMP was acquired by KMI prior to close of 4Q 2014. Assumes full distribution of DCF per unit for 1996-1999.

(b) Debt is net of cash and excludes fair value adjustments. KMP 2014 as of 9/30/2014.

(c) **The terms "DCF" and "DCF per share" mean cash available to common shareholders (i.e., after payment of preferred dividend).**

Stable Assets, Self-reliant Funding

Well-Positioned for Challenging 2016 Market

- **Same stable assets:**
  - Cash flow growth in 2015 despite historic fall in oil and gas prices
  - Stock performance significantly underperformed strong business performance
- **Self-reliant funding:**
  - Given market dislocation, KMI reduced its declared dividend target from $2.00 per share for 2015, to $0.50 per share for 2016
  - No need to access capital markets in 2016
  - Operating cash will cover 2016 dividends and growth capital funding
  - Combined with backlog high-grading efforts, no expected need to access capital markets to fund growth capital for foreseeable future beyond 2016
  - New $1 billion term loan and upsized revolver add liquidity and flexibility
- **Benefits from reduced dividend:**
  - Strengthened company, insulated from challenging commodity and capital markets
  - Substantially enhanced credit profile
  - Ability to internally fund equity needs
  - Improved accretion by utilizing retained cash flow to fund investments
  - Retained cash flow in excess of growth projects will be used to maximize shareholder value

Built for the Long Term

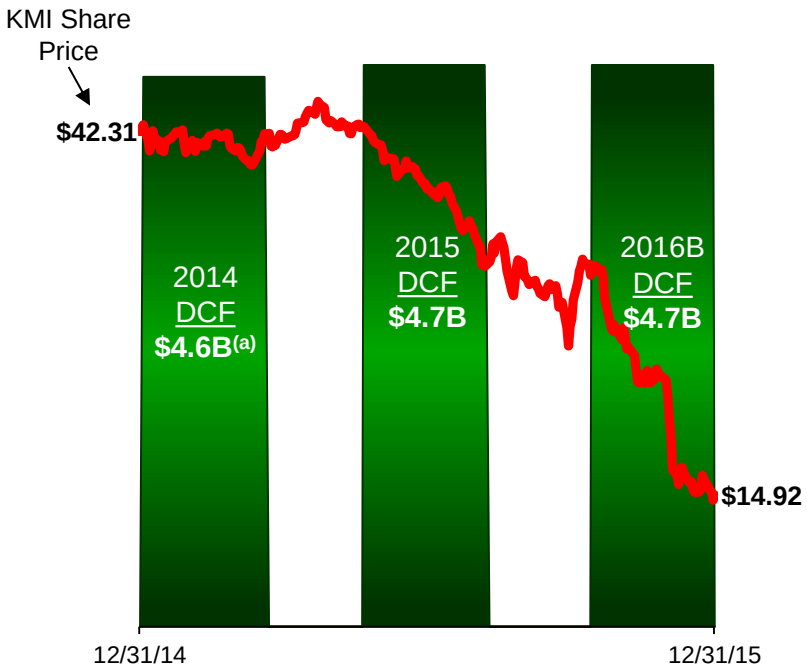
Positioned to Succeed in the Future

- **Secure and growing cash flows**
- **World class set of midstream assets**
- **Reducing growth capex through elimination of less profitable projects and selectively joint venturing projects where appropriate**
- **High bar for new investment opportunities**
- **As future cash flow exceeds investment needs, we have value-enhancing options:**
  - Further de-lever balance sheet
  - Return cash to shareholders via increased dividends and/ or share buybacks
  - Invest in high-return acquisitions and/ or expansions

Some Perspective

Dislocation Between Business Performance and Stock Performance

Stock Performance Inconsistent with Fundamentals



Strong Business Performance

Despite challenging backdrop, fundamentals remain strong

- Tremendous cash flow generation in 2015 and 2016
  - 2015 DCF to common: $4.7 billion
  - 2015 Adjusted EBITDA(b): $7.4 billion
  - 2016 DCF to common: $4.7 billion
  - 2016 Adjusted EBITDA(b): $7.5 billion
- Attractive Growth opportunities
  - Amount of growth projects remains consistent with last year despite high-grading and placing $2.5 billion in service
  - Contracted, >90% fee-based projects with attractive returns and strong counterparties
- Leverage target met, improving
  - 5.6x 2015 net debt / Adjusted EBITDA target achieved, projecting 5.5x for 2016

Despite strong fundamentals, KMI stock price fell 65% during 2015

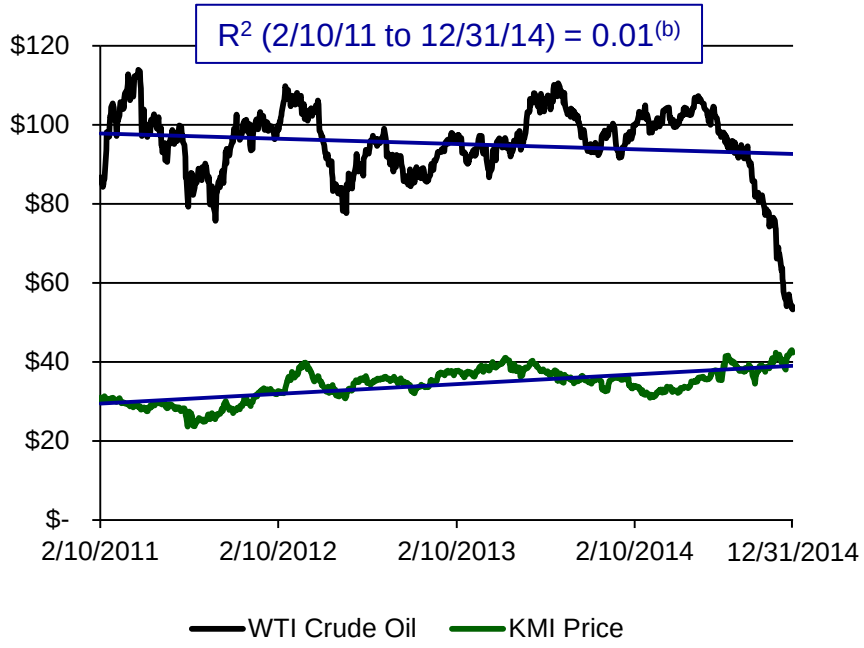
Notes: Financial measures before certain items. 2016 per budget. See Appendix for defined terms and reconciliation to GAAP measures.
(a) Includes KMI's DCF of $2.6 billion, plus MLP declared distributions of $2.0 billion.
(b) **"Adjusted EBITDA" includes KM-share of Certain Equity Investee DD&A.**

Some More Perspective

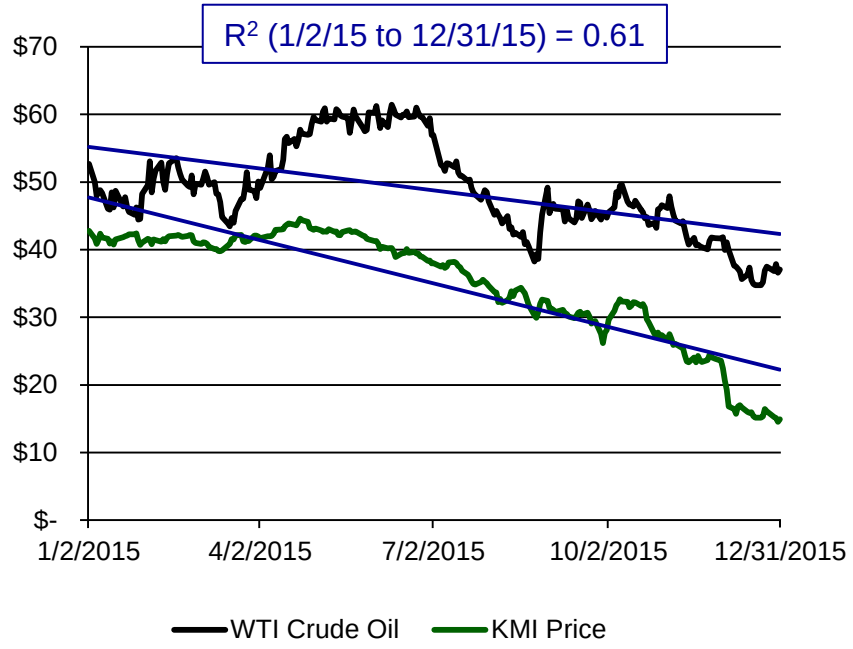
Correlation to Oil Prices not Warranted

- Production of crude oil generated only 10% of our 2015 Segment EBDA before certain items[(a)]
- However, KMI's correlation to WTI increased tremendously during 2015
- This correlation added to KMI's 2015 stock market dislocation

KMI Price vs. Crude Oil, IPO thru 2014



KMI Price vs. Crude Oil During 2015



Notes: 2016 per budget. See Appendix for defined terms and reconciliation to GAAP measures.

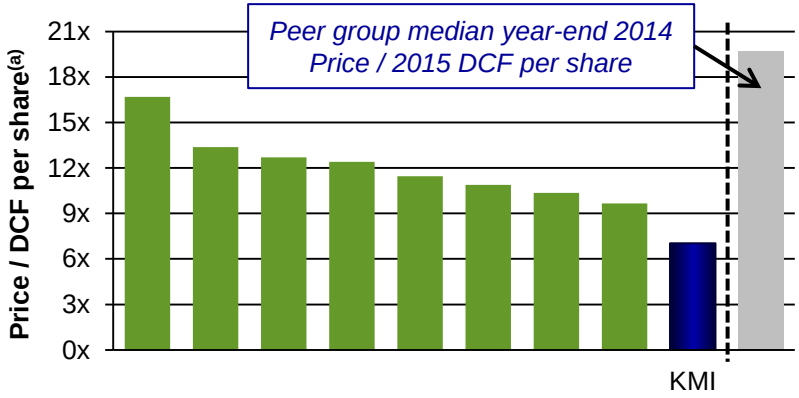
(a) **"Segment EBDA" is before certain items and includes KM-share of Certain Equity Investee DD&A.**

(b) Source: Bloomberg. Excluding October 2014 to December 2014, KMI's relationship to WTI since its 2/10/2011 IPO had an R^2 of 0.04.

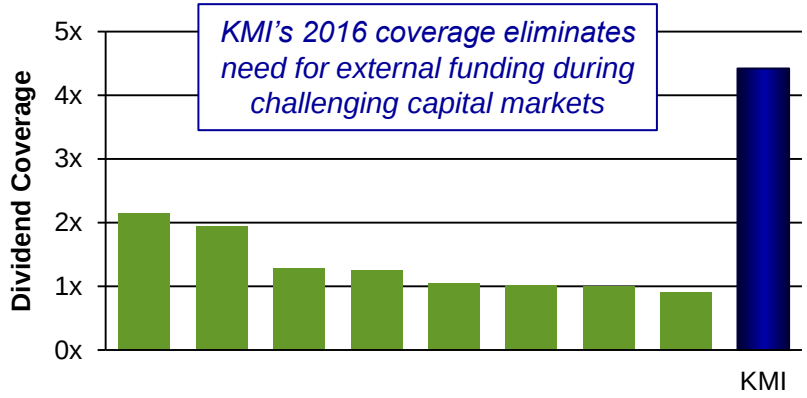
Compelling Value Prospect

Attractive Relative Value, Best in Class Coverage and Scale

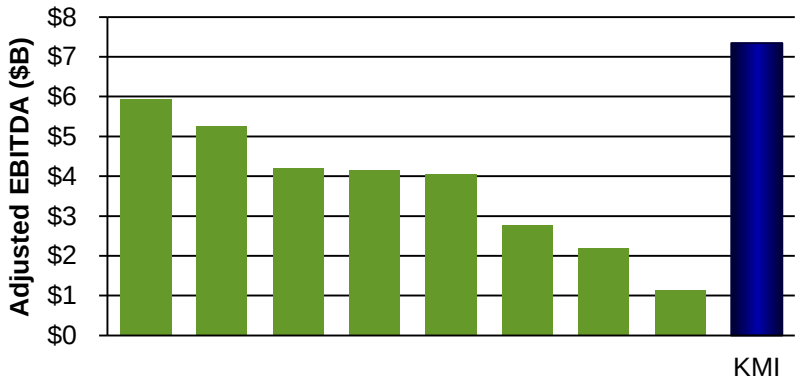
Attractive Relative Value[(a)]



Insulated from Capital Market Risk[(b)]



Best in Class Scale[(c)]



KMI Positioning

- Best in class scale
- Best in class dividend coverage
- No reliance on equity or debt markets in 2016 and beyond
- Secure cash flow
  - 97% fee-based or hedged for 2016
- Significant growth opportunities

Notes: Financial measures before certain items. See Appendix for defined terms and reconciliation to GAAP measures.
Peer group: ETE, ENB, EPD, MMP, PAA, SE, TRP, and WMB. Data per Bloomberg as of 12/31/2015 and Barclays.

(a) 12/31/2015 share price divided by 2015 DCF per share according to Bloomberg consensus for peers and actual for KMI.
(b) 2016 DCF divided by 2016 dividend per share. Peer estimates per Bloomberg consensus and budget estimates for KMI.
(c) 2015 EBITDA per Bloomberg consensus for peers, 2015 actual Adjusted EBITDA for KMI.

Valuation: DCF/share vs. EPS

- **Distributable Cash Flow (DCF) has consistently been an accurate proxy for Kinder Morgan's sustainable excess cash flow**
- **The main differences between KMI's net income and DCF are non-cash items which impact net income: book vs cash taxes and GAAP depreciation vs sustaining capital**
- **Our cash taxes are expected to be lower than our book taxes for an extended period of time primarily as a result of KMI's 2014 acquisition of KMP and EPB**
  - KMI's book basis was not written up, but KMI's tax basis was, thereby resulting in substantial book tax in excess of cash tax
  - We do not expect to incur significant corporate cash income taxes until 2022
- **Our sustaining capex is typically lower than GAAP depreciation**
  - Much of KMI's asset base resulted from acquisitions, thereby inflating GAAP depreciation relative to sustaining capital
  - Sustaining capex for our assets is relatively low compared to GAAP depreciation
    - Long-lived nature and minimal moving parts of interstate pipelines result in relatively low maintenance spending versus other types of assets
    - New technology has also significantly improved maintenance costs
  - Different from utilities and other industries
    - In other industries, where assets require greater annual repair and replacement spending, GAAP depreciation more closely resembles sustaining capex
    - Our sustaining capex budget is built bottom up by operations based on need and long term plan

We Believe DCF is the Best Measure of the Sustainable Earnings Power of KMI's Assets

KMI: Attractive Value Proposition

- Unparalleled asset footprint
- Diversified energy infrastructure platform with stable, fee-based cash flow
- Industry leader in all business segments
- Focus on strong balance sheet and enhanced credit profile
- Highly visible, attractive growth opportunities
- Established track record
- Experienced management team aligned with investors
- Transparency to investors
- Investor-friendly, simple corporate structure


KINDER MORGAN
INC.

Operational Excellence

Steve Kean

President and Chief Executive Officer

Our Strategy

- **Focus on stable fee-based assets that are core to North American energy infrastructure**
  - Market leader in each of our business segments
- **Maintaining a strong balance sheet is paramount**
  - Our primary investing entity has been investment grade since inception
  - Reduced dividend demonstrates our commitment to investment grade
- **Control costs**
  - It's investors' money, not management's – treat it that way
- **Leverage asset footprint to seek attractive capital investment opportunities, both expansion and acquisition**
  - Since 1997, Kinder Morgan has completed approximately $29 billion in acquisitions and invested approximately $25 billion in greenfield/ expansion projects[(a)]
- **Transparency to investors**
- **Keep it simple**

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

Asset Integrity and Safety are Top Priorities

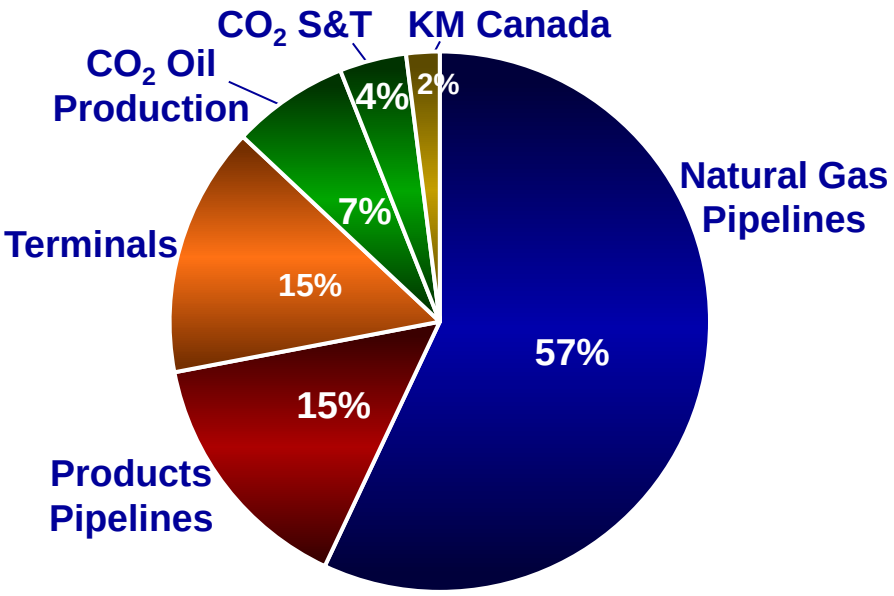
Consistent, Better-than-industry Performance Across our Businesses

- **Safe operation of our assets is mission critical to our long-term success**
- **Continuous reduction in risk to the public, employees, contractors, assets and the environment**
- **We strive for continual improvement in safety and efficiency of existing operations**
- **Well-executed expansions and effective integration of acquired operations**
- **Consistently perform better than industry average**
  - Track over 37 safety metrics and post monthly updates to our public website
  - Currently better than industry in 36 of 37 metrics

Segment Overview

The Markets that Actually Drive our Business

2016 Budgeted Segment EBDA = $8.0 billion[a]



91% of cash flows fee-based for 2016; 97% fee-based or hedged

Natural Gas Pipelines

- 72% interstate pipelines
- 20% gathering, processing & treating
  - 87% fixed-fee[b]
  - 13% other
- 8% intrastate pipelines & storage

Products Pipelines

- 60% refined products
- 40% crude/ liquids

Terminals

- 76% liquids
- 24% bulk

CO_2

- 34% CO_2 transport and sales
- 66% oil production-related
  - Production hedged:

	Hedged[c]	Avg. Px.
2016	70%	$69
2017	54%	$73
2018	39%	$75
2019	21%	$65
2020	-	-

Kinder Morgan Canada

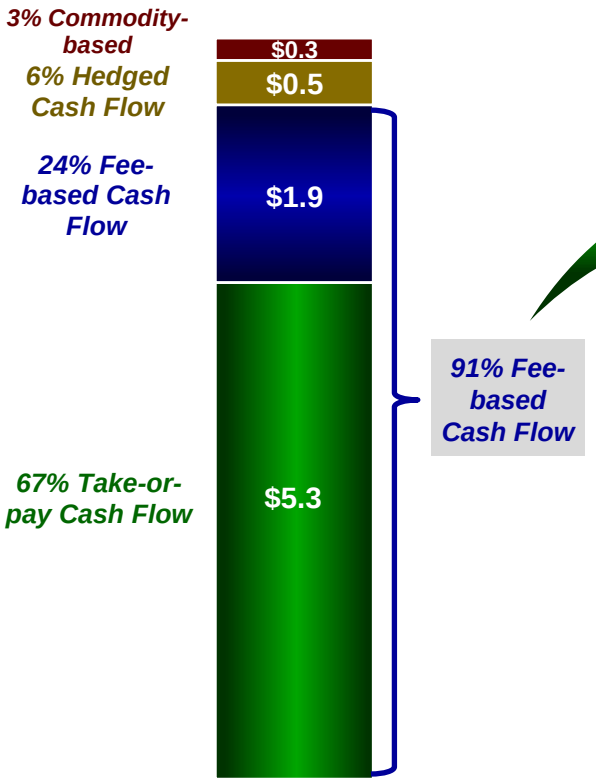
- 100% petroleum pipelines

(a) 2016 budgeted Segment EBDA before certain items and including KM-share of JV DD&A.
(b) Approximately 87% of gathering, processing and treating business is derived from fixed-fee contracts. Approximately 30% of that is take-or-pay.
(c) Percentages based on currently hedged crude oil volumes as of 12/31/2015 relative to crude oil and heavy NGL (C4+) net equity production projected for 2016, and the Netherland Sewell reserve report plus management-approved Tall Cotton project barrels for 2017-2020.

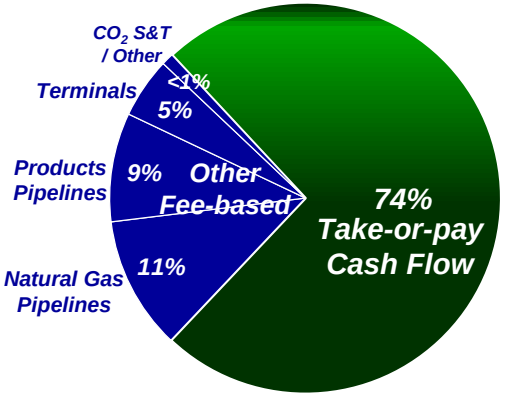
KMI's High Quality Cash Flow

Not all "fee-based" cash flow is created equal

2016 Budgeted Segment EBDA = $8.0 billion[(a)]



Composition of 91% Fee-based Cash Flow



- **74% of fee-based cash flow secured by take-or-pay contracts**
- **Other fee-based cash flow supported by stable volumes/ fee-based contracts/ critical infrastructure between major supply hubs and stable end-user demand**
  - — Natural Gas Pipelines: G&P cash flow protected by dedicated producers and economically viable acreage
  - — Products Pipelines: refined product volumes within ~1% of budget over past 5 years

(a) Based on 2016 budgeted Segment EBDA before certain items and including JV DD&A.

Natural Gas Transportation & Storage

57% of 2016 Budgeted Total Segment EBDA before Certain Items

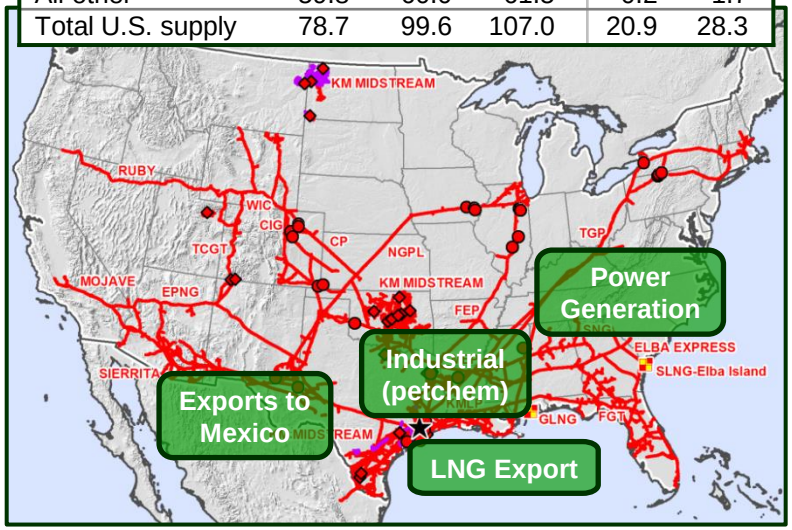
Natural gas transport & storage is KMI's largest business

- **U.S. natural gas demand expected to rise 27% through 2020[a]**
- **KM moves about 38% of natural gas consumed in the U.S.**
- **Transportation demand drivers:** power demand, exports (Mexico and LNG) and industrial market
  - 8.5 Bcf/d of new contracts secured over past ~2 years (11% of estimated 2015 total U.S. demand)
- **Storage demand drivers:** power and LNG export demand variability (U.S. as swing LNG provider to world market)
  - KM the largest storage operator in the U.S. with 672 Bcf out of 4.0 Tcf market (17%)
  - Well-positioned to serve the variable-load requirements of LNG exports and power generation
  - Current increased contracting activity at improved rates in the Interstate and Intrastate markets
- **Gathering & processing trends:**
  - New LPG export capacity (docks and fleet) and Gulf Coast petrochemical demand
  - Meaningful upside if market returns to normal levels

	NGL/ WTI Ratio[b]	NGL Processing Spreads[c]	
Historical:	Weighted Avg.	Ethane	Propane
2007-2012 Average	58%	$0.22	$0.62
2013-2015 Average	41%	($0.10)	$0.41

U.S. Natural Gas Supply & Demand[a] (Bcf/d)

				Increase	
Demand	2015	2020	2025	5-yr	10-yr
LNG net exports	-0.1	7.8	10.8	7.9	10.9
Mexican net exports	2.9	5.2	6.5	2.3	3.6
Power	26.2	30.5	29.8	4.2	3.6
Industrial	20.7	24.3	25.8	3.6	5.0
Other	29.0	31.8	34.1	2.9	5.1
Total U.S. demand	78.7	99.6	107.0	20.9	28.3
Supply					
Marcellus/ Utica	18.9	39.6	45.5	20.7	26.6
All other	59.8	60.0	61.5	0.2	1.7
Total U.S. supply	78.7	99.6	107.0	20.9	28.3



(a) Source: Wood Mackenzie Fall 2015 Long-Term View.
(b) NGL mix is 37% ethane, 32% propane, 11% normal butane, 6% isobutane, 14% natural gasoline.
(c) Represents $/gal, assumes $0.10/gal T&F fee.

Liquids Transportation, Storage & Handling

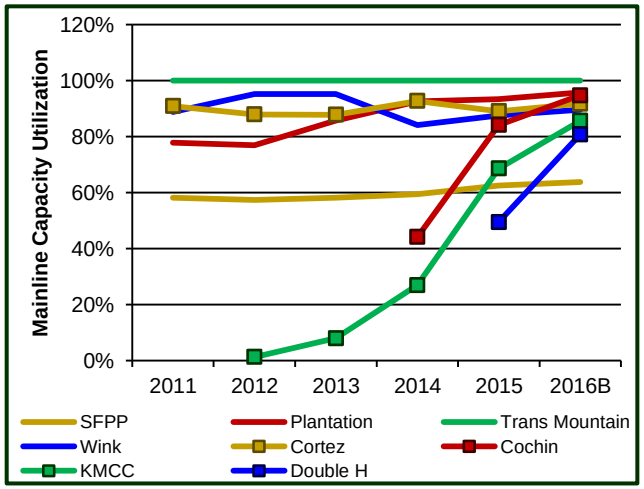
33% of 2016 Budgeted Total Segment EBDA before Certain Items[(a)]

Strong Fundamentals & Demand Drivers

- **Stable refined products demand:** vital pipeline network connecting refinery/ port hubs to stable/ growing demand markets
  - Refined product volumes within ~1% of budget over past 5 years
- **Petchem demand growth:** abundant, affordable domestic natural gas supply driving U.S. industrial and petrochemical renaissance
  - 261 announced U.S. projects, cumulative investment of $158 billion from 2010 to 2023[(b)]
  - UTOPIA pipeline provides much needed takeaway capacity for Utica NGLs; backstopped by long-term take-or-pay contract (planned in-service Jan-2018)
- **Insufficient Oilsands takeaway capacity:** production expected to exceed takeaway capacity in 2017[(c)]
  - KM terminaling and crude-by-rail logistics serve a critical role and have significant presence in Edmonton
  - TMEP pipeline provides critical Westcoast tidewater access for crude oil; backstopped by long-term take-or-pay contracts (planned in-svc 3Q 2019)
- **World-leading Footprint in Houston Ship Channel:** 1) Point of origin for 10 refineries, 2) Close proximity to growing industrial/ petchem complex, 3) access to Eagle Ford light crude inputs
  - KM footprint on HSC provides unparalleled market access & connectivity: 43 MMBbls liquids capacity with best-in-class access to dock space, rail, pipeline
- **Permian pipelines are key intra-region supply:** Wink the only crude pipeline serving El Paso refinery, Cortez the primary source of CO_2 for enhanced oil recovery

Highlighting Asset Utilization

- **Location matters, contracts matter**



(a) Includes refined product, NGL, crude oil, CO_2, and condensate pipelines; and liquids terminals.
(b) American Chemistry Council, Year-end 2015 Chemical Industry Situation and Outlook; *American Chemistry Accelerating Growth*, December 2015.
(c) Canadian Association of Petroleum Producers, Crude Oil Forecast, Markets & Transportation, June 2015, and Kinder Morgan analysis.

Energy Toll Road

Security of Cash

	Natural Gas Pipelines	Products Pipelines	Terminals	CO_2	Kinder Morgan Canada
Volume Security	– **Interstate & LNG:** take or pay – **Intrastate:** ~73% take or pay[a,b] – **G&P:** ~87% 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
Avg. Remaining Contract Life	– **Interstate:** 6.3 yrs. – **LNG:** 16.4 yrs. – **Intrastate:** 4.8 yrs.[a] – **G&P:** 5.0 yrs.	– **Refined products:** generally not applicable – **Crude/ liquids:** 5.8 yrs.	– **Liquids:** 3.8 yrs. – **Jones Act:** 3.6 yrs.[c] – **Bulk:** 3.7 yrs.	– **S&T:** 9.0 yrs.	– 1.0 yr.[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 + 1.23%) – **Crude/ liquids:** primarily fixed based on contract	– Based on contract; typically fixed or tied to PPI	– **S&T:** 82% protected by minimum volumes and floors[b,e] – **O&G:** volumes 70% hedged[f]	– 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[g]	– 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 2016: $4.8MM in DCF per $1/Bbl change in oil price	– No direct exposure

All figures as of 1/1/2016.

(a) Transportation for intrastate pipelines includes term purchase and sale portfolio.

(b) Based on 2016 budgeted Segment EBDA before certain items and including JV DD&A.

(c) Jones Act vessels: average remaining contract term for operating tankers (8) and tankers under construction (6) is 3.6 years, or 5.8 years including options to extend.

(d) Existing 2013-2015 toll settlement to be extended to coincide with in-service of Trans Mountain expansion.

(e) Based on 2016 budget.

(f) Percent of 2016 budgeted net crude oil and heavier natural gas liquids (C4+) production.

(g) Terminals not FERC regulated, except portion of CALNEV.

Business Risks

- **Regulatory**
  - Products Pipeline FERC rate cases
  - Natural Gas FERC rate cases
  - Legislative and regulatory changes
- **CO_2 crude oil production volumes**
- **Commodity prices**
  - 2016 budget price assumptions: $38/Bbl for crude, and $2.50/MMBtu for natural gas
  - Price sensitivities (full-year)[(a)]:
    - ~$6.5 million DCF per $1/Bbl change in crude price
    - ~$0.6 million DCF per $0.10/MMBtu change in natural gas price
    - ~$2.0 million DCF per 1% change in NGL/ crude ratio
- **Project cost overruns/ in-service delays**
- **Economically sensitive businesses (e.g., steel terminals)**
- **Foreign exchange rates**
  - 2016 budget rate assumption of 0.72 CAD/ USD
  - Price sensitivity (full-year): ~$3 million DCF per 0.01 ratio change
- **Environmental (e.g., pipeline/ asset failures)**
- **Terrorism**
- **Interest rates**
  - Full-year impact of 100-bp increase in floating rates equates to a pre-tax ~$99 million increase in interest expense[(b)]

(a) Natural Gas Midstream sensitivity incorporates current hedges, assumes same directional move in oil and gas prices, ethane rejection, no change in ethane frac spread, and assumes other NGL prices maintain same relationship with oil prices.
(b) As of 12/31/2015 approximately $9.9 billion of KMI's net debt was floating rate (approximately 25% floating).

KINDER MORGAN INC.

Overview of Business Segments

Natural Gas Pipelines

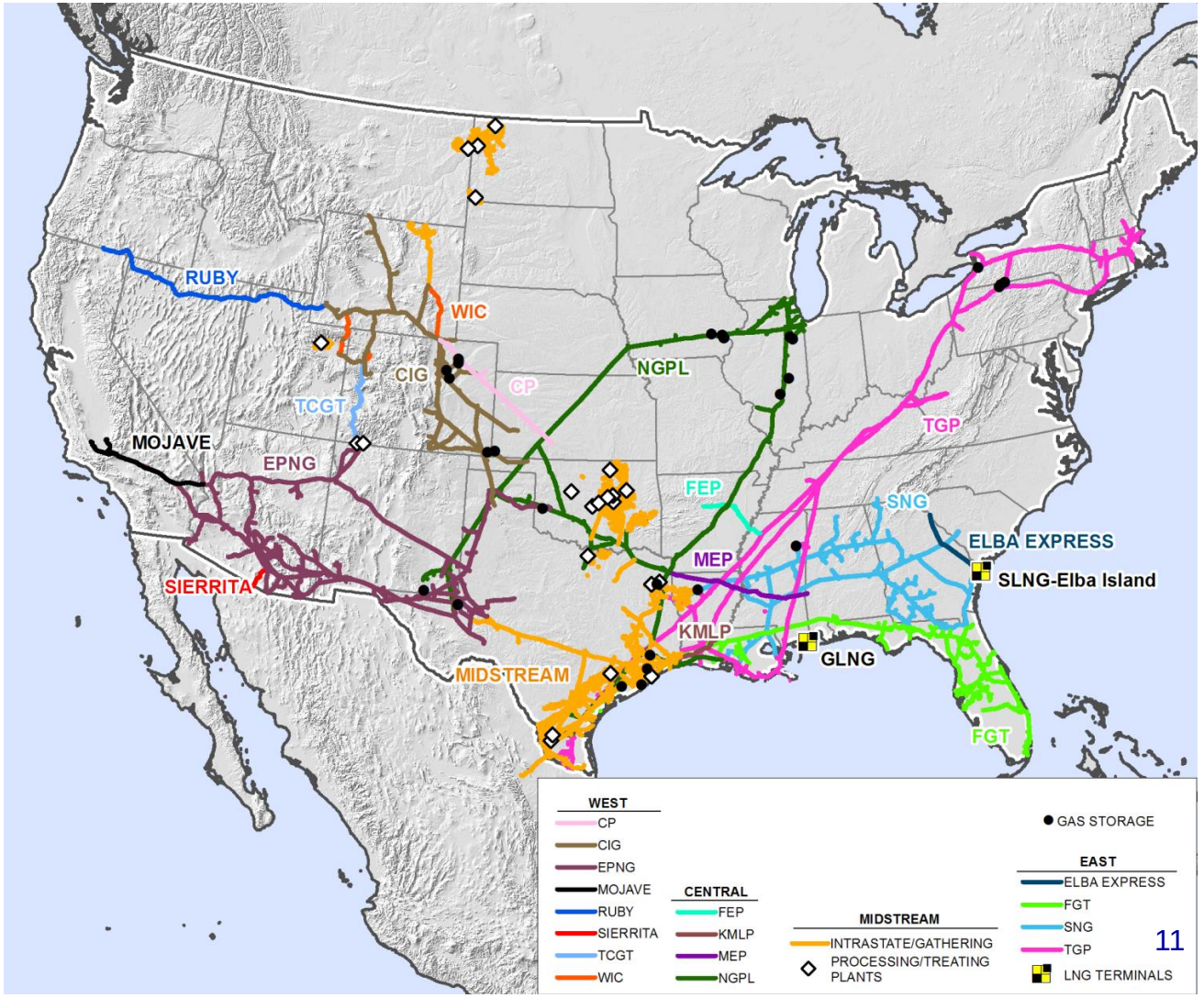
Segment Outlook

Long-term Growth Drivers:

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

Project Backlog:

- $7.6 billion of identified growth projects[(a)]
  - TGP Northeast market-area exp. (NED)
  - LNG liquefaction (Elba Island)
  - Transport projects supporting LNG liquefaction
  - TGP north-to-south projects
  - SNG/ Elba Express expansions
  - Expansions to Mexico border



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

KINDER MORGAN INC.

Contracted Capacity and Term by Region

Region		Contracted Capacity	Average Term Remaining
East	Storage	130 Bcf	3 yr, 4 mo
	Transport	21.5 Bcf/d	7 yr, 8 mo
	LNG	18 Bcf	16 yr, 5 mo
West	Storage	45 Bcf	6 yr, 3 mo
	Transport	17.9 Bcf/d	5 yr, 11 mo
Central	Storage	278 Bcf	3 yr, 5 mo
	Transport	10.7 Bcf/d	4 yr, 3 mo
Midstream	Purchases	2.6 Bcf/d	2 yr, 1 mo
	Sales	3.3 Bcf/d	2 yr, 6 mo
	Storage	93 Bcf	4 yr, 2 mo
	Transport	3.3 Bcf/d	4 yr, 4 mo
	Processing	1.6 Bcf/d	5 yr, 9 mo

Interstate Transport Contracts Avg. = 6 yr, 4 mo

- **Net annual incremental re-contracting exposure (KM-share)[(a)]: (% of $8.0 billion total KMI Segment EBDA before certain items)**

Region	2017	2018
East	0.0%	(1.0%)
West	(0.5%)	(0.1%)
Central	(0.1%)	(0.1%)
Midstream	(0.1%)	(0.1%)
Total GPG	(0.7%)	(1.3%)

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

Liquefaction at Elba Island

Elba Liquefaction Company (ELC) / SLNG



- **Capacity:**
  - LNG output capacity equivalent to 350 MMcf/d
- **Capital (100%): $2 Billion**
- **Estimated In-service: 2018**
- **Project Scope:**
  - Facilities for liquefaction (10 modular units)
  - Ship loading facilities; boil-off gas compression
- **Avg. Contract Term: 20 years**
- **Current Status:**
  - In July 2015 KMI acquired Shell's 49% interest in the project (KMI now owns 100%)
  - DOE FTA export authorization received; non-FTA application filed
  - FERC applications filed
  - FEED complete
  - Shell has committed to entire capacity of facility, as well as Elba Express expansion
- **Major Milestones:**
  - Negotiation of EPC contract
  - Receipt of FERC certificate

Products Pipelines

Segment Outlook

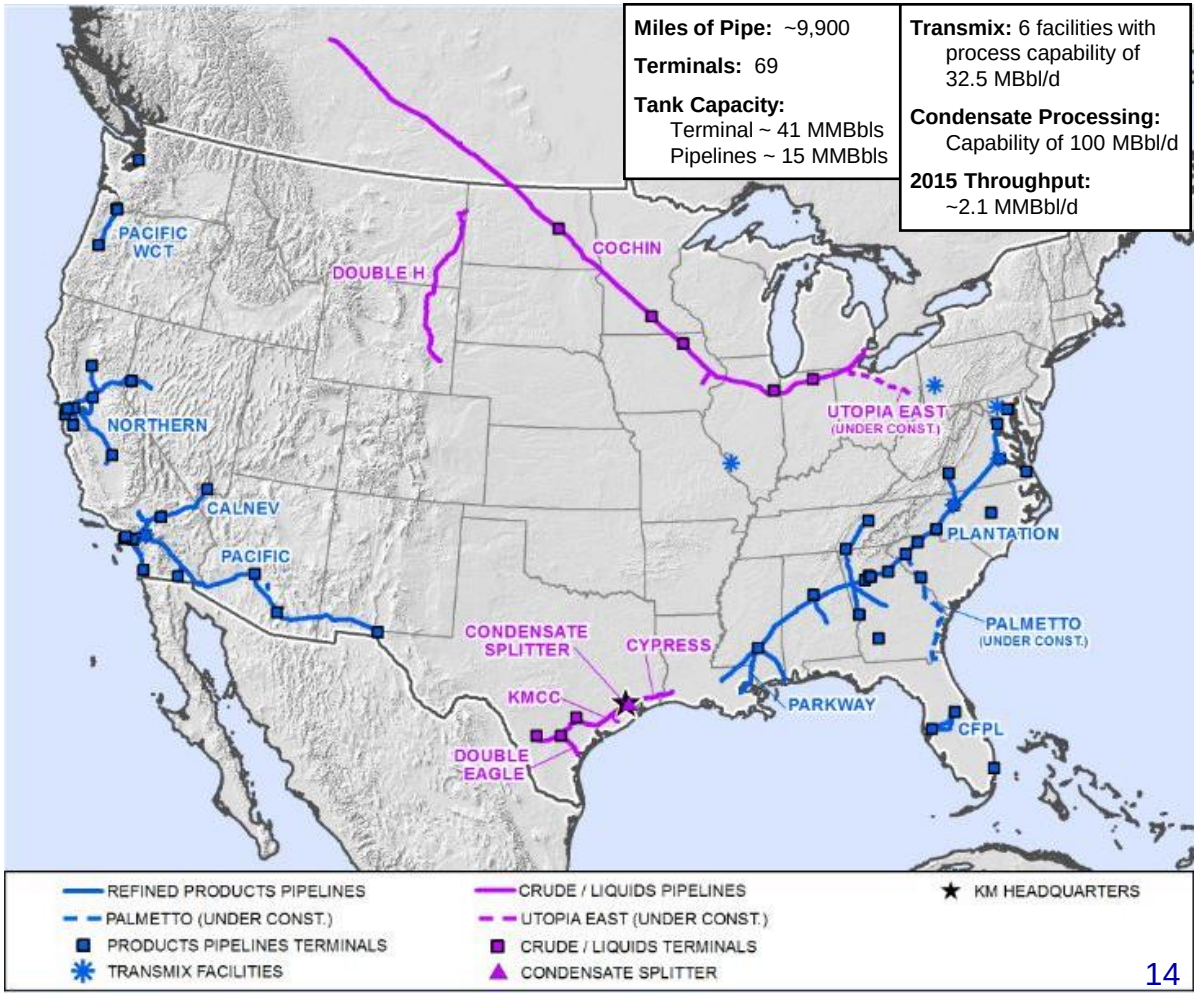
Opportunities for growth from increased liquids production

Long-term Growth Drivers:

- Increased demand for refined product volumes
- Development of shale play liquids transportation and processing (e.g. UTOPIA and KMCC / splitter)
- Tuck-in acquisitions
- Extension of refined products pipeline system into Southeast U.S. (e.g. Palmetto Pipeline)
- Repurposing portions of existing footprint in different product uses

Project Backlog:

- $1.1 billion of identified growth projects over next two years[(a)], including:
  - UTOPIA
  - Palmetto



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

Volumes/ Markets[(a)]

Refined Products:

- **2015:** Total refined product volumes 1,679 MBbl/d, up 3.1% vs. 2014
  - Gasoline up 3.6%, diesel up 2.1%, jet fuel up 2.6%
- **2016:** 1,710 MBbl/d budgeted, up 1.9% vs. 2015
  - Budget volume sensitivity: 1% change = $7.5M
- Budget commodity price sensitivity: $1/Bbl change = $770k

Crude/ Condensate:

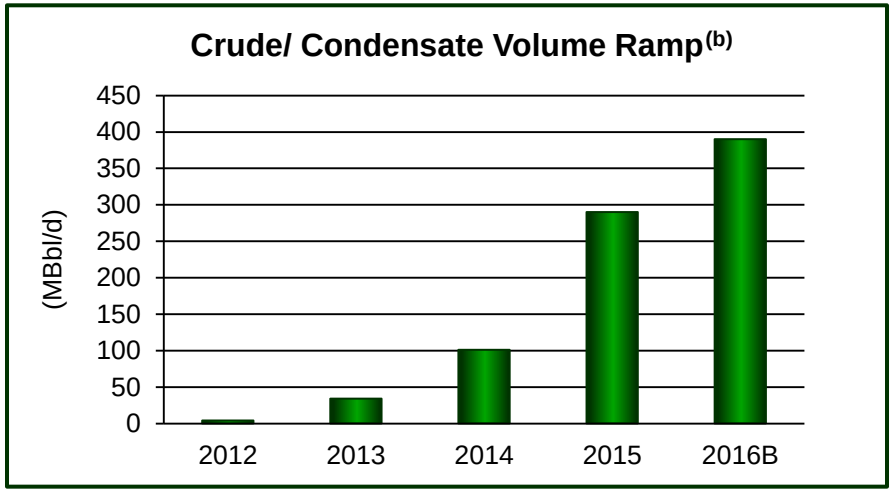
- **2015:** Total crude/ condensate volumes 273 MBbl/d, up 201% vs. 2014
  - Drivers: Double H acquisition and the completion of various expansion projects on KMCC/ Double Eagle
- **2016:** 363 MBbl/d budgeted, up 33% vs. 2015
  - Drivers: Full year of Double H volumes and additional commitments on KMCC/ Double Eagle

NGLs:

- **2015:** Total NGL volumes up 52% vs. 2014
  - Drivers: Completion of Cochin Reversal in 2014 and a full year of operations in 2015
- **2016:** Budgeted volume to be up 8.9% vs. 2015
  - Drivers: Increased demand on Cochin

Refined Product Pipelines Volume Summary, 2015 vs. 2014

West Coast:		
Pacific: +3.8%	– Arizona +4.8%	– N. Cal. +5.7%
	– S. Cal. +6.4%	– Military -14.7%
Calnev: -5.9%	– McCarran Airport/ Las Vegas -5.9%	– Military -7.0%
Southeast:		
CFPL: +1.3%	– Gasoline -2.9%	– Diesel +9.4%
	– Jet fuel +13.6%	
Plantation: +0.9%	– Gasoline -0.6%	– Diesel +4.0%
	– Jet fuel +5.1%	

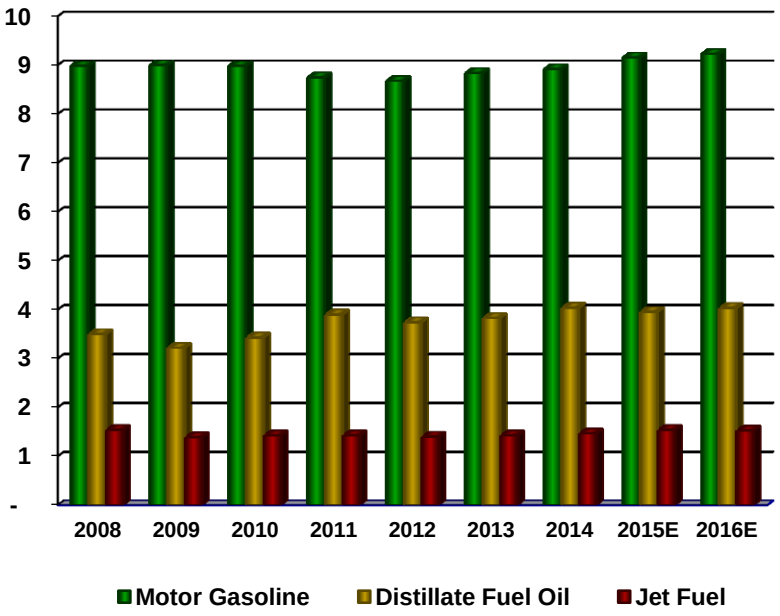


(a) All volumes reflect KM-share for Joint Ventures.
(b) Combined throughput of KM crude/ condensate pipelines: KMCC, Double Eagle and Double H.

KINDER MORGAN INC.

Historical Demand and 2016 EIA Outlook[(a)]

U.S. Refined Product Consumption (MMBbl/d)



	2008	2009	2010	2011	2012	2013	2014	2015E	2016E
Gasoline	8.99	9.00	8.99	8.75	8.68	8.84	8.92	9.16	9.23

U.S. Refined Product Demand Outlook

	2014	2015E	2016E
Mogas	0.9%	2.6%	1.1%
Distillate	5.5%	-1.9%	2.1%
Jet Fuel	2.5%	4.8%	-0.5%
Total	2.3%	1.6%	1.2%

FERC Tariff Index

	Jul'14–Jun'15	Jul'15–Jun'16	Jul'16–Jun'17
FERC Rate Increase	3.89%	4.58%	-1.97%[(b)]

(a) Source: EIA Table 4a. U.S. Crude Oil and Liquid Fuel Supply, Consumption, and Inventories and Figure 15 U.S. Liquids Fuel Consumption Growth – January 2016
(b) Expected rate decrease based on current regulatory information, based on PPI FG +1.23%.

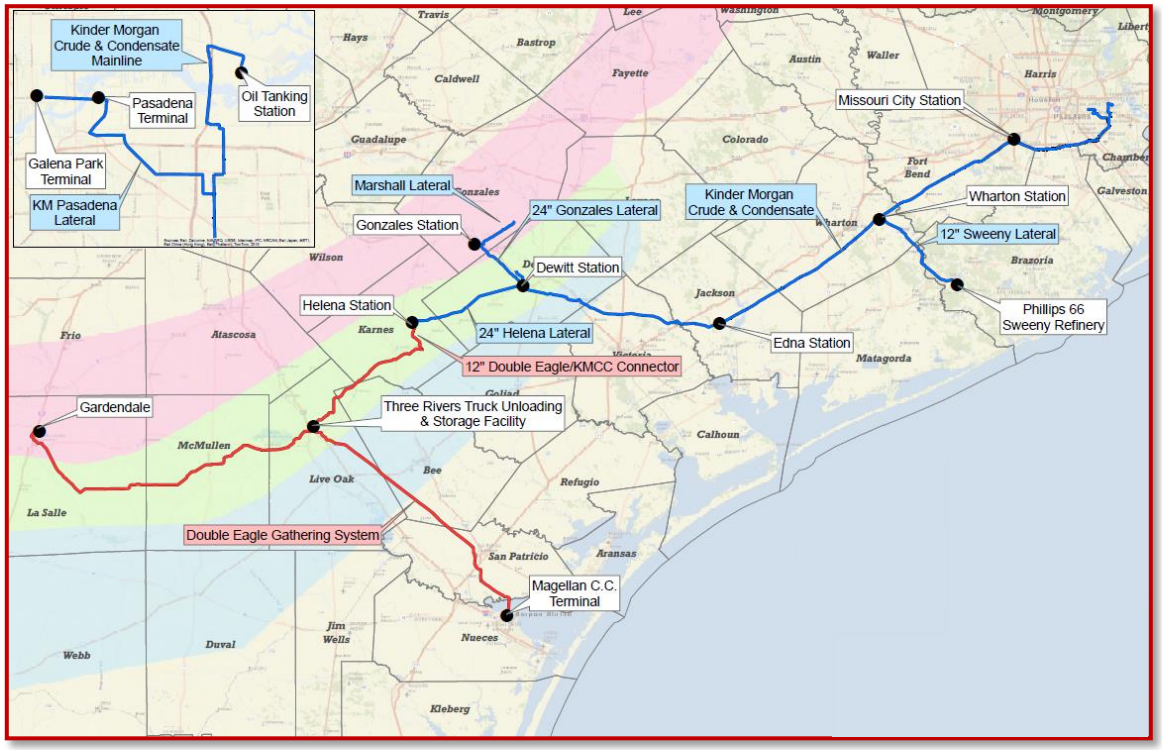
KMCC/ Double Eagle
Location, Contracts, Connectivity

Kinder Morgan Crude & Condensate (KMCC)

- Capacity 300 MBbl/d, expandable to 360 MBbl/d; 90% of current capacity committed
- Provides Eagle Ford producers access to Houston Ship Channel (Refineries, Export Opportunities), KM Splitter, Phillips 66 Sweeny Refinery

Double Eagle Pipeline

- Capacity 100 MBbl/d; Three quarters of capacity committed; 50/50 JV w/ Magellan
- Provides Eagle Ford producers access to Magellan Corpus Christi Terminal and KMCC

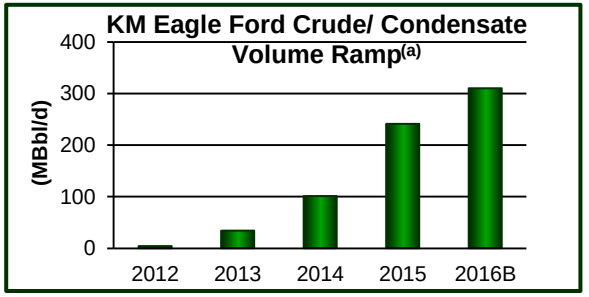


2015 Milestones

- KMCC/ Double Eagle volumes grew 146% year over year as new projects and customer commitments came online
- KMCC/ Double Eagle Connection: ~9 mi of 12" pipe and associated facilities placed in service March 2015 to allow for delivery to the Houston Ship Channel
- Marshall Lateral: ~10 mi of 10" pipe from Gonzales Station further back into the oil window of the Eagle Ford placed in service December 2015
- 1.4 MMBbls of storage (shell capacity) placed into service throughout the year, bringing total storage capacity to 2.7 MMBbls
- All expansions supported by long term customer commitments

2016 Plans

- Anticipate 25% volume growth on KMCC in 2016 compared to the prior year due to completion of expansion projects and activation of incremental customer commitments



(a) Combined throughput of KMCC and Double Eagle.

Terminals

Segment Outlook

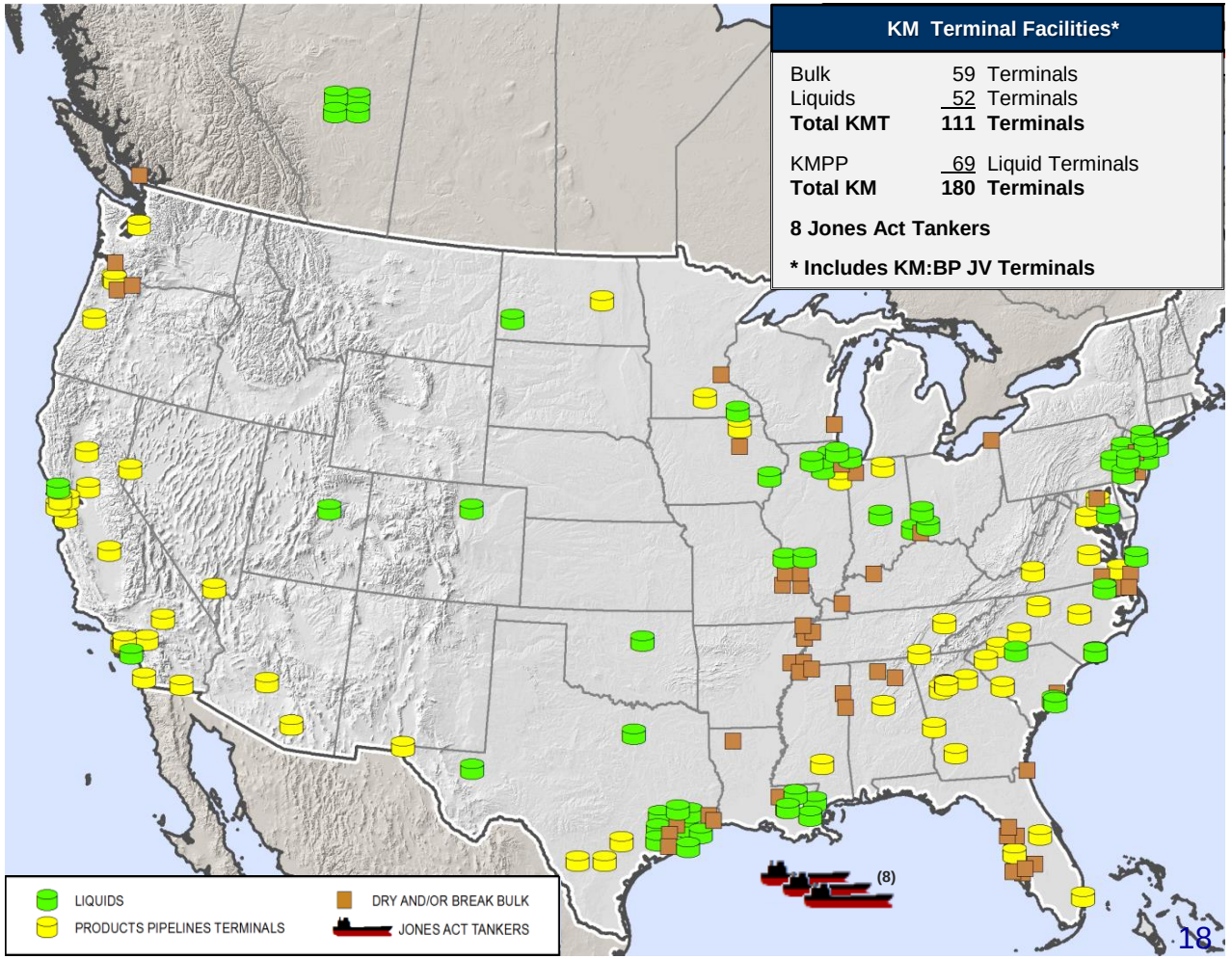
Well-located in refinery / port hubs and inland waterways

Long-term Growth Drivers:

- Refined product supply and demand growth
- Gulf Coast liquids exports
- Chemical infrastructure and base business growth built on production increases
- Tuck-in acquisitions

Project Backlog:

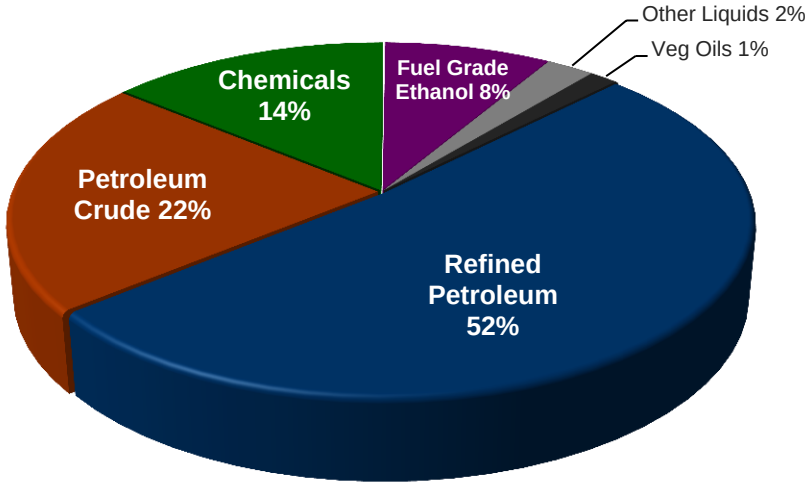
- $2.3 billion of identified growth projects over the next five years[(a)], including:
  - Jones Act tanker builds
  - Edmonton merchant crude terminal
  - Houston Ship Channel network expansion
  - Chemical terminal development



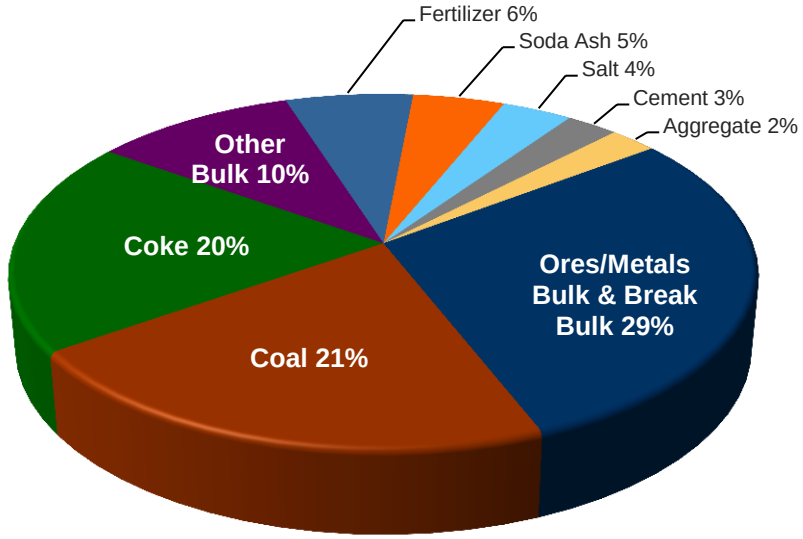
(a) Excludes acquisitions, includes KM share of non-wholly owned projects. Includes projects currently under construction.

Contract Diversification

Liquids Revenue Breakout [a]



Bulk Revenue Breakout [a]



Terminals Segment – Customers and Contracts

Top-10 Customers[a]

Top-10 Customers	$798 MM
Total Revenue [b]	$1,973 MM

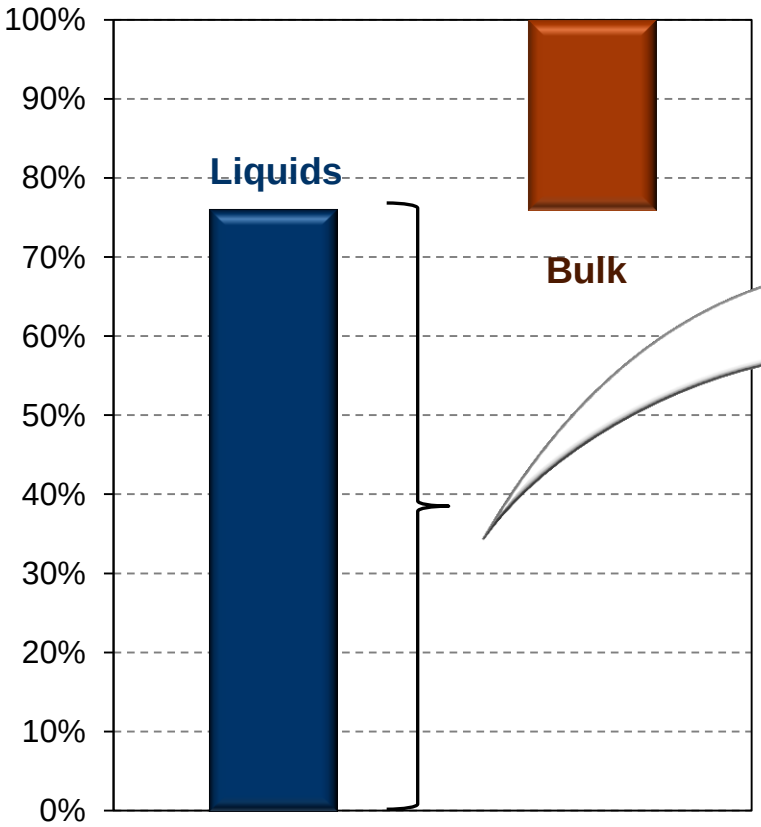
Avg. Remaining Contract Life[c]

Liquids	3.8 years
Bulk	3.7 years

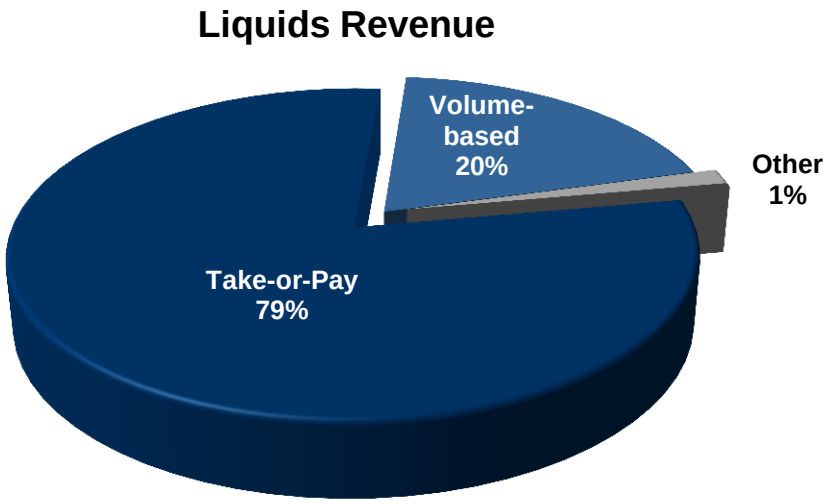
(a) 2016 budget, includes minority interests in certain terminals.
(b) No customer greater than 8.6% of revenue.
(c) 2016 budget weighted average, as of 12/31/2015.

Liquids Terminals

- **76% of Segment EBDA before certain items is based on our liquids business segments**



2016 Budgeted Segment EBDA before Certain Items



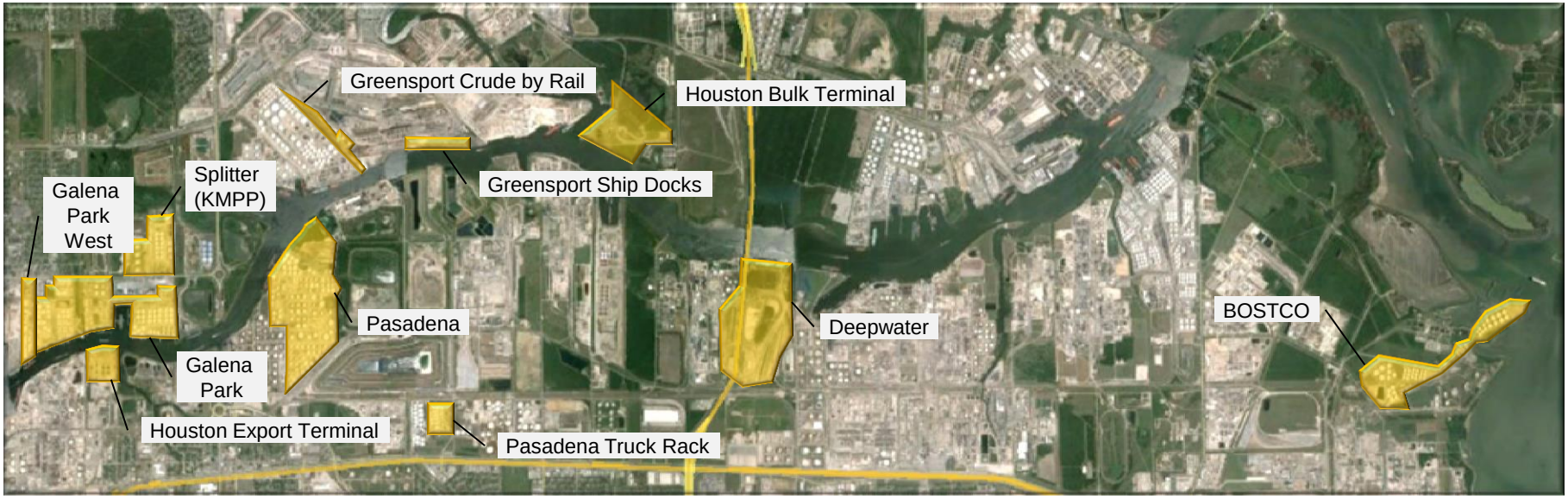
- **79% of liquids revenues secured by take-or-pay contracts**
  - Fixed monthly advanced lease payments for use of our assets
  - Monthly Warehousing Charge (MWC) tank capacity leases
  - Minimum throughput-based contracts
  - Marine charters
- **20% fee-based**
  - Ancillary fees: blending, additives and docks
  - Throughput fees: supported by local market demand

Houston Ship Channel

Market: World's largest integrated refined product terminaling system

Infrastructure: 43 million barrels of capacity connected to 10 refineries

Customers: Refiners, integrated majors, international traders, chemical producers, wholesale marketers



Fee-based revenues tied to tank leases

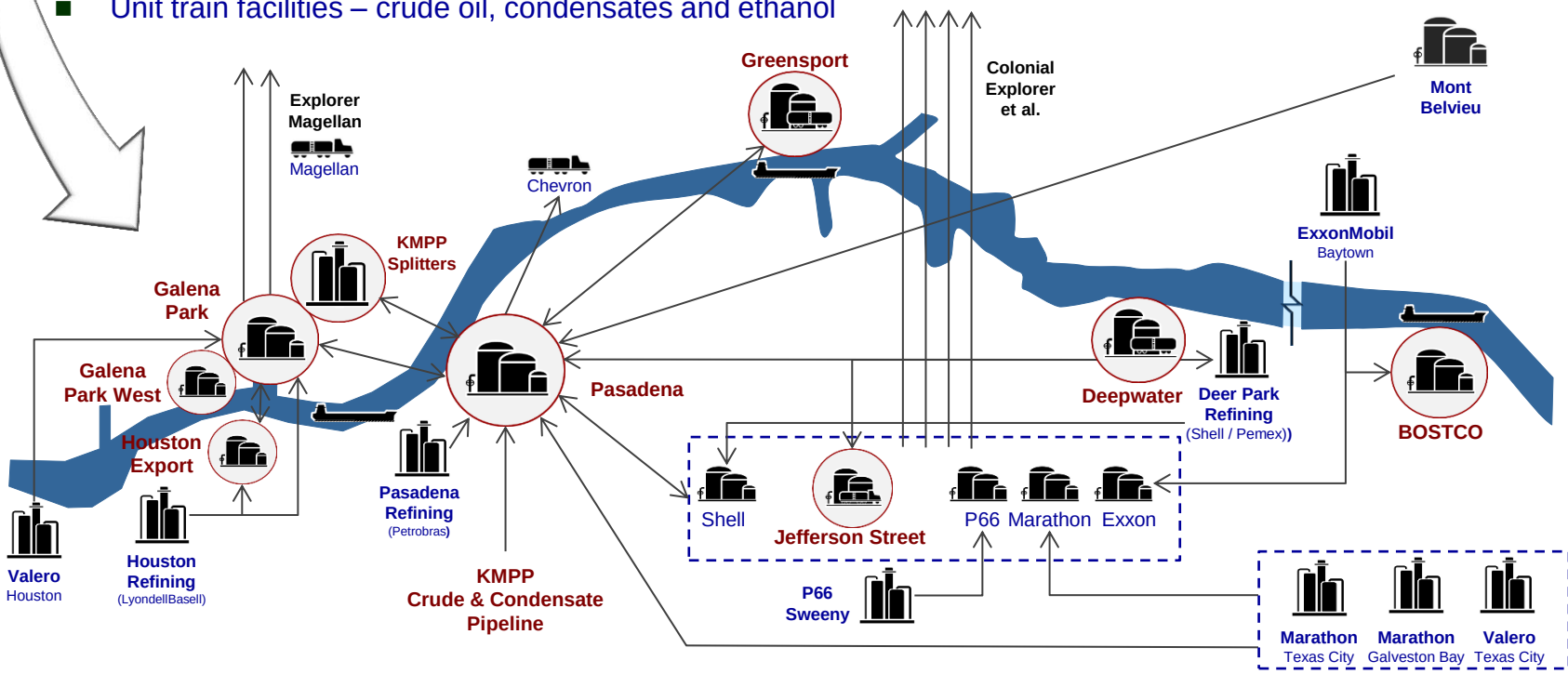
- Tank capacity under current lease: 100%
- Average remaining contract lease: 3.5 years[(a)]
- Top 5 customers: 36%[(b)]
- Top 10 customers: 53%[(b)]

(a) As of 1/1/2016 for petroleum liquids.
(b) Based on 2016 budgeted revenues.

Houston Ship Channel Connectivity

Irreplicable integrated assets offering unparalleled optionality and market access

- 20 inbound pipelines – 10 Houston area refineries and local chemical plants
- 15 outbound pipelines – Texas, mid-continent and east coast markets
- 14 cross-channel pipelines – interconnecting the system
- 12 barge docks – receipt and delivery of products and blendstocks
- 11 ship docks – serving export markets
- 9 bay truck rack – averaging 90 thousand Bbl/d of products to local Houston markets
- Unit train facilities – crude oil, condensates and ethanol

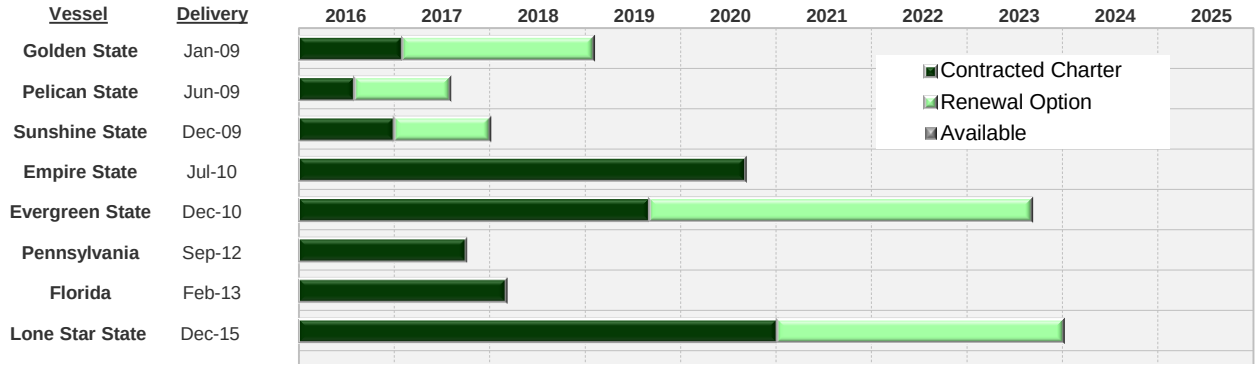


Tanker Contracts

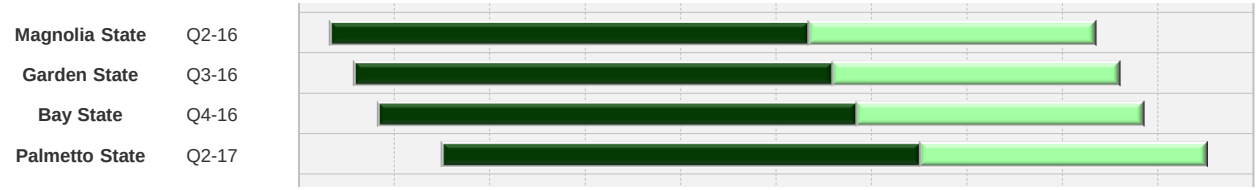
Average Remaining Contracted Charter: 3.6 years[(a)]

- 5.8 years with renewals
- 2 vessels being marketed for time-charter fixture – Q3/Q4 2017 delivery

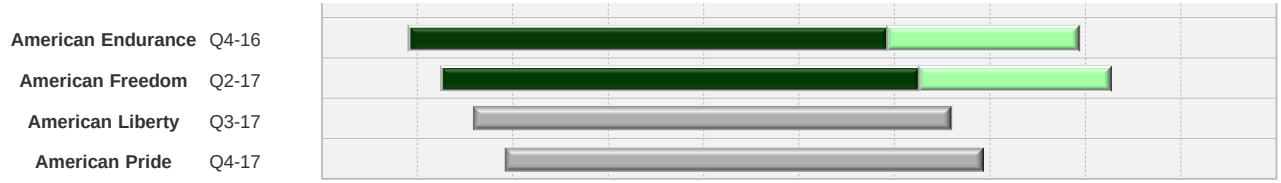
➢ Current Fleet:



➢ NASSCO Shipyard New Builds:



➢ Aker Shipyard New Builds:




Golden State


Pelican State


Sunshine State


Empire State


Evergreen State


Pennsylvania

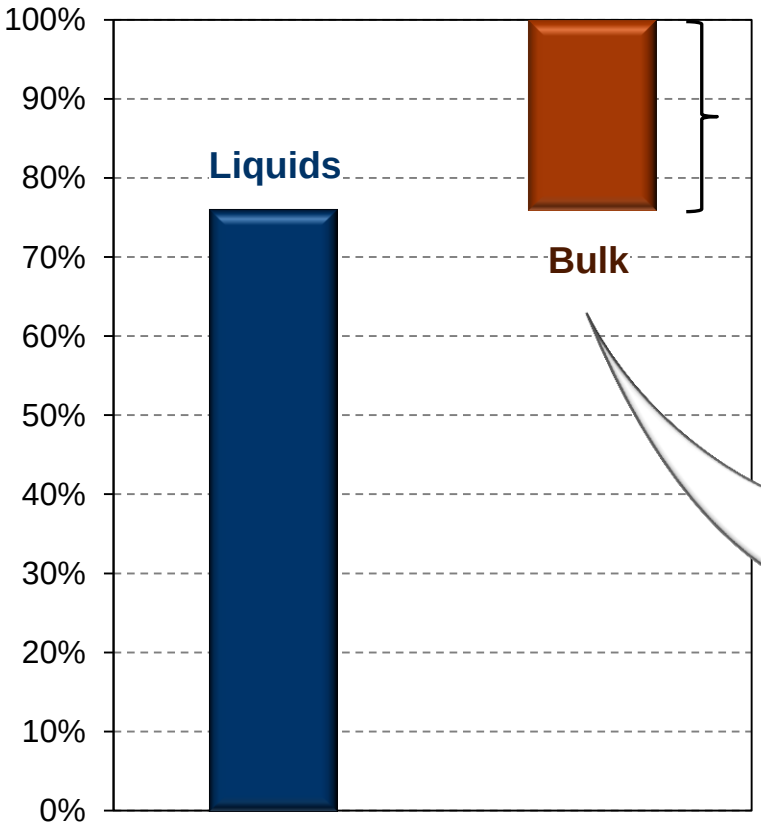

Florida


Lone Star State

(a) As of 1/1/2016 and excluding the two vessels being marketed.

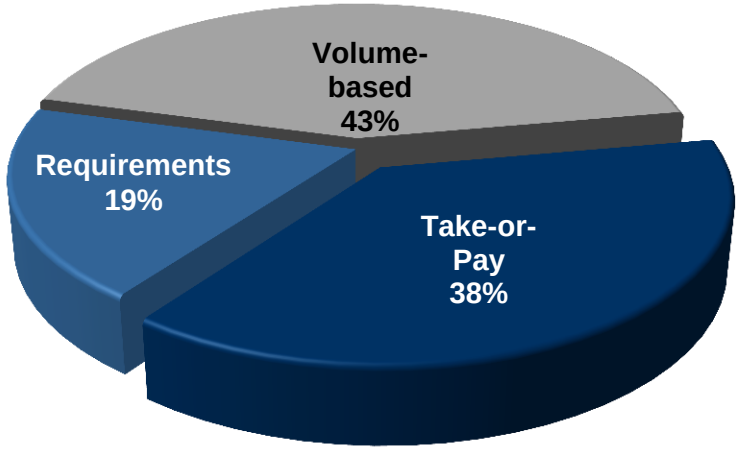
Bulk Terminals

- 24% of Segment EBDA before certain items is based on our bulk business segments



2016 Budgeted Segment EBDA before Certain Items

- **38% of revenues supported by Take-or-Pay contracts**
  - Minimum throughput commitments
- **19% are supported by requirements contracts**
  - Tied to either petroleum coke manufacture or steel production
- **43% are fee-based**
  - Volumetric per ton fees and ancillary services



Bulk Revenue

CO_2
Segment Outlook[(a)]

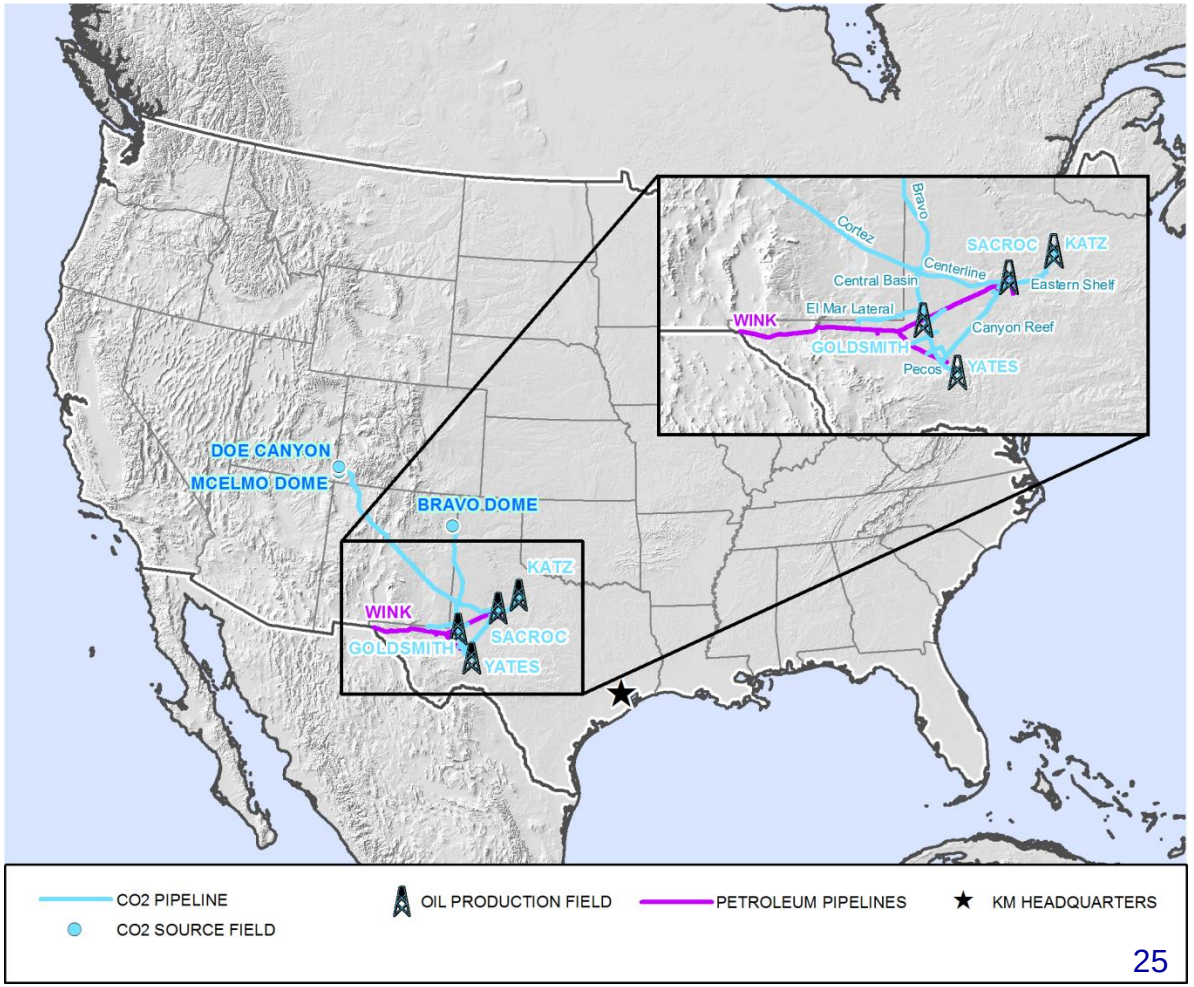
Own and operate best source of CO_2 for EOR

Long-term Growth Drivers:

- Demand for scarce supply of CO_2 drives volume and price
- Expect to maintain current CO_2 production levels with minimal incremental investment
- Billions of barrels of domestic oil still in place to be recovered in the Permian Basin, including KM operated fields

Project Backlog:

- Identified growth projects totaling $0.6 billion and $1.2 billion in S&T and EOR, respectively, over next five years[(b)], including:
  - S&T
    - Southwest Colorado CO_2 production
  - EOR
    - SACROC/ Yates/ Katz/ Goldsmith/ Tall Cotton (ROZ)



(a) EOR = Enhanced Oil Recovery, S&T = Source & Transportation
(b) Excludes acquisitions, includes KM share of non-wholly owned projects. Includes projects currently under construction.

2016 Projects – Price Sensitivity

IRR % vs Oil Price

$/Bbl	$30 flat	$40 flat	$50 flat	Forward Curve[(a)]
SACROC Infill	0%	9%	53%	31%
SACROC-Bypass	11%	30%	54%	52%
SACROC P5	0%	2%	19%	19%
Yates HDH	34%	66%	100%	100%
GLSAU 4a	0%	0%	7%	10%
Tall Cotton Ph 2	0%	8%	21%	27%

- **Forecasted operating costs do not incorporate further cost savings expected in a $40/Bbl or lower price environment**
- **Budgeted 2016 operating costs:**
  - SACROC = $18.24 /Bbl
  - Yates = $13.43 /Bbl

(a) Forward curve as of 12/11/2015.

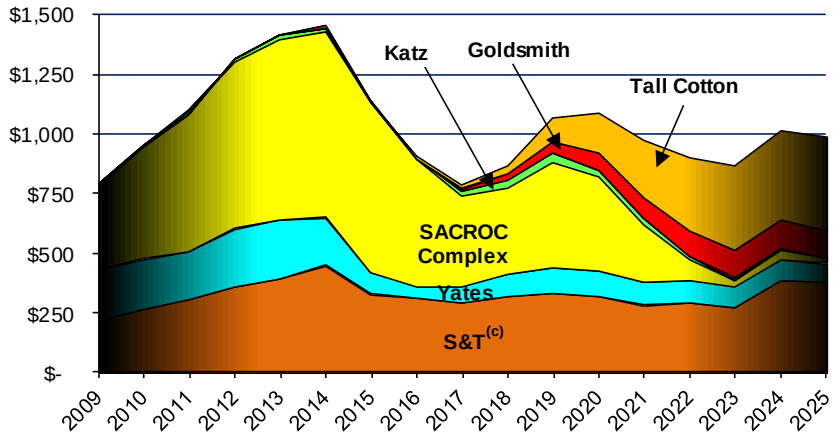
KM CO_2 Current Outlook

Development Plans 2016-2025

- **SACROC Group Forecast**
  - Continue platform development plan; production forecast is based on existing recovery expectations
  - Continue Bypass Pay development
  - Exploit infill program
- **Yates Group**
  - Continue HDH programs and gravity drainage depletion plan
  - Initiate 2 HCM pilots
- **Katz**
  - Continue conformance program
  - Optimize flood performance
- **GLSAU**
  - Continue conformance program
  - Continue impaired well reparations
- **Tall Cotton**
  - Evaluate pilot performance
  - Develop additional project prospects
- **CO_2 S&T**
  - Maintain capacity in existing source fields (McElmo and Doe Canyon)
  - Optimize production and increase efficiency
  - Manage source portfolio to be prepared for increase in demand

	10 Year		
	Net BOE[a] (MMBoe)	KM Share CapEx (MM) [d]	Cap CO_2 & Overhead (MM)
SACROC Complex	63	$802	$304
Yates Group	26	$221	$93
Katz	9	$37	$26
GLSAU	19	$404	$206
Tall Cotton	45	$1,363	$553
CO_2 S&T	-	$1,276	$115
Total	162	$4,103	$1,297

DCF ($MM)[b]



(a) Net BOE = Net Crude plus Net NGLs plus Net Residue Gas sold and thereafter divided by 6.
(b) 2016 = Budget, 2016 at $38/Bbl, 2017 at $45/Bbl, 2018 at $55/Bbl, 2019+ at $65/Bbl; cost metrics based on 2015 run rate; development plans may change in different price scenarios
(c) CO_2 profits not eliminated from S&T
(d) KM Share Capex is inclusive of Capitalized CO_2 and Capitalized OH

Kinder Morgan Canada

Segment Outlook

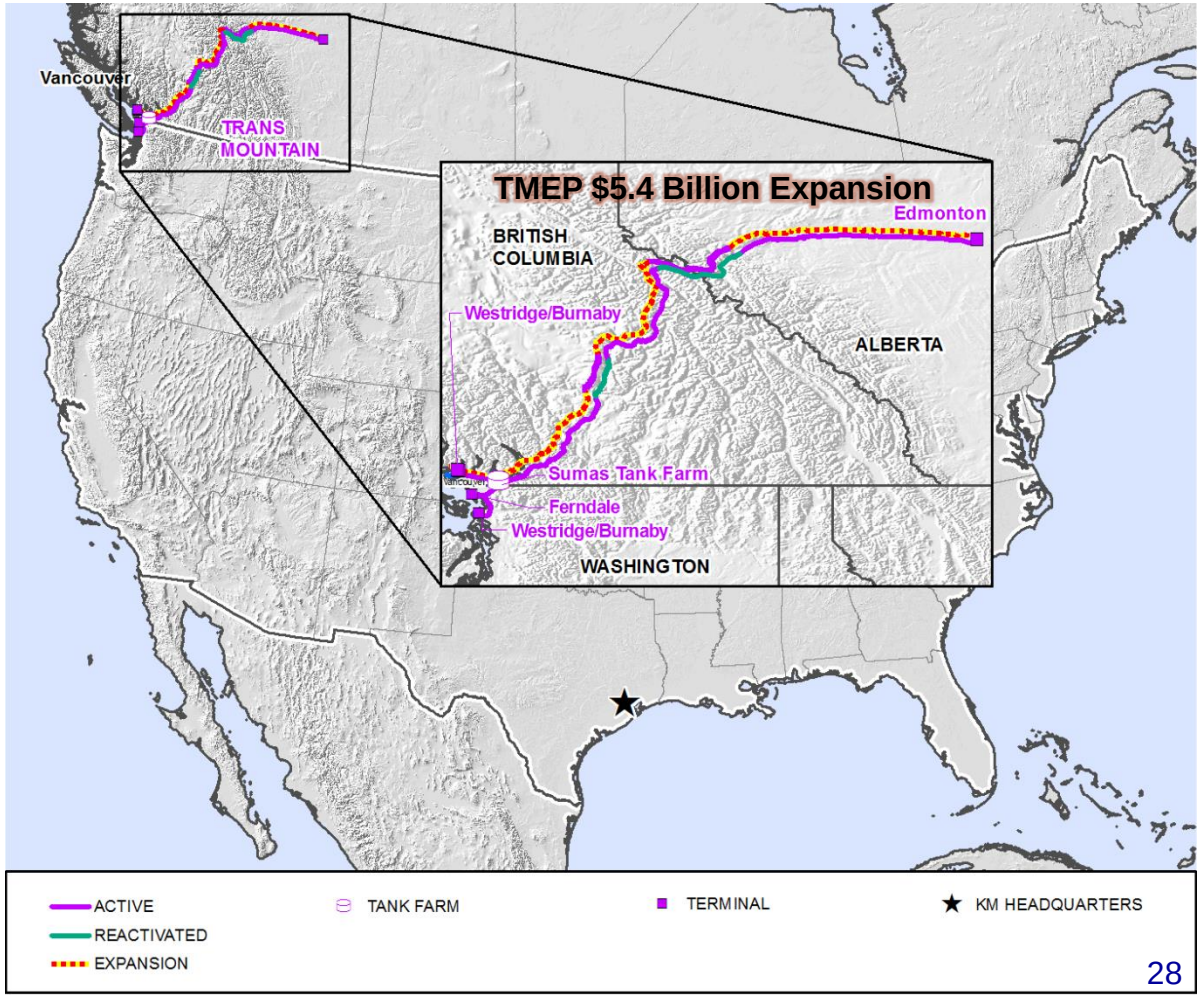
Sole oil pipeline from Oilsands to West Coast / export markets

Long-term Growth Drivers:

- Expand oilsands export capacity to West Coast and Asia
  - Following successful open season, major expansion plans under way
  - The Trans Mountain Pipeline Expansion Project (TMEP) more than doubles capacity, from 300 MBbl/d currently to approximately 890 MBbl/d
  - Strong commercial support from shippers with binding long-term 15 and 20 year contracts for 708 MBbl/d of firm transport capacity
  - Expected in-service end of 3Q 2019
- Expanded dock capabilities (Vancouver)
  - TMEP will increase dock capacity to over 600 MBbl/d
  - Access to global markets

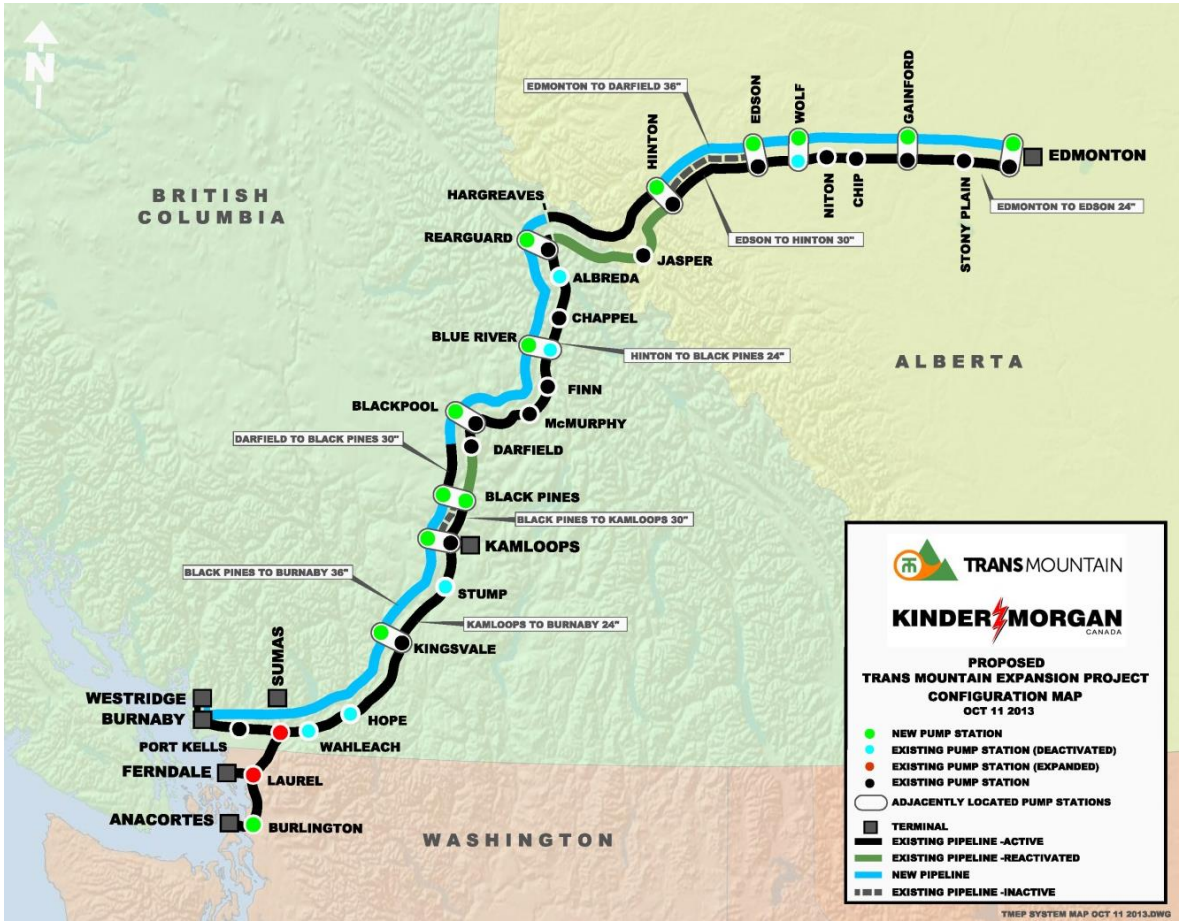
Project Backlog:

- USD $5.4 billion expansion of TMEP



Trans Mountain Expansion Project

- **Expansion to 890 MBbl/d**
  - Continue to serve local markets
  - 630 MBbl/d tanker export capacity
- **13 Companies, 708 MBbl/d**
  - Take-or–pay contracts, 15 & 20 years
  - Commercial Terms NEB approved May, 2013
- **Projected Cost USD $5.4B**
  - Some cost pass through protection
  - 615 miles new pipe
  - 12 new pump stations
  - 20 new tanks
  - 3 new tanker berths
- **Substantial development costs covered by existing contract revenues**
- **Timeline:**
  - NEB recommendation to Minister May, 2016
  - Final Federal decision anticipated August, 2016
  - Target in-service 3Q 2019




KINDER MORGAN
INC.

Financial Excellence

Kimberly Dang

Chief Financial Officer

Budget: Reconciliation of Original to Revised

(millions)

- On December 8, 2015, KMI announced a summary 2016 budget including DCF available to equity of slightly over $5 billion
- In light of continued commodity price declines and our efforts to continue high-grading our investment opportunities, we revised our 2016 budget
- Below are the primary changes from our original 2016 budget to our revised 2016 budget

DCF - original budget	2016 Budget
DCF available to equity	$ 5,101
Preferred dividend	(156)
Original DCF available to common	**$ 4,945**

Summary changes		Comments:
Commodity prices	$ (80)	- WTI: $50/Bbl to $38, Nat Gas: $3.00/MMcf to $2.50
FX	(23)	- CAD/USD from 0.80 to 0.72
Net impact from coal customer bankruptcy	(28)	
Interest and other	(27)	- Revised forward curve and miscellaneous other items
Capital and acquisition reductions	(97)	- Reduced EBDA, capitalized overhead and equity AFUDC
Total changes	**$ (255)**	

DCF - revised budget	
DCF available to equity	$ 4,846
Preferred dividend	(156)
Revised DCF available to common	**$ 4,690**

Expansion capital reconciliation	2016 Budget
Original expansion capex	$ 4,174
Reductions	(893)
Revised expansion capex	**$ 3,281**

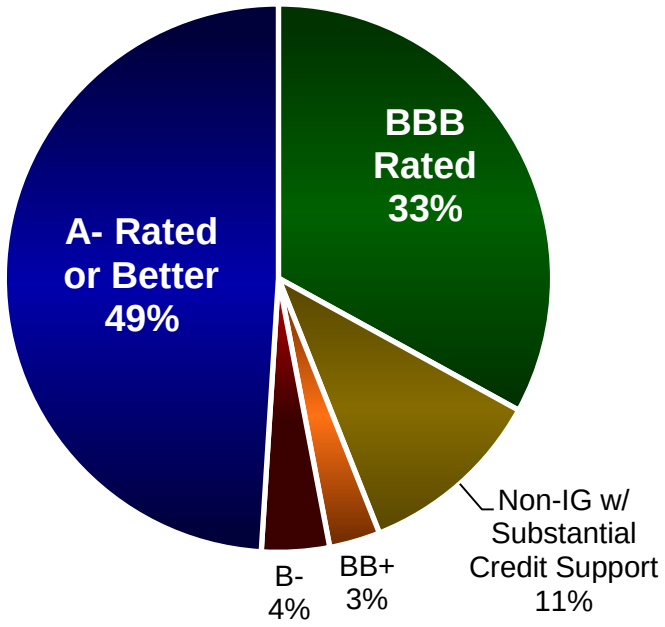
Note: Before certain items. See Appendix for defined terms and reconciliation to GAAP net income.

KMI Counterparty Exposure

Strong Customer Credit Profiles Limit KMI's Risk

Top 25 Customers[(a)]

- ***Top 25 Customers Represent Over 45% of KMI's Revenues***



Half of KMI's top Customers are A- Rated or Better; 82% of KMI's top Customers are Investment Grade

Insulated from Market Headwinds

- **Scale and Diversification Protect Cash Flows**
  - Best-in-class scale with $8.0 billion in Segment EBDA before certain items budgeted for 2016[(b)]
  - 2016 budgeted Segment EBDA before certain items[(b)] is 91% fee-based and 97% fee-based or hedged
  - Significant positions across infrastructure industries with diverse market dynamics
- **Low Customer Exposure[(a)]**
  - KMI's average customer represents less than 0.10% of annual revenue
  - Less than 25 customers individually represent >1% of annual revenues
  - Top 212 customers[(c)] represent ~87% of 2016 revenues; ~3% of these revenues come from customers with B- or lower ratings
- **Critical, Must-Run Assets**
  - Our assets connect non-liquid, low price producing areas to highly liquid, higher price end markets
  - LDCs, power producers, refiners, industrial users have critical need for products we transport and store

(a) Based on budgeted 2016 revenues including our share of unconsolidated joint ventures, net margin for our Texas Intrastate customers, and net of dock premiums for our Canadian customers. Company credit ratings per S&P and Moody's. The chart above uses S&P's equivalent rating symbols utilizing a blended rate for split-rated companies.
(b) Before certain items and includes KM-share of Certain Equity Investee DD&A.
(c) Customers who individually represent >$5 million of 2016 budgeted revenue.

Self-Reliant Funding

No Need to Access Capital Markets During 2016

(millions)

- Free cash flow and revolver can fully cover funding needs
- Recently completed $1 billion term loan and $1 billion upsize to our credit facility (now $5 billion facility) add liquidity and flexibility

Sources[a]	2016 Budget
DCF available to common stockholders	$ 4,690
Term Loan	1,000
Revolver Borrowing	377
Total Sources	**$ 6,067**

Uses[a]	2016 Budget
Dividends	$ 1,119
Growth CapEx	3,281
Debt Maturities	1,667
Total Uses	**$ 6,067**

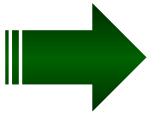
Note: Before certain items.
(a) Excludes changes in working capital.

5-year Growth Capex Program[(a)]

~$18.2B of Attractive, Fee-based Projects

- **World class asset footprint has helped secure growth projects with attractive returns, secured by long-term, fee-based contracts with creditworthy counterparties**
  - ~90% of backlog is for fee-based pipelines, terminals and associated facilities
  - ~$2.2 billion of incremental EBITDA expected to be generated from growth capex program, excluding CO_2[(b)]
  - Target at least 15% unlevered after-tax return to fund CO_2 projects
- **Due to current challenging capital markets, we are focused on further high-grading these investment opportunities**

Segment	Growth Projects[(a)] ($B)
Natural Gas Pipelines	$7.6
Products Pipelines	1.1
Terminals	2.3
CO_2 – S&T[(c)]	0.6
CO_2 – EOR[(c)]	1.2
KM Canada	5.4
Total	$18.2



Incremental EBITDA Generation

- ~$2.2 Billion excluding CO_2[(b)]
  - ~7.5x Multiple[(d)]
- Target 15% minimum after-tax return for CO_2

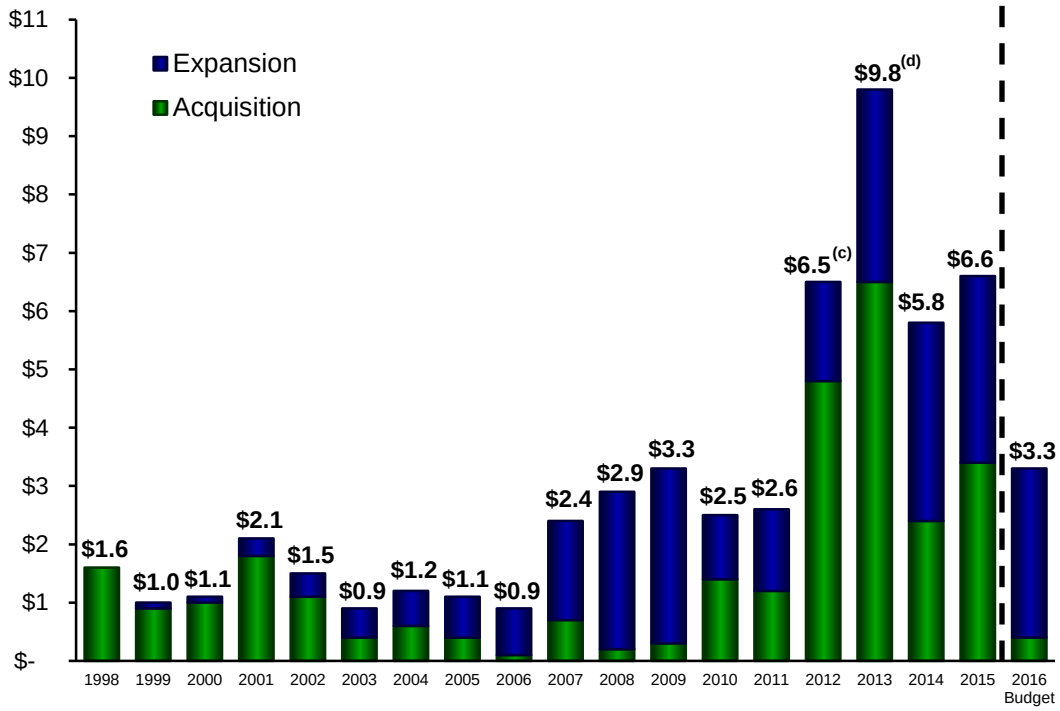
(a) 5-year growth project backlog primarily consists of projects in progress for which commercial contracts have been secured. Includes KM's proportionate share of non-wholly owned projects. Includes estimated capitalized corporate overhead of $835 million.
(b) Estimated first full-year EBITDA generated from fee-based pipelines, terminals and associated facilities. Excludes EBITDA from CO_2 projects. Includes roughly $175 million of EBITDA contribution in 2016 budget.
(c) S&T = CO_2 Source & Transportation. EOR = Enhanced Oil Recovery.
(d) Investment multiple calculated as total project cost divided by first full-year expected EBITDA.

Capital Invested

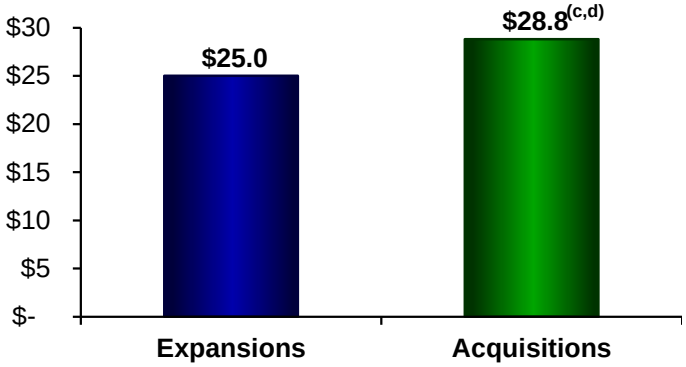
~$54 Billion of Asset Investment & Acquisitions Since Inception[a,c,d]

($ in billions)

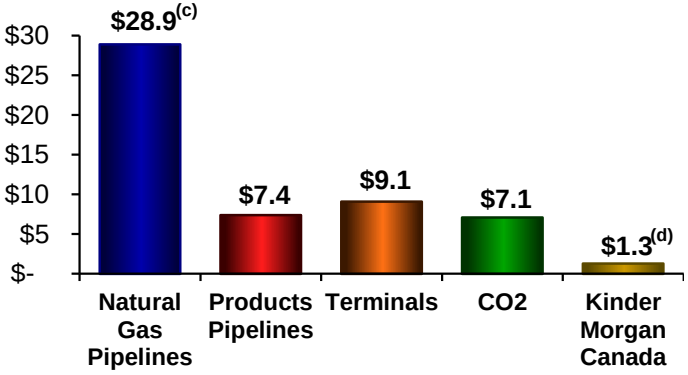
Total Invested by Year[b]



Total Invested by Type[a]



Total Invested by Segment[a]



Note: includes equity contributions to joint ventures.

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

(b) From 1997 inception through 2015; represents investment of KMP (1997-2014), EPB (2013-2014), and KMI (2015-2016B).

(c) Net of proceeds from FTC Rockies divestiture. Excludes ~$11.3 billion in EPB asset acquisitions prior to KMI's acquisition of El Paso, but which is included in our ROI calculation beginning in 2013.

(d) Net of proceeds from Express sale.

Returns on Invested Capital

Consistent Returns Demonstrate Asset Performance, Management Discipline

Segment ROI[a]:	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Natural Gas Pipes	13.3%	15.5%	12.9%	13.5%	14.0%	15.5%	16.7%	17.5%	16.9%	14.0%	11.9%	11.9%	11.9%	10.9%[b]	10.9%[b]	10.3%[b,c]
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	12.1	12.4	12.3	12.6
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	13.5	12.1	11.2	10.2
CO_2	27.5	24.6	22.0	21.9	23.8	25.7	23.1	21.7	25.4	23.1	25.3	25.9	28.1	25.9	22.8	16.2
KM Canada	--	--	--	--	--	--	--	11.0	12.1	12.8	13.7	14.1	16.3	14.8	11.5	9.7
Return on Investment	12.3%	12.7%	12.6%	13.1%	13.6%	14.3%	14.4%	14.1%	14.8%	13.9%	13.5%	13.5%	13.6%	11.9%	11.4%	10.3%
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%	24.0%	21.7%	20.2%	14.3%

Notes: Reflects KMP (2000–2012), KMP and EPB (2013–2014) and KMI (2015). A definition of these measures may be found in the Appendix to this presentation.

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

(b) Includes EPB assets. The denominator includes approximately $1.1 billion in REX capital not recovered in Nov-2013 sale price (i.e., leave behind). Excluding the leave behind cost would increase the Natural Gas Pipes-ROI to 11.3%, 11.2% and 10.5% in 2013, 2014 and 2015, respectively.

(c) Includes NGPL and Citrus investments.

Cost & Allocation of Capital

Disciplined Capital Allocation

- **Our historical targeted minimum after-tax, unlevered project return was 8-12% for pipelines and terminals and higher for CO_2**
  - Assumed unlimited capital for returns that met thresholds
  - Targeted highest available return

- **However, in the current environment, we will:**
  - Require significantly higher returns before committing additional capital
  - Live within our cash flow / ration capital
  - Seek to allocate capital to highest risk-adjusted returns
  - Continue to high-grade our backlog

- **To the extent we have excess cash flow, we will:**
  - Pay down debt and/ or increase dividends and/ or repurchase shares
  - Invest in high return midstream investment opportunities and/ or acquisitions

2016 Budget Guidance

Supported by Diversified, Fee-based Cash Flow

2016 Budget

- **KMI 2016 budgeted distributable cash flow available to common shareholders of $4.7 billion**
  - 2016 declared dividend of $0.50 per share
  - ~$3.6 billion of cash in excess of dividend
- **Growth capex of $3.3 billion in expansions, JV contributions, and acquisitions**
- **Segment EBDA before certain items of $8.0 billion[(a)]**
- **Year-end 2016 net debt to Adjusted EBITDA ratio of 5.5x**
- **2016 budget assumes WTI oil price of $38/Bbl and natural gas price of $2.50/MMBtu[(b)]**
  - $1/Bbl change in oil price = ~$6.5 million DCF impact
  - 10¢/MMBtu change in natural gas price = ~$0.6 million DCF impact
  - 1% change in NGL/WTI ratio = ~$2.0 million DCF impact

Commodity Price Sensitivity

- 2016 budgeted coverage of $3.6 billion over declared dividends
- Expected 2016 coverage under various commodity price scenarios:

		WTI Oil Price ($/Bbl)				
		$60	$50	**$38**	$30	$20
Natural Gas Price ($/MMBtu)	$3.00	$3,717	$3,652	$3,574	$3,522	$3,457
	$2.75	$3,715	$3,650	$3,572	$3,520	$3,455
	$2.50	$3,714	$3,649	**$3,571**	$3,519	$3,454
	$2.25	$3,712	$3,647	$3,569	$3,517	$3,452
	$2.00	$3,711	$3,646	$3,568	$3,516	$3,451
	$1.75	$3,709	$3,644	$3,566	$3,514	$3,449

- Sensitivities based on **full-year** average price changes from budget
- Sensitivities intended to be an approximation only

Note: Before certain items. See Appendix for defined terms and reconciliation to GAAP net income.

(a) Before certain items and includes KM-share of Certain Equity Investee DD&A.

(b) Natural Gas Midstream sensitivity incorporates current hedges, assumes same directional move in oil and gas prices, ethane rejection, no change in ethane frac spread, and assumes other NGL prices maintain same relationship with oil prices.

2016 Budgeted Distributable Cash Flow (DCF)

(millions, except per share)

Distributable cash flow	2016 Budget	2015 Actual	Change $	Change %
Net Income before certain items [a]	$ 1,752	$ 1,649	$ 103	6%
DD&A, including KMI share of JV DD&A [b]	2,620	2,683	(63)	-2%
Book taxes [c]	1,100	976	124	13%
Cash taxes [d]	(74)	(32)	(42)	131%
Noncontrolling interest	(22)	(18)	(4)	22%
Sustaining capex incl. KMI share of JV sustaining capex [e]	(574)	(565)	(9)	2%
Other [f]	44	32	12	38%
Total distributable cash flow available to equity	4,846	4,725	121	3%
Preferred stock dividends	(156)	(26)	(130)	500%
Total distributable cash flow available to common stock	**$ 4,690**	**$ 4,699**	**$ (9)**	**0%**
Average fully-diluted shares outstanding [g]	2,238	2,200	38	2%
DCF per share	$ 2.10	$ 2.14	$ (0.04)	-2%
Declared dividend per share	$ 0.50	$ 1.61	$ (1.11)	-69%
Excess coverage	**$ 3,571**	**$ 1,181**	**$ 2,390**	**202%**

Note: Before certain items. See Appendix for defined terms and reconciliation to GAAP net income.

(a) 2016 column represents adjusted net income before certain items which also does not include projections for 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 contingent liabilities.

(b) Includes KMI share of Certain Equity Investee DD&A, $351 and $323 million in 2016 and 2015, respectively.

(c) Includes KMI's share of c-corporation equity method investees' book taxes of $81 and $72 million in 2016 and 2015, respectively.

(d) Includes KMI's share of c-corporation equity method investees' cash taxes of $66 and $19 million in 2016 and 2015, respectively.

(e) Includes KMI share of Certain Equity Investee sustaining capital expenditures, $90 and $70 million in 2016 and 2015, respectively.

(f) Primarily non-cash compensation associated with our restricted stock program.

(g) 2015 includes 7 million average unvested restricted shares that contain rights to dividends and 6 million shares due to dilutive impact from warrants under treasury stock method. 2016 includes 9 million average unvested restricted shares that contain rights to dividends.

2016 Budgeted Adjusted Income

(millions, except per share)

Earnings	2016 Budget	2015 Actual	Change $	Change %
Natural Gas Pipelines	$ 4,220	$ 4,125	$ 95	2%
CO_2	916	1,141	(225)	-20%
Products Pipelines	1,232	1,096	136	12%
Terminals	1,195	1,055	140	13%
Kinder Morgan Canada	156	163	(7)	-4%
Corporate / Other	(30)	(18)	(12)	67%
Segment EBDA before certain items	7,689	7,562	127	2%
Book DD&A	(2,269)	(2,360)	91	-4%
G&A	(640)	(628)	(12)	2%
Interest expense	(2,079)	(2,082)	3	0%
Pre-tax income	2,701	2,492	209	8%
Book taxes [(a)]	(949)	(843)	(106)	13%
Net Income before certain items [(b)]	1,752	1,649	103	6%
Noncontrolling interest	(22)	(18)	(4)	22%
Net income attributable to KMI before certain items	1,730	1,631	99	6%
Preferred stock dividends	(156)	(26)	(130)	n/m
Net income to common stockholders before certain items	**$ 1,574**	**$ 1,605**	**$ (31)**	**-2%**
Earnings per share				
Average fully-diluted shares outstanding [(c)]	2,238	2,200	38	2%
Fully-diluted adjusted EPS [(d)]	$ 0.70	$ 0.73	$ (0.03)	-4%
Segment EBDA before certain items plus JV DD&A				
Natural Gas Segment EBDA before certain items plus JV DD&A[(e)]	$ 4,551	$ 4,435	$ 116	3%
Segment EBDA before certain items plus JV DD&A[(f)]	$ 8,040	$ 7,885	$ 155	2%

Note: Before certain items. See Appendix for defined terms and reconciliation to GAAP net income.

(a) Excludes certain book taxes reflected above in Segment EBDA before certain items of $70 and $61 million in 2016 and 2015, respectively.

(b) 2016 column represents adjusted net income before certain items which also does not include projections for 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 contingent liabilities.

(c) 2015 includes 7 million average unvested restricted shares that contain rights to dividends and 6 million shares due to dilutive impact from warrants under treasury stock method. 2016 includes 9 million average unvested restricted shares that contain rights to dividends.

(d) Fully-diluted adjusted EPS based on Net Income attributable to common shareholders before certain items.

(e) Includes Natural Gas Pipelines share of Certain Equity Investee DD&A, $331 and $310 million in 2016 and 2015, respectively.

(f) Includes KMI share of Certain Equity Investee DD&A, $351 and $323 million in 2016 and 2015, respectively.

2016 Budgeted Adjusted EBITDA

(millions)

Adjusted EBITDA	2016 Budget	2015 Actual	Change $	Change %
Segment EBDA before certain items	$ 7,689	$ 7,562	$ 127	2%
Natural Gas Pipelines JV DD&A	331	310	21	7%
Products Pipelines JV DD&A	7	7	-	0%
Terminals JV DD&A	13	6	7	117%
Segment EBDA before certain items plus JV DD&A	**8,040**	**7,885**	**155**	**2%**
Segment taxes[(a)]	151	133	18	14%
Noncontrolling interest	(22)	(18)	(4)	22%
Corporate G&A	(640)	(628)	(12)	2%
Adjusted EBITDA plus JV DD&A	**$ 7,529**	**$ 7,372**	**$ 157**	**2%**

Note: Before certain items. See Appendix for defined terms and reconciliation to net income.
(a) Includes KM-share of c-corp equity method investees' book taxes.

2016 Budgeted Quarterly Profile

(millions, except per share)

Segment EBDA before certain items plus JV DD&A[a]	Q1	Q2	Q3	Q4	Total
2016 Budget	26%	23%	24%	27%	$ 8,040
2015	26%	24%	24%	26%	$ 7,885
Distributable cash flow[b]					
2016 Budget	26%	22%	23%	29%	$ 4,690
2015	26%	24%	24%	26%	$ 4,699
Fully-diluted earnings per share (EPS)[c]					
2016 Budget	27%	20%	23%	30%	$ 0.70
2015	27%	22%	22%	29%	$ 0.73

Note: Before certain items. Not restated for KMI combination transaction.

(a) Includes KMI share of Certain Equity Investee DD&A.

(b) Includes KMI share of Certain Equity Investee DD&A and reduced by KMI share of Certain Equity Investee sustaining capital expenditures.

(c) 2016 row represents fully diluted adjusted earnings per share based on 2016 adjusted net income available to common stockholders before certain items which also does not include projections for 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 contingent liabilities.

2016 Budget Assumptions/ Highlights

Business segments[(a)]

- **Natural Gas Pipelines +3%:**
  - Growth driven by TGP expansion projects, full year of Hiland Midstream acquisition, Elba Express expansions and additional interest in NGPL
  - Growth partially offset by expiring contracts (KinderHawk, Cheyenne Plains, Trans Colorado), contract buyout (KM Louisiana), CIG rate case
- **CO_2 (20%):**
  - Decrease driven by price
  - Oil & Gas: oil volumes net (~800) Bbl/d; unhedged price = $38/Bbl
  - S&T: CO_2 price decline, Net volumes ~+3%
- **Terminals +14%:**
  - Roughly 80% of growth from expansion projects and base business
  - Roughly 20% of growth from acquisitions (primarily BP)
  - Expansions: Tankers, Edmonton and Gulf
  - Steel and coal flat
- **Products Pipelines +12%:**
  - Increased commitments on KMCC/ Double Eagle due to expansions, full year condensate splitter, full year impact of Double H plus higher volumes (contractual commitments with make-up rights)
  - Increased refined products volumes
- **Kinder Morgan Canada (4%):**
  - Weaker Canadian dollar budgeted for 2016 offsets modest increase in base business
  - CAD/ USD exchange rate = 0.72x; average rate for the year

Interest expense

- **3-mo LIBOR: ~0.90%:**
  - Average rate for the year, based on approximate forward curve at time of revised budget

Cash taxes

- **Not expected to be a U.S. federal cash tax payer in 2016**

(a) Business segment percentage increase / (decrease) is 2015A to 2016B change in Segment EBDA before certain items and including JV DD&A.

2016 Cash Tax Budget Calculation Detail

(millions)

	2016 Budget
Segment EBDA before certain items	$ 7,689
Noncontrolling interest	(22)
JV earnings from c-corps	(161)
JV distributions from c-corps (net of 80% DRD)	30
JV Book DD&A (pass-thru entities)	227
G&A expense	(640)
Interest expense	(2,079)
Segment book taxes	70
Book capex items expensed for tax purposes[(a)]	(573)
Tax depreciation from year-end 2014 basis	(4,891)
Tax depreciation for post-2014 assets	(296)
Other items	(98)
Taxable income	**$ (744)**

KMI U.S. federal cash taxes	$ -
Other cash taxes[(b)]	74
Total cash taxes	**$ 74**

Note: Before certain items.

(a) Includes certain sustaining capex, interest during construction, capitalized CO_2, intangible completion costs, and capitalized overhead which can be expensed for tax purposes.

(b) Includes cash taxes for (i) our share of Plantation, Citrus, and NGPL (ii) our bulk terminals held in corporate subsidiaries, (iii) Texas margin tax and other state income taxes and (iv) foreign taxes.

2016 Budgeted Sustaining Capital

(millions)

Sustaining capital expenditures[(a)]	2016 Budget	2015 Actual	Change
Natural Gas Pipelines	$ 309	$ 283	$ 26
CO_2	12	10	2
Products Pipelines	48	57	(9)
Terminals	163	159	4
Kinder Morgan Canada	28	42	(14)
Corporate / Other	14	14	(0)
Total sustaining capital	**$ 574**	**$ 565**	**$ 9**

Note: Before certain items.
(a) Includes KMI share of Certain Equity Investee sustaining capital expenditures, $90 and $70 million in 2016 and 2015, respectively.

2016 Budgeted Growth Capital

(millions)

Growth capital[(a)]	2016 Budget	2015 Actual
Natural Gas Pipelines	$ 1,565	$ 1,528
CO_2 - S&T	9	163
CO_2 - EOR	213	449
Products Pipelines	344	431
Terminals	935	854
Kinder Morgan Canada	215	105
Corporate/Other	-	2
Subtotal - growth capital excl. large acquisitions[(a)]	3,281	3,532
Hiland Midstream	-	3,058
Total growth capital	**$ 3,281**	**$ 6,590**

2016 budgeted growth capital fully funded by operating cash flow, no requirement to access capital markets

(a) Includes JV Contributions of $284 and $125 million, small acquisitions of $380 and $358 million (net of divestitures and proceeds from new JVs) and inclusion capital of $23MM and $19MM, for 2016 and 2015, respectively.

Credit Ratios and Liquidity[a]

($ in millions)

Leverage metrics	2012	2013	2014	2015	2016 Budget
Net debt[b] to Adjusted EBITDA	**5.4x**	**5.0x**	**5.5x**	**5.6x**	**5.5x**
Adjusted EBITDA to interest	4.0x	3.9x	4.1x	3.5x	3.6x

Revolver capacity[c]	
Committed revolving credit facility	$ 4,000
Less:	
CP / Revolver borrowing	-
Letters of credit	(115)
Excess capacity	**$ 3,885**

Long-term debt maturities[d]	
2016	$ 1,667
2017	3,059
2018	2,327
2019	3,817
2020	2,200

Note: As of 12/31/2015. Before certain items.
(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.
(c) KMI corporate revolver increased to $5 billion on 1/26/2016 (maturity in November 2019).
(d) 5-year maturity schedule of annual aggregate long-term debt principal. Excludes corporate revolver and $1 billion term loan maturing 2019.

Financial Excellence

- Disciplined capital allocation
- Strong return on investments
- Hedge direct commodity exposure
- Maintain strong balance sheet
- Transparency to investors

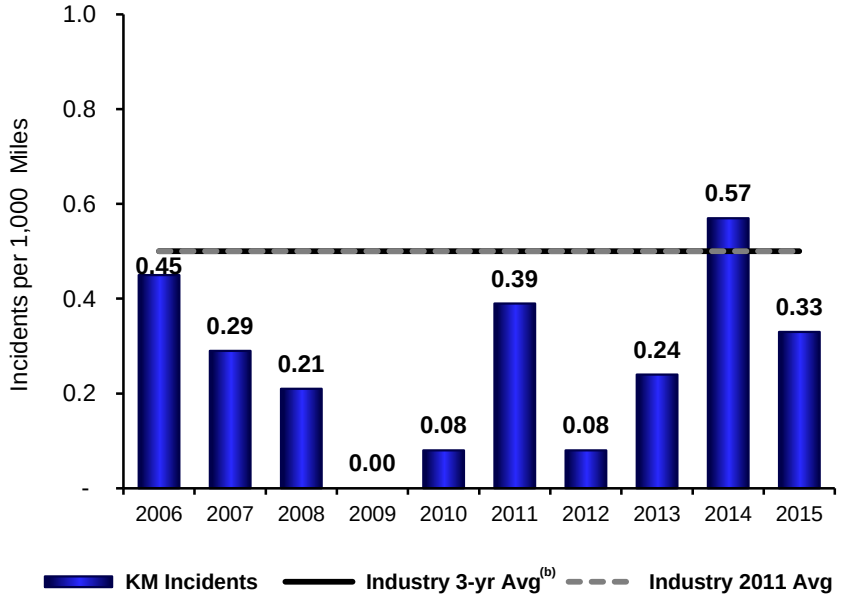

KINDER MORGAN
INC.

Appendix

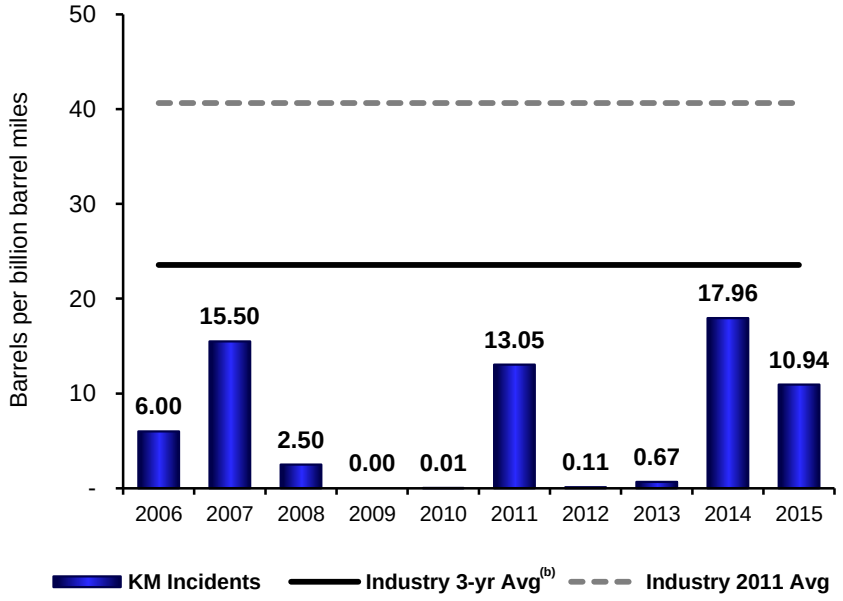
Incidents & Releases

Liquids Pipeline Right-of-way

Liquids Pipelines Incidents per 1,000 Miles[(a)]



Liquids Pipelines Release Rate[(a)]



Note: KM totals exclude non-DOT jurisdictional CO_2 Gathering and Crude Gathering for compatibility with industry comparisons.

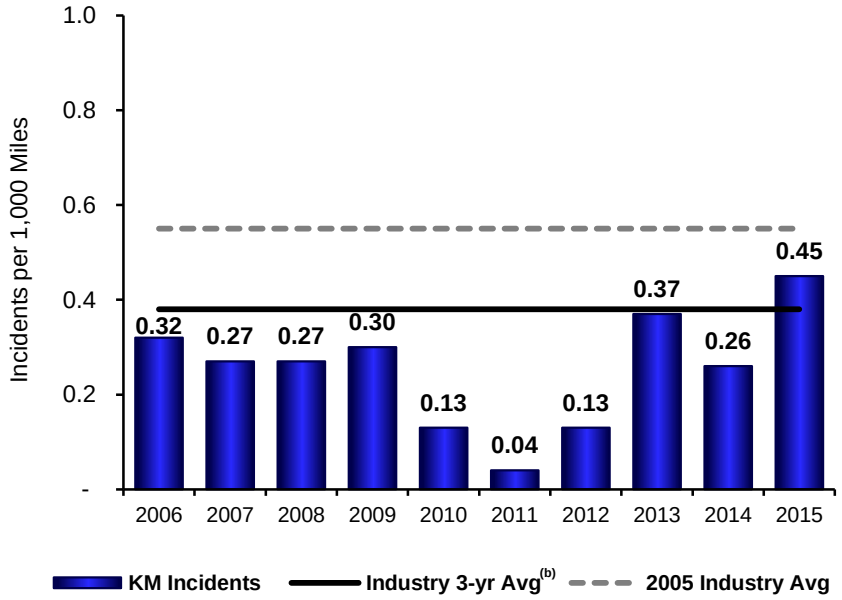
(a) Failures involving onshore pipelines that occurred on the ROW, including valve sites, in which there is a release of the liquid or carbon dioxide transported resulting in any of the following:
- (1) Explosion or fire not intentionally set by the operator.
- (2) Release 5 barrels or greater. (NOTE: PHMSA does not record system location for releases less than 5 barrels)
- (3) Death of any person.
- (4) Personal injury necessitating hospitalization.
- (5) Estimated property damage, including cost of clean-up and recovery, value of lost product, and damage to the property of the operator or others, or both, exceeding $50,000; not included: natural gas transportation assets.

(b) 2012–2014 most recent PHMSA 3-yr average available.

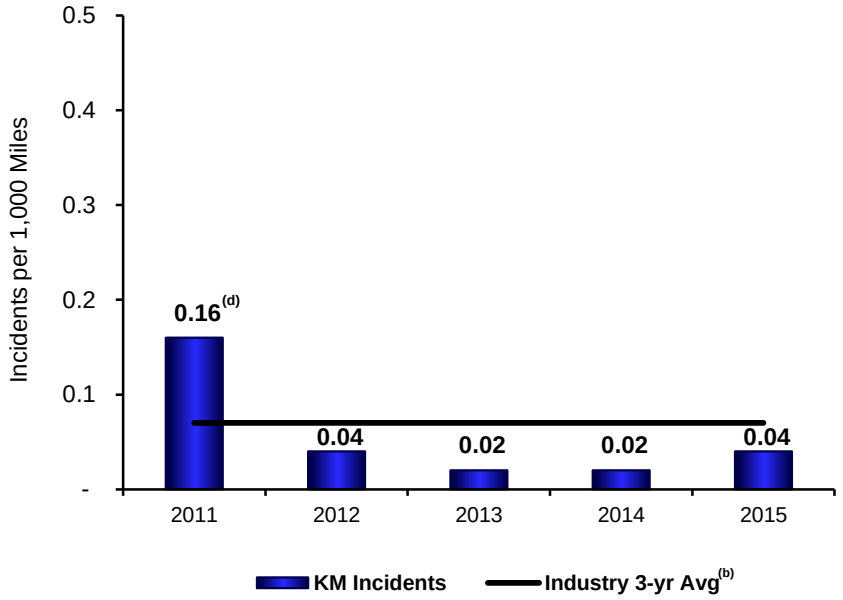
Incidents & Releases

Natural Gas Pipeline Right-of-way

Natural Gas Pipelines Incidents Rate All Reportable Incidents[a]



Natural Gas Pipelines Incidents Rate Onshore Ruptures-only[c]



(a) Excludes El Paso and Copano assets in periods prior to acquisition (El Paso 5/25/2012, Copano 5/1/2013). An Incident means any of the following events:
- (1) An event that involves a release of gas from a pipeline, or of liquefied natural gas, liquefied petroleum gas, refrigerant gas, or gas from an LNG facility, and that results in one or more of the following consequences:
  - i. A death or personal injury necessitating in-patient hospitalization; or
  - ii. Estimated property damage of $50,000 or more, including loss to the operator and others, but excluding cost of gas lost (2010 and earlier rates include cost of gas lost)
  - iii. Unintentional estimated gas loss of 3 million cubic feet or more.
- (2) An event that results in an emergency shutdown of an LNG facility.
- (3) An event that is significant, in the judgment of the operator, even though it did not meet the criteria of paragraphs (1) or (2) above.

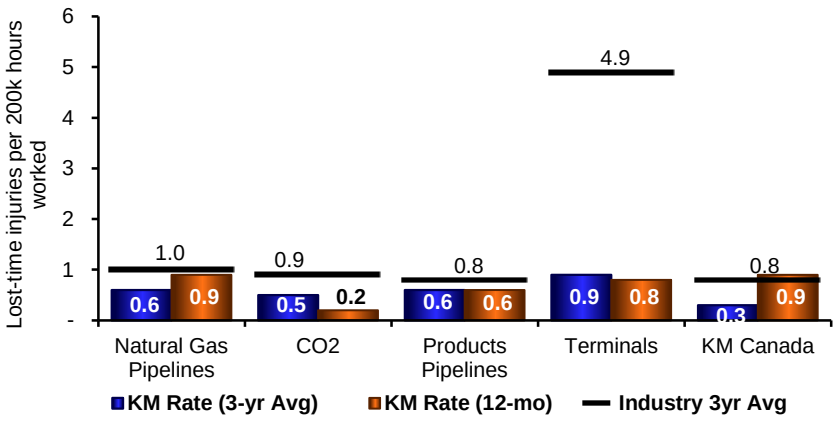
(b) 2012–2014 most recent PHMSA 3-yr average available.

(c) Rupture defined as a break, burst, or failure that exposes a visible pipeline fracture surface.
- (1) Kinder Morgan rupture rates calculated using 2014 pipeline mileage.
- (2) Industry rate excludes Kinder Morgan data.

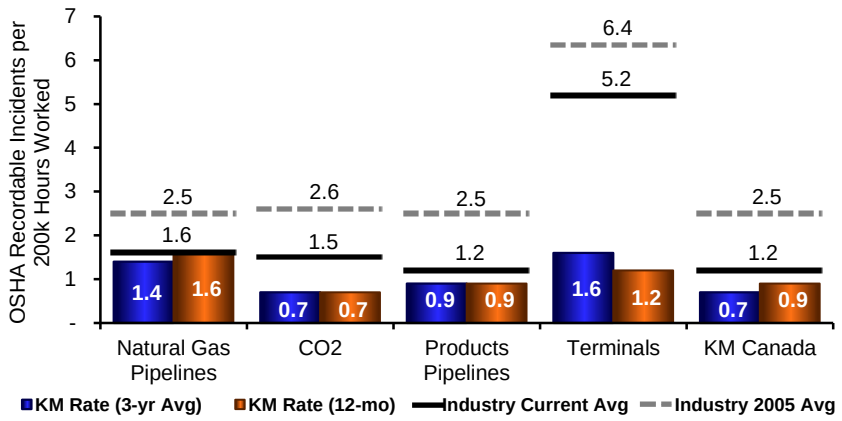
(d) All Kinder Morgan ruptures occurred on legacy El Paso facilities prior to the Kinder Morgan acquisition.

Employee Safety Statistics[a]

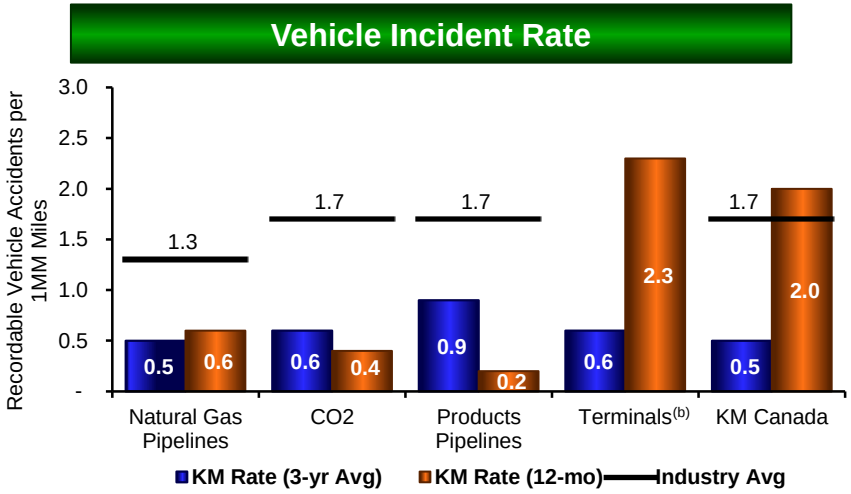
KM Lost-time Incident Rate (DART)



OSHA Recordable Incident Rate



Vehicle Incident Rate



(a) 12-month safety performance summary as of 12/31/2015.
(b) Industry average not available for Terminals.

KINDER MORGAN INC.

Business Segments
Supporting Slides

KINDER MORGAN INC.

Natural Gas Segment
Projects Placed Into Service - 2015

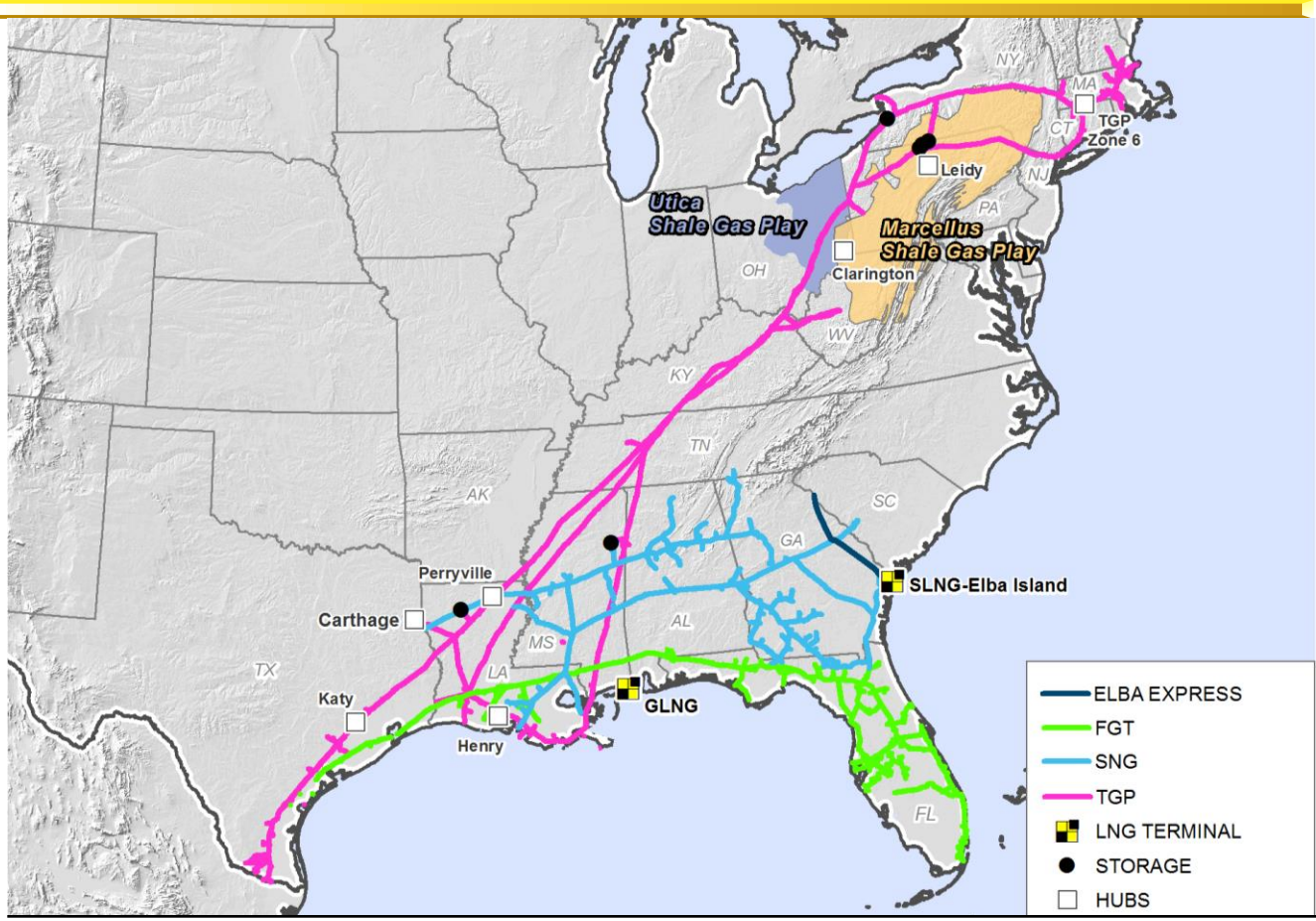
Region	Asset	Project	In-service Date	Capacity	Capital, KM Share ($MM)	EBITDA ($MM)
East	TGP	Broad Run Flexibility	11/2015	590 MDth/d	352.8	
		Niagara Expansion	11/2015	158 Dth/d	24.5	
		Station 245 HP Replacement	11/2015	23 MDth/d (winter only)	7.3	
		South System Flexibility	1/2015 & 12/2015	350 MDth/d	50.8	
	SNG	MGAG Expansion	12/2015	3.3 MDth/d	2.7	
West	CIG	Lucerne Meter Station Expansion	4/2015	150 MDth/d	1.4	
	EPNG	TGS Line 20121 Extension	6/2015	33 MDth/d	6.2	
		Washington Ranch Storage Expansion	10/2015	4 Bcf	6.9	
Midstream	Texas Intrastate	Hill Country Pipeline Expansion	2Q 2015	160 MDth/d	10.7	
		DCP Goliad Plant Residue Lateral	3Q 2015	160 MDth/d	33.9	
		NRG Robinson Power Plant Interconnect	11/2015	101 MDth/d	7.5	
	Gathering/ Other	Altamont Bluebell Loop and East Station Expansion	1Q 2015	6 MDth/d	9.8	
		Boardwalk to Liberty Y Grade Pipeline	1Q 2015	15 MBbl/d	16.9	
		Oklahoma Processing Optimization	3Q 2015	14.3 MMcf/d	8.0	
		Eagle Ford Fractionation Outlet	4Q 2015	30 MBbl/d	31.7	
		Cable Station Compression/ Treating/ Discharge Pipeline	10/2015	50 MMcf/d	19.0	
		Well / market connects	Throughout 2015	Various	70.2	
		Other system expansions	Throughout 2015	Various	201.5	
				Total Gas Pipeline Group	861.8	196

KINDER MORGAN INC.

East Region Assets

Growth Drivers:

- Marcellus/Utica: TGP provides access for Marcellus and Utica shale plays to Gulf Coast and Northeast markets
- NE/Canada Demand: New gas service and conversions in New England and Canada
- Power Demand: New infrastructure required for growing gas-fired power generation
  - East Region growth by 2020 for gas = 0.8 Bcf/d[(a)], driven by:
    - Gas-fired power demand growth in the Northeast and Southeast
    - Economic/environmental replacement of coal/oil generation
- LNG Export: New infrastructure requirements drive opportunity
  - Elba Island Terminal
  - 6 Bcf/d of demand from 5 announced LNG liquefaction projects near TGP
  - Additional indirect throughput for KM pipes in the region
- Mexico Exports: Demand on TGP to deliver shale volumes to Mexico
- Industrial Demand: TGP and SNG positioned to supply new industrial plants
- Storage Demand: Significant storage capacity for new power demand and LNG variability



Asset (KM ownership shown if not 100%)	Miles	Capacity (Bcf/d)	Storage (Bcf)	Avg. Remaining Contract Term (Yrs)	Effective Date of Next Rate Case
Tennessee Gas Pipeline (TGP)	11,800	9.7	99	6.3 / 4.3[(b)]	NA
Southern Natural Gas (SNG)	6,900	3.9	68	5.4 / 1.8[(b)]	9/1/2018
Elba Express (EEC)	200	1.0	-	22.2	NA
Florida Gas Transmission (FGT, 50%)	5,300	3.6	-	10.3	NA
Elba Island LNG (SLNG)	-	1.7	11.5	16.8	NA
Gulf LNG (GLNG, 50%)	5	1.5	6.6	15.8	NA

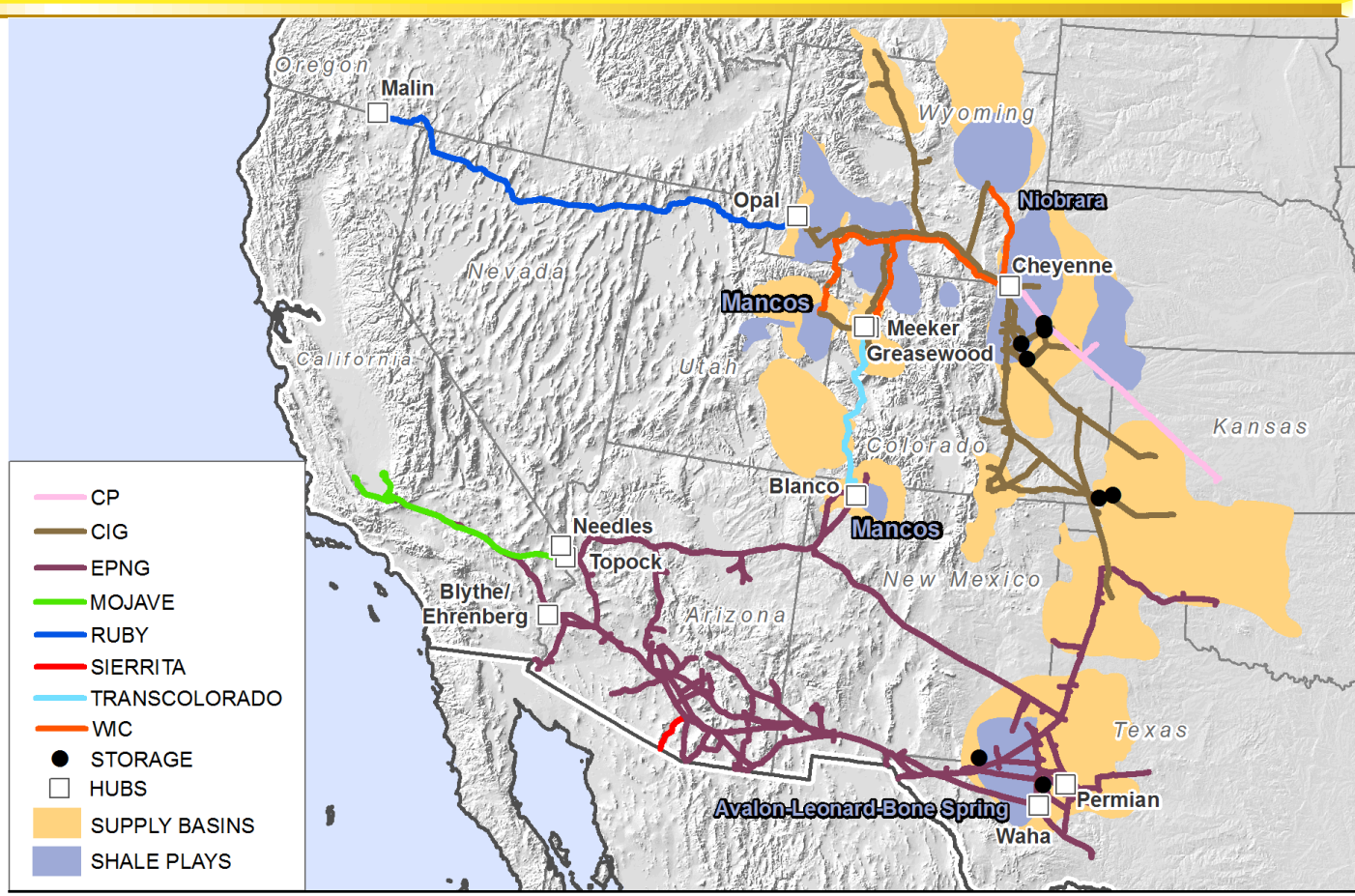
(a) Source: Wood Mackenzie / KM analysis.
(b) Transport / Storage.

KINDER MORGAN INC.

West Region Assets

Growth Drivers:

- Supply Access: Access to all Rockies basins with diverse geology and hydrocarbon mix; opportunities for new builds and conversions
- Mexico Exports: Leading connectivity for incremental supply to Mexico
  - 5.2 Bcf/d of exports to Mexico forecast by 2020(a)
  - Oct 2015 YTD deliveries to Mexico:
    - West Region: 952 MDth/d
    - KM Total: 2,360 MDth/d
- Power Demand: Renewable energy growth promotes gas-fired power backstop
  - Economic/environmental replacement of coal & oil plants
- Declining Canadian Imports: Positions West Region pipes for incremental growth
- Storage Demand: Significant storage capacity with superior connectivity
- LNG Exports: Potential for 1 Bcf/d of demand from West Coast projects near Ruby



Asset (KM ownership shown if not 100%)	Miles	Capacity (Bcf/d)	Storage (Bcf)	Avg. Remaining Contract Term (Yrs)	Effective Date of Next Rate Case
Ruby (50%)	680	1.5	-	6.7	NA
El Paso Natural Gas (EPNG), incl. Mojave	10,700	5.6	44	6.6	Ongoing
Colorado Interstate Gas (CIG), incl. Young Gas Storage (YGS, 47.5%)	4,350	5.2	43	6.1 / 6.8 (b)	10/1/2016
TransColorado (TCGT)	310	1.0	-	2.1	NA
Wyoming Interstate (WIC)	850	3.9	-	4.8	NA
Cheyenne Plains (CP)	410	1.2	-	3.6	NA
Sierrita (35%)	60	0.2	-	23.8	NA
Keystone Gas Storage	12	0.4	6	2.8	NA

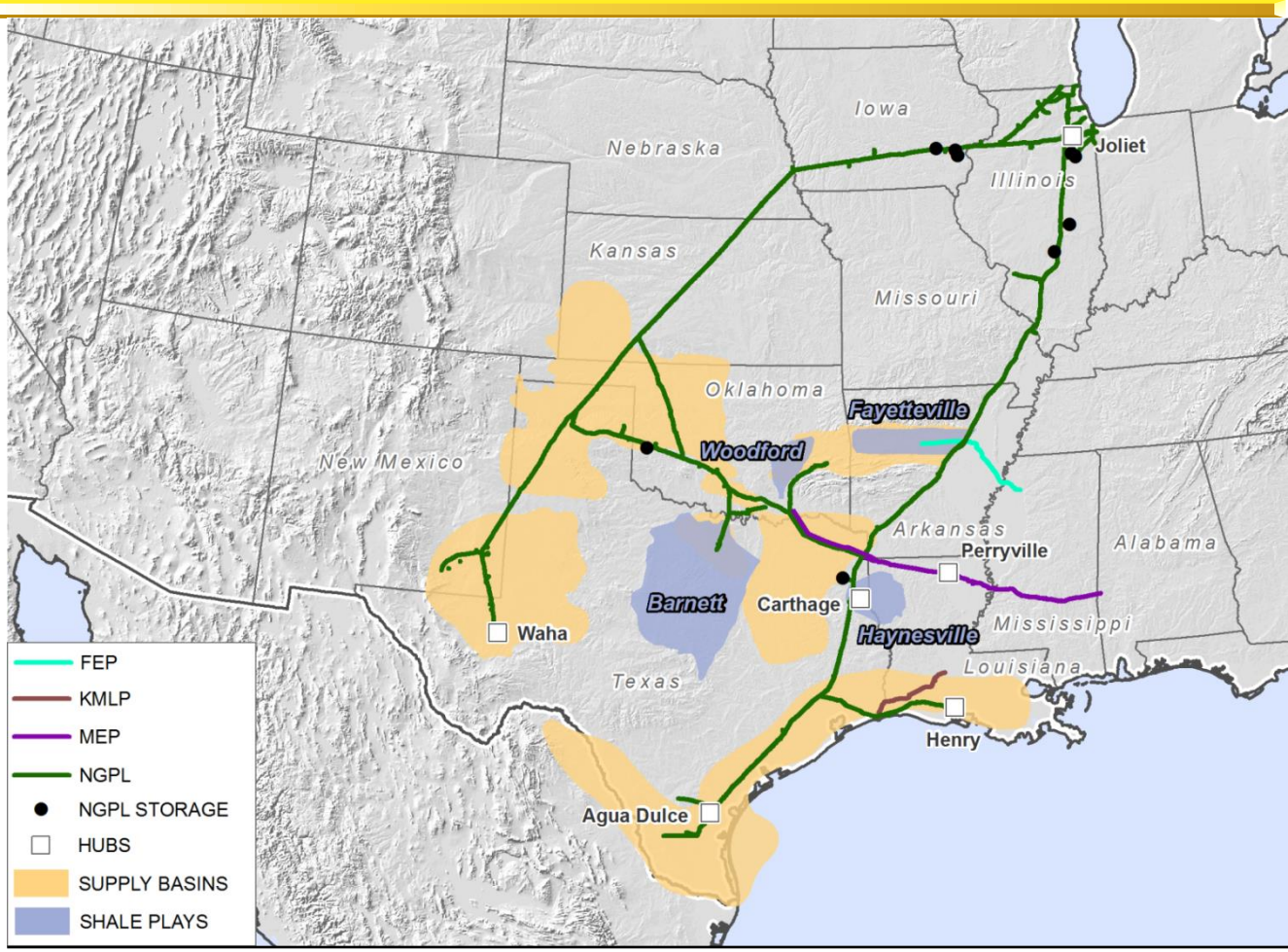
(a) Source: Wood Mackenzie.
(b) Transport / Storage.

KINDER MORGAN INC.

Central Region Assets

Growth Drivers:

- Supply Access: Large, strategic footprint connected to major shale plays and supply basins
  - Opportunities to attach new supply
  - NGPL Gulf Coast and Chicago Market expansions provide outlets for growing NE production
- LNG Exports: 8 Bcf/d of demand from 5 announced LNG Gulf Coast projects near NGPL and KMLP
  - Potential direct supply opportunities
  - Additional indirect throughput for KM pipes in the region
- Power Demand: Growth from existing and new gas-fired plants
  - 0.6 Bcf/d[(a)] forecasted Central Region power growth by 2020 for gas
  - Economic/environmental replacement of coal/oil plants
  - ISO requirements for firm gas supply
- Industrial Demand: Potential new end-user markets from petchem and other industrial projects



Asset (KM ownership shown if not 100%)	Miles	Capacity (Bcf/d)	Storage (Bcf)	Avg. Remaining Contract Term (Yrs)	Effective Date of Next Rate Case
Natural Gas Pipeline Co. of America (NGPL, 50%)	9,150	6.2[(b)]	288	4.2 / 3.4[(c)]	NA
Midcontinent Express (MEP, 50%)	510	1.8	-	3.3	NA
Kinder Morgan Louisiana Pipeline (KMLP)	135	2.2	-	0[(d)]	NA
Fayetteville Express (FEP, 50%)	185	2.0	-	5.2	NA

(a) Source: Wood Mackenzie / KM analysis.
(b) Total deliverability.
(c) Transport / Storage.
(d) Anchor shippers exercised buyout option 2015.

KINDER MORGAN INC.

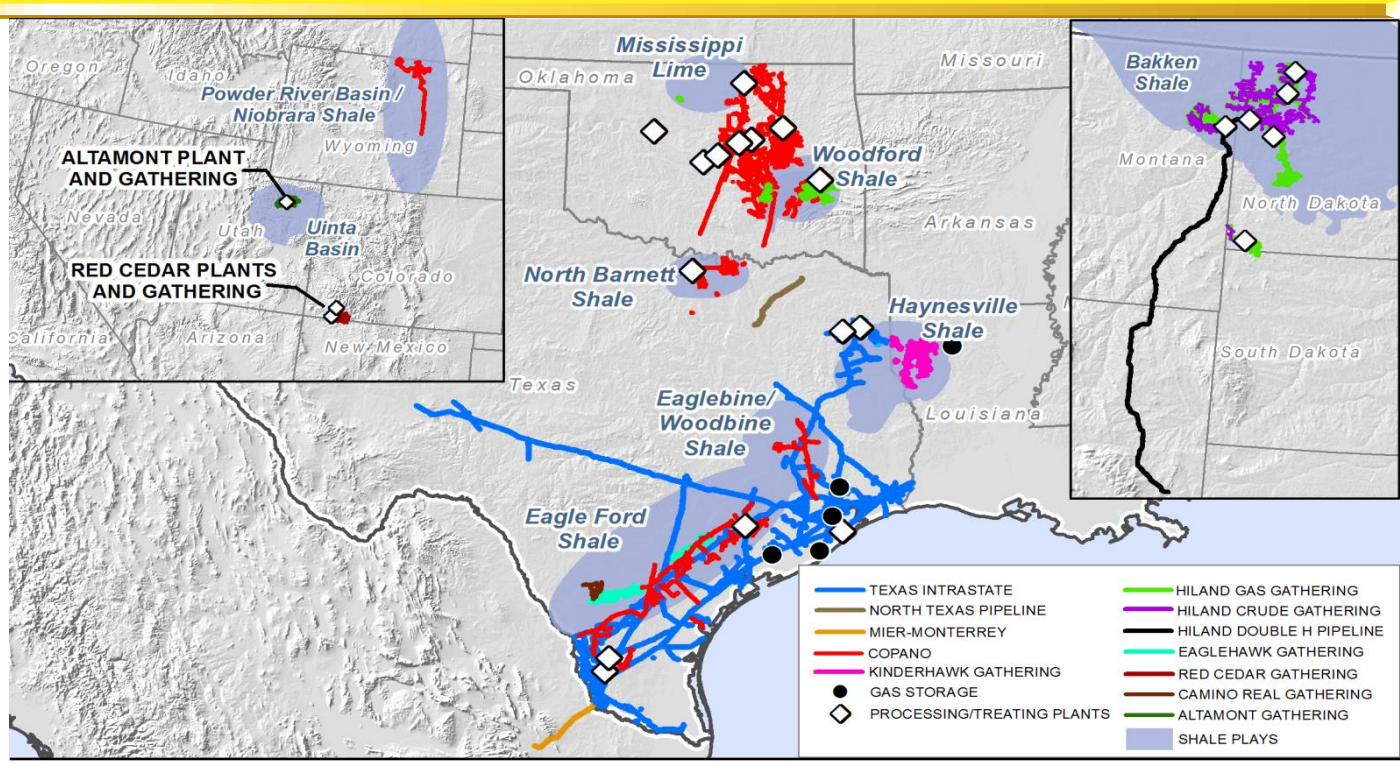
Midstream Assets

Growth Drivers:

- Mexico Exports: Leading connectivity for increased deliveries into Mexico (Texas Intrastate)
- Storage Demand: Significant storage capacity and connectivity enable premium services, including load balancing to power and end use markets (Texas Intrastate)
- LNG Exports: 5 Bcf/d of demand from 3 announced LNG projects along the Gulf Coast near Texas Intrastates
- Industrial Demand: Growth from brownfield and greenfield plant expansions (Texas Intrastate)
- Acquisitions: expansions/acquisitions around extensive gathering and processing footprint

Commodity Price Exposure (2016):

- Recent contract negotiations have resulted in lower commodity sensitive processing contracts
- Processing exposure (DCF impact):
  - $1/Bbl change in WTI
    - $2.1MM (excl. hedges)
    - $0.8MM (incl. hedges)
  - 1% change in NGL crude ratio
    - $1.0MM (excl. hedges)
    - $0.3MM (incl. hedges)
- Gas price exposure (DCF impact):
  - $0.10/Dth gas price change
    - $2.2MM (excl. hedges)
    - $0.6MM (incl. hedges)



Asset (KM ownership shown if not 100%)	Miles	Capacity	Storage	Treating Capacity	Processing Capacity	Avg. Remaining Transport Contract Term (Yrs)
Intrastate Pipelines	5,600	6.2 Bcf/d	124 Bcf	1,680 GPM	535 MMcf/d	4.3
North Texas Pipeline	80	330 MMcf/d				17.4
Mier-Monterrey	90	650 MMcf/d				10.8
KinderHawk Gathering	500	2.0 Bcf/d		2,600 GPM		Life of Lease
Eagle Hawk Gathering (25%)	480 - gas 375 - condensate	1.2 Bcf/d - gas 220 MBbl/d – condensate	60 MBbl			Life of Lease
Red Cedar Gathering (49%)	750	700 MMcf/d		4,600 GPM		2.5
Camino Real Gathering	70 - gas 70 - oil	150 MMcf/d - gas 110 MBbl/d – oil	20 MBbl			7.0 7.0
Altamont Gathering	1,200	80 MMcf/d			80 MMcf/d	5.3
Copano	6,000 - gas 400 – liquid	4.0 Bcf/d - gas 115 MBbl/d – liquid			1.7 Bcf/d	4.5 7.6
Hiland	2,660 - gas 1,430 - oil	500 MMcf/d - gas 226 MBbl/d – oil		80 GPM	260 MMcf/d	3.8 6.7
Treating - Leased Units	65 plants in service – Amine; 103 plants in service – MRU; 10 plants in service - Dew Point					

KINDER MORGAN INC.

New Firm Transport Capacity

Firm Transport Capacity Commitments by Capacity Type

Dec. 1, 2013 to Present	Existing Capacity (MDth/d)	New Committed Capacity (MDth/d)	New Pending Capacity (MDth/d)	Total Capacity (MDth/d)	Capital, KM Share ($MM)	Wtd Avg Contract Term (Yrs)
East	14	3,410	0	3,424	4,901	17.2
West	971	830	0	1,801	417	13.6
Central	524	1,923	0	2,447	447	17.6
Midstream	70	750	0	820	284	17.2
Total Gas Pipeline Group	1,579	6,913	0	8,492	6,049	16.6
2015 Only	720	1,700	0	2,420	3,393	15.8

Firm Transport Capacity Commitments by Customer / End-use Market

Dec. 1, 2013 to Present	LDC / End-user (MDth/d)	Producer (MDth/d)	Mexico (MDth/d)	LNG (MDth/d)	Total Capacity (MDth/d)
East	1,031	1,593	500	300	3,424
West	76	860	865	0	1,801
Central	242	520	0	1,685	2,447
Midstream	70	160	0	590	820
Total Gas Pipeline Group	1,419	3,133	1,365	2,575	8,492
2015 Only	1,085	720	230	385	2,420

KINDER MORGAN INC.

East Region Project Backlog

Asset	Board Approval	Customer Execution	Project	Capital, KM Share ($MM)	Capacity	In-service Date	Project Status
TGP	Completed	Completed	Venango (Exelon)	6.9	60 MDth/d	8/2016	PA executed; open season closed.
			Connecticut Expansion	89.9	72 MDth/d	11/2016	FERC certificate anticipated by end of 1/2016
			South System Flexibility (MexGas)	165.6	150 MDth/d	12/2016	350 of 500 MDth/d total project in service as of 12/2015
			Susquehanna West	156.3	145 MDth/d	11/2017	FERC certificate expected 5/2016
			Triad (Invenergy)	87.4	180 MDth/d	11/2017	FERC certificate expected 6/2016
			Broad Run Expansion	447.3	200 MDth/d	11/2017	Under construction
			Orion (Marcellus to Milford)	142.2	135 MDth/d	6/2018	FERC application filed 10/2015
			Southwest Louisiana Supply (Cameron LNG)	178.5	900 MDth/d	1Q-4Q/2018	FERC application filed 10/2015
			Lone Star (Cheniere Corpus Christi LNG)	133.8	300 MDth/d	7/2019	Cheniere FID & FERC Notice to Proceed 5/2015. TGP FERC filing 4Q2016.
			NED Market Path	3,124.0	718 MDth/d	11/2018	PA's executed for 653 MDth/d. FERC application filed 11/2015.
SNG	Completed	Completed	SNG MGAG Expansion	1.8	1.7 MDth/d	12/2016	3.3 of 5.0 MDth/d total project in service 12/2015
			SNG Expansion	93.5	242 MDth/d	3Q-4Q/2016	FERC certificate anticipated 5/2016
			EEC Expansion (non-Shell)	102.5	175 MDth/d		
			EEC Expansion for Elba Liquefaction	110.4	436 MDth/d	4Q2016-2017	
ELC/SLNG	Completed	Completed	SLNG Terminal for Elba Liquefaction	554.0	350 MMcf/d	2018	FERC certificate anticipated 5/2016
			Elba Liquefaction	701.0			
			Total East Region	6,095.1	EBITDA = $675 MM		

KINDER MORGAN INC.

West Region Project Backlog

Asset	Board Approval	Customer Execution	Project	Capital, KM Share ($MM)	Capacity	In-service Date	Project Status
EPNG	Completed	Completed	Upstream Sierrita Expansion	389.0	387.1 MDth/d	11/2017, 7/2020	Preparing to commence early stage land, environmental and engineering activities
			Ramsey North Expansion	3.5	50 MDth/d	3/2016	Under construction
			Enviro Water Interconnect and Lateral Expansion	4.8	3,500 Dth/d	12/2016	Commencing permitting activities
Sierrita	Completed	Completed	Sierrita Gas Pipeline Expansion	19.8	230 MDth/d	4/2020	Commencing public outreach with state and local government agencies
			Total West Region	417.1	EBITDA = $58 MM		

KINDER MORGAN INC.

Central Region Project Backlog

Asset	Board Approval	Customer Execution	Project	Capital, KM Share ($MM)	Capacity	In-service Date	Project Status
KMLP	Completed	Completed	Magnolia LNG Liquefaction	156.1	700 MDth/d	4Q 2018	FERC certificate for flow reversal anticipated in Feb/Mar 2016
			Cheniere Sabine Pass Liquefaction, Train 5	145.6	600 MDth/d	4Q 2019	Cheniere achieved FID on Train 5
NGPL	Completed	Completed	Chicago Market Expansion Project	40.5	238 MDth/d	4Q 2016	FERC certificate expected March 2016
			Gulf Coast Southbound Expansion	104.9	385 MDth/d	3Q 2019	Cheniere achieved FID
			Total Central Region	447.1	EBITDA = $116 MM		

KINDER MORGAN INC.

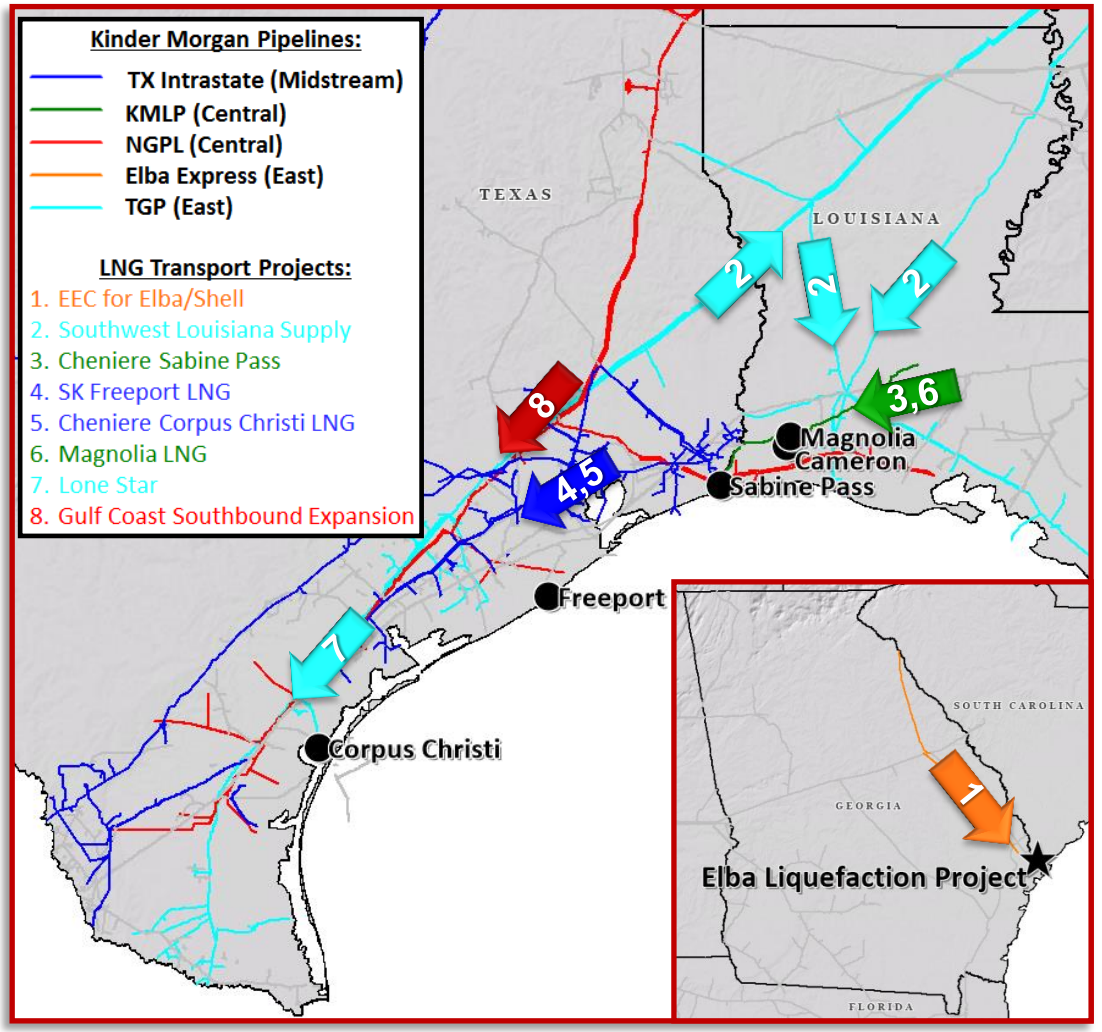
Midstream Project Backlog

Asset	Board Approval	Customer Execution	Project	Capital, KM Share ($MM)	Capacity	In-service Date	Project Status
Texas Intrastate	Completed	Completed	S. TX Stabilization Expansion / Lavaca Slug Catcher Modifications	11.4	1.5 MBbl/d	4/2016	Construction of stabilizer expansion in progress, Slug catcher mods completed 11/2015
			TX Intrastate Crossover Project	78.5	800 MDth/d	9/2016	ROW acquisition in progress, all 36" line pipe purchased
			Cheniere Corpus Christi LNG	85.7	250 MDth/d	4Q 2018	Working with Cheniere on interconnect and metering facilities
			SK Freeport LNG Expansion	161.4	440 MDth/d	3Q 2019	Acquiring ROW survey permissions
Gathering/ Other	Completed	Completed	Roosevelt Plant (Hiland)	71.4	60 MMcf/d	1Q 2016	Construction nearly complete, commissioning has commenced
		Pending	Powder River NGL Pipeline	23.6	30 MBbl/d	4Q 2016	Project pending partner commitment
		Partial	Williston Basin Oil (Hiland)	98.9	Varies	2016 – 2018	Crude oil well connections and system expansion
			Williston Basin Gas (Hiland)	72.4	Varies	2016 – 2018	Gas well connections and system expansion
			Other System Expansions (Eagle Hawk and Treating)	26.2	Varies	2016	Expansions / extensions of existing gathering systems
Texas Intrastate - Gathering/ Other	Completed	Partial	Well / market connects	52.2	Varies	2016	Expansion capex for well / market connects
			Total Midstream	681.7	EBITDA = $116 MM		

KINDER MORGAN INC.

Projects Supporting LNG Exports

- **Transport for LNG**
  - 4.8 MMDth/d of contracted transport capacity
  - Total capital of $1.1B
  - Avg. contract term: 18 years
  - Eight projects on five KM pipelines, including:
    1. EEC for Elba/Shell
       - Capacity: 436 MDth/d, phased
       - Capital: $110.4 MM
       - Estimated Initial In-service: 4Q 2016
    2. Southwest Louisiana Supply/Cameron LNG (TGP)
       - Capacity: 900 MDth/d
       - Capital: $178.5 MM
       - Estimated In-service: 1Q-4Q 2018
    3. Cheniere Sabine Pass (KMLP)
       - Capacity: 600 MDth/d
       - Capital: $145.6 MM
       - Estimated In-service: 4Q 2019
    4. SK Freeport LNG (TX Intrastate)
       - Capacity: ~320 MDth/d
       - Capital: $161.4 MM
       - Estimated In-service: 3Q 2019
- **Elba Liquefaction**
  - KM liquefaction facility at Elba Island, GA

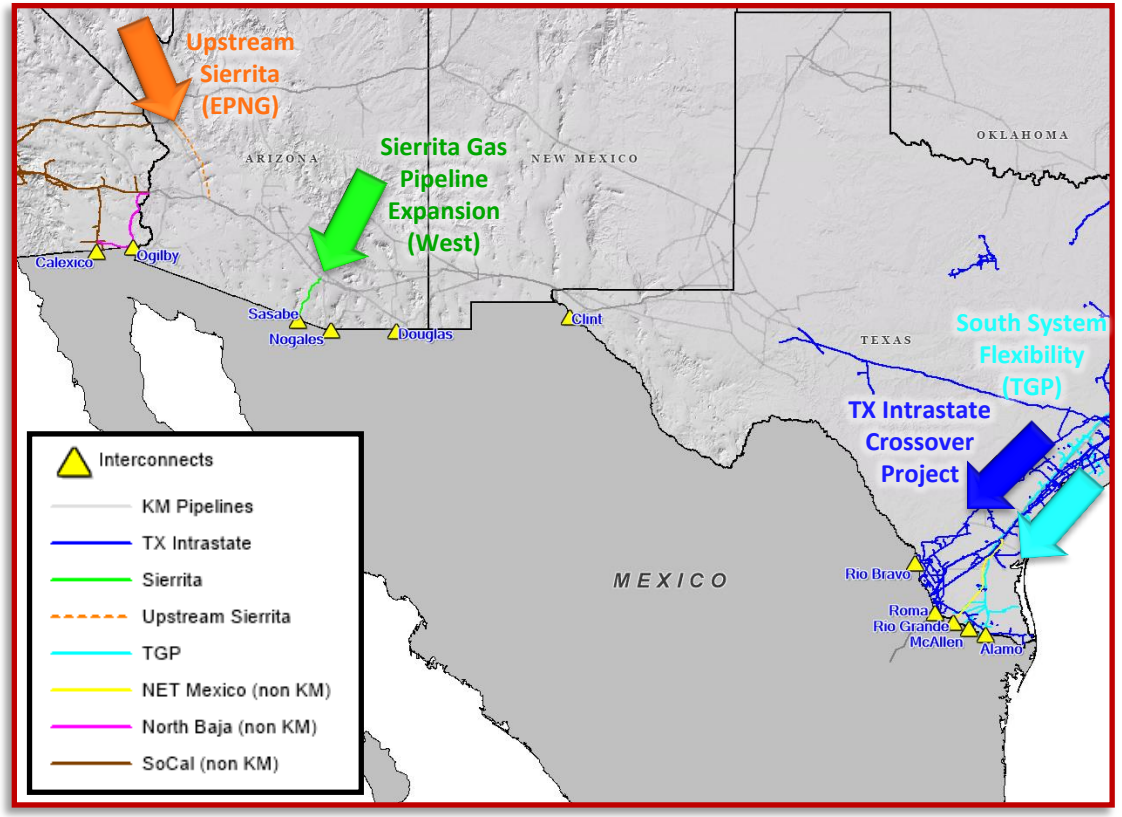


KINDER MORGAN INC.

Projects Supporting Mexico Growth

- **KM deliveries to Mexico ~2.36 MMDth/d[(a)] through 13 interconnects**
  - Up 22% from 2014
  - 82% of U.S. total
- **Projects placed in service for export to Mexico since 2013:**
  - Capacity: 1.5 MMDth/d
  - Capital: $272.5 MM
- **Current projects (13.5 year average contract term):**

1. **South System Flexibility (TGP)**
   - Capacity: 150 MDth/d
   - Capital: $165.6 MM
   - Estimated In-service: Dec 2016
2. **Upstream of Sierrita (EPNG)**
   - Capacity: 387.1 MDth/d
   - Capital: $389 MM
   - Estimated In-service: Nov. 2017, July 2020
3. **Sierrita Gas Pipeline Expansion (West Region)**
   - Capacity: 230 MDth/d
   - Capital: $19.8 MM (KM 35% share)
   - Estimated In-service: April 2020
4. **TX Intrastate Crossover Project**
   - Capacity: 527 MMDth/d
   - Capital: $78.5 MM
   - Estimated In-service: Sept 2016

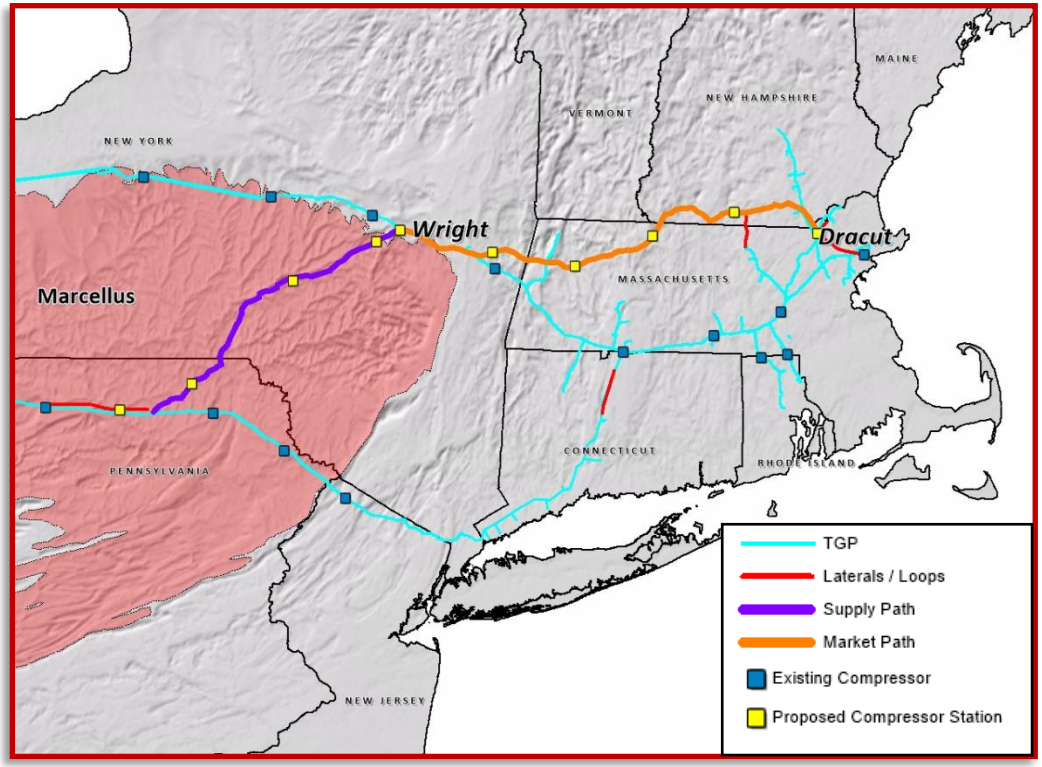


(a) YTD average through Oct 2015.

KINDER MORGAN INC.

TGP Northeast Energy Direct (NED) Project

Market Path - Wright, NY to Dracut, MA

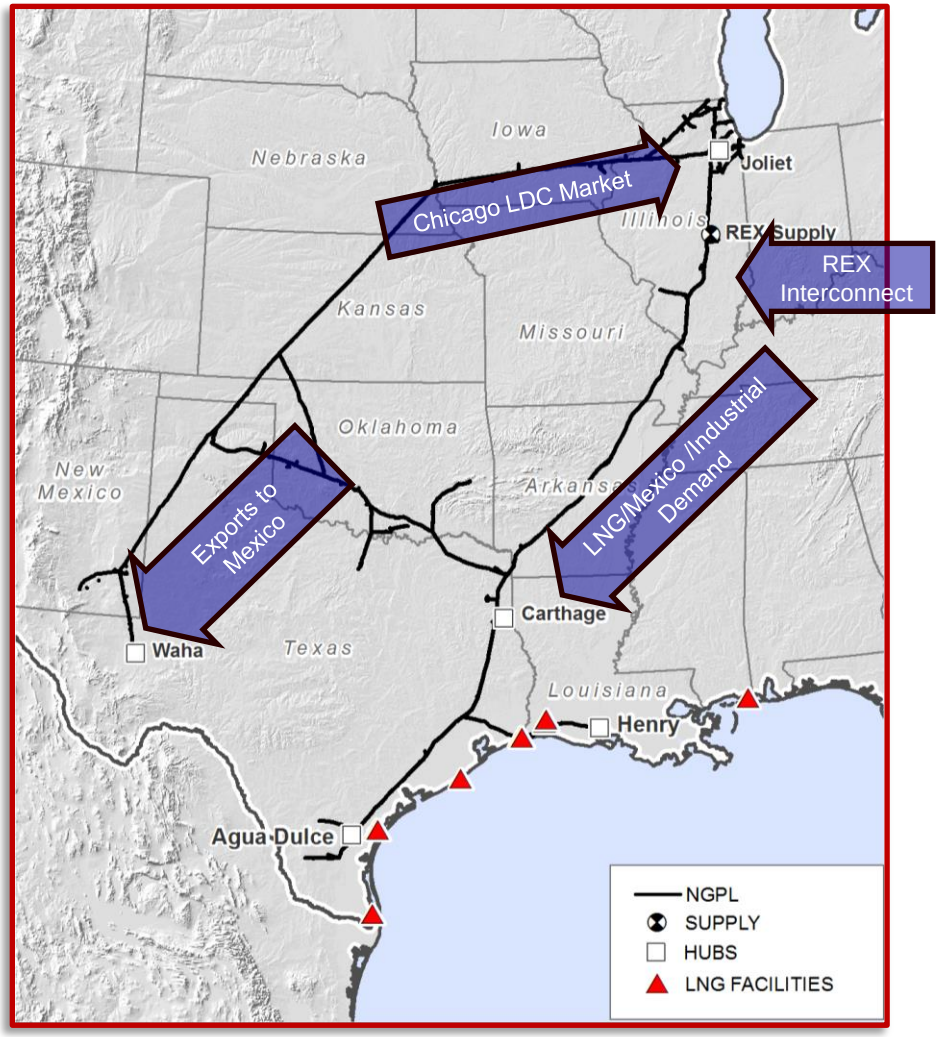


- **Capacity:**
  - 718 MDth/d, scalable up to 1,300 MDth/d
- **Capital (KM 95% Share):** $3.1- 3.6 Billion, depending upon capacity
- **Estimated In-service:** November, 2018
- **Project Scope:**
  - 188 Miles of 30” mainline loop
  - Laterals to serve specific customers
  - Horsepower based on final scope
- **Avg. Contract Term:** 20 years
- **Current Status:**
  - FERC certificate filing 11/20/15
  - Marketing efforts:
    - Executed PAs total 652,762 Dth/d
    - Targeting Electric Distribution Company (EDC) initiatives (MA, CT, NH, ME)
    - Longer-term market in Atlantic Canada
    - PowerServe - service for powergen needs
  - JV (Northeast Expansion, LLC)
    - 5% partner equity
  - Active public outreach effort
- **Major Milestones:**
  - Resolution of state regulatory proceedings related to EDC contracting
  - Receipt of FERC certificate

KINDER MORGAN INC.

NGPL Overview

Extensive, Strategically Located Footprint



- **NGPL Provides a Critical Link Between:**
  - Large Existing and New Demand Markets
  - Traditional and Newly Developed Supply Regions
- **Large and Stable LDC Market**
  - > 60% Market Share in Chicago-area markets
  - 10-year contract recently executed with Nicor Gas, largest customer
  - Recent PJM rules driving incremental power demand
- **Supply Access**
  - REX East-to-West capacity expanding to 2.6 Bcf/d
  - Alliance shippers seek improved netback destinations as new Rover pipeline adds to Midwest gas supply
  - Increased interest from Oklahoma and Permian Basin producers to reach growth markets
- **Access to Southern Demand**
  - LNG and Industrials are attracting long term supply via NGPL
  - Executed contracts with Sabine Pass and Corpus Christi LNG
  - NET Pipeline to Mexico is requiring long term supply (currently 200 MDth/d)
  - Additional interconnect opportunities to Mexico via Amarillo line in West Texas
- **Current Projects**
  - Chicago Market Expansion – Estimated in-service Q4 2016, to supply incremental 238 MDth/d to LDCs and provide market access to producers
  - GC Market Expansion – To supply 385 MDth/d to Corpus Christi LNG under long-term contracts from various supply sources, including REX (in-service estimated 3Q 2019)

Products Segment

Projects Placed Into Service – 2015

Project	Description	In-Service	Cost ($MM)
West Various Terminal Projects	Includes tank upgrades, jet filtration systems, Air Force modifications and additive systems	Throughout 2015	6.3
East Central Florida	Tank conversions and additive systems	Throughout 2015	3.3
Southeast Terminals	Includes new tank constructions, tank conversions to better handle customer needs and ethanol transportation improvements	Throughout 2015	16.4
NGLs/Crude & Condensate KMCC Condensate Processing Facility	Two distinct facilities to process condensates into blend stocks (total capacity of 100 kbpd)	Phase 1 – Q1 2015 Phase 2 – Q3 2015	484.5
Kinder Morgan Crude & Condensate	Various tank builds and pipeline extensions/connections to better facilitate the movement of Eagle Ford product to Houston	Throughout 2015	226.4
Double Eagle Pipeline	New pipeline connection to connect Double Eagle with the KMCC mainline	April 2015	34.4[(a)]
		Grand Total =	771.3
		First full year EBITDA =	147.3
		EBITDA Multiple =	5.2

(a) KM share.

Products Segment

Project Backlog

Project	Description	In-Service	Cost ($MM)
West Various Terminal Projects	Includes various Air Force base upgrades, tank expansions, filtration systems and biodiesel blending infrastructure	Varies	15.8
East KMST Projects	Construction of new Savannah and Belton terminal in conjunction with Palmetto project, as well as various terminal modifications to handle new customer demands	Varies	65.4
Plantation/Palmetto	Palmetto project consists of the construction of a new 360 mile pipeline to serve North Augusta, Savannah and Jacksonville as well as the modification of the existing Plantation pipeline to increase capacity to lease Palmetto	January 2018	524.7[(a)]
NGLs/Crude & Condensate Cochin Utopia East Project	Construct new 240 mile pipeline that will tie-in with the eastern portion of Cochin; project to transport Ethane/Ethane-propane mix	January 2018	517.1
		Grand Total =	1,123.0
		First full year EBITDA =	104.6
		EBITDA Multiple =	10.7

(a) KM share.

KINDER MORGAN INC.

Kinder Morgan Condensate Processing Facility

Facility Specifications

- 100 MBbl/d of Processing Capacity
- 1.9 MMBbls of new tankage on 60 acres within KM's Galena Park Terminal
- Project supported by 10 year, 84MBbl/d minimum volume commitment from BP



Strategic Value

- Engineered for Eagle Ford production
- Supports volume demand for KMCC
- Integrated connectivity to refining, petchem, pipeline and marine facilities

2015 Milestones

- Full processing capacity (100 MBbl/d) and all supporting tankage placed in-service in 2015

Further Opportunities

- Design provides possibility for a third unit to increase total capacity to 150 MBbl/d

KINDER MORGAN INC.

Utopia East Pipeline



Project Scope

- New 240-mile, 12-inch pipeline originating in Harrison County, OH and connecting with Kinder Morgan's existing pipeline in Fulton County, OH to transport ethane and ethane-propane mixtures eastward to Windsor, Ontario, Canada
- Initial pipeline capacity of 50 MBbl/d; expandable to 75 MBbl/d
- $517 million investment

Market Drivers

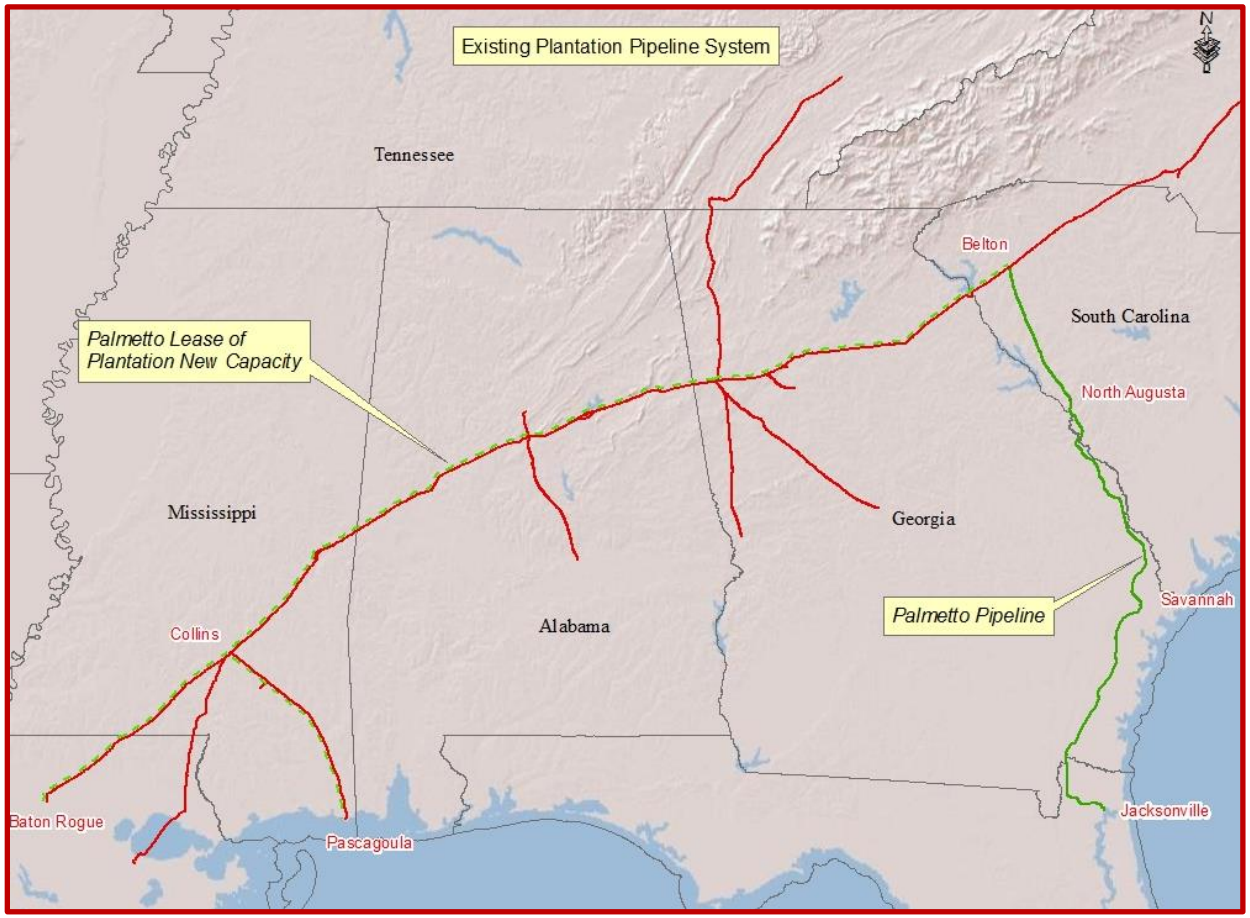
- Utopia East will provide a new feedstock source for petrochemical companies in Ontario, and a new market outlet for Utica NGL producers
- Common carrier pipeline system is supported by a long-term (>20 years), fee-based transportation services agreement
- Take-or-pay guarantees 100% of the minimum revenue level used to justify the project for the first 3 years, and over 85% of that level thereafter

Project Status and Timeline

- Received FERC approval of the commercial aspects of the project in September 2015
- Currently acquiring right of way
- Target in-service January 1, 2018

KINDER MORGAN INC.

Palmetto Pipeline



Project Scope

- Total project cost = $1.1 billion
- Palmetto Pipeline – construction of new 360 mile pipeline with 167 MBbl/d capacity delivering to N Augusta, SC; Savannah, GA; Jacksonville FL
- Plantation Expansion – modification of existing facilities and construction of new tanks and pump stations resulting in 125 MBbl/d new capacity to be leased to Palmetto
- Savannah Terminal – new terminal with 25 MBbl/d capacity
- Belton Ethanol Receipt facility expansion – add additional tank and increase off-load capability at existing ethanol receipt facility

Market Driver

- Increase competitively priced supply of refined products from Gulf Coast refining complexes

Timeline

- Permitting and right of way acquisition – underway
- Construction – commence Spring 2016
- In-service – YE 2017

KINDER MORGAN INC.

Terminals Projects Placed In-Service in 2015

	Project Name	Product	Modeled Capacity [a]	Capital (MM) [b] [c]	First Full Year EBITDA [c]	Expected In Service	Avg. Contract Length [d]
BULK	Grain System Upgrades (Vancouver)	Grain	0.5MM TPY			Q1/15	3
LIQUIDS	Deer Park Rail Terminal	Crude	24K bpd			Q2/15	3
	Edmonton Rail Terminal (Imperial JV) [e]	Crude	210K bpd			Q2/15	5
	Seaway Projects	Refined Products	n/a			Q3/15	n/a
	GEW Tank Project - Galena Park	Refined Products	0.1MM Bbls			Q3/15	5
	Chicago Ethanol Expansions - Argo and Chicago Liquids	Ethanol	0.1MM Bbls			Q3/15	n/a
	Galena Park Tank Project	Refined Products	1.2MM Bbls			Q4/15	8
	State Class Tanker - Lone Star State [f]	Crude/Products	0.3MM Bbls			Q4/15	5
	TOTAL			**$633**	**$98**		**6**

(a) Model assumption may differ from total facility capacity.
(b) Net to KM, includes Capitalized Overhead.
(c) Certain adjustments have been made for estimated realized CAD:USD FX rates.
(d) Initial Term.
(e) Includes some capital invested by KM outside the 50/50 JV.
(f) Capital figure includes portion of APT/SCT purchase price.

KINDER MORGAN INC.

Terminals Backlog

	Project Name	Product	Modeled Capacity [a]	Capital (MM) [b] [c]	First Full Year EBITDA [c]	Expected In Service	Avg. Contract Length [d]
LIQUIDS	South Hill Tankage	Methanol	0.1MM Bbls	$6		Q1/16	7
	Greensport Ship Dock 1	Refined Petroleum	99K bpd	$39		Q2/16	10
	Galena Park Infrastructure Improvements	Gasoline Blendstock	n/a	$40		Q2/16	7
	State Class Tankers [e]	Crude/Products	1.3MM Bbls	$610		Q2/16 - Q2/17	5
	Rubicon GLT Expansion	MDI/Aniline	0.1MM Bbls	$15		Q3/16	14
	Pit 9 Pasadena Tank Project	Refined Products	0.3MM Bbls	$23		Q3/16	7
	Carteret API Swing Tanks	Gasoline	0.3MM Bbls	$31		Q3/16	n/a
	Greensport Ship Dock 2	Refined Products	99K bpd	$26		Q4/16	7
	Philly Tankers [f]	Crude/Products	1.3MM Bbls	$633		Q4/16 - Q4/17	5
	Houston Export Terminal	Blendstock	1.5MM Bbls	$227		Q1/17	11
	Pit 11 Development	Refined Products	2.0MM Bbls	$182		Q2/17	7
	Edmonton Base Line Terminal [g]	Crude	4.8MM Bbls	$446		Q4/17 - Q3/18	9
	TOTAL			**$2,279**	**$251**		**7**

(a) Model assumption may differ from total facility capacity.
(b) Net to KM, includes Capitalized Overhead.
(c) Certain adjustments have been made for estimated realized CAD:USD FX rates.
(d) Initial Term.
(e) Capital figure includes portion of APT/SCT purchase price.
(f) Avg. Contract Length omits final two tankers yet to be placed on time charter.
(g) Includes some capital invested by KM outside of the 50/50 JV.

KINDER MORGAN INC.

Liquids Throughput

	Actual 2015	Budget 2016	Variance to Budget Amt	Variance to Budget %
KMLT Throughput (bbls)				
Gasoline	352,595,615	487,843,244	135,247,629	38.4%
Petroleum Feedstocks*	200,330,534	289,137,294	88,806,760	44.3%
Distillate	129,602,361	140,587,300	10,984,939	8.5%
Fuel Grade Ethanol / Bio-diesel	63,102,538	67,621,098	4,518,559	7.2%
Chemical	37,043,065	42,254,273	5,211,208	14.1%
Vegetable Oils	5,189,808	5,275,990	86,182	1.7%
Animal Fats	68,818	86,040	17,222	25.0%
Other	3,960,510	4,915,731	955,222	24.1%
Totals	**791,893,248**	**1,037,720,969**	**245,827,721**	**31.0%**

KMLT Utilization		
Capacity Utilization Rate	93.3%	96.2%
Capacity (MM bbls)	81.3	81.5

Key Take-aways:

- Gasoline volume growth results from Houston projects and the KM:BP Joint Venture
- Petroleum feedstocks volume reflect full-year effect of Edmonton and Deer Park rail projects
- Chemicals growth is primarily a result of the Vopak acquisition and full-ramp of volumes at Geismar
- Biofuels demand up commensurate with RFS mandates

Note: Excludes facilities contributed to Watco.
* Crude, black oil and other feedstocks.

KINDER MORGAN INC.

Bulk Tonnage

KMBT Tonnage (tons)

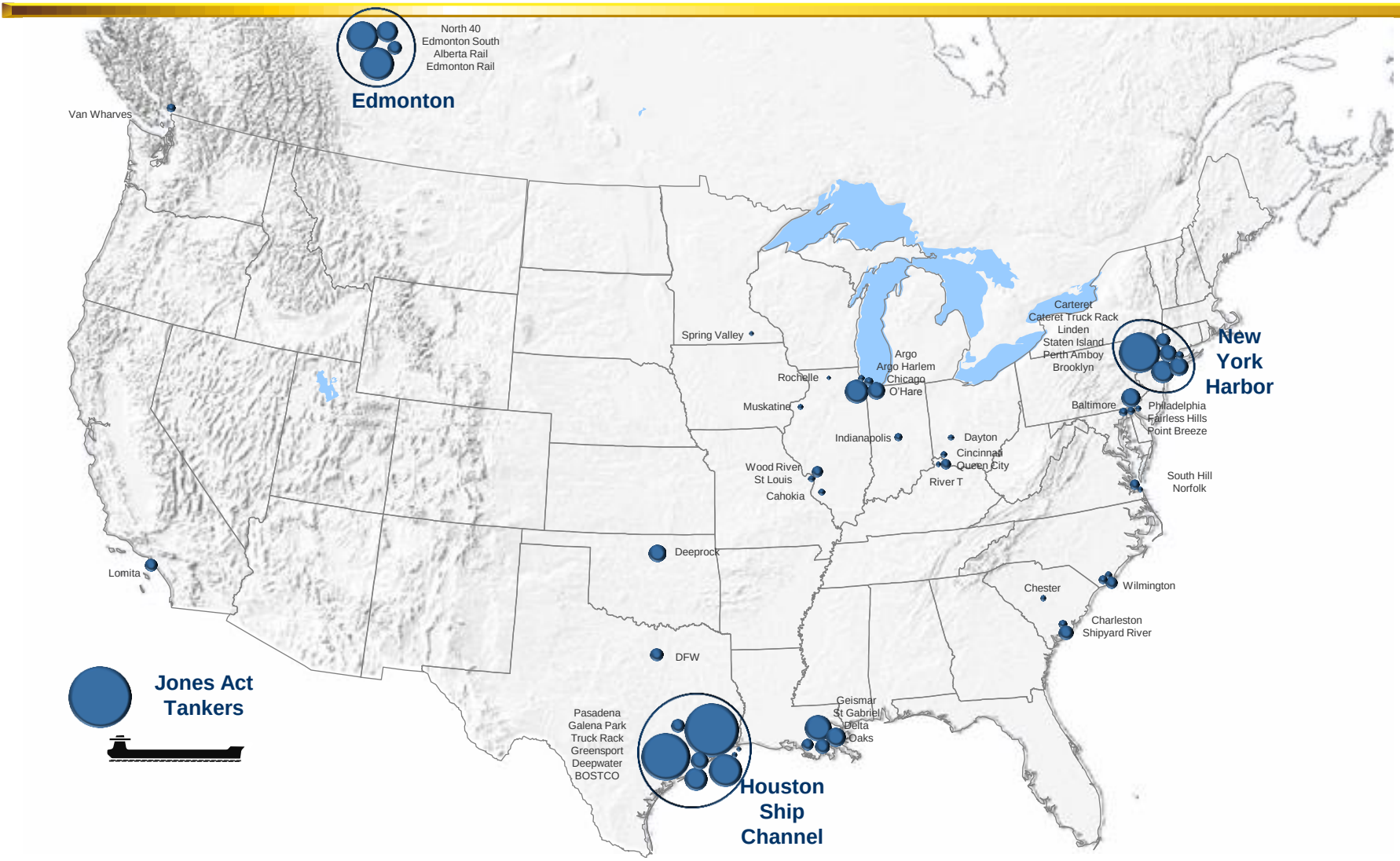
	Actual 2015	Budget 2016	Variance to Budget Amt	Variance to Budget %
Coal	15,099,038	15,835,043	736,005	4.9%
Ores/Metals (Bulk & Break-Bulk)	17,147,271	17,225,294	78,023	0.5%
Petcoke	12,443,913	13,044,241	600,328	4.8%
Soda Ash	4,455,822	4,579,136	123,314	2.8%
Fertilizers	2,821,378	2,671,247	(150,131)	-5.3%
Salt	3,210,666	3,464,337	253,671	7.9%
Aggregate	3,513,519	3,869,032	355,513	10.1%
Cement (Including Clinker)	900,471	1,133,755	233,284	25.9%
Other Bulk	3,650,931	3,539,637	(111,294)	-3.0%
Totals	63,243,009	65,361,723	2,118,713	3.4%

Key Take-aways:

- Increased coal volumes due to increased domestic handling with exports remaining flat
- Petcoke tonnage reflects increased export handling at Pier IX and IMT and high refinery utilizations
- Cement and aggregate tonnage driven by growing construction demand

Note: Excludes facilities contributed to Watco.

Industry-Critical Liquids Hubs

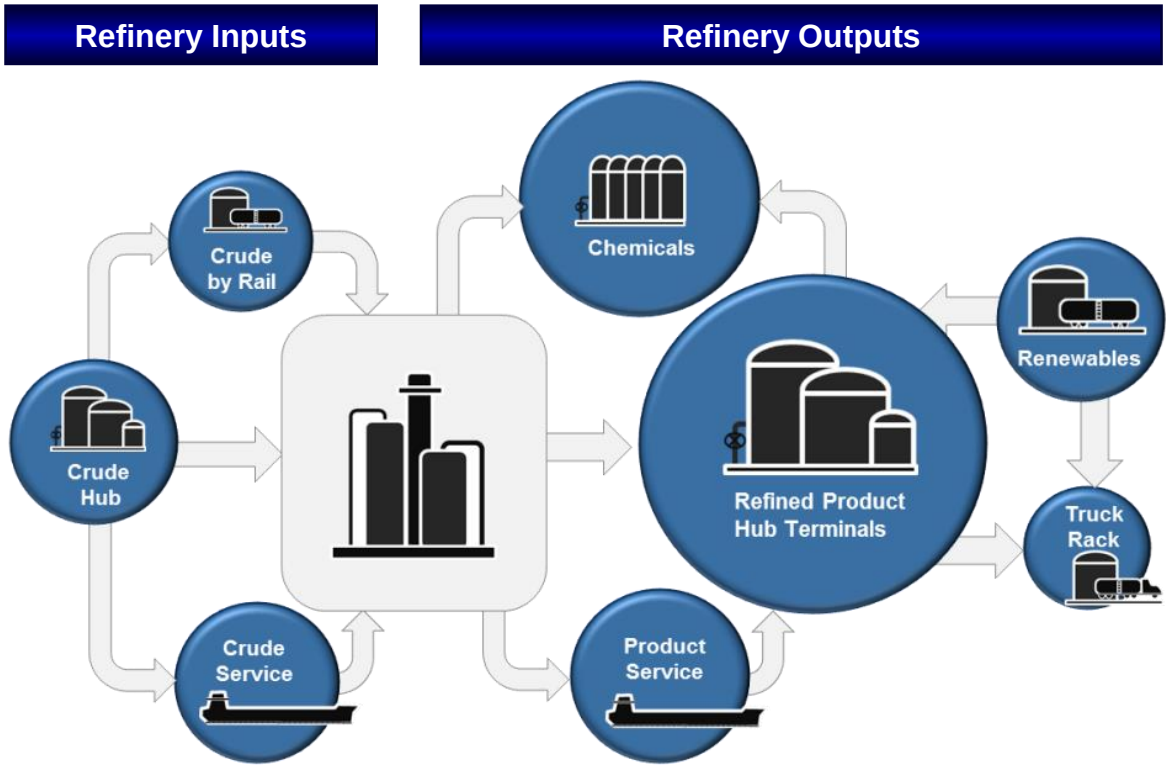


Size relative to 2016 budgeted revenues.

Downstream Market Target

Liquids business is core to North American downstream

- Commodities: crude, refined products, chemicals and renewables
- Infrastructure: hub terminals, rail terminals, tankers and market terminals
- Terminals offers unequalled, full-service, operations critical to downstream customers' needs



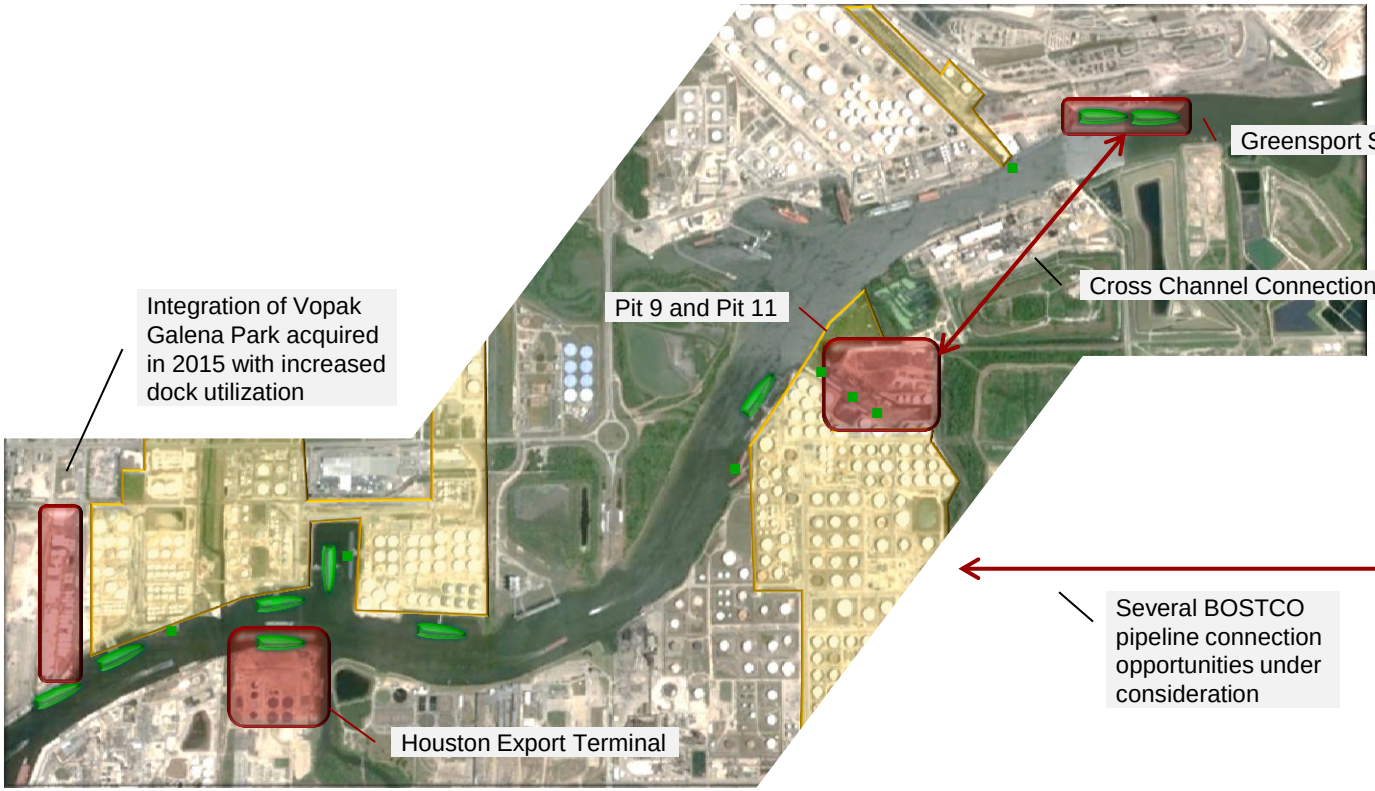
- **Strong downstream fundamentals**
  - Domestic and global demand growth
  - High utilizations
  - Strong crack spreads
  - Continued expansion
  - Low-cost North American crudes
  - Low-cost natural gas
  - Continued export market growth
  - Renewable fuels penetration

Size relative to 2016 budgeted revenue.
Chemicals inclusive of vegetable oils, animal fats, & liquid fertilizer.
Renewables includes both ethanol and biodiesel.

Houston Ship Channel – Projects

Market-driven customer-committed intrinsic growth

- Increasing demand for access to export markets
- Constructing 3 new ship docks and 1 new barge dock with associated tankage
- Reduces customer demurrage
- BOSTCO inbound pipeline connectivity to allow for Suez-max export vessels





Several BOSTCO pipeline connection opportunities under consideration

KINDER MORGAN INC.

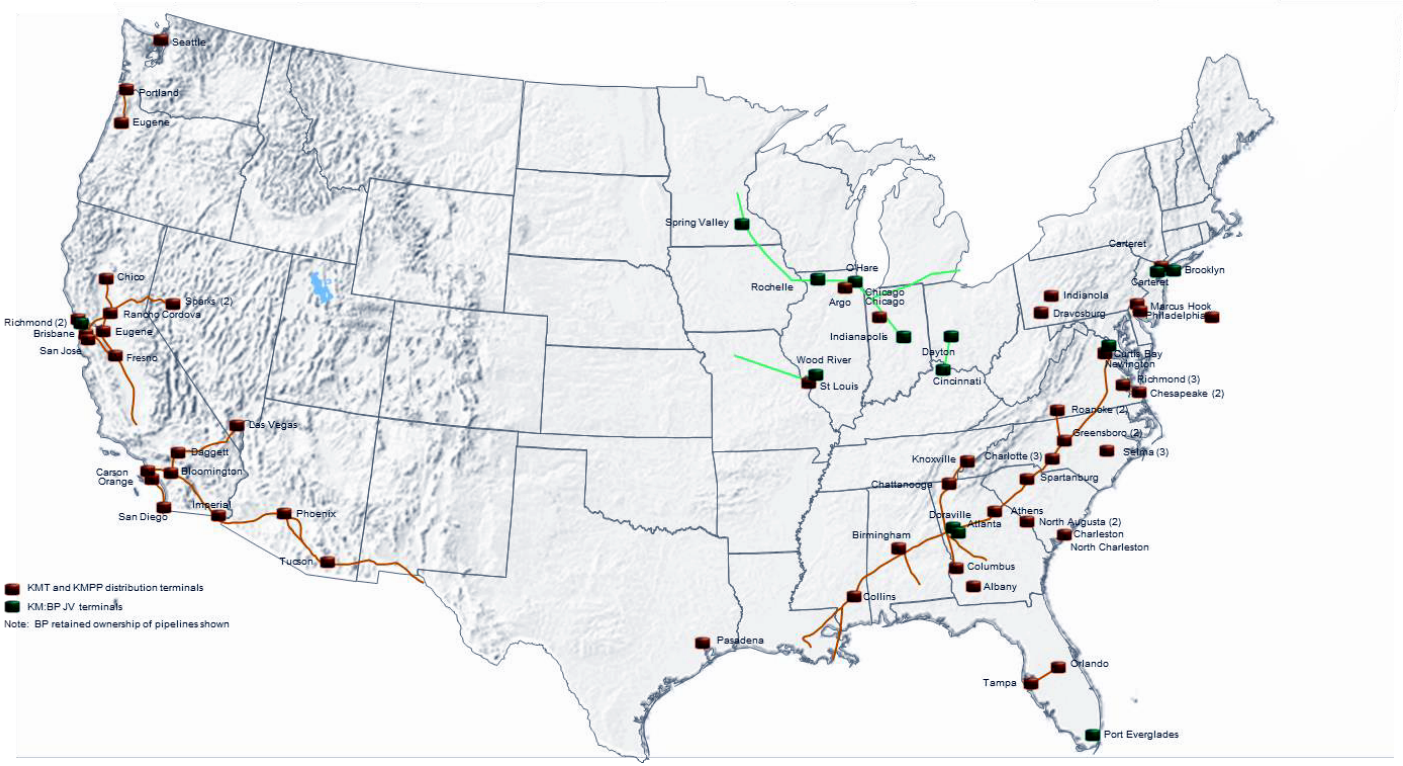
KM and BP Joint Venture

Transaction Overview:

- KM acquires 15 refined products terminals from BP
  - 9.5 million Bbls total capacity
  - $350 million transaction value
- BP acquired a 25% interest in 14 of these terminals
- One terminal was retained by KMI
- Feb-1 expected closing

JV Partnership Overview:

- KM and BP (75:25)
- KM will operate and market terminals on behalf of the JV
- BP will secure throughput and storage capacity
- Enables BP with strategic access and continued growth
- Cost savings under KM consolidated operations markets



New York Harbor

- **Market:** A New York Harbor trading hub for refined products, renewables, chemicals and veg-oils
- **Infrastructure:** 15.5 million barrels of capacity
- **Customers:** Refiners, integrated majors, international traders, chemical companies



Fee-based revenues tied to tank leases

- Tank capacity under current lease: 100%
- Average remaining contract lease: 3.2 years[(a)]
- Top 5 customers: 58%[(b)]
- Top 10 customers: 78%[(b)]

Customer value in market connections

- Direct Colonial and Buckeye pipelines
- Inter-harbor transfers
- Ship and barge access
- Truck rack delivery though KM:BP Carteret
- Ethanol unit-train deliveries through Linden

(a) As of 1/1/2016.
(b) Based on 2016 budgeted revenues.

Edmonton

Market: Largest merchant crude terminaling system in Edmonton

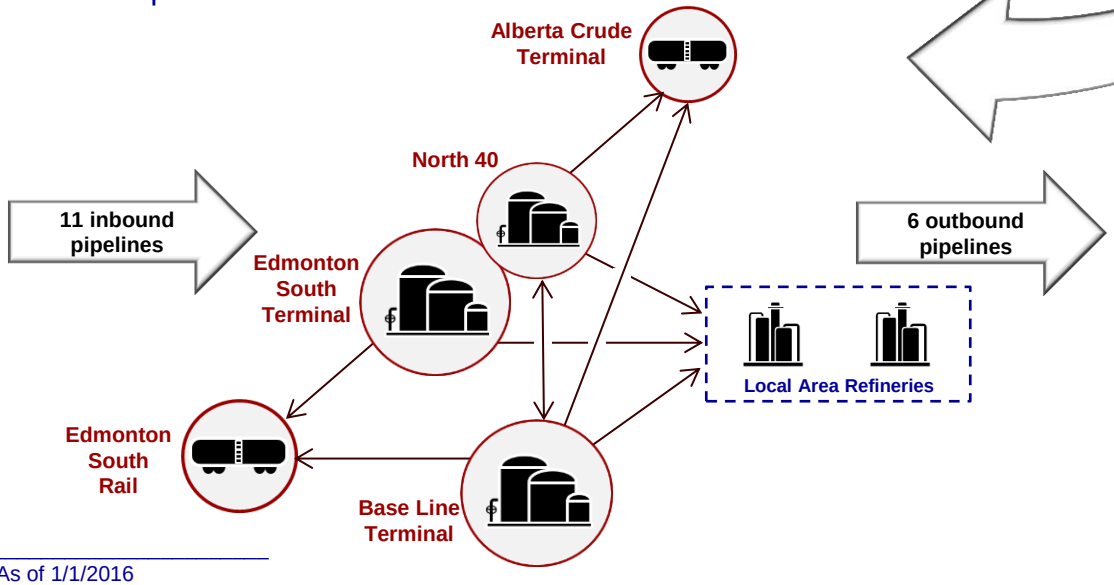
Infrastructure: 7.2 million barrels of connected capacity with 2 rail facilities

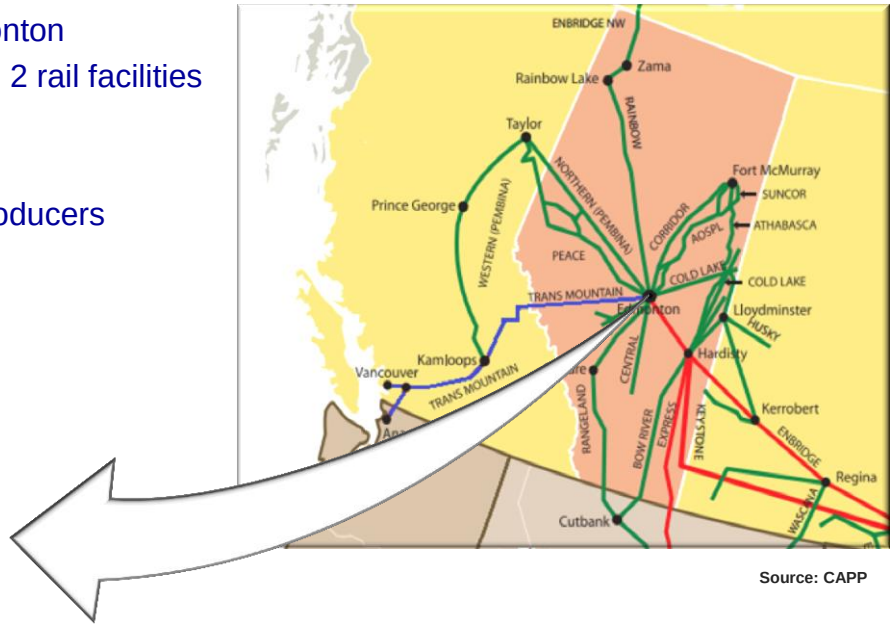
- Base Line Terminal will add 4.8 million barrels
- 50:50 JV with Keyera with fully contracted customers

Customers: Refiners, integrated majors, major Canadian producers

Fee-based revenues tied to tank leases

- Tank capacity under current lease: 100%
- Average remaining contract: 10.2 years[(a)]
- Top 5 customers: 68%[(b)]
- Top 10 customers: 86%[(b)]





Source: CAPP

Customer value in market connections

- 11 inbound crude pipelines
- 6 outbound connections to markets including Trans Mountain
- Blending and staging services
- Local refinery demand
- Crude-by-rail origination
- Key JV Partners in Imperial & Keyera

(a) As of 1/1/2016
(b) Based on 2016 budgeted revenues

Edmonton – Base Line Terminal

Market-driven, customer-committed, intrinsic growth

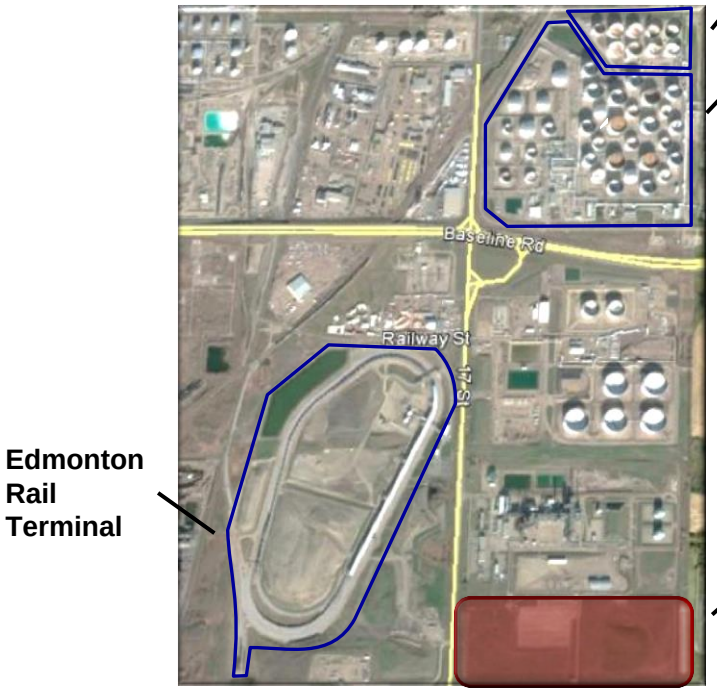
- Market-driven, customer-committed, intrinsic growth
- 50:50 JV with Keyera for merchant crude terminals
- Phase 1: 4.8 million Bbls (12-tanks)
  - 100% contracted with long-term take-or-pay contracts
  - Multiple credit-worthy customers
  - Planned in-service in 2nd half of 2017
- Expansion capabilities up to 6.6 million Bbls

Customer value in market connections

- 8 standard inbound connections
- Multiple outbound connections including:
  - Connections to KM Edmonton terminals
  - Alberta and Edmonton rail terminals
  - Trans Mountain pipeline
  - Other major export pipelines

KM Investment

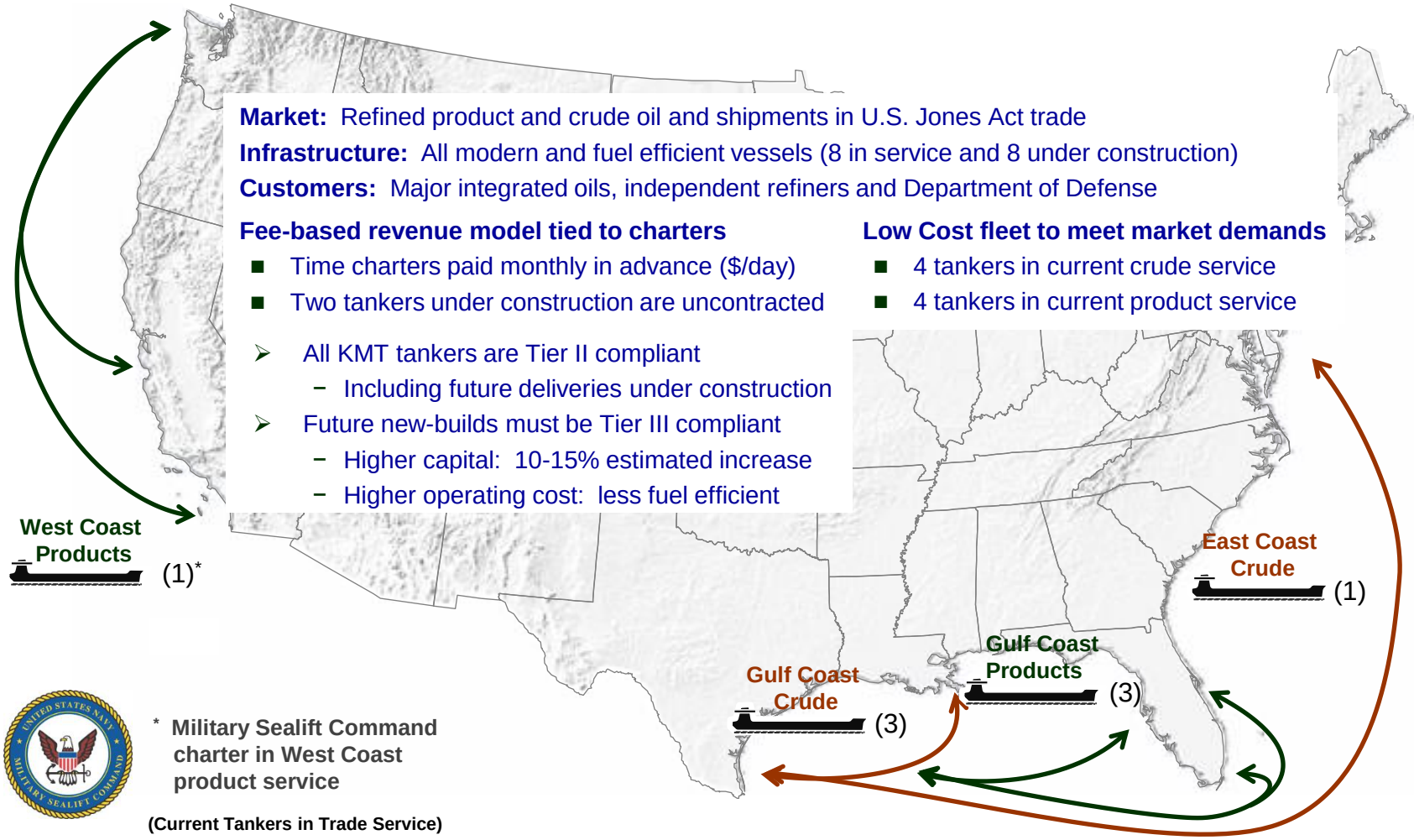
- $446 million
  - Includes KM sole investment in connecting pipeline
  - Certain adjustments in CAD:USD FX rates





KINDER MORGAN INC.

Tankers – Jones Act Trade



Market: Refined product and crude oil and shipments in U.S. Jones Act trade

Infrastructure: All modern and fuel efficient vessels (8 in service and 8 under construction)

Customers: Major integrated oils, independent refiners and Department of Defense

Fee-based revenue model tied to charters

- Time charters paid monthly in advance ($/day)
- Two tankers under construction are uncontracted

Low Cost fleet to meet market demands

- 4 tankers in current crude service
- 4 tankers in current product service

- All KMT tankers are Tier II compliant
  - Including future deliveries under construction
- Future new-builds must be Tier III compliant
  - Higher capital: 10-15% estimated increase
  - Higher operating cost: less fuel efficient

* Military Sealift Command charter in West Coast product service

(Current Tankers in Trade Service)

Chemicals

Market: U.S. petrochemical production (including liquid fertilizers and vegetable oils)

Infrastructure: Dedicated facilities and integrated chemicals services alongside petroleum facilities

Customers: Major chemical producers, biofuels producers, international traders

- Completed acquisition of Vopak terminals: Galena Park and Wilmington (2)
- Completed methanol logistics investment at Methanex Geismar



Vopak Galena Park Terminal

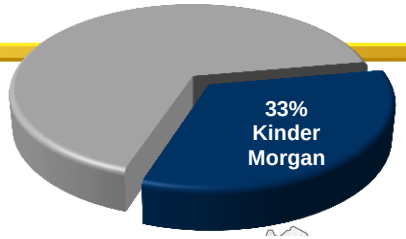
Size relative to 2016 budgeted revenue.

Renewables

Market: Biofuels to meet U.S. RFS mandates including ethanol and biodiesel

Infrastructure: Unit-train rail terminals and local storage and blending

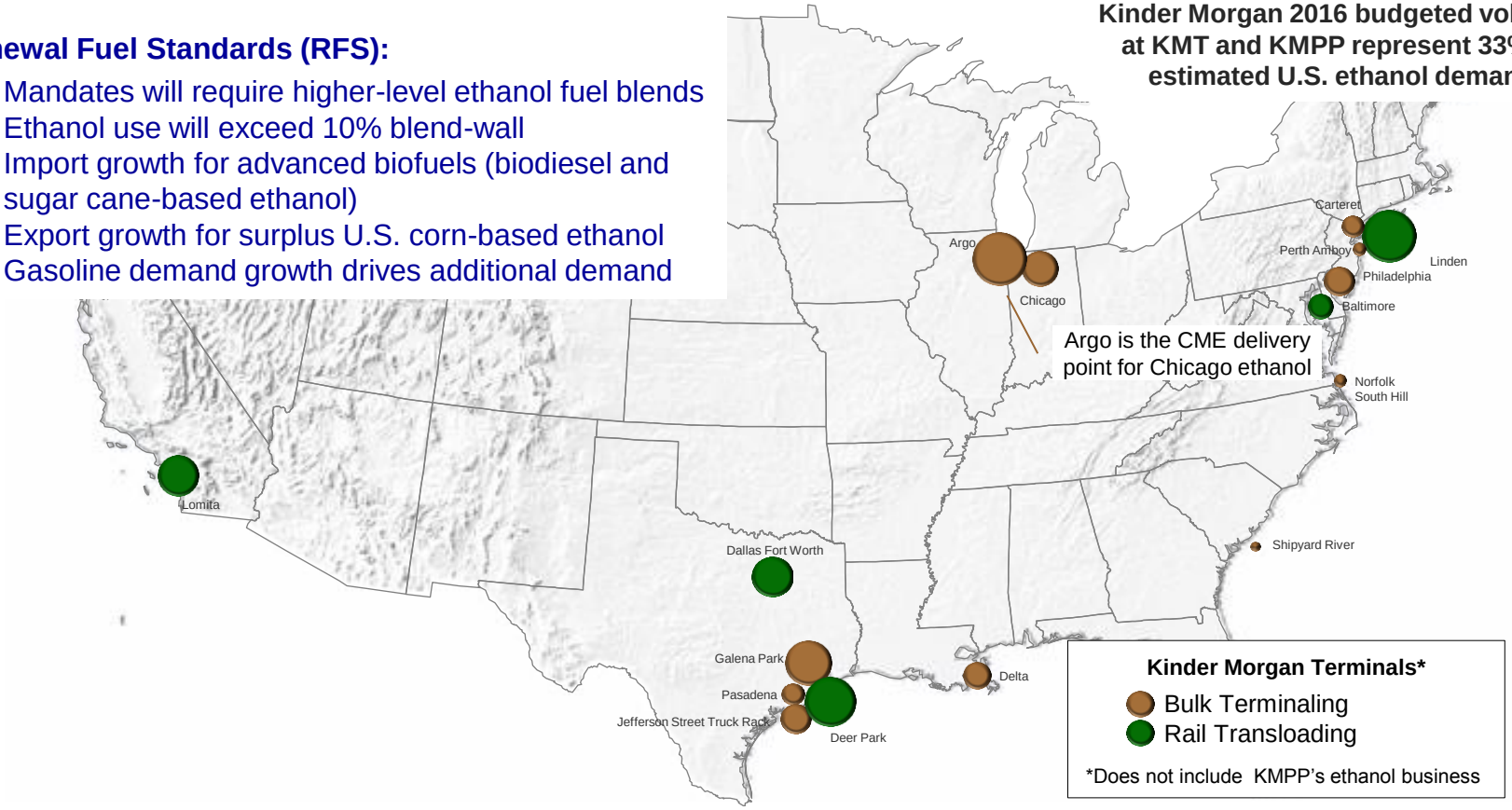
Customers: Renewable producers, refiners, wholesale marketers, global traders



Kinder Morgan 2016 budgeted volumes at KMT and KMPP represent 33% of estimated U.S. ethanol demand

Renewal Fuel Standards (RFS):

- Mandates will require higher-level ethanol fuel blends
- Ethanol use will exceed 10% blend-wall
- Import growth for advanced biofuels (biodiesel and sugar cane-based ethanol)
- Export growth for surplus U.S. corn-based ethanol
- Gasoline demand growth drives additional demand



Size relative to 2016 budgeted revenue.

Distribution Terminals

Markets: Local truck rack market deliveries to meet growing domestic demand

Infrastructure: A national footprint of distribution terminals

Customers: Refiners, integrated majors, retail and wholesale marketers



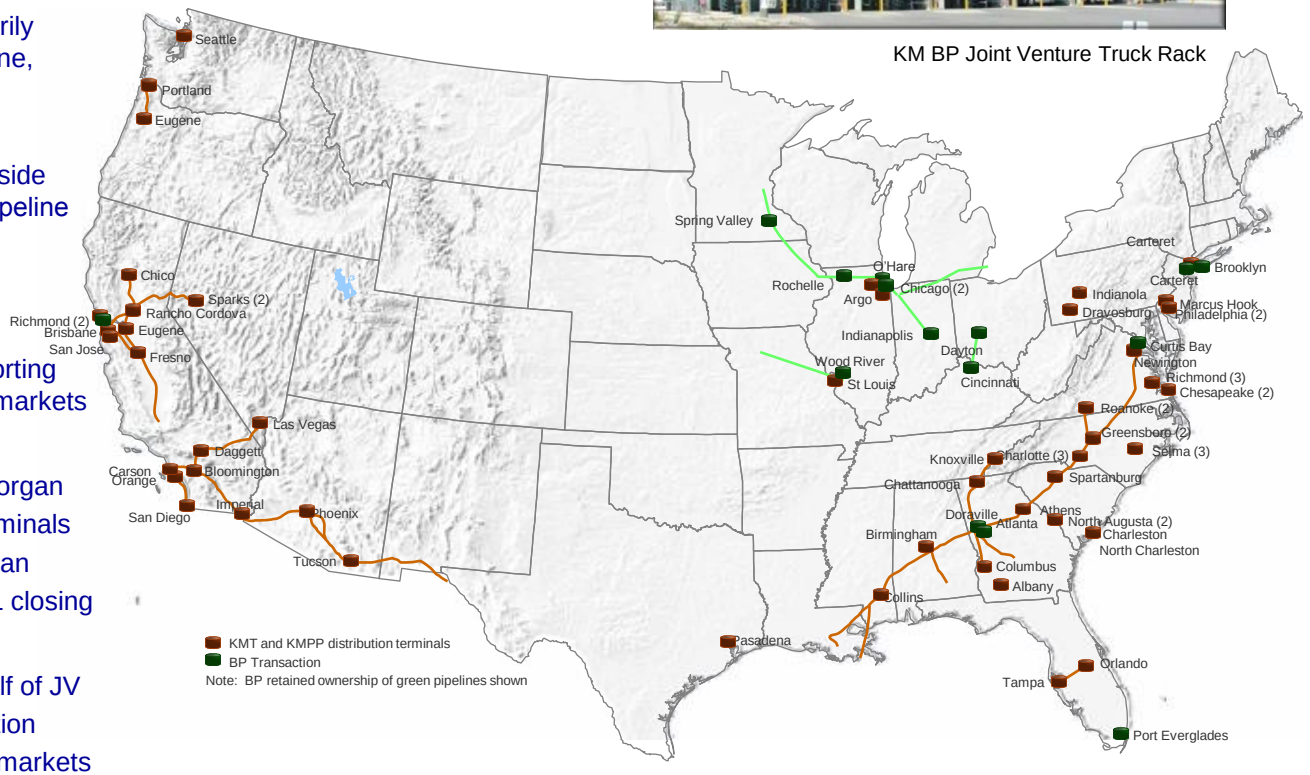
KM BP Joint Venture Truck Rack

Kinder Morgan Network

- KM Terminals
  - Market distribution terminals primarily supplied by marine, 3rd party pipeline, and/or KMT market hubs
- KM Products Pipelines
  - Market distribution terminals alongside Kinder Morgan's refined product pipeline network

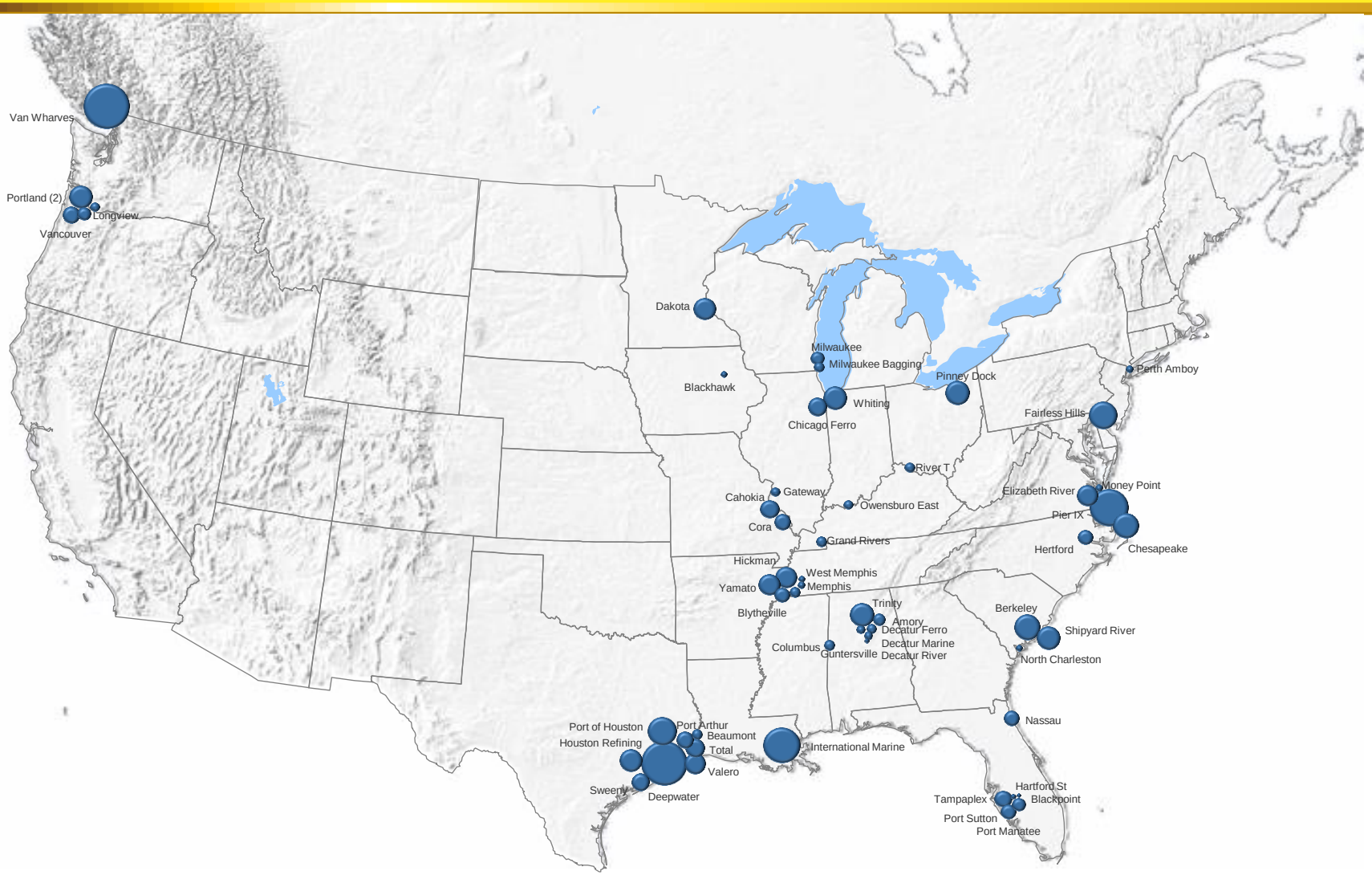
KM & BP Joint Venture

- BP
  - Market distribution terminals supporting Whiting and Cherry Point refinery markets
- Transaction Overview
  - 15 terminals acquired by Kinder Morgan
  - BP acquires 25% interest in 14 terminals
  - 1 terminal retained by Kinder Morgan
  - $350 million transaction with Feb-1 closing
- Partnership
  - KM operates and markets on behalf of JV
  - Cost savings and increased utilization
  - BP secures strategic downstream markets
  - Enables growth through Partnership



KINDER MORGAN INC.

Bulk Market Hubs



Size relative to 2016 budgeted revenue.

KINDER MORGAN INC.

Vancouver Wharves

Market: Primary export point for multiple commodities to Pacific markets

Infrastructure: One of the largest bulk terminals in the Port of Vancouver, B.C.

Customers: Long-term contracts with Western Canadian mining, grain and sulfur companies

Value in Connectivity

- Handles over 4 million metric tons annually
  - Export capacity up to 6 million tons
- Four separate berths handling different commodities
  1. Copper exports and zinc import concentrates
  2. Diesel and Biodiesel export/import capable
  3. 3.0 million tons sulfur export capacity
  4. 1.5 million tons wheat and canola export capacity
- Bulk storage capacity of over 1 million metric tons
  - 500 thousand tons of covered mineral storage
  - 10 grain silos and associated conveyor systems
  - 160,000 tons of formed sulfur storage
  - 250,000 barrels liquid storage
- Majority of customers under long-term contracts
- $190 million in KMT investment since acquisition



Petroleum Coke

Market: U.S. heavy oil petroleum refineries with petroleum coke production

Infrastructure: In-plant bulk handling services and rail loading facilities and unit-train export bulk terminals

Customers: Independent refiners, integrated majors

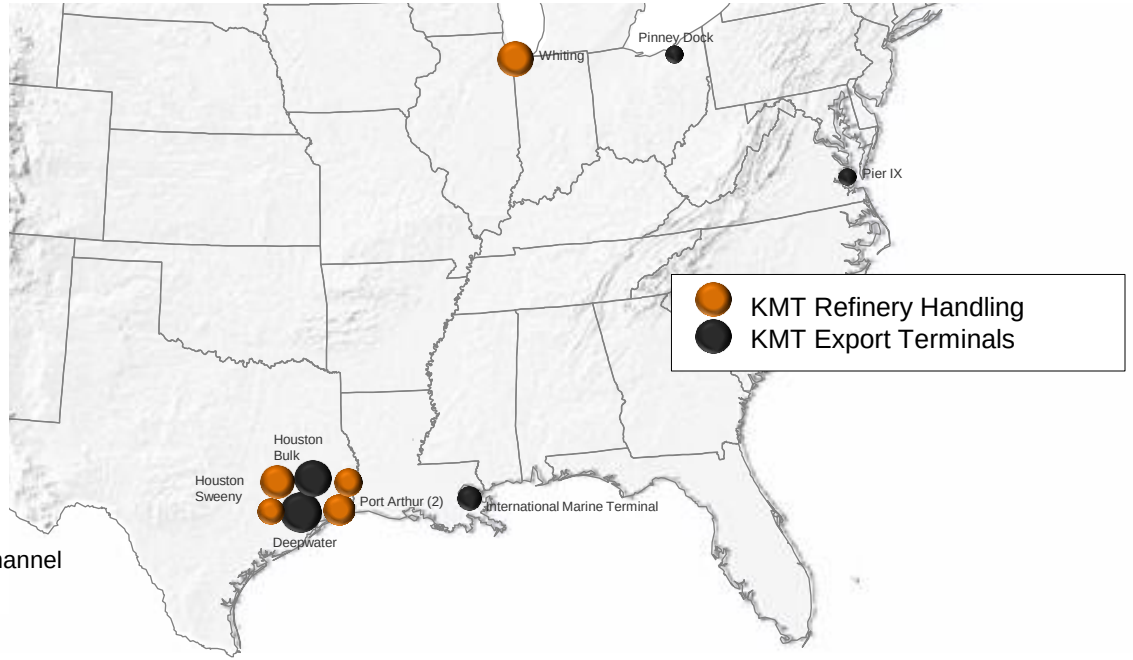


Petcoke facilities at BP's Whiting, IN refinery



Petroleum coke export terminal on the Houston Ship Channel

- Refinery coking tied to refining economics
- Petroleum coke is a residual byproduct in delayed cokers
- Domestic markets are in decline
- Increasing demand for exports



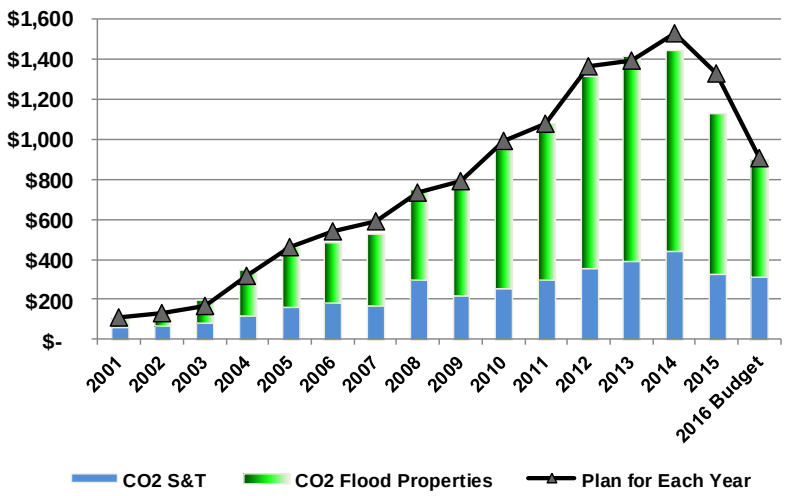
Size relative to 2016 budgeted revenue.

History of CO_2 Group and Looking Forward

Track Record – Consistently very close to budget despite inherent volatility

- Shell CO_2 formed in 1998, KM share 20%
- Acquired remaining 80% in April 2000
- Acquired SACROC interests June 2000
- Acquired Yates interests in 2001 and 2003
- Ramped up developments at SACROC 2003+
  - Constructed Centerline pipeline in 2003
  - Constructed power plant in 2005
  - Increased oil production 3X+
- Acquired Wink pipeline in 2004
- Acquired Katz field 2006
- Increased SW Colorado CO_2 capacity 30% 2008
- Katz CO_2 project: CO_2 injection commenced Dec-2010
- 2013-Acquired Goldsmith Landreth San Andres (GLSAU)
- Tall Cotton (ROZ) CO_2 project: CO_2 injection commenced Nov-2014
- Increased SW Colorado CO2 capacity 13% in 2015
  - 200 MMcf/d

DCF ($MM)[(a)]



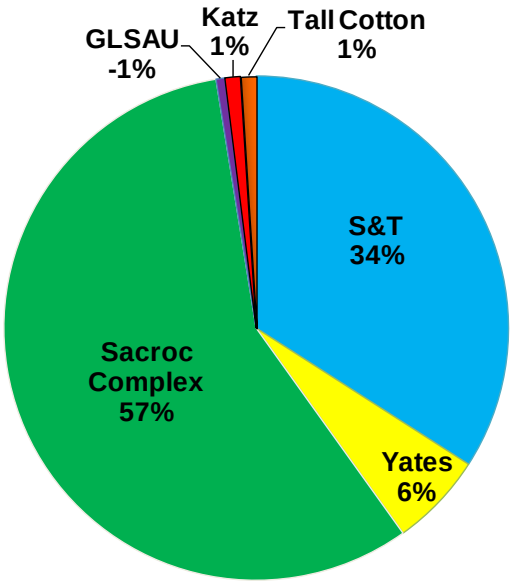
Our assets, resources and technologies provide us with growth opportunities

- Stable CO_2 demand
- Continued developments at SACROC, Yates, Katz, Tall Cotton/ROZ, and GLSAU

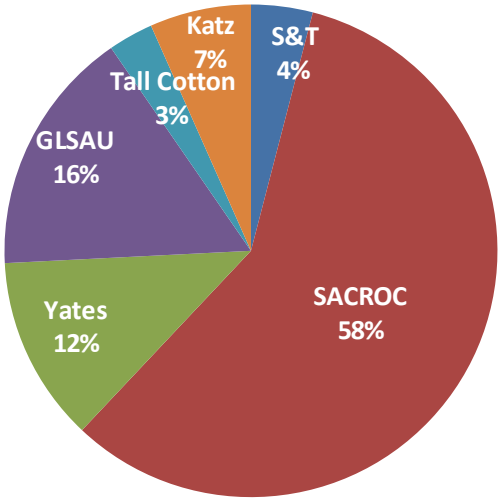
(a) CO_2 Source and Transportation includes Yates Oil Gathering System (YOGS), CO_2 sales profit on own use has not been eliminated

2016 DCF and Capex by Asset Group[(a)]

2016 DCF = $904 MM



2016 Budget – $218 MM Expansion Capital



Note: CO_2 purchases and staff overhead are allocated to assets
(a) Segments shown without elimination.

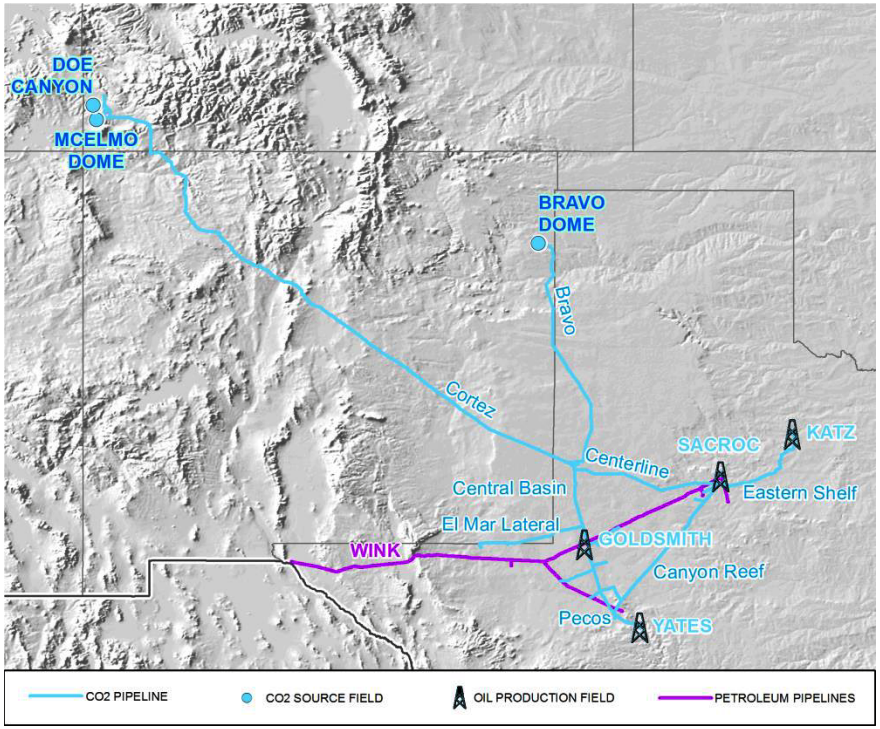
Impact of Oil Price / Volume Variance on 2016 DCF

($ in millions)

2016 Budget:	**$904MM**
Volume +/- 1,000 Bbl/d	
SACROC / Katz / GLSAU	$11.0MM
Yates	$5.8MM
CO_2 Volume +/- 50 MMcf/d	$7.0MM
Oil Price +/- $1/Bbl WTI	
NGL	$1.7MM
CO_2	$0.1MM
Crude	$3.0MM
TOTAL:	**$4.8MM**
NGL/Crude Ratio +/- 1%	$1.6MM
Mid/Cush Diff +/- $1/Bbl	$5.7MM

Notes: Unhedged WTI price presumed to average $38/Bbl; WTI-WTS spread = ($0.25)/Bbl / Midland-Cushing spread = ($0.25)/Bbl
NGL price presumed to be $14.47 (38% WTI)

CO_2 Asset Summary



CO_2 Reserves	KMI Interest	Location	Remaining Deliverability	Operator
McElmo Dome	45%	SW Colorado	20+ years	KMI
Doe Canyon	87%	SW Colorado	10+ years	KMI
Bravo Dome	11%	NE New Mexico	10+ years	Oxy

Pipelines	KMI Interest	Location	Capacity (MMcf/d)	Operator
Cortez	50%	McElmo Dome to Denver City	1,330	KMI
Bravo	13%	Bravo Dome to Denver City	375	Oxy
Central Basin (CB)	100%	Denver City to McCamey	700	KMI
Canyon Reef	98%	McCamey to Snyder	290	KMI
Centerline	100%	Denver City to Snyder	300	KMI
Pecos	95%	McCamey to Iraan	125	KMI
Eastern Shelf	100%	Snyder to Katz	110	KMI
Wink (crude)	100%	McCamey & Snyder to El Paso	145 MBbl/d[(a)]	KMI

Crude Reserves [(b)]	KMI Interest / (Net of royalty)	Location	Operator
SACROC	97% (83%)	W Texas	KMI
Yates	50% (44%)	W Texas	KMI
Katz	99% (83%)	W Texas	KMI
Goldsmith	100% (88%)	W Texas	KMI

(a) With drag reducing agent (DRA).
(b) Reserve life ~3 years based on current independent consultant reserve report.

2016 Expansion Program Summary

Capex Program $218MM[(a)]

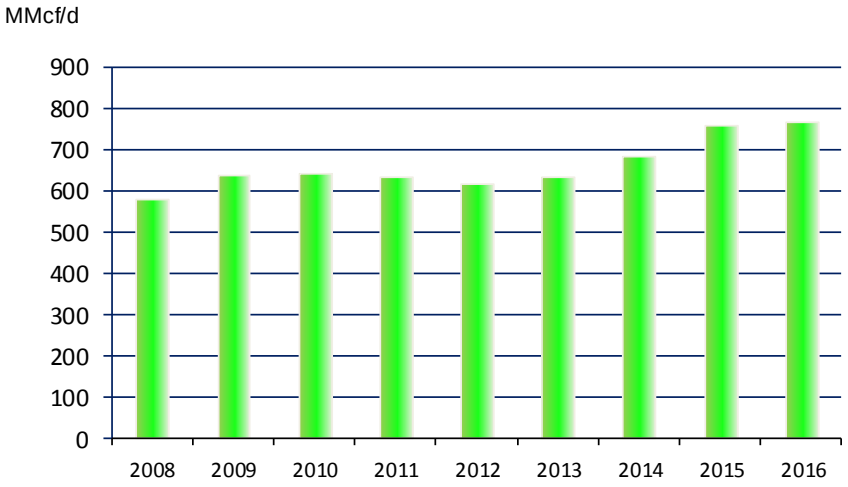
S&T – $9MM Capex (incl. $1MM Cap OH)	**$9MM**	**4%**
■ Complete Cow Canyon development		
■ CO_2 Production 1,235 MMcf/d		
SACROC Complex – $127MM Capex[(b,c)] (incl. $57MM Cap OH & Cap CO_2)	**$127MM**	**58%**
■ Activate 11 patterns		
■ Expand success of Infill Program and Bypassed Pay		
■ Continuing developing Platform 4 expansion area		
■ Purchase 99 MMcf/d CO_2, Produce 30.4 MBbl/d oil, 20.6 MBbl/d NGL		
Yates – $27MM Capex[(c)] (incl. $10MM Cap OH & Cap CO_2)	**$27MM**	**12%**
■ Drill 40 HDH and 4 vertical east side wells		
■ Purchase 90 MMscf/d CO_2		
■ Produce 18.6 MBbl/d oil		
Katz – $14MM Capex (incl. $11MM Cap OH & Cap CO_2)	**$14MM**	**7%**
■ Continue conformance activity and optimize flood performance		
■ Purchase 25MMcf/d CO_2, Produce 4.4 MBbl/d oil		
GLSAU - $35MM Capex (incl. $17MM Cap OH & Cap CO_2)	**$35MM**	**16%**
■ Continue impaired well and conformance work		
■ Install additional compression		
■ Purchase 50MMcf/d CO_2, Produce 2.3 MBbl/d oil		
Tall Cotton - $6MM Capex (incl. $6MM Cap OH & Cap CO_2)	**$6MM**	**3%**
■ Monitor Phase I performance and evaluate future phases		
■ Purchase 21 MMcf/d CO_2, Produce 1.6 MBbl/d oil		
Total Capex[(a)]	**$218MM**	

(a) Included in $218 million total capex program are overhead and CO_2 purchases, in the aggregate, of approximately $102 million.
(b) Includes minor properties, unallocated costs.
(c) Includes secondary objectives.

CO_2 Entitlement Volumes

Produced and Sold to our Customers

CO_2 KM-share



Significant growth since 2008:

- CAGR: volumes +3.14%
- 2016 vs 2015: volumes +0.92%

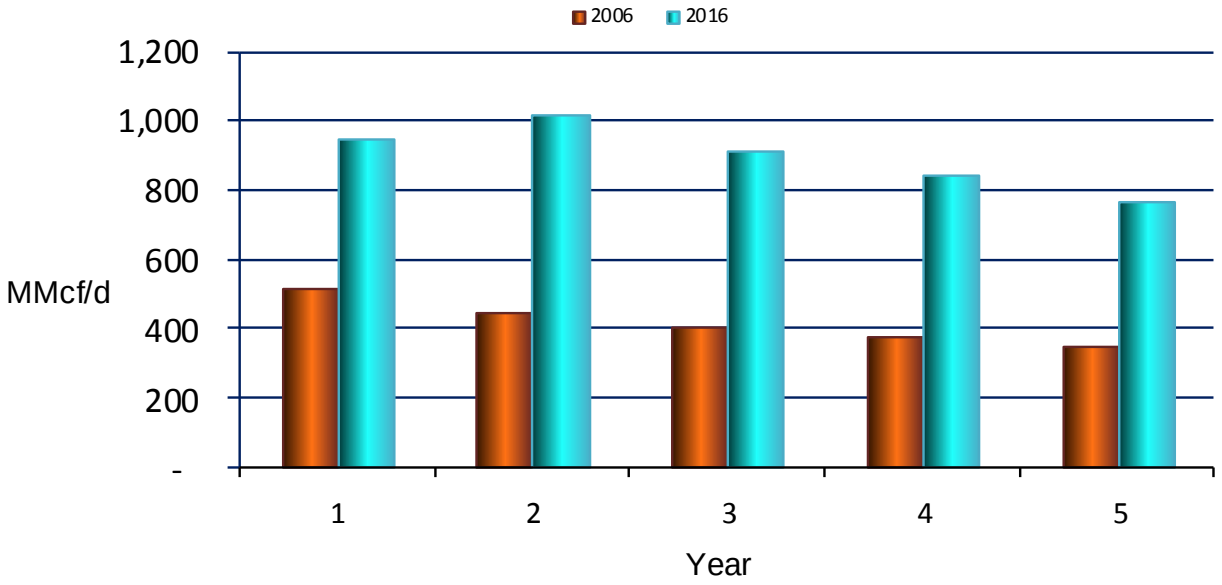
As a reminder:

- Sales revenues are based on our working interest entitlement and not deliveries
- KM share of EOR demand consumes ~32% of our entitled production in 2016
- Elimination: consolidation results in eliminating profit on sales to ourselves, however we view our S&T and O&G businesses independently, and price sales to ourselves at market prices

Demand Growth and Regeneration

5-year Contracted CO_2 Volumes

CO_2 Daily Contract Quantities



- **Weighted average contract life with 3rd parties is 10.28 years**

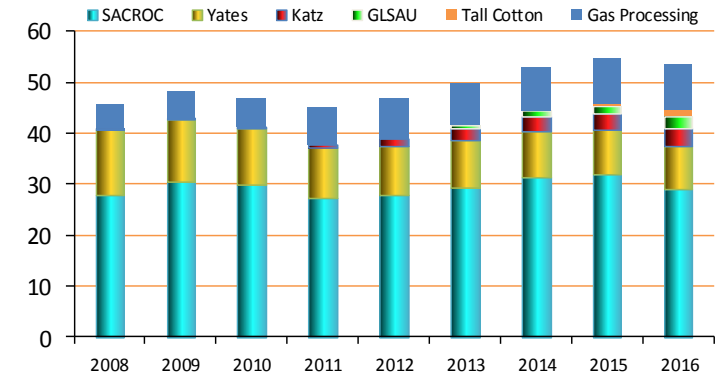
CO_2

KINDER MORGAN INC.

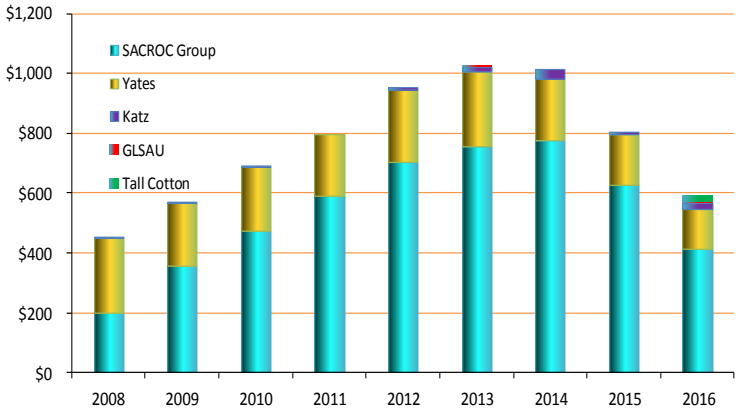
Oil and Gas Segment

Production and DCF

Net Hydrocarbon Production (Mboe/d)



DCF ($MM)



Original oil in place (Billion Bbls)	
SACROC	2.8
Yates	5.0
Katz	0.23
GLSAU	0.48

Gross production (Bbl/d)[a]	2015	2016
SACROC oil	33,764	30,378
SGP NGLs	20,620	20,580
Yates	18,996	18,627
Katz	4,020	4,357
GLSAU	1,523	2,339
Tall Cotton	164	1,550

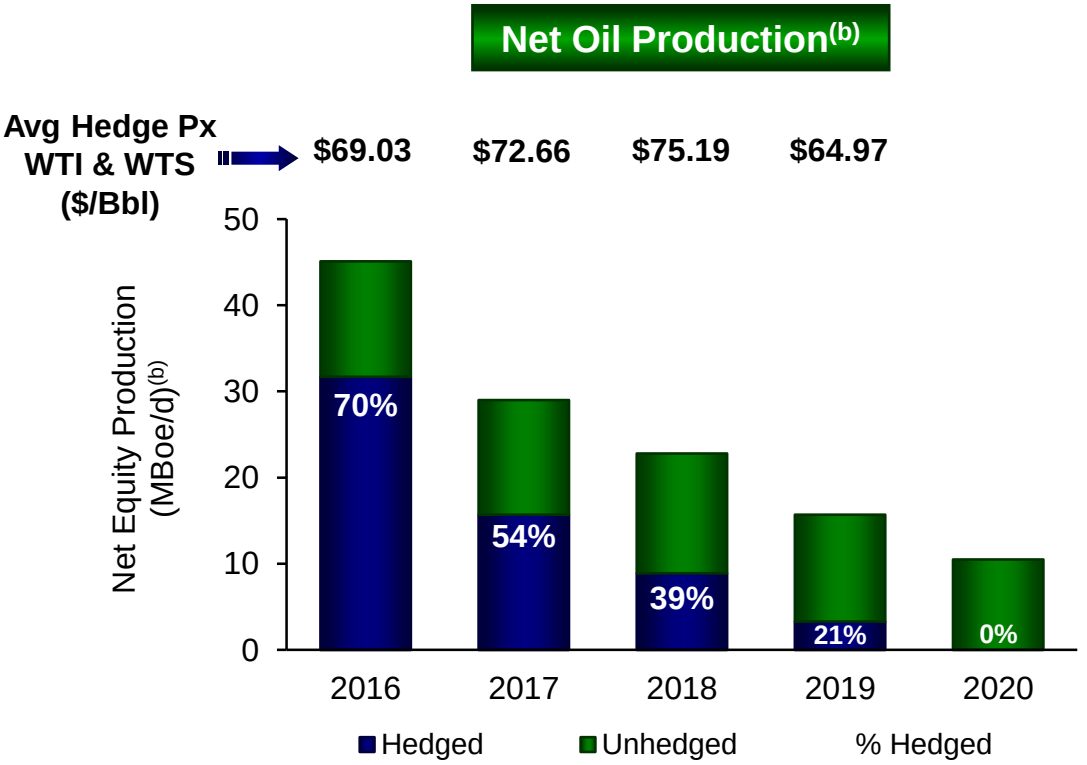
DCF[a] ($MM, without Elimination)	2015	2016
SACROC Group[a,b]	628	413
Yates[a]	170	134
Katz	8	22
GLSAU	(1)	2
Tall Cotton	(0)	22

Notes: BOE: Oil and NGL =1:1, Residue gas sales = 6:1
Gas Processing includes net Boe attributable to our plant interests and processing agreements but excluded from reserve report
(a) Includes Secondary Objectives
(b) Includes other minor oil and gas properties near SACROC

CO_2 Oil Production Hedge Profile

- **Hedge CO_2 BOE equivalent**
  - Targeted minimum hedge amounts:

    Current Year: 70%
    Year 2: 50%
    Year 3: 30%
    Year 4: 10%

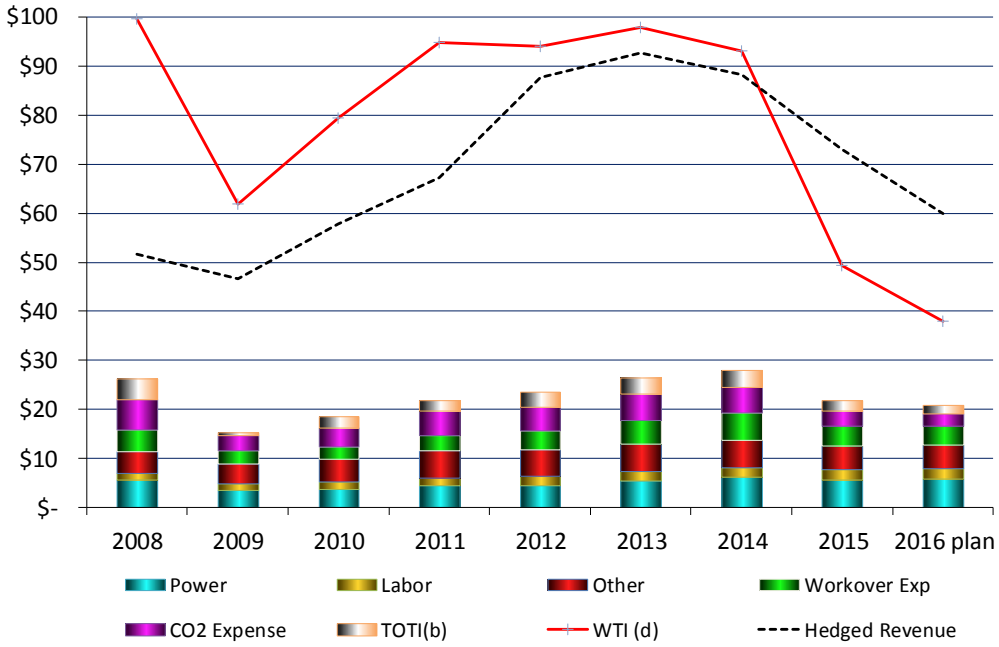


(a) Where collars are used, pricing incorporated into average hedge price is the collar floor; for swaps and puts, strike price net of premium is used.
(b) Net equity production: 2016 = budget; 2017-2020 = based on Netherland, Sewell reserve report plus management-approved Tall Cotton project barrels. Includes heavier NGL components (C4+).

Oil & Gas

Margins and Cost Structure

Oil & Gas Cash Cost Structure[(a)] ($/Net Boe)



O&G cost structure has strong correlation to energy prices

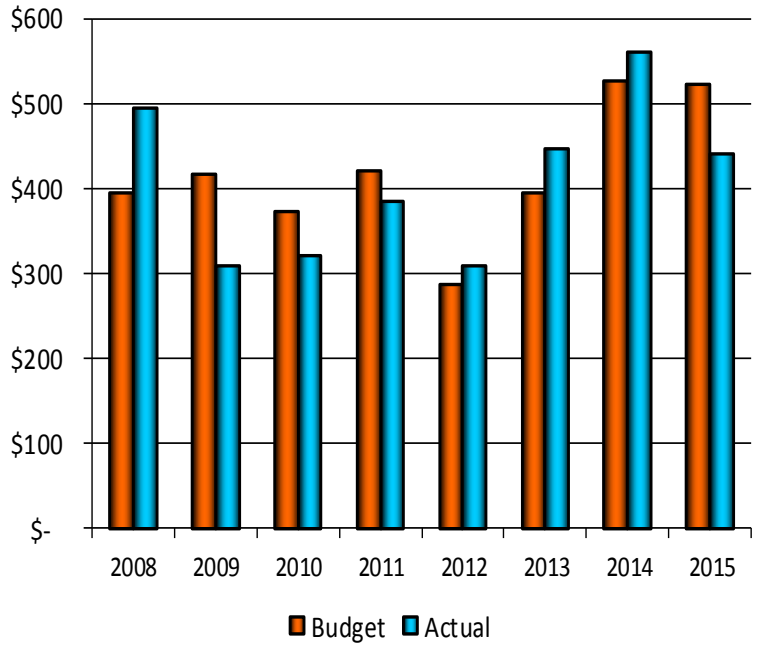
- Power is tied to gas prices
- Purchased CO_2 and TOTI[(b)] are strongly correlated to oil prices
- Market conditions have decreased material and service costs
- Achieved aggregate operating cost savings of 25%

(a) Costs and Revenue per net Boe, including hedges where applicable
(b) Taxes other than income taxes
(c) WTI Cushing Price, Source: www.eia.gov

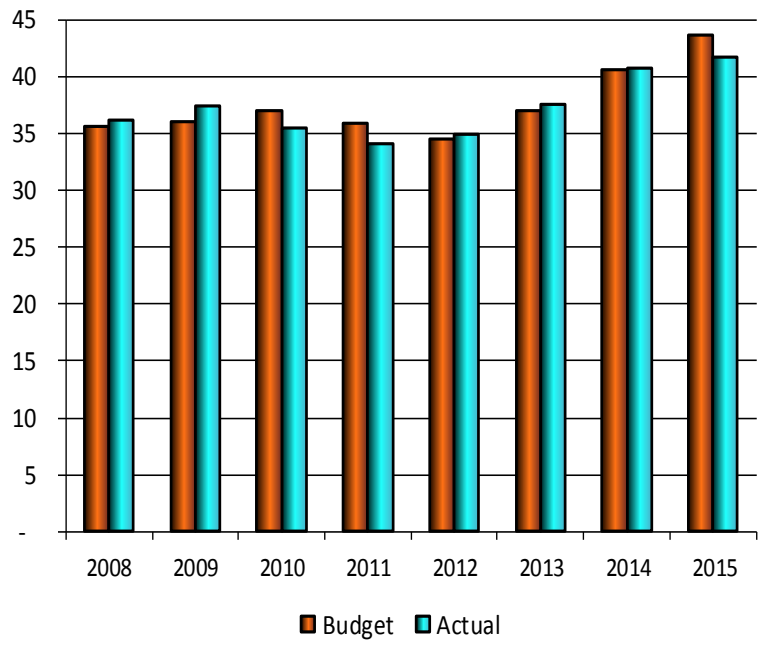
Oil and Gas Segment

Over past 8 years capex 2.1% below plan, oil production 0.8% below plan

Capex ($MM)



Net Oil Production (MBbl/d)



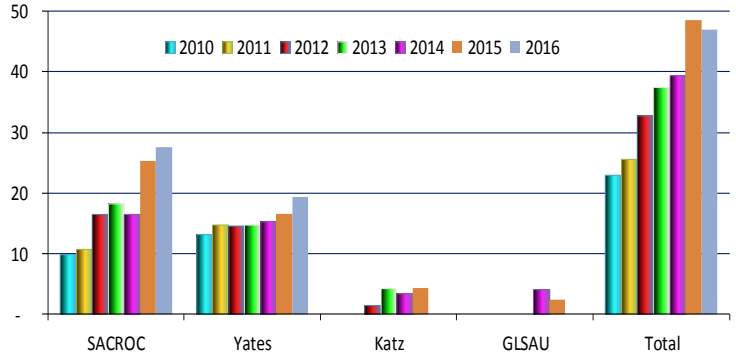
Note: Capex includes CO_2 purchases and capitalized overhead

CO_2

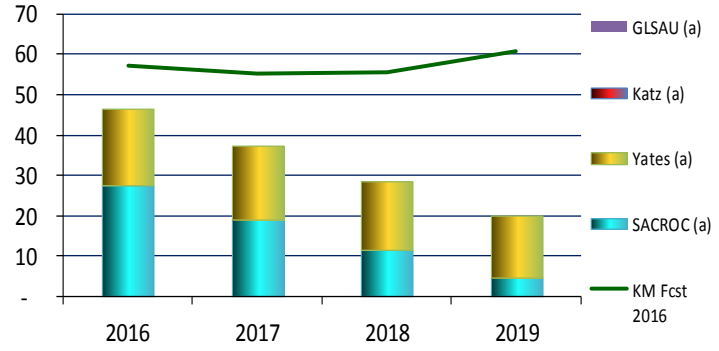
Oil and Gas Segment Production Forecasts

Production expectations tend to grow over time

Evolution of Forecasted 2016 Production[(a)] over Time (MBbl/d, 8/8ths)



Proved Reserves Production Forecast (MBbl/d, 8/8ths)



We expect production to exceed our reserve report over the long-term

- Higher recoveries and additional targets added to inventory at SACROC
- New Technologies at Yates

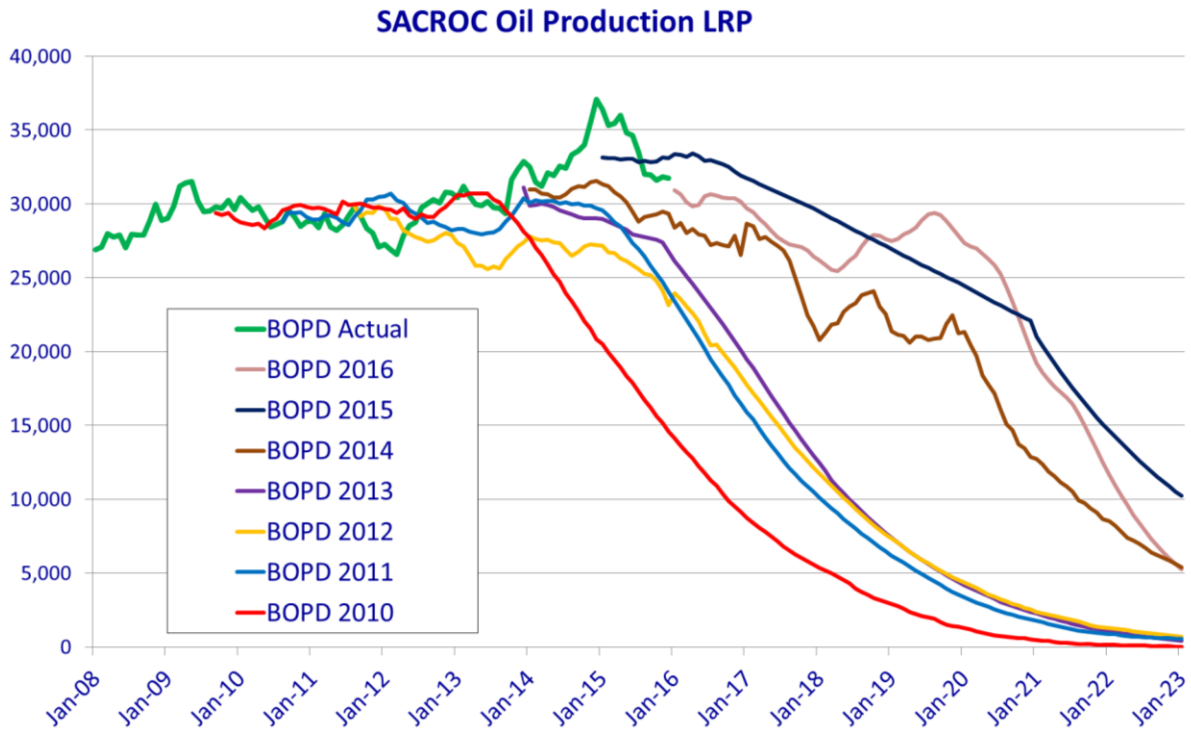
Current challenge: slow the decline

- More efficient operations
- New opportunities
- Improve OpEx at Katz and GLSAU

(a) Forecasts based on independent consultant Reserve Report. Excludes minor properties.

KINDER MORGAN INC.

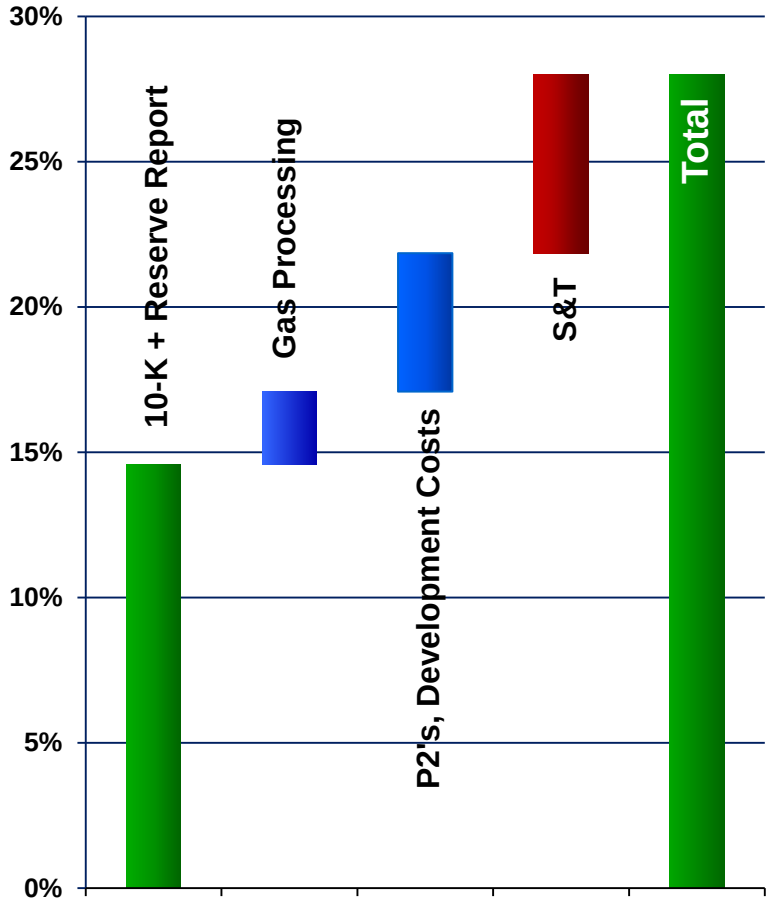
SACROC Unit – Long Range Plan



Changes from 2015 plan

- Infill count reduced from 104 to 73 wells
- Infill recovery downgraded
- Commodity prices have pushed projects out in time

Oil & Gas, and Business Unit IRR



All-in O&G IRR (2000-2025): 21.8%

- Required disclosures in 10-K plus proved reserves cash flows: 14.6%
- Adding in Gas Processing excluded from disclosures increases IRR to 17.1%
- Adding in reserves discounted to P2 and using planned development costs increases return to 21.8%

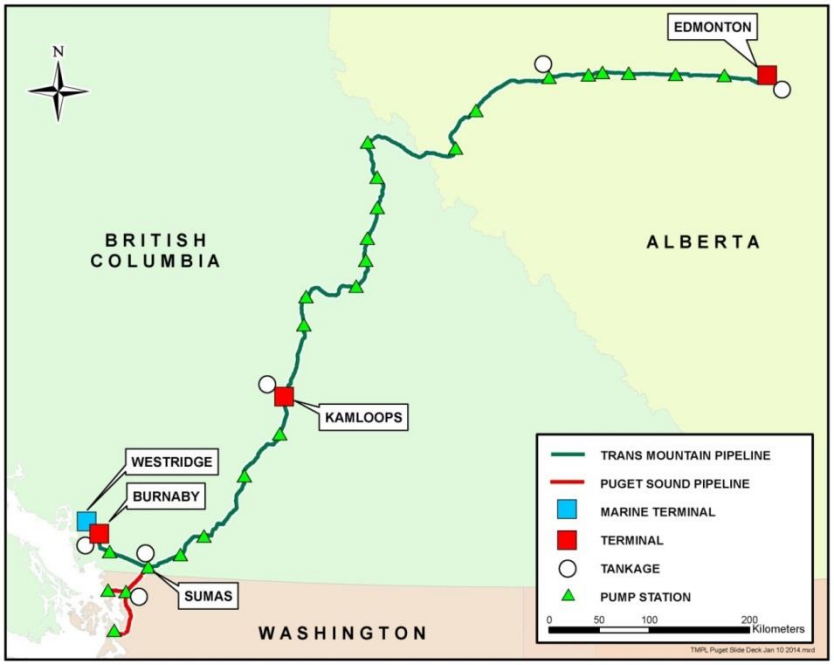
Total business IRR (2000-2025): 28.0%

- Includes S&T assuming volumes increase with higher capacity, valued at market prices

As of 12/31/15, CO_2 Segment cumulative free cash flow is $4.1B+ (net of cumulative invested capital)

Note: Segments shown without elimination

Trans Mountain Pipeline



Current Capacity

- 300 MBbl/d ex-Edmonton
- 241 MBbl/d to Puget Sound

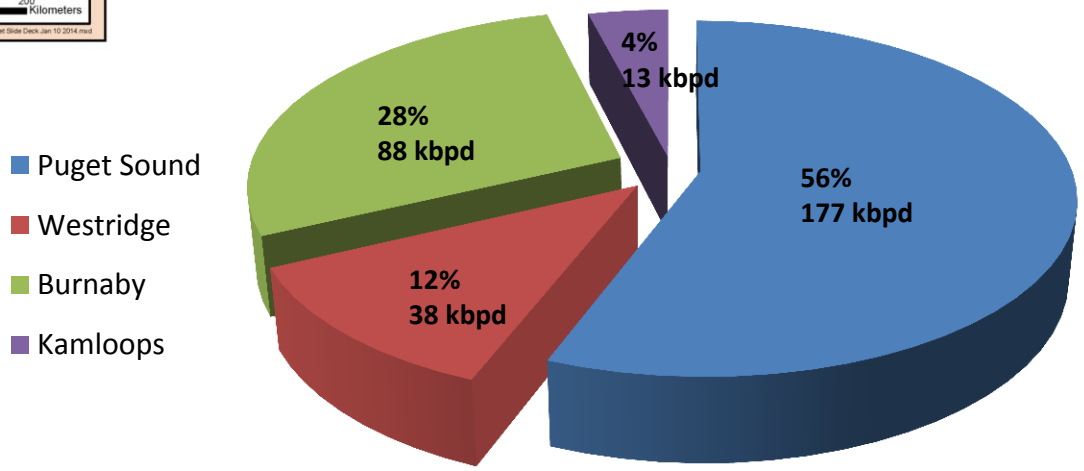
Markets

- British Columbia
  - Crude and Refined Products
- Washington State Refineries
- Westridge Marine Terminal
  - Offshore Markets

Regulation

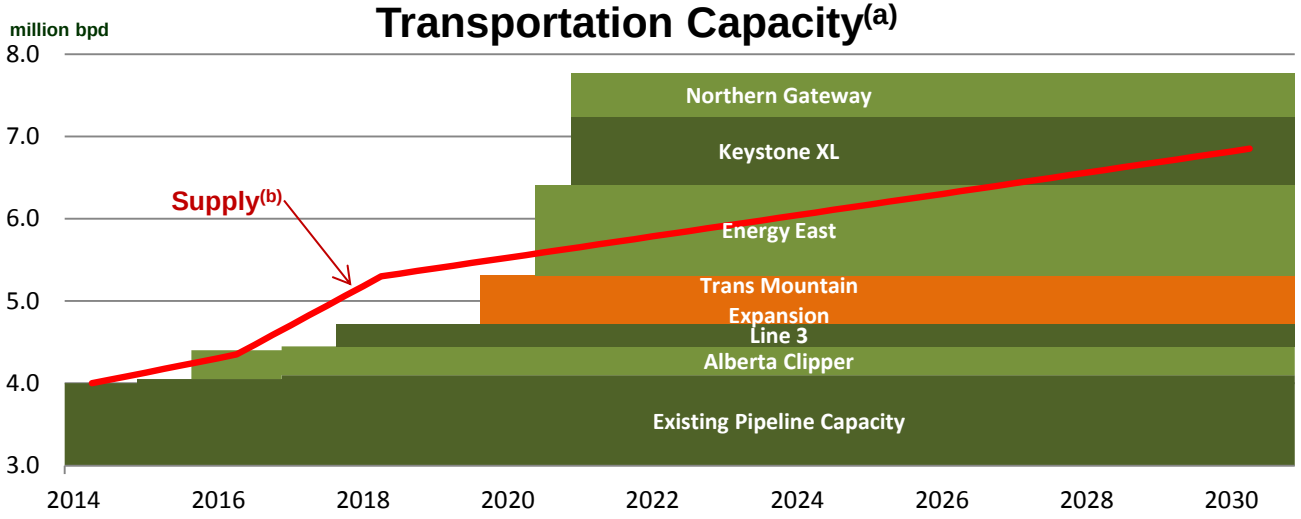
- National Energy Board Regulated
- New 2016–2018 toll settlement

2015 Trans Mountain Pipeline Throughput by Destination

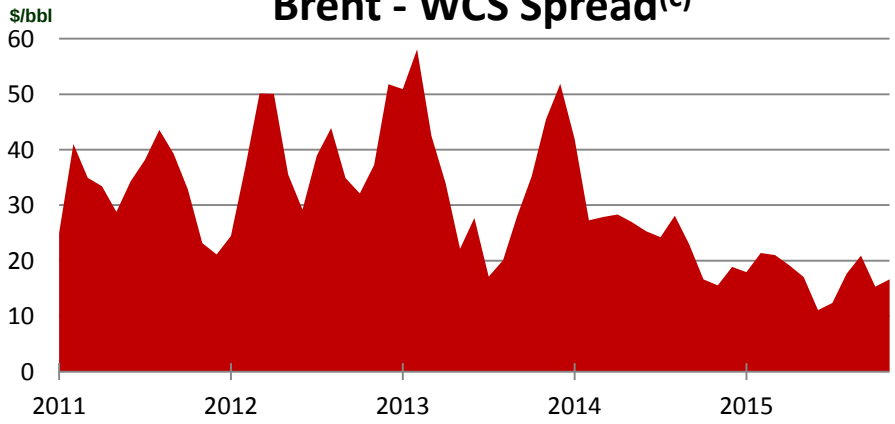


Market Access Drivers

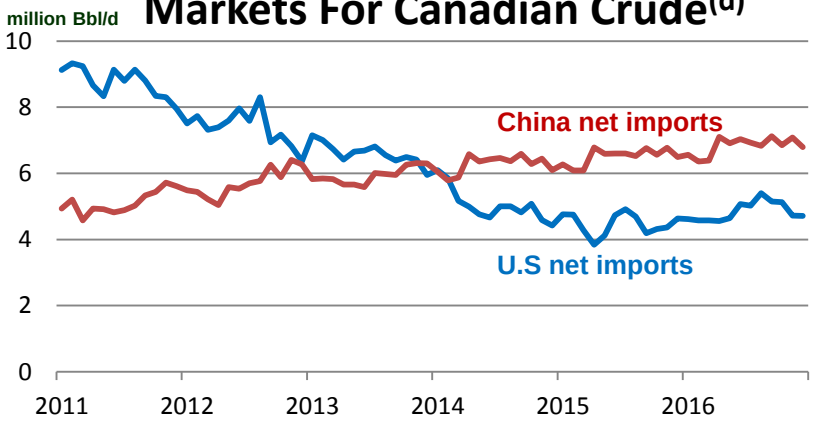
Transportation Capacity[a]



Brent - WCS Spread[c]



Markets For Canadian Crude[d]



(a) Source: 2015 CAPP Crude Oil Forecast, Kinder Morgan.
(b) Western Canada supply plus US Bakken movements.
(c) Source: Index Mundi, NGX.
(d) Source: January 2016 US EIA Short-term Energy Outlook.

Definitions and GAAP Reconciliation

Explanation of Return Calculations

	Formula	Notes
Segment Return on Investment =	$\frac{\text{Segment DCF}}{\text{Average total investment}}$	(a) (c)
Return on Investment =	$\frac{\text{DCF}}{\text{Average total investment}}$	(b) (c)
Return on Equity =	$\frac{\text{DCF}}{\text{Average equity}}$	(d) (e)

(a) Segment DCF is defined as the applicable Segment EBDA before certain items less sustaining capex. In addition, several adjustments are made to Segment EBDA to more closely tie to cash: (1) our share of JV DD&A for Certain Equity Investees is added back and our corresponding share of sustaining capex for these joint ventures is deducted, (2) Express and Endeavor (1H 2014 and prior) pre-tax earnings are subtracted and cash received is added back. Reflects KMP segments (2000 – 2012), KMP and EPB segments (2013 and 2014) and KMI segments (2015).

(b) For all years prior to 2015 (prior to the KMI acquisition of KMP, KMR and EPB), DCF is defined as the sum of the individual Segment DCF less G&A.
For 2015, DCF is defined as the sum of the individual Segment DCF less G&A and cash taxes, plus book taxes deducted at the segment level and KMI's share of c-corp equity investee's book taxes.

(c) See next page for calculation, annual number is calculated based on average of the quarterly Total Investment.

(d) For all years prior to 2015 (prior to the KMI acquisition of KMP, KMR and EPB), DCF is defined as limited partners' pretax income before certain items and DD&A, less cash taxes paid and sustaining capital expenditures for KMP and EPB, plus KMP's and EPB's share of JV DD&A less sustaining capital expenditures for Certain Equity Investees, less equity earnings plus cash distributions received for Express and Endeavor (1H 2014 and prior), additional other equity investees, plus the general partner's incentive and the general partner non-controlling interest, as applicable.
For 2015, DCF is defined as net income available to common stockholders before certain items plus DD&A and book taxes, less cash taxes and sustaining capital expenditures, plus KMI's share of JV DD&A less sustaining capital expenditures for Certain Equity Investees, plus/minus other items (primarily an add-back for non-cash compensation, less retirement benefits). Book and cash taxes include KMI's share of its C-corp equity investees.

(e) Equity is based on cumulative equity raised inception to date as of the end of each quarter and then averaged for the year.

Explanation of Return Calculations *(Cont'd)*

	Formula	Notes
Calculation of Total Investment:	Gross PP&E	
	Investments	(a)
	Goodwill	
	Gross intangibles (excluding amortization)	
	Plus:	
	Asset write-offs / retirements	
	Cumulative environmental reserves	
	Legal reserves / expenditures	(b)
	Cumulative cash spent on asset retirement	(d)
	Minus:	
	Cumulative sustaining capex	
	Assumed liabilities	
	Common control adjustment	(c)
	Cumulative asset retirement costs	(d)
	Proceeds from sold assets / investments	
	Equals:	
	Total investment	(e)

(a) Investments are generally calculated based on cumulative contributions and are not increased for earnings or decreased for distributions.
(b) Litigation and environmental reserves deducted as certain items are added to investment, except for SFPP and Calnev litigation reserves. For SFPP and Calnev, actual legal payments are added to the investment when they are made.
(c) For assets acquired from Kinder Morgan, Inc. (for example Express, Trans Mountain, TGP and EPNG) or El Paso, Inc. by either KMP or EPB (the MLPs) which represent a transfer of assets between entities under common control and are recorded at KMI's carrying value, an adjustment has been made to reflect these assets at the MLPs' purchase price.
(d) For GAAP purposes, the present value of accumulated asset retirement costs are included in gross PP&E; for purposes of this calculation, we decrease our Total Investment / subtract out the accumulated asset retirement costs, and increase our Total Investment / add back any cash actually spent on asset retirement.
(e) For KMI's Canadian assets/investments, Total Investment is based on acquisition price plus cumulative expansion capital including overhead. The purpose of calculating Total Investment in this manner is to exclude the foreign exchange impact reflected in our GAAP financials. GAAP financials revalue the entire asset balance based on the end of period exchange rate.

Use of Non-GAAP Financial Measures

The non-generally accepted accounting principles (non-GAAP) financial measures of distributable cash flow (DCF), both in the aggregate and per share, segment earnings before depreciation, depletion, amortization and amortization of excess cost of equity investments (DD&A) and certain items (Segment EBDA before certain items), and net income before interest expense, taxes, DD&A and certain items (Adjusted EBITDA) are presented herein. Our non-GAAP measures described above should not be considered alternatives to GAAP net income or other GAAP measures and have important limitations as analytical tools. Our computations of DCF, Segment EBDA before certain items and Adjusted EBITDA 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. 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.

Certain Equity Investees, for the periods during which these are accounted for as equity method investments, include 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, WATCO, and Greens Port.

Certain items 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, hurricane impacts and casualty losses).

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

DCF is a significant performance measure used by us and by external users of our financial statements to evaluate our performance and to measure and estimate 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 dividends, stock repurchases, retirement of debt, or expansion capital expenditures. Management uses this measure and believes it provides users of our financial statements with a measure that more accurately reflects our business's ability to generate cash earnings than a comparable GAAP measure. We believe the GAAP measure most directly comparable to DCF is net income available to common stockholders. A reconciliation of DCF to net income available to common stockholders is provided herein. DCF per share is DCF divided by average outstanding shares, including restricted stock awards that participate in dividends.

Segment EBDA before certain items is used by management in its analysis of segment performance and management of our business. General and administrative expenses are generally not under the control of our segment operating managers, and therefore, are not included when we measure business segment operating performance. We believe Segment EBDA before certain items is a significant performance metric because it enables us and external users of our financial statements to better understand the ability of our segments to generate segment cash earnings on an ongoing basis. We believe it is useful to investors because it is a measure that management uses to allocate resources to our segments and assess each segment's respective performance. We believe the GAAP measure most directly comparable to Segment EBDA before certain items is segment earnings before DD&A and amortization of excess cost of equity investments (Segment EBDA). Segment EBDA before certain items is calculated by adjusting Segment EBDA for the certain items attributable to a segment, which are specifically identified in the footnotes to the accompanying tables.

Adjusted EBITDA is used by management and external users, in conjunction with our net debt, to evaluate certain leverage metrics. We believe Adjusted EBITDA is useful to investors because it is a measure that management uses to assess the company's leverage metrics. We believe the GAAP measure most directly comparable to Adjusted EBITDA is net income. Adjusted EBITDA is calculated by adjusting net income before interest expense, taxes, and DD&A (EBITDA) for certain items, noncontrolling interests, and KMI's share of certain equity investees' DD&A and book taxes, which are specifically identified in the footnotes to the accompanying tables.

GAAP Reconciliation

($ in millions)

Reconciliation of DCF	2016 Budget	2015 Actual
Net income [a]	$ 1,840	$ 208
Certain items	(88)	1,441
Net income before certain items	1,752	1,649
DD&A	2,269	2,360
JV DD&A[b]	351	323
Book taxes[c]	1,100	976
Cash taxes	(74)	(32)
Noncontrolling interest - 3rd party [d]	(22)	(18)
Sustaining capex incl. KM-share of JV sustaining capex [e]	(574)	(565)
Other [f]	44	32
Distributable cash flow (DCF) to KMI	4,846	4,725
Preferred stock dividends	(156)	(26)
DCF available to Common Stockholders	$ 4,690	$ 4,699

Reconciliation of Segment DCF		
Segment EBDA	$ 7,699	$ 5,779
Certain items impacting segments	(10)	1,783
Segment EBDA before certain items	7,689	7,562
JV DD&A[b]	351	323
Segment EBDA before certain items, including JV DD&A	8,040	7,885
Segment sustaining capital expenditures with overhead [e]	(561)	(551)
Segment DCF	$ 7,479	$ 7,334

Reconciliation of net debt		
Long-term debt excluding fair value adjustments [g]	$ 40,654	$ 39,632
Current portion of debt	1,102	1,821
Less: cash & equivalents	(197)	(229)
Net debt	$ 41,559	$ 41,224

Reconciliation of Adjusted EBITDA	2016 Budget	2015 Actual
Net income [a]	$ 1,840	$ 208
Certain items	(88)	1,441
Net income before certain items	1,752	1,649
Book taxes[c]	1,100	976
Noncontrolling interest - 3rd party[d]	(22)	(18)
DD&A	2,269	2,360
JV DD&A[b]	351	323
Interest, net	2,079	2,082
Adjusted EBITDA	$ 7,529	$ 7,372

Certain items (net of noncontrolling)		
Acquisition expense	$ 3	$ 19
Pension plan net benefit	(45)	(35)
Fair value amortization	(107)	(94)
Contract early termination revenue	-	(200)
Legal and environmental reserves	6	94
Mark to market and ineffectiveness	-	(139)
Loss on impairment of goodwill	-	1,325
Loss on asset disposals/impairments, net of insurance	8	800
Other [h]	(1)	11
Subtotal	(136)	1,781
Book taxes on certain items	48	(340)
Total certain items	$ (88)	$ 1,441

Note: Definitions for defined terms found in the Appendix

(a) 2016 column represents adjusted net income which does not include projections for 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 contingent liabilities.

(b) Includes KM-share of Certain Equity Investees DD&A.

(c) Includes KM-share of certain equity method investees book taxes of $81 and $72 million in 2016 and 2015, respectively, and excludes book taxes on certain items of $48 and ($340) million in 2016 and 2015, respectively.

(d) Represents net income allocated to third-party ownership interests in consolidated subsidiaries. 2015 excludes NCI of $63 million related to impairments included as certain items.

(e) Includes KM-share of certain equity investee sustaining capital expenditures, $90 and $70 million in 2016 and 2015, respectively.

(f) Consists primarily of book to cash timing differences related to certain defined benefit plans and other items.

(g) Excludes Kinder Morgan G.P. Inc.'s $100 million preferred stock due 2057.

(h) 2015 other certain items include a $10 million carried interest adjustment for CO_2 McElmo Dome carried interest, $7 million legacy marketing contracts, $6 million adjustment for NGPL equity earnings which were in DCF but not in GAAP net income given the investment write-off, ($34) million coal customer bankruptcy write-offs, and $1 million other.

Investor Relations Contacts

Institutional Investors / Sell-side Analysts

David Michels	VP Finance & Investor Relations	(713) 369-9895	david_michels@kindermorgan.com
Peter Staples	Director Investor Relations	(713) 369-9221	peter_staples@kindermorgan.com

Retail Investors / Brokers

Miguel Garcia	Investor Relations Analyst	(713) 420-5269	miguel_garcia@kindermorgan.com


KINDER MORGAN
INC.