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ENERGY PARTNERS, L.P.

2007 Citi Power, Gas & Utilities Conference

June 8, 2007

Forward Looking Statements

This presentation contains forward looking statements, including these, within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Exchange Act of 1934, as amended. Forward looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. The future results and securities values of Kinder Morgan Inc., Kinder Morgan Energy Partners, L.P. and Kinder Morgan Management, LLC (collectively known as "Kinder Morgan") may differ materially from those expressed in the forward-looking statements contained throughout this presentation and in documents filed with the SEC. Many of the factors that will determine these results and values are beyond Kinder Morgan's ability to control or predict. These statements are necessarily based upon various assumptions involving judgments with respect to the future, including, among others, the ability to achieve synergies and revenue growth; national, international, regional and local economic, competitive and regulatory conditions and developments; technological developments; capital markets conditions; inflation rates; interest rates; the political and economic stability of oil producing nations; energy markets; weather conditions; environmental conditions; business and regulatory or legal decisions; the pace of deregulation of retail natural gas and electricity and certain agricultural products; the timing and success of business development efforts; terrorism; and other uncertainties. You are cautioned not to put undue reliance on any forward-looking statement.

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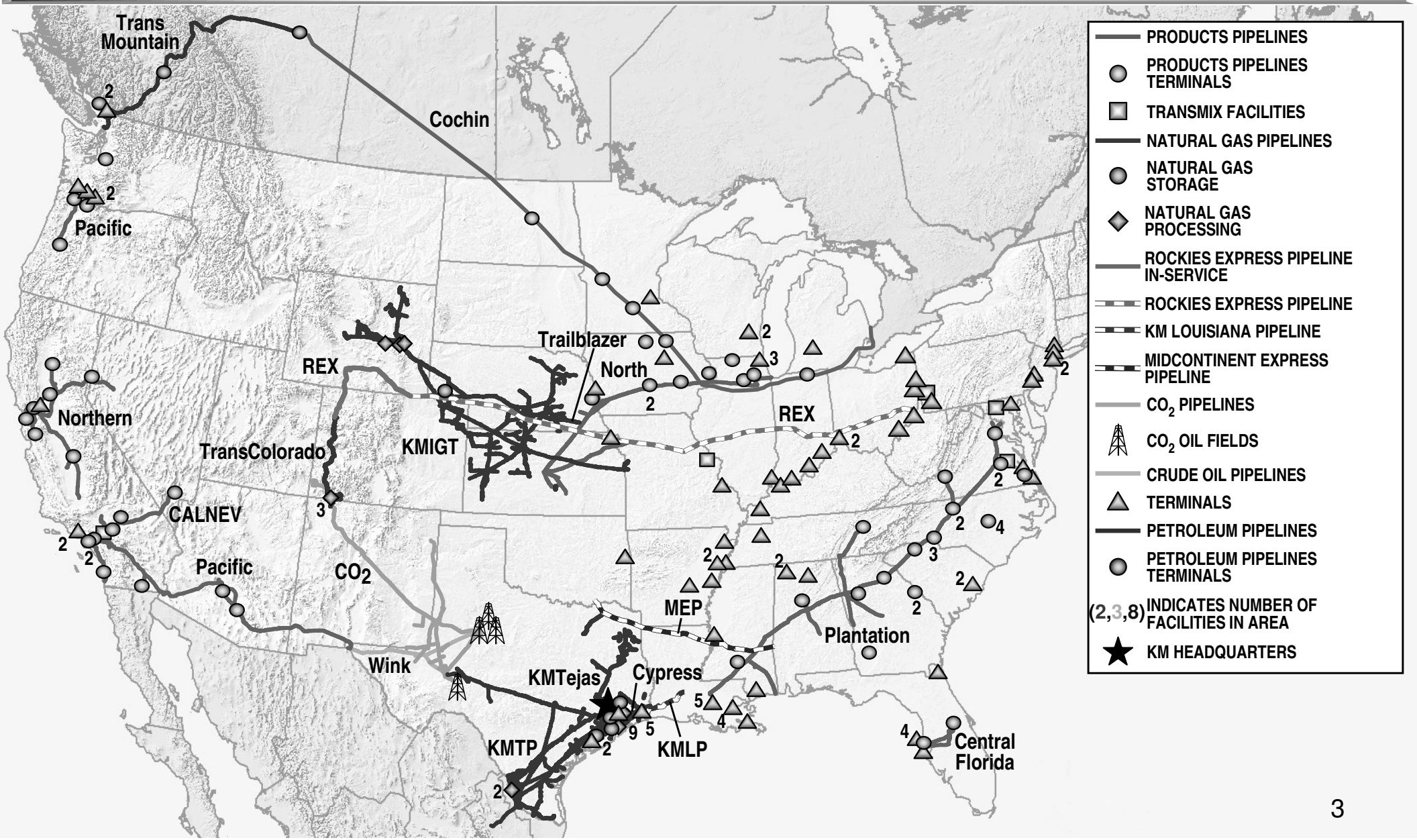
System Map



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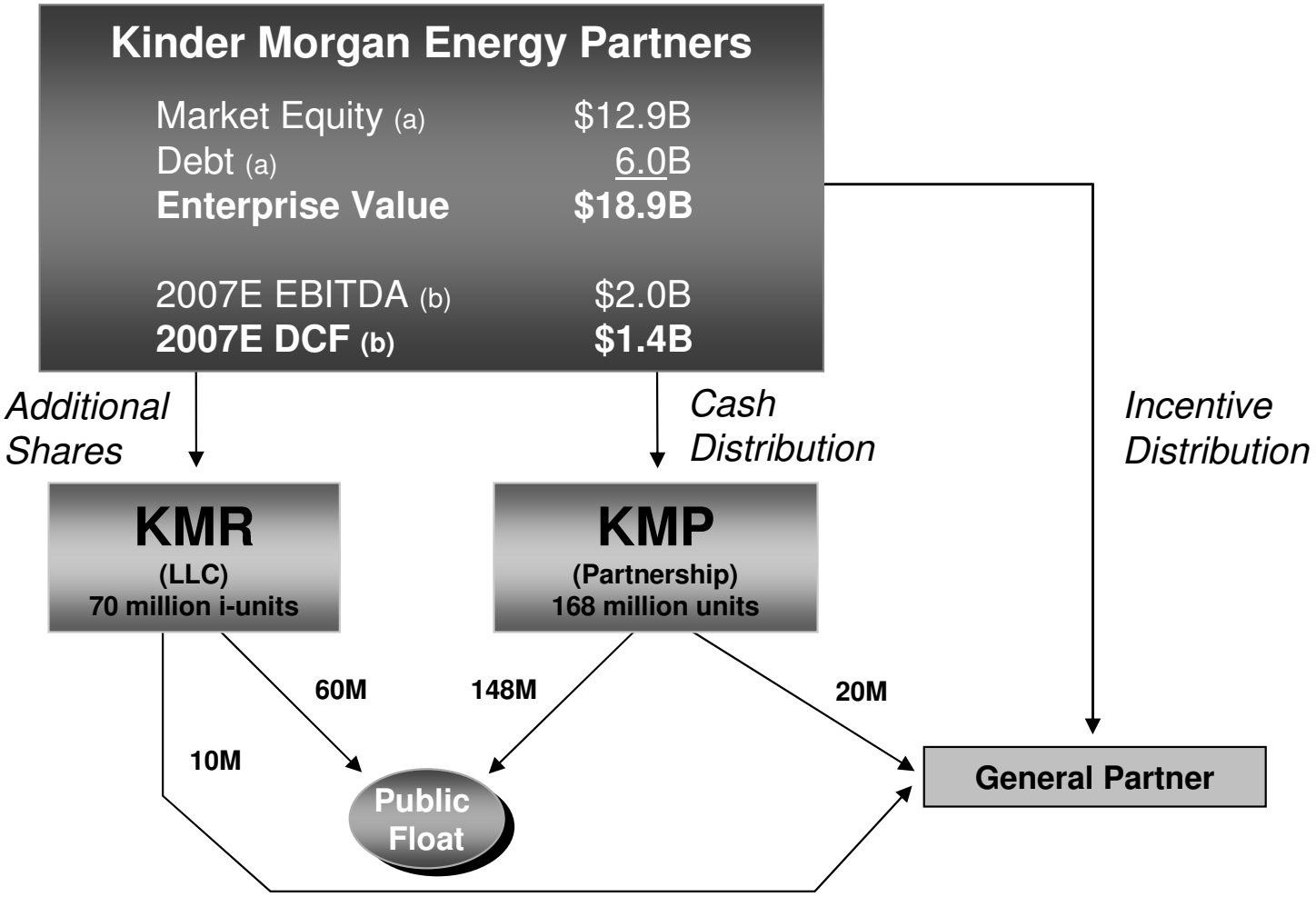
Capital Structure



(a) KMP market cap based on 168 million common units (includes 5.3 million Class B units owned by KMI; Class B units are unlisted KMP common units) at a price of $55.20 and 70 million KMR i-units at a price of $51.23 as of 31-May-2007. Debt balance as of 31-Mar-2007, excludes the fair value of interest rate swaps, net of cash.

(b) EBITDA defined as pre-tax income plus DD&A and interest expense, DCF (distributable cash flow) is net income plus DD&A less sustaining capex.

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Solid Asset Base Generates Stable Fee Income

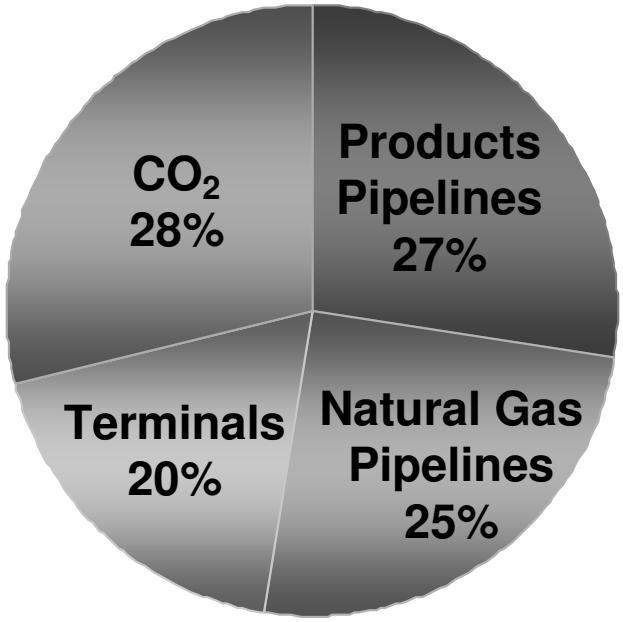
CO_2

- 28% CO_2 transport and sales
- 72% oil production related
- Production hedged (a):
  - 2007=85% ($35/Bbl)
  - 2008=83% ($44)
  - 2009=71% ($49)
  - 2010=72% ($56)

Terminals

- 49% Liquids, 51% Bulk
- Geographic and product diversity
- 3-4 year average contract life

2007 DCF Profile (b)



Products Pipelines

- Refinery hub to population center strategy
- 68% Pipelines
- 27% Associated Terminals (c)
- 5% Transmix
- No commodity price risk

Natural Gas Pipelines

- 55% Texas Intrastate
- 45% Rockies
- Little incidental commodity risk

(a) 2007 production based on Kinder Morgan budget; 2008-2011 based on Netherland, Sewell reserve report. Includes heavier NGL components (C4+). Incorporates swaps and puts at strike price net of premium, WTI/WTS spread @ $6-7.00/Bbl.
(b) Budgeted 2007 distributable cash flow before G&A and interest.
(c) Terminals are not FERC regulated except portion of CALNEV.

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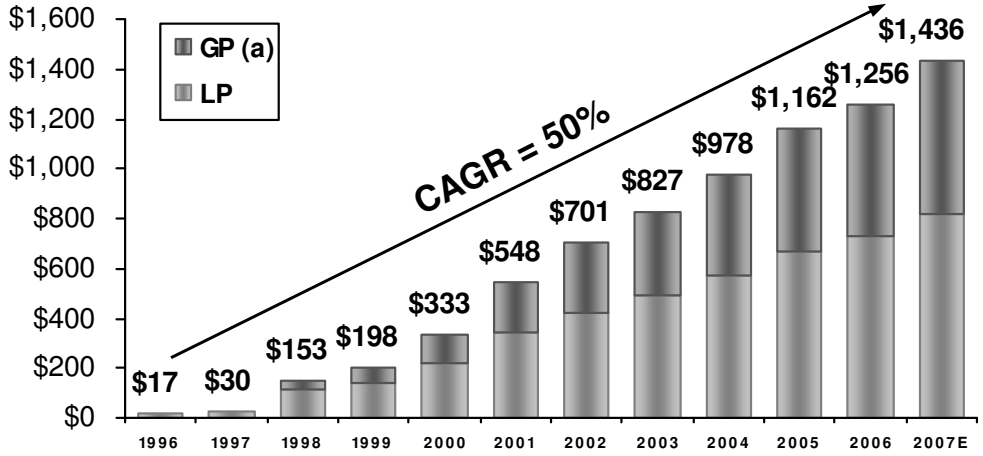
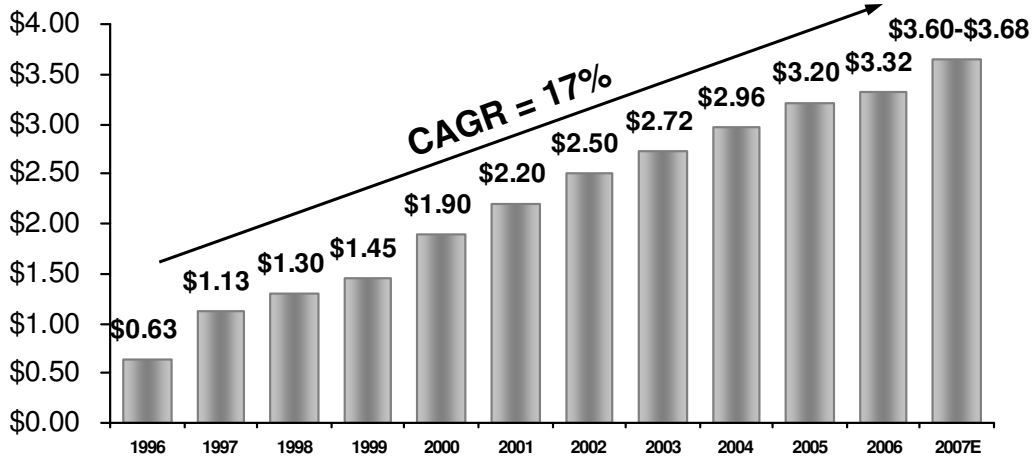
Consistent Track Record

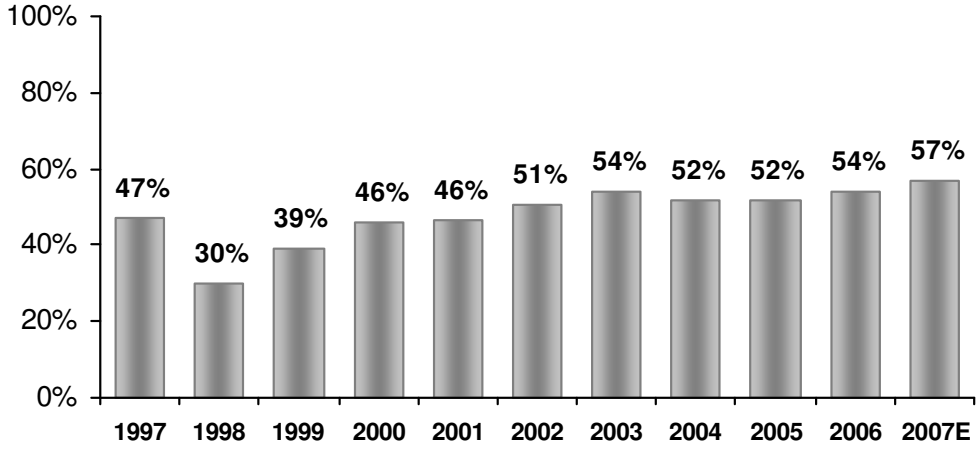
Total Distributions (GP + LP) ($mm)



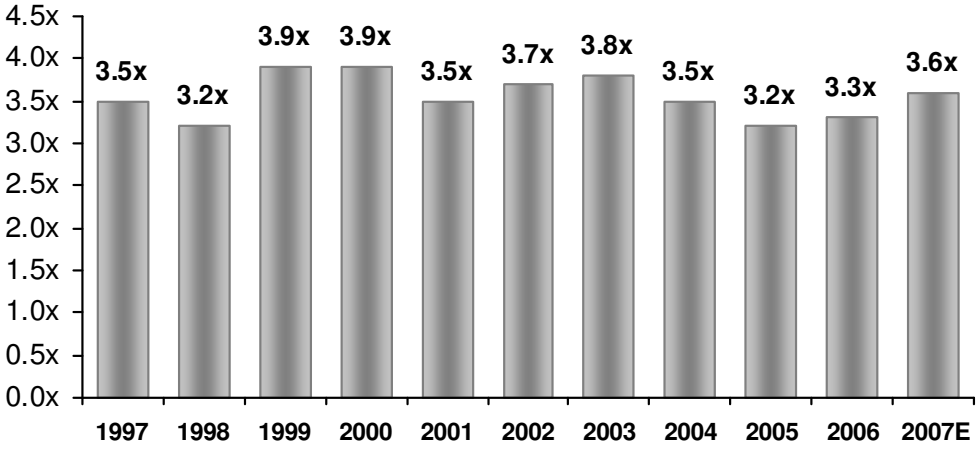
LP Distribution Per Unit (b)



Net Debt to Total Capital (c)



Net Debt to EBITDA (c)



(a) Includes 2% GP interest.
(b) Declared 4Q distribution annualized (i.e. multiplied by four)
(c) Debt is net of cash and excludes fair value of interest rate swaps. Total capital excludes accumulated other comprehensive loss related to hedges.

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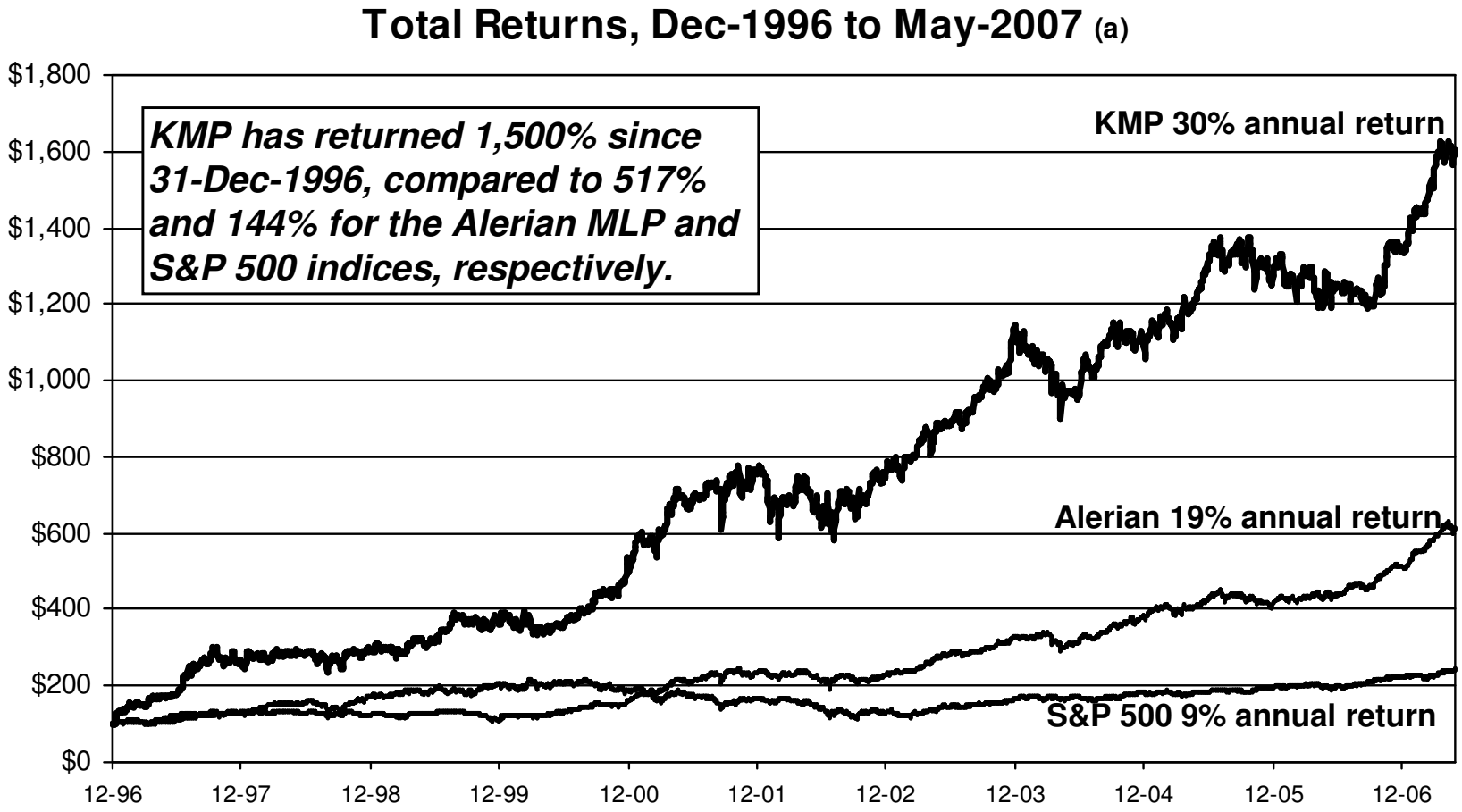
Significant Historical Returns



Source: Bloomberg

(a) Total returns calculated on a daily basis through 31-May-2007 assuming dividends/distributions reinvested in index/stock/unit.

(b) Start date 31-Dec-1996

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The Kinder Morgan Strategy

Same Strategy Since Inception

- **Focus on stable, fee-based assets which are core to the energy infrastructure of growing markets**
- **Increase utilization of assets while controlling costs**
  - Classic fixed cost businesses with little variable costs
  - Improve productivity to drop all top-line growth to bottom line
- **Leverage economies of scale from incremental acquisitions and expansions**
  - Reduce needless overhead
  - Apply best practices to core operations
- **Maximize benefit of a unique financial structure which fits with strategy**
  - MLP avoids double taxation, increasing distributions from high cash flow businesses
  - Strong balance sheet allows flexibility when raising capital for acquisitions / expansions

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Growth Opportunities

	Current Projects (2007-2010)	Additional Opportunities
Shifting Natural Gas Supply Sources		
— Rockies	Rockies Express pipeline	*Storage, further pipeline expansions, extensions, incremental shipper services (backhaul, hub, etc.)*
— LNG	KM Louisiana pipeline	
— Barnett Shale	Midcontinent Express pipeline	
Demographic Growth	CALNEV and East Line products pipeline projects	*Additional pipeline and terminal expansions*
Growing Production from Canadian Oilsands	Trans Mountain pipeline dropdown, Edmonton terminal project	*TMX2, TMX3, TMX North, terminals, CO_2 capture and transport*
High Crude Oil Prices	McElmo Dome, Cortez expansions, SACROC, Yates	*Future CO_2 sales & transport expansion, incremental production from EOR*
Increased Use of Heavy Crude		
— Petcoke Handling	Increased volume at petcoke terminals	*Increased handling of petcoke, application of prilling technology at terminal facilities – U.S. & Canada*
— Sulfur Handling	Acquisition of prilling technology	
Growing Coal Imports	Shipyard River, Pier IX terminal expansions	*Additional terminal expansions*
Growing Petroleum Product Imports	New York, Houston terminal expansions	*Additional terminal expansions*
Increased Use of Renewable Fuels		
— Biodiesel	Houston biodiesel facility project	*Additional ethanol/biodiesel storage and blending at terminal facilities*
— Ethanol	Houston, Philadelphia terminal expansions, sales of natural gas transport capacity to ethanol producers	

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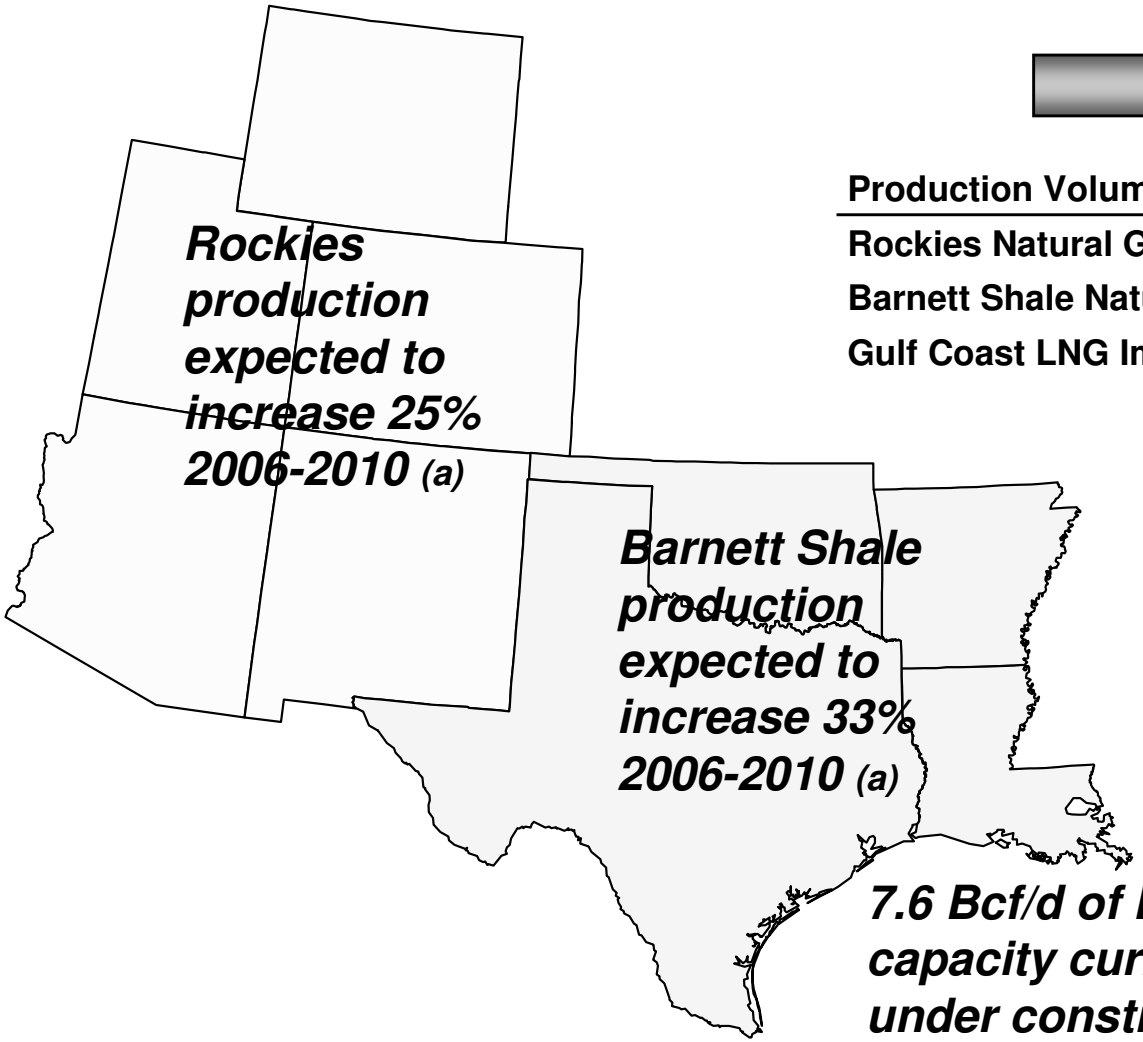
Shifting Natural Gas Supply Sources



Natural Gas Supply

Production Volumes (a)	2006	2010	Change	% Change
Rockies Natural Gas	7.7	9.6	1.9	25%
Barnett Shale Natural Gas	1.5	2.0	0.5	33%
Gulf Coast LNG Imports	0.3	3.1	2.8	933%

7.6 Bcf/d of LNG import capacity currently under construction on Gulf Coast (b)

(a) Source: Wood Mackenzie
(b) Source: FERC

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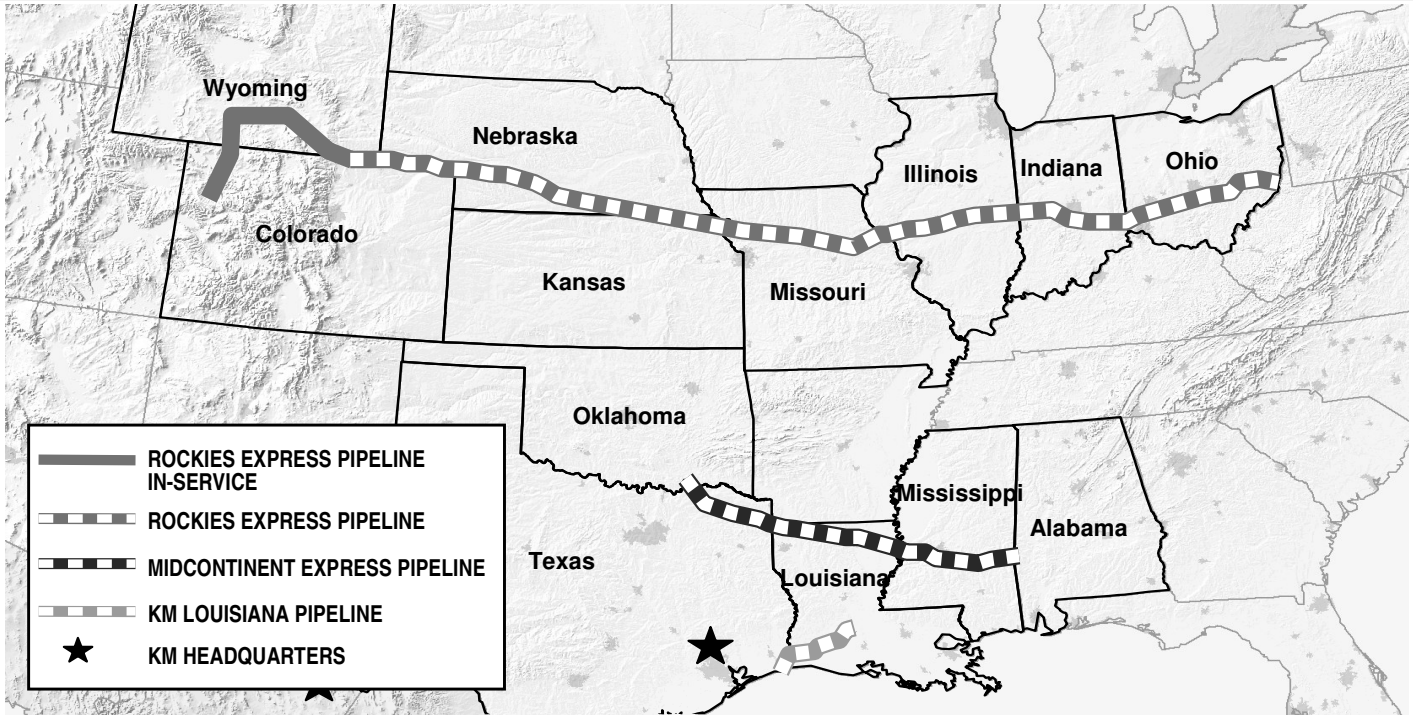
Newbuild Natural Gas Pipelines



	Rockies Express Pipeline	Midcontinent Express Pipeline	KM Louisiana Pipeline		Total
KM Cost ($mm)	$2,200	$625	$500	=	$3,325
Capacity (Bcf/d)	1.8	1.4	2.1	=	5.3
In-service	2007-2009	2009	2009		
Term of Contracts	10 yrs	10 yrs	20 yrs		
Ownership	KMP 50% (a) SRE 25% COP 25%	KMP 50% ETC 50%	KMP 100%		

(a) Upon completion of construction.

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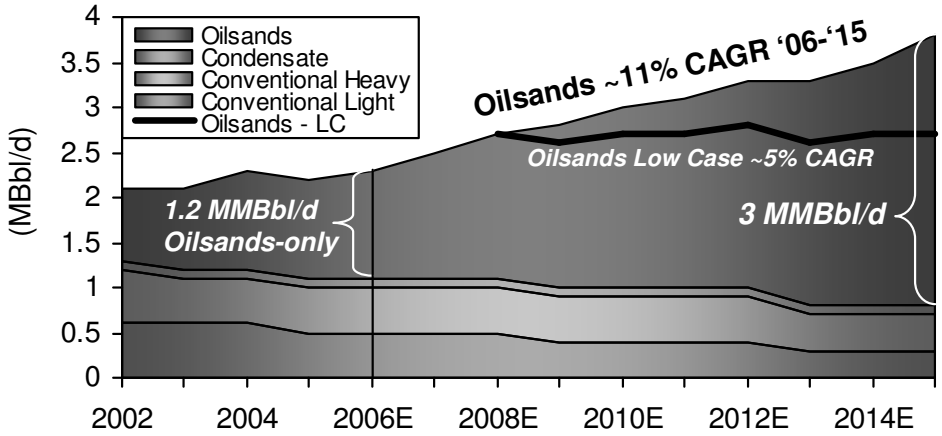
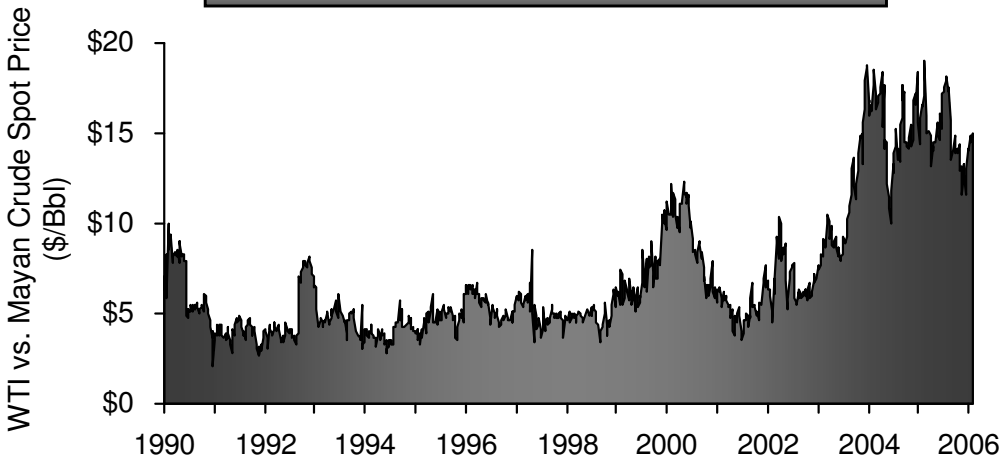
Growing Crude Production from Canadian Oilsands

WCSB Crude Production by Type (a)

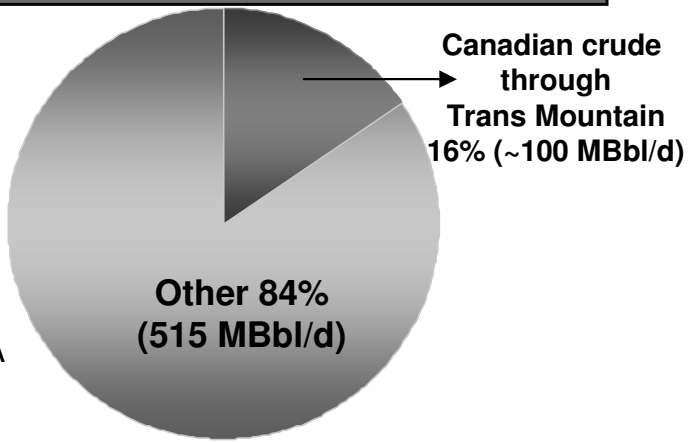


Heavy/Light Crude Differential (b)

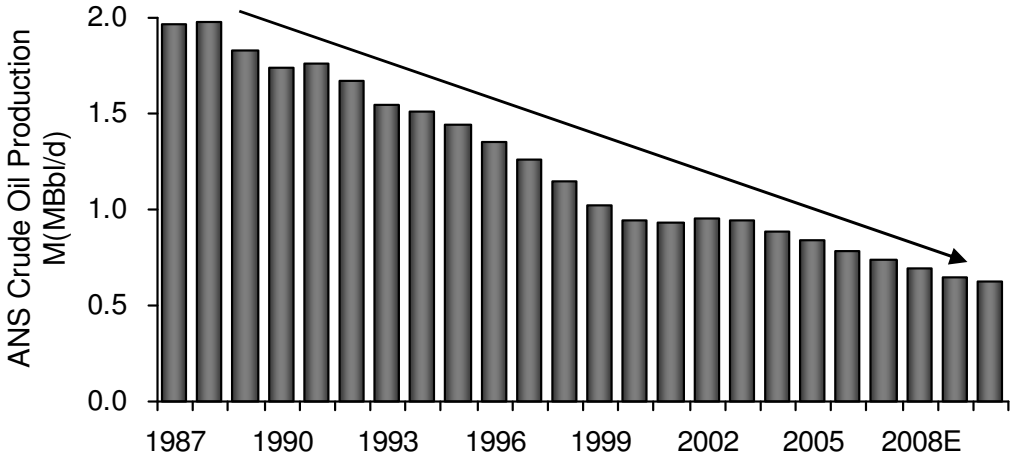


Washington State Refinery Capacity (c)

- **Washington state refiners only use ~100,000 Bbl/d of Canadian crude**
- **Announced upgrade:**
  - COP – Coker Ferndale, WA 2012-2015



ANS Production in Decline (d)



(a) Source: National Energy Board
(b) Sources: Bloomberg
(c) Dominion Bond Rating Service, Company reports
(d) Sources: EIA, CIBC

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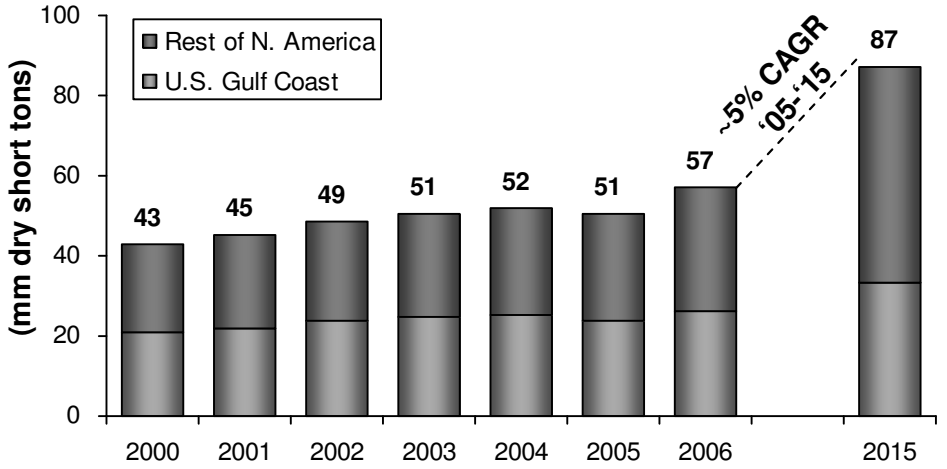
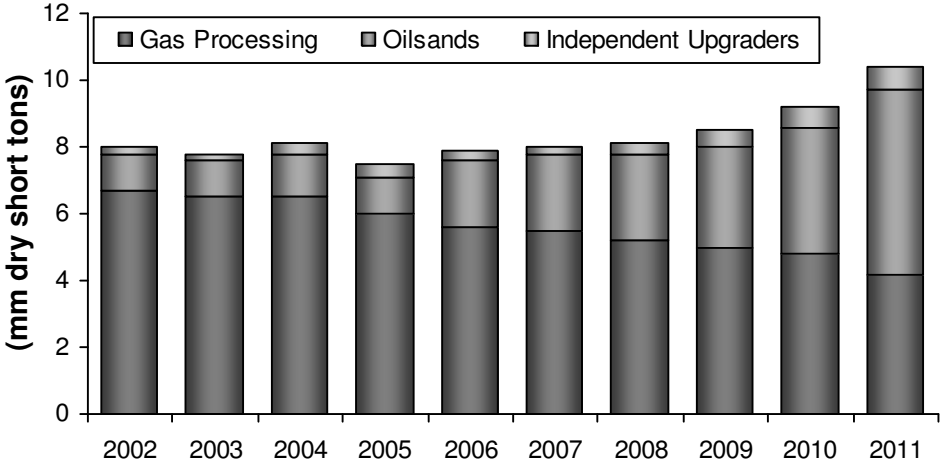
Increased Use of Heavy Crude

- **Crude supply is heavier, more sour**
- **Heavier, sour crude produces more residue**
  - Petcoke
  - Sulfur

North American Petcoke Production (a)



Canadian Sulfur Production (b)



(a) Source: Jacobs Consultancy
(b) Source: PentaSul

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Current Projects

$6.5 Billion In Projects Over Next 4 Years

Project	Estimated Project Cost ($mm)	Expected Completion
Rockies Express	$2,200 (a)	2007-2009
Midcontinent Express	625 (a)	2009
KM Louisiana Pipeline	500	2009
CALNEV expansion	388	2010
East Line expansion	145	2007
Trans Mountain dropdown	550 (b)	2007
Trans Mountain – TMX1	470 (c)	2008
CO_2 – SACROC and Yates	962	2007-2010
CO_2 – source and transport	120 (a)	2008
Other identified projects	501 (d)	2007-2009
Total	**$6,461**	

(a) Pro rata expenditures for KMP's ownership interest.
(b) Completed sale of Trans Mountain by KMI to KMP on 30-Apr-2007.
(c) Remaining expenditures.
(d) Edmonton, Houston, Pier IX, TransColorado, Dayton.

Future Opportunities

- **Natural Gas: Shifting Supply Basins and Gas Price Volatility**
  - Storage, Extensions, Expansions, Incremental Services
- **Canadian Oilsands**
  - TMX2, TMX3, TMX North, CO_2, Terminals
- **Increased Use of Heavy Crude and Increased Coal Imports, Renewable Fuels, Imported Gasoline**
  - Terminal Expansions/Newbuild
- **High Oil Prices**
  - Opportunities in CO_2 Sales, Transport and Crude Oil Production
- **Opportunistic Acquisitions**

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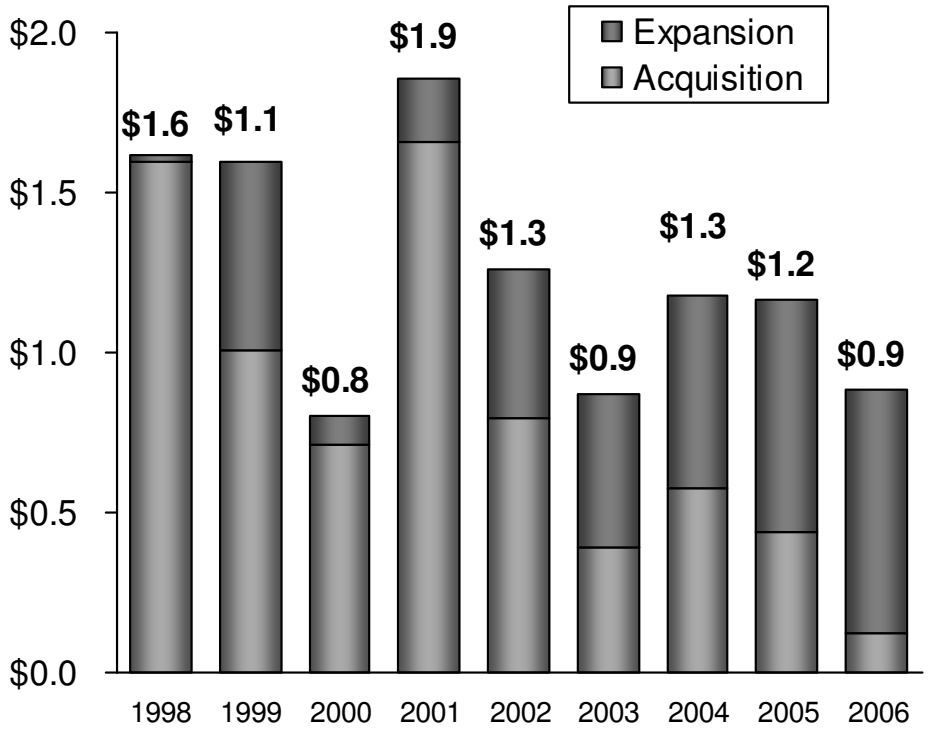
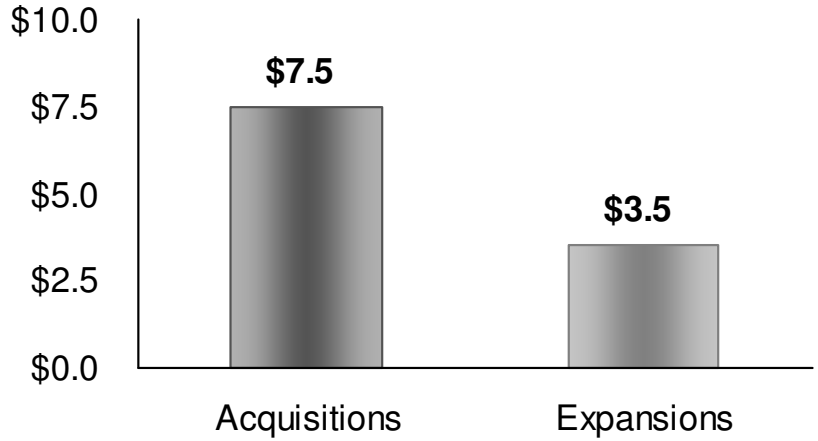
$11 Billion in Capital Invested

($ billions)

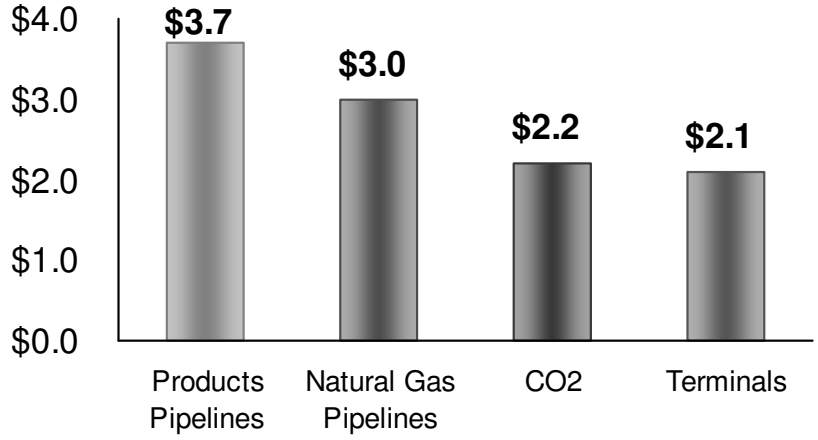
Total Invested by Year



Total Invested by Type



Total Invested by Segment



Note: See Appendix to 2007 Analyst Conference presentation for details on calculations.

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Attractive Returns on Capital

	2000	2001	2002	2003	2004	2005	2006
Segment ROI (a):							
Products Pipelines	11.9%	11.8%	12.8%	12.9%	12.4%	11.6%	11.8%
Natural Gas Pipelines	13.3	15.5	12.9	13.5	14.0	15.5	16.5
CO_2	27.5	24.6	22.0	21.9	23.8	25.7	23.1
Terminals	19.1	18.2	17.7	18.4	17.8	16.9	17.1
KMP ROI	12.3%	12.7%	12.6%	13.1%	13.6%	14.3%	14.4%
KMP Return on Equity	17.4%	19.0%	21.9%	23.2%	25.2%	26.6%	26.7%

Note: See Appendix to 2007 Analyst Conference presentation for details on calculations.

(a) Return on investment. G&A is deducted in calculating the return on investment for KMP, but is not allocated to the segments and therefore not deducted in calculating the segment information.

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Solid Balance Sheet

($ millions)

Credit Summary

L-T Debt Rating	Baa2/BBB
Current Net Debt / Total Capital (a,b)	55.3%
2007 Budget Estimates:	
Debt / EBITDA	3.6x
EBITDA / Interest	5.1x

CP Capacity (b)

Total Bank Credit	$1,850
Less:	
Outstanding CP	530 (c)
Letters of Credit	386
Excess Capacity	$934

Long-term Debt Maturities (b)

2007	$255
2008	$5
2009	$250
2010	$250
2011	$700

(a) Debt balance excludes fair value of interest rate swaps and is net of cash. Capital excludes loss/gain from other comprehensive income.
(b) At 31-Mar-2007.
(c) Pro forma for recent $550 million purchase of Trans Mountain and $300 million KMR equity issue. Does not include any further adjustment for capex after 31-Mar-2007.

Risks

- **Regulatory**
  - Pacific Products Pipeline FERC/CPUC case
  - Periodic rate reviews
  - Unexpected policy changes
- **CO_2 Crude Oil Production Volumes**
- **Construction Cost Overruns**
- **Environmental**
- **Terrorism**
- **Interest Rates**
  - Approximately 50% floating rate debt
  - Budget assumes flat rates at a level above the current forward curve
  - The full-year impact of a 100-bp increase in rates equates to an approximate $32 million increase in interest expense

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Summary

- **Stable Cash Flow**
  - Own assets core to energy infrastructure
- **Internal Growth Opportunities**
  - Critical Mass
  - Well-located assets/favorable demographics
- **Fixed Cost Business**
  - Drop growth to bottom line
- **Unique Structure**
  - Tax Efficient
  - Incentive Fee
- **Management Philosophy**
  - Low-Cost Operator
  - Focused on cash
  - Disciplined Investment

KMP/KMR:
6-7% Yield
and
8%
Long-Term
Growth


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