KINDER MORGAN
ENERGY PARTNERS, L.P.

Platts 2nd E&P MLP Symposium

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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 Energy Partners, L.P. and Kinder Morgan Management, LLC (collectively known as "KMP") 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.

Use of Non-GAAP Financial Measures

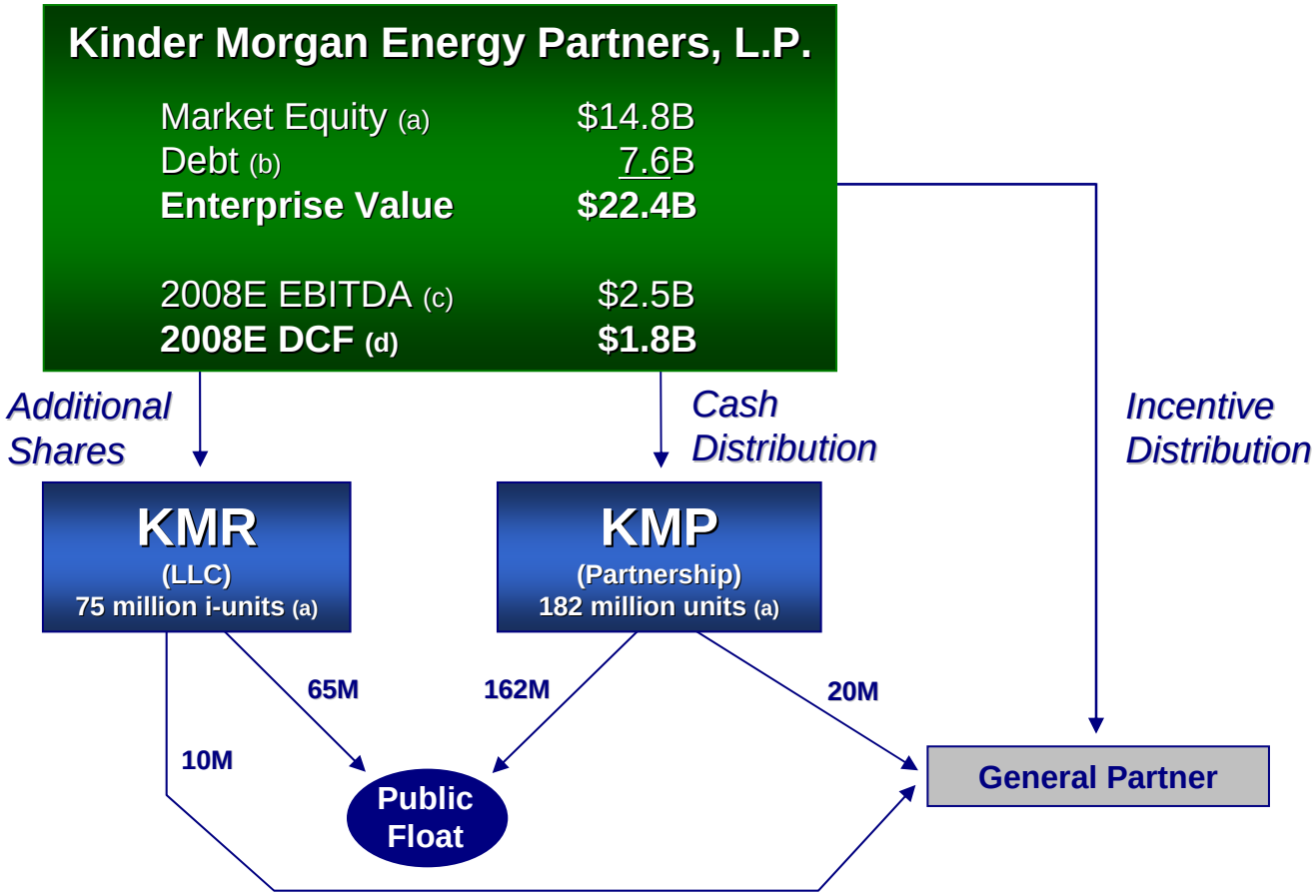
This presentation utilizes the non-generally accepted accounting principles financial measures of segment distributable cash flow, KMP distributable cash flow, and earnings before interest, taxes and DD&A ("EBITDA").

For KMP overall, we define distributable cash flow to be limited partners' pretax income before DD&A less cash taxes paid and sustaining capital expenditures for KMP, plus DD&A less sustaining capital expenditures for Rockies Express, our equity method investee. For our segments we define distributable cash flow as segment net income (which is before corporate costs of G&A and interest) plus DD&A less sustaining capital expenditures. The components of the difference between overall KMP distributable cash flow and segment distributable cash flow are cash versus book taxes, DD&A and sustaining capital expenditures on Rockies Express, G&A, interest, minority interest and the general partner's interest. We define EBITDA as pre-tax income plus interest expense and DD&A. All measures certain certain items. The amounts included in the calculation of these measures are computed in accordance with generally accepted accounting principles (GAAP), with the exception of certain items, which are separately identified in our quarterly earnings press releases, 10-Qs and 10-Ks, and "sustaining capital expenditures," which is not a defined term under GAAP. Consistent with the partnership agreement of Kinder Morgan Energy Partners, L.P., sustaining or maintenance capital expenditures are defined as capital expenditures (as defined by GAAP) which do not increase the capacity of an asset.

We routinely calculate and communicate these measures to investors. We believe that continuing to provide this information results in consistency in our financial reporting. In addition, we believe that these measures are useful to investors because they enhance the investors' overall understanding of our current financial performance and our prospects for future performance. Specifically, we believe that these measures provide investors an enhanced perspective on the operating performance of our assets and the cash that our businesses are generating. Notwithstanding, these non-GAAP financial measures are not a replacement for the financial statements included in our Exchange Act Filings.

A reconciliation of these measures to the most comparable GAAP measures is provided on our website at: http://www.kindermorgan.com/investor/presentations/.

Capital Structure



(a) KMP market equity based on 182 million common units currently outstanding (includes 5.3 million Class B units owned by Knight Inc.; Class B units are unlisted KMP common units) at a price of $58.45 and 75 million KMR i-shares currently outstanding at a price of $55.49, as of 10-Jun-2008.
(b) Debt balance as of 31-Mar-2008. Debt balance excludes the fair value of interest rate swaps, net of cash.
(c) A definition of this measure is outlined on the Non-GAAP Financial Measures slide.
(d) KMP Distributable Cash Flow. A definition of this measure is outlined on the Non-GAAP Financial Measures slide.

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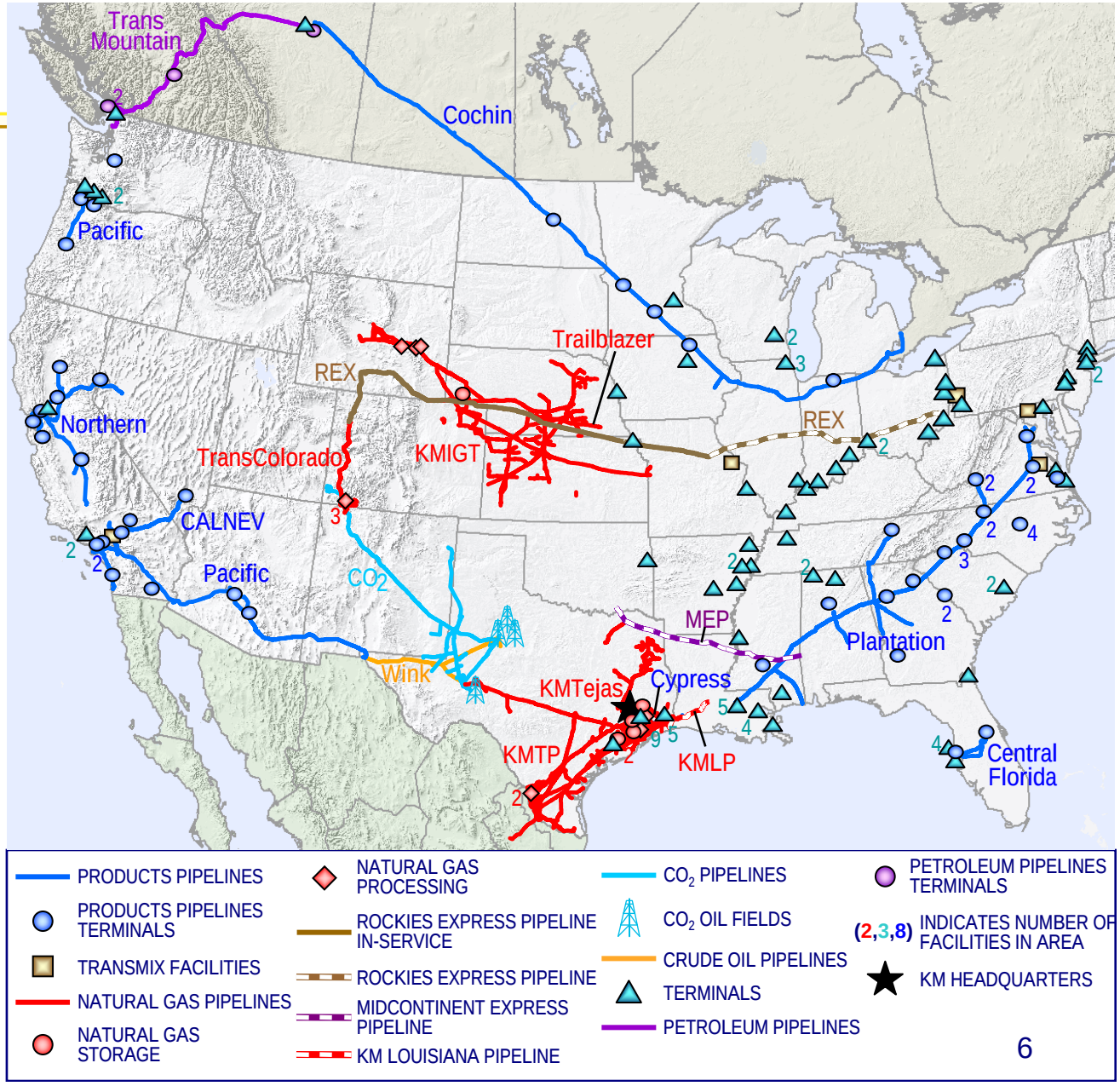
The Kinder Morgan Strategy

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

Unmatched Footprint

- **Largest independent transporter of petroleum products in the U.S.**
  - Transport more than 2 million barrels per day (Bbl/d)
- **2nd largest transporter of natural gas in U.S. (a)**
  - Approximately 22,000 miles of interstate / intrastate pipeline
- **Largest transporter of CO_2 in U.S.**
  - Transport over 1 Bcf/d of CO_2
- **2nd largest oil producer in Texas**
  - Produce ~55,000 Bbl/d of crude
- **Largest independent terminal operator in the U.S.**
  - ~103 million barrels of liquids capacity
  - Handle 87 million tons of dry bulk products
    - Largest handler of petcoke in U.S.



(a) Includes NGPL.

Well-diversified Asset Base

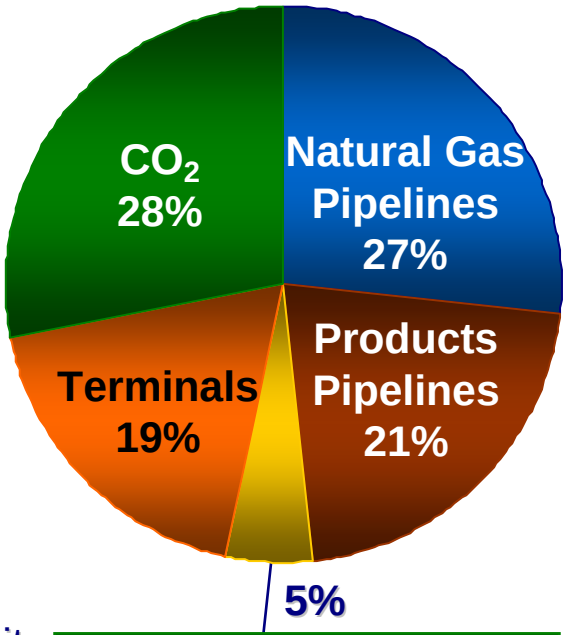
CO_2

- 32% CO_2 transport and sales
- 68% oil production related
- Production hedged (a):
  - 2008=83% ($44/Bbl)
  - 2009=73% ($49)
  - 2010=71% ($56)
  - 2011=69% ($63)
  - 2012=22% ($75)

Terminals

- 52% Liquids, 48% Bulk
- Geographic and product diversity
- 3-4 year average contract life

KMP 2008 DCF Profile (b)



Natural Gas Pipelines

- 47% Texas Intrastate
- 53% Rockies
- Little incidental commodity risk

Products Pipelines

- Refinery hub to population center strategy
- 65% Pipelines
- 29% Associated Terminals (c)
- 6% Transmix
- No commodity price risk

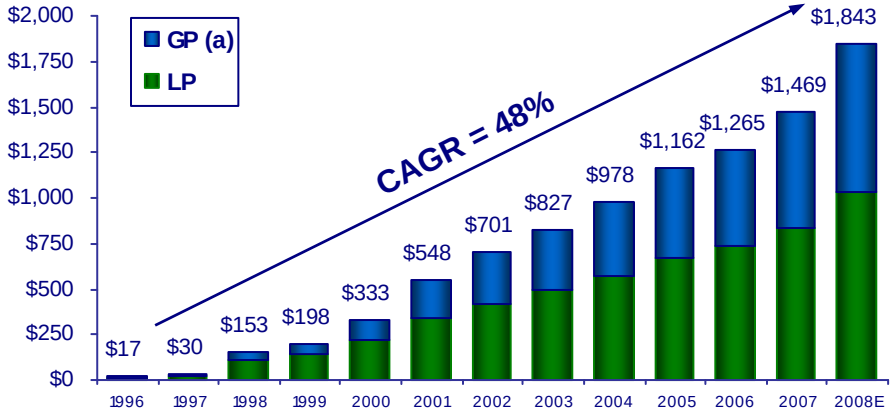
(a) 2008 production based on Kinder Morgan budget; 2009-2012 based on Netherland, Sewell reserve report. Includes heavier NGL components (C4+). Incorporates swaps and puts at strike price net of premium, WTI/WTS spread @ $6-7.00/Bbl.

(b) Budgeted 2008 segment distributable cash flow, as defined on the Non-GAAP Financial Measures slide, plus our share of REX DD&A and sustaining capital expenditures.

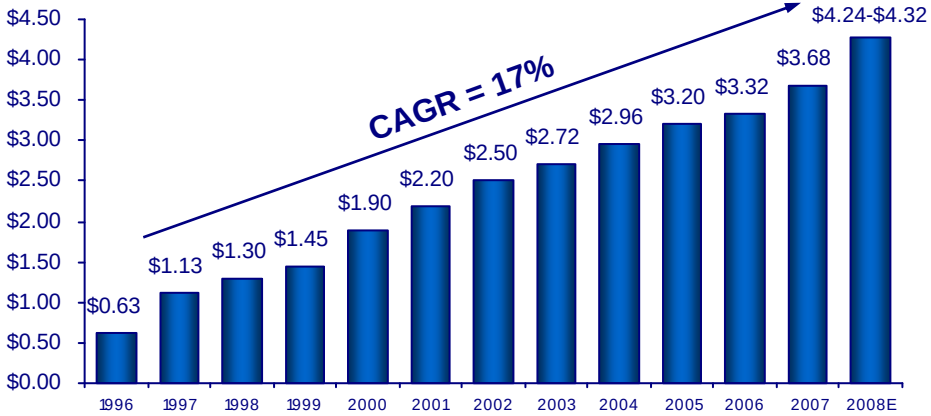
(c) Terminals are not FERC regulated except portion of CALNEV.

Eleven Years of Consistent Growth

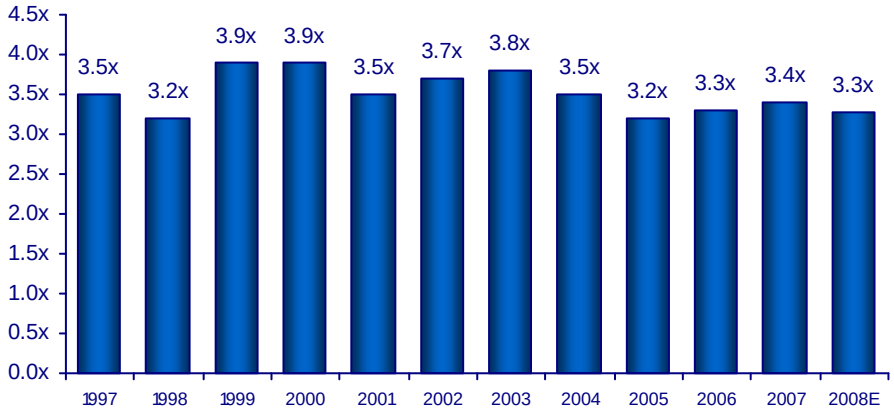
Total Distributions (GP + LP) ($mm)



LP Distribution Per Unit (b)



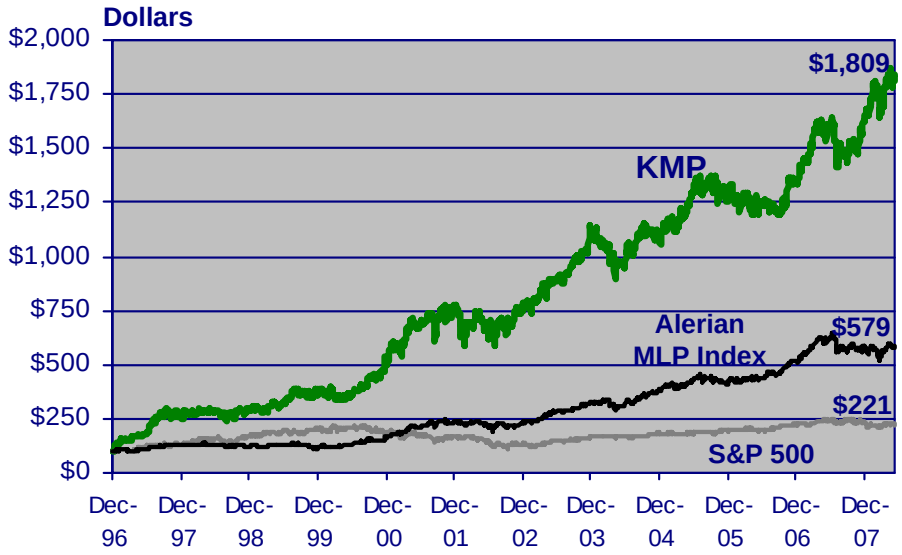
Net Debt to EBITDA (c)



(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.

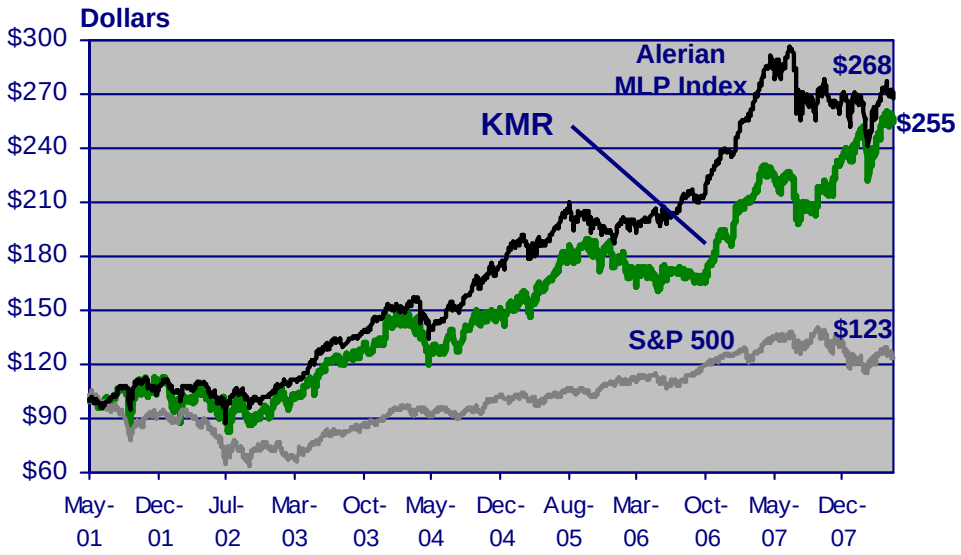
Significant Historical Returns (a)

KMP: 29% CAGR (b)



KMP 2007 Total Return = 20%
KMP 2008 YTD Total Return = 12%

KMR: 14% CAGR (c)



KMR 2007 Total Return = 24%
KMR 2008 YTD Total Return = 9%

Source: Bloomberg
(a) Total returns calculated on a daily basis through 10-Jun-2008 assuming dividends/distributions reinvested in index/stock/unit.
(b) Start date 31-Dec-1996
(c) Start date 14-May-2001; KMR Initial public offering

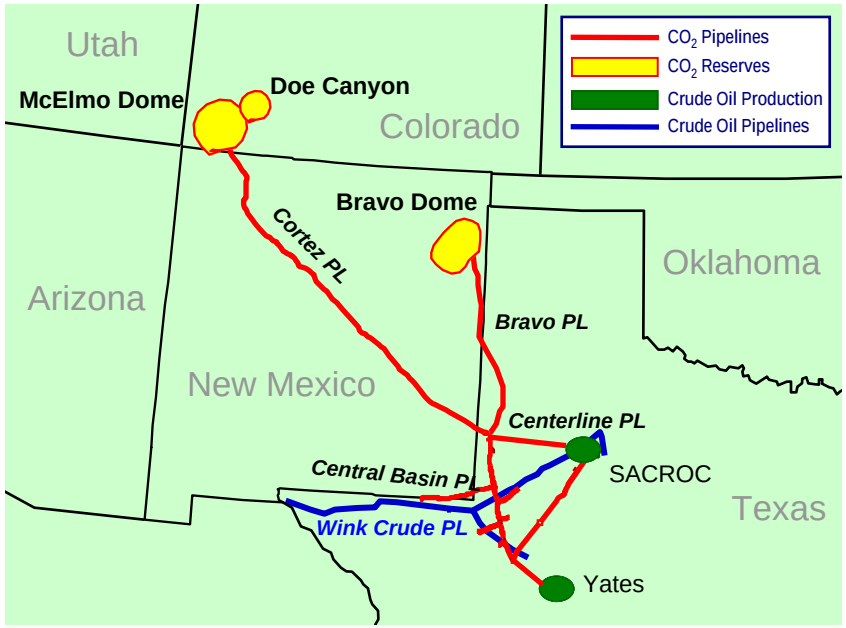
Promises Made, Promises Kept

Promises Made	Promises Kept
Budgeted Distribution per unit:	**Actual Distribution per unit:**
2000: $1.60	2000: $1.71
2001: $1.95	2001: $2.15
2002: $2.40	2002: $2.435
2003: $2.63	2003: $2.63
2004: $2.84	2004: $2.87
2005: $3.13	2005: $3.13
2006: $3.28	2006: $3.26
2007: $3.44	2007: $3.48

2008 Partnership Goals

- **Distribution Target**
  - $4.02 per unit (16% growth)
  - Excess coverage of ~$12 million
- **Maintain Solid Balance Sheet**
  - Expansions / acquisitions financed 50% equity, 50% debt
- **Deliver Projects on Time and on Budget**

KMP CO_2 Operations



CO_2 Reserves	Company Ownership	Location	Remaining Deliverability	Operator
McElmo Dome	45%	SW Colorado	22 yrs	KMP
Doe Canyon	88%	SW Colorado	30 yrs	KMP
Bravo Dome	11%	NE New Mexico	10+ yrs	Oxy

Pipelines	Company Ownership	Location	Capacity (MMcf/d)	Operator
Cortez	50%	McElmo Dome to Denver City	1,250	KMP
Bravo	13%	Bravo Dome to Denver City	375	BP
Central Basin	100%	Denver City to McCamey	600	KMP
CRC	99%	McCamey to Snyder	200	KMP
CLPL	100%	Denver City to Snyder	240	KMP
Pecos	~70	McCamey to Iraan	120	KMP
Wink (crude)	100%	McCamey & Snyder to El Paso	135 (b)	KMP

CO_2 2008 Budget

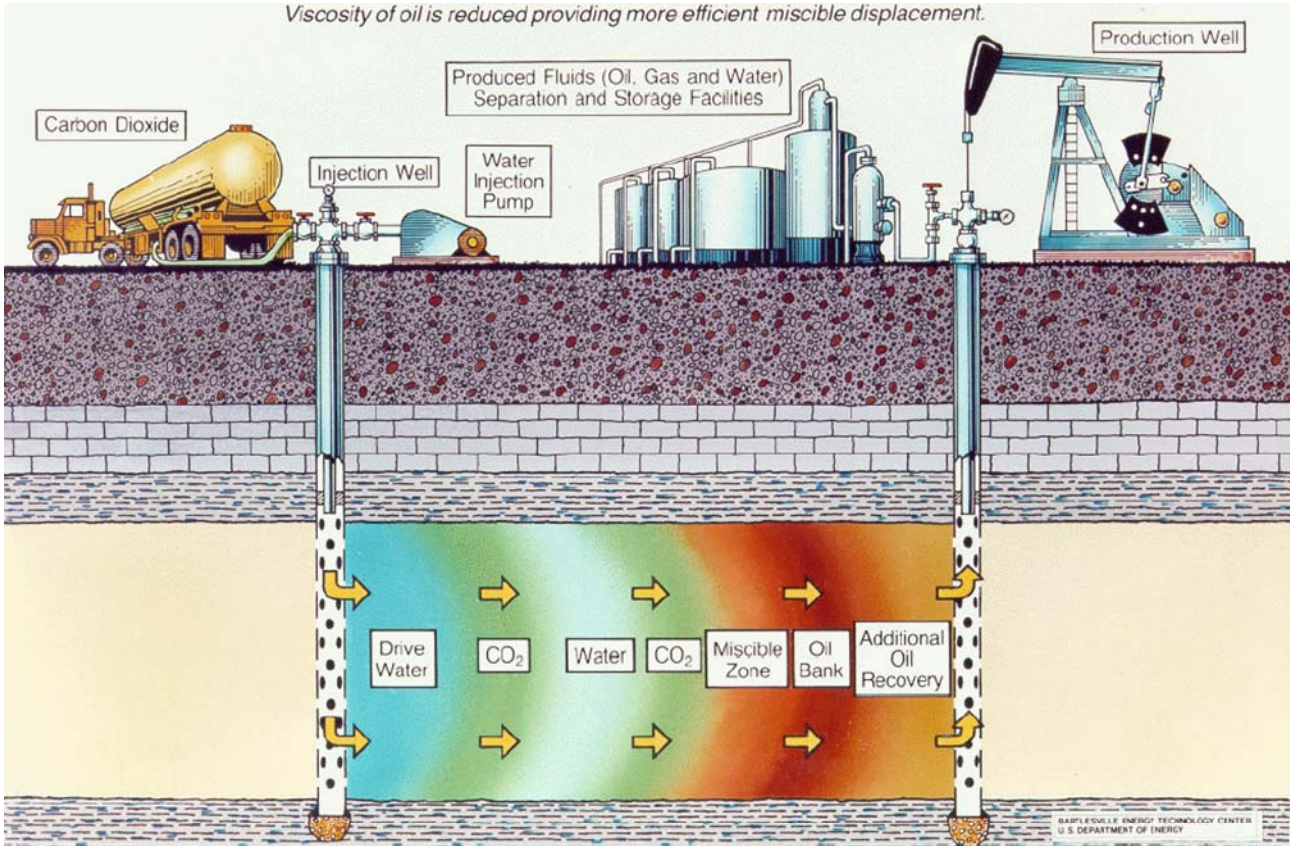
	2008B	2007	% Change
Segment DCF (a)			
Source & Transport ($M)	$233	$172	36%
Oil Production ($M)	$503	$357	41%
Crude Production Volumes			
SACROC (MBbl/d)	27.7	27.6	0.4%
Yates (MBbl/d)	27.5	27.0	1.9%

Crude Reserves	Company Ownership	Location	Remaining Life	Operator
SACROC	97%	W. Texas	20+ yrs	KMP
Yates	50%	W. Texas	30+ yrs	Marathon

(a) Budgeted 2008 segment distributable cash flow, as defined on the Non-GAAP Financial Measures slide.
(b) MBbl/d.

CO_2: How It Works

- CO_2 mixes with oil much like turpentine cleans paint from a brush
- Inter-phase mass transfer typically yields NGL rich gas production
- Chase water injection helps control mobility and gas recycle



CO_2: How it Fits in the MLP

- **CO_2 Transport – typical MLP pipeline business**
- **CO_2 Sales – long-term contracts**
- **CO_2 Flooding**

  Investment Characteristics:

  Asset Heavy - Pipelines, Compression Equipment, Wells

  Operating Cost Structure:

  Predictable – Driven by fluid handling, purchased power

  Revenue Stream:

  CO_2 Floods are typically very long-term projects

  Production is usually stable and predictable

  Hedging mitigates price uncertainty

Growth Opportunities

	Current Projects (2008-2011)	Additional Opportunities
Shifting Natural Gas Supply Sources — **Rockies** — **LNG** — **Barnett Shale**	Rockies Express pipeline KM Louisiana pipeline Midcontinent Express pipeline	*REX Northeast Express extension, REX/NGPL Chicago Express project, MEP expansion, KMLP expansion, storage, incremental shipper services (backhaul, hub, etc.)*
Increased Use of Renewable Fuels — **Biodiesel** — **Ethanol**	Supply nat. gas to ethanol facilities – KMIGT Store and blend at terminals – Tampa, Southeast Terminals, West Coast	*Additional ethanol/biodiesel storage and blending at terminal facilities, batched and dedicated ethanol pipelines*
Growing Production from Canadian Oilsands	Trans Mountain Anchor Loop expansion Edmonton terminal project	*TMX2, TMX3, Vancouver Wharves expansions, other terminals, CO_2 capture and transport*
High Crude Oil Prices	McElmo Dome expansion, Cortez expansion, SACROC, Yates	*Further CO_2 sales and transport expansion, incremental production from enhanced oil recovery (EOR)*
Increased Use of Heavy Crude — **Petcoke Handling** — **Sulfur Handling**	Increased volume at petcoke terminals New petcoke location: BP Whiting	*Increased handling of petcoke, application of prilling technology at terminal facilities – U.S. & Canada, Vancouver Wharves*
Demographic Growth	CALNEV products pipeline project Carson terminal expansion	*Additional pipeline and terminal expansions*
Coal Imports/Exports	Pier X, SRT	*Expansions at coastal terminals*

Current Projects

Over $7.0 Billion In Current Projects

Project	Estimated Project Cost ($mm)	Expected Completion
Rockies Express	$2,445 (a)	2007-2009
Midcontinent Express	660 (a)	2009
KM Louisiana Pipeline	550	2009
CALNEV expansion	425	2011
Trans Mountain – Anchor Loop expansion	485	2008
CO_2 – SACROC and Yates	1,370	2008-2011
CO_2 – Source and Transport	160 (a)	2008
Other identified projects	1,195 (b)	2008-2012
Total	**$7,290**	

(a) Pro rata expenditures for KMP's ownership interest.
(b) Edmonton, Houston, Pier X, Perth Amboy, BP Whiting, Rubicon, Dayton, Colorado lateral, Goodrich, Markham, Carson, Miramar, Tampa and Travis AFB.

Risks

- **Regulatory**
  - Pacific Products Pipeline FERC/CPUC case
  - Periodic rate reviews
  - Unexpected policy changes
- **CO_2 Crude Oil Production Volumes**
  - Commodity price risk largely hedged
- **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

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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