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## **NATIONAL ENERGY BOARD APPROVES TRANS MOUNTAIN ANCHOR LOOP PROJECT**

CALGARY, Alberta, Oct. 31, 2006 – Kinder Morgan Canada, a subsidiary of Kinder Morgan, Inc. (NYSE: KMI), today announced that the National Energy Board (NEB) has approved the Trans Mountain pipeline Anchor Loop project through Jasper National Park and Mount Robson Provincial Park.

The Anchor Loop project is the key expansion stage of Kinder Morgan Canada's West Coast pipeline expansion plans. The project involves the construction and operation of a pipeline loop with two segments along the existing Trans Mountain pipeline right-of-way. Beginning west of Hinton, Alberta, a 30-inch diameter pipeline will cover the 7.6 kilometre distance to Hinton and will then extend another 151 kilometres to Rearguard, British Columbia, using a 36-inch diameter pipeline. The wider pipe will eliminate any foreseeable need for future expansion through both parks.

"This is a major milestone," said Ian Anderson, president of Kinder Morgan Canada. "We are delighted with the NEB decision and pleased that the board acknowledged all of our public consultation efforts which have been going on for over two years."

The pipeline loop will address existing capacity constraints on the Trans Mountain pipeline, which has been in apportionment for several years, and will increase the ability of Canadian producers and marketers to access growing markets on the West Coast as well as Asian markets. "Approval for the Trans Mountain Anchor Loop really sets up the next phases of expansion, which will enable us to expand the pipeline system both south (serving markets in the lower mainland of British Columbia and Washington state) and north (to a deepwater port facility in the Kitimat region that would primarily serve markets in Asia)," Anderson said.

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He noted the company is still working with shippers for support of additional expansion phases and is talking to various parties, including the Chinese, on the prospects for a northern route.

In its decision, the NEB said Kinder Morgan Canada's consultation program was "exemplary" and clearly met its expectations with respect to determining the appropriate level of public involvement for a given project. To achieve greater regulatory efficiency, the NEB worked together with other federal and provincial authorities to create a coordinated environmental screening process that would meet the various environmental assessment requirements. "The NEB process was thorough, timely and efficient," Anderson said. "The NEB's timely decision demonstrates its commitment to approve much needed energy transportation infrastructure for Canada, while at the same time ensure public safety and the protection of the environment."

This project, which has the support of the Canadian Association of Petroleum Producers, is part of the first phase of the Trans Mountain pipeline system expansion. A pump station expansion scheduled to be in service in April 2007 will increase capacity from 225,000 barrels per day (bpd) to 260,000 bpd. The looping expansion, to be completed in 2009, will further increase capacity to 300,000 bpd.

The Trans Mountain system has direct pipeline access to four refineries in the Puget Sound area with a total crude oil tower capacity of 633,000 bpd. Via connections with U.S. pipelines and its tanker loading facility at Westridge, British Columbia, Trans Mountain has access to refineries in Washington, Oregon, Hawaii, Alaska and California that have a total capacity of 3.1 million bpd. In addition to these markets, recent exports from the Westridge facilities have reached both the U.S. Gulf Coast and Asian regions.

Kinder Morgan Canada is a leader in the petroleum transportation industry. The company transports over 680,000 bpd of petroleum products to markets in Canada, the United States and offshore. The company's extensive 4,500-kilometre network of pipeline systems - complemented by strategically placed storage facilities and the Westridge Marine Terminal - give our customers choice, flexibility and options for moving their products to market. Strongly positioned for growth, Kinder Morgan Canada manages a current asset base of over \$2.5 billion and has \$4 billion of growth opportunities under development.

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Kinder Morgan, Inc. is one of the largest energy transportation, storage and distribution companies in North America. It owns an interest in or operates approximately 43,000 miles of pipelines that transport primarily natural gas, crude oil, petroleum products and CO<sub>2</sub>; more than 150 terminals that store, transfer and handle products like gasoline and coal; and provides natural gas distribution service to over 1.1 million customers. KMI owns the general partner interest of Kinder Morgan Energy Partners (NYSE: KMP), one of the largest publicly traded pipeline limited partnerships in the United States. Combined, the companies have an enterprise value of more than \$35 billion.

*This news release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Although Kinder Morgan believes that its expectations are based on reasonable assumptions, it can give no assurance that such assumptions will materialize. Important factors that could cause actual results to differ materially from those in the forward-looking statements herein are enumerated in Kinder Morgan's Form 10-K and 10-Q as filed with the Securities and Exchange Commission.*

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