

# **Natural Gas Pipeline Company of America LLC**

## **NGPL Addresses FERC Order of Proceeding Pursuant to Section 5 of the Natural Gas Act**

HOUSTON, Nov. 24, 2009 – On Nov. 19, 2009, Natural Gas Pipeline Company of America (NGPL), along with two other interstate pipeline companies, were notified by the Federal Energy Regulatory Commission (FERC) of a separate proceeding against each interstate pipeline company pursuant to section 5 of the Natural Gas Act. The proceeding will set the matter for hearing and determine whether NGPL's current rates, which were approved by the FERC in NGPL's last rate case settlement, remain just and reasonable. The FERC made no findings in its Order as to what would constitute just and reasonable rates or a reasonable return for NGPL.

The management of NGPL is working closely with the management of Myria Holdings Inc. and Kinder Morgan, Inc. to comply with any and all requests for information made by the FERC in connection with such proceeding.

A proceeding under section 5 of the Natural Gas Act is prospective in nature. Any potential change in rates charged customers by NGPL can only occur after the FERC has issued a final order. Prior to that, an Administrative Law Judge will preside over an evidentiary hearing and make an initial decision (which the FERC has directed be issued within 47 weeks). The final FERC decision will be based on the record developed before the Administrative Law Judge.

As part of the section 5 proceeding, FERC has directed NGPL to file a cost and revenue study within 45 days of the date the order was issued. Given the upcoming holiday season and the substantial work involved in that filing, on Nov. 20, NGPL, together with the other two gas pipeline companies that are part of separate section 5 proceedings, filed a joint motion for a 30-day extension to file the cost and revenue studies. On Nov. 23, the FERC granted the 30-day extension and the cost and revenue study is now due by Feb. 4, 2010.

NGPL provides transportation and storage services in accordance with its FERC Gas Tariff and the rates established in its last rate case settlement, which was approved by the FERC. In that settlement, NGPL and its customers agreed to the currently effective rates and fuel percentages. Additionally, in that settlement, NGPL, took the substantial risk of capacity de-contracting and under collection of its fuel gas and lost and unaccounted for gas costs.

NGPL provides gas transportation and storage services primarily to the Chicago market, which is one of the most competitive markets in the United States. As part of this section 5 proceeding, NGPL may decide to pursue market-based rates for its transportation and/or storage services, as just and reasonable rates.

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**About Myria Holdings**

Myria Holdings is an investment holding company which purchased 80 percent of NGPL from Kinder Morgan, Inc., a private company, on Feb. 15, 2008.

Investors in Myria Holdings include SteelRiver Infrastructure Fund North America, Prime Infrastructure Holdings (formerly known as Babcock & Brown Infrastructure), Dutch pension fund Stichting Pensioenfond's Zorg en Welzijn and Canadian pension fund manager Public Sector Pension Investment Board.

**About Kinder Morgan, Inc.**

Kinder Morgan, Inc. (KMI), a private entity, together with its subsidiaries is one of the largest energy transportation and storage companies in North America. KMI operates or owns an interest in more than 37,000 miles of pipelines and 170 terminals. It operates and owns a 20 percent interest in NGPL.

**About Natural Gas Pipeline Company of America**

NGPL is one of the largest U.S. natural gas pipeline and storage systems with approximately 9,500 miles of gas transmission pipelines and over 250 billion cubic feet of working capacity of integrated gas storage. NGPL links the Texas and Oklahoma gas producing regions, onshore and offshore Louisiana supply regions, and supply received from the Rocky Mountains with gas-consuming regions in the Midwest, particularly Chicago and northern Indiana.

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