



Larry Pierce
Media Relations
(713) 369-9407

Mindy Mills
Investor Relations
(713) 369-9490
www.kindermorgan.com

KINDER MORGAN DETAILS FINANCIAL IMPACT OF TWO LARGE PIPELINE PROJECTS

HOUSTON, Feb. 28, 2006 – Kinder Morgan today announced that the Rockies Express and Kinder Morgan Louisiana pipelines, two large projects that are being supported by long-term binding capacity agreements with shippers, will significantly impact the bottom line of both Kinder Morgan Energy Partners, L.P. (NYSE: KMP) and Kinder Morgan, Inc. (NYSE: KMI). The over \$4 billion Rockies Express project (see separate joint news release issued today by KMP and Sempra Energy) is a 1,323-mile pipeline that will transport up to 1.8 billion cubic feet per day (Bcf/d) of natural gas from the Rockies to eastern Ohio. KMP will operate the pipeline and owns two-thirds of the project, while Sempra Energy has a one-third ownership stake. The approximately \$500 million Kinder Morgan Louisiana Pipeline is solely a KMP project and will provide 3.2 Bcf/d of takeaway capacity from the Cheniere liquefied natural gas (LNG) facility in Louisiana and deliver natural gas into the country's pipeline network.

While these assets will be part of the KMP portfolio, KMI will also benefit because of its ownership of the general partner of KMP. Once completed, the combined financial impact of these projects is expected to allow for an increase of \$0.15 to \$0.20 in cash distributions per unit at KMP and \$0.50 to \$0.60 in earnings per share at KMI. Subject to regulatory approvals, the entire Rockies Express project is expected to be completed by June 2009, and the entire Kinder Morgan Louisiana Pipeline is expected to be completed by April 1, 2009. However, both of these projects are expected to be substantially accretive to cash distributions and earnings prior to these dates. The first 710 miles of the Rockies Express project is projected to be in service by Jan. 1, 2008, and the lateral segment of the Kinder Morgan Louisiana Pipeline that will interconnect with KMI's Natural Gas Pipeline Company of America is projected to be in service by Oct. 1, 2008.

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According to Kinder Morgan Chairman and CEO Richard D. Kinder, KMP intends to finance the projects with 50 percent equity and 50 percent debt. “We will issue equity at KMP for these projects in tranches to coincide with construction and in-service dates. The permanent debt for the Rockies Express Pipeline, as a joint venture, will likely be non-recourse to KMP. We have already reviewed these financing plans with the ratings agencies and will continue to work with them to ensure that they are comfortable with our approach.”

The following table details financial projections related to the combined impact of the Rockies Express and Kinder Morgan Louisiana pipeline projects. It assumes that KMP maintains a two-thirds interest in Rockies Express, even though that interest could be reduced to 50 percent, and reflects KMP’s proportionate interest in the capital expenditures, debt and EBITDA for this project.

	2006	2007	2008	2009	2010
Combined Incremental Impact of Rockies Express and Louisiana Pipeline Projects					
CAPEX (\$mm)	\$ 856	\$ 1,241	\$ 1,145	\$ 128	-
EBITDA (\$mm)	-	\$ 22	\$ 240	\$ 383	\$ 410
Equity Issued (\$mm)	-	\$ 500	\$ 1,150	\$ 25	-
Total KMP Projection					
Debt-Total Capital	56.3%	56.7%	51.4%	50.2%	50.3%

In related news, KMP yesterday announced the beginning of a binding open season to solicit shipper support for firm natural gas transportation capacity on a proposed expansion of its TransColorado Pipeline. The expansion would link TransColorado with several major interstate and intrastate pipelines including the Entrega Pipeline, thereby facilitating access to the Rockies Express Pipeline. As designed, the project would increase northbound capacity on TransColorado by 250,000 dekatherms per day on the approximately 300-mile pipeline system from the Blanco Hub area in San Juan County, N.M., to the Meeker Hub in Rio Blanco County, Colo. A prearranged shipper has executed a binding precedent agreement for capacity on the project.

The TransColorado expansion is representative of the incremental opportunities that the company believes will develop as a result of the new Rockies Express and Kinder Morgan Louisiana pipelines.

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Please join Kinder Morgan management at 4:30 p.m. Eastern Time on Tuesday, Feb. 28, at www.kindermorgan.com for a LIVE webcast conference call to discuss the Rockies Express and Kinder Morgan Louisiana pipeline projects and their expected financial impact on KMI and KMP.

Kinder Morgan, Inc. is one of the largest energy transportation, storage and distribution companies in North America with approximately 40,000 miles of natural gas and products pipelines, 1.1 million natural gas distribution customers and 150 terminals. Kinder Morgan, Inc. owns the general partner interest of Kinder Morgan Energy Partners, L.P., one of the largest publicly traded pipeline limited partnerships in the United States. Combined, the two companies have an enterprise value of over \$35 billion.

The non-generally accepted accounting principle financial measure of earnings before interest, taxes, depreciation and amortization (EBITDA) is presented in this release. We define EBITDA as operating income plus depletion, depreciation and amortization (DD&A). We routinely calculate and communicate this measure to investors. We believe that continuing to provide this information results in consistency in our financial reporting. In addition, we believe this measure is useful to investors because it enhances their overall understanding of our current financial performance and our prospects for future performance. Specifically, we believe this measure provides investors an enhanced perspective on the operating performance of our asset and the cash that our project is expected to generate. Reconciliation of earnings before DD&A to operating income is provided on our web site. EBITDA should be considered in conjunction with operating income, as defined by generally accepted accounting principles (GAAP).

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 Forms 10-K and 10-Q as filed with the Securities and Exchange Commission.

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