

KINDER MORGAN COCHIN ULC**INCENTIVE TARIFF FOR PROPANE**

From
Points in the Provinces of Alberta and Saskatchewan
To
A Point in the Province of Saskatchewan

The rate named in this tariff is for the transportation of Propane by pipeline subject to the General Rules and Regulations published in Kinder Morgan Cochin ULC tariff N.E.B. No. 6, Supplement No.3, supplements thereto and reissues thereof, and subject to the specific Rules and Regulations published herein (refer to page 2).

The rate listed in this tariff is applicable on the Canadian movement only of Propane tendered at receiving points in Canada, for delivery by Kinder Morgan Cochin ULC to the International Boundary near Alameda, Saskatchewan for final destination to the Milford Terminal in the United States. The movement in the United States is subject to tariffs published by Kinder Morgan Cochin LLC which are filed with the Federal Energy Regulatory Commission in the United States.

TABLE OF RATES
Rate in Dollars per Cubic Metre (m3), Payable in Canadian Currency

From	To	Incentive Volume Rate
Fort Saskatchewan Terminal, Alberta	International Boundary Near Alameda, Saskatchewan	0.605
Regina Station, Saskatchewan		0.605
Richardson, Saskatchewan		0.605

ISSUED: April 4, 2008**EFFECTIVE: April 4, 2008**

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**SPECIFIC RULES AND REGULATIONS
APPLICABLE ON THIS INCENTIVE TARIFF OF PROPANE**

ITEM 4 SPECIFICATIONS AS TO QUALITY

The Carrier reserves the right to reject any and all shipments of Propane not conforming to the definition of and specifications for Propane HD-5, as contained in "N.G.P.A. Liquefied Petroleum Gas Specifications and Test Methods" (N.G.P.A. Publication 2140 as revised and supplemented from time to time) and as determined by the test methods in said publications with the further proviso that the water content of the Propane must not be greater than 10 p.p.m. by weight.

ITEM 11 EVIDENCE OF RECEIPTS AND DELIVERIES

Propane deliveries from the Propane terminals will be evidenced by "Bills of Lading" automatically printed on site including conversion to net volumes.

ITEM 21 DEMURRAGE

In order to provide space for delivery of succeeding shipments into Carrier's facilities and otherwise to prevent or relieve congestion at Carrier's terminals, Carrier shall give notice to Shippers or Consignees to remove product from Carrier's facilities. Product specified in the notice shall be determined on a first-in, first-out basis. Product which is not removed at the close of a five (5) day period, beginning the day after such notice is sent by Carrier, shall be subject to a demurrage charge of one cent (1c) per barrel per day until removed. Demurrage charges shall be payable upon presentation of bill by Carrier.

ITEM 23 SCHEDULING OF RECEIPTS AND DELIVERIES

When Shippers request receipt by the Carrier and subsequent delivery from the Carrier's Propane terminals of product greater than can be immediately delivered. Carrier shall schedule such receipts and deliveries among all Shippers on an equitable basis. Carrier shall not be liable for any cost incurred for any delay in receipt or delivery resulting from such scheduling.

ITEM 24 PAYMENT OF TARIFF CHARGES

This incentive rate shall be based on the quantity received at the Origin Point. The Shipper shall pay all applicable transportation and other lawful charges accruing on Products accepted and received by the Carrier for transportation, on the basis of quantity received at the Origin Point, and if requested by the Carrier shall pay the same before acceptance and/or delivery of the Product.

ITEM 25 INCENTIVE VOLUME

Volumes shipped under this incentive toll shall be subject to the following special conditions:

1. Shipper shall commit in writing to ship a minimum of 208,198 m³ ("Incentive Volume") of propane annually. The term of this commitment shall be for 12 months starting from April through March of the following year. Shipper shall commit to ship 50% of the Incentive Volume or 104,099 m³ from the period of April through September. The balance of the Incentive Volume or 104,099 m³ shall be shipped from the period of October through March of the following year.
2. At the time of commitment, Shipper shall provide a Ratable Schedule of anticipated monthly nominations to Carrier. Acceptance of Ratable Schedule shall be based on Carrier's operational conditions. Any changes by the Shipper of the Ratable Schedule during the standard nomination procedures must have Carrier prior approval.

3. This incentive shall only apply to volumes nominated and delivered to the Milford Terminal. Once the product has been received into the Carrier's pipeline, the nominated volume received under this incentive cannot be changed and or revised to any other final destination.
4. Shipper shall use standard nominating procedures to schedule Incentive Volumes. Carrier shall invoice Shipper based on nominated Incentive Volumes on a "take or pay" basis.
5. At the beginning of each month, Shipper will be invoiced an amount equal to the incentive times the monthly nominated Incentive Volumes. The invoice shall be due and payable regardless of whether or not the barrels have been received at the origin point.
6. At the end of March and the end of September of each year, Shipper shall be invoiced for actual volumes shipped in excess of the Incentive Volumes. The semi-annual true up is to invoice the Shipper for actual volumes shipped in excess of the monthly nominated Incentive Volumes based on the incentive rate.
7. Shipper shall not receive any credit or refund for volumes shipped which are less than the nominated Incentive Volumes.
8. For any partial period in which pipeline availability preempted Shipper from receiving his nominated monthly volumes, the Incentive Volume threshold will be initially calculated at the minimum annual Incentive Volume divided by the number of days in the year to prorate the Incentive Volume requirement; the Shipper will subsequently be provided an opportunity in the following months to make-up any shortfall from his nominated volume schedule and, if necessary, the ensuing invoices will be adjusted accordingly.
9. In case of any variances between the General Rules & Regulations tariff and the special conditions enumerated in Item 25 of this Incentive tariff, they shall be resolved in favor of Item 25 of this Incentive Tariff.