Natural Gas Pipelines

Tom Martin

President, Natural Gas Pipeline Group
Growth Drivers:
- Shale-driven expansions / extensions
- LNG exports
  - Liquefaction facilities
  - Pipeline infrastructure
- Gas demand for power generation
  - Coal plant retirements
  - Regional demand growth
- Industrial demand growth
- Exports to Mexico
- Repurposing opportunities
## Contracted Capacity and Term by Region

<table>
<thead>
<tr>
<th>Region</th>
<th>Contracted Capacity</th>
<th>Average Term Remaining</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>East</td>
<td>Storage 132 Bcf</td>
<td>3 yr, 4 mo</td>
</tr>
<tr>
<td></td>
<td>Transport 18.9 Bcf/d</td>
<td>8 yr, 7 mo</td>
</tr>
<tr>
<td></td>
<td>LNG 18 Bcf</td>
<td>17 yr, 5 mo</td>
</tr>
<tr>
<td>West</td>
<td>Storage 46 Bcf</td>
<td>5 yr, 11 mo</td>
</tr>
<tr>
<td></td>
<td>Transport 18.4 Bcf/d</td>
<td>5 yr, 8 mo</td>
</tr>
<tr>
<td>Central</td>
<td>Storage 255 Bcf</td>
<td>2 yr, 5 mo</td>
</tr>
<tr>
<td></td>
<td>Transport 12.6 Bcf/d</td>
<td>5 yr, 4 mo</td>
</tr>
<tr>
<td>Midstream</td>
<td>Purchases 2.3 Bcf/d</td>
<td>2 yr, 6 mo</td>
</tr>
<tr>
<td></td>
<td>Sales 3 Bcf/d</td>
<td>2 yr, 8 mo</td>
</tr>
<tr>
<td></td>
<td>Storage 88 Bcf</td>
<td>4 yr, 10 mo</td>
</tr>
<tr>
<td></td>
<td>Transport 3.8 Bcf/d</td>
<td>5 yr, 3 mo</td>
</tr>
<tr>
<td></td>
<td>Processing 1.7 Bcf/d</td>
<td>6 yr, 7 mo</td>
</tr>
</tbody>
</table>

- Net annual incremental re-contracting exposure (KM share)\(^{(a)}\):
  - (% of 2015 Gas Pipeline Group EBDDA)

### Interstate Transport Contracts
Avg. = 6 yr, 8 mo

### (a) Negative figures represent unfavorable re-contracting exposure. Includes transportation and storage contracts.
## Projects Placed Into Service - 2014

<table>
<thead>
<tr>
<th>Region</th>
<th>Asset</th>
<th>Project</th>
<th>In-service Date</th>
<th>Capacity</th>
<th>Capital, KM Share ($MM)</th>
<th>EBITDA ($MM)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>East</strong></td>
<td>TGP</td>
<td>Utica Backhaul</td>
<td>4/2014</td>
<td>500 MDth/d</td>
<td>175.1</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Uniondale</td>
<td>11/2014</td>
<td>34 MDth/d</td>
<td>6.2</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rose Lake</td>
<td>11/2014</td>
<td>230 MDth/d</td>
<td>73.7</td>
<td></td>
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<tr>
<td></td>
<td>SNG</td>
<td>FGT/TECO Interconnect</td>
<td>7/2014</td>
<td>7.1 MDth/d</td>
<td>3.9</td>
<td></td>
</tr>
<tr>
<td><strong>West</strong></td>
<td>SGPL</td>
<td>Sierrita Gas Pipeline</td>
<td>10/2014</td>
<td>200 MDth/d</td>
<td>65.6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>CIG</td>
<td>High Plains Expansion</td>
<td>5/2014</td>
<td>600 MDth/d</td>
<td>9.6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>WIC</td>
<td>Bucking Horse Meter Station</td>
<td>12/2014</td>
<td>105 MDth/d</td>
<td>2.7</td>
<td></td>
</tr>
<tr>
<td></td>
<td>EPNG</td>
<td>Upstream Sierrita</td>
<td>10/2014</td>
<td>200 MDth/d</td>
<td>2.3</td>
<td></td>
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<tr>
<td><strong>Central</strong></td>
<td>MEP</td>
<td>Entergy Power Plant Interconnect</td>
<td>3/2014</td>
<td>180 MDth/d</td>
<td>3.6</td>
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<tr>
<td><strong>Midstream</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Texas Intrastate</td>
<td>Calpine Magic Valley</td>
<td>3/2014</td>
<td>90 MDth/d</td>
<td>22.8</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mier Monterrey Interim Expansion</td>
<td>9/2014</td>
<td>200 MDth/d</td>
<td>11.2</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mier Monterrey Expansion</td>
<td>12/2014</td>
<td>225 MDth/d</td>
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<tr>
<td></td>
<td></td>
<td>West Clear Lake Cushion Conversion</td>
<td>1Q 2014</td>
<td>4 Bcf</td>
<td>12.7</td>
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<tr>
<td></td>
<td></td>
<td>Eaglebine Phase II</td>
<td>6/2014</td>
<td>54 MDth/d</td>
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<td></td>
<td></td>
<td>DK Expansion (incl. TXP3)</td>
<td>4Q 2014</td>
<td>480 MDth/d</td>
<td>236.1</td>
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<td>Oklahoma Silver Creek</td>
<td>4Q 2014</td>
<td>32 MDth/d</td>
<td>39.0</td>
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<tr>
<td></td>
<td></td>
<td>Well / Market Connects</td>
<td>Throughout 2014</td>
<td>Various</td>
<td>27.1</td>
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<tr>
<td></td>
<td></td>
<td>Other System Expansions</td>
<td>Throughout 2014</td>
<td>Various</td>
<td>125.7</td>
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<tr>
<td><strong>Total Gas Pipeline Group</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>940.4</td>
<td>290</td>
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### New Firm Transport Capacity

#### Existing, New and Pending Firm Transport Capacity Commitments

<table>
<thead>
<tr>
<th></th>
<th>December 1, 2013 to present:</th>
<th>Existing Capacity (MDth/d)</th>
<th>New Committed Capacity (MDth/d)</th>
<th>New Pending Capacity (MDth/d)</th>
<th>Total Capacity (MDth/d)</th>
<th>Capital, KM Share ($MM)</th>
<th>Wtd Avg. Contract Term (Yrs)</th>
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</thead>
<tbody>
<tr>
<td>East</td>
<td>14</td>
<td>2,595</td>
<td>2,609</td>
<td>1,537</td>
<td>16.6</td>
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<tr>
<td>West</td>
<td>405</td>
<td>583</td>
<td>988</td>
<td>540</td>
<td>14.7</td>
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<tr>
<td>Central</td>
<td>370</td>
<td>700</td>
<td>1,200</td>
<td>333</td>
<td>18.8</td>
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<tr>
<td>Midstream</td>
<td>70</td>
<td>750</td>
<td>820</td>
<td>264</td>
<td>17.2</td>
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<td>Total Gas Pipeline Group</td>
<td>859</td>
<td>4,628</td>
<td>6,687</td>
<td>2,674</td>
<td>17.1</td>
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#### Existing, New and Pending Firm Transport Capacity Commitments by Customer / End-use Market

<table>
<thead>
<tr>
<th></th>
<th>December 1, 2013 to present:</th>
<th>LDC / End-user (MDth/d)</th>
<th>Producer (MDth/d)</th>
<th>Mexico (MDth/d)</th>
<th>LNG (MDth/d)</th>
<th>Total Capacity (MDth/d)</th>
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</thead>
<tbody>
<tr>
<td>East</td>
<td>216</td>
<td>1,593</td>
<td>500</td>
<td>300</td>
<td>2,609</td>
<td></td>
</tr>
<tr>
<td>West</td>
<td>63</td>
<td>153</td>
<td>772</td>
<td>988</td>
<td></td>
<td></td>
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<tr>
<td>Central</td>
<td>370</td>
<td>370</td>
<td>1,900</td>
<td>2,270</td>
<td></td>
<td></td>
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<tr>
<td>Midstream</td>
<td>70</td>
<td>160</td>
<td>590</td>
<td>820</td>
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<td></td>
</tr>
<tr>
<td>Total Gas Pipeline Group</td>
<td>349</td>
<td>2,276</td>
<td>1,272</td>
<td>2,790</td>
<td>6,687</td>
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</table>
Natural Gas Segment in a Low Oil Price Environment

**Risk Assessment**

- **Price sensitivity mainly in Midstream**
  - $0.10/Dth gas price change
  - $2.8 MM/yr (excluding hedges)
  - $2.4 MM/yr (including current hedges)
  - $1.00/bbl oil price change = $2.0 MM/yr
  - 1% change in NGL crude ratio = $1.5 MM/yr

- **Volume sensitivity mainly in Midstream**
  - Potential impact from reduced drilling plans and lower associated gas volumes

- **Credit exposure**
  - Low risk given scale of operations, diverse customer base, and existing collateral requirements

- **Backlog**
  - 96% of backlog capital is secured by customer contracts
  - LNG customers taking a longer term view

**Opportunity Assessment**

- **Acquisition opportunities**
  - Lower oil price environment expected to lead to greater acquisition opportunities
  - Supported by lower corporate cost of capital and ready access to capital

- **Additional growth project opportunities**
  - Less competition possible for new projects as peers reduce capex plans
  - Potential for peers to bring in partners on existing projects to reduce capex

- **Increased dry gas production**
  - Lower oil prices could lead to dry gas wells becoming more competitive
  - We are well positioned to benefit from increased dry gas production

- **Cost reductions**
  - Contractor costs expected to reduce
Gas Pipeline Group Project Backlog
Approximate $1.9 billion increase from 2014

<table>
<thead>
<tr>
<th>Region</th>
<th>Asset</th>
<th>Board Approval</th>
<th>Customer Execution</th>
<th>Capital, KM Share ($MM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>East</td>
<td>TGP</td>
<td>Completed</td>
<td>Completed</td>
<td>1,591</td>
</tr>
<tr>
<td></td>
<td>SNG/EEC</td>
<td>Completed</td>
<td>Completed</td>
<td>282</td>
</tr>
<tr>
<td></td>
<td>ELC/SLNG</td>
<td>Completed</td>
<td>Completed</td>
<td>1,330</td>
</tr>
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<td></td>
<td></td>
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<td>East Region Total</td>
</tr>
<tr>
<td>West</td>
<td>EPNG</td>
<td>Completed</td>
<td>Completed</td>
<td>543</td>
</tr>
<tr>
<td></td>
<td>CIG</td>
<td>Completed</td>
<td>Completed</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>West Region Total</td>
</tr>
<tr>
<td>Central</td>
<td>KMLP</td>
<td>Completed</td>
<td>Completed</td>
<td>143</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Completed</td>
<td>Pending</td>
<td>190</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Central Region Total</td>
</tr>
<tr>
<td>Midstream</td>
<td>TX Intrastate</td>
<td>Completed</td>
<td>Completed</td>
<td>273</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Completed</td>
<td>Partial</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Gathering/Other</td>
<td>Completed</td>
<td>Completed</td>
<td>57</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Completed</td>
<td>Partial</td>
<td>147</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>Midstream Total</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Total Gas Pipeline Group</td>
</tr>
</tbody>
</table>
Region Asset Reviews
East Region Assets

Growth Drivers:

- Asset footprint provides a base for serving growing and supply-constrained markets from both traditional and developing supply regions
- TGP uniquely positioned in growing Marcellus and Utica shale plays to provide region-wide access to both Gulf Coast and Northeast markets
- Market opportunities in New England and Canada driven by new gas service and conversions
- New infrastructure required to serve growth in gas-fired power generation
- Forecasted East Region power growth by 2024 for gas = 1.7 Bcf/d (a), driven by:
  - Market demand growth in the Northeast/Southeast
  - Economic/environmental replacement of coal/oil generation
- Positioned to participate in LNG export market development as both a provider of pipeline capacity and an export terminal owner/operator
  - Potential to serve 10 Bcf/d of transportation demand from 6 announced LNG liquefaction projects near TGP
  - Potential expansion opportunities
  - Additional direct and indirect throughput opportunities for all KM pipes in the region
  - Liquefaction at SLNG and GLNG
- Project opportunities to deliver shale volumes to the growing Mexico export market through existing direct and new third-party pipeline connections
- Opportunities on both TGP and SNG to provide gas supply for new industrial plant builds
- Significant storage capacity to supplement pipeline supply and provide incremental revenue generating opportunities

<table>
<thead>
<tr>
<th>Asset (KM ownership shown if not 100%)</th>
<th>Miles</th>
<th>Capacity (Bcf/d)</th>
<th>Storage (Bcf)</th>
<th>Avg. Remaining Contract Term (Yrs)</th>
<th>Effective Date of Next Rate Case</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tennessee Gas Pipeline (TGP)</td>
<td>11,900</td>
<td>9.0</td>
<td>97</td>
<td>7.1 / 4.1 (b)</td>
<td>11/1/2015</td>
</tr>
<tr>
<td>Southern Natural Gas (SNG)</td>
<td>6,900</td>
<td>3.9</td>
<td>68</td>
<td>6.0 / 2.2 (b)</td>
<td>9/1/2018</td>
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<tr>
<td>Elba Express (EEC)</td>
<td>200</td>
<td>1.0</td>
<td>-</td>
<td>23.2</td>
<td>NA</td>
</tr>
<tr>
<td>Florida Gas Transmission (FGT, 50%)</td>
<td>5,300</td>
<td>3.6</td>
<td>-</td>
<td>11.2</td>
<td>11/1/2014 (c)</td>
</tr>
<tr>
<td>Elba Island LNG (SLNG)</td>
<td>-</td>
<td>1.7</td>
<td>11.5</td>
<td>17.8</td>
<td>NA</td>
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<tr>
<td>Gulf LNG (GLNG, 50%)</td>
<td>5</td>
<td>1.5</td>
<td>6.6</td>
<td>16.8</td>
<td>NA</td>
</tr>
</tbody>
</table>

(a) Source: Wood Mackenzie / KM analysis
(b) Transport / Storage
(c) On-going Docket RP15-101
# East Region Project Backlog

<table>
<thead>
<tr>
<th>Asset</th>
<th>Board Approval</th>
<th>Customer Execution</th>
<th>Project</th>
<th>Capital, KM Share ($MM)</th>
<th>Capacity</th>
<th>In-service Date</th>
<th>Project Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>TGP</td>
<td>Completed</td>
<td>Completed</td>
<td>South System Flexibility</td>
<td>187.3</td>
<td>500 MDth/d</td>
<td>1/2015 - 12/2016</td>
<td>Capacity awarded; PA executed; initial project flows began 1/1/15</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Niagara Expansion</td>
<td>26.0</td>
<td>158 MDth/d</td>
<td>11/2015</td>
<td>FERC certificate imminent</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Broad Run Flexibility and Expansion</td>
<td>751.0</td>
<td>790 MDth/d</td>
<td>11/2015 &amp; 11/2017</td>
<td>Final engineering and permitting</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Hebron Storage Cushion Conversion</td>
<td>4.3</td>
<td>1 Bcf</td>
<td>2016</td>
<td>Finalizing terms with JV partner</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Station 245 HP Replacement</td>
<td>6.4</td>
<td>23 MDth/d (winter only)</td>
<td>1/2016</td>
<td>Unit ordered</td>
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<td>Connecticut Expansion</td>
<td>82.2</td>
<td>72 MDth/d</td>
<td>11/2016</td>
<td>FERC application filed</td>
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<td></td>
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<td></td>
<td>Susquehanna West</td>
<td>143.0</td>
<td>145 MDth/d</td>
<td>11/2017</td>
<td>Capacity awarded; PA executed</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Cameron LNG</td>
<td>138.4</td>
<td>900 MDth/d</td>
<td>2Q - 4Q 2018</td>
<td>All shipper conditions precedent met</td>
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<tr>
<td></td>
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<td>Marcellus to Milford</td>
<td>129.3</td>
<td>135 MDth/d</td>
<td>6/2018</td>
<td>PAs executed; open season starting on 1/31/15</td>
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<tr>
<td></td>
<td></td>
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<td>Lone Star</td>
<td>122.8</td>
<td>300 MDth/d</td>
<td>7/2019</td>
<td>Capacity awarded; PA executed</td>
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<tr>
<td>SNG</td>
<td>Completed</td>
<td>Completed</td>
<td>SNG Expansion</td>
<td>85.6</td>
<td>242 MDth/d</td>
<td>6/2016</td>
<td>Pre-construction activities underway; FERC applications filed</td>
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<td>EEC Expansion (non-Shell)</td>
<td>94.0</td>
<td>175 MDth/d</td>
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<td>EEC Expansion (Shell to serve ELC)</td>
<td>102.5</td>
<td>436 MDth/d</td>
<td>6/2016 - 2017</td>
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<td>ELC/SLNG</td>
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<td>Completed</td>
<td>Elba Liquefaction JV</td>
<td>884.0</td>
<td>350 MMcf/d</td>
<td>2017 - 2018</td>
<td>Shell committed to all 10 units</td>
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<td></td>
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<td>SLNG Terminal for Elba Liquefaction</td>
<td>446.0</td>
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<td>2017</td>
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<tr>
<td></td>
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<td></td>
<td></td>
<td><strong>Total East Region</strong></td>
</tr>
</tbody>
</table>
TGP - Broad Run Flexibility and Expansion

- **Capacity:** 790 MDth/d
- **Capital:** $751.0 MM
- **Estimated In-service:** 11/2015 and 11/2017
- **Project Scope:**
  - Piping/compression modifications to 7 existing stations
  - Horsepower at 3 greenfield stations
- **Commercial Benefit:** Moves gas north-to-south from a receipt point in West Virginia to delivery points in Mississippi and Louisiana
- **Avg. Contract Term:** 15 years
- **Current Status:**
  - Final engineering and permitting ongoing
  - Work ongoing at 2 existing compressor stations; preliminary work has begun at a third station
- **Major Milestones:**
  - FERC filing January 2015
TGP - Susquehanna West

- **Capacity:** 145 MDth/d
- **Capital:** $143.0 MM
- **Estimated In-service:** November 2017
- **Project Scope:**
  - 8.2 miles of 36” pipeline loop
  - Compressor relocation
  - Upsize existing compressor
- **Commercial Benefit:** Northeast Marcellus to points of liquidity
- **Avg. Contract Term:** 15 years
- **Current Status:**
  - Successful open season; capacity awarded
  - PA executed
  - Pre-construction activities underway
- **Major Milestones:**
  - FERC filing anticipated April 2015
**TGP - Niagara Expansion**

- **Capacity:** 158 MDth/d
- **Capital:** $26.0 MM
- **Estimated In-service:** November 2015
- **Project Scope:**
  - 3.1 miles of 30-inch pipe looping
  - Station 229 meter facilities
  - Lease on National Fuel Gas (140 MDth/d)
- **Commercial Benefit:** Provides additional market for Marcellus gas and supply diversification for the eastern Canadian markets
- **Avg. Contract Term:** 15 years
- **Current Status:**
  - Shipper PA and NFG Lease Agreement executed
  - FERC application filed, EA issued
  - Pre-construction activities underway
- **Major Milestones:** FERC certificate expected by end of 1Q 2015
TGP - South System Flexibility

- **Capacity:** 500 MDth/d
- **Capital:** $187.3 MM
- **Estimated In-service:** 1/2015-12/2016
- **Project Scope:**
  - Station modifications at 7 stations
  - Horsepower replacement at 1 station
- **Commercial Benefit:** Provides more than 900 miles of north-to-south transportation capacity on the TGP system from Tennessee to south Texas and expands transportation service to Mexico
- **Avg. Contract Term:** 20 years
- **Current Status:**
  - Successful open season; capacity awarded
  - PA executed
  - Facilities in place for 1/2015
  - Further engineering work underway
- **Major Milestones:**
  - Jan 1, 2015 initial in-service
TGP - Marcellus to Milford

- **Capacity**: 135 MDth/d
- **Capital**: $129.3 MM
- **Estimated In-service**: June 2018
- **Project Scope**:
  - 12.9 miles of 36” looping
  - Station upgrades
- **Commercial Benefit**: Provides firm transportation to Milford (TCO)
- **Avg. Contract Term**: 15 years
- **Current Status**:
  - PAs executed
  - Pre-construction activities underway
- **Major Milestones**:
  - Binding open season to be held during February 2015
TGP - Connecticut Expansion

- **Capacity:** 72.1 MDth/d
- **Capital:** $82.2 MM
- **Estimated In-service:** November 2016
- **Project Scope:**
  - 13.3 miles of pipeline loop
  - Acquisition of Thompsonville Lateral
- **Commercial Benefit:** Additional capacity to serve New England market
- **Avg. Contract Term:** 15 years
- **Current Status:**
  - Contracts executed
  - Lateral acquired
  - FERC application filed
- **Major Milestones:** Jan 2015 supplemental FERC filing
TGP - Cameron LNG

- **Capacity:** 900 MDth/d
- **Capital:** $138.4 MM
- **Estimated In-service:** 2Q-4Q 2018
- **Project Scope:**
  - Compressor station modifications to accommodate bi-directional flow
  - 18,000 HP of new compression
  - New pipeline laterals for enhanced supply access to the Perryville Hub
- **Commercial Benefit:** Supply from multiple sources for LNG export
- **Avg. Contract Term:** 21 years
- **Current Status:**
  - PAs executed
  - All shipper conditions precedent have been cleared
- **Major Milestones:**
  - FERC filing 4Q 2015
TGP - Lone Star

- Capacity: 300 MDth/d
- Capital: $122.8 MM
- Estimated In-service: July 2019
- Project Scope:
  - 2 greenfield compressor stations
- Commercial Benefit: Provide supply to Corpus Christi LNG liquefaction project
- Avg. Contract Term: 20 years
- Current Status:
  - PA fully executed
  - Service agreements executed
- Major Milestones:
  - TGP FERC filing 4Q 2016
SNG / Elba Express Expansion

- **Capacity:** 417 MDth/d (a)
- **Capital:** $179.6 MM (a)
- **Estimated In-service:** June 2016
- **Project Scope:**
  - Compression on SNG and EEC
  - Additional pipeline and other facilities
- **Commercial Benefit:** Additional access to Marcellus/Utica shale gas for existing and new SNG customers
  - Seamless transport on SNG from supply to market
  - Access to secondary receipt points on SNG system
  - Replacement supply for LNG-dependent markets
  - Offers incremental supply for new demand
- **Avg. Contract Term:** 14 years
- **Current Status:** Successful open seasons completed; PAs executed; FERC filings made
- **Major Milestones:** Notice to Proceed expected August 2015

(a) Does not include the cost ($102.5 MM) or capacity (436 MDth/d) for the component of the EEC expansion serving Elba Liquefaction. The total cost for the expansion of both SNG and EEC is $282.1 MM and total expansion capacity is 853 MDth/d.
Liquefaction at Elba Island

Elba Liquefaction Company (ELC) / SLNG

- **Capacity**: 350 MMcf/d
- **Capital (KM-share, $MM)**:
  - ELC (KM 51%) $884
  - SLNG (KM 100%) 446
  - Total $1,330
- **Estimated In-service**: 2017 - 2018
- **Project Scope**:
  - ELC: Facilities for liquefaction
  - SLNG: Ship loading facilities; boil-off gas compression
- **Commercial Benefit**:
  - Gas supply via EEC for U.S. production from various supply regions
- **Avg. Contract Term**:
  - Liquefaction: 20 years
- **Current Status**:
  - Agreements executed with Shell
  - DOE FTA export authorization received; non-FTA application filed
  - FERC applications filed
  - FEED complete
  - Shell has committed to all 10 liquefaction units
- **Major Milestones**: Execution of EPC contract
East Region

Additional Potential Growth Projects

- Additional Marcellus / Utica Project Opportunities
  - Large production increases in these two areas will provide expansion and greenfield opportunities to move more gas into the Northeast and significant quantities south to the demand centers on the Gulf Coast
    - Additional Marcellus/Utica southbound expansion on TGP
    - Marcellus project on TGP to the Northeast at Wright
    - Greenfield project from Utica for larger volumes

- Northeast Gas/Electric Initiatives
  - New infrastructure is needed in the Northeast for load growth in gas and power markets
    - Northeast Energy Direct

- Southeast Industrial Growth
  - TGP and SNG both continue to have inquiries from the industrial sector for new plant builds

- LNG Exports
  - Gulf LNG liquefaction project
  - Expansion of Elba Island liquefaction project
  - Additional pipeline expansions to serve Gulf Coast LNG liquefaction projects

- Repurposing Opportunities
  - Conversions for NGL or condensate service
  - Rich gas service for Utica Shale

Opportunity to invest up to $10.2 billion beyond the current backlog
East Region Growth Opportunity
TGP Northeast Energy Direct (NED) Project

One Project – Two Components: Market Path & Supply Path

- **Market Path:**
  - From Wright to Dracut
  - 30” mainline
    - 0.8 - 1.2 Bcf/d
    - $2.9 - $3.5 billion
  - Potential upside, 36” mainline
    - Up to 2.2 Bcf/d
    - $3.8 - $4.4 billion

- **Supply Path:**
  - From Marcellus to Wright
  - 30” mainline
    - 0.7 - 1.2 Bcf/d
    - $1.6 - $2.1 billion

- **Platform for growth:**
  - Power generation
  - Gas utility growth needs
  - Producer basin growth
  - Atlantic Canada
  - LNG
**West Region Assets**

**Growth Drivers:**
- Large asset footprint provides numerous opportunities for expansion capital investment
- West Region pipelines reach back to all Rockies basins
  - Diverse geology, and hydrocarbon mix, coupled with changes in technology, create the opportunity for new builds and conversions
- Competitive expandability and market leading connectivity for increased deliveries into natural gas
  - Total exports to Mexico forecast at 4.6 Bcf/d by 2024 (a)
  - 2014 deliveries to Mexico:
    - 862 MMT/y, West Region
    - 1,953 MMT/y, KM-total
  - For all KM regions: Backlog & addl growth project export capacity up to 8.0 Bcf/d
- Western states’ pursuit of renewable energy creates growth for greater gas-fired power generation backstop
  - Forecasted Western U.S. power growth by 2024 for gas = 1.2 Bcf/d (a)
    - Driven by:
      - Economic/environmental replacement of coal/oil generation
      - Market demand growth
      - EPA Carbon rules
- Declining Canadian imports positions West Region pipes well for incremental growth
- Significant storage facilities with superior connectivity provide premium services ranging from interruptible to firm services
- Potential to serve 1 Bcf/d of transportation demand from announced LNG liquefaction projects along the West Coast near Ruby

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**Asset (KM ownership shown if not 100%)**

<table>
<thead>
<tr>
<th>Asset (KM ownership shown if not 100%)</th>
<th>Miles</th>
<th>Capacity (Bcf/d)</th>
<th>Storage (Bcf)</th>
<th>Avg. Remaining Contract Term (Yrs)</th>
<th>Effective Date of Next Rate Case</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ruby (50%)</td>
<td>680</td>
<td>1.5</td>
<td>-</td>
<td>8.3</td>
<td>NA</td>
</tr>
<tr>
<td>El Paso Natural Gas (EPNG), incl. Mojave</td>
<td>10,700</td>
<td>5.6</td>
<td>44</td>
<td>5.5</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Colorado Interstate Gas (CIG), incl. Young Gas Storage (YGS, 47.5%)</td>
<td>4,300</td>
<td>5.2</td>
<td>43</td>
<td>6.1 / 6.6 (b)</td>
<td>10/1/2016</td>
</tr>
<tr>
<td>TransColorado (TCGT)</td>
<td>310</td>
<td>1.0</td>
<td>-</td>
<td>2.3</td>
<td>NA</td>
</tr>
<tr>
<td>Wyoming Interstate (WIC)</td>
<td>850</td>
<td>3.9</td>
<td>-</td>
<td>5.2</td>
<td>NA</td>
</tr>
<tr>
<td>Cheyenne Plains (CP)</td>
<td>410</td>
<td>1.2</td>
<td>-</td>
<td>3.2</td>
<td>NA</td>
</tr>
<tr>
<td>Sierrita (35%)</td>
<td>60</td>
<td>0.2</td>
<td>-</td>
<td>24.0</td>
<td>NA</td>
</tr>
<tr>
<td>Keystone Gas Storage</td>
<td>-</td>
<td>-</td>
<td>6</td>
<td>2.2</td>
<td>NA</td>
</tr>
</tbody>
</table>

(a) Source: Wood Mackenzie / KM analysis
(b) Transport / Storage
# West Region Project Backlog

<table>
<thead>
<tr>
<th>Asset</th>
<th>Board Approval</th>
<th>Customer Execution</th>
<th>Project</th>
<th>Capital, KM Share ($MM)</th>
<th>Capacity</th>
<th>In-service Date</th>
<th>Project Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>EPNG</td>
<td>Completed</td>
<td>NA</td>
<td>Washington Ranch Storage Expansion</td>
<td>7.9</td>
<td>4 Bcf</td>
<td>12/2015</td>
<td>FERC prior notice to be filed 1Q 2015, construction to start 3Q 2015</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Completed</td>
<td>TGS Line 20121 Expansion</td>
<td>8.8</td>
<td>33 MDth/d</td>
<td>7/2015</td>
<td>Pre-construction activities initiated</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Upstream of Sierrita</td>
<td>525.9</td>
<td>350 MDth/d</td>
<td>10/2020</td>
<td>Phase I completed, placed in serv. 10/1/14</td>
</tr>
<tr>
<td>CIG</td>
<td>Completed</td>
<td>Completed</td>
<td>Lucerne Meter Station Expansion</td>
<td>1.1</td>
<td>200 MDth/d</td>
<td>4/2015</td>
<td>Under construction</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Total West Region</strong></td>
<td><strong>543.7</strong></td>
<td></td>
<td></td>
<td><strong>EBITDA = $78 MM</strong></td>
</tr>
</tbody>
</table>
EPNG - Upstream of Sierrita

- **Capacity:** Phase II, 350 MDth/d
- **Capital:** Phase II, $525.9 MM
- **Estimated In-service:** October 2020
- **Project Scope:**
  - Phase II:
    - New Franconia compressor station – 10,300 HP
    - 100 mile, 36” Havasu Loop
    - Reverse Casa Grande ‘A’ and ‘C’ and Cimarron compressor stations
- **Commercial Benefit:** Additional capacity to service continued growth in Mexican demand along the Sierrita pipeline
- **Contract Term:** 15 years
- **Current Status:** Phase I in service, 162.9 MDth/d
- **Major Milestones:** Additional Phase I capacity in service November 2017
West Region

Additional Potential Growth Projects

- **Growth in exports to Mexico**
  - Total incremental Mexico growth by 2025 projected up to 2.2 Bcf/d that can be served from the EPNG footprint
    - Incremental power generation demand growth on Willcox, Samalayuca laterals and Sierrita
    - Creates opportunity “above and beyond” current planned capacity additions
    - Further expansions of EPNG system to serve Mexico growth

- **Continuing shift towards unconventional oil and liquids production**
  - Growing Permian production creates oil conversion opportunities on EPNG (Freedom Pipeline)
  - Driving an increase in associated gas
    - Niobrara shale (Powder River Basin and DJ Basin)
    - Permian Basin

- **Growing demand for natural gas in power generation and industrial sectors**
  - Additional markets in Desert Southwest (coal-to-gas conversions, power plants, and LDCs)
  - De-emphasizing nuclear increases need for gas-fired generation

**Opportunity to invest up to $5.3 billion beyond current backlog**
West Region Growth Opportunity

Mexico Incremental Gas Demand Potential

- **Capital (KM share):** $120 MM - $140 MM
- **Estimated In-service:** Staged over the next 5 years
- **Commercial Benefit:** Opportunity for additional contracting and expansion of the EPNG and Sierrita pipeline systems to serve growing demand for natural gas from industrial and electric generation projects

<table>
<thead>
<tr>
<th>Key</th>
<th>Demand Type</th>
<th>Capacity (MW)</th>
<th>Est. Avg. Daily Gas Demand (MDth/d)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Electric Gen Conversions¹</td>
<td>3,000</td>
<td>380</td>
</tr>
<tr>
<td></td>
<td>Electric Gen New Builds²</td>
<td>~10,000</td>
<td>1,300</td>
</tr>
<tr>
<td></td>
<td>Industrial Potential</td>
<td>500</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total Incremental Mexico Demand Potential</strong></td>
<td><strong>2,180</strong></td>
<td></td>
</tr>
</tbody>
</table>

¹Based on “Programa Nacional de Infraestructura 2014-2018”
²Estimated from “Prospectiva Del Sector Electrico 2013-2027”
West Region Growth Opportunity
Conversion Opportunity - Freedom Pipeline

- **Capacity:**
  - 200,000 Bbl/d of 30° API crude
  - 100,000 Bbl/d of condensate
- **Capital:** $2.0 B - $2.5 B
- **Estimated In-service:** 2019
- **Project Scope:**
  - Converts underutilized EPNG Lines 2000 and 1903/04 to crude oil/condensate service for delivery to Northern and Southern California Intrastate crude oil pipelines
  - Alternate pipeline routes being considered
  - Wink area distillation facility creates exportable condensate
- **Commercial Benefit:** Provides safer and least cost oil transport to serve West Coast markets enhancing California refiner transportation and crude oil sourcing options
Central Region Assets

Growth Drivers:

- Large and strategic asset footprint near major shale plays and supply basins provides opportunities to attach new supply
  - Developing NGPL Gulf Coast Line expansion projects related to growing NE production

- Potential to serve 11 Bcf/d of transportation demand from 6 announced LNG liquefaction projects along the Gulf Coast near NGPL and KMLP
  - Potential expansion opportunities
  - Additional direct or indirect throughput opportunities for all KM pipes in the region

- Well-positioned to serve growth from existing and new gas-fired electric generation

- Forecasted Central Region power growth by 2024 for gas = 3.1 Bcf/d (a). Driven by:
  - Economic/environmental replacement of coal/oil generation
  - Market demand growth

- Potential new end-user markets
  - Petchem and other industrial projects

---

<table>
<thead>
<tr>
<th>Asset (KM ownership shown if not 100%)</th>
<th>Miles</th>
<th>Capacity (Bcf/d)</th>
<th>Storage (Bcf)</th>
<th>Avg. Remaining Contract Term (Yrs)</th>
<th>Effective Date of Next Rate Case</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Gas Pipeline Co. of America (NGPL, 20%)</td>
<td>9,200</td>
<td>6.2 (b)</td>
<td>288</td>
<td>2.8/2.4 (c)</td>
<td>NA</td>
</tr>
<tr>
<td>Midcontinent Express (MEP, 50%)</td>
<td>510</td>
<td>1.8</td>
<td>-</td>
<td>4.2</td>
<td>NA</td>
</tr>
<tr>
<td>Kinder Morgan Louisiana Pipeline (KMLP)</td>
<td>135</td>
<td>3.2</td>
<td>-</td>
<td>14.5</td>
<td>NA</td>
</tr>
<tr>
<td>Fayetteville Express (FEP, 50%)</td>
<td>185</td>
<td>2.0</td>
<td>-</td>
<td>6.2</td>
<td>NA</td>
</tr>
</tbody>
</table>

(a) Source: Wood Mackenzie / KM analysis
(b) Total deliverability
(c) Transport / Storage
# Central Region Project Backlog

<table>
<thead>
<tr>
<th>Asset</th>
<th>Board Approval</th>
<th>Customer Execution</th>
<th>Project</th>
<th>Capital, KM Share ($MM)</th>
<th>Capacity</th>
<th>In-service Date</th>
<th>Project Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>KMLP</td>
<td>Completed</td>
<td>Completed</td>
<td>Magnolia LNG Liquefaction Transport Project</td>
<td>142.7</td>
<td>700 MDth/d</td>
<td>3Q 2018</td>
<td>Tolling Agreement execution expected 1Q 2015</td>
</tr>
<tr>
<td></td>
<td>Pending</td>
<td></td>
<td>LNG Liquefaction Transport Project</td>
<td>190.3</td>
<td>1.2 MMDth/d</td>
<td>3Q 2019</td>
<td>Project in development</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total Central Region</td>
<td>333.0</td>
<td></td>
<td></td>
<td>EBITDA = $105 MM</td>
</tr>
</tbody>
</table>
**KMLP - Magnolia LNG Liquefaction Transport Project**

- **Capacity:** 700 MDth/d
- **Capital:** $142.7 MM
- **Estimated In-service:** 3Q 2018
- **Project Scope:**
  - Construct 32,000 HP at a new compressor station in Acadia Parish, Louisiana
  - Modify existing meter facilities located in Evangeline and Acadia Parishes, Louisiana for bi-directional flow
  - Construct new 1.5 Bcf/d delivery meter with Magnolia LNG in Calcasieu Parish, LA
- **Commercial Benefit:** Provides LNG liquefaction projects with access to multiple pipelines to ensure deliveries of gas supply at competitive rates
- **Term:** 20 years
- **Project Status:**
  - Executed Precedent Agreement with Magnolia
  - Completed FERC application
- **Major Milestones:**
  - Magnolia Tolling Agreement execution expected 1Q 2015
  - Receive FERC certificate 3Q 2015
  - Magnolia achieves FID 4Q 2015
KMLP - LNG Liquefaction Transport Project

- **Capacity:** 1,200 MDth/d
- **Capital:** $190.3 MM
- **Estimated In-service:** 3Q 2019
- **Project Scope:**
  - Construct 82,000 HP at a compressor station in Acadia Parish, LA
  - Modify existing meter facilities located in Evangeline Parish, LA for bi-directional flow
  - Construct new 1.7 Bcf/d delivery meter in Cameron Parish, LA
- **Commercial Benefit:** Provides LNG liquefaction plant access to multiple pipelines to ensure gas supply at competitive rates
- **Project Status:** Developing precedent agreement
- **Major Milestone:** FID expected by customer in late 2015
Central Region

Additional Potential Growth Projects

- **Growth in Marcellus and Utica supply**
  - Continue to develop expansion opportunities related to growing Marcellus and Utica supply seeking Midwest and Gulf Coast markets

- **LNG Liquefaction Opportunities**
  - LNG liquefaction projects moving forward in South Texas/Louisiana provide potential expansion investment opportunities on both NGPL and KMLP

- **Future Power Plant Load**
  - Continue to work with power plants identified near NGPL and MEP for new interconnect and transport capacity
  - NGPL in a position to offer competitive transport options

- **Repurposing Opportunities**
  - Evaluating conversion to crude / liquids service on Louisiana system

- **Industrial Market Growth Opportunities**
  - Petchem and other industrial facilities on Gulf Coast for NGPL and KMLP

**Opportunity to invest up to $400 million beyond current backlog**
## Midstream Assets

### Growth Drivers:
- Large asset footprint provides continued expansion capital investment
- Competitive expandability and connectivity for increased deliveries into Mexico for its growing reliance on natural gas (Texas Intrastate)
- Significant storage positions and connectivity provide array of premium services, including load balancing to power and end use markets (Texas Intrastate)
- Investments/acquisitions of gathering systems, storage facilities and processing facilities
- Potential to serve 5 Bcf/d of transportation demand from 3 announced LNG liquefaction projects along the Gulf Coast near Texas Intrastates
- Industrial load growth from brownfield and greenfield plant expansions
- Recent acquisitions provide a large footprint and midstream services while leveraging G&P experience and expertise across portfolio of KM assets, including the development of new NGL initiatives

### Commodity Price Exposure:
- **Processing exposure:**
  - $1 change in WTI • $2.0 MM/yr
  - 1% change in NGL crude ratio • $1.5 MM/yr

- **Gas price exposure:**
  - $0.10/Dth gas price change • $2.8 MM/yr (excluding hedges)
  - $2.4 MM/yr (including current hedges)

(a) Minimum volume commitment of 860 MMcf/d expires in May 2015.

### Asset (KM ownership shown if not 100%)

<table>
<thead>
<tr>
<th>Asset</th>
<th>Pipeline Miles</th>
<th>Pipeline Capacity</th>
<th>Storage</th>
<th>Treating Capacity</th>
<th>Processing Capacity</th>
<th>Avg. Remaining Transport Contract Term (Yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intrastate Pipelines</td>
<td>5,800 miles</td>
<td>6.2 Bcf/d</td>
<td>120 Bcf</td>
<td>1,680 GPM</td>
<td>535 MMcf/d</td>
<td>5.3</td>
</tr>
<tr>
<td>North Texas Pipeline</td>
<td>80 miles</td>
<td>330 MMcf/d</td>
<td></td>
<td></td>
<td></td>
<td>18.6</td>
</tr>
<tr>
<td>Mier-Monterrey</td>
<td>95 miles</td>
<td>650 MMcf/d</td>
<td></td>
<td></td>
<td></td>
<td>11.1</td>
</tr>
<tr>
<td>KinderHawk Gathering</td>
<td>500 miles</td>
<td>2.0 Bcf/d</td>
<td></td>
<td></td>
<td>2,600 GPM</td>
<td>Life of Lease (a)</td>
</tr>
<tr>
<td>Eagle Hawk Gathering (25%)</td>
<td>490 miles - gas</td>
<td>1.0 Bcf/d - gas</td>
<td>220 MBbl/d – condensate</td>
<td>60 MBbl</td>
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<tr>
<td>Eagle Hawk Gathering (49%)</td>
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<td>1.0 Bcf/d</td>
<td>220 MBbl/d – condensate</td>
<td>60 MBbl</td>
<td></td>
<td></td>
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<tr>
<td>Red Cedar Gathering (49%)</td>
<td>750 miles</td>
<td>700 MMcf/d</td>
<td></td>
<td></td>
<td>4,600 GPM</td>
<td>3.3</td>
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<tr>
<td>Camino Real Gathering</td>
<td>70 miles - gas</td>
<td>150 MMcf/d - gas</td>
<td></td>
<td></td>
<td></td>
<td>8.0</td>
</tr>
<tr>
<td></td>
<td>70 miles - oil</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>8.0</td>
</tr>
<tr>
<td>Altamont Gathering</td>
<td>790 miles</td>
<td>80 MMcf/d</td>
<td></td>
<td></td>
<td>80 MMcf/d</td>
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</tr>
<tr>
<td>Copano</td>
<td>5,900 miles – gas</td>
<td>4.0 Bcf/d</td>
<td>1.8 Bcf/d</td>
<td></td>
<td></td>
<td>7.6</td>
</tr>
<tr>
<td>Treatment Units</td>
<td>79 plants in service – Amine; 152 plants in service – MRU; 17 plants in service - Dew Point</td>
<td>115 MBbl/d</td>
<td>115 MBbl/d</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

### Diagram:
- **Asphalt Basin/Shale**
- **Mississippi Lime**
- **Mier-Monterrey**
- **Red Cedar Plant and Gathering**
- **Altamont Plant and Gathering**
- **Intrastate Pipelines**
- **North Texas Pipeline**
- **KinderHawk Gathering**
- **Eagle Hawk Gathering (25%)**
- **Eagle Hawk Gathering (49%)**
- **Red Cedar Gathering (49%)**
- **Camino Real Gathering**
- **Altamont Gathering**
- **Copano**
- **Treating - Leased Units**
## Midstream Project Backlog

<table>
<thead>
<tr>
<th>Asset</th>
<th>Board Approval</th>
<th>Customer Execution</th>
<th>Project Description</th>
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<tbody>
<tr>
<td>Texas Intrastate</td>
<td>Completed</td>
<td>Completed</td>
<td>Hill Country Pipeline Expansion</td>
<td>9.7</td>
<td>160 MDth/d</td>
<td>2Q 2015</td>
<td>Construction in progress</td>
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<tr>
<td>DCP Goliad Plant Residue Lateral</td>
<td>33.1</td>
<td>160 MDth/d</td>
<td>3Q 2015</td>
<td>Construction in progress</td>
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<tr>
<td>Cheniere Corpus Christi LNG</td>
<td>77.1</td>
<td>250 MDth/d</td>
<td>4Q 2018</td>
<td>Executed FTA</td>
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<tr>
<td>SK Freeport LNG</td>
<td>153.3</td>
<td>440 MDth/d</td>
<td>3Q 2019</td>
<td>Executed FTA</td>
<td></td>
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<tr>
<td>Gathering/Other</td>
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<td>Completed</td>
<td>Boardwalk to Liberty Y Grade Pipeline</td>
<td>14.8</td>
<td>15 MBbl/d</td>
<td>1Q 2015</td>
<td>Commissioning underway / In-service (Jan-15)</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>Altamont Bluebell Loop and East Station Expansion</td>
<td>9.4</td>
<td>6 MDth/d</td>
<td>1Q 2015</td>
<td>Construction in progress</td>
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<td></td>
<td>Oklahoma Processing Optimization</td>
<td>10.9</td>
<td>14.3 MDth/d</td>
<td>2Q 2015</td>
<td>Construction in progress</td>
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<tr>
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<td></td>
<td>Eagle Ford Fractionation Outlet</td>
<td>22.2</td>
<td>30 MBbl/d</td>
<td>4Q 2015</td>
<td>Completing ROW acquisition</td>
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<tr>
<td></td>
<td>Partial</td>
<td></td>
<td>Other System Expansions (primarily Oklahoma and Eagle Hawk)</td>
<td>114.9</td>
<td>Varies</td>
<td>2015</td>
<td>Expansions / extensions of existing gathering systems</td>
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<tr>
<td>Texas Intrastate - Gathering/Other</td>
<td>Completed</td>
<td>Partial</td>
<td>Well / Market Connects</td>
<td>43.5</td>
<td>Varies</td>
<td>2015</td>
<td>Expansion capex for well / market connects</td>
</tr>
<tr>
<td><strong>Total Midstream</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>488.9</strong></td>
<td></td>
<td></td>
<td><strong>EBITDA = $80 MM</strong></td>
</tr>
</tbody>
</table>
Cheniere Corpus Christi LNG

- **Capacity:** 250 MDth/d
- **Capital:** $77.1 MM
- **Estimated In-Service:** 4Q 2018
- **Project Scope:**
  - Crossover pipeline from KMTP Index 50 to Tejas mainlines
- **Commercial Benefit:**
  - Increase receipt capacity from Katy and HCP plant tailgate for delivery to Cheniere Corpus Christi LNG export facility
- **Current Status:**
  - Executed FTA
  - Executed Interconnect Agreement with Corpus Christi Pipeline
  - Anticipate Corpus Christi LNG “FID” by June 30, 2015
SK Freeport LNG

- **Capacity:** 440 MDth/d
- **Capital:** $153.3 MM
- **Estimated In-Service:** 3Q 2019
- **Project Scope:**
  - New 30” lateral from Tejas mainline to Stratton Ridge
  - Additional upstream compression on existing mainlines
- **Commercial Benefit:**
  - Deliver gas to Freeport LNG terminal and capture additional 3rd party markets
- **Current Status:**
  - Executed FTA
  - Anticipate Freeport LNG Train 3 “FID” by end of 2015
**Midstream**

*Additional Potential Growth Projects*

- **Exports**
  - Electric generators in Mexico are looking towards natural gas to fuel new plants to meet growth and replace other fuels such as oil
  - Additional pipeline expansions to serve Texas LNG liquefaction projects

- **Processing and Gathering**
  - Continued growth in selected shale plays provides new opportunities for Kinder Morgan’s Midstream businesses

- **Industrial Load Growth**
  - Continue to have inquiries from the manufacturing sector for brownfield and greenfield plant expansions surrounding our Texas Intrastate systems

- **Storage Expansions**
  - Further enhancements to West Clear Lake storage facility
  - Expansion of existing or development of additional caverns at Dayton storage facility

*Opportunity to invest up to $1.4 billion beyond current backlog*
In addition to LNG gas exports, KM Midstream has opportunities to provide more gas to Mexico and to power and chemical plants that are expected to come online in 2015-2019 along the Texas Gulf Coast.

- Capital: $200 MM - $750 MM
- Opportunity to supply 1,000 - 2,300 MDth/d of demand
- Negotiations in progress

<table>
<thead>
<tr>
<th>Customer Type</th>
<th>Location (County)</th>
<th>Capacity / Usage (MDth/day)</th>
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</thead>
<tbody>
<tr>
<td>2015 / 2016</td>
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<td></td>
</tr>
<tr>
<td>Power Plant</td>
<td>Galveston</td>
<td>100</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017 / 2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Power Plant</td>
<td>Wharton</td>
<td>165</td>
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<tr>
<td>Power Plant</td>
<td>Harris</td>
<td>140</td>
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<tr>
<td>Power Plant</td>
<td>Brazoria</td>
<td>40</td>
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<tr>
<td>Chemical</td>
<td>Harris</td>
<td>15</td>
</tr>
<tr>
<td>Mexico-Export</td>
<td>Nueces</td>
<td>400 to 1,700</td>
</tr>
<tr>
<td>2019</td>
<td></td>
<td></td>
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<tr>
<td>Chemical</td>
<td>Brazoria</td>
<td>150</td>
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</tbody>
</table>
# Gas Pipeline Group Growth Outlook

## Project Backlog

<table>
<thead>
<tr>
<th>Region</th>
<th>Capital, KM Share ($MM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>East</td>
<td>3,203</td>
</tr>
<tr>
<td>West</td>
<td>544</td>
</tr>
<tr>
<td>Central</td>
<td>333</td>
</tr>
<tr>
<td>Midstream</td>
<td>489</td>
</tr>
<tr>
<td>Total</td>
<td>4,569</td>
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</tbody>
</table>

## Additional Potential Growth Projects

<table>
<thead>
<tr>
<th>Region</th>
<th>Capital, KM Share ($MM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>East</td>
<td>10,200</td>
</tr>
<tr>
<td>West</td>
<td>5,300</td>
</tr>
<tr>
<td>Central</td>
<td>400</td>
</tr>
<tr>
<td>Midstream</td>
<td>1,400</td>
</tr>
<tr>
<td>Total</td>
<td>17,300</td>
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</tbody>
</table>
Natural Gas Pipelines

Appendix
EPNG - Washington Ranch Expansion Project

- **Capacity:** Increases operational capacity by 4 Bcf
- **Capital:** $7.9 MM
- **Estimated In-service:** December 2015
- **Project Scope:**
  - Drill and connect 2 wells (one core)
  - Test core to increase maximum reservoir pressure
- **Commercial Benefit:** Additional PAL capacity
- **Project Status:**
  - BLM permit – approval received September 2014
- **Major Milestones:**
  - FERC Prior Notice Filing – 1Q 2015
  - Plan to drill wells as soon as FERC approval is received and rig is available – Sept/Oct 2015
  - Pipeline and measurement complete – December 2015
EPNG - TGS Line 20121 Extension

- **Capacity**: 33 MDth/d
- **Capital**: $8.8 MM
- **Estimated In-Service Date**: July 1, 2015
- **Project Scope**:
  - Trans Mountain meter station & regulation
  - 3.6 miles of 12” Pipeline extension of Line 20121 to Three Hills meter station
- **Commercial Benefit**: Additional capacity to serve an LDC power plant
- **Rate**: Negotiated
- **Avg. Contract Term**: 10 years
- **Project Status**:
  - FERC 45 day landowner notice period expired November 15 with no protests
  - Bid packages have been sent to contractors
West Region Growth Opportunity
West Coast LNG Liquefaction Transportation

Jordan Cove LNG would be beneficial to western gas pipelines via higher throughput volumes.

Based on the Brent forward prices, North American LNG export projects are still competitive to Asia.

Incremental volumes (MMcf/d) 2013-2023 if Jordan Cove is built

[Map showing LNG projects and volumes++]
Central Region Growth Opportunity
KMLP - Additional Magnolia LNG Liquefaction Transport

- **Capacity:** 700 MDth/d
- **Capital:** $57 MM - $172 MM
- **Estimated In-service:** Late 2019
- **Project Scope:**
  - Construct 30,000 HP at a new compressor station in Calcasieu Parish, LA
  - Construct 64,000 HP at a compressor station in Acadia Parish, LA
- **Commercial Benefit:** Provides LNG liquefaction plant access to multiple pipelines to ensure gas supply at competitive rates
- **Project Status:** Developing Precedent Agreement
- **Major Milestones:**
  - Receive FERC certificate 3Q 2015
  - Magnolia achieves FID 4Q 2015
Central Region Growth Opportunity
Chicago Market Expansion Project (CMEP)

- **Capacity:** 240 MDth/d
- **Capital:** $14.5 MM (KM 20% share)
- **Estimated In-service:** Late 2016
- **Project Scope:**
  - Construct 30,000 HP at a new intermediate compressor station in Livingston County, IL
- **Commercial Benefit:** Provides REX shippers with direct access to the Chicago market area LDCs and industrial end users at competitive rates
- **Project Status:** Executed Precedent Agreements, developing FERC filing application
- **Major Milestone:**
  - File FERC application 2Q 2015
  - Commence construction 2Q 2016
Midstream - Hill Country Pipeline Expansion

- **Capacity:** 160 MDth/d
- **Capital:** $9.7 MM
- **Estimated In-Service:** 2Q 2015
- **Project Scope:**
  - Extension of Hill Country Pipeline by purchase of EPNG pipeline and new construction
- **Commercial Benefit:**
  - Plant dedication with volume commitment
  - Provides low cost capacity displacement expansion for KMTP
  - Provides customers with access to Waha
- **Current Status:**
  - Awaiting FERC authorization for sale by abandonment, expected by March 2015
  - Facility upgrades and interconnecting pipe are under construction
Midstream - DCP Goliad Plant Residue Lateral

- **Capacity:** 160 MDth/d
- **Capital:** $33.1 MM
- **Estimated In-Service:** 3Q 2015
- **Project Scope:**
  - Construction of 34 miles of 16” pipeline from Goliad plant tailgate to Tejas mainline
- **Commercial Benefit:**
  - Demand fee based contract
  - Expands existing Tejas footprint
  - Adds additional supply source
- **Current Status:**
  - Under construction
Midstream - Boardwalk to Liberty Y Grade Pipeline

- **Capacity**: 15 MBbl/d
- **Capital**: $14.8 MM
- **Expected In-Service Date**: 1Q 2015
- **Project Scope**: 15 miles of 8” y-grade pipeline connecting Boardwalk’s Flag City Plant to Liberty Pipeline (KM/ETC JV)
- **Commercial Benefits**:
  - Enables KM to take NGLs in-kind from Boardwalk when processing incremental gas at Flag City
  - Boardwalk made a firm commitment of 4,500 Bbl/d to KM for 5 years
- **Current Status**:
  - In-service, January 2015
Midstream - Altamont Bluebell Loop and East Station Expansion

- **Capacity:** 6 MDth/d
- **Capital:** $9.4 MM
- **Expected In-Service Date:** 1Q 2015
- **Project Scope:**
  - 6 miles of 12” pipeline
  - Discharge piping and treating capacity upgrades at East Station
  - Compressor installed at East station
- **Commercial Benefits:**
  - Increase capacity for EP Energy volume growth
  - Lower line pressure would increase production and reduce flaring
- **Current Status:**
  - Pipeline in service December 2014
  - Compressor station construction is in progress
Midstream - Oklahoma Processing Optimization

- **Capacity Increase:** 14.3 MDth/d
- **Capital:** $10.9 MM
- **Expected In-Service Date:**
  - Paden Plant optimization: 2Q 2015
  - Harrah Plant optimization: 1Q 2015
- **Project Scope:**
  - Paden Plant optimization: Installation of heat exchangers, Sulfa Treat tower and clay filters as well as upgrades to amine system and flare
  - Harrah Plant optimization: Installation of stabilizer and a half mile of 10” pigging loop pipeline with switching valves
- **Commercial Benefits:**
  - Capacity increase to allow for additional growth
- **Current Status:**
  - Construction is in progress. Heat exchanger installed at Paden in January 2015
Midstream - Eagle Ford Fractionation Outlet

- **Capacity:** 30 MBbl/d
- **Capital:** $22.2 MM
- **Expected In-Service Date:** 4Q 2015
- **Project Scope:** ~26 miles of 12-inch pipeline from Markham, TX to a new NGL fractionator being constructed near Sweeny, TX
- **Commercial Benefits:**
  - Provides economic outlet for NGLs produced from expanded Houston Central Plant
  - Provides direct access to 30 MBbl/d of fractionation capacity (near Sweeny, TX) effective 4Q 2015
    - Includes direct access to 20 MBbl/d of existing interim fractionation capacity effective July 2014
- **Current Status:**
  - Completing ROW acquisition
Midstream West Region Growth Opportunity

Powder River Lateral Abandonment & Conversion to NGL Service

- **Initial Capacity**: 20 MBbl/d, expandable up to 70 to 100 MBbl/d with future pump station additions
- **Estimated In-Service**: 2016
- **Project Scope**:
  - Conversion of 16-inch lateral to NGL service
  - New 18-mile 8” to 10” connection to Bucking Horse and Douglas Plants, and Thunder Creek NGL Pipeline
  - Connect with Overland Pass NGL Pipeline at Laramie
  - Requires installation of new pumping and letdown stations and measurement
- **Commercial Benefit**:
  - Repurposing underutilized gas pipeline to NGL service
  - Projected growth in production from existing and new gas processing plants driving need for additional NGL pipeline transport out of basin