



METHANE REDUCTION COMMITMENT

At Kinder Morgan, we recognize that operating thousands of miles of pipelines and hundreds of terminals across North America is a huge responsibility. Throughout our organization, from the top down, we are committed to maintaining and operating our assets safely and in an environmentally responsible manner. To protect the public, our employees and the environment, we invest hundreds of millions of dollars each year on integrity management, maintenance and environmental programs to meet these goals.

We utilize state-of-the-art technology for pipeline integrity and pipeline maintenance. We also employ personnel who constantly monitor pipeline operating conditions in control centers using computer systems. We conduct internal pipeline inspections periodically by sending sophisticated computerized equipment called “smart pigs” through most of our pipelines. We use our patented pipeline inspection protocol, the Kinder Morgan Assessment Protocol (KMAP) system, to interpret the data gathered by smart pigs. Additionally, we use cathodic protection, a technology designed to protect pipelines from external corrosion through the use of an electrostatic current.

In addition to our Environmental, Health and Safety (EHS) corporate department and EHS leadership teams among our business segments, our Board of Directors has a standing EHS Committee, whose [charter](#) is available on our website at www.kindermorgan.com in the “Corporate Governance” subsection of the “Media & Investor Relations” page. This committee assists our Board in overseeing management’s establishment and administration of our EHS policies, programs, procedures and initiatives, including those that promote the safety and health of our employees, contractors, customers, the public and the environment. The committee also periodically reviews with management our company’s reputation as a responsible corporate citizen and our efforts to employ sustainable business practices consistent with our company’s business purpose and values.

In 2015 and again in 2016, the U.S. Environmental Protection Agency finalized rules to regulate methane emissions from the production, gathering and processing, and transmission and storage sectors of the oil and natural gas industry. We strongly support the implementation of voluntary methane emission reductions and believe those should be recognized as part of any final regulatory regime. Currently, we are participating in several industry initiatives to reduce methane emissions.

Below are a few examples of how we have been actively engaged with various trade organizations and regulatory entities to share our data and experience with methane monitoring and management, and provide perspective on how methane emission reductions can best be achieved.

Over 20 years of voluntary participation in the U.S. Environmental Protection Agency (EPA) Natural Gas STAR program

Our pipeline companies have reduced methane emissions by over 80 billion cubic feet through participation in EPA’s voluntary Natural Gas STAR program, a program in which we have participated since 1993 when the initiative was established.

Chair of the INGAA Greenhouse Gas (GHG) Task Force

We have chaired the Interstate Natural Gas Association of America (INGAA) GHG Task Force for several years. As part of that leadership role we, along with INGAA, participated in the Quadrennial Energy Review by the U.S. Department of Energy (DOE), which included a joint effort by the industry, the Administration and other stakeholders to better understand the issues confronting the transportation



sector and develop mutually beneficial solutions. As a result, INGAA continues to work on the development of a voluntary program called the Directed Inspection & Maintenance (DI&M) program. This program operates under the same principles as traditional Leak Detection and Repair (LDAR) to detect and repair leaks by focusing resources on monitoring the components that are most likely to leak. Research reveals that roughly 10% to 20% of the leaks cause approximately 80% to 90% of the methane emissions from compressor station equipment. DI&M is focused on systematically identifying and repairing these leaks. We believe the DI&M program will be a key voluntary program for reduction of methane emissions from existing facilities as outlined in the methane blueprint issued by the White House. We are committed to implementing DI&M as part of EPA's Natural Gas STAR Methane Challenge Program and our commitment to the ONE Future Coalition.

Leadership role in collaborating with the EPA and the U.S. Department of Energy (DOE) on reduction of methane emissions

We have taken a leadership role in meeting with the EPA to identify the most effective means for reducing methane emissions from natural gas transmission and storage operations. In addition to our commitment to the DI&M program and ONE Future Emissions Intensity commitment, we meet with the EPA routinely to share data and engage in discussions about numerous potential emissions management strategies.

Steve Kean, our President and Chief Executive Officer, has participated in the DOE's roundtable discussions with government, industry, non-profit, union and environmental leaders to help identify opportunities, share technical solutions and coordinate best practices to reduce methane emissions.

Founding member of ONE Future, an entity focused on emissions management

We are a founding member of Our Nation's Energy Future (ONE Future), a unique coalition made up of members across the natural gas industry focused on identifying policy and technical solutions that result in improvements in the management of emissions associated with the production, gathering, processing, transmission, storage, and distribution of natural gas. Members of ONE Future are committed to continuously improving their emissions management to achieve voluntary reductions in emissions and to assure efficient increased use of natural gas. ONE Future's goal is to enhance the energy delivery efficiency of the natural gas supply chain by limiting energy waste and achieving a total methane emission rate of one percent or less of gross natural gas production, the point at which the use of natural gas for any purpose provides obvious and immediate greenhouse gas reduction benefits. The ONE Future coalition represents the entire natural gas value chain, with members from some of the largest natural gas production, gathering, processing, transmission, storage, and distribution companies in the United States.

The ONE Future Emissions Intensity Commitment Option program has been accepted as part of the Natural Gas Star Methane Challenge Program. The option provides companies interested in joining the voluntary program another way to reduce methane emissions from their operations. The ONE Future Commitment is intended to drive action to achieve segment-specific intensity targets, established through the ONE Future Coalition. ONE Future's overall goal is to achieve a methane "leakage rate" (defined as emissions per volume produced or volume of throughput) of 1% or less along the natural gas value chain by 2025. We are committed to implementing the ONE Future Emissions Intensity Commitment Option program for the Kinder Morgan transmission sector as part of the Natural Gas STAR Methane Challenge program.

Collaboration with the Environmental Defense Fund (EDF) on GHG emissions

We are one of seven natural gas transmission companies that worked with the EDF to develop a comprehensive GHG emissions inventory for the natural gas transmission and storage sector.



Importantly, the results of the EDF study demonstrated that due to actions taken in the gas transportation sector over the years to address methane emissions, the EPA has been overstating emissions from natural gas transportation and storage facilities.

Strict adherence to existing reporting and compliance regulation

Certain of our facilities are subject to existing leak detection and repair regulations issued by the EPA and state environmental agencies. Our natural gas transmission and storage facilities are subject to the EPA's GHG Mandatory Reporting Rule. We report emissions to the EPA on an annual basis in accordance with these reporting requirements.

Detailed information about our environmental, health and safety initiatives and performance, as well as our efforts to maintain pipeline integrity including through the use of our KMAP system, can be found on our website, <http://www.kindermorgan.com/pages/responsibility>. We publish our environmental, health and safety performance because we are committed to working openly and transparently with our stakeholders.