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Bear Stearns
2005 Energy Credit Conference

March 29, 2005

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Forward Looking Statements

This presentation contains forward looking statements, including these, within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Exchange Act of 1934, as amended. Forward looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. The future results and securities values of Kinder Morgan Inc., Kinder Morgan Energy Partners, L.P. and Kinder Morgan Management, LLC (collectively known as “Kinder Morgan”) may differ materially from those expressed in the forward-looking statements contained throughout this presentation and in documents filed with the SEC. Many of the factors that will determine these results and values are beyond Kinder Morgan's ability to control or predict. These statements are necessarily based upon various assumptions involving judgments with respect to the future, including, among others, the ability to achieve synergies and revenue growth; national, international, regional and local economic, competitive and regulatory conditions and developments; technological developments; capital markets conditions; inflation rates; interest rates; the political and economic stability of oil producing nations; energy markets; weather conditions; environmental conditions; business and regulatory or legal decisions; the pace of deregulation of retail natural gas and electricity and certain agricultural products; the timing and success of business development efforts; terrorism; and other uncertainties. You are cautioned not to put undue reliance on any forward-looking statement.

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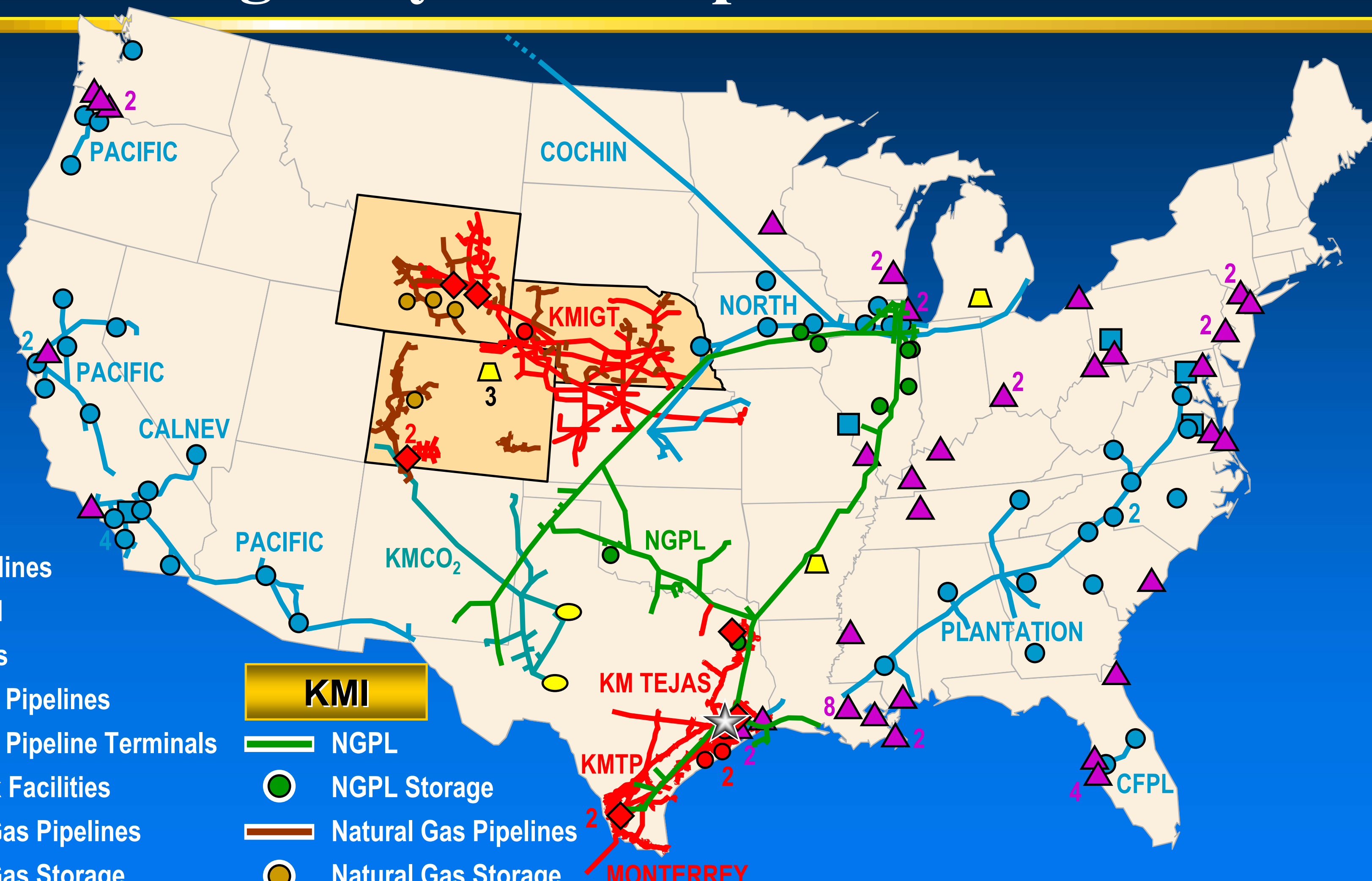
Kinder Morgan System Map



KMP

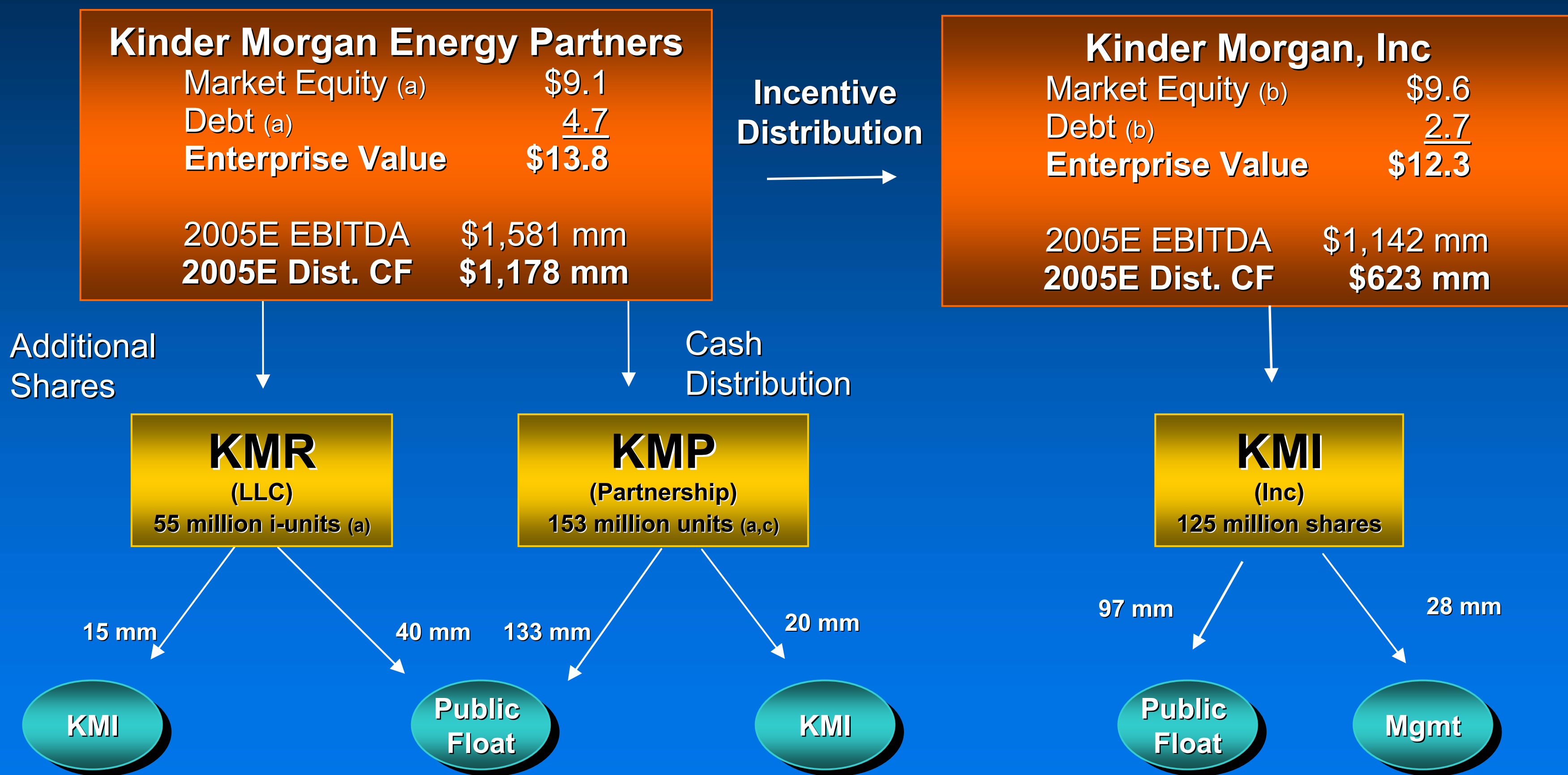
- CO_2 Pipelines
- CO_2 Field
- Terminals
- Products Pipelines
- Products Pipeline Terminals
- Transmix Facilities
- Natural Gas Pipelines
- Natural Gas Storage
- Natural Gas Plants
- (2,3,8) Indicates # of Facilities

KMI

- NGPL
- NGPL Storage
- Natural Gas Pipelines
- Natural Gas Storage
- Gas-Fired Power Plants
- Retail Natural Gas Division

Kinder Morgan Headquarters Houston, Texas

Kinder Morgan: Three Securities



(a) KMEP market cap based on 153 million common units at a price of $44.75 and 55 million KMR i-units at a price of $40.48 as of March 24, 2005. Debt balance, as of December 31, 2004, excluding the fair value of interest rate swaps, net of cash.

(b) KMI market cap based on 125 million shares at $74.91 as of March 24, 2005. Market equity also includes $284 million of capital trust securities (TRUPS). Debt balance as of December 31, 2004, excluding fair value of interest rate swaps and cash from sale of TransColorado, net of other cash.

(c) Includes 5.3 million Class B units owned by KMI. Class B units are unlisted KMP common units.

2005 Corporate Goals

KMP/KMR

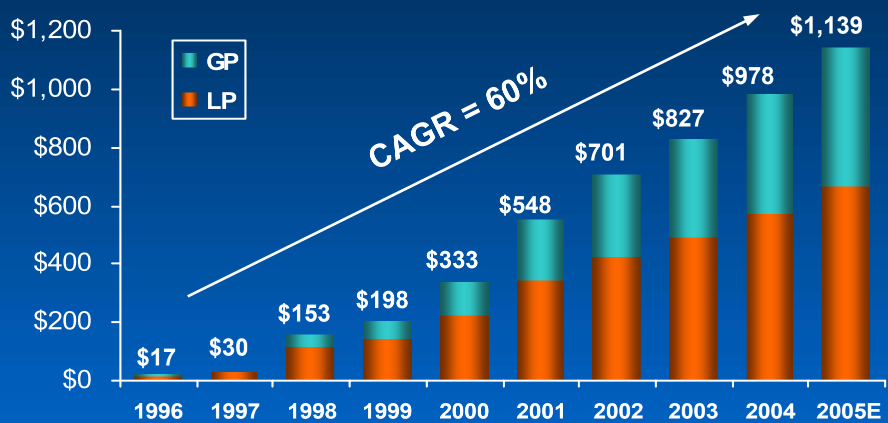
- **Distribution Target** (without acquisitions)
  - $3.13 per unit (9% growth)
  - Excess coverage of $39 million
- **Strengthen balance sheet**
  - Budgeted Expansions: 85% equity, 15% debt
  - New acquisitions: 60% equity, 40% debt

KMI

- **EPS Target** (without acquisitions)
  - $4.22 per share (11% growth)
- **Maintain strong balance sheet**
- **Return cash to investors**

Consistent Track Record

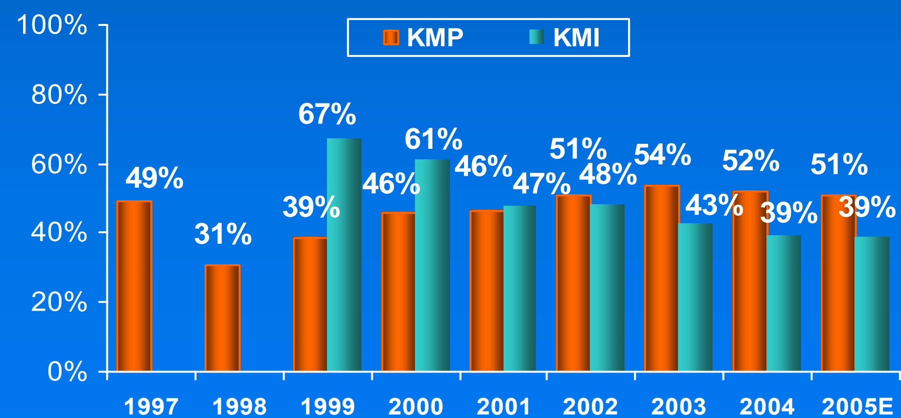
Total Distributions (GP + LP) ($mm)



KMP Distribution / Unit (a)

KMI Earnings Per Share

Debt to Total Capital (b)



(a) Declared 4Q distribution annualized (i.e. multiplied by four)
(b) Excludes loss/gains in Other Comprehensive Income related to hedges; KMI 2004 excludes cash on hand from TransColorado sale

The Kinder Morgan Strategy

Same Strategy Since Inception

- **Focus on stable, fee-based assets which are core to the energy infrastructure of growing markets**
- **Increase utilization of assets while controlling costs**
  - Classic fixed cost businesses with little variable costs
  - Improve productivity to drop all top-line growth to bottom line
- **Leverage economies of scale from incremental acquisitions and expansions**
  - Reduce needless overhead
  - Apply best practices to core operations
- **Maximize benefit of a unique financial structure which fits with strategy**
  - MLP avoids double taxation, increasing distributions from high cash flow businesses
  - Strong balance sheet allows flexibility when raising capital for acquisitions / expansions

Management Philosophy

- Low Cost Asset Operator
- Attention to Detail
- Disciplined Capital Allocation
- Risk Management
- Transparency
- Cash is King
- Alignment of Incentives
- Business Unit Autonomy

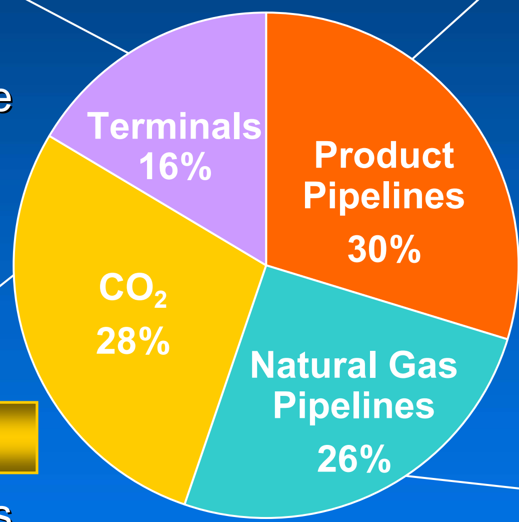
Kinder Morgan Energy Partners
KMP and KMR

Solid Asset Base Generates Stable Fee Income

Terminals

- 55% Liquids, 45% Bulk
- Geographic and product diversity
- 3-4 year average contract life

KMP
2005 DCF (a)



Products Pipelines

- Refinery hub to population center strategy
- 64% Pipelines
- 31% Associated Terminals (b)
- 5% Transmix
- No commodity price risk

CO_2

- 25% CO_2 transport and sales
- 75% oil production related
- Expected production hedged: 2005=95%; 2006=72%; 2007=58%

Natural Gas Pipelines

- 51% Texas Intrastate
- 49% Rockies
- Little incidental commodity risk

(a) Budgeted 2005 distributable cash flow before G&A and interest
(b) Terminals are not FERC regulated except portion of CALNEV

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Long-Term Growth Drivers

Business Segment	Growth Drivers
Products Pipelines	▪ Gasoline demand tracks demographic growth ▪ Serve 8 of 10 fastest growing metropolitan areas ▪ Price escalator = PPI ▪ Advantage to existing assets
Natural Gas Pipelines	▪ Natural gas demand growth = 1.5%/year (a) ▪ US is infrastructure constrained ▪ LNG requires new infrastructure ▪ Advantage to existing assets
CO_2	▪ Production at SACROC and Yates ▪ Additional Permian Basin Opportunities ▪ Opportunities in new basins ▪ CO_2 Expertise
Terminals	▪ Increasing product specifications ▪ Changing regulations ▪ Advantage to existing assets

(a) Source: Energy Information Administration (EIA) 2005 Annual Energy Outlook

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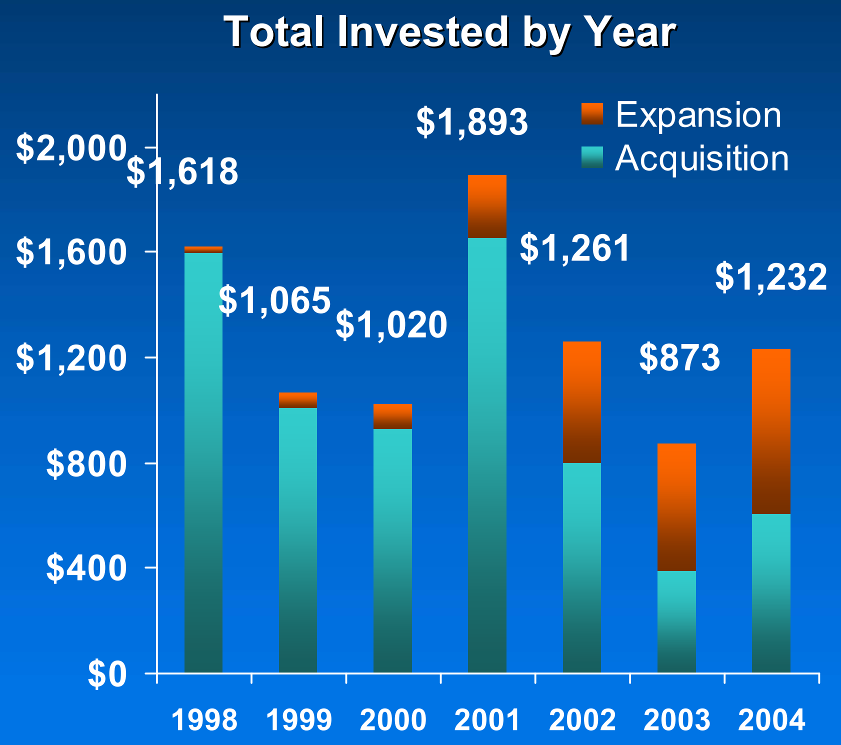
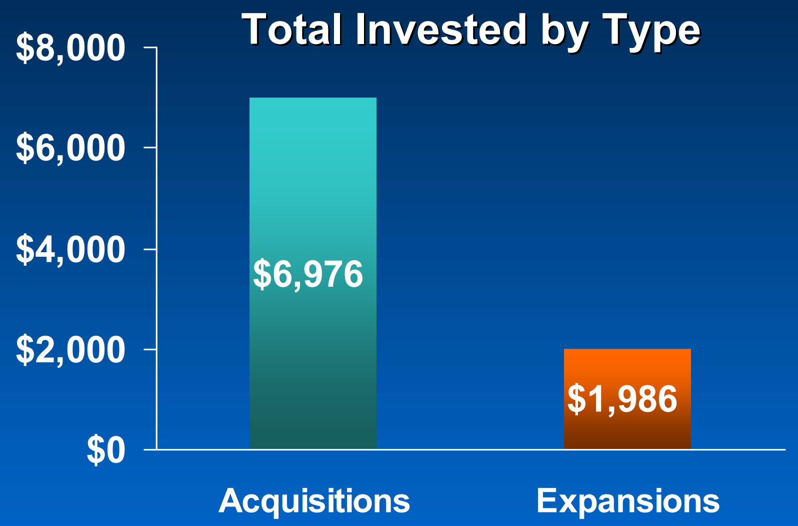
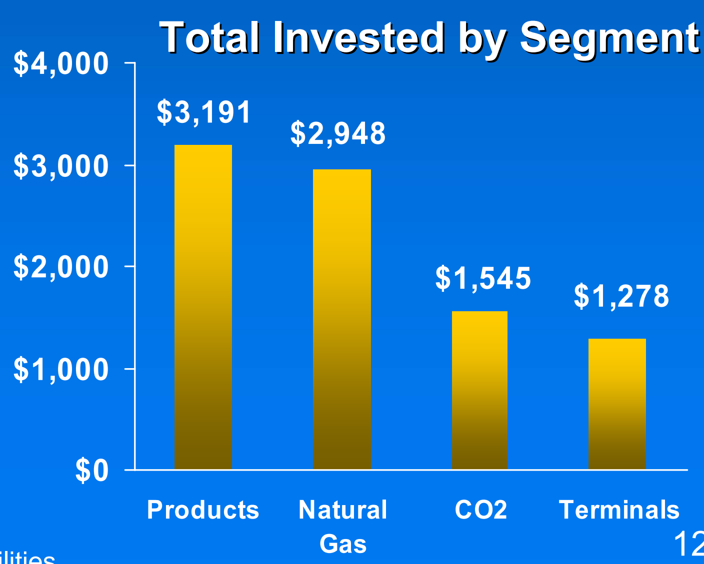
Approximately $9 Billion in Capital Invested at KMP

($ millions)







Note: Investment is defined as Gross PP&E plus Investments and Intangibles, less cumulative sustaining capex, minority interest (KMI), deferred taxes and assumed liabilities

2005 Expansion

KMP 2005 Expansion Capital Budget

Business Segment	2005 Budget ($mm)	Major Projects
Product Pipelines	$185	East Line, Carson
Natural Gas Pipelines	$130	Dallas, Rancho, Markham, TransColorado
CO_2	$238	SACROC and Yates
Terminals	$53	Pasadena, Carteret, Tampaplex
Total	**$606**	

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Illustrative

Disciplined Investment Process and Accountability

Decision → **Accountability**

Acquisition/Expansion Model

EBITDA	$60
Sustaining Capital	(10)
Distributable CF	50
Purchase Price	400
Multiple	8X
IRR (a)	17%

Segment Budget

2004 DCF	$400
Add: Acquisition/Expansion	50
2005 DCF	$450

Board Review

	Acquisition	2005 Results
EBITDA	$60	$62
Sust. Capital	(10)	(11)
DCF	$50	$51

(a) Assumes 60% equity, 40% debt

Leads to Attractive Return on Capital

Return on Investment:	2000	2001	2002	2003	2004
Products Pipelines	11.9%	11.8%	12.8%	12.9%	12.6%
Natural Gas Pipelines	13.3	15.5	12.9	13.5	14.0
CO_2	27.5	24.6	22.0	21.9	23.8
Terminals	19.1	18.2	17.7	18.4	18.0
KMP Return on Investment (a)	12.3%	12.7%	12.6%	13.1%	13.7%
KMP Return on Equity	17.4%	19.0%	21.9%	23.2%	25.2%

(a) G&A is deducted in calculating KMP's return on investment, but is not allocated to the segments and therefore not deducted in calculating the segment information. See Appendix from the 2005 Analyst Conference presentation, available at www.kindermorgan.com, for details on calculations.

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KMP is Conservatively Capitalized

Credit Summary

Rating	Baa1/BBB+
Current Net Debt / Total Capital (a)	52%
2005 Budget Estimates:	
Debt / EBITDA	3.0x
EBITDA / Interest	6.3x

CP Capacity (c)

Total Revolver	$1,250
Outstanding CP	117
Excess Capacity	$1,133

Long-Term Debt Maturities

	$ (in millions)
2005 (b)	$5
2006	$45
2007	$255
2008	$5
2009	$250

(a) As of 12/31/2004. Excludes loss/gain in Other Comprehensive Income account related to hedges.
(b) Remaining in 2005 after $200 million March-15 maturity.
(c) Pro forma for recent $500 million note issuance and $200 million March-15 maturity.

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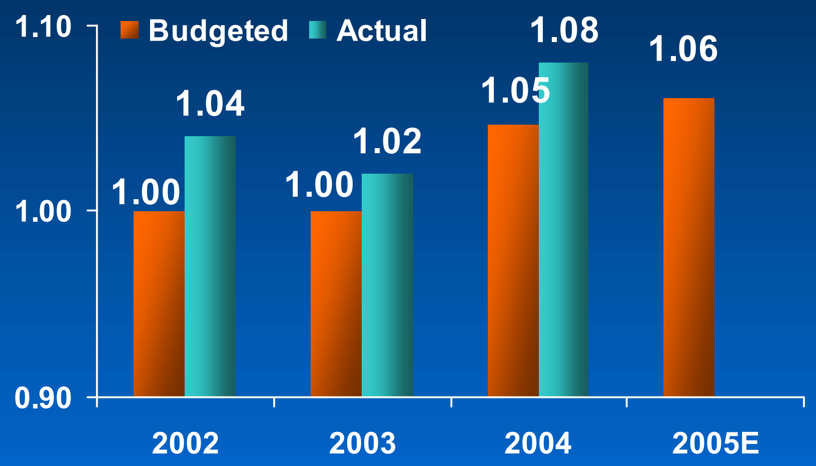
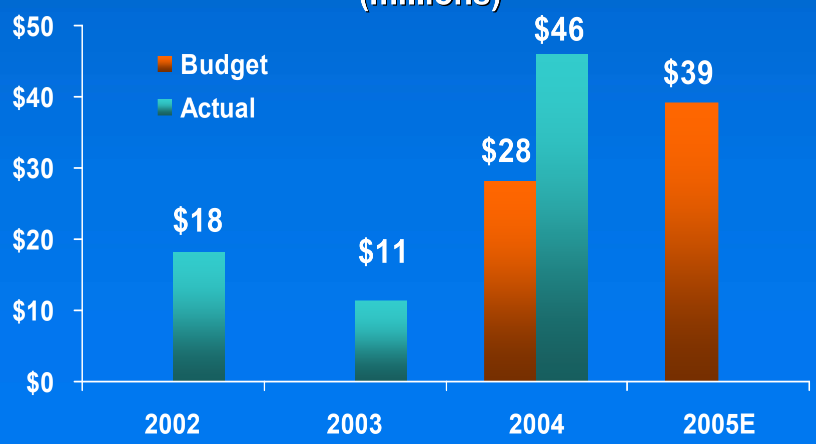
KMP is Growing Equity Distribution Coverage

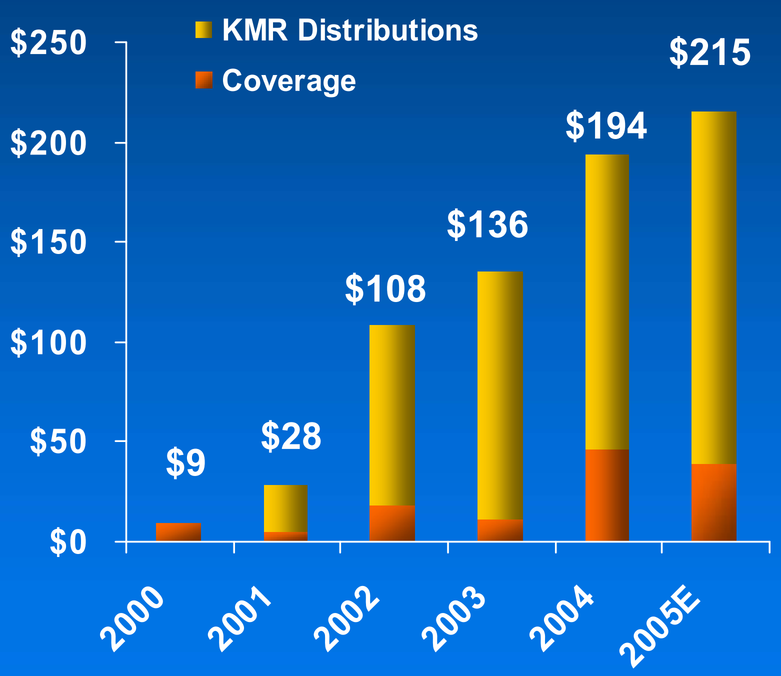
Published Budget vs. Actual Coverage



Approximate $ Coverage (a)
(millions)



Internally Generated Cash Flow Available for Reinvestment ($ mm)



(a) Approximate coverage is the actual net income before DD&A less sustaining cap ex, divided by the cash required to pay the declared distribution to the LPs and the incentive distribution to the GP.

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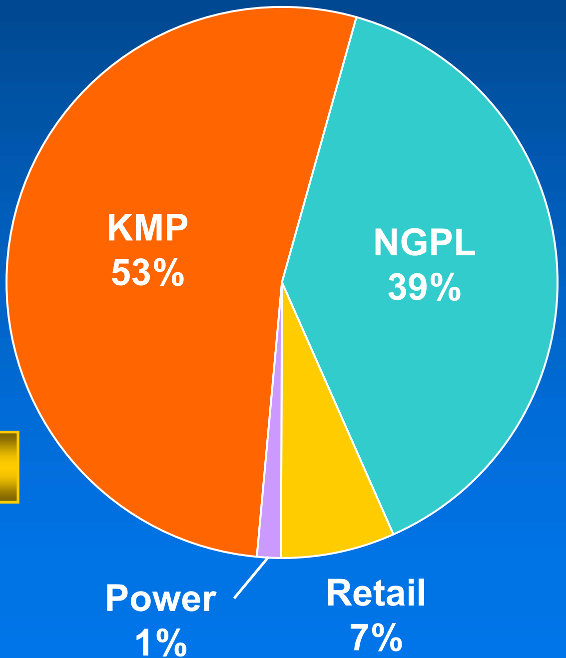
Solid Asset Base Generates Stable Fee Income

Investment in KMP (a)

- General partner interest earns incentive distributions
- Owns 17% of total limited partner units

KMI

2005 Segment Income (b)



NGPL

- FERC regulated with 3 year average contract life
- Primary customers are Chicago local distribution companies
- Little incidental commodity risk

Power

- Equity interest in five plants

Retail

- Natural gas distribution service
- Serve Colorado, Wyoming and Nebraska
- 240,000 customers

(a) Includes: (i) general partner interest, (ii) earnings from 20 million KMP units and (iii) earnings from 15 million KMR shares.
(b) Budgeted 2005 segment earnings before G&A and interest.

KMI is Conservatively Capitalized

Credit Summary

Rating	Baa2/BBB
Current Net Debt / Total Capital (a)	39%
<u>2005 Budget Estimates:</u>	
Debt / EBITDA	2.4x
EBITDA / Interest	7.5x

CP Capacity (c)

Total Revolver	$800
Outstanding CP	73
Excess Capacity	$727

Long-Term Debt Maturities

	$ (in millions)
2005 (b)	$5
2006	$5
2007	$5
2008	$305
2009	$5

(a) As of 12/31/2004. Excludes cash on hand from TransColorado sale.
(b) Remaining in 2005 after $500 million March-1 maturity.
(c) Pro forma for recent $250 million note issuance and $500 million maturity.

Targeted KMI Internal Growth

Three Assumptions:

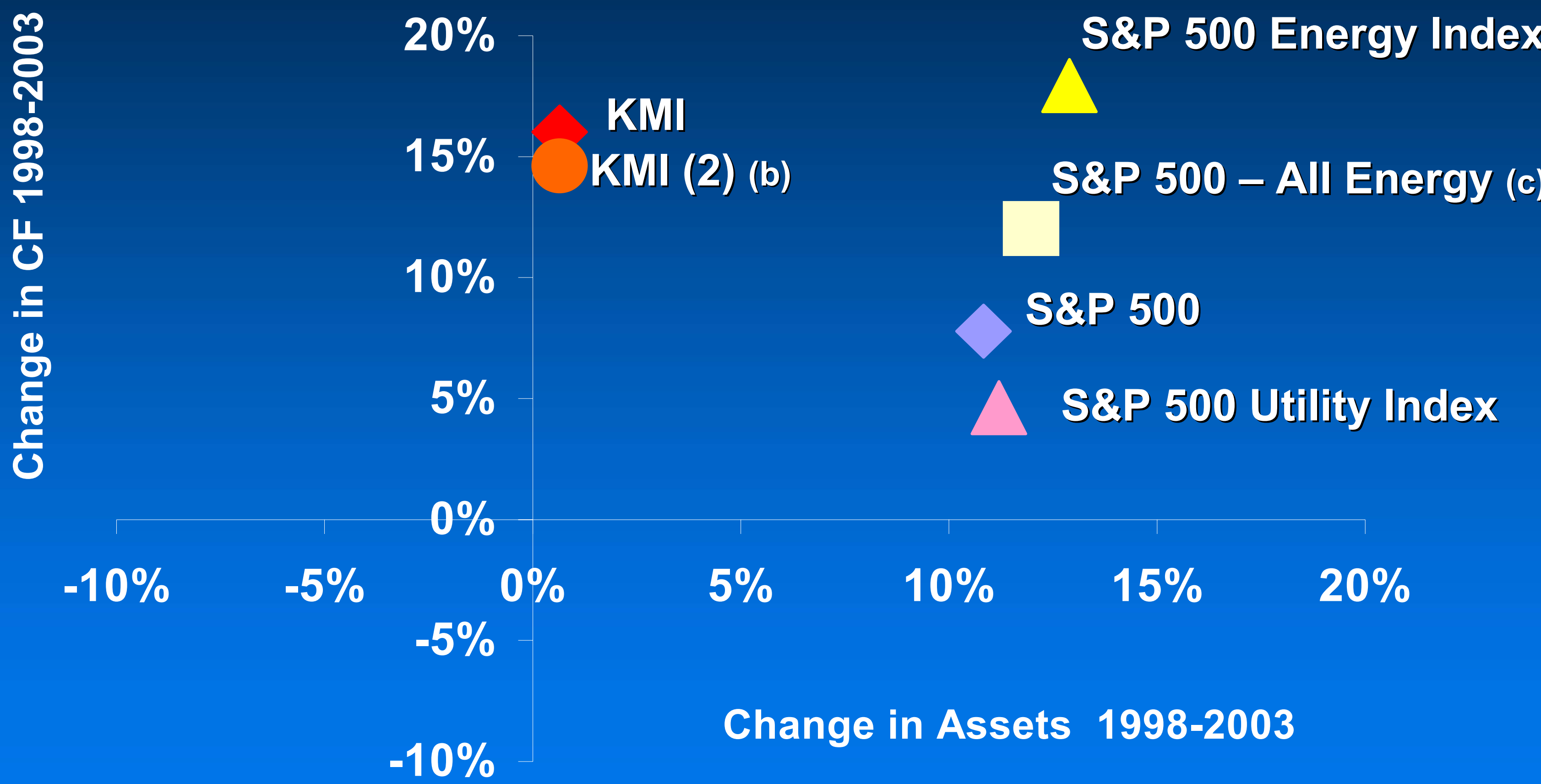
1. Investment in KMP	15% growth results from 8-10% LP distribution growth
2. NGPL / Other Assets	3 - 5% segment earnings growth
3. Use of Free Cash Flow	$104 million in share repurchase

Consistent with 10-12% earnings growth

4. Use of Free Cash Flow	$2.80/share in dividends

Approximately 3.7% yield

Limited Reinvestment Required for Growth (a)



Source: Factset

(a) Comparison does not include any firms with a negative CF in 1998. Cash Flow from Continuing Operations is used to determine change in CF.

(b) KMI (2) is from 1998-2004.

(c) S&P 500 – All Energy = Utility & Energy Indices

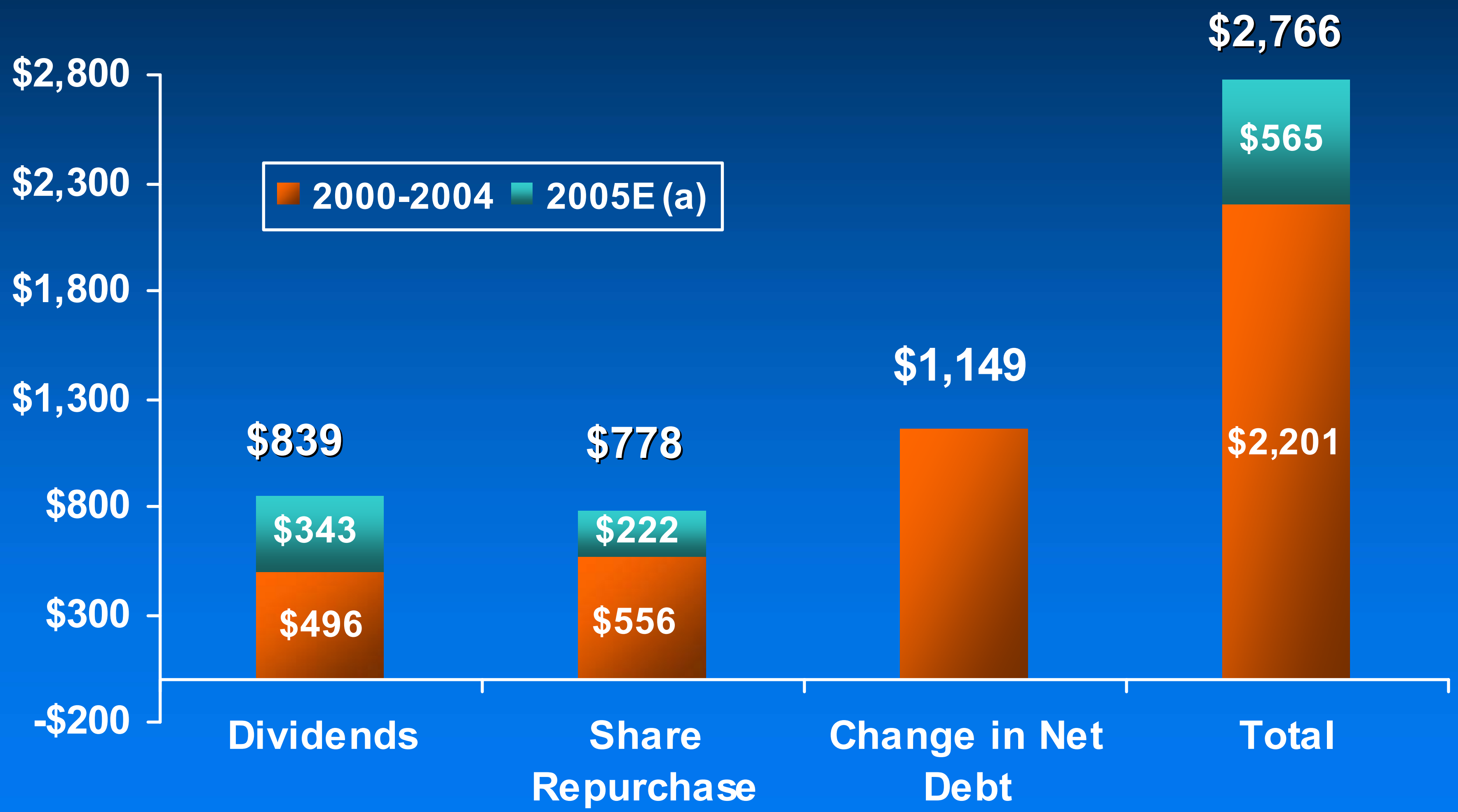
Tremendous Historical Incremental Returns

Return on Investment:	2000	2001	2002	2003	2004
Investment in KMP	11.2%	16.9%	21.4%	25.0%	29.6%
NGPL	11.4	11.1	10.9	11.4	12.1
Retail	13.0	11.7	15.0	14.5	13.1
Power	14.3	20.2	9.7	5.6	4.7
KMI Return on Investment (a,b)	10.5%	11.7%	12.4%	13.3%	14.8%
KMI Return on Equity	16.6%	19.0%	18.5%	21.3%	23.2%

(a) G&A is deducted in calculating KMI's return on investment, but is not allocated to the segments and therefore not deducted in calculating the segment information. See Appendix from the 2005 Analyst Conference presentation, available at www.kindermorgan.com, for details on calculations.

(b) Totals include all assets owned in given year, even if subsequently divested.

Over $2.7 billion returned to investors 2000-2005



(a) 2005E numbers include $118 million in share repurchase from TransColorado sale.

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Risks

- **Regulatory**
  - Pacific Products Pipeline FERC/CPUC case
  - Periodic rate reviews
  - Unexpected FERC policy changes
- **Environmental**
- **Terrorism**
- **Interest Rates**
  - 50% of debt is floating rate
  - Budget assumes approximately 100 bps increase in floating rates over the year
  - A full year of a 100 basis point increase in rates approximately $24 million increase in expense at KMP and $14 million at KMI

Summary

- **Stable Cash Flow**
  - Own assets core to energy infrastructure
- **Internal Growth Opportunities**
  - Critical Mass
  - Well-located assets/favorable demographics
- **Fixed Cost Business**
  - Drop growth to bottom line
- **Unique Structure**
  - Tax Efficient
  - Incentive Fee
- **Management Philosophy**
  - Low-Cost Operator
  - Focused on cash
  - Disciplined Investment

KMP/KMR:
6-7% Yield
and
8-10%
Long-Term
Growth

KMI:
3.7% Yield
and
10-12%
Long-Term
Growth

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