

Kinder Morgan Energy Partners, L.P.
GAAP Reconciliation
(millions)

	2007	2008B
KMP Consolidated DCF excluding Certain Items (a)		
Net Income per GAAP Income Statement	\$590.3	\$1,316.7
Certain Items	437.8	7.4
Net Income before Certain Items	\$1,028.1	\$1,324.1
DD&A	546.5	674.9
REX DD&A - Our Share	8.3	34.6
Book/(Cash) Tax Difference	50.7	3.8
Sustaining Capex, incl Our Proportionate Share of REX	(152.6)	(196.1)
KMP DCF	\$1,481.0	\$1,841.3

	2007	2008B
Segment DCF (a)		
Segment Earnings before DD&A	\$2,223.2	\$2,768.3
Segment Sustaining Capex	(134.9)	(174.4)
REX DD&A - Our Share	8.3	34.6
Segment DCF	\$2,096.6	\$2,628.5

	2007	2008B
EBITDA excluding Certain items		
Net Income per GAAP Income Statement	\$590.3	\$1,316.7
Certain Items	437.8	7.4
Net Income before Certain Items	\$1,028.1	\$1,324.1
Income Taxes	66.6	59.2
DD&A	546.5	674.9
Interest, Net of Interest Income	392.2	466.6
EBITDA excluding Certain Items	\$2,033.4	\$2,524.8

	2007
Total Distributions	
Distributions to LPs per GAAP Cash Flow Statement	\$570.6
Difference due to Timing on Cash Payment and KMR (b)	263.2
Calendar-year LP Declared Distribution	\$833.8
Distributions to GP per GAAP Cash Flow Statement	\$567.7
Difference due to Timing and Minority Interest	67.5
Calendar-year GP Declared Distribution	\$635.1
Total Calendar-year Distributions (GP + LP)	\$1,468.9

(a) DCF = Distributable cash flow.

(b) KMR distributes additional shares in lieu of cash.

	2007
Debt Ratios	
Notes Payable & Current Maturities	\$610.2
Long-term Debt	6,455.8
Less: Cash	(58.9)
Debt, Net of Cash	\$7,007.1
EBITDA to Interest	5.2x
Debt to EBITDA	3.4x

	2007	2008B
Certain Items (Net of Minority Interest)		
Trans Mountain before Dropdown	\$13.4	---
Trans Mountain Goodwill Impairment	(373.3)	---
Gain on Sale of Assets	151.3	---
Environmental Reserve	(17.5)	---
Loss on Debt Retirement	(1.0)	---
Allocated Non-cash Long-term Compensation	(26.0)	(5.5)
Legal Reserves and Settlements	(181.5)	---
Hurricanes	1.3	---
Other	(4.5) (c)	(1.9) (d)
Total	(\$437.8)	(\$7.4)

(c) Insurance cancellation charge, acquisition expenses, and currency loss on note payable.

(d) Cochin imputed interest expense.