*Information contained in this presentation is dated as of 3/24/2011. For current project scope and information on the Trans Mountain Pipeline expansion project, please see www.transmountain.com

Kinder Morgan Canada

Ian Anderson

President Kinder Morgan Canada Group

March 24, 2011
Trans Mountain Pipeline

Capacity
- Currently 300 MBbl/d, fully-looped potential 700 MBbl/d

Markets
- British Columbia
- Washington State refineries
- Westridge marine terminal – offshore markets in U.S. and China

Regulation / Tolls
- National Energy Board-regulated
- New 2011 Toll Settlement pending
- Firm contract open season successful at 54 MBbl/d, seeking NEB approval
Express – Platte Pipeline System

KM is system operator, 1/3 owner

Express – 280 MBbl/d
- 231 MBbl/d firm contracts thru 2012-15
- Excess capacity today
- Canadian production will fill space over time
- Primary route for Canadian production to PADD IV refiners

Platte – 143-165 MBbl/d
- Platte is full - Canadian & local U.S. barrels compete for space in Platte
- Lowest cost into Wood River
- Access to Bakken through Guernsey

Opportunities
- Re-contracting Express at higher tolls
- Increasing spot tolls
- Possible Platte conversion to contract carriage – Bakken appeal
- Expansion options to take Platte barrels to Patoka or Cushing
## Kinder Morgan Canada – Growth

(millions $US)

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trans Mountain System (distributable cash flow)</td>
<td>$147.4</td>
<td>$156.9</td>
<td>$166.2</td>
</tr>
<tr>
<td>Express System (cash distributions)</td>
<td>14.6</td>
<td>13.3</td>
<td>13.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$162.0</strong></td>
<td><strong>$170.2</strong></td>
<td><strong>$179.7</strong></td>
</tr>
</tbody>
</table>
Trans Mountain Expansion (TMX)

Current Capacity
- B.C. & Washington State: 225,000
- Offshore (90% California): 75,000

Expansion Alternatives
- TMX-2 (+$1.5B) +80,000 to 380,000 Bbl/d
- TMX-3 less power (+$2.0B) +160,000 to 540,000
- TMX-3 (+$0.5B) +160,000 to 700,000
  - B.C. & Washington State: 250,000
  - Dock capacity: 450,000

- Expansion requires binding commercial support
- Plan for Fall 2011 open season
Trans Mountain Pipeline Advantages to Westcoast

- **TMX on existing ROW**
  - Northern Gateway is greenfield

- **TMX is phased to meet demand**
  - Northern Gateway is single project

- **TMX thru existing communities, First Nations and Port**
  - Northern Gateway thru new territory

- **TMX is $4.0 billion**
  - Northern Gateway is $5.5 billion

- **TMX is 450 MBbl/d export capacity**
  - Northern Gateway is 550 MBbl/d export capacity

- **TMX maintains Northern option**
  - Northern Gateway single build
Canadian producers have excess pipeline capacity to the U.S.

Trans Mountain can be expanded in stages to access growing demand offshore in China

Expanded Westcoast capacity opens markets, reduces landlocked discounts

Source: CAPP Crude Oil Forecast, June 2010
Historical Monthly Record, April 2010: 143,000 Bbl/d
Trans Mountain Westridge Terminal Expansion

- Today: Aframax tanker capacity, 650,000 Bbls
- Future: Suezmax tanker capacity, 1,000,000 Bbls, savings $1.50/Bbl
- Expand to 450,000 Bbl/d (dock capacity) – 2 berths
- Port Metro Vancouver supportive of expansion

- Widen channel by dredging
- Port Suezmax capable post dredging
Established operations support a wide range of ship transport including crude tankers.

Crude represents a small fraction of total port traffic.

Petroleum products also move thru port.

Port has more than enough capacity to handle pipeline expansion.

<table>
<thead>
<tr>
<th>Vessel Traffic</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010E</th>
<th>2016E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Vessel Arrivals</td>
<td>2,698</td>
<td>2,693</td>
<td>2,594</td>
<td>3,004</td>
<td>2,791</td>
<td>2,832</td>
<td>3,500</td>
</tr>
<tr>
<td>Number of Crude Tanker Arrivals</td>
<td>22</td>
<td>27</td>
<td>38</td>
<td>40</td>
<td>65</td>
<td>71</td>
<td>288</td>
</tr>
<tr>
<td>% Tankers</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>2%</td>
<td>3%</td>
<td>8%</td>
</tr>
</tbody>
</table>

Source: Port Metro Vancouver 2009 Statistics Overview / 2010 Final Numbers reported by Port Metro Vancouver, 2016 KMC Estimates
Firm Service Offering to Dock

- Binding open season held in 2010
  - Over-subscribed
  - Average dock bid of $1.49/Bbl
  - 54 MBbl/d contracted for 10 yrs
  - Shippers pay base toll and firm fee as take or pay
- Firm service application filed with NEB November 2010
- Shipments to begin late 2011 pending approval
- Firm fee reinvested in system and expansion development