*Information contained in this presentation is dated as of 1/25/2012. 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

January 25, 2012
Trans Mountain Pipeline

**Capacity**
- Currently 300 MBbl/d

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

**Regulation / Tolls**
- National Energy Board regulated
- 2012 Toll Settlement pending NEB approval
- New 54 MBbl/d long-term firm contracts scheduled for February, 2012
Express Platte

Express - 280,000 Bbl/d
- 231,000 Bbl/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 - 143,000 - 165,000 Bbl/d
- Platte is full - Canadian & local US barrels compete for space in Platte
- Lowest cost into Wood River
- Access to Bakken through Guernsey

Opportunities
- Recontracting Express
- Spot Tolls Upside
- Platte continues outlet for Bakken

Domestic Movement on Platte 2010 – 2011 (Bbl/d)

- 2010 Avg. 63,000 Bbl/d
- 2011 Avg. 97,000 Bbl/d
### Kinder Morgan Canada – DCF (a)

**Trans Mountain System (distributable cash flow)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Actual 2009</th>
<th>Actual 2010</th>
<th>Actual 2011</th>
<th>Budget 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$147.4</td>
<td>$156.9</td>
<td>$169.3</td>
<td>$169.4</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Express System (cash distributions)</th>
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<tbody>
<tr>
<td>$</td>
<td>14.6</td>
<td>13.3</td>
<td>13.7</td>
<td>13.6</td>
</tr>
</tbody>
</table>

|               | $162.0      | $170.2      | $183.0      | $183.0      |

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(a) CAD to USD FX Rates

- 2009: 0.8783
- 2010: 0.9710
- 2011: 1.00122
- 2012: 1.0000
Trans Mountain Expansion (TMX)

**Open Season underway - expansion opens new markets and reduces landlocked discounts**

- Potential customers include producers, Westcoast refiners, offshore buyers
  - Existing capacity: 300,000 Bbl/d
  - Expansion to: 600,000 Bbl/d, seeking 450,000 - 500,000 Bbl/d contracts, 15 & 20 years
  - In-service: late-2016
  - Cost: $3.8B (as spent)
  - Competitive Tolls
- Open Season ends 2/16/2012; expect to make go/no-go decision by 2Q ‘12
- 530 miles new pipe
- Pump stations, tanks, 2nd tanker berth
- Offshore clearing capacity 400-450k
- Adjust expansion scope to meet market demand from open season
Trans Mountain Expansion (TMX)

Pre Application 1.5 years

Commercial Application

Approvals 1.5 years

Construction 2 years

2012 2013 2014 2015 2016 2017
## Trans Mountain Expansion (TMX)

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Challenges</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Expanding Trans Mountain offers increased capacity offshore and to pipeline connected markets in Washington State.</td>
<td>- Shippers: significant long-term pipeline commitment.</td>
</tr>
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<td>- Lever off of existing infrastructure and right-of-way.</td>
<td>- Resistance to oil sands production links to pipeline permitting.</td>
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<td>- Environmental footprint is manageable.</td>
<td>- Concerns about spills in environmentally sensitive habitat including offshore tanker traffic.</td>
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<td>- First Nations relationships in place along ROW route.</td>
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<td>- Political support in place.</td>
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<td>- Experienced operator and builder in B.C.</td>
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