

Project Overview

■ **Scope:**

Approximately 430 miles of new natural gas pipeline, and new and modified compressor and meter stations.

■ **Capacity:**

The capacity can be sized from approximately 800 million cubic feet per day up to 2.2 Bcf/d

■ **Location:**

Throughout Pennsylvania, New York, Massachusetts, New Hampshire and Connecticut.

- 32 miles of looping of the existing Tennessee Gas Pipeline (TGP) 300 Line in Pennsylvania.
- 135 miles of new pipeline from the TGP 300 Line to Wright, N.Y.
- 53 miles of new pipeline co-located with the existing TGP 200 Line and existing utility corridors in New York.
- 64 miles of new pipeline generally co-located with existing utility corridors in Massachusetts.
- 71 miles of new pipeline generally co-located with existing utility corridors in New Hampshire.
- Approximately 75 miles of additional laterals and loops in Massachusetts, Connecticut and New Hampshire.
- Lateral construction and modifications of existing laterals to serve markets

■ **Co-Location:**

Approximately 90% of new pipeline construction will be co-located along existing utility corridors and adjacent to the TGP mainline.

■ **Purpose:**

The NED Project is being developed to meet the increased demand in the Northeast United States for transportation capacity of natural gas.

■ **Lead Permitting Agency:**

The Federal Energy Regulatory Commission (FERC)

■ **Additionally:**

- A number of state and federal agencies will be involved in the approval and oversight of the project.
- Pipeline will be built and operated in accordance with U.S. Department of Transportation, Pipeline and Hazardous Materials Safety Administration (PHMSA) standards.

NED Pipeline Project

Project Timeline—Key Dates

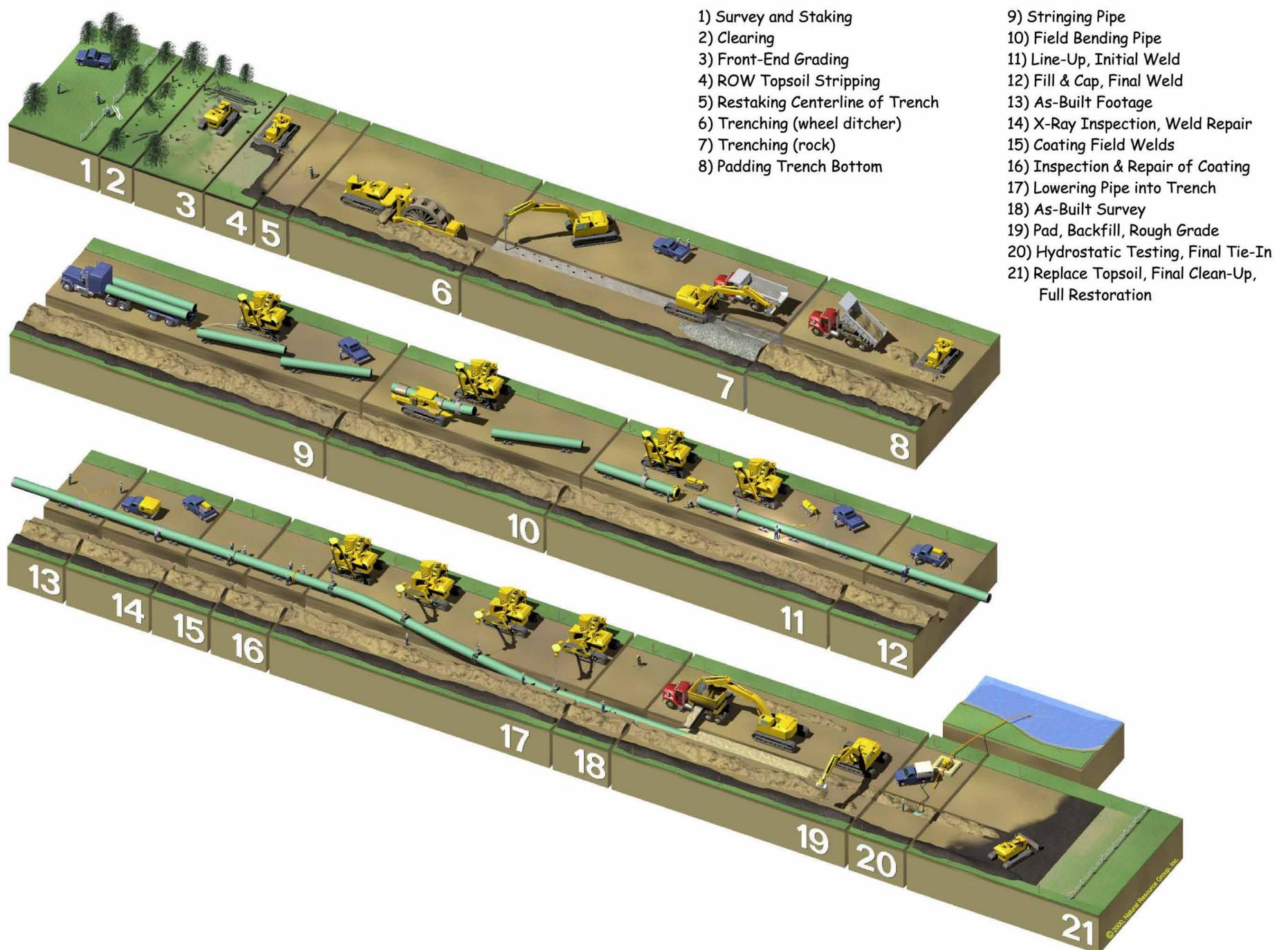
Action	Timing
Outreach Meetings	Ongoing
Route Selection and Permit Preparation	Ongoing
Agency Consultations	Ongoing
FERC Opens Pre-Filing Docket	September 15, 2014
FERC Approved Pre-Filing	October 2, 2014
Kinder Morgan Open Houses	1st Quarter 2015- 2nd Quarter 2015
File Certificate Application with FERC	4th Quarter 2015
Requested FERC Approval	4th Quarter 2016
Proposed Start of Construction Activity	January 2017
Proposed In-Service	November 2018

NED Pipeline Project

Construction Process

- A number of state and federal agencies will be involved in the approval and oversight of the project.
- Construction will follow existing utility rights-of-way where possible.
- Pipeline will be built and operated in accordance with U.S. Department of Transportation, Pipeline and Hazardous Materials Safety Administration (PHMSA) standards.

Typical Pipeline Construction Sequence

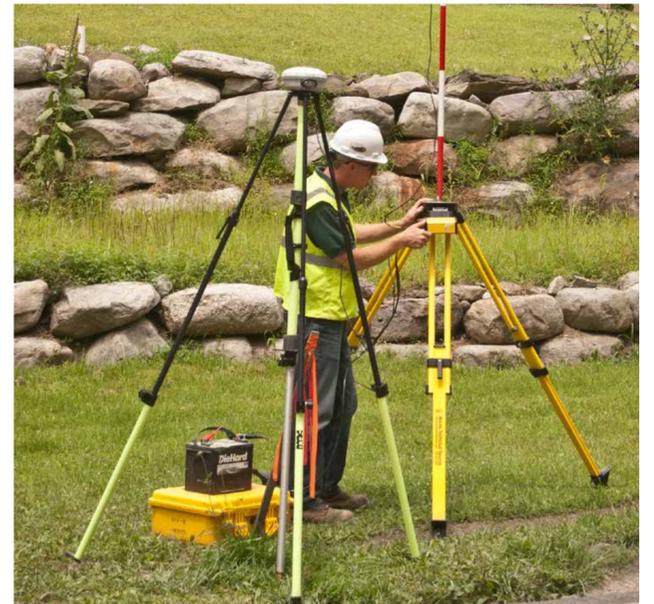


Source: NRG

Environmental Considerations

Pre-Construction

- Develop route that minimizes environmental impact by following existing utility rights-of-way where possible
- Conduct field surveys to identify and help protect sensitive resources
 - Threatened and endangered species
 - Wetlands and waterbodies
 - Cultural resources
- Obtain all necessary federal, state and local environmental permits



During Construction

- Utilize environmental inspectors throughout construction to ensure compliance with all necessary permits
- Use best management practices throughout construction, including:
 - Topsoil segregation and replacement
 - Temporary and permanent erosion control
 - Right-of-way restoration



Post-Construction

- Monitor to ensure effective restoration

Restoration

- Restore all areas disturbed by construction activities as close as practicable to pre-construction conditions
- Seed and re-vegetate in accordance with landowner and agency requirements and permits
- Re-contour areas disturbed by construction
- Continue monitoring, restoration and reclamation process per agency requirements and permits



TGP Pipeline ROW's after restoration process.

Pipeline Safety

The Tennessee Gas Pipeline has been operating safely in the northeastern United States for over 50 years.

- Kinder Morgan owns or operates 70,000 miles of natural gas pipelines and is the largest natural gas transporter and largest storage operator in North America.
- Pipeline operating conditions are monitored 24/7, 365 days a year from a state-of-the-art control center using a SCADA (Supervisory Control and Data Acquisition) system.
- The SCADA system monitors pipeline pressures, volume and flow rates, and the status of pumping equipment and valves.
- Operators in the control center are able to start and stop equipment, make pressure and volume adjustments, and start and stop the system, the pipelines individually, and even segments of the pipelines to minimize disruptions and isolate issues.
- Visual inspections of facilities and pipeline right-of-way are conducted by air and/or ground on a regular basis.
- Above ground marker signs are displayed along the right-of-way to alert the public and contractors to the existence of the pipeline.
- Kinder Morgan's public awareness program is designed to prevent third-party damage to its pipelines.
- Kinder Morgan has developed plans to respond to unplanned events and work with local response personnel to educate and drill on the procedures.
- Kinder Morgan X-rays all welds during construction and performs hydrostatic tests on new pipelines before they are placed into service.
- Kinder Morgan utilizes cathodic protection to prevent corrosion on its pipelines.



Fox Run Rd., Bolton, MA

NED Pipeline Project

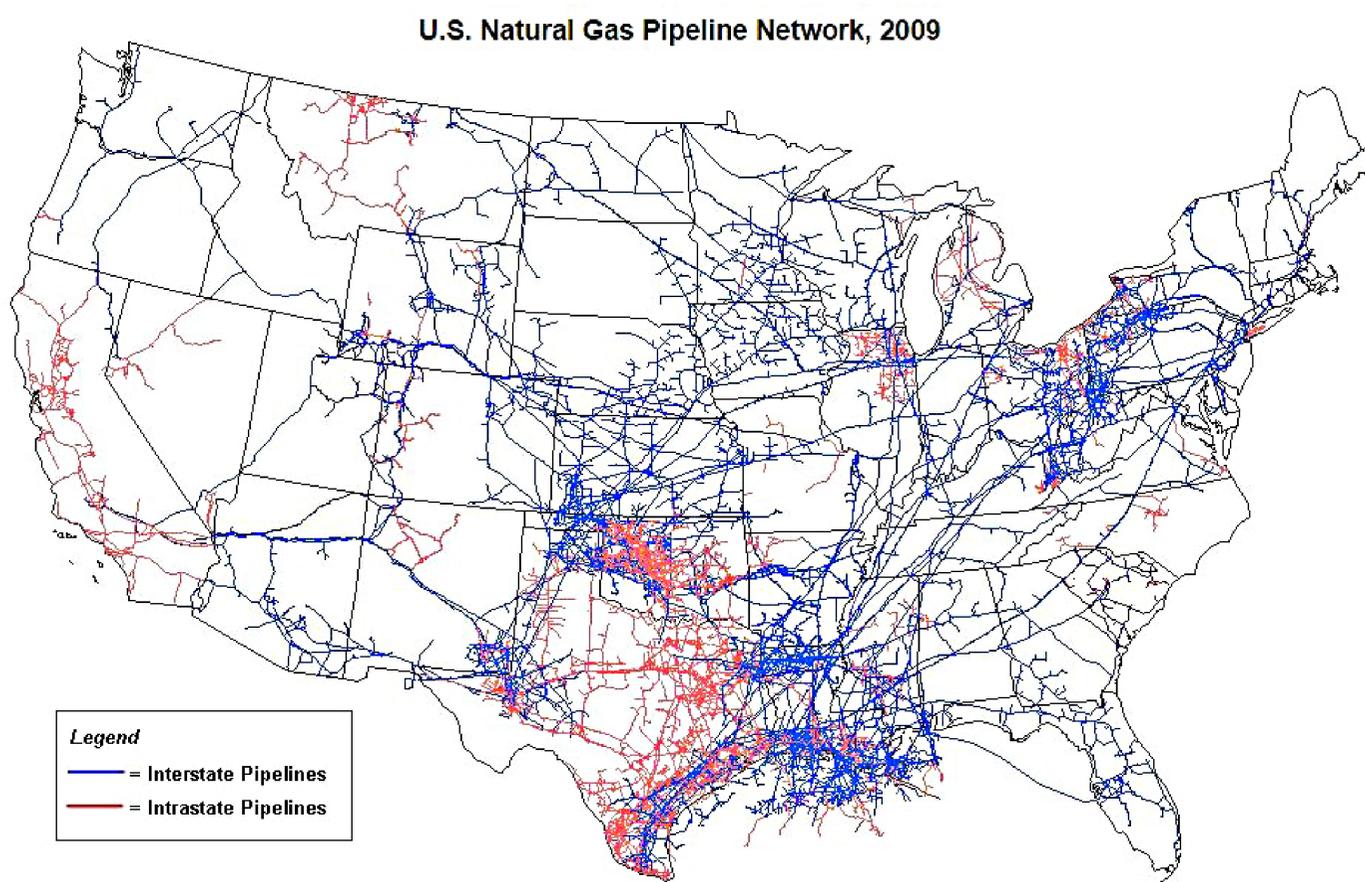
Local Benefits

- Generate approximately \$64 million in additional tax revenue annually to impacted states, counties and municipalities
- Employ approximately 3,000 contractors during construction
- Significant economic impact as workers will reside locally and purchase goods and services from local businesses
- Provide long-term energy reliability to the region
- Provide capacity for future economic growth in the Northeast
- Provide opportunity for natural gas service in areas where previously unavailable



What is Natural Gas?

- Natural gas consists of several different hydrocarbons including methane, ethane, propane and butane. It is naturally occurring in underground rock formations.
- Natural gas is the cleanest-burning hydrocarbon-based fuel, emitting less carbon dioxide, nitrogen oxides and sulfur dioxide than coal or oil on a per unit of output basis.
- Natural gas is an energy source often used for heating, cooking and electricity generation.
- Natural gas is also used in a large number of industrial applications including the manufacturing of fertilizer, plastics, pharmaceuticals and methanol.
- In 2013, the United States generated approximately 30% of its total electricity from natural gas. (Source: EIA)
- The United States is the largest producer of natural gas in the world.



Source: Energy Information Administration, Office of Oil & Gas, Natural Gas Division, Gas Transportation Information System

Public Communication

Public Participation and Input—We will:

- Solicit input from regulatory and resource management agencies, landowners, special interest groups and others
- Respond to stakeholder input through the planning/permitting process
- Evaluate alternatives recommended by the public, regulatory and resource management agencies
- Conduct outreach to federal, state and community stakeholders
- Communicate strategies with key audiences including:
 - Landowners
 - Local, state and federal officials
 - County and municipal planning organizations
 - Environmental and economic groups and agencies
 - Local law enforcement agencies
 - Local media outlets
 - Community



Town Presentation in Athol, MA, in August, 2014

NED Project Website:

http://www.kindermorgan.com/business/gas_pipelines/east/neenergydirect/

Federal Energy Regulatory Commission (FERC)

The Federal Energy Regulatory Commission, or FERC, is an independent agency that regulates the interstate transmission of electricity, natural gas and oil.

As part of its responsibilities, FERC:

- Regulates the transmission and wholesale sales of electricity in interstate commerce;
- Reviews certain mergers and acquisitions and corporate transactions by electricity companies;
- Regulates the transmission and sale of natural gas for resale in interstate commerce;
- Regulates the transportation of oil by pipeline in interstate commerce;
- Approves the siting and abandonment of interstate natural gas pipelines and storage facilities;
- Reviews the siting application for electric transmission projects under limited circumstances;
- Ensures the safe operation and reliability of proposed and operating LNG terminals;
- Licenses and inspects private, municipal and state hydroelectric projects;
- Protects the reliability of the high voltage interstate transmission system through mandatory reliability standards;
- Monitors and investigates energy markets;
- Enforces FERC regulatory requirements through imposition of civil penalties and other means;
- Oversees environmental matters related to natural gas and hydroelectricity projects and other matters; and
- Administers accounting and financial reporting regulations and conduct of regulated companies.



FERC Pre-Filing Docket # for the Northeast Energy Direct project: PF14-22-000

Massachusetts Municipalities With Existing TGP Lines

Berkshire County:

- Adams
- Cheshire
- Lanesborough
- Lee
- Monterey
- North Adams
- Otis
- Pittsfield
- Richmond
- Sandisfield
- Stockbridge
- Tyringham

Essex County:

- Andover
- Danvers
- Essex
- Gloucester
- Hamilton
- Haverhill
- Lynn
- Lynnfield
- Methuen
- Peabody
- Saugus
- Wenham

Hampden County:

- Agawam
- East Longmeadow
- Granville
- Hampden
- Holland
- Holyoke
- Longmeadow
- Monson
- Southwick
- Tolland
- Wales
- Westfield

Hampshire County:

- Easthampton
- Northampton
- Southampton

Middlesex County:

- Acton
- Arlington
- Ashland
- Bedford
- Billerica
- Burlington
- Carlisle

- Concord
- Dracut
- Everett
- Framingham
- Hopkington
- Hudson
- Lexington
- Lincoln
- Malden
- Marlborough
- Melrose
- Reading
- Sudbury
- Tewksbury
- Wayland
- Westford
- Wilmington
- Winchester
- Woburn

Norfolk County:

- Bellingham

Suffolk County:

- Revere

Worcester County:

- Auburn
- Blackstone
- Bolton
- Charlton
- Clinton
- Douglas
- Grafton
- Hopedale
- Lancaster
- Leominster
- Lunenburg
- Mendon
- Millbury
- Northbridge
- Oxford
- Southborough
- Southbridge
- Spencer
- Sturbridge
- Sutton
- Upton
- Uxbridge
- Worcester

NED Pipeline Project

Existing Rights-of-Way in the Northeast



Malden Bridge Rd., Nassau, N.Y.



Parker Rd., Dracut, MA.



Mashodack Rd., Nassau, NY.



Pelham, N.H.



Harvard Rd., Bolton, MA.



Lancaster Ave., Lunenburg, MA.

NED Pipeline Project

Existing Valve, Meter and Compressor Stations in the Northeast



Valve Station in Bolton, MA.



Compressor Station 310 in Western Pennsylvania



Valve Station in Bolton, MA.



Compressor Station 310 in Western Pennsylvania



Meter Station, Schodack, N.Y.

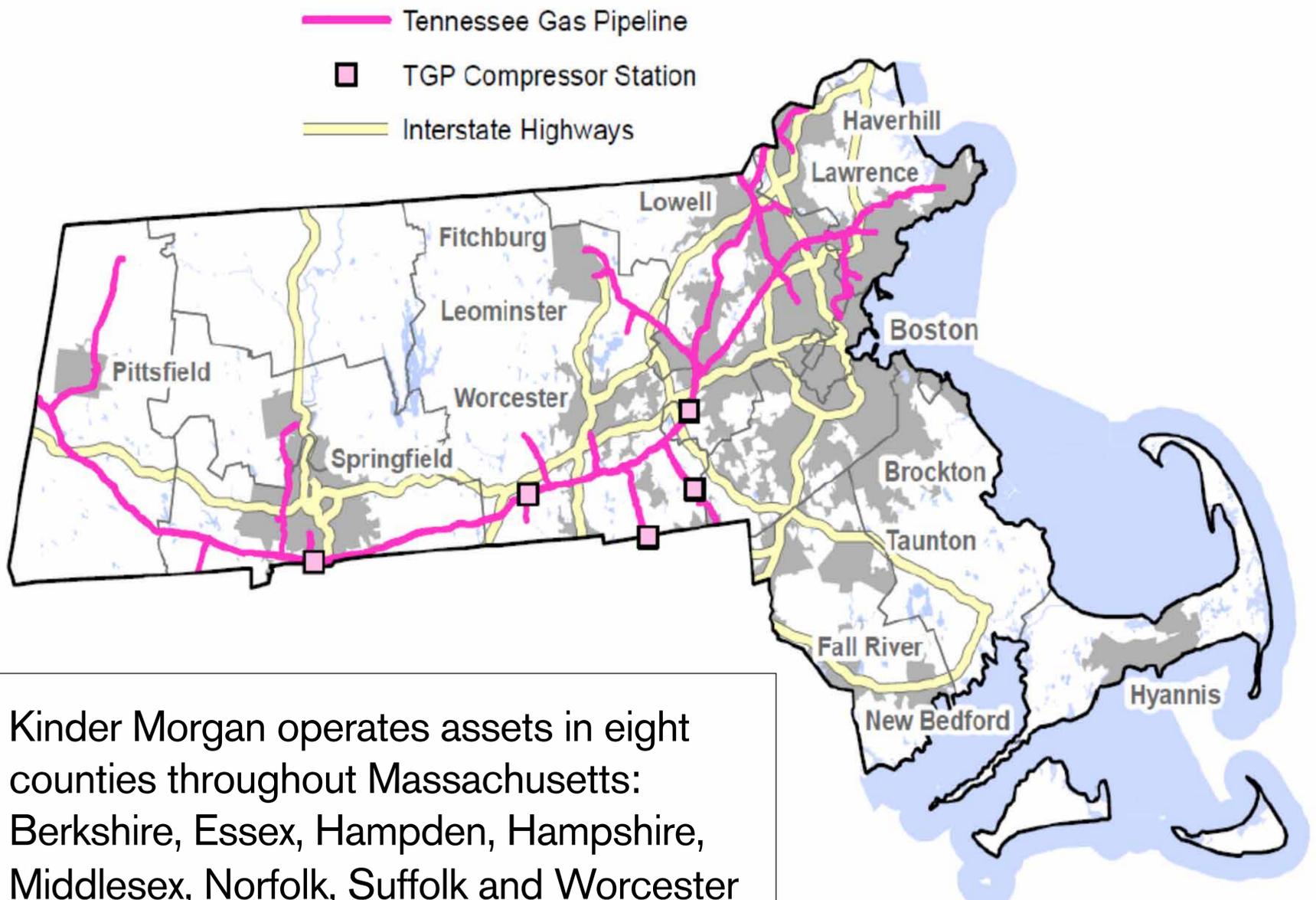


Meter Station, Agawam, MA.

NED Pipeline Project

Kinder Morgan in Massachusetts

- Kinder Morgan's total 2013 payroll was \$3.6 million.
- In 2013, Kinder Morgan paid approximately \$5.85 million to state and local taxing bodies.
- Kinder Morgan employed 46 people in 2013.
- Kinder Morgan operates approximately half of the 1,125 miles of natural gas transmission pipelines in Massachusetts.
- Kinder Morgan has facilities in Agawam, Hopkinton, Charlton, Mendon and Southwick.
- Kinder Morgan operates offices in Boston and Pittsfield.



Current Sources of New England Natural Gas

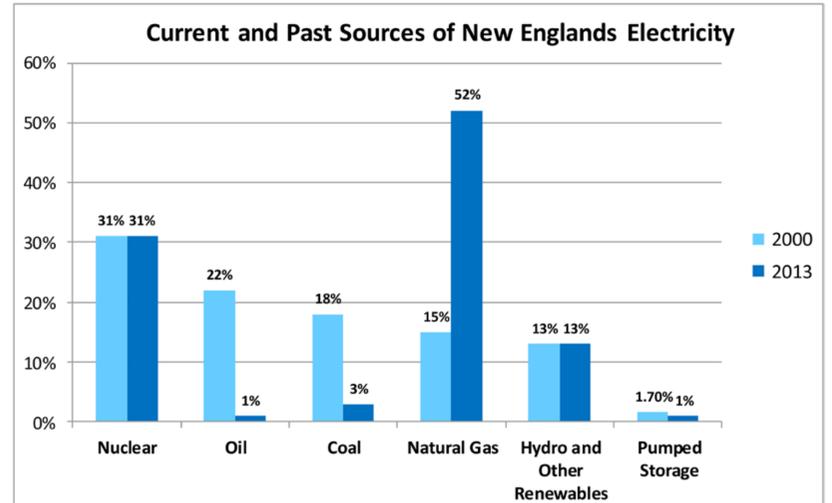
New England's Gas Needs:

- Tennessee Gas Pipeline is one of the two major pipelines transporting natural gas to New England.

(Source: U.S. Energy Information Administration)

- In 2013, New England relied on natural gas for 52% of its electricity produced, more than any other source.

(Source: ISO-NE)



Source: ISO-NE, 2013 Outlook

Sources of New England's Gas Supply:

- In 2012, the Northeast region received 60% of its gas supply from Eastern U.S. sources, mainly shale formations.

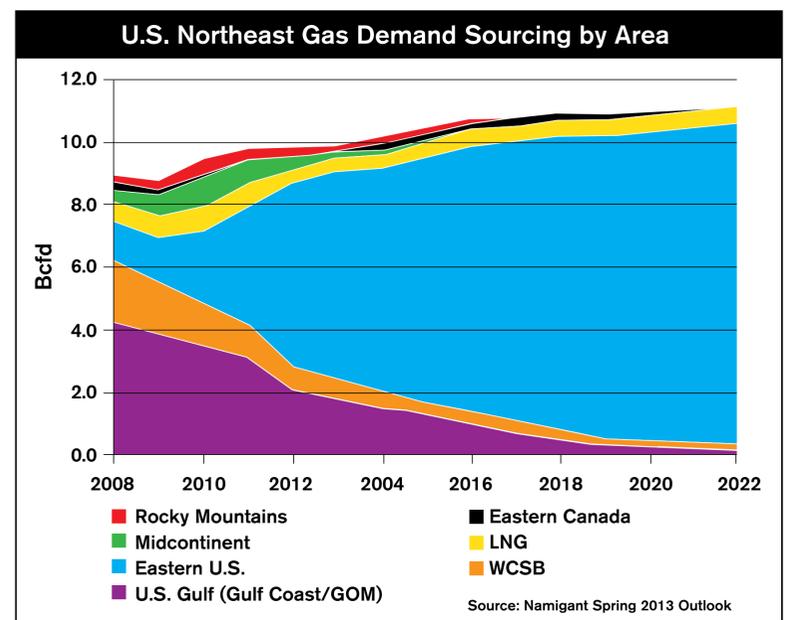
(Source: Navigant North American Natural Gas Market Outlook, Spring 2013)

- In 2008, the Northeast received only 14% of its natural gas from Appalachia/Eastern U.S. sources such as the Marcellus shale.

(Source: Navigant, Spring 2013)

- It is estimated that by 2022, based on current trends and source supply, the Northeast will receive 92% of its gas supply from Eastern U.S. sources.

(Source: Navigant North American Natural Gas Market Outlook, Spring 2013)

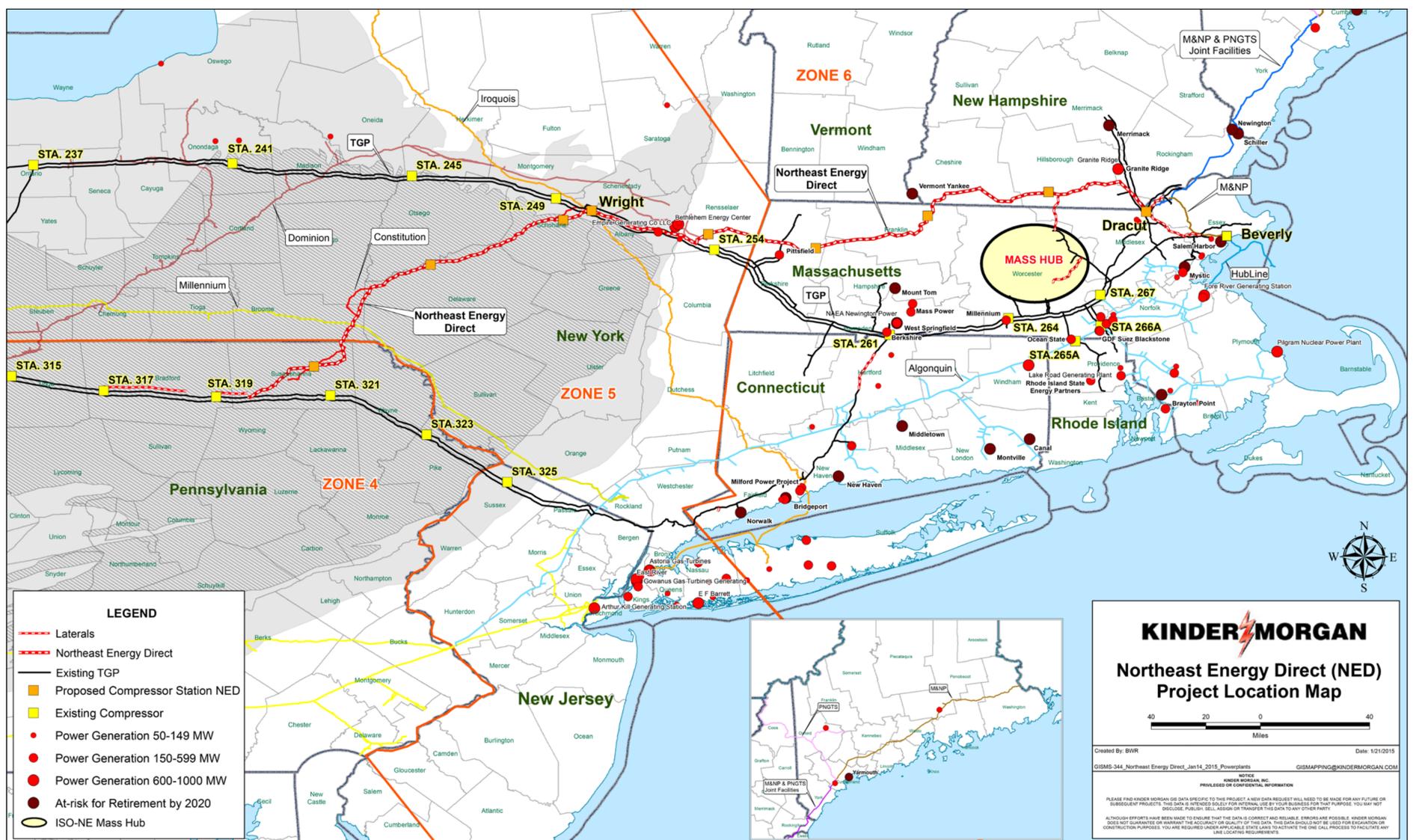


Source: Navigant Spring 2013 Outlook

NED Pipeline Project

The current situation in New England will worsen as older power plants are retired if no new natural gas infrastructure is added.

- In the 2012 Generation Retirements Study, nearly 8,300 MW of electric generation capacity were identified as being “at risk” for retirement in coming years-many of which are coal, oil and nuclear-powered. (ISO-NE, 12/13/12)
- Expected retirements will exacerbate reliability concerns, starting this winter with the retirements of Salem (coal/oil) and Vermont Yankee (nuclear), and increasing as Brayton Point (coal/oil) is closed in 2017.
- As of Sept. 2014, developers are proposing over 5,000 MW of natural gas-fired power plants in New England to make up for retirements of existing plants, thus increasing demand for natural gas to power these new generators. (ISO-NE, 10/10/14)
- NED offers a transformative solution to the natural gas infrastructure needs of New England.
- TGP’s system currently supports 4,500 MW of gas-fired power generation facilities in the Northeast.

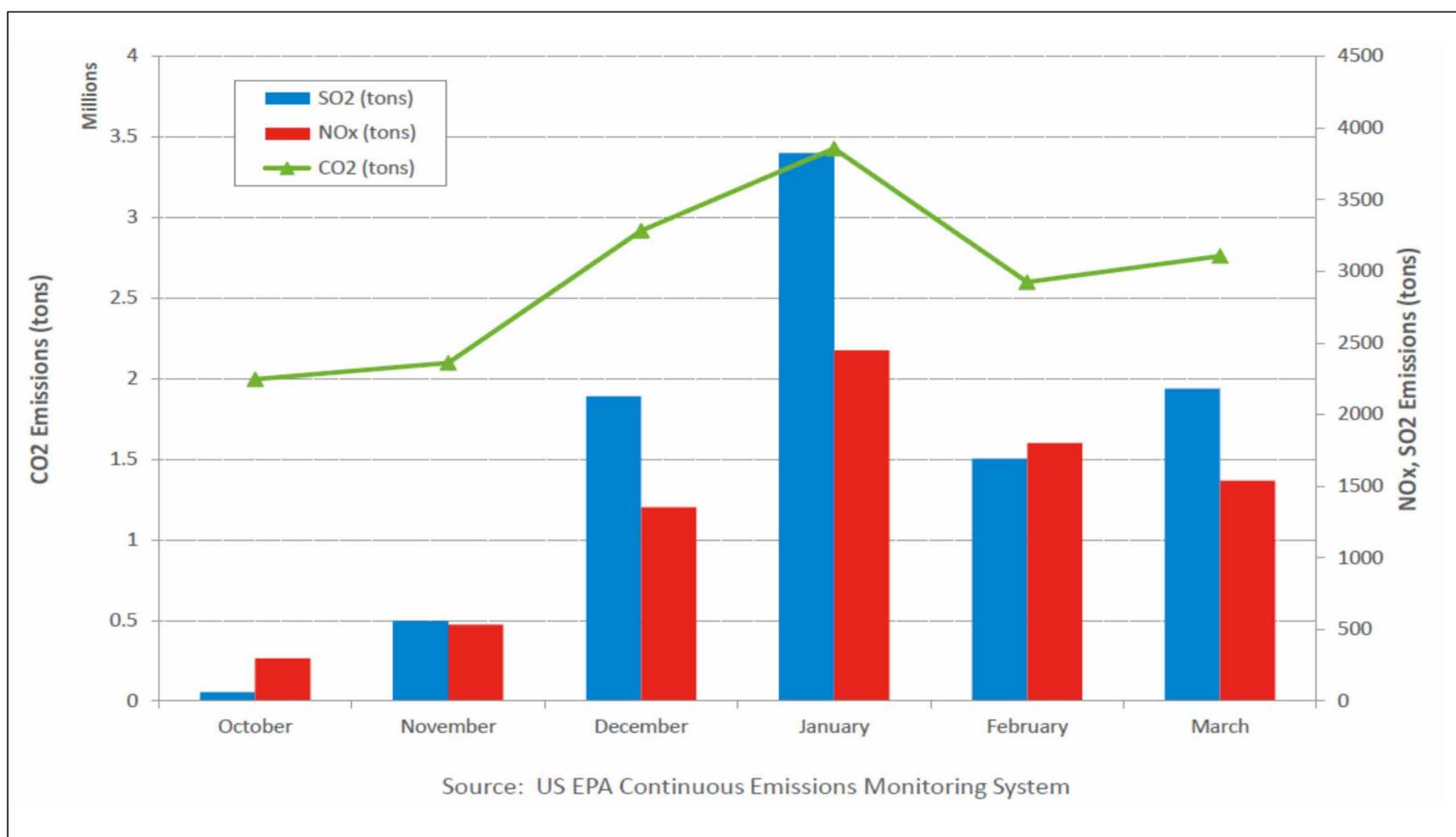


Northeast Energy Crisis

Natural gas shortages during recent winters have been costly and have increased pollution in New England.

- New Englanders paid an additional \$3 billion in electricity costs in the winter of 2013/2014 due to natural gas capacity shortages. (ISO-NE, 2014)
- Natural gas pipeline constraints last winter forced utilities to burn coal and oil in order to continue generating electricity, resulting in increased sulfur dioxide (SO₂), nitrogen oxide (NO_x) and carbon dioxide (CO₂) emissions. (Source: ISO-NE, "Transformation of the Electric Power Industry...", 2014)
- "In New England, increasing pressure on an already-constrained natural gas infrastructure is our most pressing and urgent challenge."
- Gordon Van Welie

(Source: Gordon Van Welie, President and CEO of ISO-NE, 10/10/14 letter to US Energy Dept. Secretary Ernest Moniz)



New England's CO₂, SO₂ and NO_x emissions skyrocketed last winter due to a shortage of natural gas for electricity generation.

Project Presentations to Date

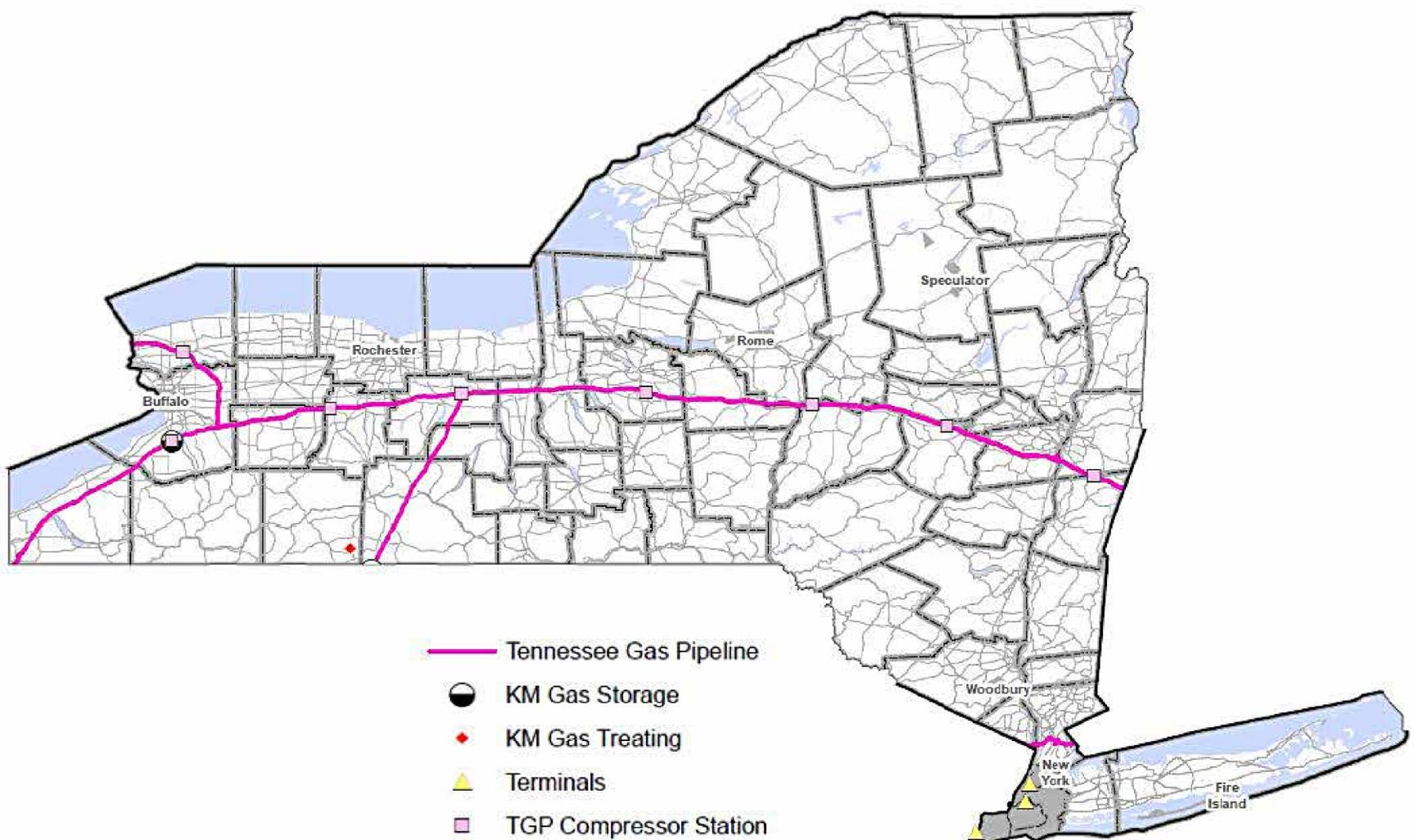
We have conducted 45 public project presentation to impacted towns, counties and community groups. Over 4,400 people have attended these presentations.

- April 7, 2014 : Montague (MA) Board of Selectmen
- April 8, 2014: Dracut (MA) Board of Selectmen
- April 9, 2014: Ashburnham (MA) Board of Selectmen
- April 21, 2014: Hollis (NH) Public Meeting
- April 22, 2014: Plainfield (MA) Board of Selectmen
- April 23, 2014: Ashby (MA) Board of Selectmen
- May 12, 2014: Pepperell (MA) Board of Selectmen
- May 13, 2014: Warwick (MA) Public Meeting
- May 14, 2014: Tyngsborough (MA) Board of Selectmen
- June 4, 2014: Richmond (MA) Board of Selectmen
- June 5, 2014: North Reading (MA) Board of Selectmen
- June 23, 2014: Groton (MA) Board of Selectmen
- June 24, 2014: Tewksbury (MA) Board of Selectmen
- June 25, 2014: Townsend (MA) Board of Selectmen
- June 26, 2014: Bolton (MA) Board of Selectmen
- July 8, 2014: Erving (MA) Board of Selectmen
- July 9, 2014: Andover (MA) Board of Selectmen
- July 10, 2014: Wilmington (MA) Board of Selectmen
- July 15, 2014: Lunenburg (MA) Board of Selectmen
- July 22, 2014: Royalston (MA) Board of Selectmen
- July 23, 2014: Berlin (MA) Board of Selectmen
- July 24, 2014: Shelburne (MA) Board of Selectmen
- July 24, 2014: Franklin Regional Council of Governments (MA)
- August 5, 2014: Nashoba Valley Chamber of Commerce (MA)
- August 12, 2014: Athol (MA) Board of Selectmen
- August 14, 2014: Washington (MA) Board of Selectmen.
- August 18, 2014: Boylston (MA) Board of Selectmen
- August 19, 2014: Northfield (MA) Board of Selectmen
- August 20, 2014: Northern Middlesex Council of Governments (MA)
- August 26, 2014: Dalton Board of Selectmen (MA)
- Sept. 2, 2014: Dunstable Board of Selectmen (MA)
- Sept. 16, 2014: Western Mass. EDC
- Sept. 17, 2014: Lenox Garden Club (MA)
- Sept. 18, 2014: Berkshire Regional Planning Commission (MA)
- Sept. 30, 2014: Pittsfield City Council (MA)
- Oct. 1, 2014: Northborough (MA)
- Oct. 1, 2014: Dracut & Tyngsborough Town Presentation (MA)
- Oct. 6, 2014: Winchendon Select Board (MA)
- Oct. 8, 2014: Salem, NH Select Board
- Oct. 30, 2014: Columbia County, NY
- Oct. 30, 2014: Berkshire Chamber of Commerce
- Nov. 21, 2014: Sanford, NY Town Board
- Jan. 5, 2015: Milford, NH Select Board
- Jan. 5, 2015: Londonderry, NH Town Council
- Jan. 5, 2015: Windham, NH Select Board



Kinder Morgan in New York

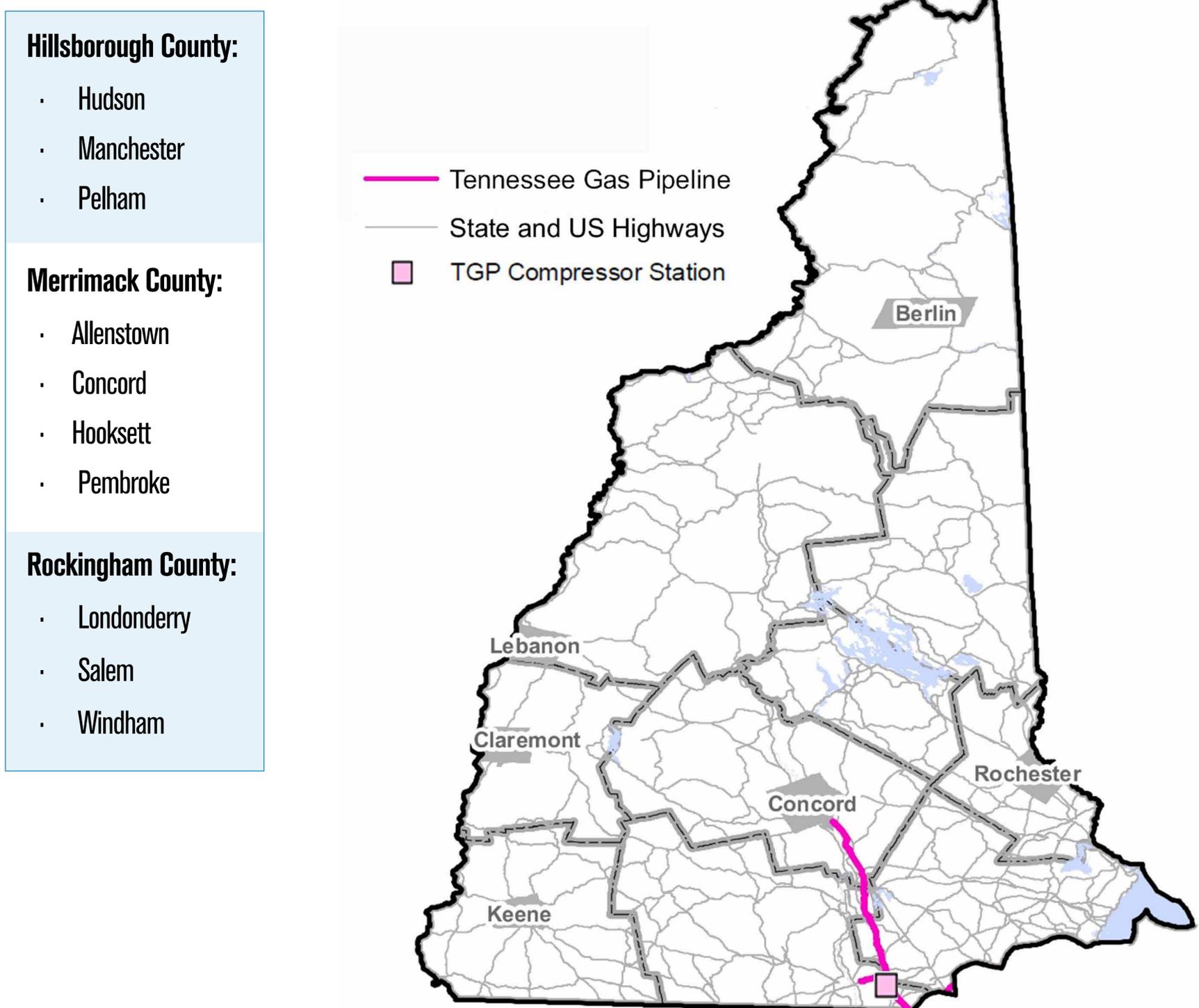
- Kinder Morgan employed 137 people in 2013.
- Kinder Morgan's total 2013 payroll was \$9.4 million.
- In 2013, Kinder Morgan paid approximately \$14.5 million to state and local taxing bodies.
- Kinder Morgan operates approximately 849 miles of natural gas pipelines in New York as well as the Staten Island Liquids Terminal.
- Kinder Morgan operates assets in 26 counties in New York.



Kinder Morgan in New Hampshire

- Kinder Morgan paid approximately \$1.2 million to state and local taxing bodies in 2013.
- Kinder Morgan operates approximately 50 miles of the Tennessee Gas Pipeline (TGP) system in New Hampshire.
- Kinder Morgan owns and/or operates assets in three counties in New Hampshire: Hillsborough, Rockingham and Merrimack.
- Kinder Morgan operates facilities in Pelham, N.H.

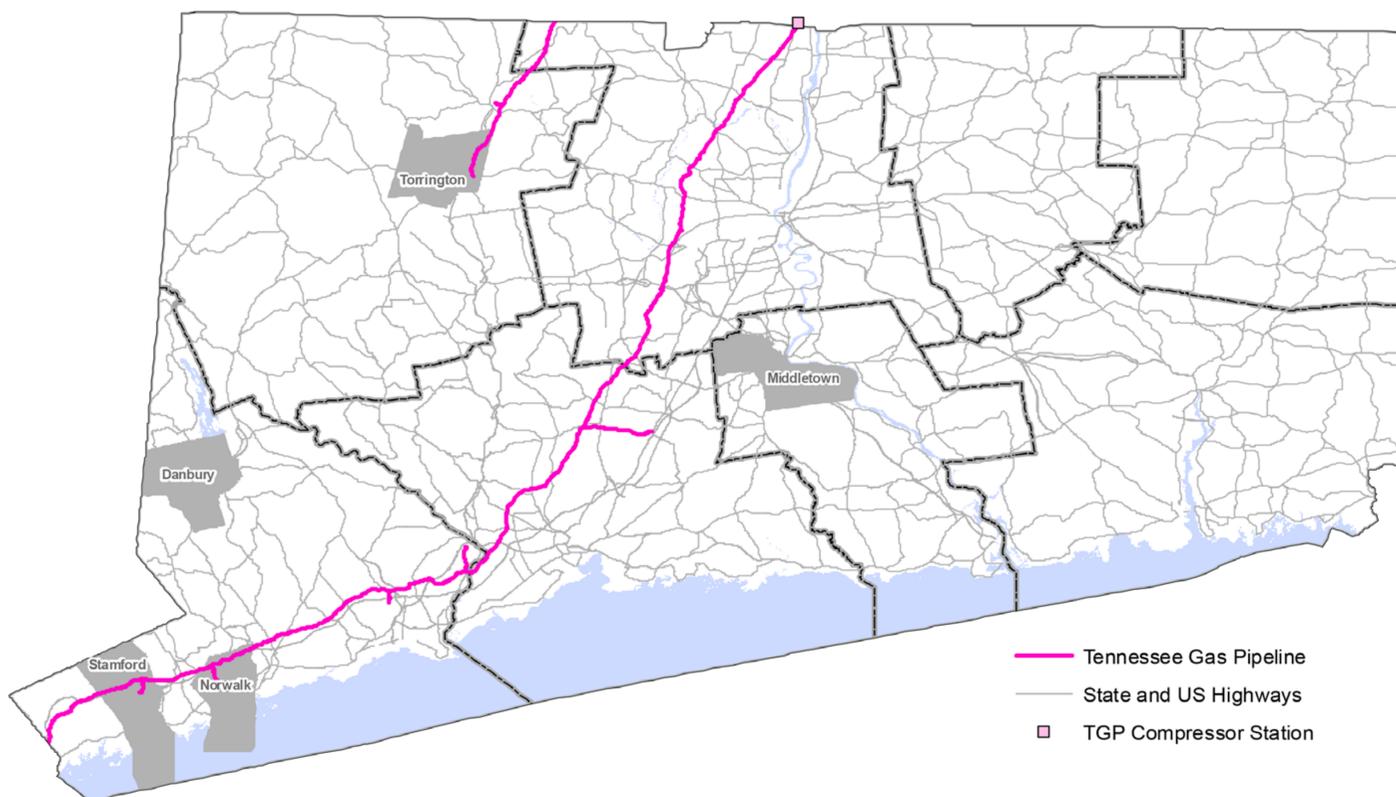
New Hampshire Municipalities with Existing TGP Lines



Kinder Morgan in Connecticut

- Kinder Morgan maintained a payroll of over \$2.2 million in 2013.
- Kinder Morgan paid approximately \$296,000 to state and local taxing bodies in 2013.
- Kinder Morgan employed 23 people in 2013.
- Kinder Morgan operates approximately 130 miles of the Tennessee Gas Pipeline (TGP) system in Connecticut.
- Kinder Morgan owns assets in four counties throughout Connecticut: Fairfield, Hartford, Litchfield and New Haven.

Connecticut Municipalities with Existing TGP Lines



Fairfield County:

- Bridgeport
- Easton
- Fairfield
- Greenwich
- New Canaan
- Norwalk
- Shelton
- Stamford
- Stratford
- Trumbull
- Westport

Hartford County:

- Bloomfield
- East Granby
- Enfield
- Farmington
- Hartland
- New Britain
- Plainville
- Simsbury
- Southington
- Suffield
- West Hartford
- Windsor

Litchfield County:

- Barkhamsted
- Torrington
- Winchester

New Haven County:

- Bethany
- Cheshire
- Derby
- Hamden
- Milford
- Orange
- Wallingford
- Woodbridge

NED Pipeline Project

Northeast Energy Crisis

"It's going to be a very expensive winter... we are projecting that due to our constrained natural gas supply, that prices in New England will go up for the winter."

- Maeve Vallely Bartlett, Massachusetts Secretary of Environment and Energy Affairs- Aug. 2014

NEW HAMPSHIRE
UNION LEADER

New Hampshire's energy future in 'crisis'

By PAUL FEELY
New Hampshire Union Leader
November 15, 2014 9:09PM

"Additional pipeline capacity is critically necessary for energy providers to be able to support future economic development, growth and jobs,"

- Berkshire Gas Statement, August 2014

**BOSTON
BUSINESS JOURNAL**

Pipeline constraints will force this Mass. utility to stop accepting new customers

"The energy situation in New England has intensified from a dire situation to a crisis. Last winter, cold temperatures revealed a serious natural gas capacity constraint that dramatically increased electricity costs across New England... A failure to expand this basic infrastructure will increase our already high-cost electricity prices, challenge our existing businesses and residents, and make it harder to attract new investment into our region."

- Governor Paul LePage of Maine.

The Boston Globe

Electric rates in Mass. set to spike this winter

By Jack Newsham | GLOBE CORRESPONDENT SEPTEMBER 25, 2014

THE RECORDER

GREENFIELD, MASS. ESTABLISHED 1792 - N.E. NEWSPAPER OF THE YEAR 2012

Gas line limits boost New England electricity prices

"In New England, increasing pressure on an already-constrained natural gas infrastructure is our most pressing and urgent challenge... New England's pipeline infrastructure is inadequate to serve demand by local distribution companies (for home heating) and power generators in the winter period. This constraint has led to significant electric reliability challenges."

- Gordon van Welie, President and CEO of ISO-NE.

The Boston Globe

Utilities may limit new natural gas connections

By Jay Fitzgerald | GLOBE CORRESPONDENT OCTOBER 04, 2014

"A new pipeline is not just an option; it is a necessity."

- Kevin Kelly, Manager at Groton Electric Light

**BDN
MAINE**

bangordailynews.com

LePage to Mass governor: Blocking regional natural gas expansion is 'colossal mistake'

"New England could face significant reliability issues when natural gas-fired power generators are not able to dispatch as a result of the gas pipeline capacity constraints."

- NESCOE Phase III Study, Fall 2013.

NED Pipeline Project

New York Municipalities with Existing TGP Lines

Albany County:

- Berne
- Bethlehem
- Knox
- New Scotland

Cattaraugus County:

- Perrysburg

Cayuga County:

- Aurelius
- Sennett
- Throop

Chautauqua County:

- Arkwright
- Chautauqua
- French Creek
- Hanover
- Mina
- Pomfret
- Sheridan
- Sherman
- Stockton
- Westfield

Columbia County:

- Canaan
- Chatham
- New Lebanon

Erie County:

- Aurora
- Alden
- Boston
- Brant
- Clarence

- Collins

- Eden

- Evans

- Hamburg

- Marilla

- Newstead

- Orchard Park

- Wales

Herkimer County:

- Columbia

- Stark

- Warren

- Winfield

Livingston County:

- Avon

- Genesee

- Lima

- York

Madison County:

- Brookfield

- Cazenovia

- Eaton

- Madison

- Nelson

Montgomery County:

- Canajoharie

- Minden

Niagara County:

- Cambria

- Lewiston

- Lockport

- Pendleton

Oneida County:

- Bridgewater

- Sangerfield

Onondaga County:

- La Fayette

- Marcellus

- Onondaga

- Pompey

- Skaneateles

Ontario County:

- Canandaigua

- East Bloomfield

- Gorham

- Hopewell

- Phelps

- West Bloomfield

Otsego County:

- Plainfield

- Richfield

- Springfield

Rensselaer County:

- Nassau Schodack

Rockland County:

- Orangetown

Schoharie County:

- Carlisle

- Esperance

- Schoharie

- Sharon

- Wright

Seneca County:

- Junius

- Tyre

- Waterloo

Steuben County:

- Avoca

- Canisteo

- Greenwood

- Howard

- Jasper

- Prattsburg

- Troupsburg

- West Union

- Wheeler

Westchester County:

- Dobbs Ferry

- Elmsford

- Greenburgh

- Harrison

- Irvington

- Rye Brook

- White Plains

Wyoming County:

- Attica

- Bennington

- Covington

- Middlebury

- Sheldon

Yates County:

- Italy

- Middlesex

Natural Gas Supports Renewable Energy

Reliability

- Wind and solar are “intermittent” resources – they are only available when the wind is blowing or the sun is shining. When renewables are not available, steady power sources are necessary to meet the demand for electricity in homes, businesses, and industry.
- Gas-fired generators can turn on and off very quickly, making gas the ideal back-up fuel to support renewable energy. As a result, growing use of wind and solar power is likely to increase the demand for natural gas.

Scale

- Gas provides an essential source of electricity as renewables become adopted on a large scale. While renewable power’s costs are gradually falling and its efficiency is increasing, current costs are high and energy output is comparatively low. Significant time is therefore necessary before wind and solar power resources can provide adequate amounts of electricity to fully serve the needs of our communities.
- Several studies have advocated for increased use of natural gas to form a “bridge” to a clean-energy future, as gas is the cleanest fossil fuel and is used in partnership with renewable sources.



New England's Natural Gas Needs:

Current Supply:

- Competitive Energy Services (CES) estimates that New England currently has the capacity to import 2.7 Bcf/d on existing pipelines (not including Canadian imports, LNG and proposed new pipelines).

Current and Future Needs:

- Natural gas demand for heating and industrial processes in New England can exceed 4.5 Bcf/d on the coldest winter days. This does NOT include the needs of the electric system.
- To provide the ISO-NE with natural gas to meet the needs of electric generators in the winter at competitive prices, CES estimates that New England needs an additional 2.4 Bcf/d of pipeline capacity .
 - Massachusetts represents 50% of New England's natural gas usage and thus needs an additional 1.2 Bcf/d of incremental pipeline capacity.
 - New Hampshire represents over 6% of New England's natural gas usage and thus needs an additional 0.145 Bcf/d of incremental pipeline capacity.
- CES has estimated the economic value of adding 2.4 Bcf/d of capacity to New England is \$2.988 Billion per year to the region's electricity consumers alone.

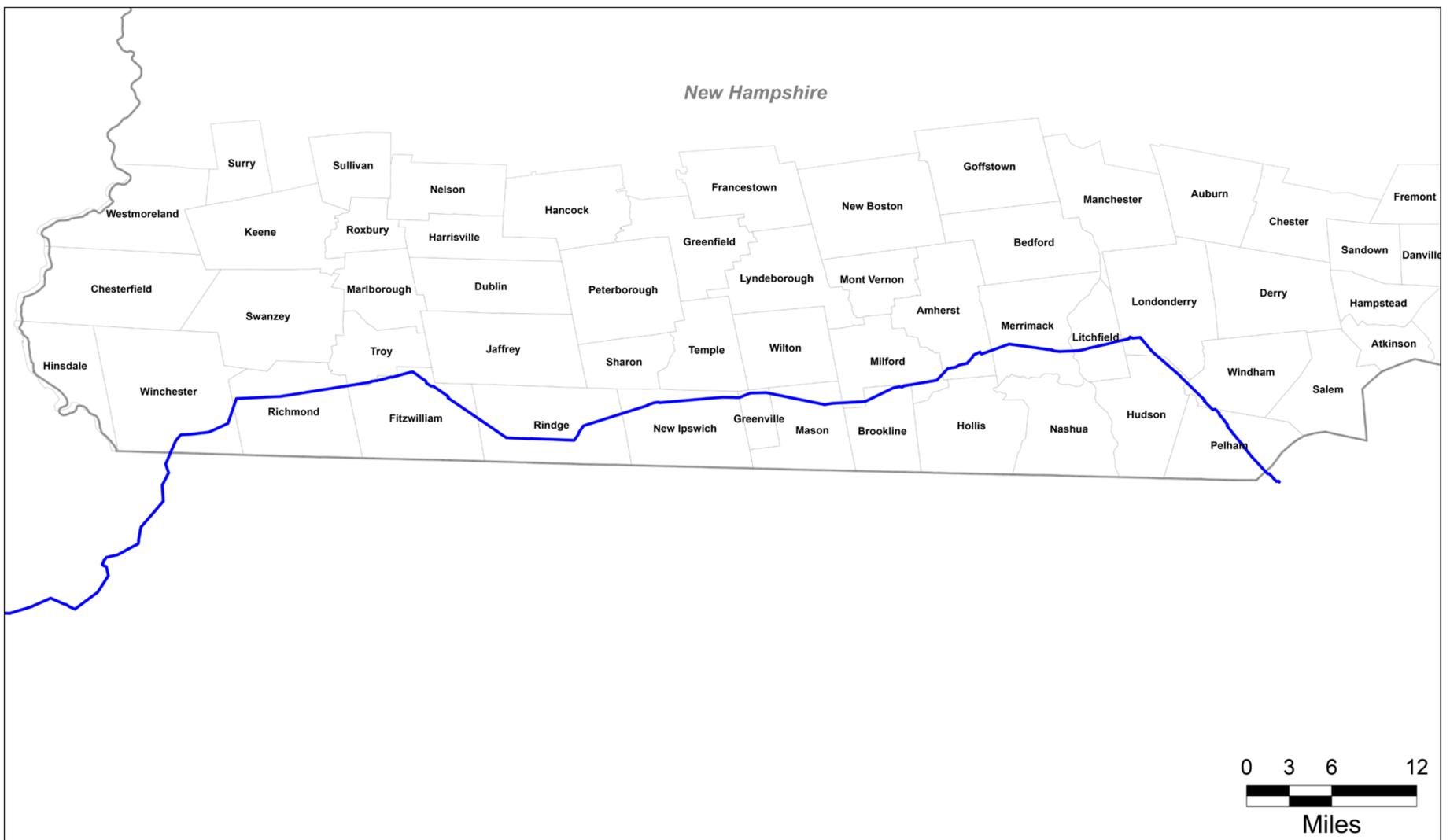
New Construction vs. “Lift and Lay”

Based on environmental and landowner impacts, quickest time to market gas delivery, constructability and many other factors, TGP determined a new construction route more feasible and preferable for all stakeholders

New Construction	“Lift and Lay”
<ul style="list-style-type: none">▪ New high pressure pipeline improves regional operations.▪ Route largely determined by ease of build, minimizing impacted landowners, and mitigating environmental concerns.▪ Densely populated areas and environmentally sensitive areas can often be avoided.▪ Alternate routes must be considered.▪ Existing utility corridors in preferred locations can be used.▪ Can reach previously inaccessible communities and business.	<ul style="list-style-type: none">▪ Removal of smaller diameter and replacement with larger diameter pipeline.▪ Existing pipeline right of way largely located in densely populated areas. More landowners impacted and greater disruptions can occur.▪ Alternates are not an option.▪ Lift and Lay projects generally have a portion of greenfield build around areas that simply cannot be disturbed.

New Hampshire Benefits

- An estimated additional \$16.8 Million to state and local taxing bodies upon completion
 - \$11.1 Million to impacted towns
 - \$5.7 Million to state for local school taxes
 - An estimated 520 contractors will be hired in New Hampshire to construct NED. Several permanent employment positions upon completion will also be created.
- Liberty Utilities, New Hampshire's largest local gas distribution company, has entered into an agreement with Kinder Morgan to transport up to 115,000 dekatherms per day (Dth/d) of natural gas to serve Liberty's customers in New Hampshire. That is enough natural gas to heat approximately 65,000 homes in New Hampshire on the coldest day of the winter.



NED Pipeline Project

About Kinder Morgan

- Kinder Morgan is one of the largest, most experienced energy companies in North America. We own an interest in or operate approximately 80,000 miles of pipelines and 180 terminals.
- Kinder Morgan employs approximately 11,500 people throughout the United States and Canada.
- We are committed to operating our assets in a safe, ethical and transparent manner.
- We ensure public safety and safe pipeline operations through employee training, regular testing, right-of-way aerial and foot patrols and adherence to our comprehensive Integrity Management plan and procedures.
- Kinder Morgan does not have a Political Action Committee (PAC), or make any political contributions.

