



*EIA Annual Conference*

**Steve Kean**  
**President and Chief Executive Officer**

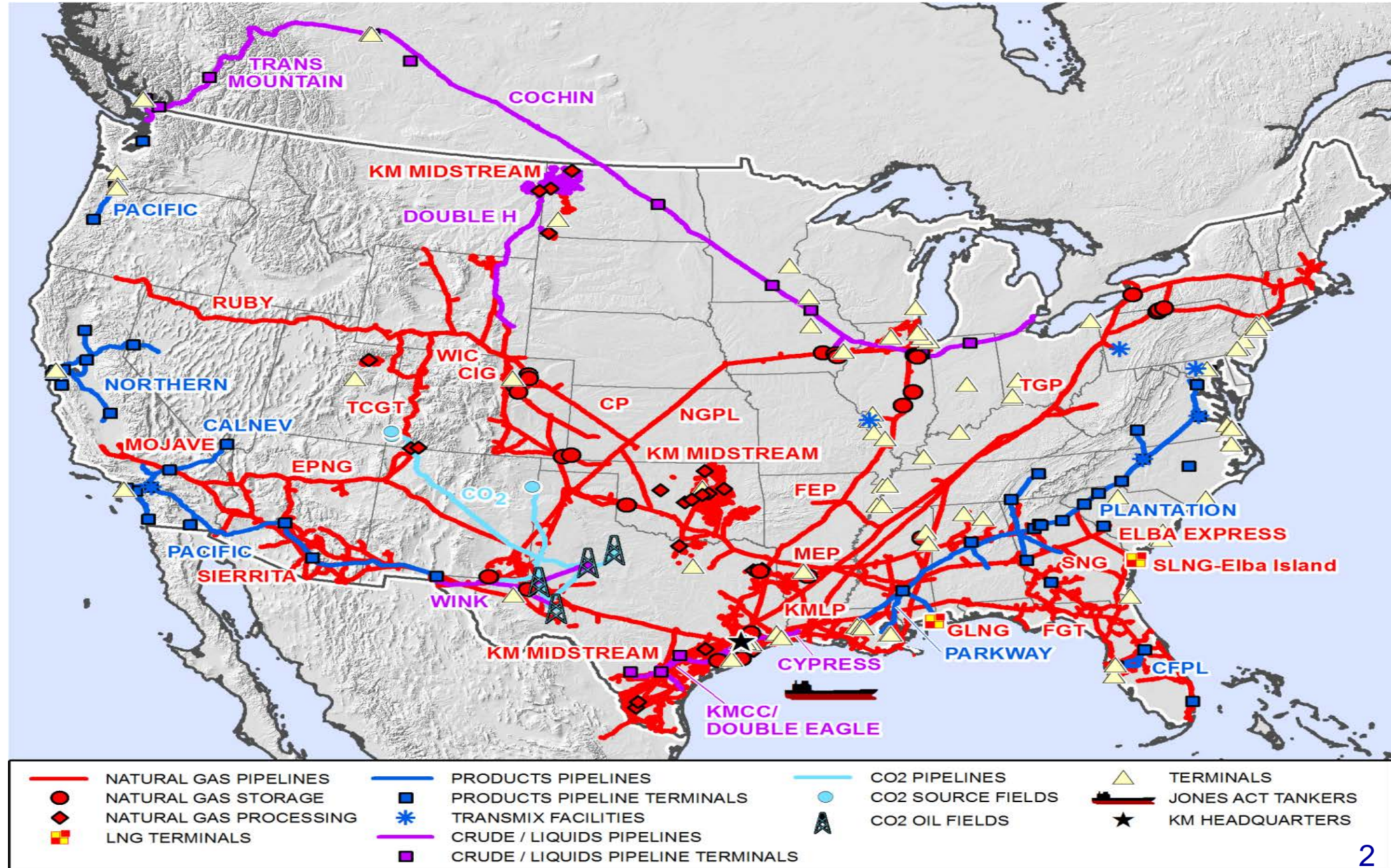
**July 12, 2016**

# Largest energy infrastructure company in North America

- **Founded 1997 by Rich Kinder and Bill Morgan**
  - 175 employees; \$325MM enterprise value
- **Today, the largest natural gas pipeline network in North America**
  - Own an interest in / operate over 69,000 miles of natural gas pipeline
  - Connected to every important U.S. natural gas resource play, including: Eagle Ford, Marcellus, Utica, Bakken, Uinta, Haynesville, Fayetteville and Barnett
- **Largest independent transporter of petroleum products in North America**
  - Transport ~2.1 MMBbl/d<sup>(a)</sup>
- **Largest CO<sub>2</sub> transporter in North America**
  - Transport ~1.2 Bcf/d of CO<sub>2</sub><sup>(a)</sup>
- **Largest independent terminal operator in North America<sup>(b)</sup>**
  - Own an interest in / operate ~180 liquids / dry bulk terminals
  - ~152 MMBbls of liquids capacity
  - Handle ~65 MMtons of dry bulk products<sup>(a)</sup>
  - Strong Jones Act shipping position
- **Only Oilsands pipeline serving West Coast**
  - Transports ~300 MBbl/d to Vancouver / Washington State; proposed expansion takes capacity to 890 MBbl/d

**Footprint drives growth project pipeline:**

- **\$14.1 billion 5-year growth capex program**
  - Secured by long-term contracts
  - Attractive, fee-based returns

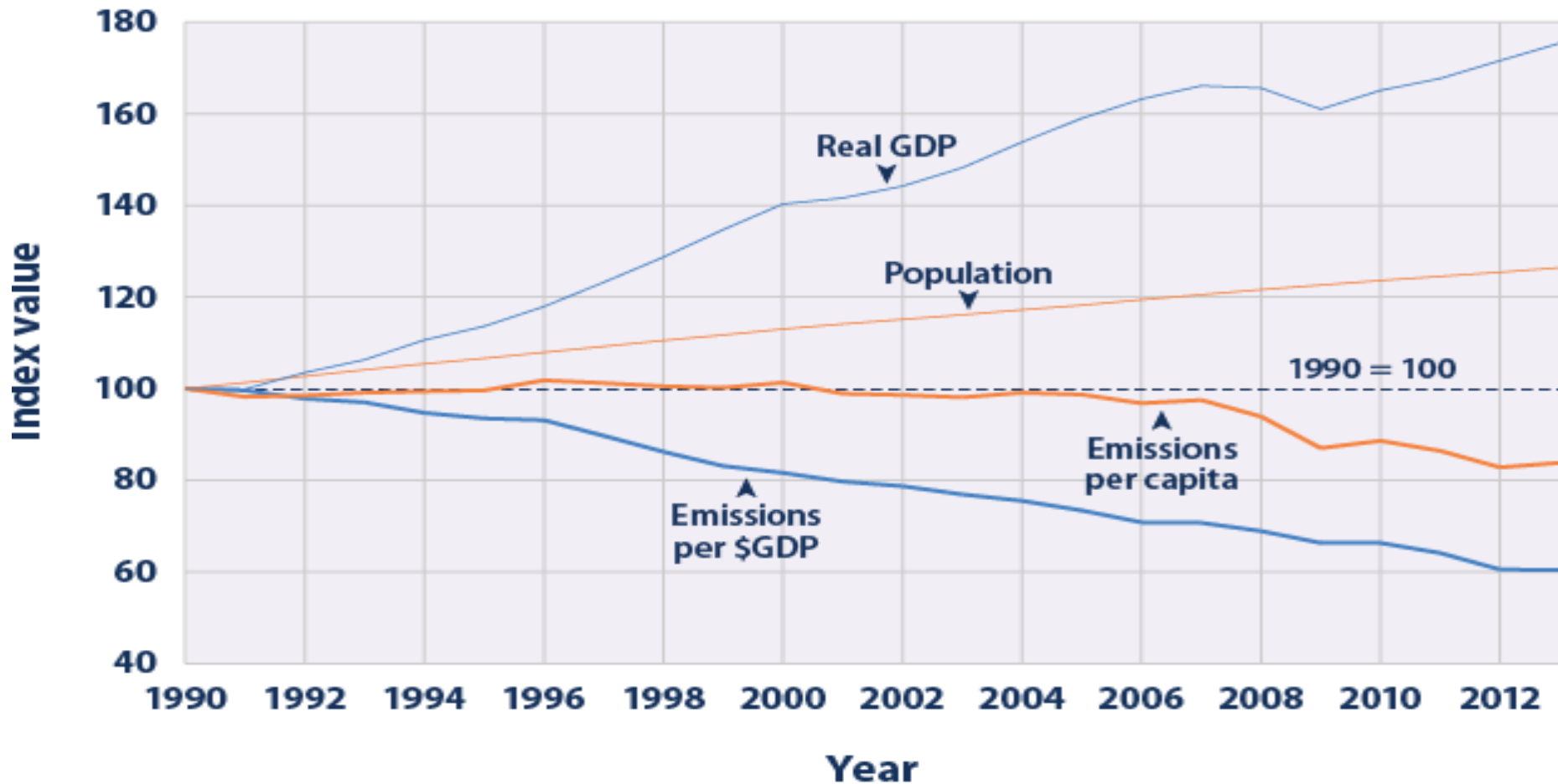


(a) 2016 budget.  
 (b) Includes KMI / BP JV terminals.

# Achieving climate goals with natural gas

- ❖ US natural gas production
  - ❖ 2007 - 55.33 Bcf/d
  - ❖ 2015 – 78.77 Bcf/d
- ❖ Electric power natural gas consumption
  - ❖ 2007 - 18.74 Bcf/d
  - ❖ 2015 – 26.50Bcf/d
- ❖ Production up 42%
- ❖ Electric power consumption accounts for 99% of the increase

U.S. Greenhouse Gas Emissions per Capita and per Dollar of GDP, 1990–2013



Data source: U.S. EPA (U.S. Environmental Protection Agency). 2015. Inventory of U.S. greenhouse gas emissions and sinks: 1990–2013. EPA 430-R-15-004. [www.epa.gov/climatechange/ghgemissions/usinventoryreport.html](http://www.epa.gov/climatechange/ghgemissions/usinventoryreport.html).

For more information, visit U.S. EPA's "Climate Change Indicators in the United States" at [www.epa.gov/climatechange/indicators](http://www.epa.gov/climatechange/indicators).

# More people, more economic activity, fewer emissions

	1993	2007	2015
Population	259.92MM	301.23MM	320.22MM
GDP	\$9.65 trillion	\$14.99 trillion	\$16.47 trillion
Power sector CO2	1.92GT	2.42GT	1.92GT
Net generation (GWh)	3,197,200	4,156,745	4,087,381
Coal	1,690,100 (53%)	2,016,456 (48.5%)	1,356,057 (33%)
Natural Gas	414,900 (13%)	896,590 (22%)	1,335,068 (33%)
Nuclear	610,300 (19%)	806,425 (19%)	797,178 (19%)
Solar/wind	3.5 (0.0001%)	35,062 (0.8%)	217,400 (5%)

# Leading voices in the environmental movement

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- “National groups such as the Sierra Club, the Environmental Defense Fund and the Natural Resources Defense Council have backed natural gas as a so-called bridge fuel that can help the country move away from coal and oil without waiting for renewable sources of energy, such as wind and solar power, to catch up.”
- “The giant advantage of quick conversion from coal to gas is the quickest route for jump-starting our economy and saving our planet.”
- “On balance, we think substituting natural gas for coal can provide net environmental value, including a lower greenhouse gas footprint.”
- “If you oppose all fossil fuels and you want to turn that switch off tomorrow, that is a completely impractical way of moving toward a clean-energy future.”

# Conversation starters

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- Fossil fuels have an enormous lead over renewable energy when it comes to improving lives
- Natural gas use and expanded natural gas infrastructure have been and are critical to meeting our climate objectives and our energy needs
- The contribution of renewable energy is often overstated
  - An intermittent source is not equal in value to a dispatchable one
  - Absent transformative technology breakthroughs, 100% renewable generation is not feasible
  - Natural gas storage is orders of magnitude cheaper than battery or other electricity storage technologies
- Promotion of natural gas and natural gas infrastructure, including as backup to renewable generation, will ensure continued economic growth and achievement of environmental goals