



TENNESSEE GAS PIPELINE FILES CERTIFICATE APPLICATION FOR ITS PROPOSED NORTHEAST ENERGY DIRECT PROJECT

Transformative NED Project Aimed at Easing Natural Gas Capacity Constraints; Project Expected to Provide Lower Natural Gas and Electricity Prices to Energy Consumers in the Region

HOUSTON, Nov. 20, 2015 – Tennessee Gas Pipeline Company, L.L.C. (TGP), a Kinder Morgan company (NYSE: KMI), today filed a certificate application under Section 7(c) of the Natural Gas Act with the Federal Energy Regulatory Commission (FERC) for its proposed Northeast Energy Direct Project (NED).

“The NED Project is a transformative project for the northeast United States,” said Kinder Morgan East Region Natural Gas Pipelines President Kimberly S. Watson. “Despite being just a few hundred miles from the most abundant and low-cost natural gas production area in the country, consumers in the Northeast pay some of the highest natural gas and electricity rates in the continental United States. These higher prices are due, in large part, to natural gas pipeline infrastructure that is insufficient to meet the winter heating demand of local distribution companies (LDCs) and electric generators.”

The approximately \$5 billion NED Project will expand TGP’s existing, extensive pipeline system in Pennsylvania, New York and New England, connecting low-cost natural gas supplies from northern Pennsylvania to New York and New England markets.

On July 16, 2015, KMI announced that its board of directors authorized TGP to proceed with the NED Project Market Path component and a \$3.3 billion investment. A determination has yet to be made by the board on approving the Supply Path component and associated capital.

Market Need

“Adding the NED Project capacity to transport incremental natural gas supplies will ease natural gas capacity constraints and stands to provide significant benefits to energy consumers in the region in the form of lower natural gas and electricity prices in coming years,” Watson said.

Watson added, “In order to meet demand during the past two winters, New England’s electric generators have had to rely on high-priced natural gas, expensive imported LNG and

costly fuel oil purchased on the spot market. In short, New England has insufficient natural gas pipeline capacity serving the region.”

One study finds that the 2013-14 ‘Polar Vortex’ winter resulted in both record high and exceptionally volatile gas prices, which had a direct impact on wholesale power prices. “The study concludes that, had the NED Project been in service during the winter of 2013-14, the additional pipeline capacity would have eliminated gas and electric price spikes on 86 days during the 2013-14 winter and reduced wholesale electricity expenditures by New England’s business and residents by \$3.7 billion,” said Watson.

Over 15 years, New England has steadily increased its reliance on natural gas-fired electricity generation. In 2000, approximately 15 percent of New England’s power came from gas-fired generation; today the total stands at almost 50 percent.

“As natural gas has become the baseload fuel for electricity generation in New England, the interstate pipeline system in New England has not been significantly expanded to supply this load,” she said. “The NED Project is the solution.”

Project Facilities

TGP has been providing New York and New England homes, businesses, industry and electric generators with natural gas for over 60 years. With the proposed NED Project, TGP will continue to help both regions meet their natural gas demand now and in the future.

The NED Project comprises two components, the Supply Path and the Market Path: The Supply Path component will have a maximum design capacity of 1.2 billion cubic feet per day (Bcf/d) and consists of approximately 133 miles of 30-inch diameter pipeline extending from TGP’s existing 300 Line system in northern Pennsylvania to an interconnection with TGP’s 200 Line system and Iroquois Gas Transmission System, L.P. at Wright, New York; and approximately 41 miles of 36-inch diameter looping pipeline along TGP’s 300 Line in Bradford and Susquehanna counties in Pennsylvania.

The Supply Path component also will include the construction and operation of one modified and three new compressor stations, and two new meter stations.

The Market Path component will have a maximum design capacity of 1.3 Bcf/d and consists of approximately 188 miles of 30-inch pipeline extending from Wright, New York, to Dracut, Massachusetts, five delivery laterals in Massachusetts and New Hampshire, and one pipeline loop in Connecticut.

The Market Path component also will include the construction and operation of six new compressor stations and 27 new and modified meter and regulator stations.

The Market Path component facilities will be owned by Northeast Expansion, LLC. Northeast Expansion, LLC is a joint venture between Kinder Morgan Operating Limited Partnership A, Liberty Utilities (Pipeline & Transmission) Corp., and UIL Holdings Corporation. TGP will construct the Market Path component facilities on behalf of the Northeast Expansion, LLC.

Capacity Commitments

The NED Project has significant market support as evidenced by the executed precedent agreements to date with various project shippers for transportation service on both the Market Path and Supply Path components. Currently, TGP has executed precedent agreements with seven New England LDCs and other market participants for firm transportation service on the Market Path component facilities for 552,262 Dth/d day of the total Market Path component capacity. The Massachusetts Department of Public Utilities and New Hampshire Public Utilities Commission recently approved TGP's precedent agreements with the LDCs in these states.

For the Supply Path component, TGP has also executed precedent agreements with various market participants, including four New England LDCs that have subscribed on the Market Path component facilities, as well as two natural gas producers, one municipal light department and a power generator for a total of 751,650 Dth/d of firm transportation capacity.

Taken all together, these precedent agreements demonstrate the strong market demand for the NED Project pipeline capacity.

TGP is confident it will secure additional contractual commitments as a result of the initiatives underway with five of the six states in New England to facilitate the ability of electric distribution companies to contract for pipeline capacity and recover the costs in their rates. TGP is in ongoing negotiations with other additional potential project shippers and, as additional precedent agreements are executed, TGP will supplement information for the FERC record.

Proposed Schedule

To ensure timely construction of the NED Project, and in order to complete land acquisition and environmental and cultural resource surveys, TGP requested that the FERC issue requested certificate and abandonment authorizations during the fourth quarter of 2016. Subject to regulatory approvals, TGP proposes to commence certain construction activities in January of

2017, in anticipation of placing the project facilities in-service on Nov. 1, 2018. The proposed schedule is consistent with the terms and conditions of the precedent agreements executed to date with various project shippers. Additionally, the schedule will assist in beginning to relieve the extraordinarily high energy costs which now burden the citizens and businesses in the region.

Certain minor pipeline looping facilities located in the state of Connecticut are expected to be placed in service by Nov. 1, 2019, based on the in-service date requested by project shippers.

TGP is proposing this construction timeline in order to accommodate narrow construction windows due to seasonal weather and anticipated environmental and seasonal constraints on tree felling and clearing, as well as to minimize outages and maintain adequate levels of service to meet its existing commitments to its shippers during the construction and installation of the project facilities. The proposed schedule also allows TGP to complete acquisition of property for the pipeline and compressor station locations, environmental and cultural resource surveys, federal and state permitting activities, materials procurement and construction.

Kinder Morgan, Inc. (NYSE: KMI) is the largest energy infrastructure company in North America. It owns an interest in or operates 84,000 miles of pipelines and approximately 165 terminals. The company's pipelines transport natural gas, gasoline, crude oil, CO₂ and other products, and its terminals store petroleum products and chemicals, and handle bulk materials like coal and petroleum coke. Kinder Morgan is the largest midstream and third largest energy company in North America with an enterprise value of approximately \$100 billion. For more information please visit www.kindermorgan.com.

This news release includes forward-looking statements. These forward-looking statements are subject to risks and uncertainties and are based on the beliefs and assumptions of management, based on information currently available to them. Although Kinder Morgan believes that these forward-looking statements are based on reasonable assumptions, it can give no assurance that such assumptions will materialize. Important factors that could cause actual results to differ materially from those in the forward-looking statements herein include those enumerated in Kinder Morgan's reports filed with the Securities and Exchange Commission. Forward-looking statements speak only as of the date they were made, and except to the extent required by law, Kinder Morgan undertakes no obligation to update or review any forward-looking statement because of new information, future events or other factors. Because of these uncertainties, readers should not place undue reliance on these forward-looking statements.

CONTACTS
Media Relations

Investor Relations

Richard Wheatley
(713) 420-6828
richard_wheatley@kindermorgan.com

(713) 369-9490
km_ir@kindermorgan.com

Note to Editors and Reporters:

**NORTHEAST ENERGY DIRECT PROJECT
ROUTE FACTS
November 20, 2015 FERC Certificate Filing**

SUMMARY OF PROJECT:

- ❖ **Total Project = 419.66 miles ; 85% co-location**
- ❖ **Market Path Component = 211.4 miles of 246.17 miles co-located; 86% co-location***
- ❖ **Supply Path Component = 145.42 miles of 173.55 miles co-located; 84% co-location**
- ❖ Pennsylvania to Wright Mainline = 132.55 miles ; 79% co-location
- ❖ 300-Line Looping = 41 miles ; 100% co-location
- ❖ **Wright to Dracut Mainline = 187.78 miles; 91% co-location**
 - The 9% not co-located is due to deviations from the power line or pipeline in relatively short lengths to minimize impacts versus staying on the power line or pipeline.
- ❖ Market Path Component Laterals and Loops = 58.39 miles; 68% co-location

**Market Path co-location includes laterals.*

MARKET PATH COMPONENT BY STATE:

- **NEW YORK**
 - 30-inch Wright to Dracut Mainline = 53.61 miles
 - 51.72 of 53.61 miles co-located = 96% co-located with existing TGP 200 Line and existing utility corridor
 - 1 New Meter Station
 - 2 New Compressor Stations
- **MASSACHUSETTS**
 - 30-inch Wright to Dracut Mainline = 63.72 miles
 - 62.93 of 63.72 miles co-located = 99% co-located with existing utility corridors
 - 36.47 miles of Market Path Component Laterals

- 22.96 of 36.47 miles co-located = 63% co-located with existing utility corridors and existing pipelines
 - 21 meter station and regulation modifications/additions
 - 3 New Compressor stations
- **NEW HAMPSHIRE**
 - 30-inch Wright to Dracut Mainline = 70.45 miles
 - 56.95 of 70.45 miles co-located = 81 % co-located with existing utility corridors
 - 7.12 miles of Market Path Component Laterals
 - 2.04 of 7.12 miles co-located = 29% co-located with existing TGP pipeline
 - 2 New Meter Stations
 - One New Compressor Station
- **CONNECTICUT**
 - 14.80 miles of Market Path Component Looping
 - 14.80 of 14.80 miles co-located = 100% co-located with existing utility corridors and TGP 300 Line
 - 3 meter station modifications/additions

SUPPLY PATH COMPONENT BY STATE:

- **PENNSYLVANIA**
 - 30-inch Pennsylvania to Wright Mainline = 37.48 miles
 - 23.00 of 37.48 miles co-located = 61% co-located with Constitution
 - 40.94 miles of 36-inch Looping on TGP 300-Line
 - 40.94 of 40.94 miles co-located = 100% co-located with existing TGP
 - One New Compressor Station
 - Modifications to Existing TGP Compressor Station 319
- **NEW YORK**
 - 30-inch Pennsylvania to Wright Mainline = 95.07 miles
 - 81.48 of 95.07 miles co-located = 86% co-located with Constitution and existing TGP 200-Line
 - 2 New Meter Stations
 - 2 New Compressor Stations

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