Kinder Morgan Statement on Climate Change

Kinder Morgan recognizes that addressing climate change is a global priority. It is a matter that requires the cooperation and contributions of citizens, industry, the environmental community and governments nationally and globally to advance the broad alignment of environmental responsibility and economic opportunity for all.

To that end, Kinder Morgan operates our companies in an ethical and responsible manner.

- We invest in our assets to operate them safely and to protect our employees, the environment and the communities in which we operate.
- We work collaboratively within our industry and with governments, environmental groups, indigenous peoples and communities to build our understanding of the issues around climate change and seek potential solutions.
- We contribute to, embrace and implement responsible changes in government policy and regulations in North America as they emerge.

As an energy infrastructure company, we recognize and expect that future energy demand will be met in part by a growing proportion of renewable energy sources. Today, the world still relies on fossil fuels for the vast majority of its energy needs. While delivering access to the secure energy the world needs, we are committed to doing our part to address climate change concerns. Specifically:

- We are expanding our natural gas transmission business to make access to lower carbon and renewable energy more feasible.
- We are reducing emissions of methane and other greenhouse gases from our operations.
- We are pursuing opportunities with our producing partners to increase energy efficiency along the value chain.
- We are making energy efficiency improvements in our operations and exploring new low-carbon technologies and business models.
- We include reasonably anticipated policy directions and regulatory decisions into our business models and projects.

Kinder Morgan is proud to be part of the solution toward reducing emissions of carbon dioxide, methane and other greenhouse gasses through its industry-leading status in delivering natural gas to consumers. Natural gas infrastructure plays two key roles in reducing greenhouse gas emissions: directly as a lower-carbon fuel for electricity generation, and indirectly by facilitating greater renewable energy deployment in the electricity sector.

Despite growth in the U.S. population and economy, increased use of natural gas for electricity has resulted in electricity-related carbon dioxide emissions returning to 1993 levels, according to the U.S. Environmental Protection Agency. At roughly half the carbon emissions from coal, natural gas has reduced overall carbon dioxide emissions despite increased net generation over the last two decades.

	1993	2007	2015
Population	259.92MM	301.23MM	320.22MM
GDP	$9.65 trillion	$14.99 trillion	$16.47 trillion
Power sector CO2 emissions (GT)	1.92	2.42	1.92
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%)

Natural gas power generation also serves as an excellent complement to renewable energy sources because it provides the reliability and flexibility renewable energy lacks. The availability of wind and solar power generation varies minute-to-minute, day-to-day, and season-to-season. Natural gas serves as a perfect "firming" backup source that ensures steady power generation and system reliability because it can be dispatched quickly when renewables are unavailable.

Multiple academic studies demonstrate that increased natural gas capacity helps facilitate greater deployment of renewable energy sources. Natural gas and renewables are highly complementary and when deployed together help generators both cut greenhouse gas emissions and ensure stable electricity supply. Natural gas fired electricity generation is clearly a key ally of renewable resources in our shared response to the climate change challenge.