

A Different Kind of Energy Company

Kinder Morgan, which recently purchased Terasen Inc., is a different kind of energy company. With its roots beginning in 1997, the organization has grown from \$300 million utility to a \$40 billion dollar company that has realized a 32 per cent annualized total return.

Today Kinder Morgan is one of the largest owner/operators of energy pipelines. "We manage more than 40,000 miles of natural gas, crude oil and products pipelines and operate 145 terminals," says Lelio. The pipeline system moves more than 2 million barrels per day of gasoline and other petroleum products and up to 8.4 billion cubic feet per day of natural gas. The organization is also the leading provider of CO₂ for enhanced oil recovery projects in the United States.

The company is led by Rich Kinder, who was recently named CEO of the year. "Rich Kinder is not your typical CEO," says Lelio, Director, Business Development. "He's an independent thinker who compensates and rewards staff for long-term value creation tied to the organization's performance. He also has a clear vision and an ability to execute strategies in accordance with that vision."

When Jim joined Kinder Morgan five years ago, he led Business Development within the Terminals group. "We operate under a simple business model," says Lelio. "We're builders that use a simple formula to add value to asset-based businesses by running them in a more effective manner. It is a clear message that hasn't changed one bit since I came onboard."

Kinder Morgan Canada, the Canadian arm of Kinder Morgan, is a dynamic, growing company. "Our business development group is aggressive," says Jim. "We get deals in the corral and take action very quickly. This creates opportunities for all areas within the organization including operations, accounting, legal, finance and engineering. It's an organization with a lot of energy."

The company also has a strong sense of integrity and transparency throughout its operations. "The integrity of the organization is felt at all levels," says Lelio. "Kinder Morgan's senior management team does not hold back whether they are showing our financial performance to shareholders and investors or placing our basic acquisition economics on our website."

This transparency is possible because the employees have a clear line of sight to the goals. "We bring value to shareholders," says Lelio. "Tactically, that means we look for successful businesses, acquire them, cut waste, pay for performance and move those savings to the bottom line. It's a simple philosophy," says Jim. "And one that works."

Kinder Morgan Canada pays for performance based on merit. The recognition of personal contribution flows from the top. Although the company is publicly held, Rich Kinder holds 20 per cent of the company's stock. "He is hands-on leader with a vested interest in the company and he wants to make sure employees have the same interests," says Lelio. "He firmly believes that ownership drives performance."

Lelio is a prime example of the career opportunities that await at Kinder Morgan Canada. "One day last fall, I was sitting at my desk in Houston, Texas when my boss walked in and asked if I'd be interested in a potential opportunity that would include a move to Canada. The position was within the business development group of the newly acquired Terasen Pipelines. Within two days I was discussing the opportunity with senior management, I accepted the challenge and was on a plane to Calgary by the end of the week. This organization doesn't gather any moss."

Currently, Lelio is focused on the organization's TMX and Corridor expansion projects. "Kinder Morgan is looking for builders," says Lelio. "People who can step up to the plate and present their ideas effectively will find a very rewarding career at Kinder Morgan."

The vision is clear. The work is different everyday. Kinder Morgan Canada is a growing, dynamic organization that's willing to challenge commonly held beliefs. "Kinder Morgan Canada gives employees opportunities to get involved in great things," says Ian Anderson, President, Kinder Morgan Canada. "And we're always looking for people with new ideas and new ways of doing things better. We are a growing company we need employees of all types which is why we have structured a combination of base pay, bonus, benefits and human resources policies which are highly flexible to attract all kinds of people."