



KINDER  MORGAN
IN CANADA

KINDER MORGAN

Kinder Morgan, headquartered in Houston, Texas, is a leading pipeline transportation and energy storage company in North America with more than 45 000 kilometres (28,000 miles) of pipelines and 180 terminals.

In Canada, Kinder Morgan operates a number of pipeline systems and terminal facilities including the Trans Mountain pipeline, the Express and Platte pipelines, the Cochin pipeline*, the Puget Sound and the Jet Fuel pipelines, the Westridge marine terminal, Vancouver Wharves in British Columbia and the North Forty terminal in Edmonton, Alberta.

PIPELINE BUSINESS IN CANADA

Subsidiary Kinder Morgan Canada (KMC), headquartered in Calgary, Alberta, transports approximately 20 per cent of all liquid petroleum products produced in Alberta to markets in western North America through its 4000-km (2,500-mile) network of pipelines.

KMC is committed to ensuring the safety of its pipelines and the protection of the environment and communities where it operates.

A leader in the energy transportation industry, Kinder Morgan Canada was honoured with the 2010 Alberta Emerald Award in recognition of its environmental stewardship on the Anchor Loop project.

KMC is strongly positioned to meet west coast market growth through its pipeline and terminal network.

KMC operates:

Trans Mountain Pipeline System
Jet Fuel Pipeline System (Vancouver)
Puget Sound Pipeline System

Express Pipeline System
Platte Pipeline System
Cochin Pipeline System*

Trans Mountain Pipeline System

In operation since 1953, Trans Mountain pipeline (TMPL) is the only pipeline system in North America that transports both crude oil and refined products to the west coast. TMPL moves product from Edmonton, Alberta, to marketing terminals and refineries in the central British Columbia region, the Greater Vancouver area and Puget Sound area in Washington State, as well as to other markets such as California, the U.S. Gulf Coast and overseas through its Westridge marine terminal located in Burnaby, British Columbia. Only crude oil and condensates are shipped into the United States.

Edmonton Terminal

The TMPL mainline originates at the Edmonton terminal, located in Sherwood Park, Alberta. The terminal has 20 incoming feeder lines from throughout Alberta. It contains 19 storage tanks with an overall volume of 390 000 m³ (2.5 million bbl).

The main control centre located at the Edmonton terminal remotely monitors all aspects of pipeline operations with a Supervisory Control and Data Acquisition (SCADA) system.

Kamloops Terminal

Refined products from Edmonton are routed to Kamloops for local distribution. Kamloops is also a receiving site for products from northeastern British Columbia that are bound for the west coast. The site contains two storage tanks with an overall volume of 23 000 m³ (144,000 bbl).

Sumas Pump Station and Terminal

The Sumas pump station and the Sumas terminal are located in Abbotsford, British Columbia.

*The Cochin system is operated by Kinder Morgan's Products Pipelines group in Houston, Texas. However, specific Canadian operational requirements are handled by Kinder Morgan Canada.

Both facilities route products from the TMPL mainline into Washington State via KMC's Puget Sound pipeline system. The terminal contains six storage tanks with an overall volume of 103 000 m³ (650,000 bbl).



Burnaby Terminal

The Burnaby terminal is the terminus of the TMPL mainline. It receives both crude oil and refined products for temporary storage and distribution through separate pipelines to local terminals, a refinery and the Westridge marine terminal.

The Burnaby terminal has 13 storage tanks with an overall volume of 250 000 m³ (1.6 million bbl). It contains a water treatment facility to ensure ground and surface water released offsite meets all



environmental requirements and a vapour recovery system to minimize the release and effect of odours.

Westridge Marine Terminal

The Westridge marine terminal is located within Port Metro Vancouver in Vancouver, British Columbia. In operation since 1957, the terminal can accommodate ships up to approximately 100 000 dead weight tons and barges. In addition to shipping crude oil, the facility also receives jet fuel, which is delivered to the Vancouver International Airport through the Jet Fuel pipeline system.

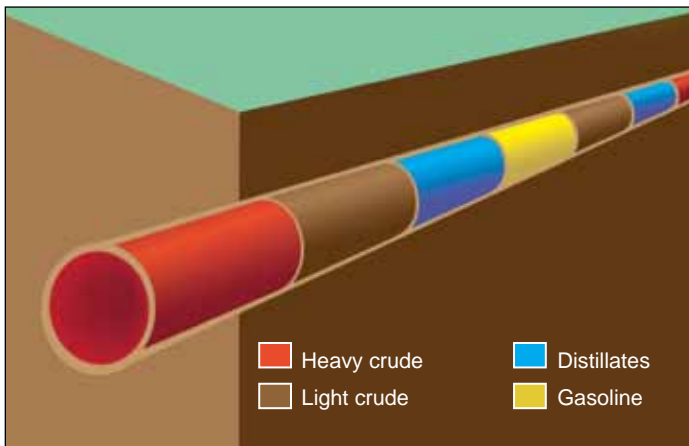


The Westridge marine terminal is regulated by Transport Canada and the National Energy Board. Three storage tanks have an overall volume of 46 000 m³ (290,000 bbl).

TMPL System Facts

- Length: 1150 km (715 miles)
- Diameter: 150 km (93.4 miles) of 36-inch pipe, 170 km (105 miles) of 30-inch pipe and 827 km (514 miles) of 24-inch pipe
- Capacity: 48 000 m³/d (300,000 bpd) (approx.)
- Transit time: six days to Kamloops; nine days to Burnaby (approx.)
- Pump stations: 24
- Regulator: National Energy Board

Products in the Pipeline



TMPL transports crude oil, refined and semi-refined products together in the same line. This process, known as “batching,” means that a series of products can follow one another through the pipeline in a “batch train.”

A typical batch train in the mainline is made up of a variety of materials being transported for different shippers. Products next to each other in the pipeline can mix. This mixing — or product interface — is kept to a minimum by putting the products in a specific sequence. Any products that do mix are re-refined for use.

TMPL Expansion

As the only direct link between Alberta’s oil-producing regions and the west coast of North America, Trans Mountain pipeline (TMPL) is well positioned for future expansion. Proposed plans include a staged incremental expansion along the existing TMPL corridor. Kinder Morgan will proceed with the expansion only if market demand supports such a line. If and when commercial support has been secured, the project will be subject to comprehensive public and First Nations consultation, as well as approval by the National Energy Board. If fully built, it would increase the throughput on the Trans Mountain system from the current 300,000 barrels per day (bpd) to 700,000 bpd.

Recent Projects

In 2008, Kinder Morgan successfully completed two major projects. The Trans Mountain Pump Station expansion (TMPSE) added 10 new pump stations along the existing system. The Anchor Loop Project twinned (or looped) a 159-kilometre (99-mile) section of the existing TMPL system between Hinton, Alberta, and Hargreaves, British Columbia. Two new pump stations were also built as part of Anchor Loop. Together TMPSE and Anchor Loop increased the TMPL capacity up to 300,000 bpd.

Anchor Loop Project

The award winning Anchor Loop pipeline was one of the most challenging pipeline projects to be built in North America. Rugged mountainous terrain, narrow right-of-ways and proximity to existing infrastructure created some of the toughest pipelining conditions in the world. However, the biggest challenge was working in the environmentally sensitive areas of Jasper National Park and Mount Robson Provincial Park (a UNESCO designated Rocky Mountain Parks World Heritage Site). Many view Anchor Loop as a legacy project that surpassed stringent environmental standards and regulations. In 2010, the project received the Alberta Emerald Award for environmental stewardship and responsibility.



Jet Fuel Pipeline System

The Jet Fuel pipeline system transports jet fuel from the Chevron refinery and distribution facilities in the Burnaby area to the Burnaby terminal and then to the Vancouver International Airport terminal.



The 41-km (25-mile) Jet Fuel pipeline system has been in operation since 1969. It includes five storage tanks at the Vancouver Airport terminal with an overall volume of 7155 m³ (45,000 bbl). The system is regulated by the Oil and Gas Commission and the British Columbia Utilities Commission.

Puget Sound Pipeline System

In operation since 1956, the Puget Sound system ships Canadian crude oil and condensates via the TMPL system from Abbotsford, British Columbia, for delivery to Washington State refineries at Anacortes, Cherry Point and Ferndale.

Puget Sound System Facts

- Length: 105 km (65 miles)
- Diameter: 16- to 20-inch
- Capacity: 28 600 m³/d (180,000 bpd)* (approx.)
- Transit time: one day (approx.)
- Pump stations: one
- Regulator: U.S. Department of Transportation Office of Pipeline Safety and the Federal Energy Regulatory Commission

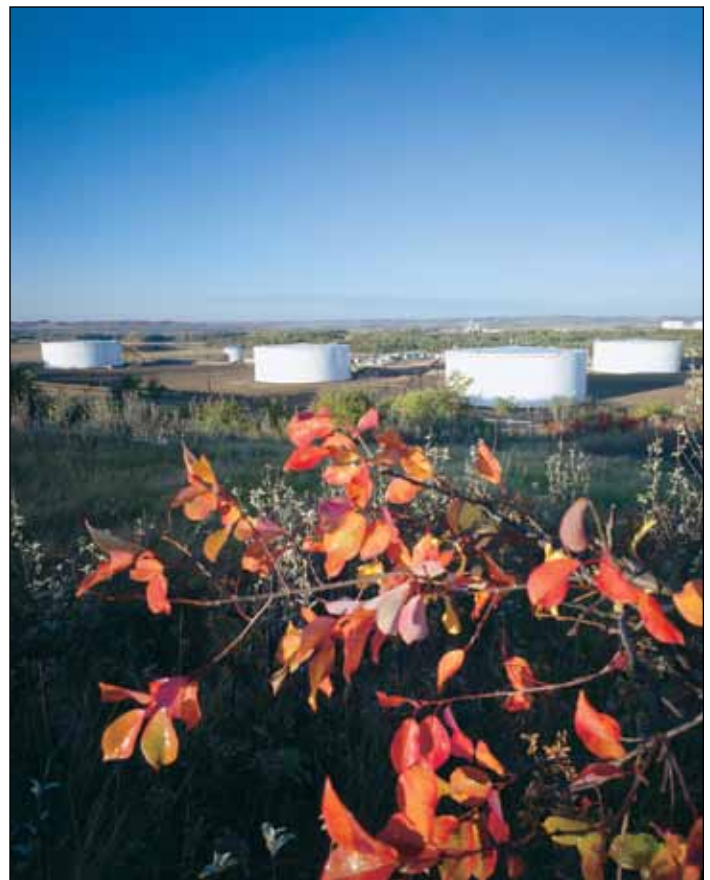
* Puget Sound capacity, as shown, is limited to a combined delivery capability of heavy and light petroleum to both Anacortes and Ferndale/Cherry Point.

Express & Platte Pipeline Systems

The Express-Platte system consists of two crude oil pipelines — the Express pipeline and the Platte pipeline. This 2700-km (1,700-mile) integrated oil transportation network connects Canadian and U.S. producers to refineries in the Rocky Mountain and Midwest regions of the United States.

Express Pipeline System

In operation since 1997, the Express pipeline receives a variety of light, medium and heavy crude oil produced in western Canada at Hardisty, Alberta, a rapidly growing Canadian oil hub, and delivers them to markets in Montana, Wyoming, Utah and Colorado. The Express pipeline interconnects with the Platte pipeline system at Casper, Wyo.



Express System Facts

- Length: 1263 km (785 miles)
- Diameter: 24-inch
- Capacity: 44 800 m³/d (280,000 bpd) (approx.)
- Transit time: 12 days (approx.)
- Pump stations: 19
- Regulator: National Energy Board (Canadian segment), and U.S. Department of Transportation Office of Pipeline Safety and the Federal Energy Regulatory Commission (U.S. segment)

Platte Pipeline System

In operation since 1952, the Platte system transports crude oil from Casper, Wyo., to Wood River, Ill. While entirely located in the United States, the system is operated by Kinder Morgan Canada.



Platte System Facts

- Length: 1500 km (932 miles)
- Diameter: 20-inch
- Capacity: 26 000 m³/d (164,000 bpd) from Casper to Guernsey, and 23 000 m³/d (145,000 bpd) from Guernsey to Wood River (approx.)
- Transit time: 15 days (approx.)
- Pump stations: 19
- Regulator: U.S. Department of Transportation Office of Pipeline Safety and Federal Energy Regulatory Commission

Cochin Pipeline System



In operation since 1979, the Cochin pipeline system transports propane from Fort Saskatchewan, Alberta to Windsor, Ontario. In the United States, Cochin passes through North Dakota, Minnesota, Iowa, Illinois, Indiana, Ohio and Michigan before crossing into Sarnia, Ontario.

Cochin System Facts

- Length: 2927 km (1,819 miles)
- Diameter: 12-inch
- Capacity: 11 000 m³/d (70,000 bpd) (approx.)
- Pump stations: 31
- Propane Terminals: five
- Storage cavern: one in Windsor
- Regulator: National Energy Board in Canada and the Federal Energy Regulatory Commission in the United States.



TERMINAL BUSINESS IN CANADA

Headquartered in Calgary, Alberta, Kinder Morgan Canada Terminals LP (KMCT) is a subsidiary of Kinder Morgan.

KMCT owns and operates two strategically located terminals in western Canada.

Vancouver Wharves

Ideally located in Port Metro Vancouver in Vancouver, British Columbia, this state of the art marine terminal handles over 3 million tons of bulk cargo annually including sulphur, mineral concentrates, wood pellets and specialty agricultural products. In addition, the facility has recently added liquids rail and truck equipment that will facilitate

the import, export and storage of diesel fuel, jet fuel and other petroleum liquids. Vancouver Wharves is connected to the three major rail companies as well as all major highway routes in western Canada.

North Forty Terminal

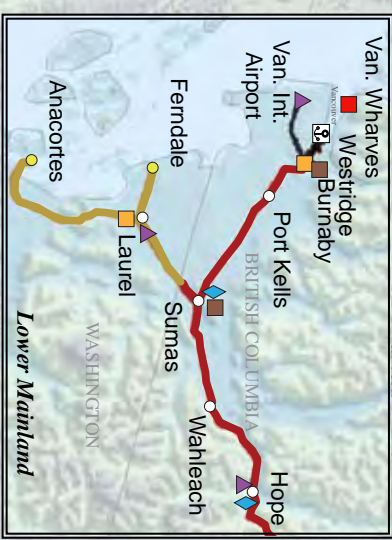
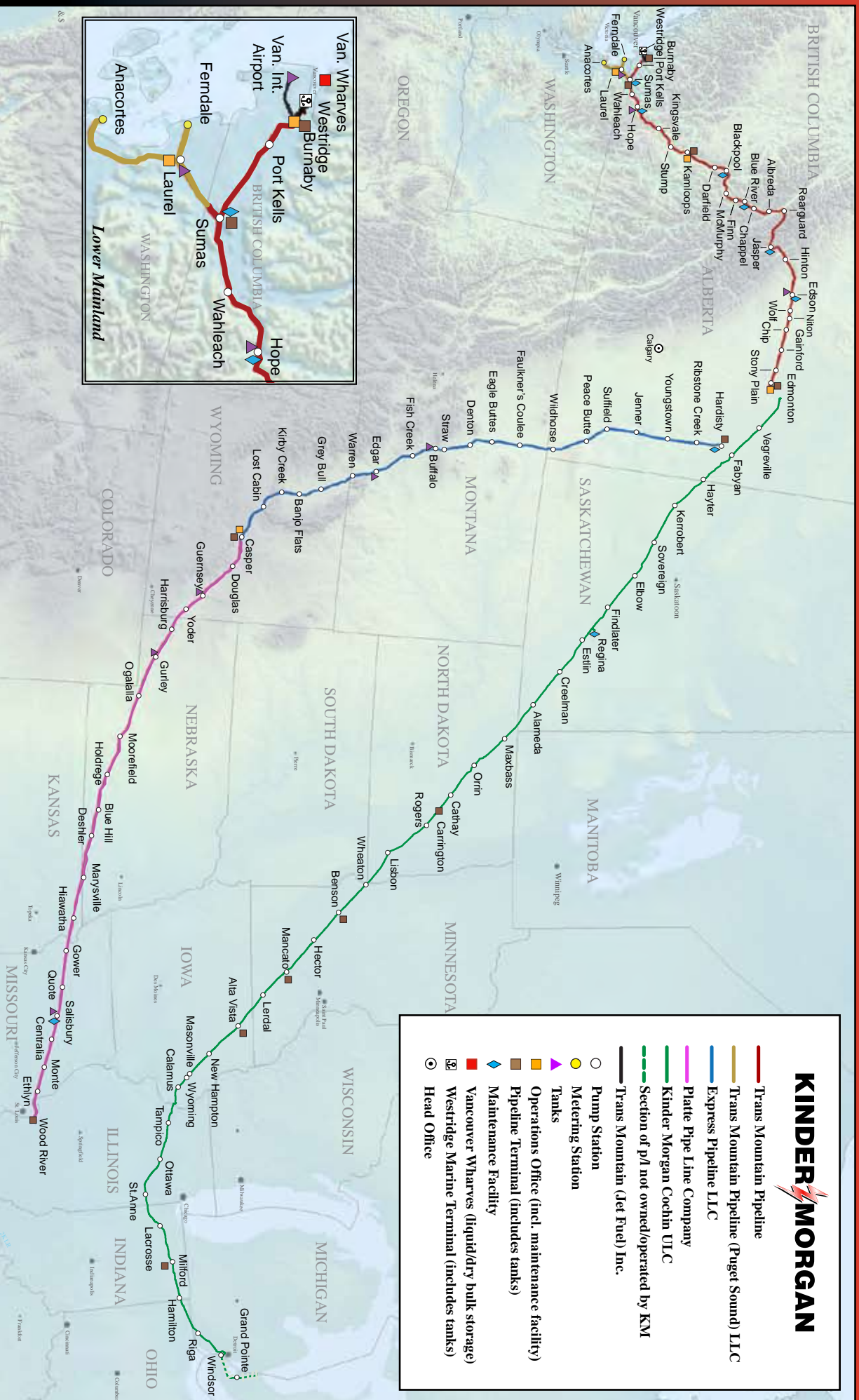
Located in Strathcona County, east of Edmonton, Alberta, the North Forty terminal provides storage and blending services for both crude oil and refined products. The 349 772 m³ (2.2 million-barrel) facility was placed in service in early 2008 and is connected to a major pipeline hub with connections to the major feeder pipelines and to all export pipelines. KMCT is planning to expand the facility to meet the needs of continued growth in Alberta's oil and gas industry.



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Data presented in this document are approximate in nature and are based on current public information regarding the respective pipeline systems and terminal facilities. Please note pipeline capacity is influenced by the density of the products shipped.



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