March 21, 2025

Dear Secretaries Burgum and Wright:

Thank you for your time today. I wanted to memorialize the views I shared about two key goals of the Trump Administration: addressing trade imbalances and securing energy dominance.

By way of background, Kinder Morgan is the largest U.S.-headquartered energy infrastructure company. We own an interest in or operate approximately 79,000 miles of pipelines, primarily transporting natural gas, and 702 billion cubic feet (Bcf) of working natural gas storage capacity. We transport approximately 40% of U.S. natural gas including approximately 45% of the gas moved to liquefied natural gas (LNG) export facilities. Over 99% of our assets and operations are in the US.

We are currently investing more than $7 billion (including three large projects referenced below) in U.S. natural gas infrastructure projects to support growing domestic and export demand.

We support the Administration's focus on using tariffs to level the trade playing field and bring industry back to the United States. We also support using the funds raised by tariffs to reduce our national debt and lower taxes.

Unfortunately, Kinder Morgan got caught in the middle. Last year, we signed commercial contracts on three large projects, committing to spend more than $6 billion in capital expenditures to support our customers. As is customary in our business these agreements establish our rates, and therefore the revenues associated with those projects. We take the cost risks associated with building the project. Two of these projects require FERC permits which can take up to two years to obtain.

Although we were able to secure approximately 80% of our pipe domestically, the slab for the other 20%, which has a greater wall thickness, cannot currently be formulated in the U.S. Other components also have issues. For example, we are buying most of our compression from Caterpillar but some of their fabrication is done in the U.S. and some in Mexico.

Our project costs have increased substantially due to the announced tariffs, even for purely domestically sourced materials where similar foreign sourced materials are expected to be subject to tariffs. Our costs will increase even more dramatically when the reciprocal tariffs are imposed, which reportedly will be additive to the current steel tariffs.

We cannot cover those increases in what we charge our customers for these projects, which will primarily support domestic power demand and LNG exports. Instead, these increased project costs will cause our expected return on investment (ROI) to deteriorate. If our ROIs become unattractive, our investors will not want us to do these types of projects, and our board will not sanction them.

As one of the largest and most efficient owners and builders of new natural gas pipelines, we would like to respectfully propose an exclusion from tariffs for U.S. energy infrastructure projects that have:

- more than $1 billion in capital costs; and,
- commercial agreements in place before 1 January 2025.

With respect to permitting, we will send our list of ideas to expedite permitting to Jarrod and Andy, as well as ultimately Blake Deeley at the Energy Dominance Council. We believe all these items are within the respective agencies' control and do not require legislative action.

I appreciate your time today and your consideration of our proposals. Please let me know if I can provide any additional information that would be helpful.

Sincerely,

Kim Dang, Chief Executive Officer