



Tennessee Gas Pipeline  
Company, L.L.C.  
a Kinder Morgan company

October 2, 2013

New England States Committee on Electricity  
4 Bellows Road  
Westborough, MA 01581

Attention: Heather Hunt

Re: Black & Veatch – Phase III study for New England States Committee on Electricity  
Natural Gas Infrastructure and Electric Generation; Proposed Solutions for New England

Dear Ms. Hunt:

We are writing to offer our support and comments in connection with the New England States Committee on Electricity (NESCOE) initiative to evaluate infrastructure enhancements in New England and, in particular, the Phase III Black & Veatch report dated August 26, 2013 that was prepared for NESCOE (“Black & Veatch Report”). While we agree with the Black & Veatch Report conclusion that a cross-regional natural gas pipeline will benefit the New England region more than the alternatives, Kinder Morgan believes that the estimated costs for that infrastructure cited in the report are based on insufficient classes of relevant data and are therefore understated.

Kinder Morgan is the largest natural gas transporter and largest natural gas storage operator in North America with approximately 70,000 miles of pipeline and 643 Bcf of operated storage, including 18 Bcf of equivalent LNG storage capacity. Kinder Morgan plays a significant role in meeting the nation’s long-term natural gas transportation needs as our pipelines are connected to every important natural gas resource play, including the Eagle Ford, Marcellus, Utica, Uinta, Haynesville, Fayetteville, Barnett, Mississippi Lime and Woodford producing shale formations and serve the major consuming markets of the United States.

Kinder Morgan owns and operates Tennessee Gas Pipeline Company LLC (“Tennessee”), a 13,900 mile natural gas pipeline system with approximately 92 billion cubic feet (Bcf) of storage capacity and a design deliverability of approximately 8.0 Bcf per day across markets in South Texas, the Southeast, the Mid-Atlantic, and New England. Tennessee provides natural gas transportation service to a variety of customers, including natural gas distribution and industrial companies, electric generation companies, natural gas producers, and natural gas marketing and trading companies in New England. In 2012, Tennessee delivered approximately 390 Bcf to New England natural gas users.



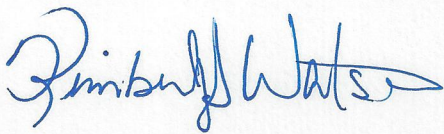
Kinder Morgan has extensive experience in constructing new pipeline infrastructure across North America, including in the Northeast U.S. In just the last two years, we have successfully implemented several new natural gas pipeline projects consisting of over 200 miles of new pipeline and almost 60,000 horsepower of new compression. The cost per mile of each project varies significantly with the location of the pipeline, overall scope of the project, the mitigation measures and construction techniques undertaken to protect environmental resources, the particular geography and land uses to be traversed, and labor, construction, and equipment costs. Across the industry, each natural gas pipeline development and construction project is unique. An accurate estimate of the cost to develop and construct a new pipeline requires extensive consultation with permit agencies, ground surveys, quotes based on current market prices for material and services, and a review of recent costs of actual project completion in the locations of the project. These types of detailed, project-specific cost estimation appear to have not been undertaken for purposes of the Black & Veatch Report.

Kinder Morgan agrees with the Black & Veatch Report finding that a new natural gas pipeline will provide much needed reliability to the region. We also agree that, by providing New England with additional pipeline infrastructure and enhanced access to Marcellus supply, gas prices and price volatility will be reduced in the region. However, Kinder Morgan believes it is important that NESCOE understand that the actual costs of a specific project may vary significantly from the limited cost estimation reflected in the Black & Veatch Report.

We look forward to additional discussions regarding the many benefits a new natural pipeline and, in particular, Tennessee's proposed New England Expansion Project will bring to the New England region and its economy.

If you have any questions or need further assistance, please contact me at 713-369-9233.

Sincerely,



Kimberly S. Watson  
President, Tennessee Gas Pipeline