Southern Natural Gas Company, L.L.C.
a Kinder Morgan operated company

Southern Natural Gas Company

Firm Customer Meeting

September 6, 2018

Forward Looking Statements

This presentation contains forward-looking statements. These forward-looking statements are identified as any statement that does not relate strictly to historical or current facts. In particular, statements, express or implied, concerning future actions, conditions or events, future operating results or future production or available capacity are forward-looking statements. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Future actions, conditions or events and future results of operations of Kinder Morgan, Inc. may differ materially from those expressed in these forward-looking statements. Many of the factors that will determine these results are beyond Kinder Morgan's ability to control or predict. These statements are necessarily based upon various assumptions involving judgments with respect to the future, including, among others, the ability to achieve synergies and revenue growth; national, international, regional and local economic, competitive and regulatory conditions and developments; technological developments; capital and credit markets conditions; inflation rates; interest rates; the political and economic stability of oil producing nations; energy markets; weather conditions; environmental conditions; business and regulatory or legal decisions; the pace of deregulation of retail natural gas and electricity and certain agricultural products; the timing and success of business development efforts; terrorism; and other uncertainties. There is no assurance that any of the actions, events or results of the forward-looking statements will occur, or if any of them do, what impact they will have on our results of operations or financial condition. Because of these uncertainties, you are cautioned not to put undue reliance on any forward-looking statement. Please read "Risk Factors" and "Information Regarding Forward-Looking Statements" in our most recent Annual Report on Form 10-K and our subsequently filed Exchange Act reports, which are available through the SEC's EDGAR system at www.sec.gov and on our website at www.kindermorgan.com.

Agenda

Business Session, 8:00 – 11:15 a.m.

Welcome	Norman Holmes, President
Pipeline Management	Tom Dender, VP
Transportation Services	Gina Mabry, Director
(Break)	
Gas Market Outlook	Kristy Kramer, Wood Mackenzie
Business Development	Devy Traylor, Director
Announcements	Janice Parker, VP

SNG Rate Case Settlement Overview

- SNG was required to file a rate case by February 28, 2018 with new rates to be effective September 1, 2018
  - Per terms of 2013 rate case settlement
- Pre-filing settlement efforts began in August 2017
  - SNG and its customers actively engaged in negotiations in the fall of 2017
  - Negotiations were finalized after the Tax Cuts and Jobs Act of 2017 was decided and passed by Congress
- SNG filed a pre-filing settlement on March 12, 2018
  - FERC approved on May 30, 2018

SNG Rate Case Settlement Overview

- Major elements of settlement
  - 1% decrease from current transport and storage rates effective September 1, 2018
  - 8% decrease from current transport and storage rates effective September 1, 2019 (7% additional reduction)
  - 3 year rate moratorium and 3 year contract extensions through August 31, 2021
  - Section 4 rate case comeback in 6 years (new rates to be effective September 1, 2024)
    - If there is a full Section 5 proceeding after 3 year moratorium but before September 1, 2024, then comeback requirement is negated
  - Settlement document clearly states that the settlement rates take into consideration the new 21% federal income tax rate (vs. prior 35% federal income tax rate)
- The Settlement was supported/unopposed by all Customers

Pipeline Management

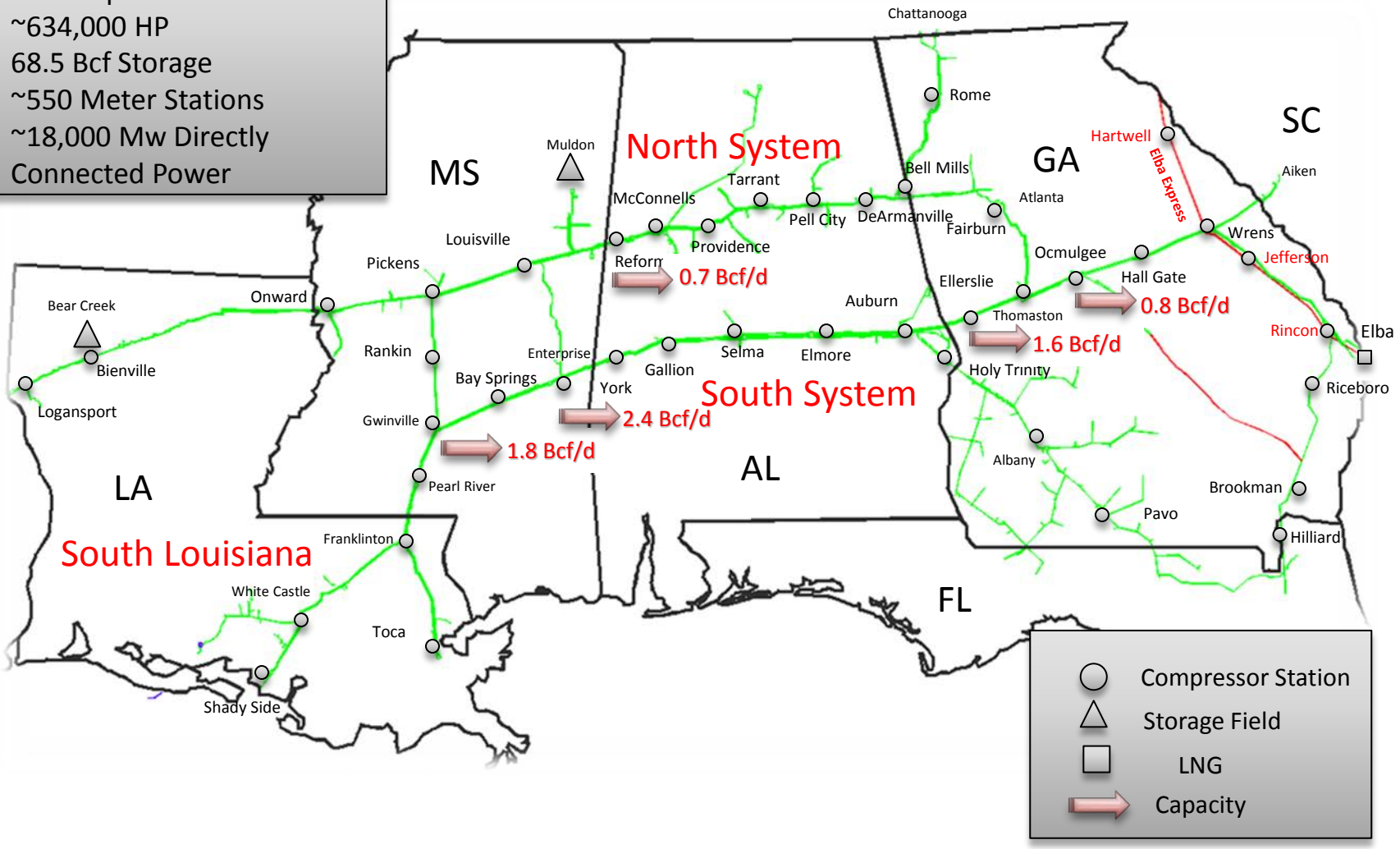
Tom Dender
Vice President

Agenda

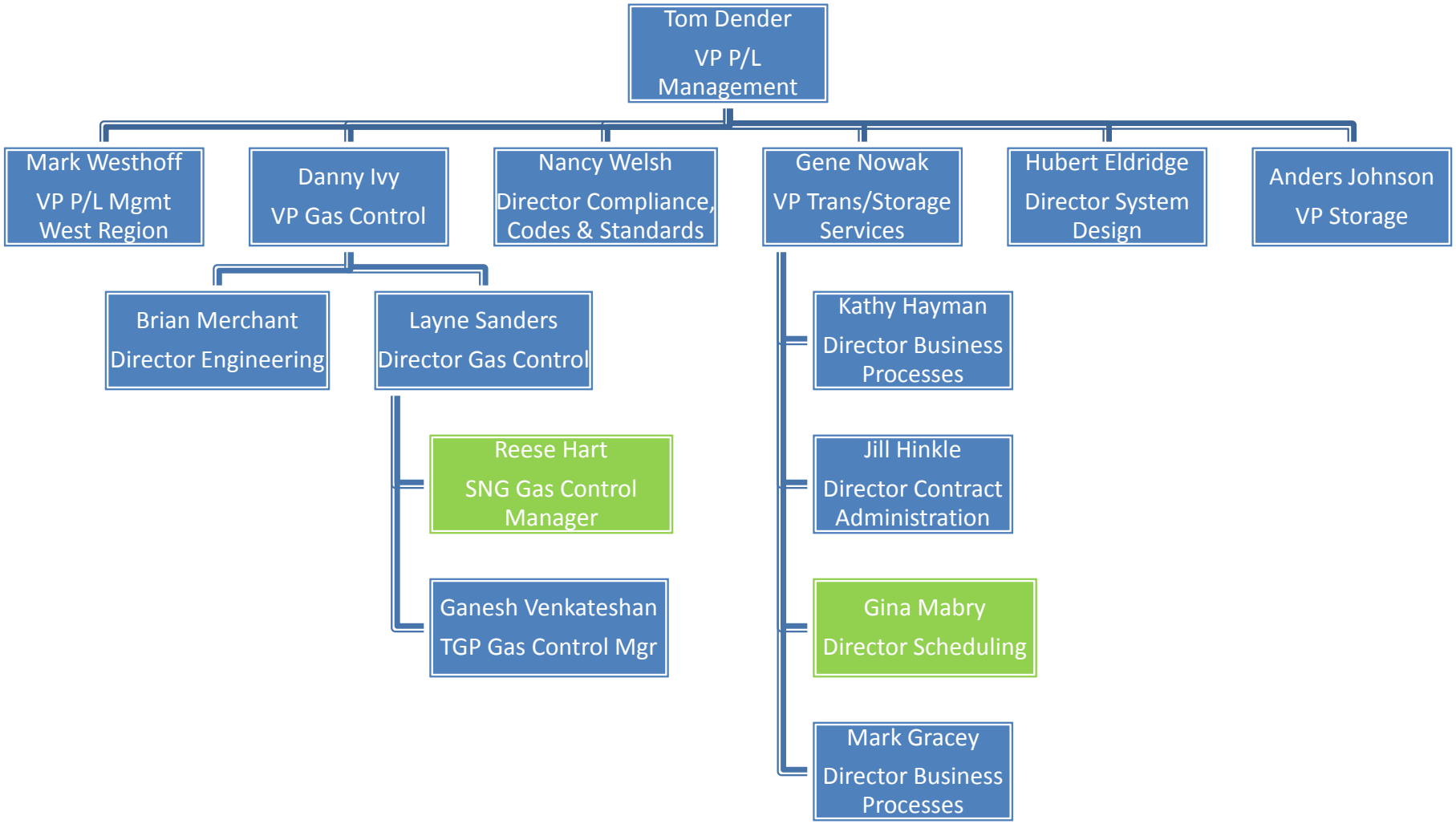
- System Overview
- Pipeline Management
- Operations and Integrity Update
- Storage

Southern Natural Gas System

- ~6900 Miles of Pipeline
- 42 Compressor Stations
- ~634,000 HP
- 68.5 Bcf Storage
- ~550 Meter Stations
- ~18,000 Mw Directly Connected Power



Pipeline Management Team



Changes

- Some Things are Changing
  - Regulations
  - Public interest in pipelines and expansion projects
  - Workforce (Boomers, Gen X, Millennials, TBD)
  - Technology related to Integrity

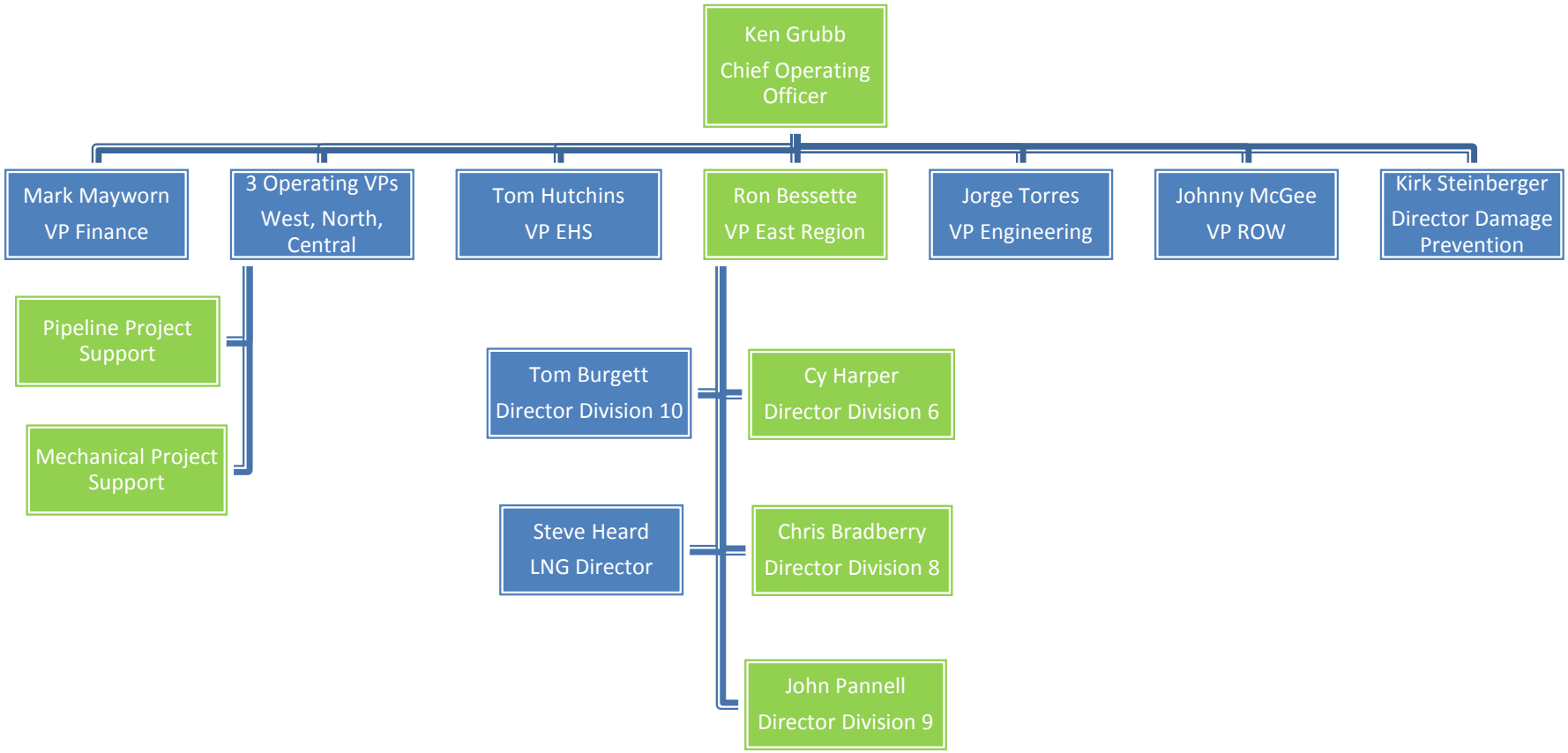
- And…..Some Things Aren't
  - Customer focus
  - Strong system utilization
  - Attention to detail (operations, pipeline integrity, cost control)
  - Focus on safe, reliable and compliant operations
  - Strive to be the Pipeline of Choice

Pipeline Management Focus

- Capacity Optimization
- Maintenance Planning
- Standardization and Efficiency of Processes
- Customer Interface Improvements (DART/EDI)
- Workforce Planning

SAFE, RELIABLE and COMPLIANT OPERATIONS

Field Operations Team



Operations Update

- Damage Prevention Efforts
  - Dedicated Staff - Detailed Procedures
  - ROW College
    - In-house damage prevention training
  - CALL BEFORE YOU DIG – **CALL 811**

811 Know what's below. Call before you dig.

- Regulations
  - PHMSA Safety of Gas Transmission and Gathering Pipelines (aka - Mega Rule)
    - Expansion of existing pipeline integrity requirements
  - API RP 1170 and 1171 – Underground Storage Integrity
    - Addresses design, construction, risk assessment, operation, monitoring, maintenance and documentation
  - API RP 1173 – Pipeline Safety Management System (PSMS)
    - Framework to manage risk, promote learning, and continuously improve pipeline safety, and integrity

Operations Update

- OMS – Operations Management System
  - Long standing management oversight committee
  - Kinder Morgan's method of compliance with API – 1173
- Employee and Contractor Safety Efforts
  - "Are You Ready" Campaign
    - Awareness focused safety campaign – topical in nature
  - Annual Contractor Safety Award
- Expansion Project Integration
  - Hiring/Training
  - Procedure Development
  - Commissioning/Operation/Optimization

Fairburn Expansion

Elba Express Company, L.L.C.
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Hartwell Compressor Station – Unit #5

Elba Express Company, L.L.C.
a Kinder Morgan company

Jefferson Compressor Station

Elba Liquefaction

IHI

H1502610 - Elba Liquefaction Project

Image # 10
Date : 05.23.2018
888.542.0231

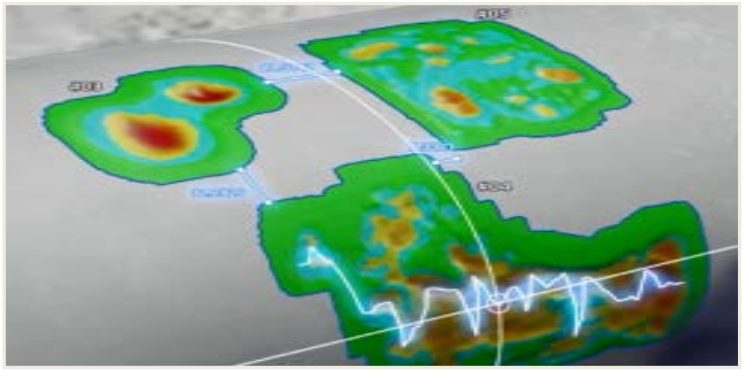
Pipeline Integrity

- ILI Technology Continues to Evolve
  - Stress Corrosion Cracking
    - Successfully utilized for Wrens Savannah 2nd Loop remediation
    - XCT (x-ray computed tomography)
  - Strain Analysis utilizing IMU (inertial mapping unit)
    - Geohazard management
  - Wrinkle Bends

TDW Multiple Dataset Tool w/ SpirALL® MFL Technology

Pipeline Integrity (cont'd)

- "In the Ditch" Anomaly Mapping
  - Laser surface scanning

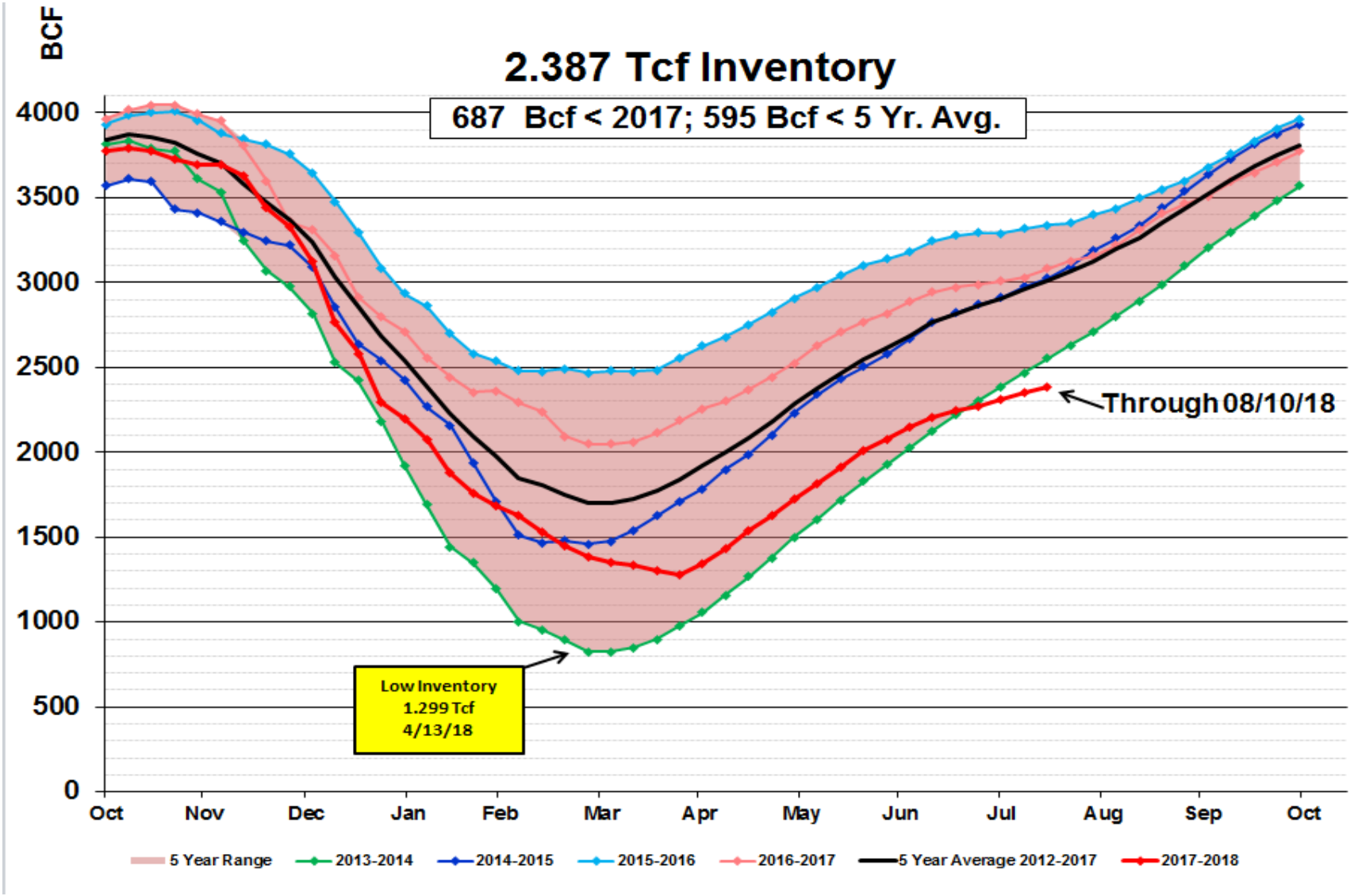


- 2018 ILI Progress
  - Planned – 23 segments, 750.7 miles
  - Completed – 17 segments, 622.2 miles (82.9%)
- 2019 Tentative Plan
  - 45 Segments – 1,181 Miles
  - Largely driven by 7 year PHMSA time-based inspection period

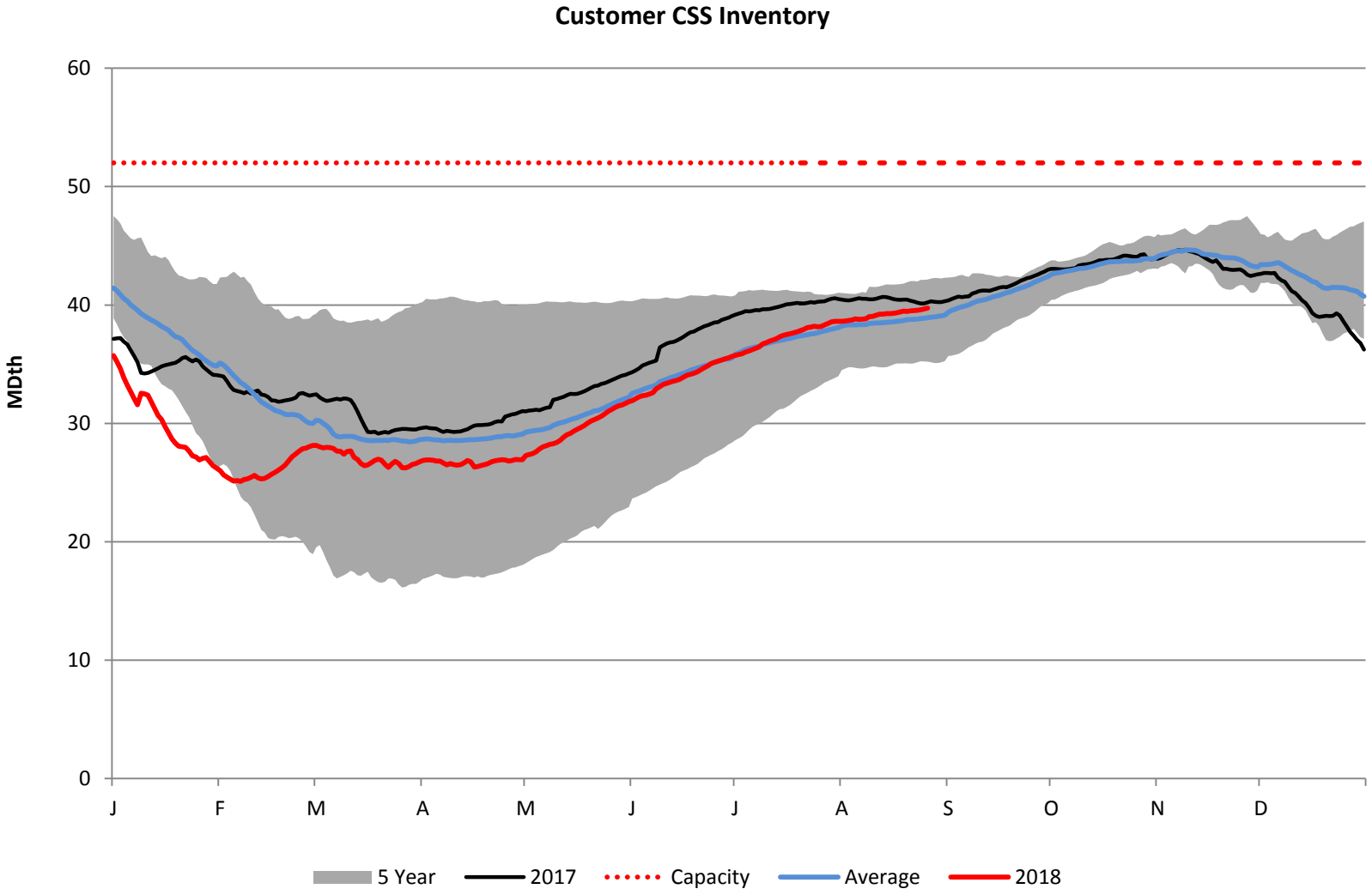
Pipeline Integrity (cont'd)

- Storage Field Integrity Plans
  - Plans will address wells, wellhead, lead and lateral lines in the storage fields
- Storage Wells/Wellheads
  - IFR for API 1170 and 1171 effective 1-18-18
  - Well risk assessment model developed and implemented
  - New storage procedures in place prior to 1-18-18
- Storage Field Lead and Lateral Lines
  - Comprehensive plan development underway for field lead and lateral lines
  - Integrity plan could contain a combination of ILI, hydrotesting, pipe replacement, corrosion coupon monitoring, corrosion inhibitor injection, etc.
- Records Management/Training Development Ongoing

National Storage Activity



CSS Inventory



Transportation Services

Gina Mabry
Scheduling Director

Agenda

- Transportation Services
- Pipeline Throughput - Year in Review
  - Summer Review
  - Winter Review
  - Operational Flow Orders
- Getting Ready for Winter 2018/2019

Scheduling Management Team SNG & TGP

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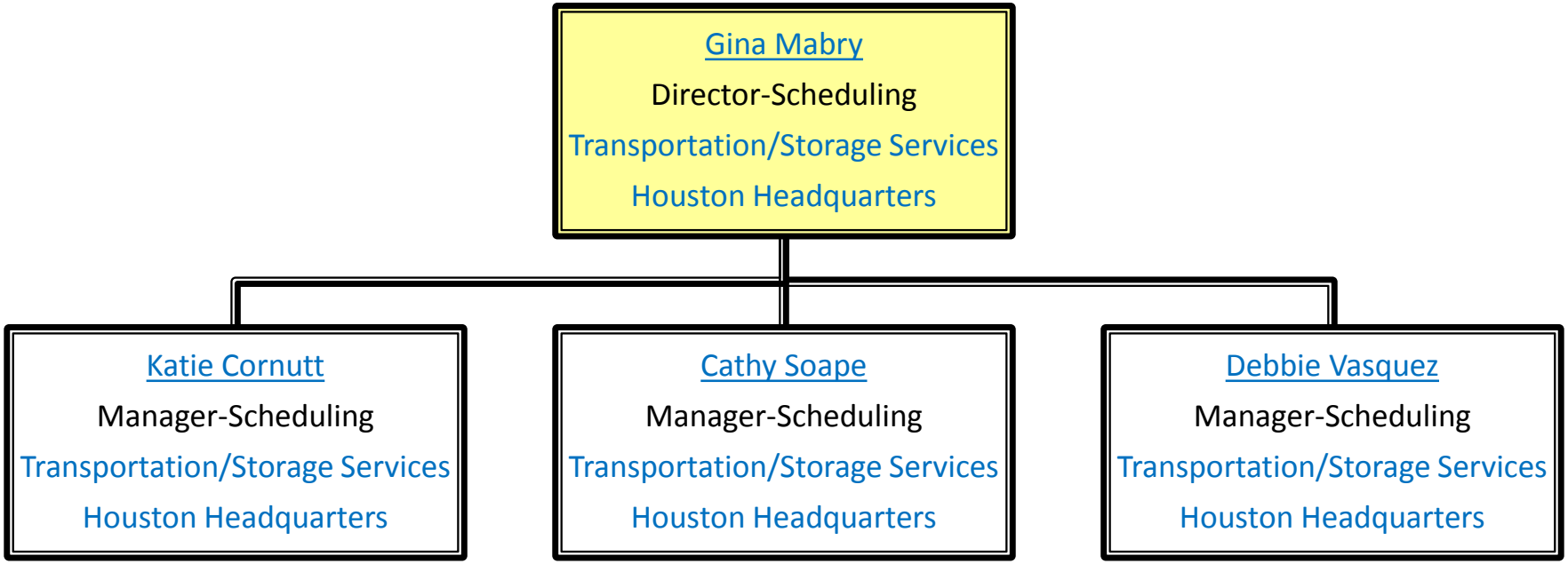

Transportation/Storage Services (TSS) Cross-Training Initiative

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- In October 2017, SNG Scheduling reorganized its scheduling team
  - Katie Cornutt – Manager, Daily Scheduling Reps for SNG
  - Cathy Soape – Manager, Evening & Weekend Scheduling Reps for SNG & TGP

- In Winter 2017, TSS began an effort to cross-train the Scheduling Managers and the SNG/TGP evening & weekend team
  - Management On–Call Rotation effective April 2018
  - Katie Cornutt, Cathy Soape, & Debbie Vasquez (TGP DSR Manager) now share coverage responsibility on a weekly rotation
  - The evening schedulers are cross-trained to cover TGP & SNG

SNG Customer Working Group

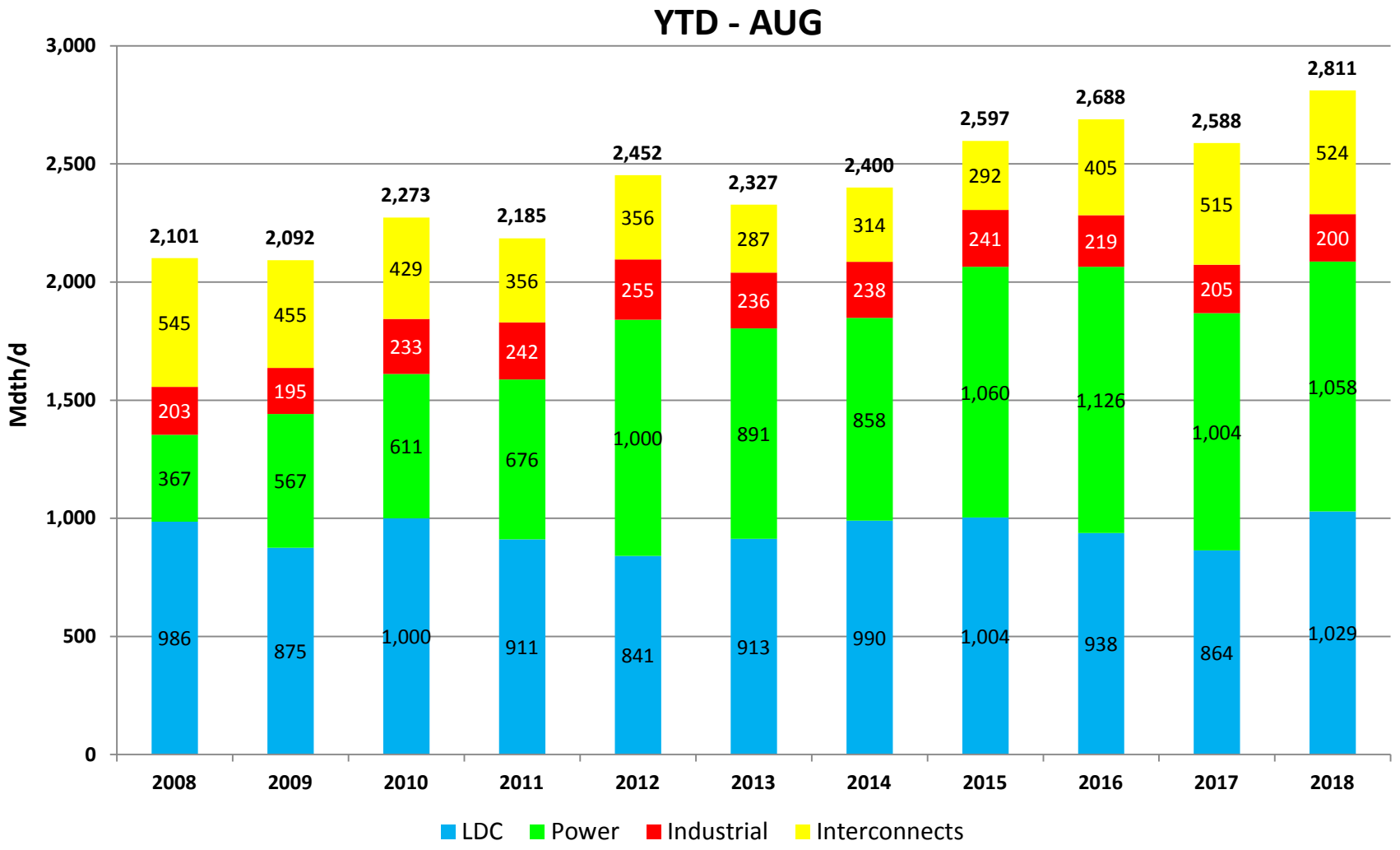
- **Purpose**: Creates a forum for customer feedback on DART system enhancements and SNG updates
- **Established** in April 2016 during the transition from Premier to DART computer system
- **Comprised of** 20 member companies and 13 internal SNG members; 41 members total
- **Quarterly meetings** via WebEx & an annual Face-to-Face Meeting to discuss current business and member's enhancement requests
- **Enhancements** - 24 completed since group formation and 5 currently in-progress to be completed this year

Pipeline Throughput: Year in Review

2018 YTD August

- Total System Deliveries are averaging all time high of 2,811 MDth/d
- January was the all time record delivery month
- Highest LDC throughput year to date
- Outages completed on a timely schedule
- Customer storage fill on track

Average Daily Deliveries



Year on Year Deliveries*
(MDth/d)

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	2018 YTD August	2017 YTD August	% Change
LDC	1,029	864	19.1%
Power	1,058	1,004	5.4%
Industrial	200	205	-2.4%
Interconnects	524	515	1.7%
TOTAL	2,811	2,588	8.6%

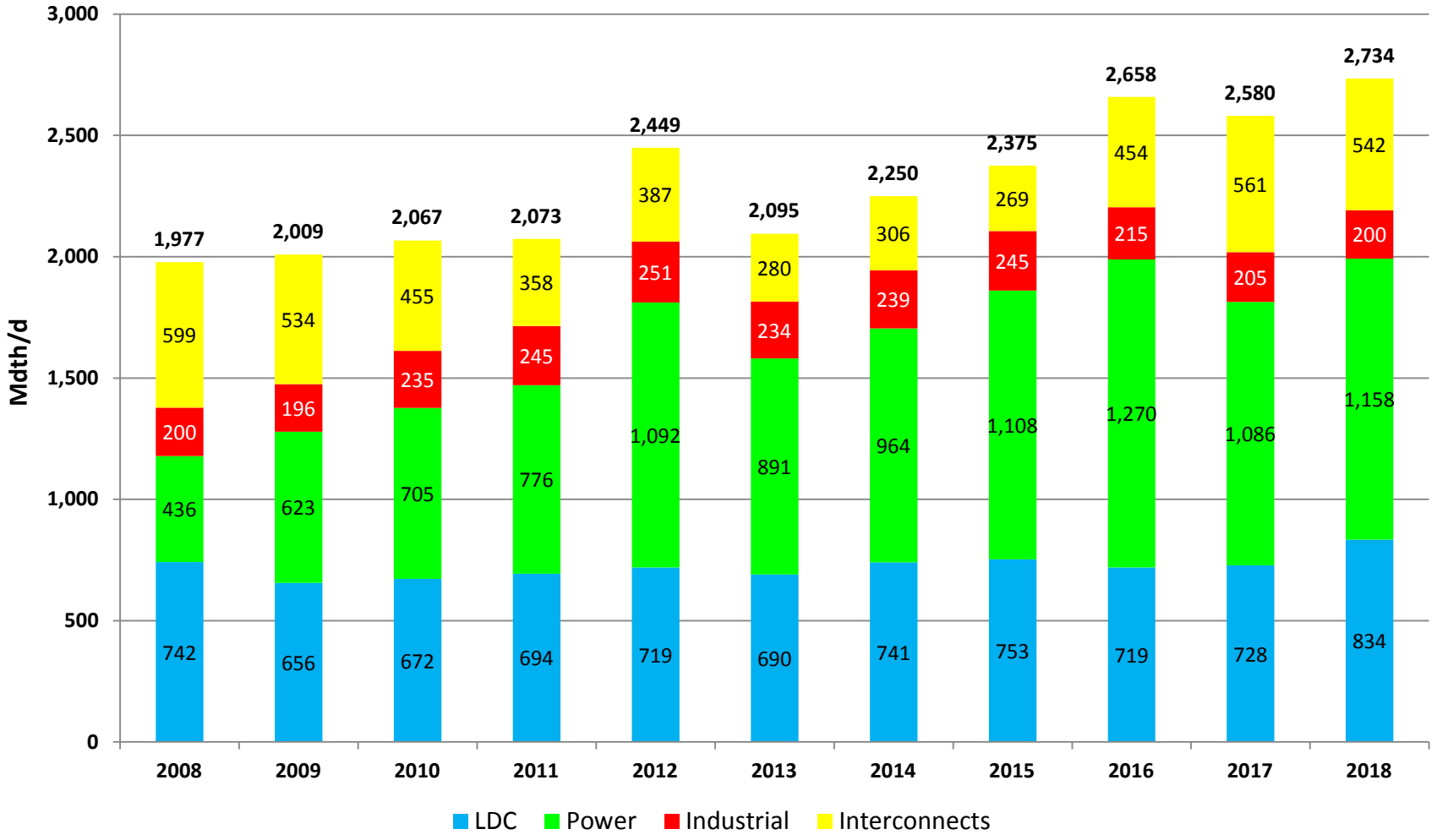
*EXCLUDES DELIVERIES INTO STORAGE

2018 Summer Overview

2018 Summer Overview

- Total System Deliveries averaged 2,734 MDth/d
- Cooler than average April; Warmer than average May
- Highest LDC summer on record (April-August)
- Power generation on August 6, 2018 was 16th highest

Average Daily Deliveries
April – August



Summer Cooling Degree Days (CDDs*) 2016-2018

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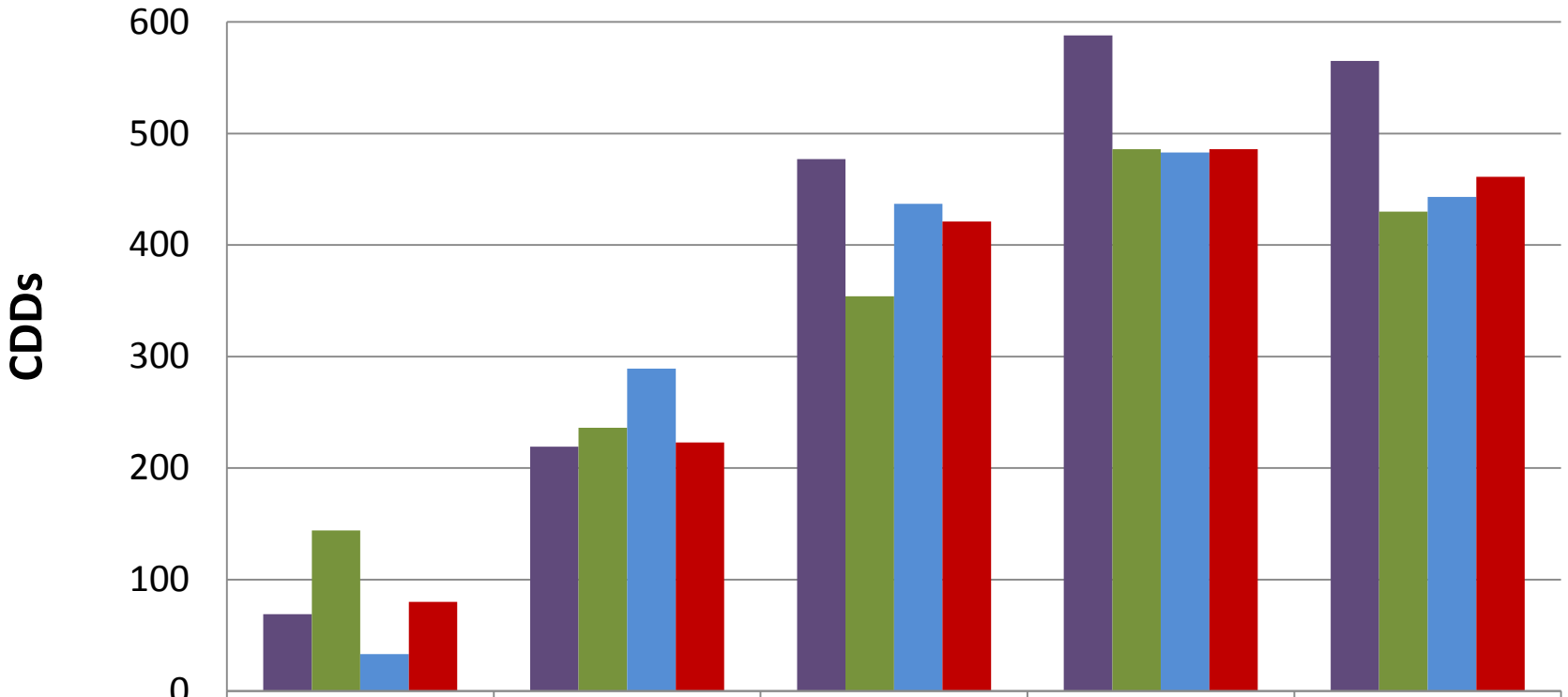
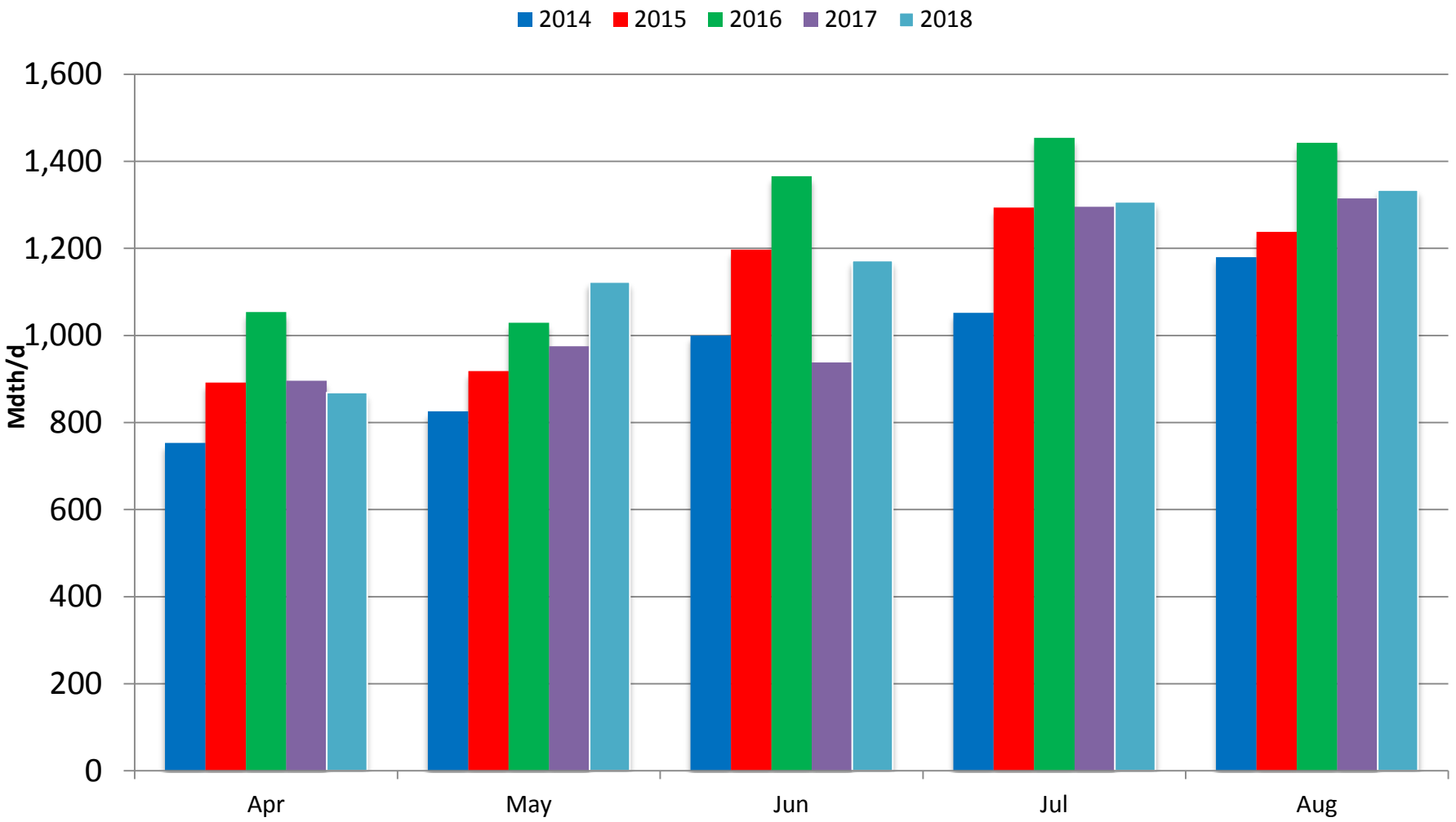


	April	May	June	July	August
2016	69	219	477	588	565
2017	144	236	354	486	430
2018	33	289	437	483	443
10 Year Average	80	223	421	486	461

*CDD = System Mean Temperature Minus 65 Degrees

Summer Average Daily Power Demand



Power Generation in the Summer Has a Correlation to Weather

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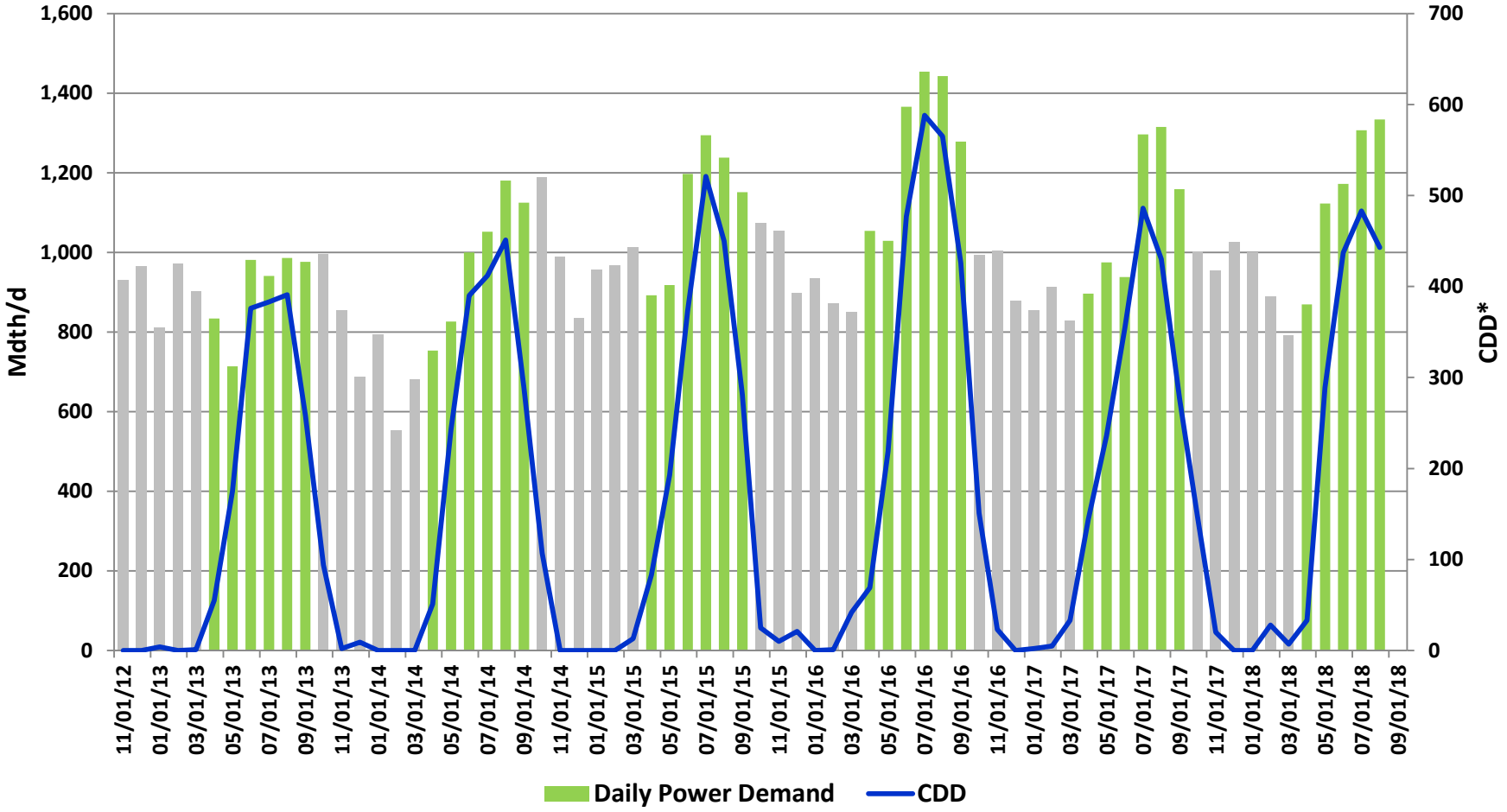
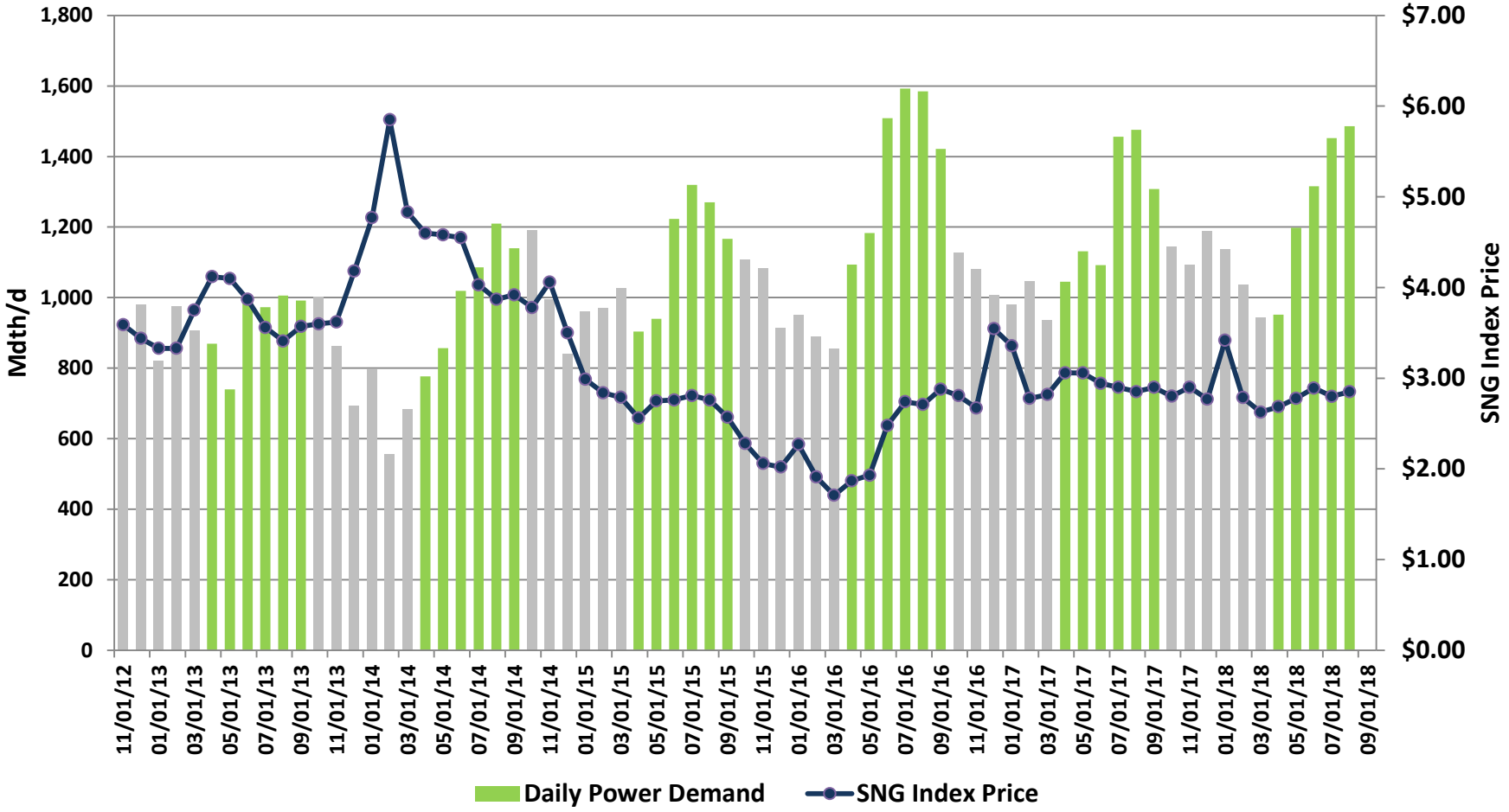
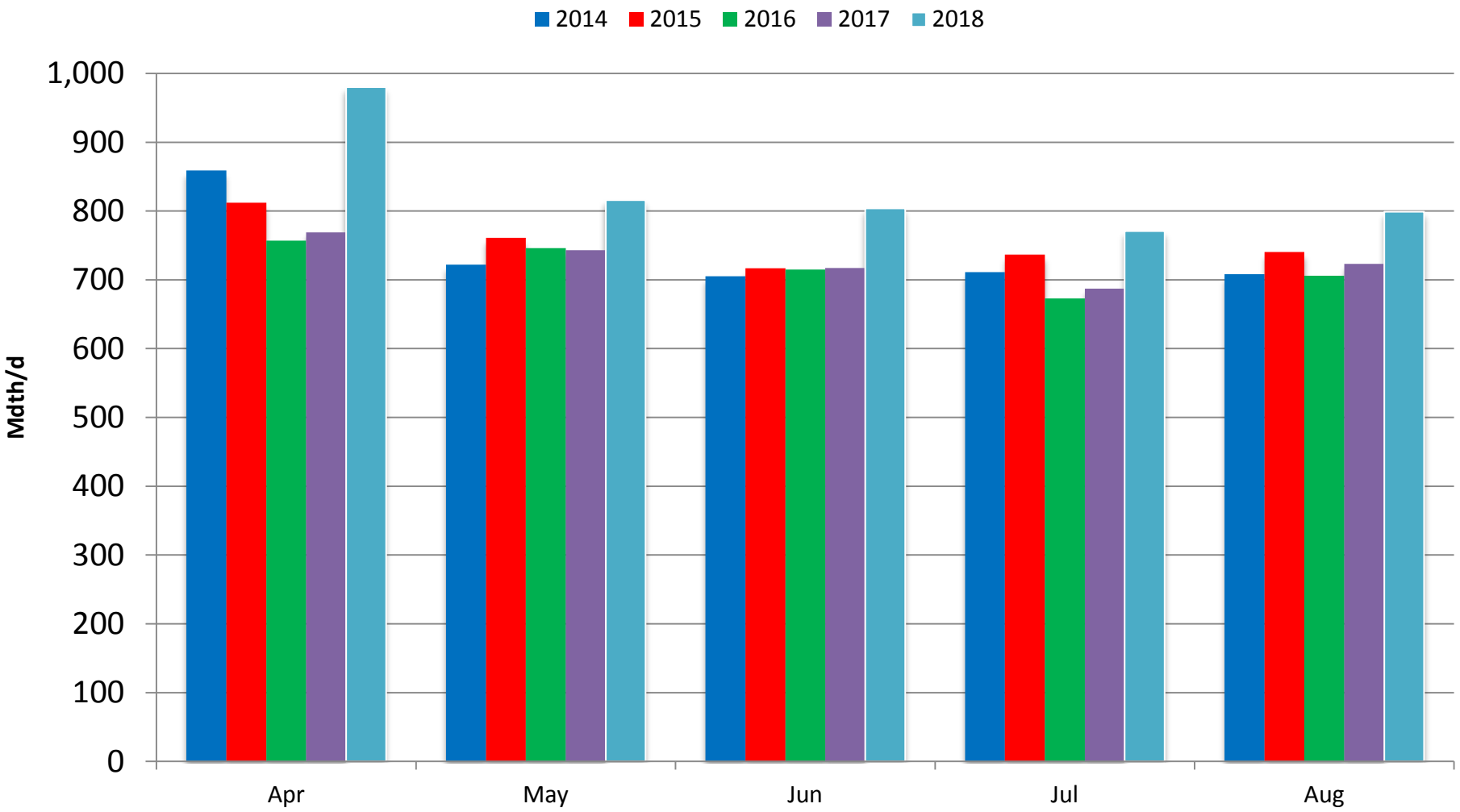


*Cooling Degree Day (CDD) = System Mean Temperature Minus 65 Degrees

Power Demand vs Gas Prices



Summer Average Daily LDC Demand



April-August Deliveries*
(MDth/d)

Southern Natural Gas Company, L.L.C.
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	2018 Apr-Aug	2017 Apr-Aug	% Change
LDC	834	728	14.6%
Power	1,158	1,086	6.6%
Industrial	200	205	-2.4%
Interconnects	542	561	-3.4%
TOTAL	2,734	2,580	6.0%

*EXCLUDES DELIVERIES INTO STORAGE

2017-2018 Winter Review

Winter Review

- SNG's facilities performed well during the extended cold
  - Compressor stations staffed 24x7 as needed
  - Horsepower reliability
    - Selma back in service a month early
- Extended cold and system overtakes left limited windows for system recovery
- Storage assets were heavily utilized
- Freeze offs created system challenges
- Where does January 2018 rank?
    - New peak day record - January 17, 2018
    - Highest month on record
    - Third highest LDC month on record

Average Daily Deliveries Nov – Mar

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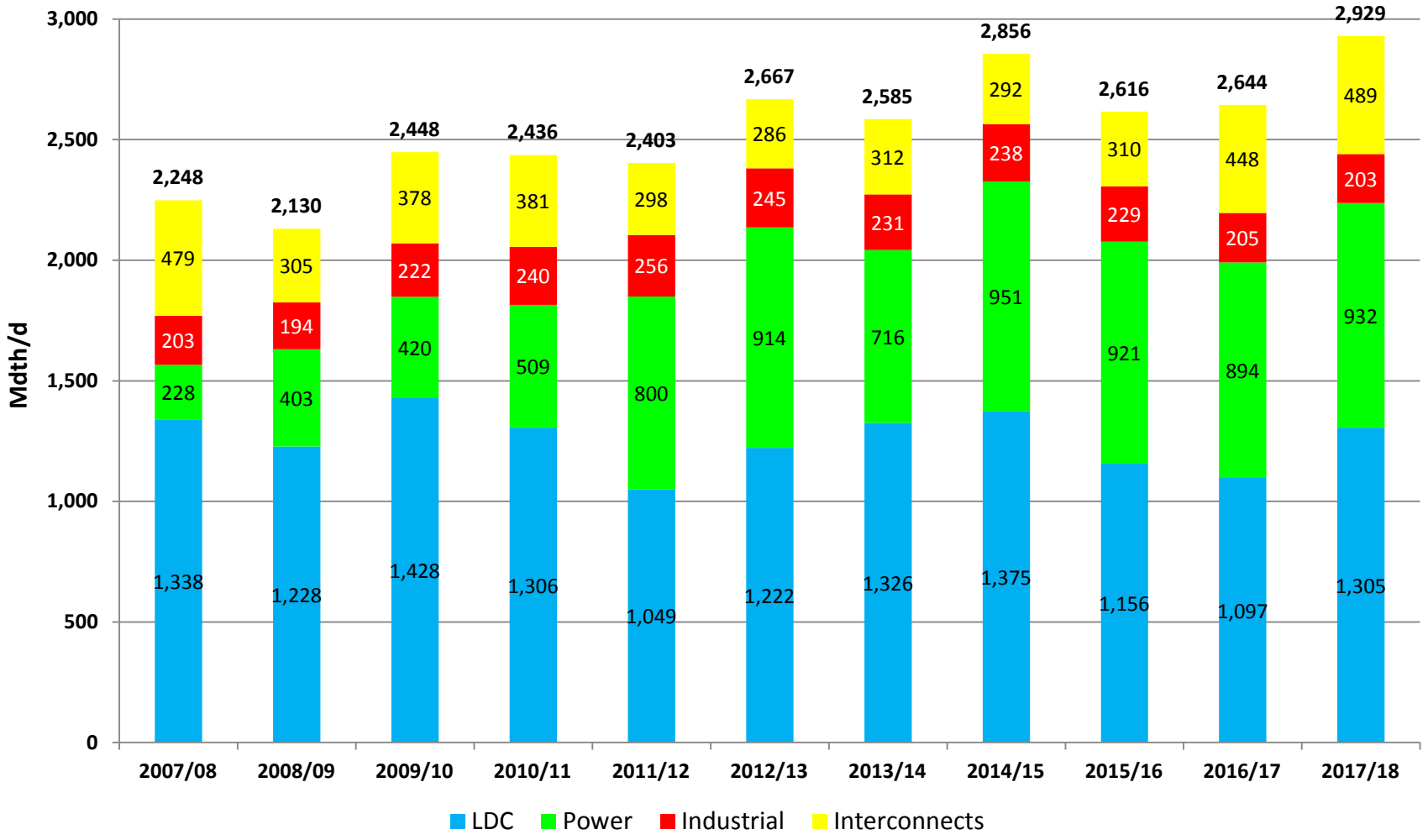
a Kinder Morgan operated company



Winter Heating Degree Days (HDDs*) 2013-2018

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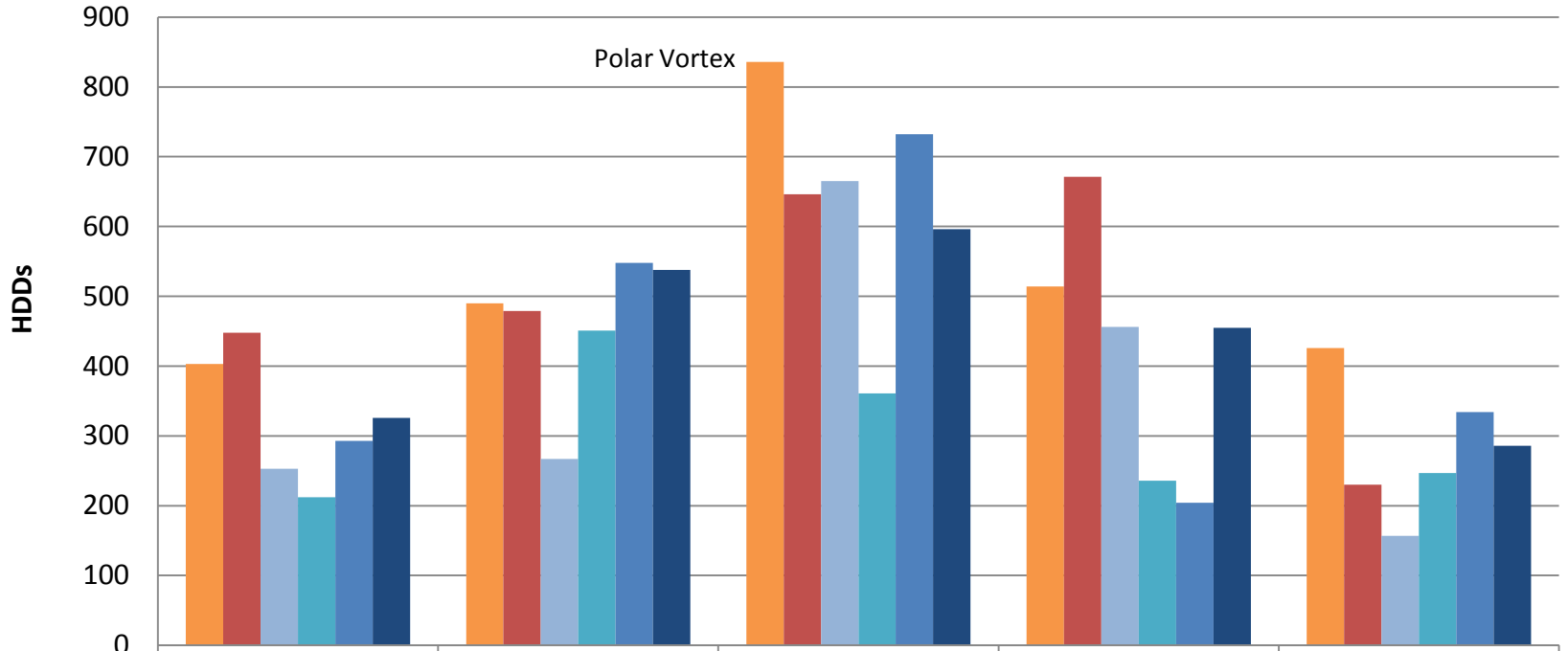
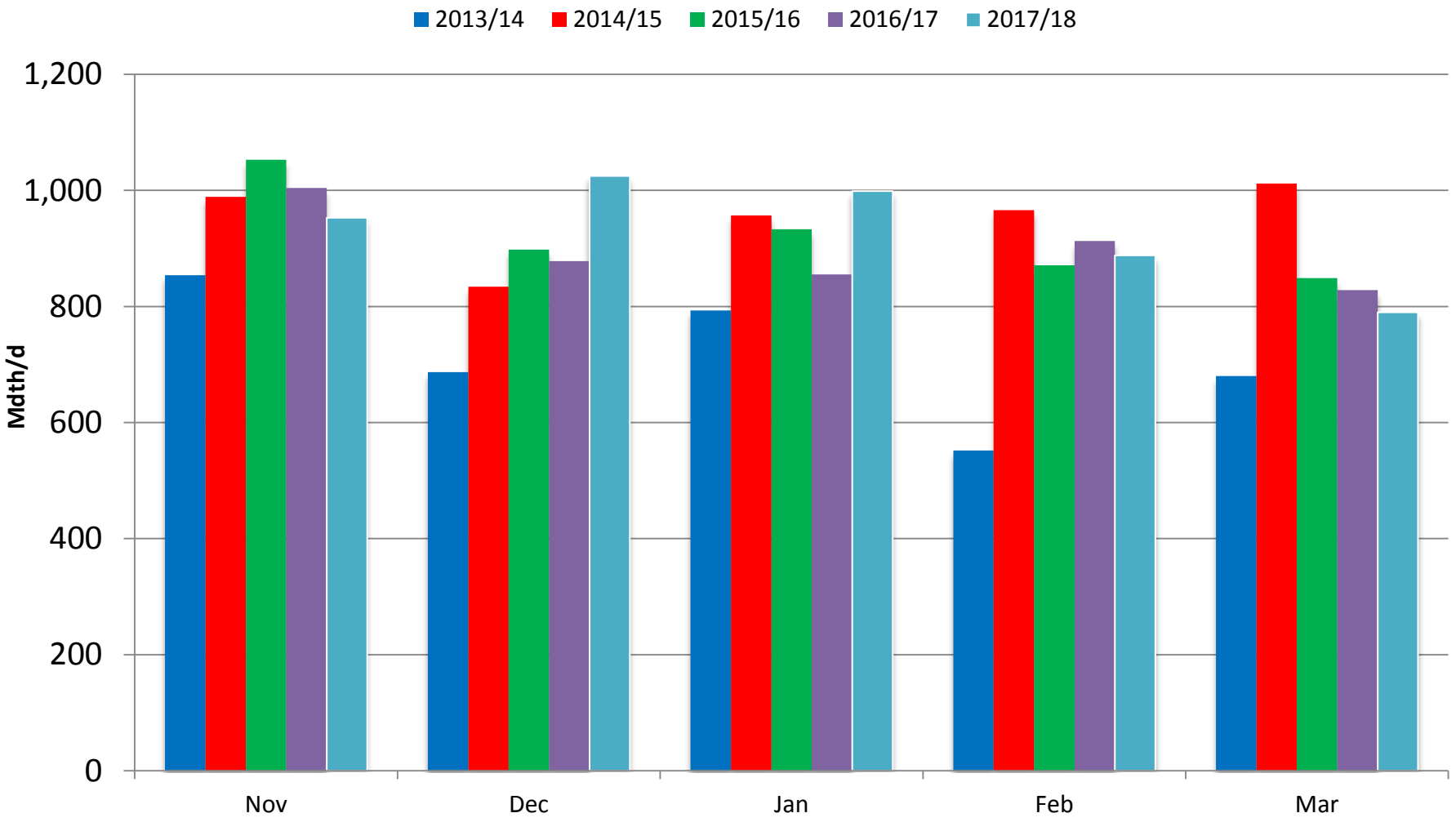


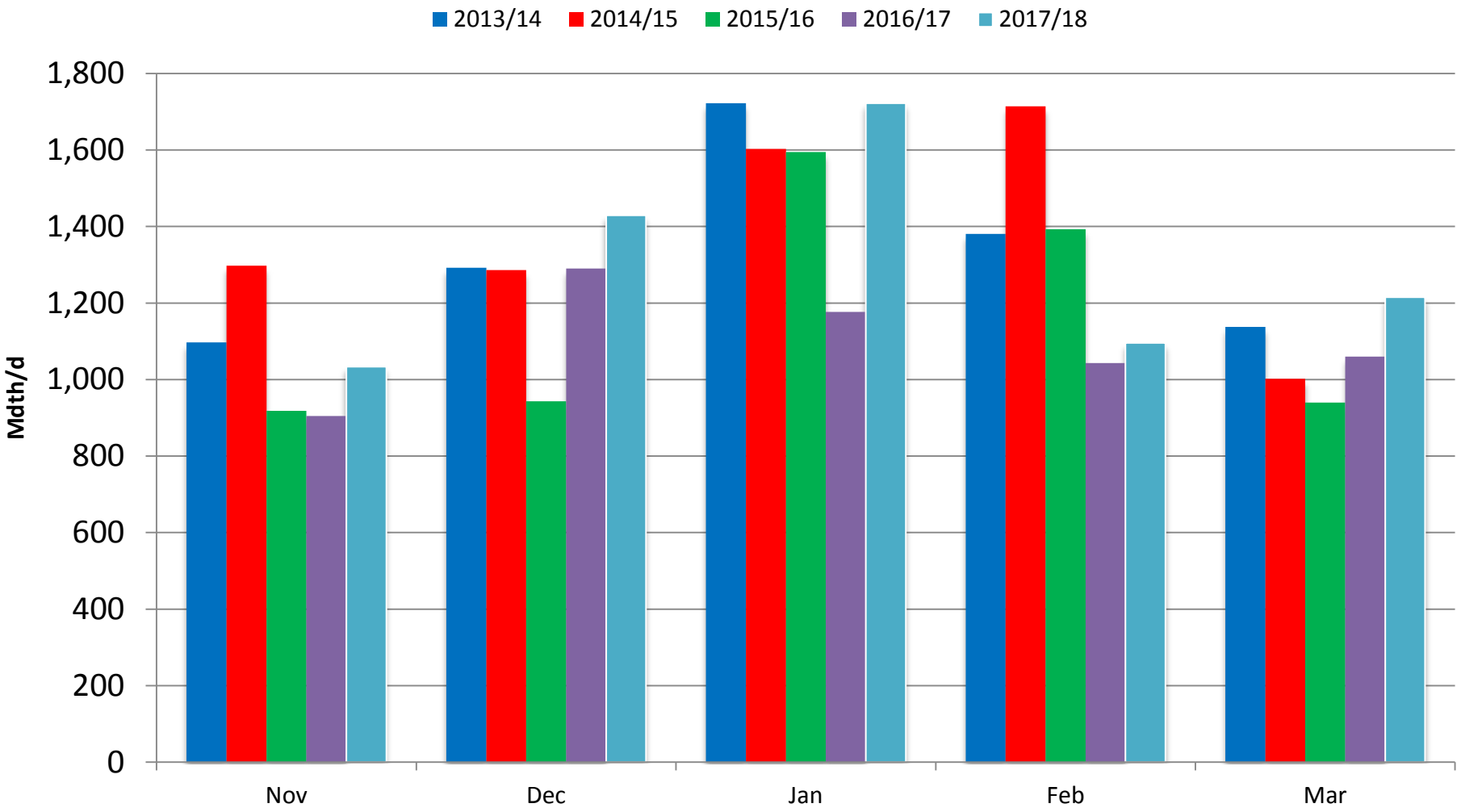
	November	December	January	February	March
2013/14	403	490	836	514	426
2014/15	448	479	646	671	230
2015/16	253	267	665	456	157
2016/17	212	451	361	236	247
2017/18	293	548	732	204	334
30 Year Average	326	538	596	455	286

*HDD = 65 Degrees Minus System Mean Temperature

Winter Average Daily Power Demand



Winter Average Daily LDC Demand



Average January Daily Deliveries 2010-2018

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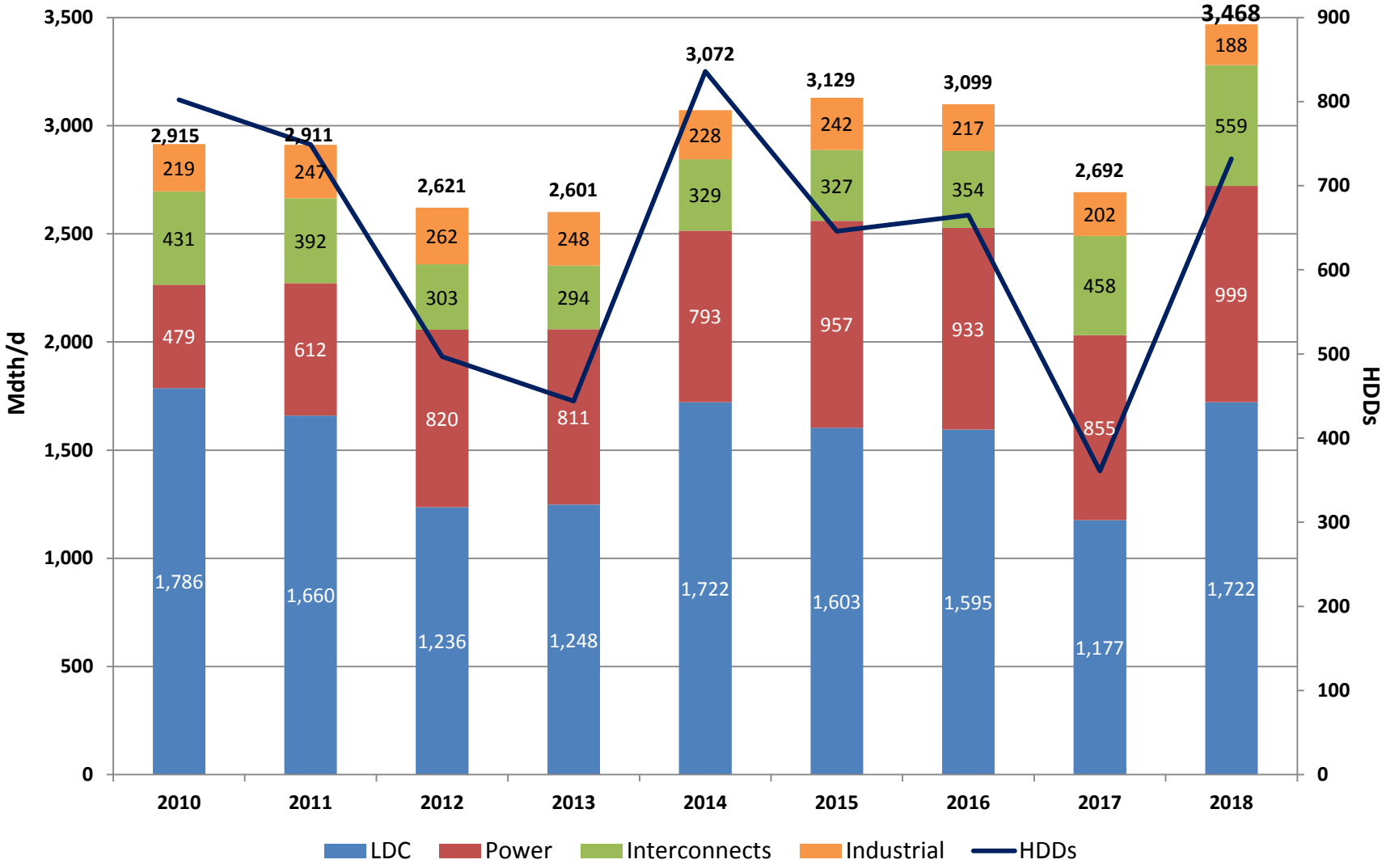

Nov-Mar Average Daily Deliveries*
(MDth/d)

Southern Natural Gas Company, L.L.C.
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	2018 Nov-Mar	2017 Nov-Mar	% Change
LDC	1,305	1,097	19.0%
Power	932	894	4.3%
Industrial	203	205	-1.0%
Interconnects	489	448	9.2%
TOTAL	2,929	2,644	10.8%

*EXCLUDES DELIVERIES INTO STORAGE

Operational Flow Orders

Type 3 OFO Factors

- Type 3 Operational Flow Orders (OFOs) are implemented when demand in an area of the system is forecasted to exceed capacity
  - OFOs are used to protect primary firm services
  - System conditions dictate the level of interruptible reductions and OFOs needed
- Factors SNG considers when evaluating whether Type 3 OFO penalties need to be implemented:
  - Weather Forecast – system means in the mid-40's and mid-80's are where demand starts to approach capacity
  - Day of week – weekday demand exceeds weekend/holiday demand
  - Expected duration of heavy demand
  - Recent history
  - Nominated deliveries
  - Actual takes from the system higher than entitlements

System Demand/Mean Temps/OFOs January 2018

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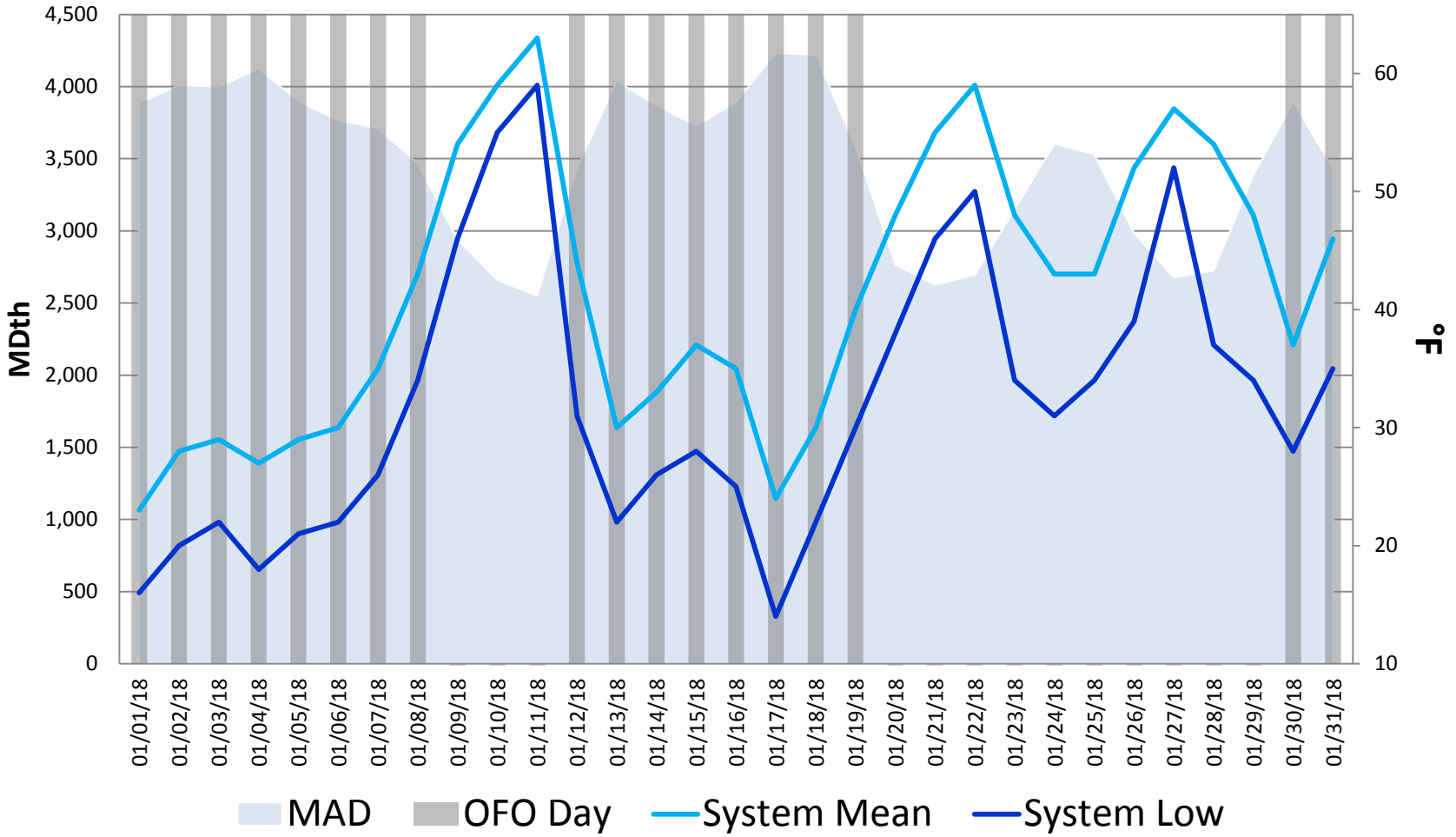


*MAD=Market Area Deliveries

Protecting System Integrity

- SNG's objective is to provide reliable service and protect our firm commitments
- SNG's Type 3 OFO applies a $10 or $15 penalty
  - For daily quantities taken in excess of the Shipper's Daily Entitlement plus a stated tolerance
  - Penalties are assessed only after a variety of group, shipper, and agent checks
  - The current penalty does not include the price of gas which can undermine its effectiveness on a critical day
- We are evaluating all undersupply and overtake activity in January 2018 to determine how best to protect system integrity this winter when demand exceeds capacity
- Changes could include underperformance caps on supply, penalty levels, or other changes – we'll communicate prior to proposing any changes

Maintenance

Maintenance Planning Process

- Typical Types of Maintenance Work

Compressors:
- ESD and safety tests
- Emission tests
- Run-hour inspections & maintenance to insure reliability
- Various engine/compressor repairs

Integrity Management:
- Various pig runs (ILI)
- Remediation of anomalies
- Hydrotests
- Selected wrinkle bend replacements

3rd Party Needs:
- Class location changes
- Line relocations
- Expansion projects

Storage Field: Shut-in tests & maintenance – spring & fall

- Gas Control models impact to capacity and compares to expected flow to determine best outage windows
- Goal is to avoid impact to firm service or coordinate with impacted customers to manage the impact
- Plan may be adjusted for unscheduled outages, multiple outages, availability of equipment and contractors, and weather

2018 Maintenance

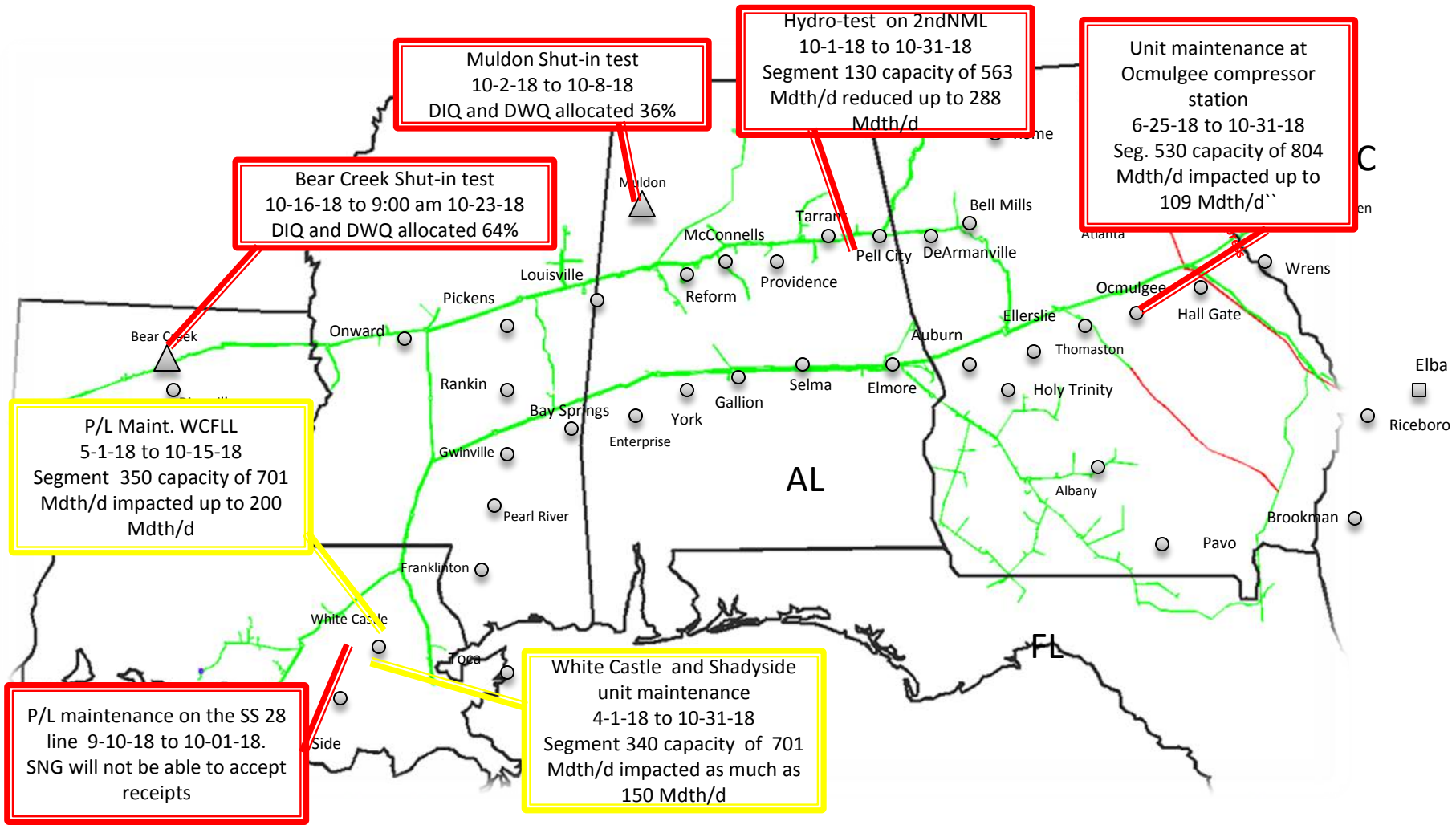
Overview	# of jobs
System total	824
Posted	59
Posted(with possible impact)	35
Posted(no impact expected but risks could develop)	24
South Main lines	25
North Main lines	13
Other lines	21

- Monthly outage call
  - 3rd Wednesday of the month at 1:30 pm CST

Maintenance

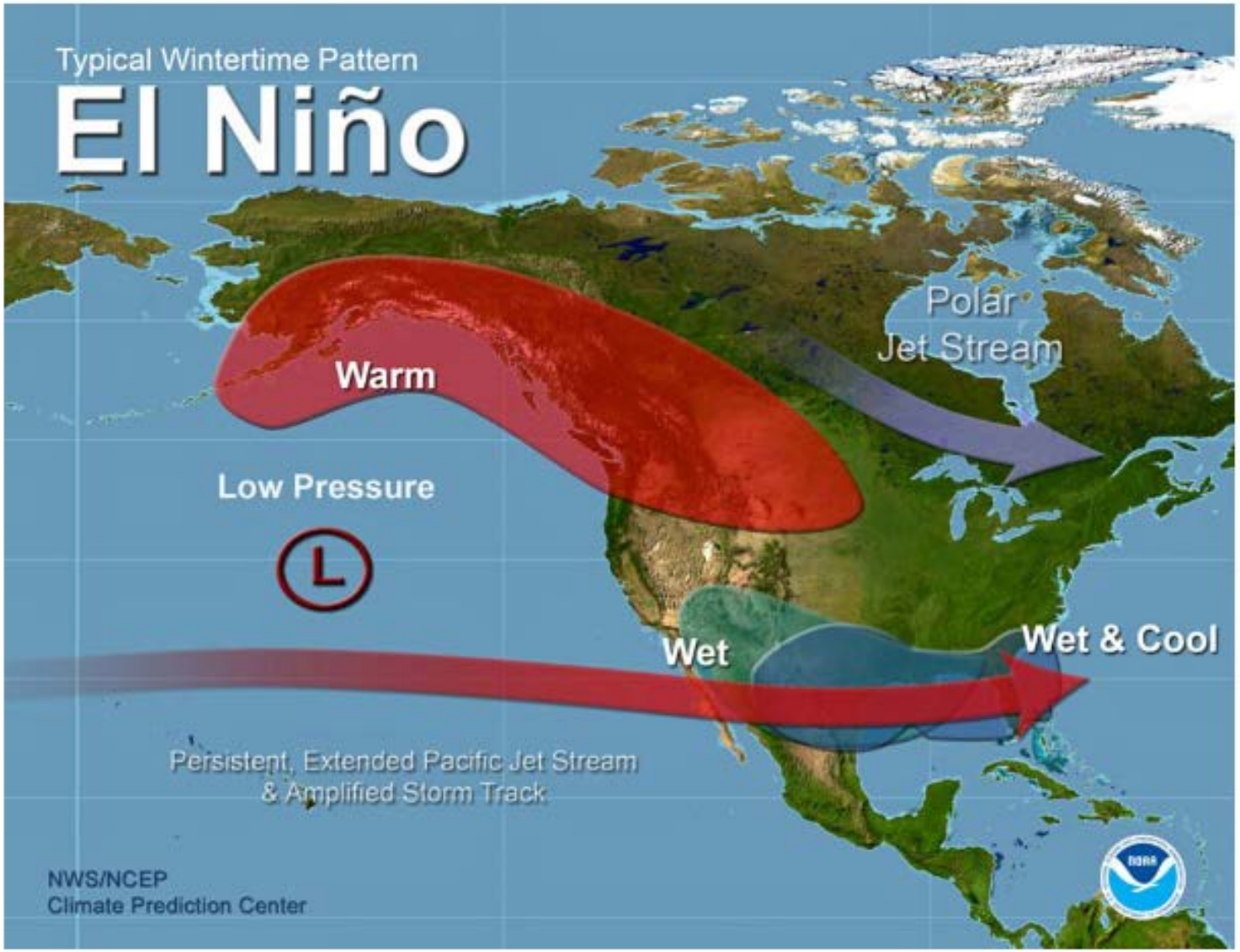
- Ongoing
  - Unit maintenance at Ocmulgee compressor station
    - Segment 530 operating capacity = 695 Mdth/d
- Upcoming
  - South Section 28 Sept 10 - Oct 1
    - Will not be able to accept receipts
  - Hydro-test on the 2nd North Main Line - October 1-31
    - Segment 130 operating capacity = 288 Mdth/d
  - Muldon shut in test October 2-8
  - Bear Creek shut in test October 16-23

Sept – Dec Maintenance Locations



Getting Ready for Winter 2018/2019

Preliminary Outlook from NOAA



Farmer's Almanac

Farmers' Alamanac 2018 winter weather map (Source: Farmer's Almanac)

SNG Winter Segment Constraints
(November-March)

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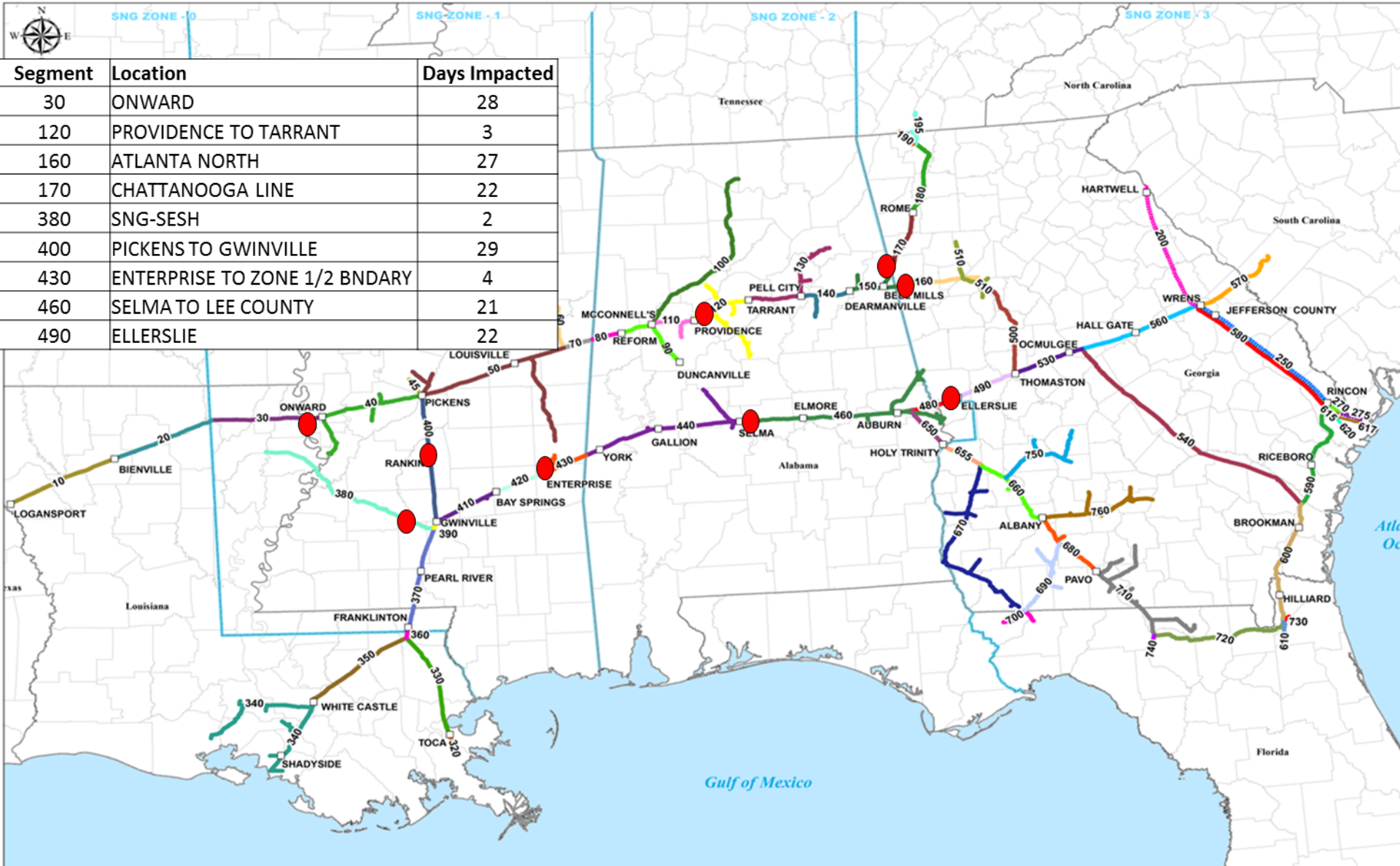
Segment	Location	Days Impacted
30	ONWARD	28
120	PROVIDENCE TO TARRANT	3
160	ATLANTA NORTH	27
170	CHATTANOOGA LINE	22
380	SNG-SESH	2
400	PICKENS TO GWINVILLE	29
430	ENTERPRISE TO ZONE 1/2 BNDARY	4
460	SELMA TO LEE COUNTY	21
490	ELLERSLIE	22



Winter Readiness

- Scheduled Maintenance
  - All routine compressor, pipeline and meter station maintenance scheduled to be completed by early November
- Readiness testing on HP will be completed before winter
- Storage levels are on target with average
- OFO philosophy will remain consistent with past years
- Field Operations will be on-site at locations along the pipe during significant winter events
- Communication
  - Daily Operational Con Calls with the Field
  - Monitor EBB Postings

Gas Control Contacts

- Reese Hart – Manager
  - (713) – 420 – 4774 (office)
  - (713) – 557-7931 (cell)
  - maurice_hartIII@kindermorgan.com
- Kal Dankovich – Outage Coordinator
  - (713) – 420 – 7522 (office)
  - kalman_dankovich@kindermorgan.com
- Jimmy Reese – Lead Controller
  - (713) – 420 – 7310 (office)
  - jimmy_reese@kindermorgan.com
- Daniel Mitchell – Lead Controller
  - (713) – 420 – 5874 (office)
  - daniel_mitchell@kindermorgan.com

Break

Supply remains in the driver's seat

Gas market outlook for Southern Natural's Firm Customer Meeting

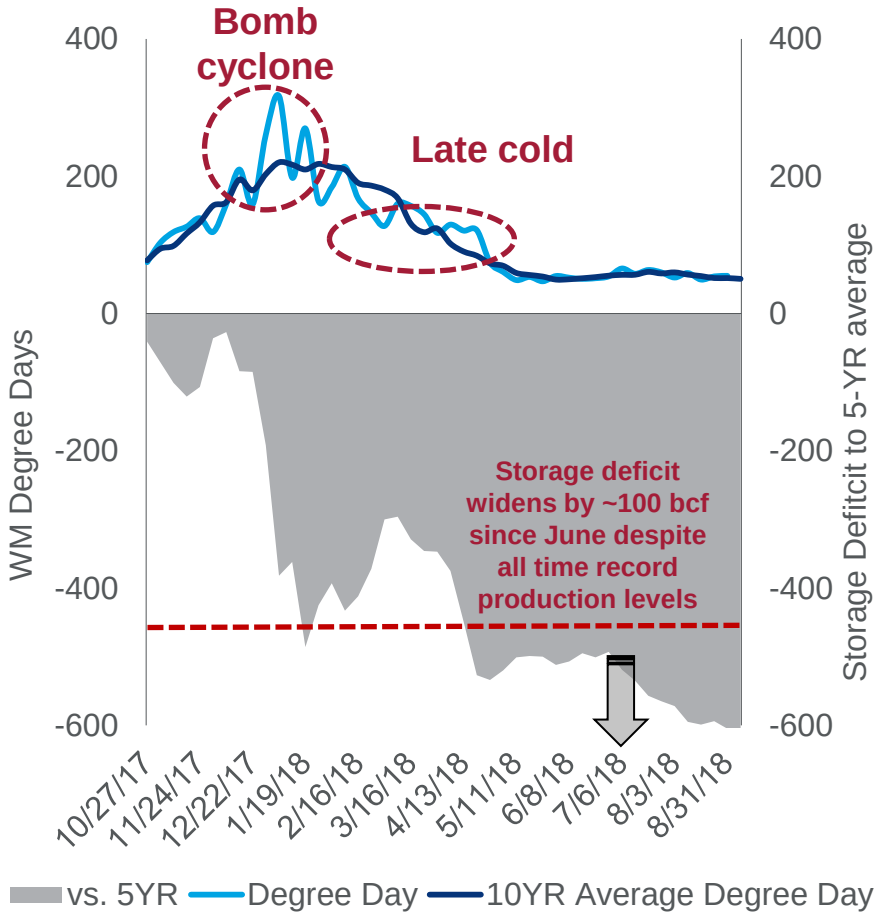
September 6, 2018

Birmingham, AL

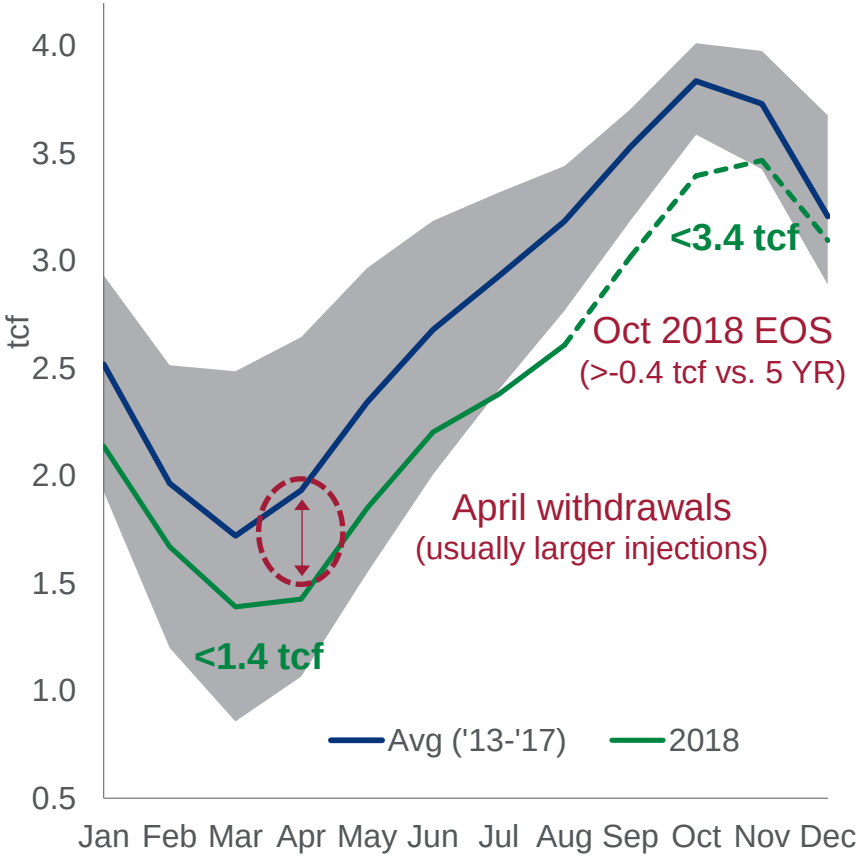
Storage draws down to lowest levels since 2014

Deficit to 5-year average has failed to narrow so far despite record production

Storage deficit & weather



2018 storage trajectory

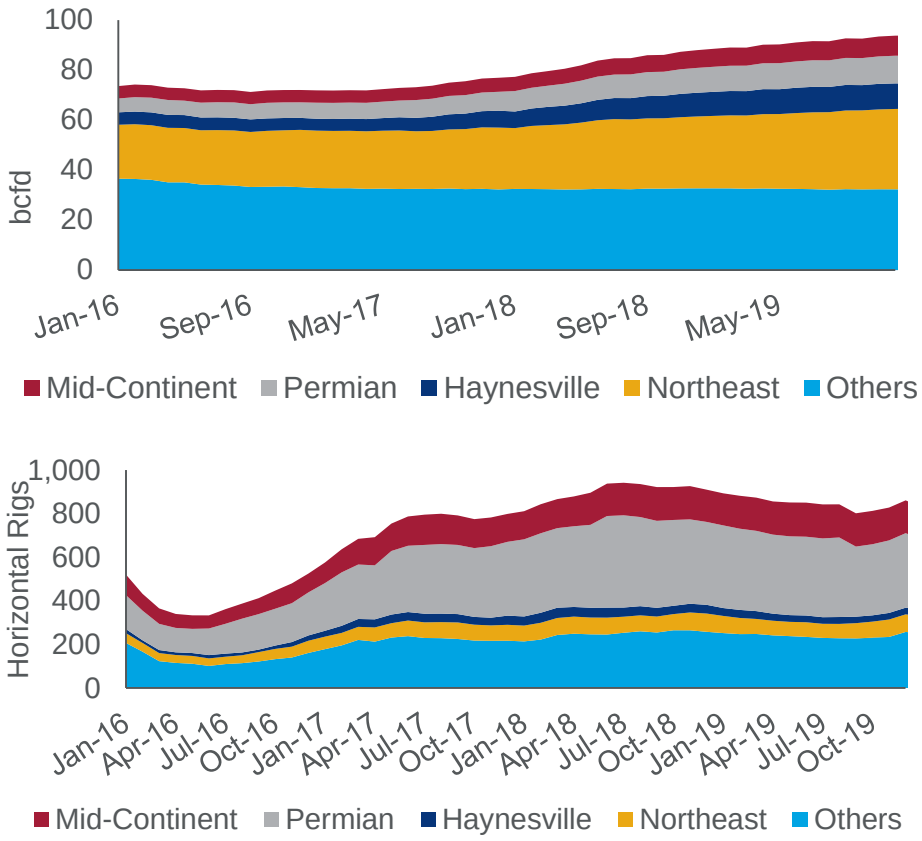


Source: Wood Mackenzie August 2018 Short Term Outlook

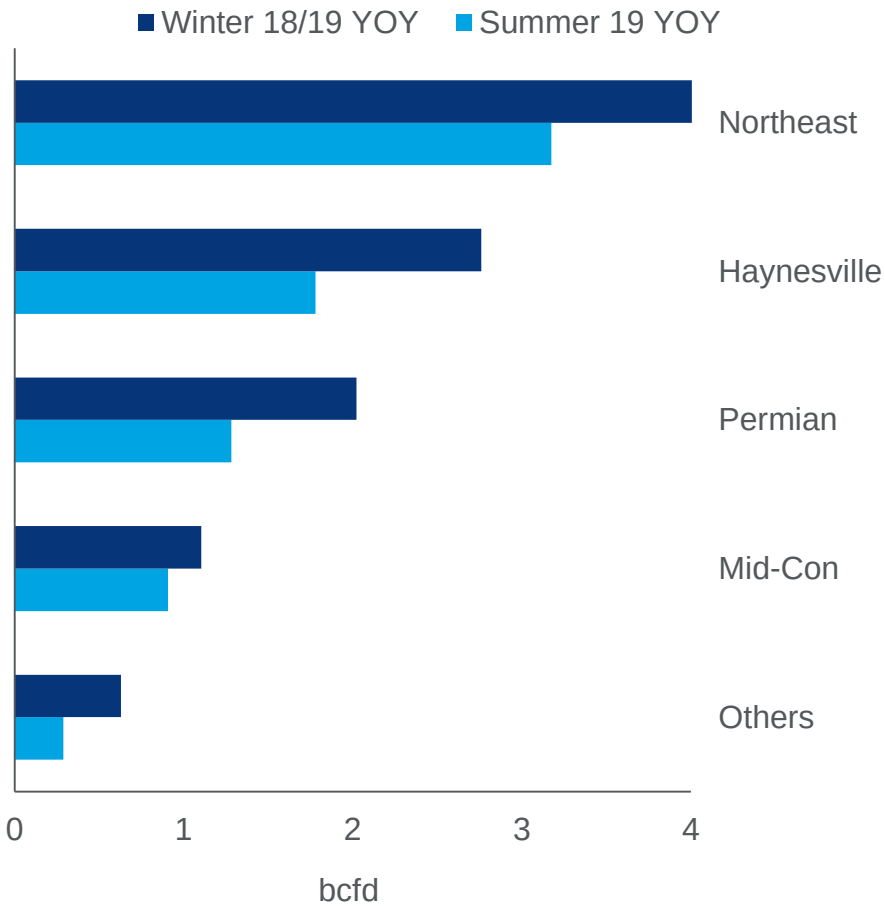
Record 10 & 7 bcfd production growth this winter & next summer

Northeast, Haynesville and Permian are drivers of production growth

US gas production and rig activity outlook



Production growth by key regions

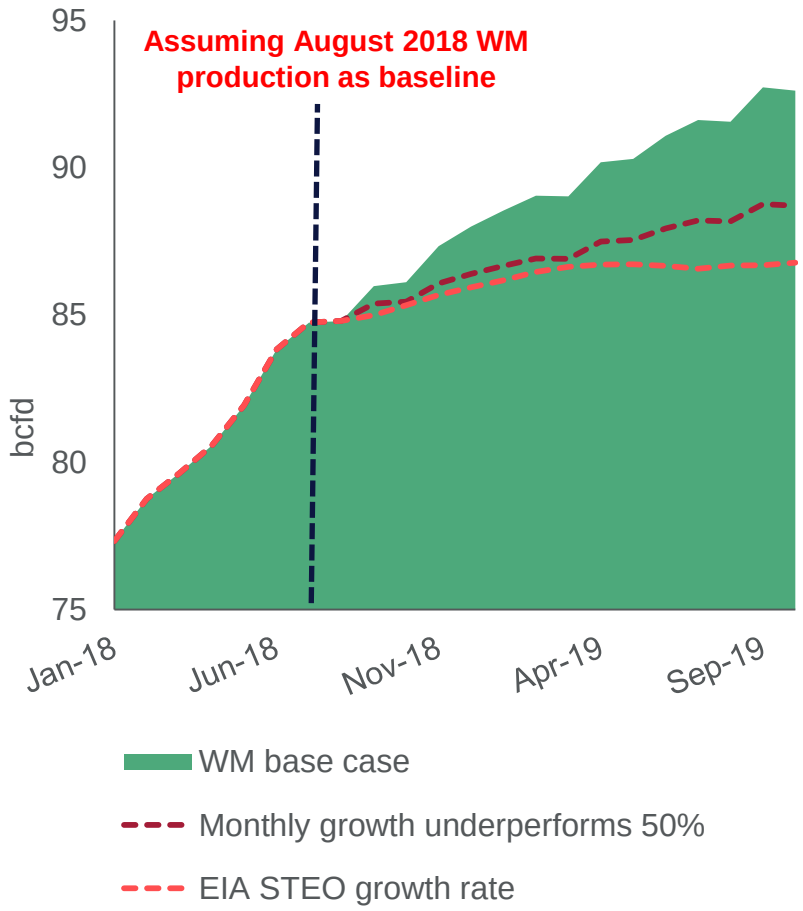


Source: Wood Mackenzie August 2018 Short Term Outlook

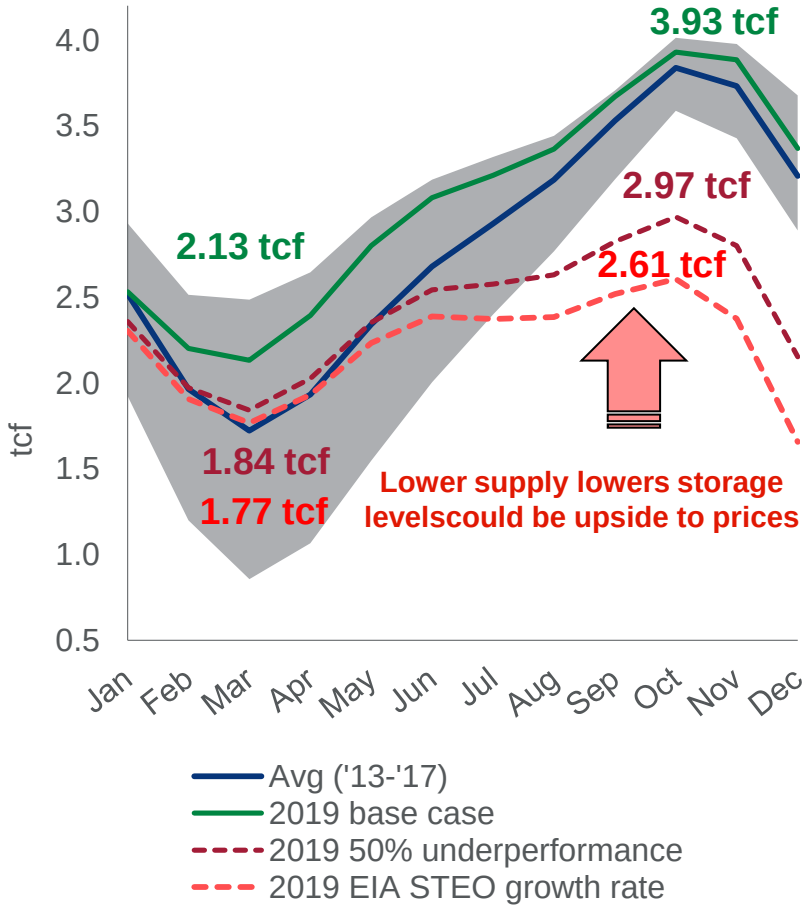
Production key to storage levels ex-weather

Slower growth still provides Mar19 storage levels above 5-year average

US gas production scenarios



Storage level outcomes

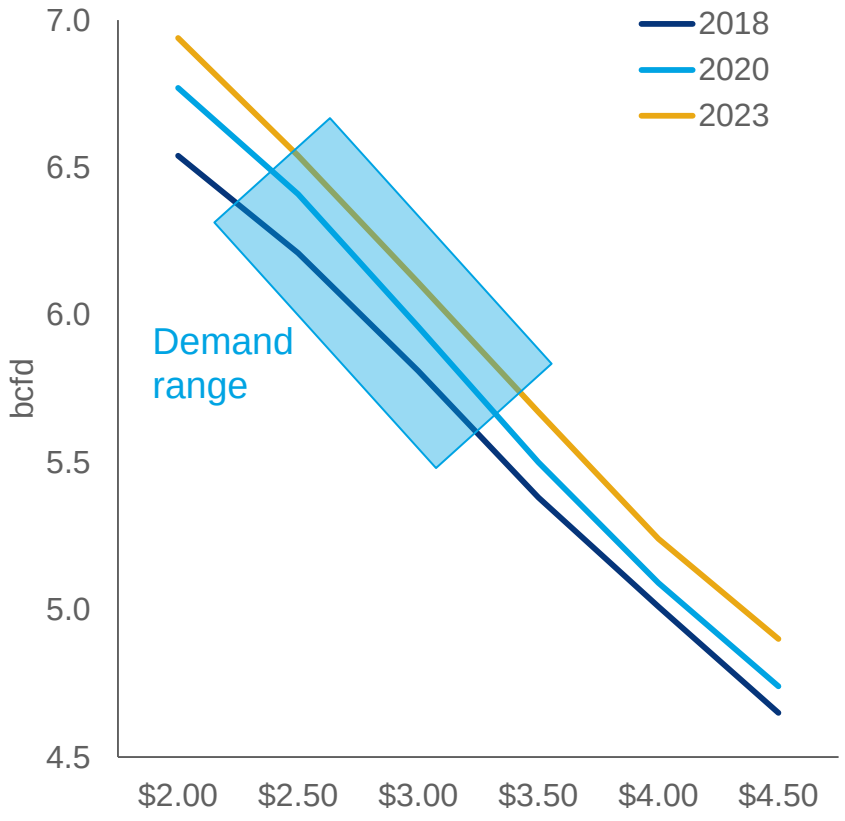


Source: Wood Mackenzie August 2018 Short Term Outlook

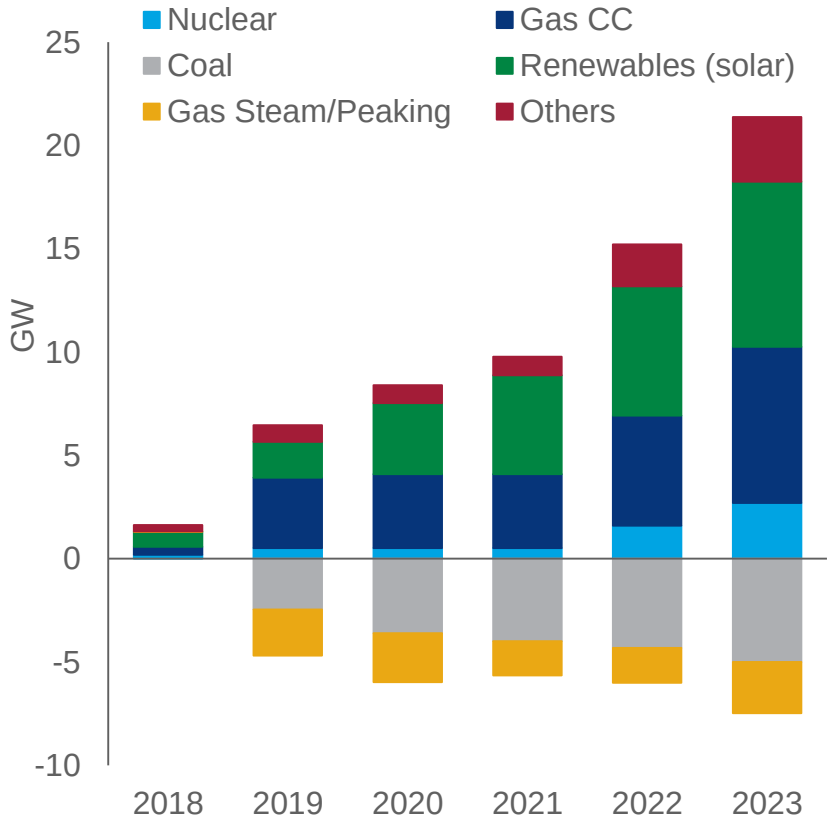
Lower gas pricing and changes in the power generation fleet in Alabama, Georgia, and Florida increase power load

But new nuclear and renewable capacity partially offsets such increases on SNG

Power demand curves



Power capacity changes from 2017

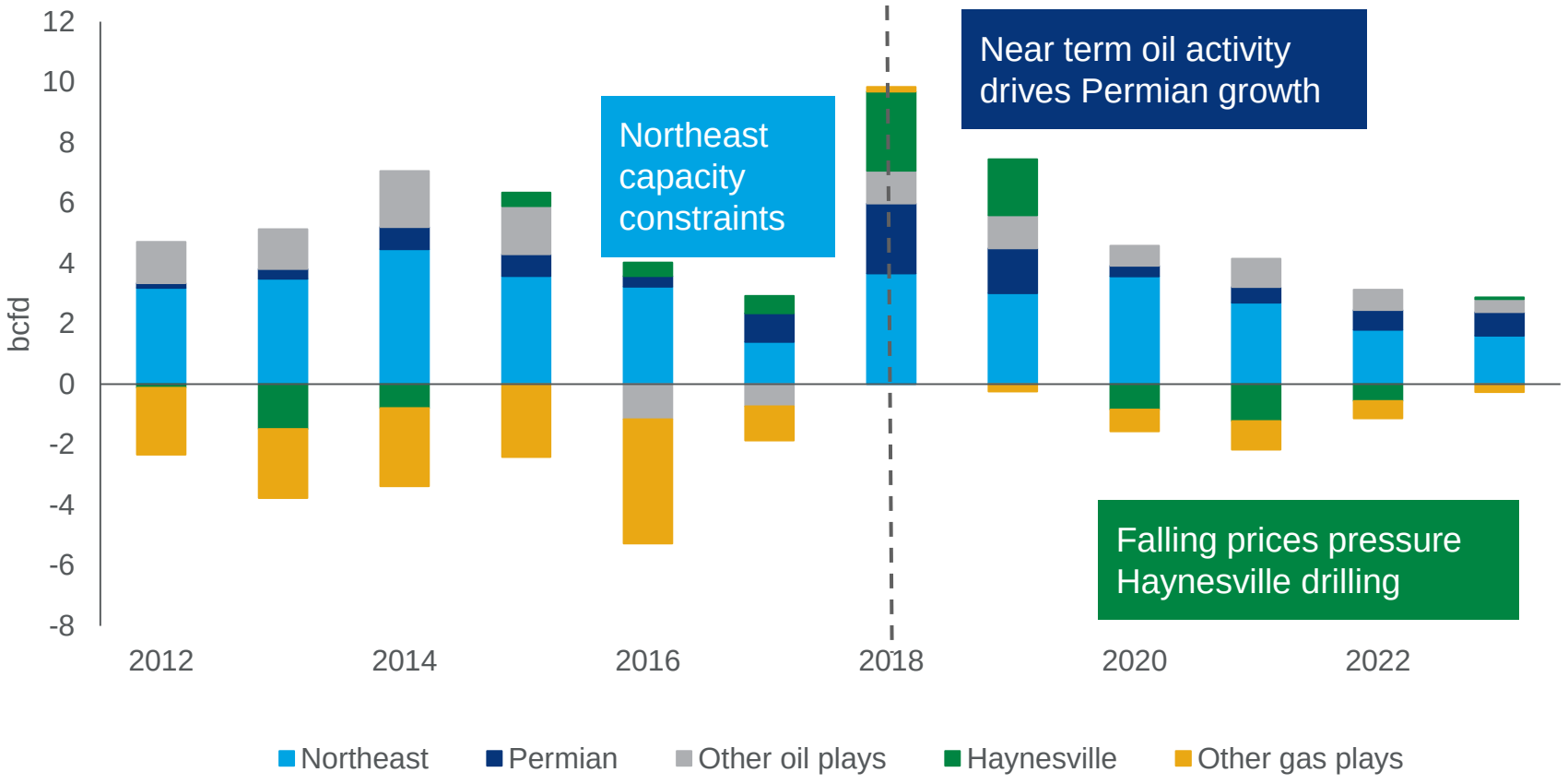


Source: Wood Mackenzie

Northeast supply growth to return to prior levels as the regional supply is debottlenecked

But Haynesville and Permian are additive to continued Northeast growth

North America supply growth (year-over-year)

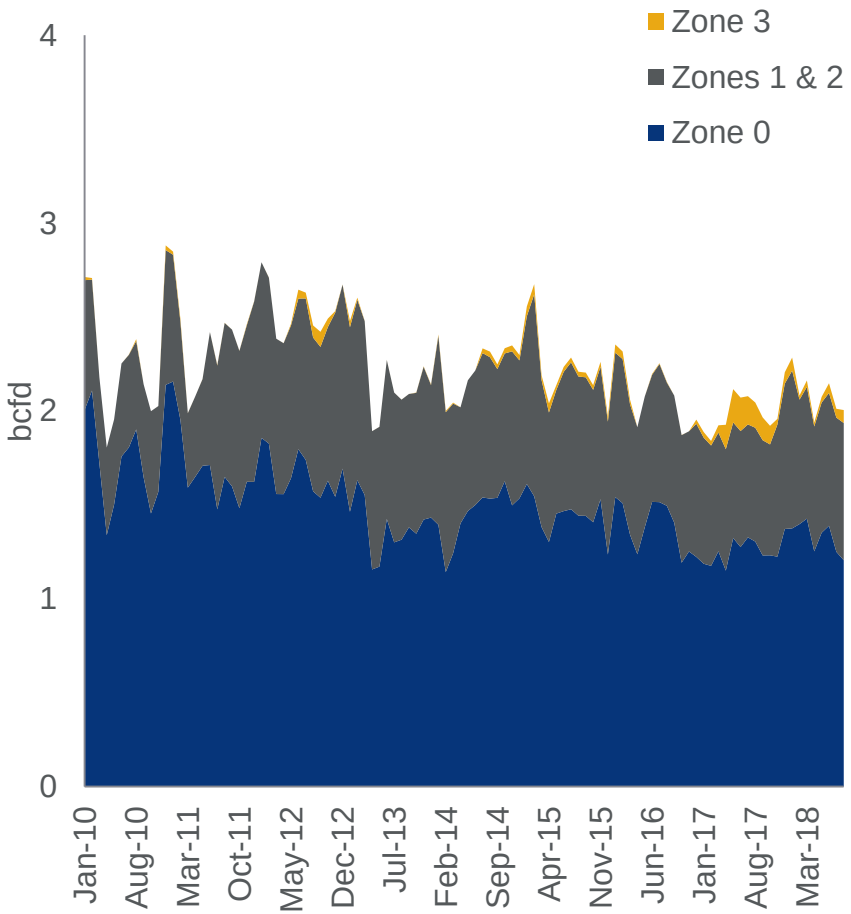


Source: Wood Mackenzie

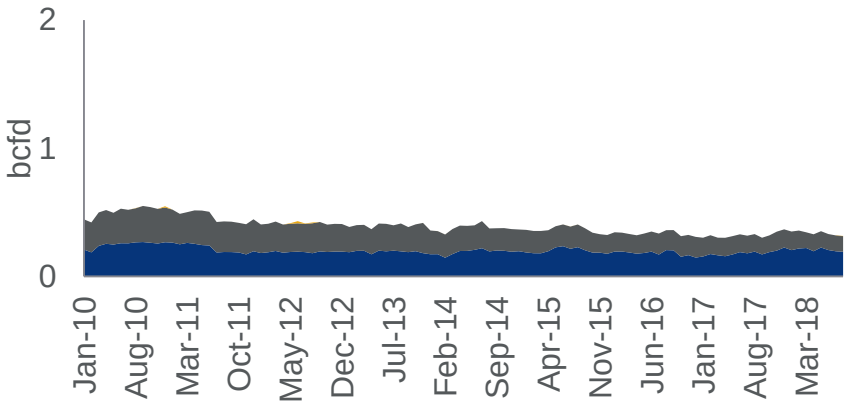
Over the last 8 years Southern Natural receipts have maintained some consistency

Despite significant shifts in regional distribution of production, Southern Natural has thus far been able to make system adjustments to address changing supplies

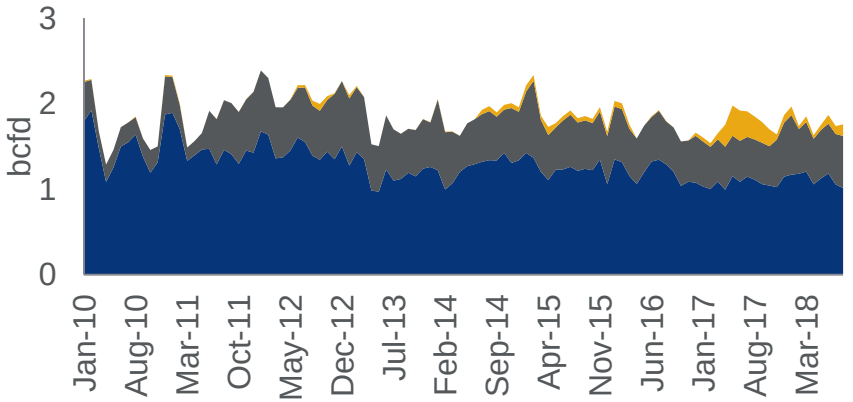
Southern Natural receipts by zone



North System receipts



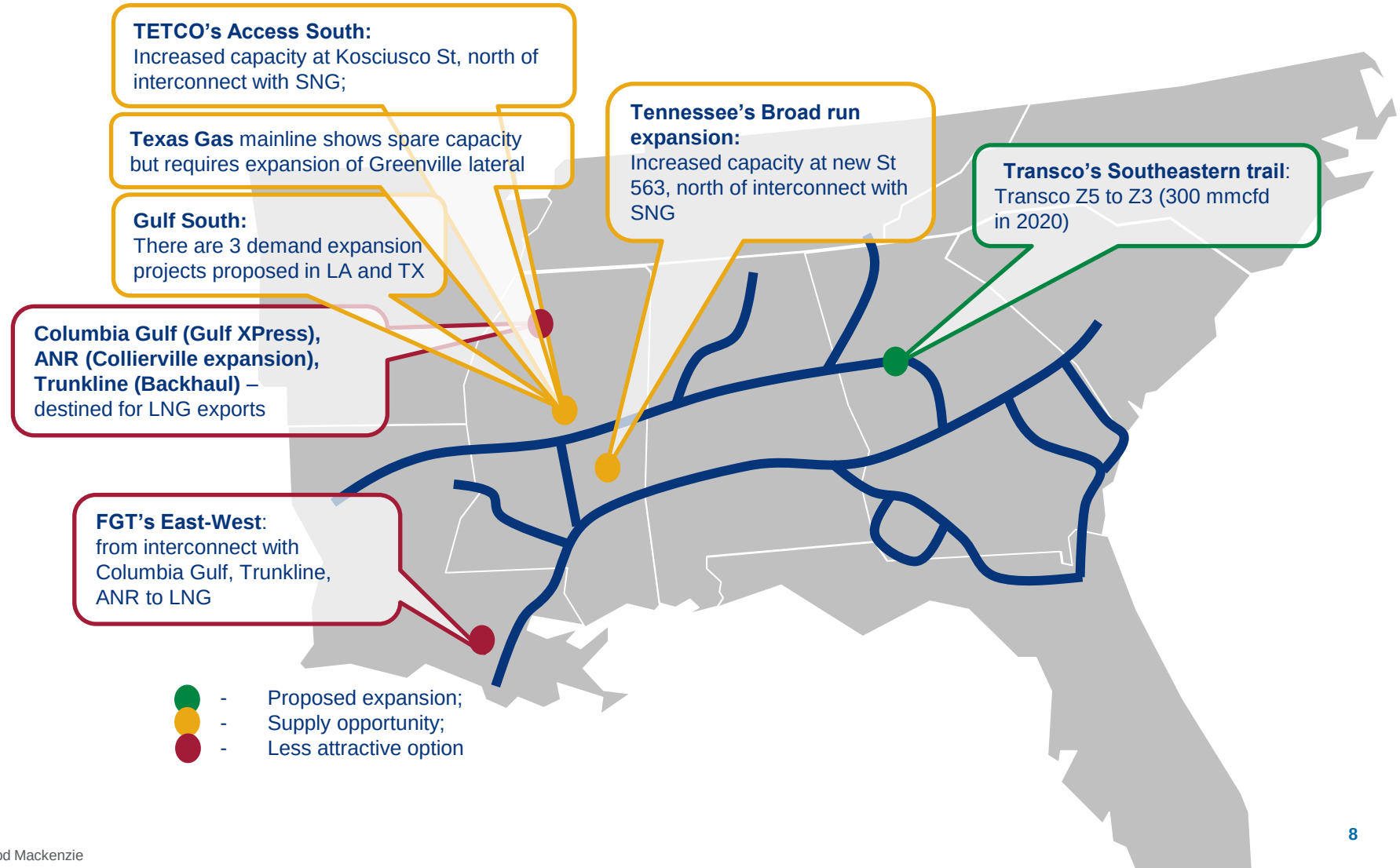
South System receipts



Source: Wood Mackenzie, Energy Velocity

Expansions on pipelines in Southeast and Gulf Coast create supply opportunities for Southern Natural

Potential supply opportunities exist in the northwest end of the system, but receipts from South Louisiana will have to compete with LNG exports

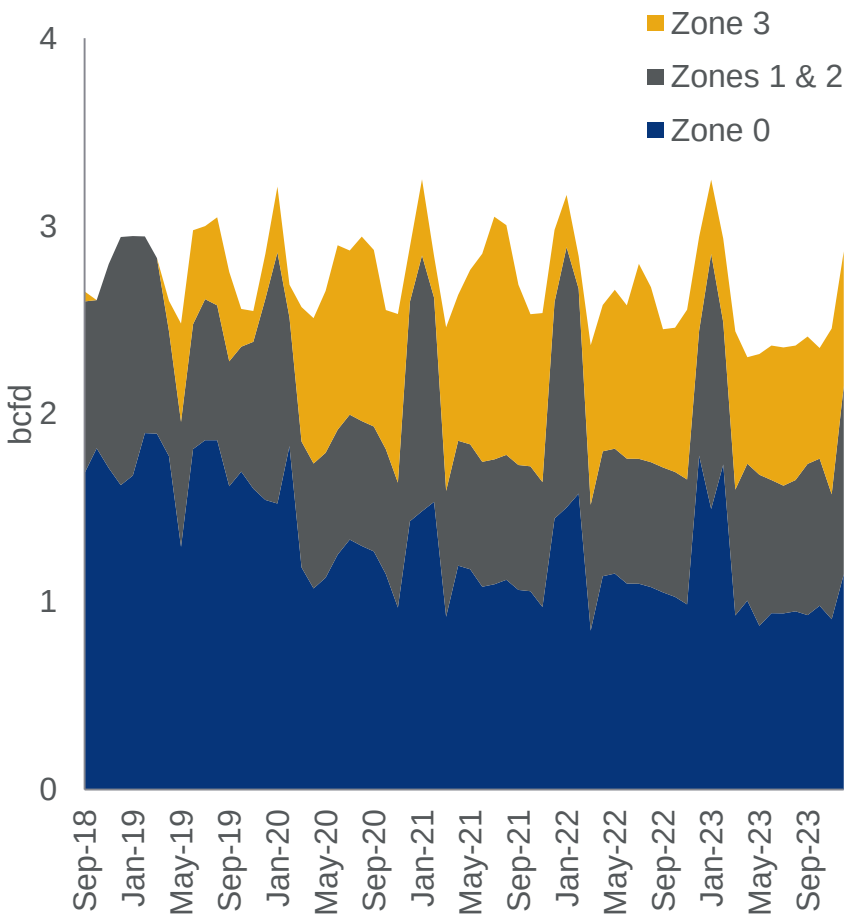


Source: Wood Mackenzie

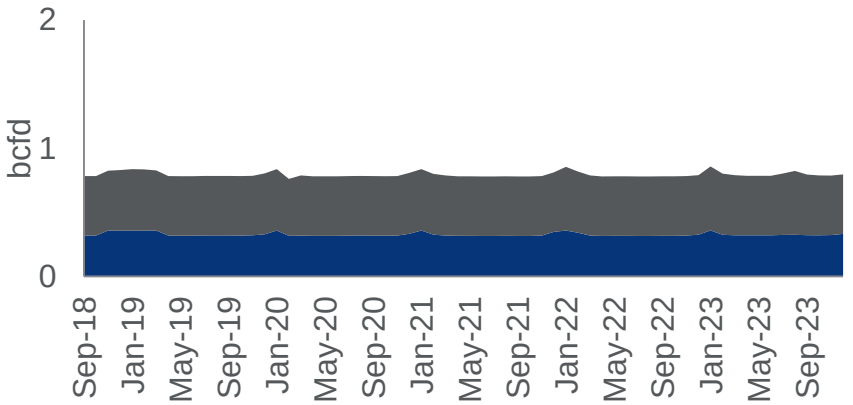
Supply into Southern Natural will continue to evolve with expansion projects and access to more supply

Project activity on both SNG and into Transco enables more supply to come directly into Georgia

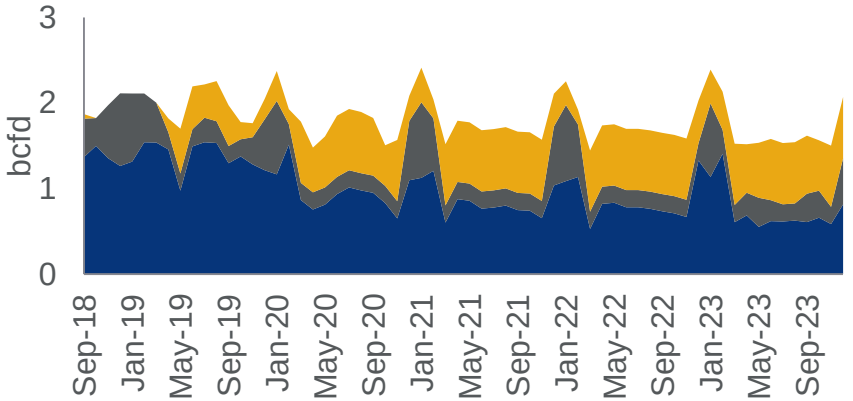
Southern Natural receipt forecast by zone



North System receipts



South System receipts

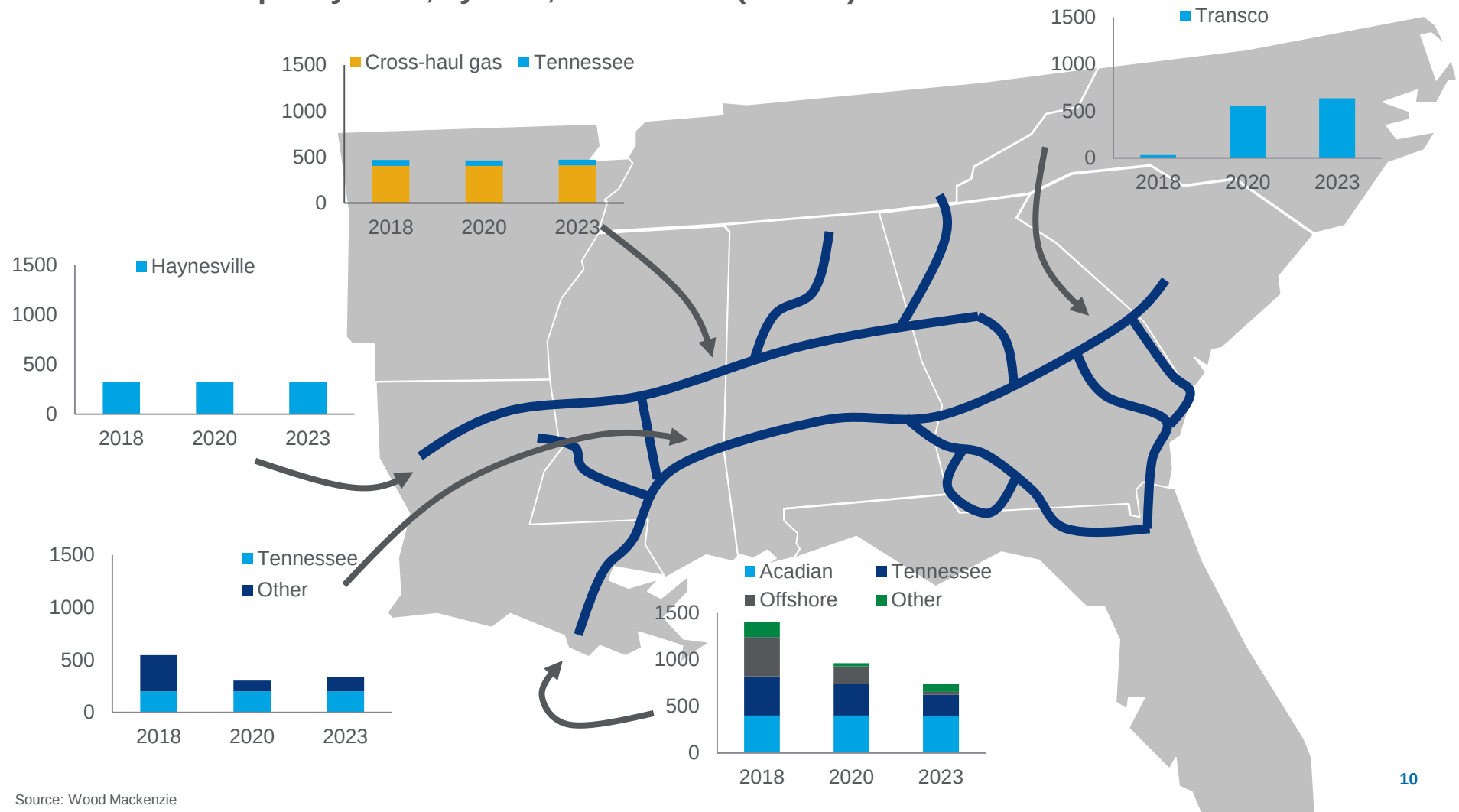


Source: Wood Mackenzie

Supplies on the southern and western end of the system may be drawn away to serve LNG export markets

North system gas remains incentivized to flow into SNG

Forecast receipts by zone, system, and source (mmcfd)



Source: Wood Mackenzie

New pipeline projects bring over 5 bcfd of supply into the Transco corridor

Expansions target northeast and southeast markets

Major new projects impacting Transco

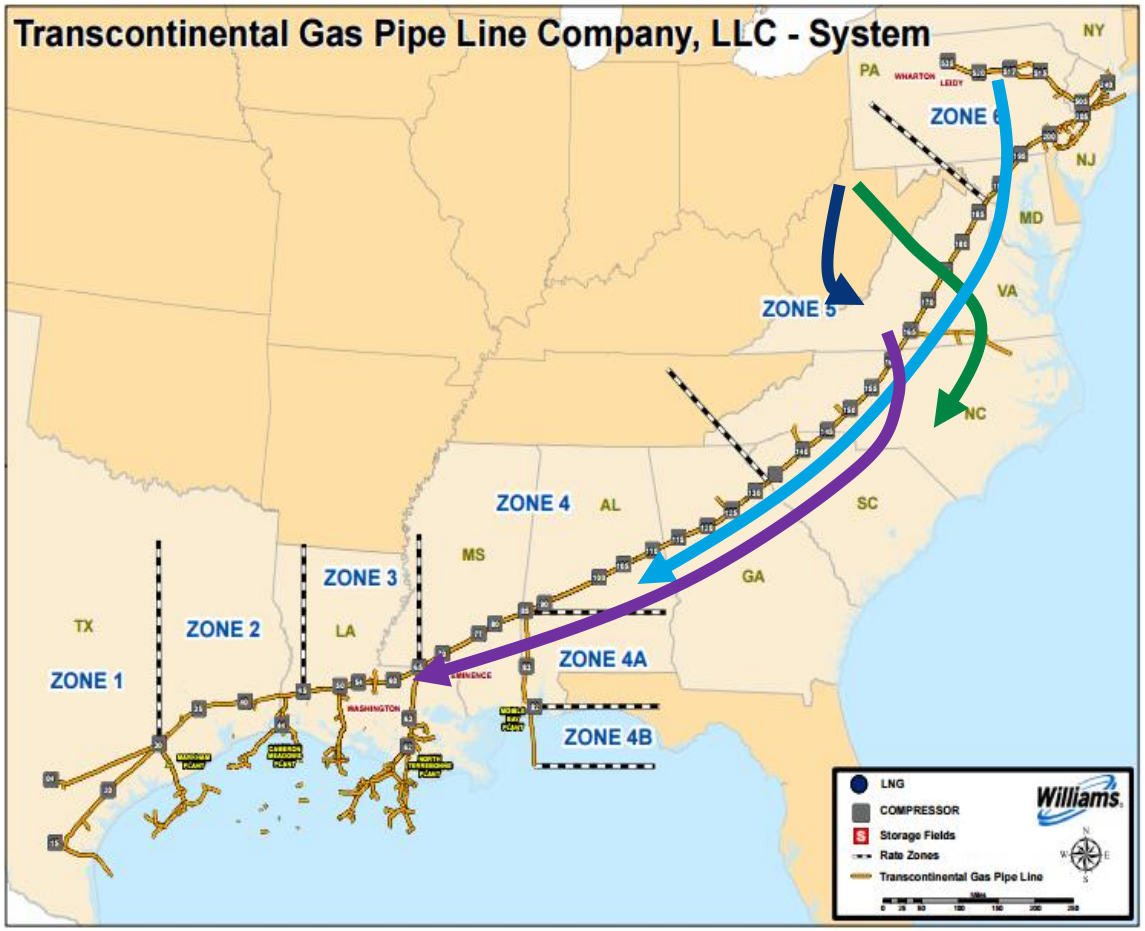
Atlantic Sunrise
(1.7 bcfd, Nov 2018)
Cabot, Chief, Seneca, others

Mountain Valley Pipeline
(2 bcfd, Nov 2019)
EQT, NextEra, ConEd, WGL

Atlantic Coast Pipeline
(1.5 bcfd, Dec 2019)
Duke/Piedmont, PSNC, Virginia Power, Virginia Natural Gas, AGL

Southeastern Trail
(300 mmcfd, Nov 2020)
PSNC, City of Buford, City of LaGrange, Virginia Natural Gas, SCE&G

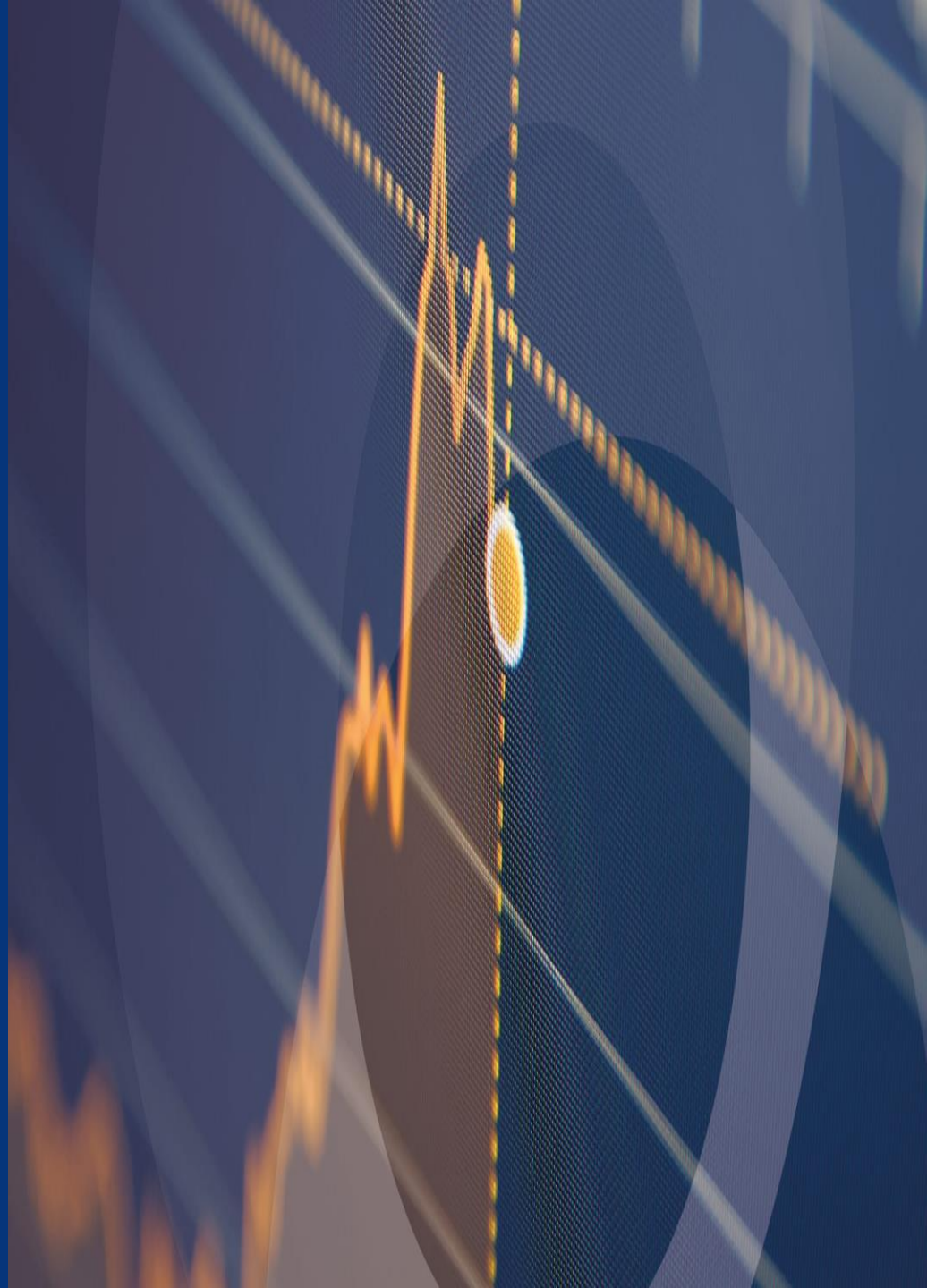
*dates represent Wood Mackenzie's view of commencement of full service based on regulatory filings and construction progress and may differ with operator guidance. Partial service may begin before the dates noted



Source: Wood Mackenzie, Williams

Key Takeaways

- Strong production growth represents downside risk to prices despite low storage inventories
- Transco Z5 could still be tight this winter until supply projects are online in 2019 and 2020
- The Southern Natural system is well-positioned to take advantage of projected future gas flow patterns, but may need to make system modifications to take advantage of changing supply demographics



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Kristy Kramer

Head of Americas Gas Research

Biography

Kristy Kramer leads Wood Mackenzie's Americas Gas Research team, which covers short term and long term market analysis and outlooks for supply, demand, pricing, and flows in North America and as part of the global gas market.

She joined Wood Mackenzie as a Principal in consulting in 2016, focusing on delivering bespoke gas, power, and LNG engagements. Kristy has been involved in helping clients determine and evaluate investment opportunities, design portfolio strategy, and understand associated market responses.

Prior to Wood Mackenzie, Kristy worked eight years at ExxonMobil, on portfolio optimization, strategy analysis and design, and operational transactions. She has experience in the flowing gas, LNG, and exploration businesses and with key joint venture partners in the Americas, Middle East, and Africa.

Kristy holds an MBA from the Olin Business School at Washington University in St. Louis and a degree in Mechanical Engineering (magna cum laude) from Washington University in St. Louis.

Connect with Kristy

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Southern Natural Gas Company, L.L.C.
a Kinder Morgan operated company

Business Development Update

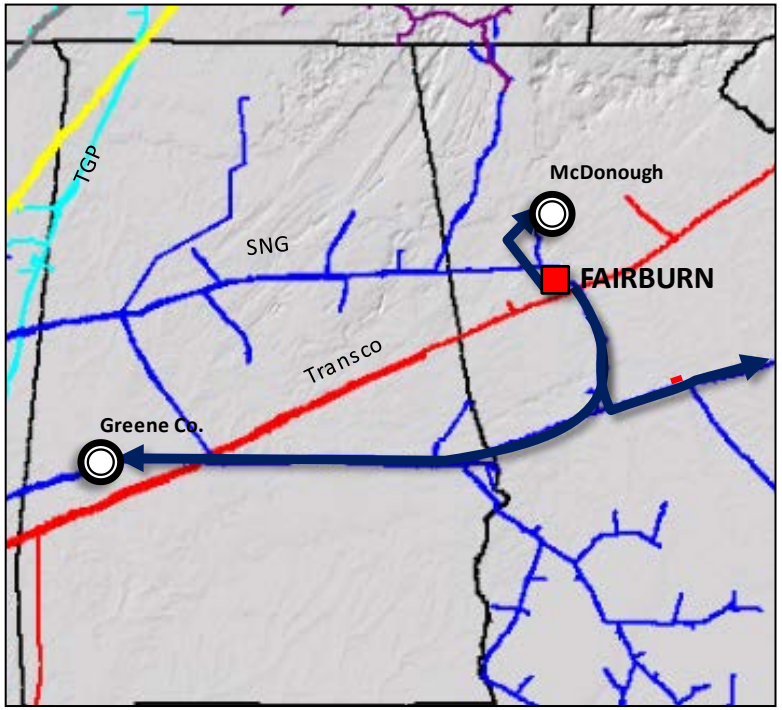
Devy Traylor
Director

Agenda

- Fairburn Project Update
- Elba Liquefaction Project Update
- Supply Overview, Projects and Ideas

Fairburn Project

- Total capacity ~360,000 Dth/d
- 18,000 HP electric drive compressor station
- 4.9 miles 30” pipe
  - New Transco M/S
- 1.6 miles 30” loop near Ocmulgee Compressor
- Acquire 20 mile McDonough Lateral
  - New M/S at plant McDonough
  - New M/S at UPS
- Projected in-service date 11/1/18



Fairburn Project (cont'd)

- Customers include Southern Company, MGAG, Interconn Resources, Kimberly-Clark, UPS, Austell, SEAGD, and Westrock
- New receipt point offers additional access to eastern Marcellus supplies
- Project has ~15,000 Dth/d of remaining available capacity
  - Depends on delivery point location

Elba Liquefaction Project

Elba Liquefaction Project

KINDER MORGAN

TRUESCAPE
Stakeholder engagement consultants

Elba Liquefaction Company, L.L.C.
a Kinder Morgan operated company

Elba Liquefaction Project Update

- 10 small LNG trains
  - Total of ~350 Mmcf/d
- Filed FERC application March 10, 2014
- Certificated June 1, 2016
- Expect initial phase in-service 4Q18
- Additional units placed in service throughout 2019

Associated Pipeline Expansion

- The liquefaction project provided the opportunity for EEC to solicit other market interest in additional capacity

- SNG corresponding open season offered a seamless service (SNG contracted for EEC capacity as extension of SNG's system)

Expansion Results

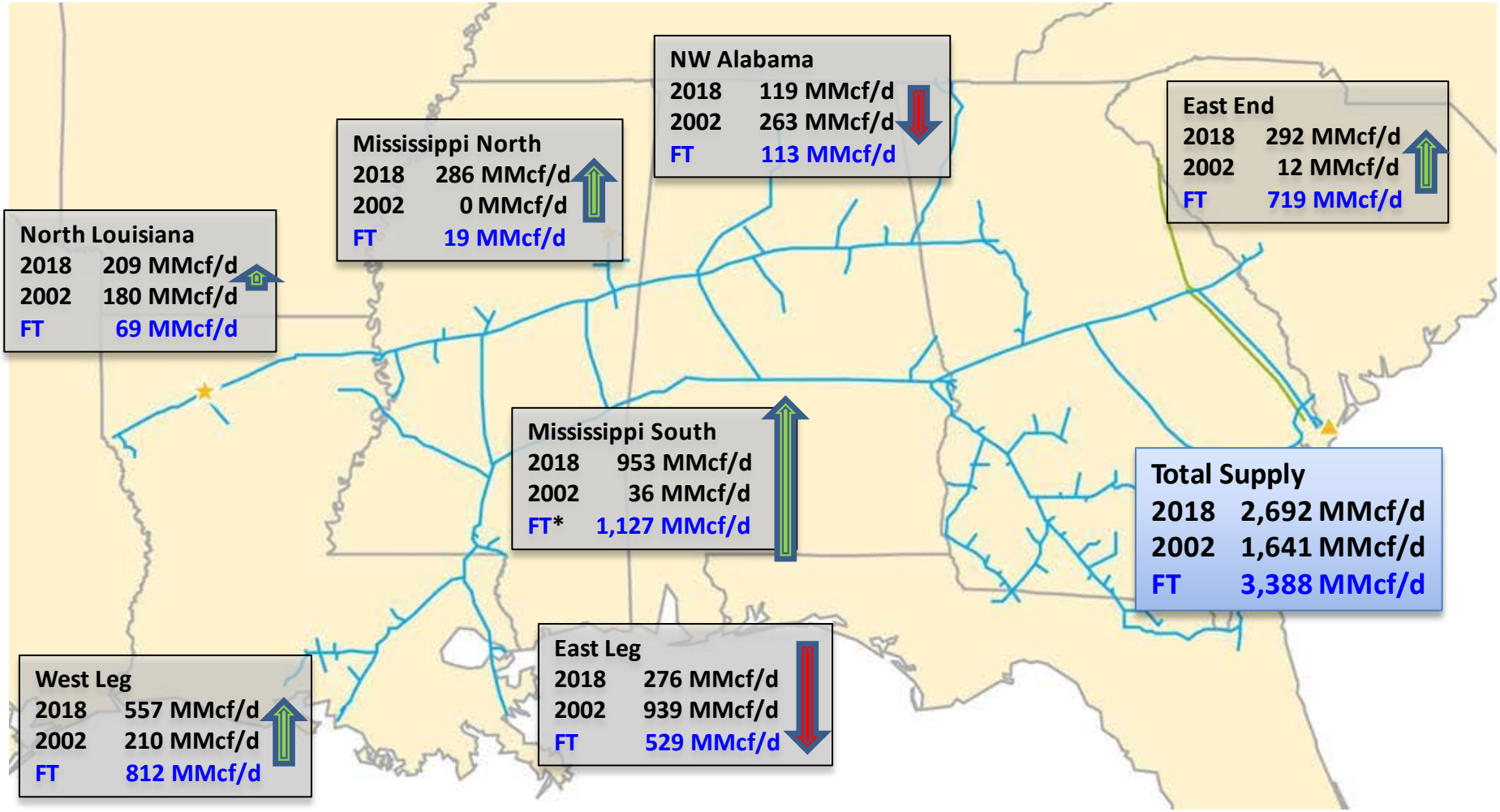
- EEC contracted with six different shippers
  - 836,167 Mcf/d of FT
  - 49% was *not* related to Elba liquefaction
- SNG contracted with ten different shippers
  - 235,110 Mcf/d of FT
  - Contracts ranged from 2,100 to 55,000 Mcf/d
  - Included LDCs, industrials, and power generation
  - Placed in service Dec 2016

SNG Supply Overview

Southern Natural Gas Company, L.L.C.
a Kinder Morgan operated company

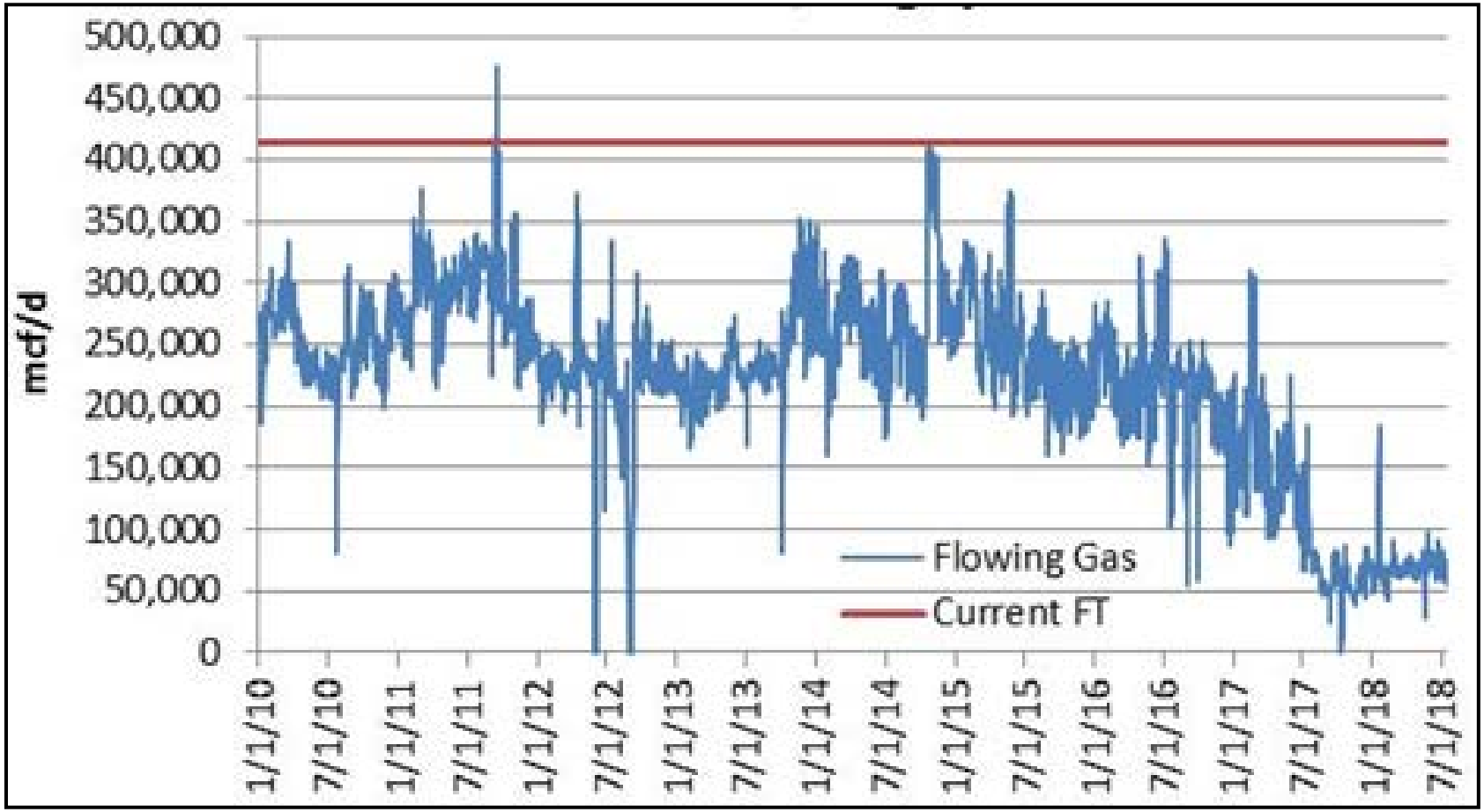
SNG System Supplies By Major Location

Average Daily Supply for 12 Months Ending June 30, 2018

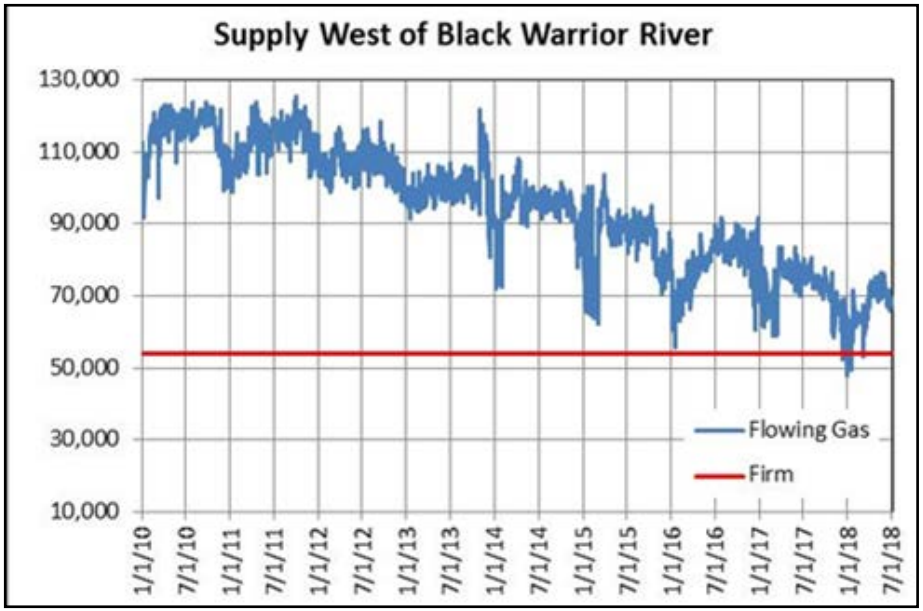


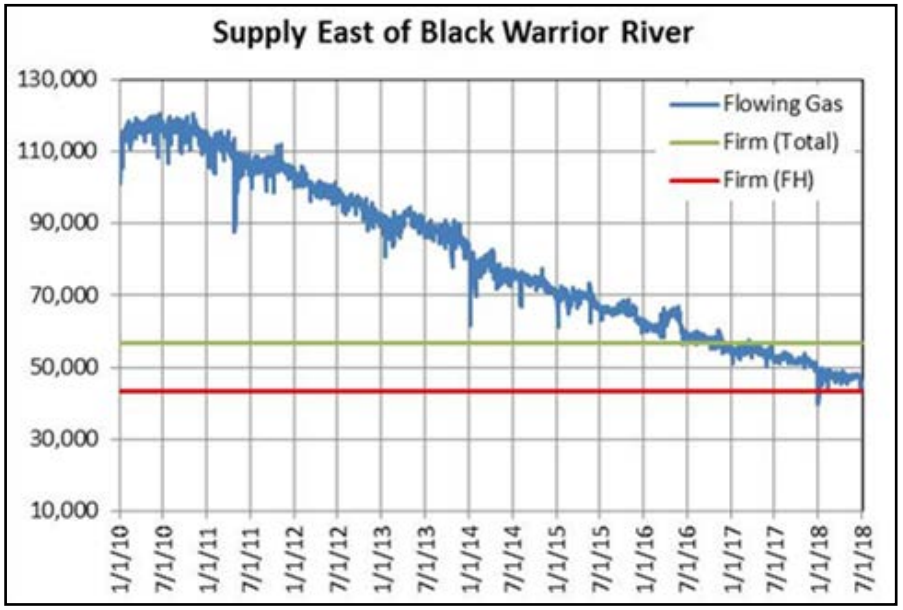
* FT Includes 275 Mmcf/d of firm storage volumes

Declines in SNG's Traditional Offshore Supply



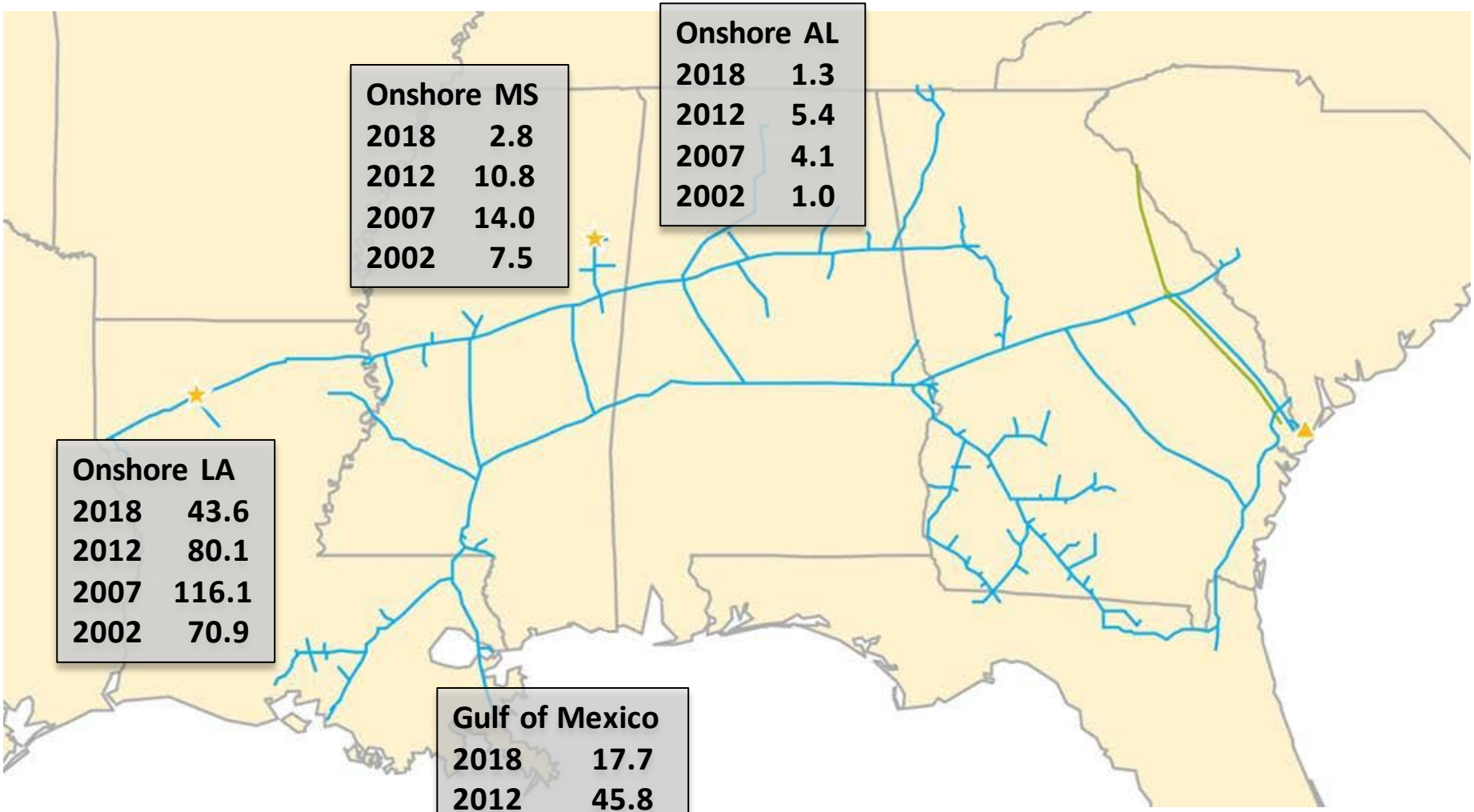
Declines in SNG Coal Seam Gas





Winter 2017-18 averaged 111,000 Mcf/d
Over 100,000 Mcf/d reduction since 2010

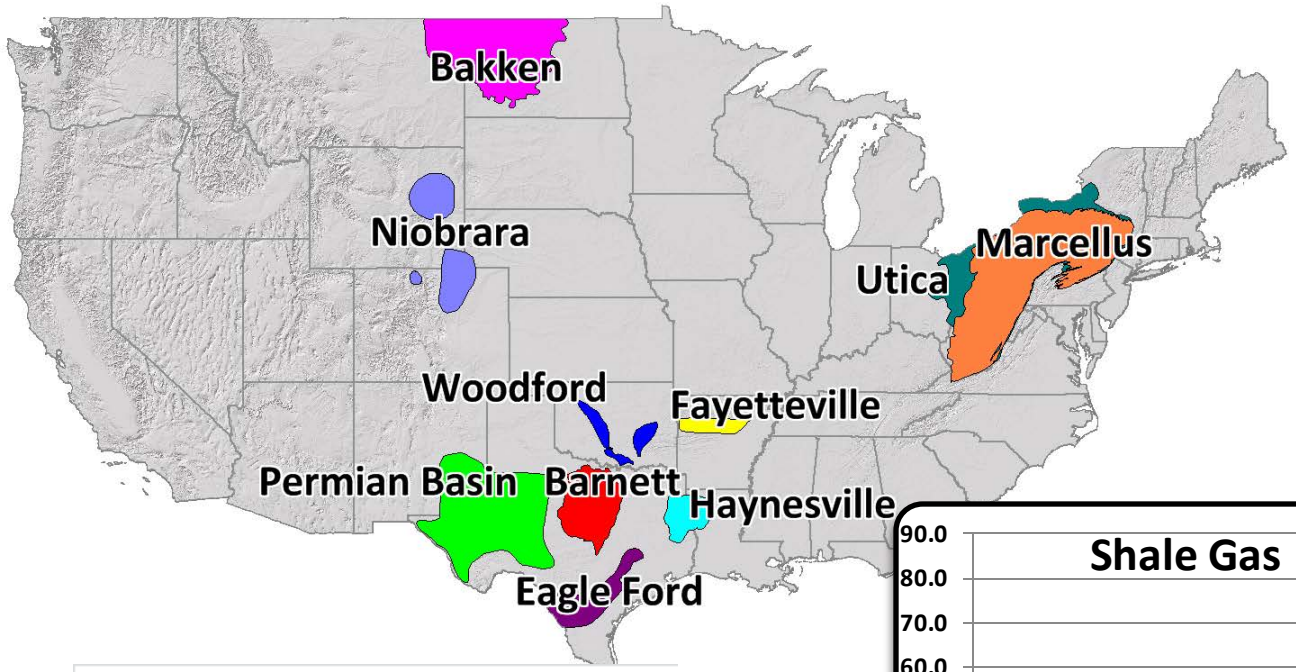
Average Rig Count



Source: Baker Hughes, August 17, 2018

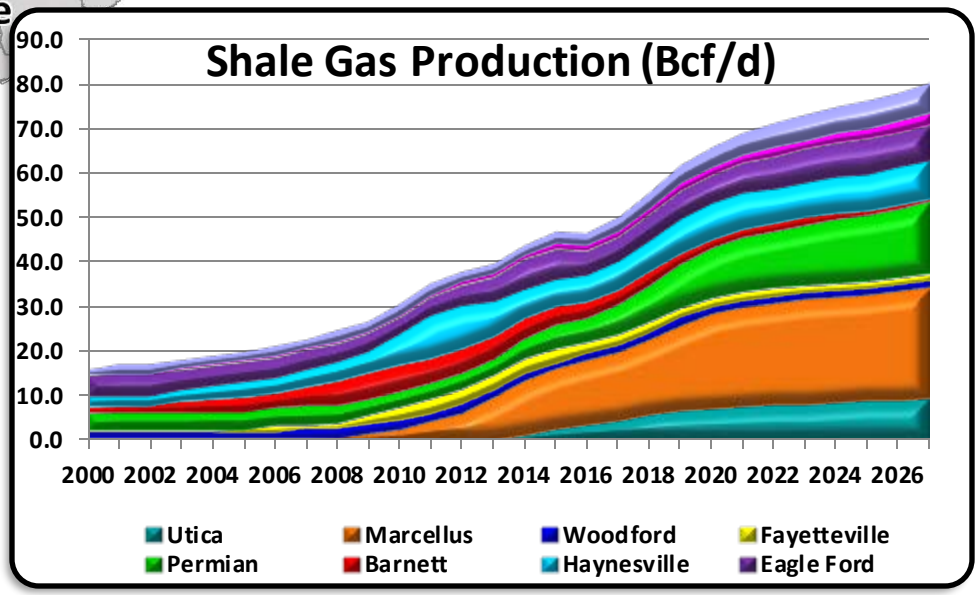
Supply Changes Affecting the Southeast

Shale Gas Growth



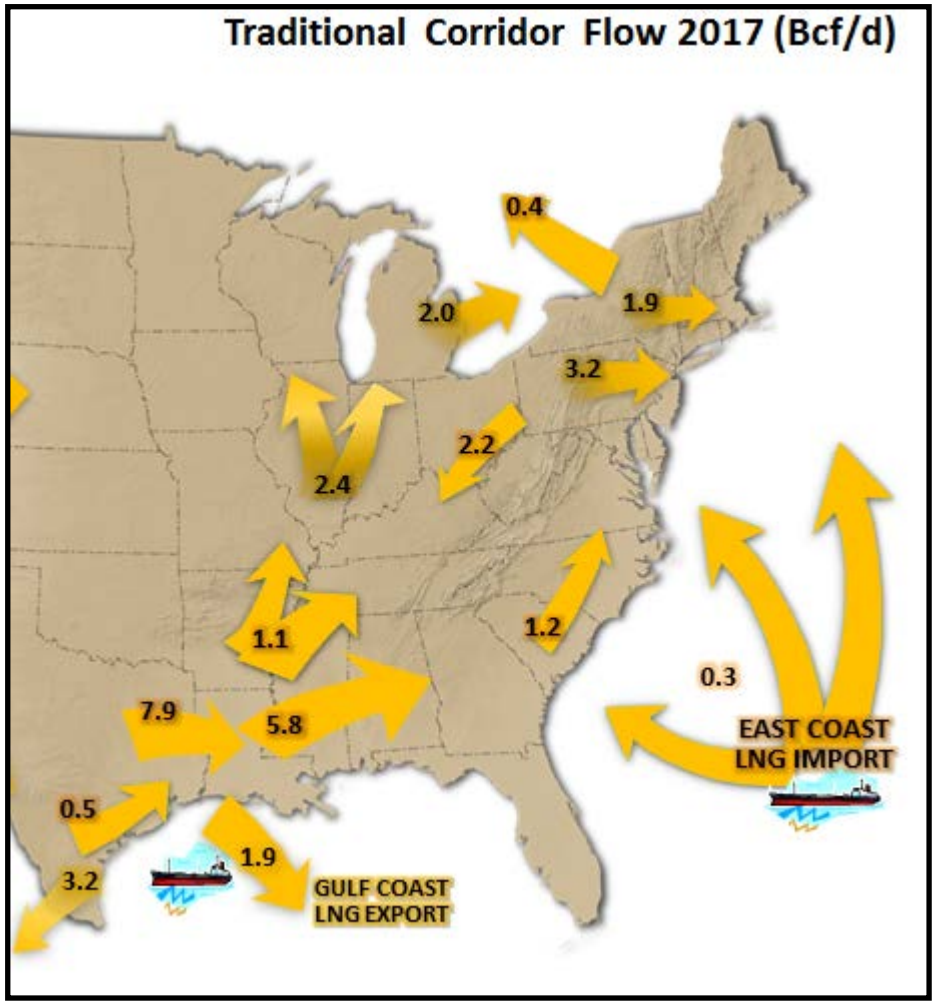
U.S. SHALE GROWTH (Bcf/d)	
2017	50.2
2027	80.3
CAGR	4.8%

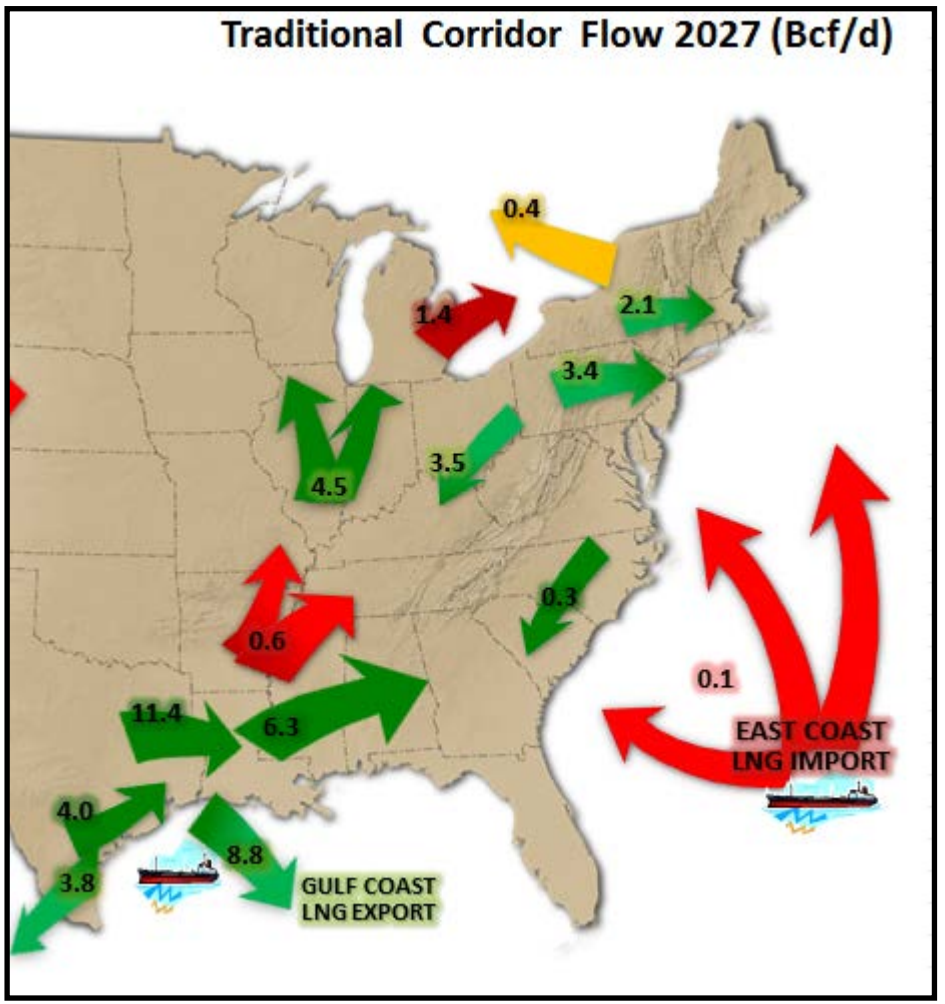
Marcellus/Utica GROWTH (Bcf/d)	
2017	19.9
2027	34.3
CAGR	5.6%



SOURCE: KM Case Feb 2018

Supply to Market Corridor Flow Patterns 2017 vs. 2027





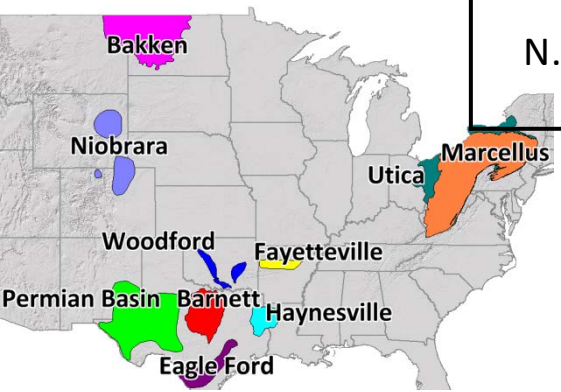
Declining flows into the SE from the Gulf region can be offset by increasing Midcontinent and NE flow.

SOURCE: KM CASE February 2018

KM View of U.S. Supply Sources

Supply Sources - Growth/Decline Profile Bcf/d

		2002	2018	Change	Change %
Traditional Gulf	GOM	12.1	3.0	-9.1	
	Onshore GOM	4.4	2.0	-2.4	
	Total	16.5	5.0	-11.5	-70%
Midcontinent	Haynesville	2.4	7.6	5.2	
	Permian	4.1	8.2	4.1	
	Barnett	1.9	2.8	0.9	
	Fayetteville	0.3	2.1	1.8	
	Eagle Ford	4.7	5.7	1.0	
	Woodford	1.4	1.9	0.5	
	Total	14.8	28.3	13.5	91%
N.E. Shale	Marcellus	0.5	16.7	16.2	
	Utica	0.3	5.8	5.5	
	Total	0.8	22.5	21.7	2712%

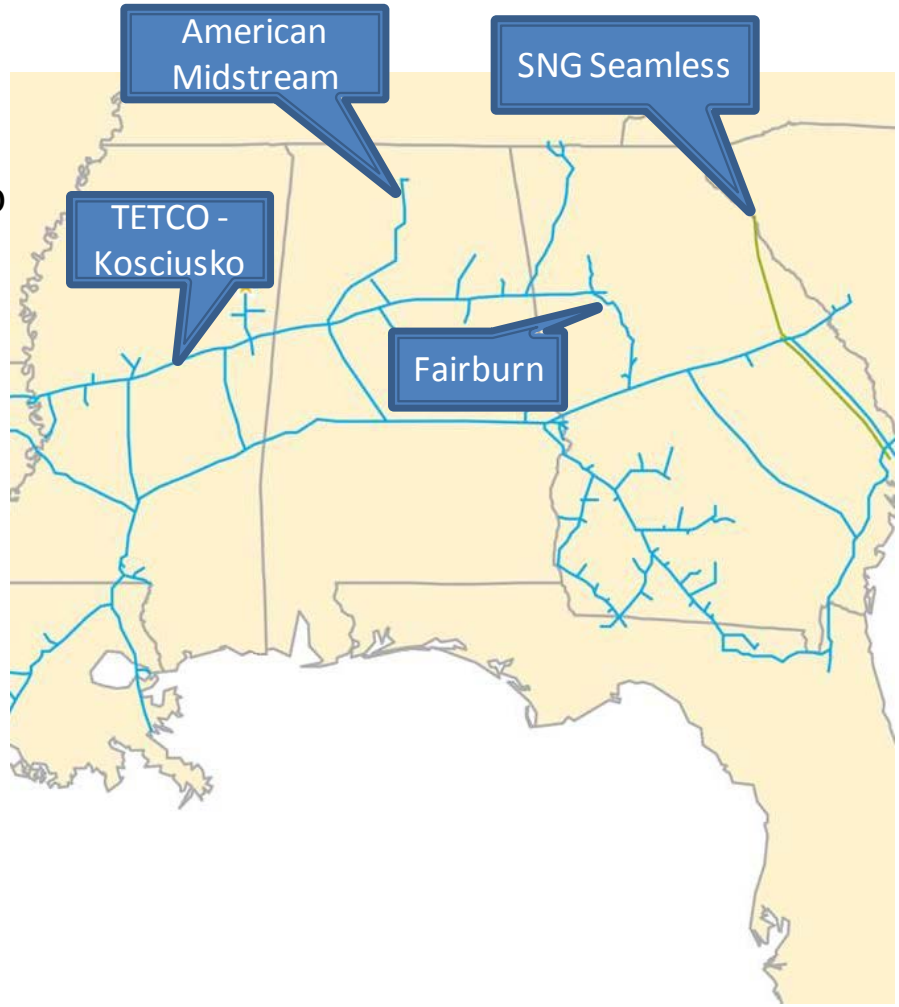


KM projection is based on review of ICF and other data.

Recent Supply Projects

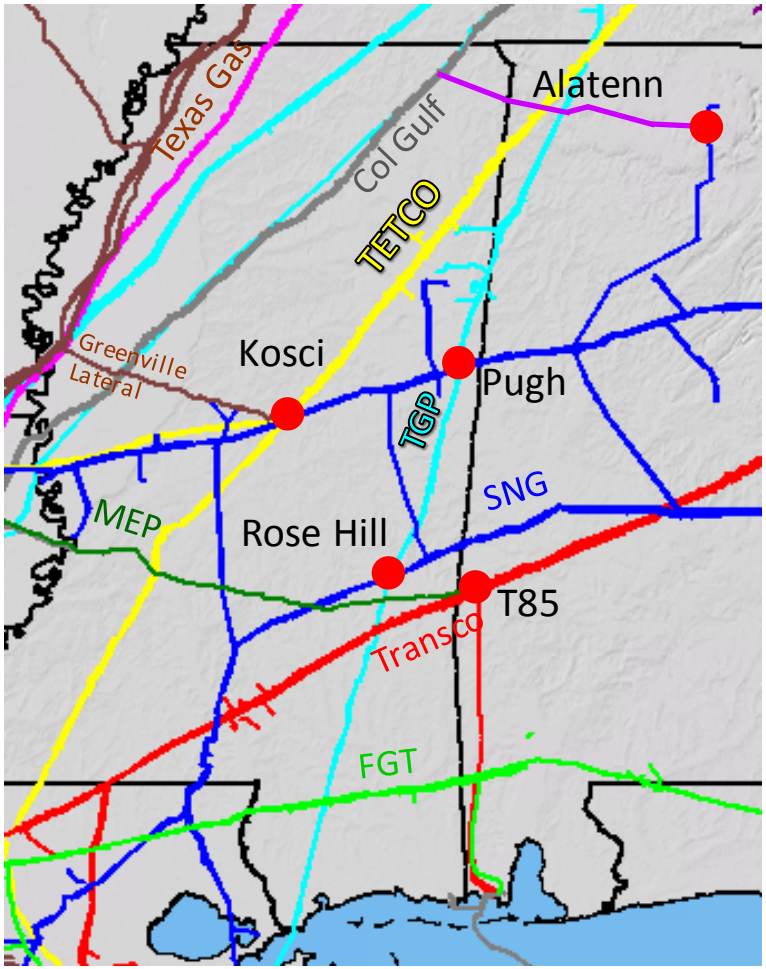
Recent Supply Projects

- Fairburn Expansion
  - ~360 Mmcf/d new receipt capacity
  - Supply from Transco near Jonesboro
  - 96% contracted
  - Expected in-service 4Q18
- TETCO – Kosciusko, MS Interconnect
  - New 160 Mmcf/d receipt point
  - Costs reimbursed by TETCO
- American Midstream – North Alabama Interconnect
  - New 45 Mmcf/d receipt point
  - Costs reimbursed by American Midstream
- SNG Zone 3 Seamless Project
  - 235,000 Mmcf/d of capacity from Transco, through EEC and into SNG
  - 100% contracted



Supply Project Ideas

- Rose Hill
  - Reactivating K-Gen Line could provide 270,000 Dth/d of supply access
  - Fairly low cost to access
- Kosci
  - Supply from TETCO and Texas Gas
  - SNG cost relatively high
- TGP-Pugh
  - Attractive supply but high SNG access cost
- Alatenn
  - Upstream pressure concern
  - Up to 70,000 Dth/d at reasonable SNG cost
- Transco Station 85
  - Direct connect adds supply but also competes with other markets
  - Relatively high connection cost



Supply Project Ideas (cont'd)

- Expand Fairburn interconnect
  - Some of this could displace North System coal seam supplies
- Expand SNG access from EEC
  - Scalable expansion opportunity
- Acquire capacity on MEP, or other pipelines, to provide additional seamless service
- Expand from West Leg
  - Would require new compressor station and/or pipe
- North Louisiana
  - Greenfield line to Gwinville likely cheaper than expanding existing infrastructure
- Storage (Leaf River, MS Hub, Petal, other)
- Elba peak shaving service

Supply Situation Recap

- SNG native gas supplies have declined over the last 15 years
  - GOM has been steadily declining since Katrina and Rita
  - Coal seam production has been slowly declining
- Access to growing U.S. shale gas has come through construction of facilities to extend our reach to 3rd party pipeline interconnections. Most recent 12 month daily volumes ending June 2018:
  - SESH: ~460 MDth/d
  - Transco/EEC: ~392 MDth/d
  - Kosciusko: ~292 MDth/d
- North System constraints limit access to certain shale gas supplies
- Currently, supply and demand are in balance, but growing demand will compete for the same supplies as SNG's customers
  - LNG Exports
  - Growth in Florida / T85 hub
- Infrastructure is needed to leverage the system's access to competitively priced supply interconnects

Questions & Announcements

Remaining Agenda

Activities

- Lunch for Non-golfers — 11:30 a.m., *Salon E*
- Golf — Tee times: 12:00 – 1:20 p.m.
  Box lunches — *Clubhouse Terrace*
- Autobahn Speedway — Leave hotel at 1:30 p.m.
  Load bus at 1:15 p.m. – from lobby
- Spa — Per appointment schedule
- Reception/Dinner — 6:30 p.m./7:00 p.m.
  The Terrace, lower level patio

Thank You for Your Business!