

KINDER MORGAN (KMI): THE UTILITY OF THE 21ST CENTURY

INVESTMENT ANALYSIS & 2026 OUTLOOK



ASSET BASE

66,000 Miles of Pipeline

MARKET ROLE

Moves 40% of U.S. Natural Gas

CREDIT PROFILE

S&P BBB+ (Investment Grade)

TWO STRUCTURAL TAILWINDS. ONE SOLUTION.



LNG FEEDGAS DEMAND

+19%

Reaching 19.8 Bcf/d in 2026



POWER LOAD GROWTH

+10 Bcf/d

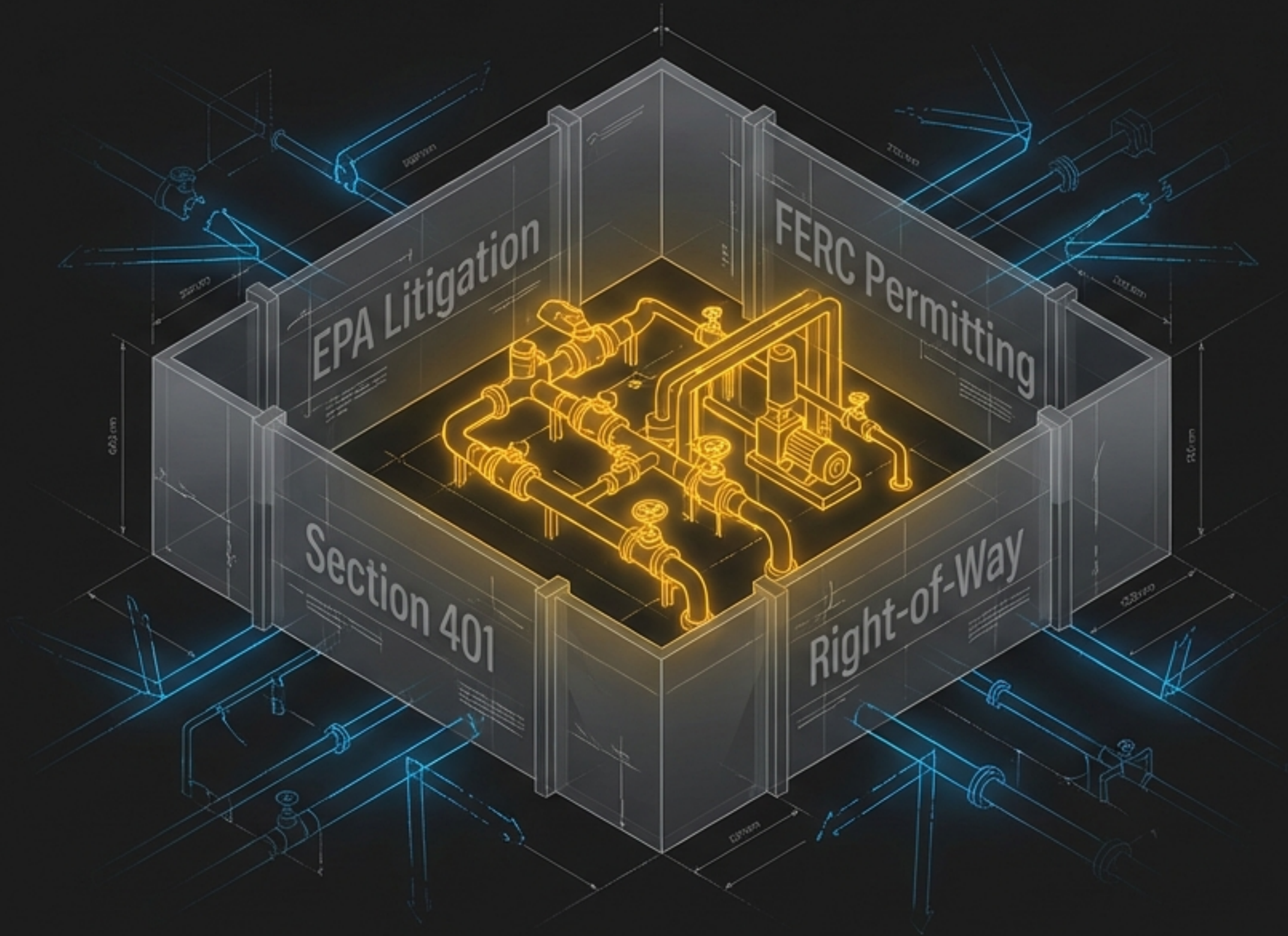
Baseload requirement by 2030

2010-2019: Drill-Bit Expansion

Widening Spreads between Supply & Demand

2025+: Strategic Connection

THE INCUMBENCY ADVANTAGE: IRREPLACEABLE STEEL



THE REGULATORY MOAT

New long-haul interstate pipelines are effectively blocked by federal litigation and permitting complexity.

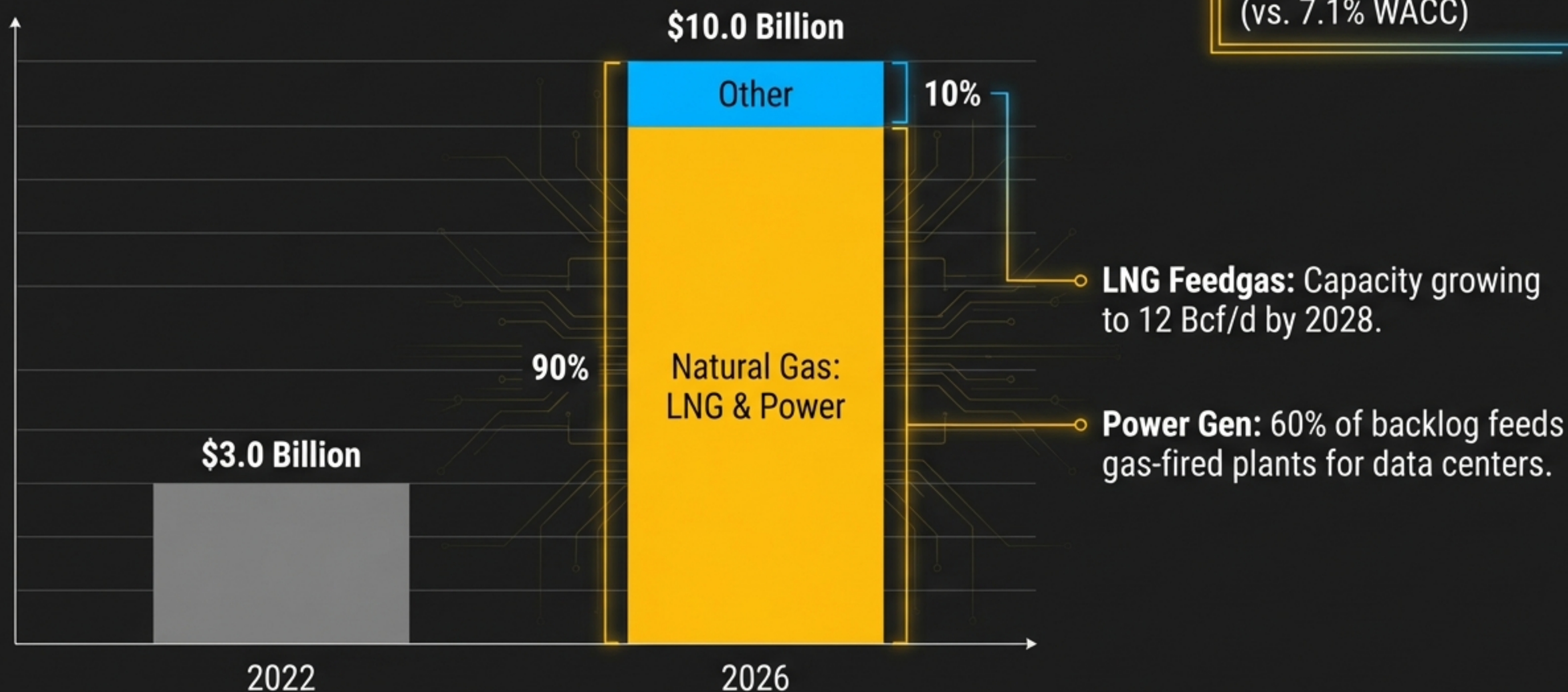
ECONOMIC REALITY

- Replacement Cost >> Enterprise Value
- 66,000 miles of Right-of-Way cannot be duplicated

The value of steel in the ground rises as regulatory constraints tighten.

FROM AUSTERITY TO AGGRESSION

PROJECT BACKLOG EXPLOSION

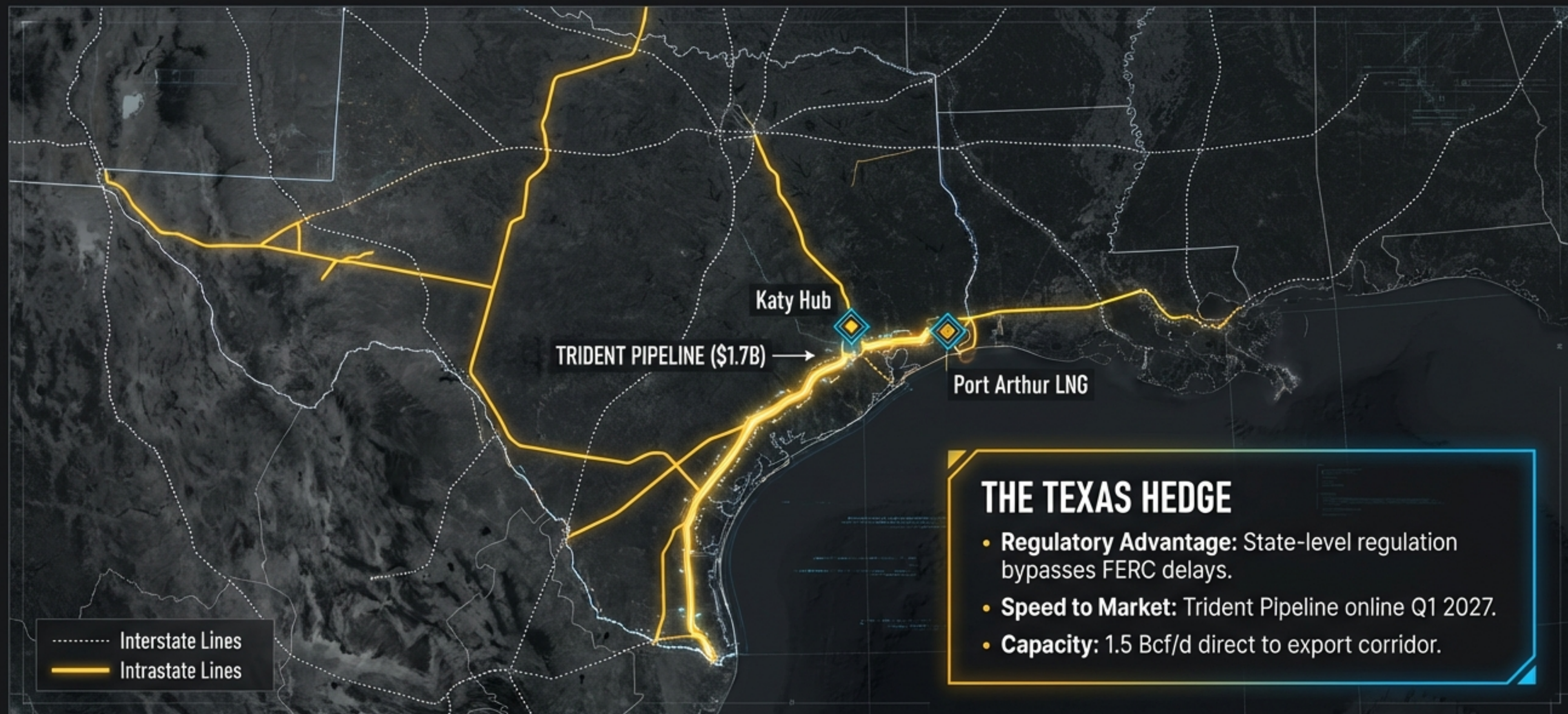


HIGH-RETURN GROWTH

Build Multiple: ~5.6x EBITDA

Unlevered Return: 17.8%
(vs. 7.1% WACC)

AVOIDING THE FEDERAL BOTTLENECK



THE FORTRESS BALANCE SHEET

LEVERAGE

3.8x Net Debt/EBITDA
(Down from >5.5x in 2015)



CASH FLOW

\$5.2B DCF
(2.0x Dividend Coverage)



CREDIT RATING: S&P BBB+
(Upgraded Jan 2026)



SELF-FUNDING: \$3.4B CAPEX
(No Equity Issuance)

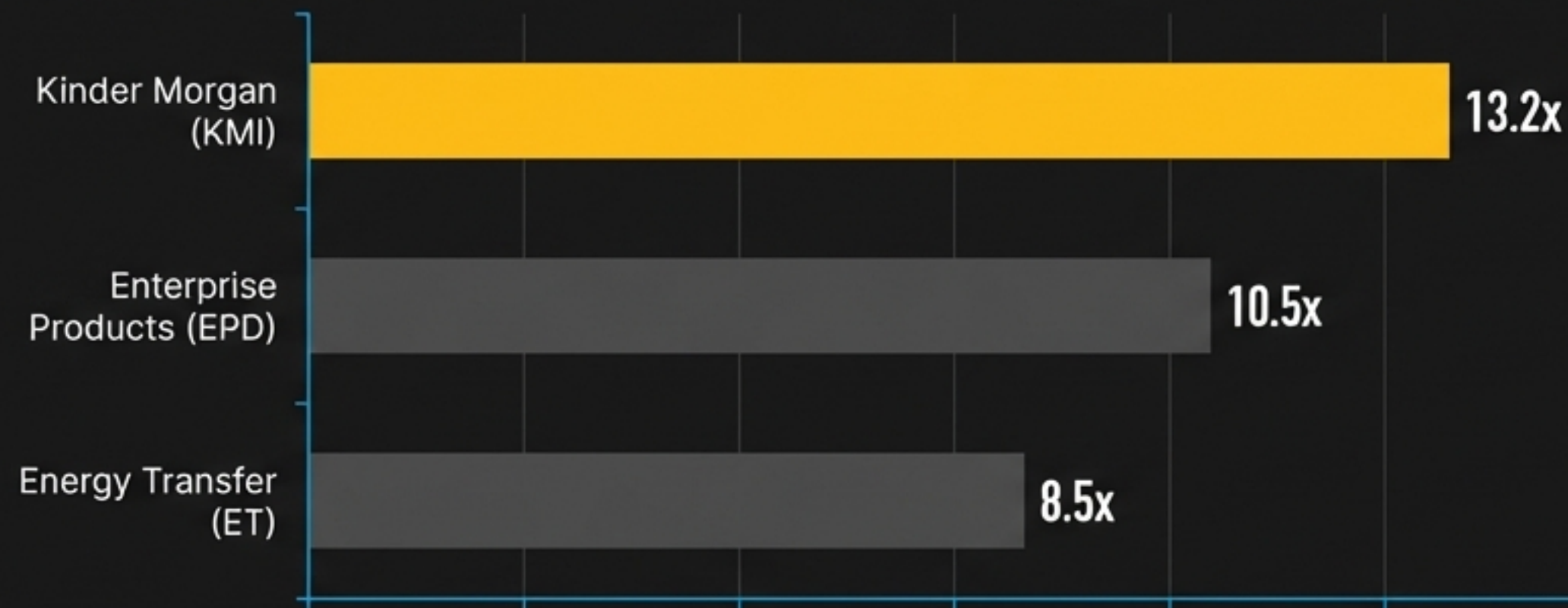


DIVIDEND: \$1.19/Share
(9 Years of Growth)

A PREMIUM PRICE FOR PREMIUM ASSETS

EV/EBITDA MULTIPLES

Inter Medium



**IMPLIED
FAIR VALUE:**

\$29 – \$32

Current Price: ~\$30.33

The 'Easy Money' has been made. Investors are now paying for growth that hasn't happened yet. KMI trades at a utility-like premium due to C-Corp structure and Natural Gas purity.

THE RE-CONTRACTING HEADWIND

Trident Online

South System
Exp. Online

2026

2027

2028

2029



THE CONTRACT CLIFF

Major Expiration: Gulf Coast Express (GCX)
Risk: Re-contracting at lower rates as basin spreads narrow.

Secondary Risk: Inflationary pressure on \$10B backlog execution.

VERDICT: A BLUE-CHIP HOLD



\$27 - \$28 (BUY)

\$30 (HOLD)

>\$32 (SELL)

- ✓ Irreplicable Asset Base (Moat)
- ✓ Best-in-class Leverage (3.8x)
- ✓ Massive LNG & AI Tailwinds
- ⚠ Fully Valued at 13.2x EBITDA

The best pure-play on the U.S. gas boom, but patience is required for the right entry point.