
Kinder Morgan & Sempra to lay 2,400 Km pipeline in Rocky Mountain

Tuesday, 23 Aug, 2005

Kinder Morgan Energy Partners and Sempra Pipelines & Storage, a unit of Sempra Energy announced that the two companies have entered into a MOU to pursue development of a proposed new natural gas pipeline that would link producing areas in the Rocky Mountain region to the upper Midwest and Eastern United States. As designed, the 42-inch diameter pipeline would have capacity of up to 2 billion cubic feet per day and is estimated to cost \$3 billion. The preliminary route of the 2,400 km pipeline would originate at the Wamsutter Hub in Wyoming and extend to eastern Ohio with an ultimate route to be selected based on shipper interest.

Along with providing producers much-needed takeaway capacity, the pipeline would feature multiple interconnects with other major pipeline systems and create significant flexibility and more options for reaching other demand -anchored markets. Producers would also be able to more effectively address the price differential between Rocky Mountain basins and other parts of the country.

Pending the feasibility of the project, customer commitments and regulatory approval, the proposed pipeline is projected to be staged into service beginning in the latter part of 2008 and continuing through 2009.

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