

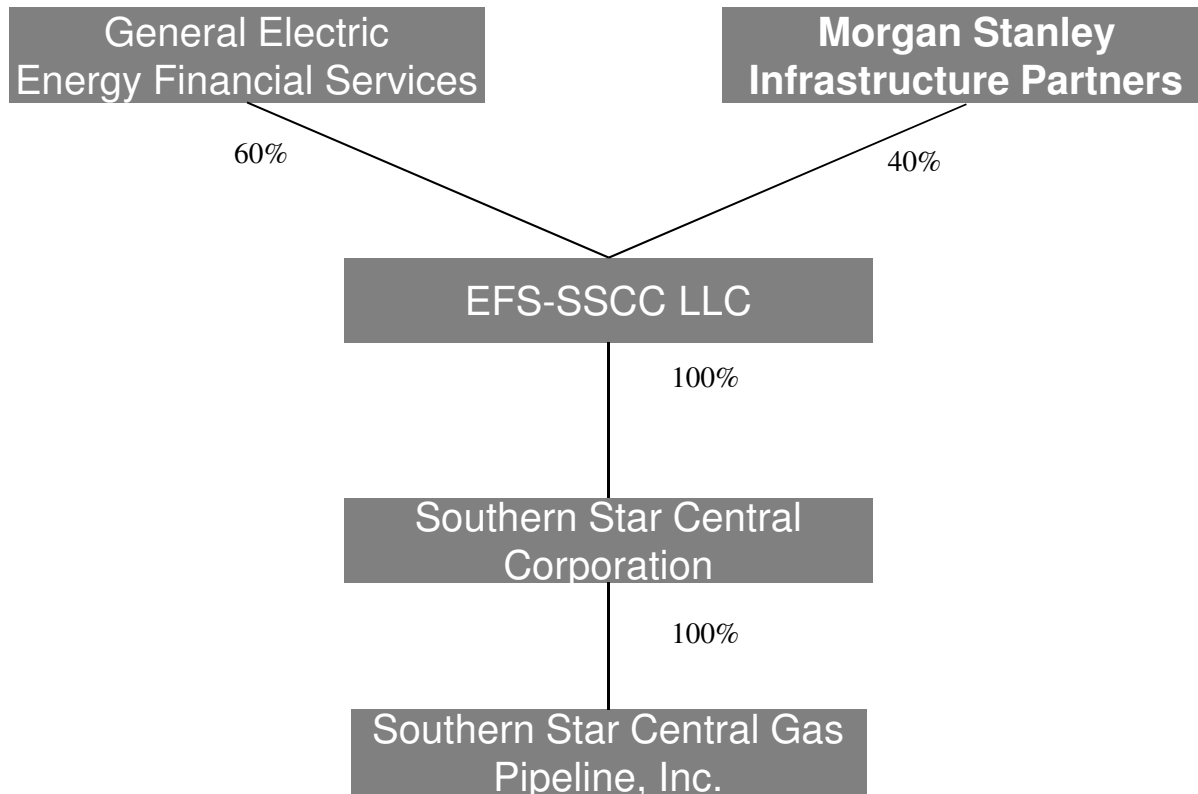
Natural Gas - Fueling Missouri's Growth

**Jerry Morris - President & CEO
Southern Star Central Gas Pipeline, Inc.**

August 31, 2011

About

Southern Star Corporate Structure



Southern Star Overview

Summary of Business

Central Overview ⁽¹⁾

System Capacity

- 2.4 Bcf/day

System Storage

- 47 Bcf Capacity
- 1.3 Bcf/d Deliverability

Supply Basins

- Anadarko, Rockies, Hugoton

Pipeline Interconnects

- 23

Operating Locations

- CO, KS, MO, NE, OK, TX, WY

Compressor Stations

- 40

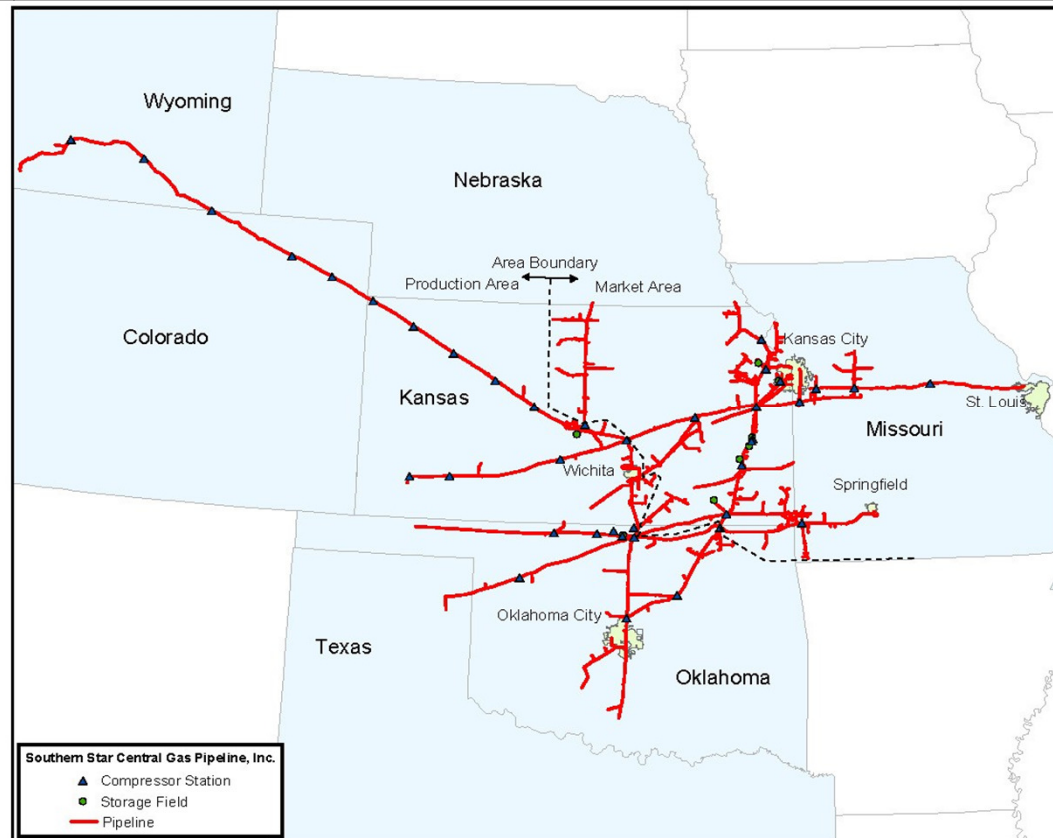
Miles of Pipeline

- Approx. 5,900

Peak Day (2009-2010)

- 2.5 Bcf/d

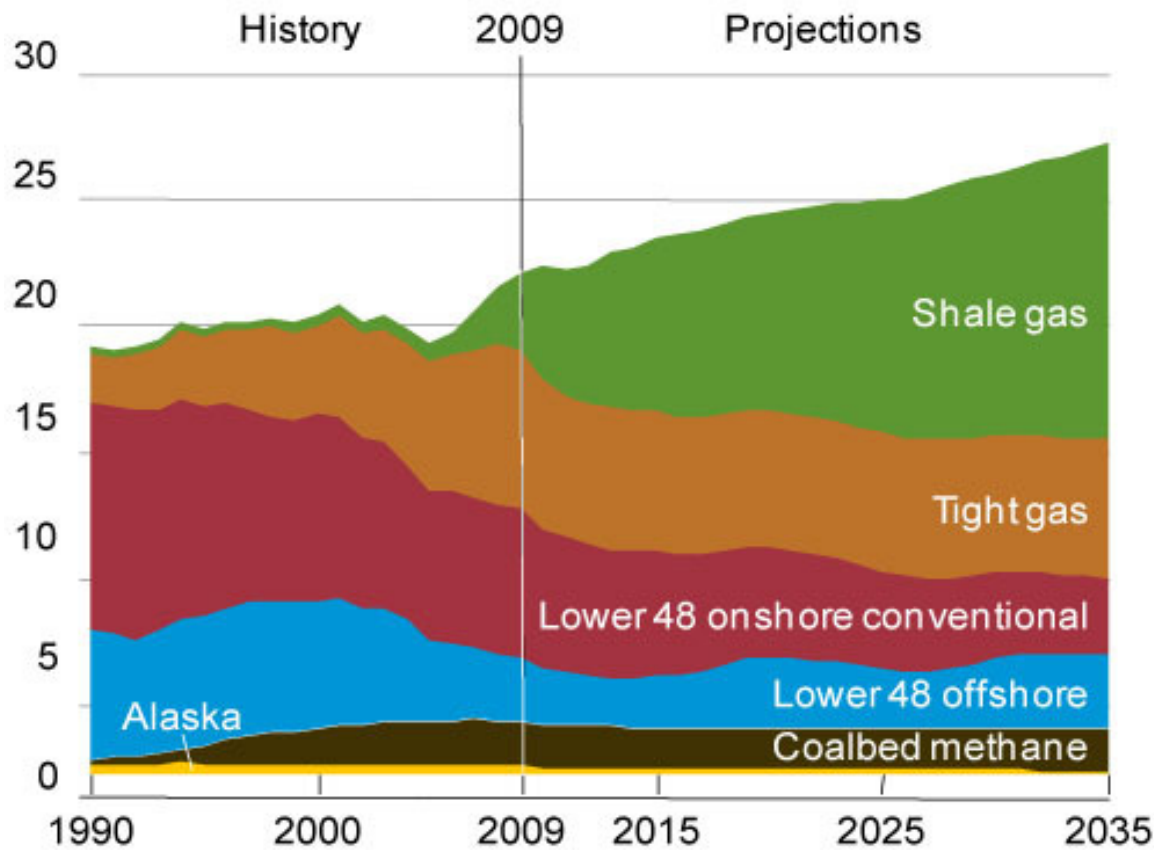
Southern Star Central Pipeline Map



1. Data as of March 31, 2011.

US Gas Supply to 2035

Figure 2. U.S. natural gas production, 1990-2035
(trillion cubic feet per year)



Source: EIA Annual Energy Outlook 2011

Natural Gas Production Trends

- EIA Annual Energy Outlook 2011 projects a larger resource base for natural gas, based on re-evaluation of shale gas and other resources and a more rapid rate of bringing new resources into production.
- AEO 2011 estimates US Recoverable Natural Gas Resources at 2,552 Tcf.
- Potential Gas Committee 2009 estimates US Recoverable Natural Gas Resources at 2,074 Tcf.
- This is 100+ years of Gas Supply in the US

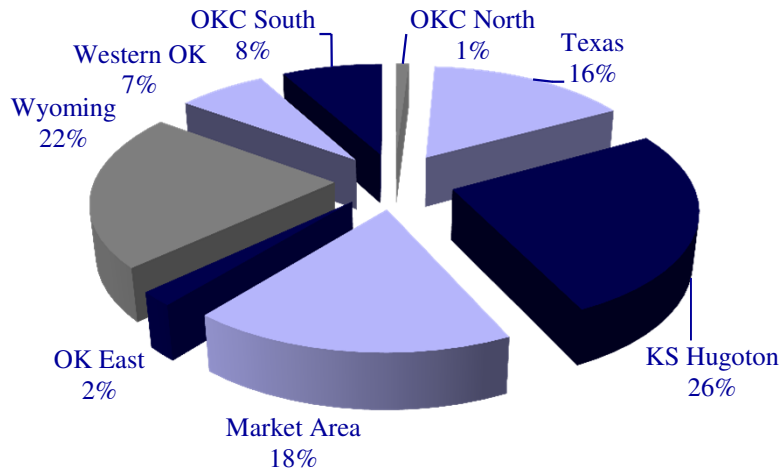
For Release June 18, 2009, 1100 EDT

Contact: Dr. John B. Curtis, Potential Gas Agency, Colorado School of Mines, Golden, CO
80401-1887. Telephone 303-273-3886; fax 303-273-3574; ldepagni@mines.edu.

Source - <http://www.eia.doe.gov/reports/> & <http://tonto.eia.doe.gov/FTP/ROOT/monthlyhistory.htm>

Southern Star Gas Supply

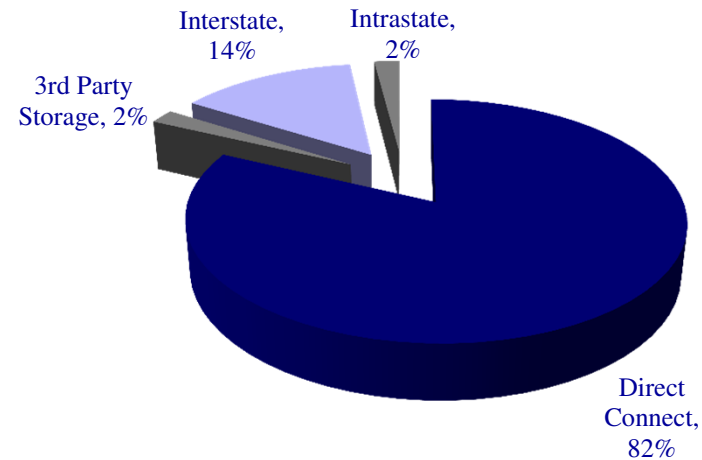
2010 System Receipts



Diverse gas supply portfolio

- Rockies
- Kansas Hugoton
- Anadarko
- Arkoma

2010 Supply By Source



Supply Source

- 82% - Direct Connected
- 16% - Received from 23 interstate & intrastate pipeline interconnects

The Role of Natural Gas for Power Generation

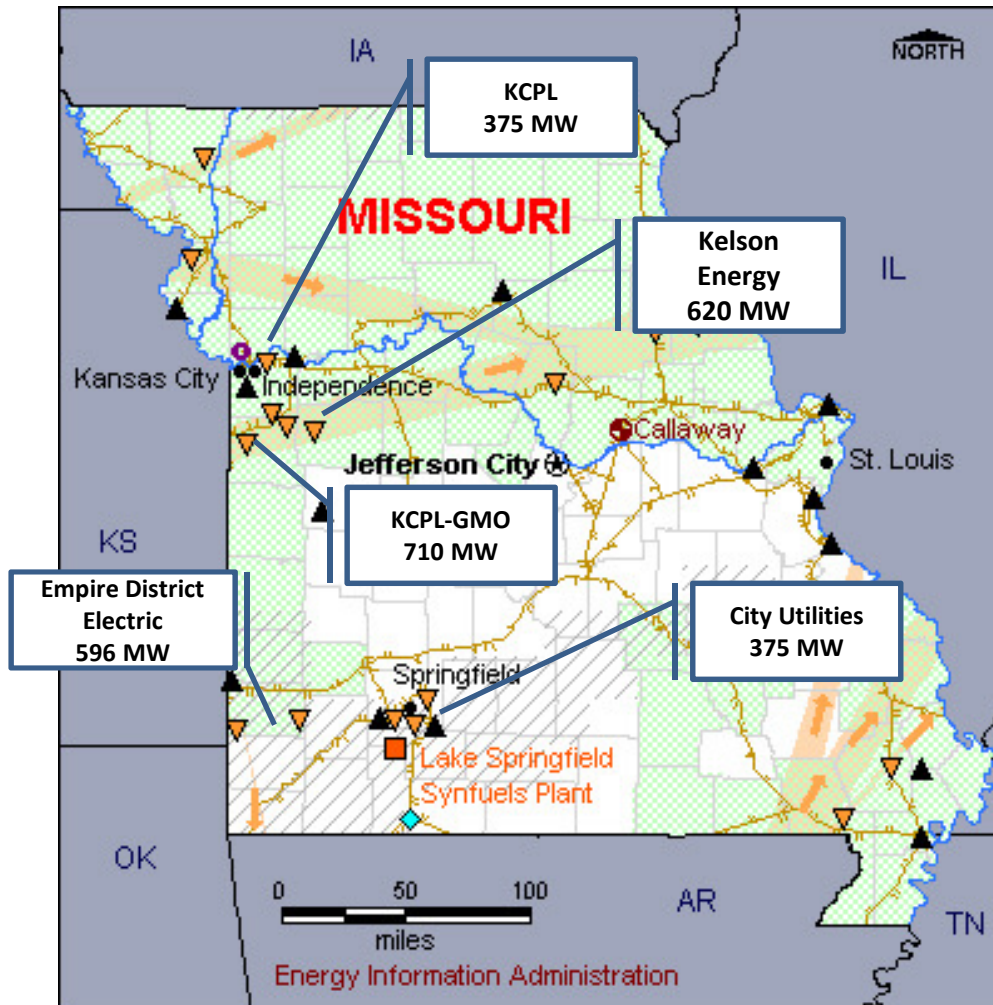
EPA Clean Air Act addendum

- Cross-State Air Pollution Rule could lead to a 35% increase (7.0 Bcf/d) in gas demand from power by 2014 in the United States
- Midwest and Midcontinent regions could account for 2.4 Bcf/d of the total

Benefits of Natural Gas

- Immediate fuel source for quick start units
- Future emissions regulations
- Natural gas supply and reserve life
- Reliability

Missouri Generation Facilities



Southern Star currently provides natural gas service to 2676 MW of power generation in Missouri

Kelson Energy

- Dogwood – Pleasant Hill, MO

Kansas City Power & Light

- Hawthorn – Kansas City, MO
- Lake Road – St. Joseph, MO
- Greenwood – Greenwood, MO
- RG3 – Pleasant Hill, MO
- South Harper – Peculiar, MO

Empire District Electric

- State Line – Joplin, MO
- Energy Center – LaRussell, MO

City Utilities of Springfield

- James River, Southwest, McCartney

Southern Star Missouri Pipelines

| | | | | |
|-----------------------------|--------------|-------------------------|---------------------------|--|
| Pipeline in Missouri | | 872.72 | Total Miles | |
| HCA in Missouri | | 39.97 | HCA Miles | |
| <u>Assessments</u> | | <u>HCA Miles</u> | <u>Total Miles</u> | |
| Completed | Thru 2010 | 35.03 | 400.33 | |
| | 2011 | 2.54 | 56.80 | |
| | 2012 | 1.59 | 64.60 | |
| | Total | 39.16 | 521.73 | |

Difference in Assessed HCA Miles and HCA Miles is a result of new HCAs due to be assessed after 2012.
High Consequence areas as defined by PHMSA regulations.

HCA Completed Assessments in Missouri

| Line Name | HCA (mi) | Pipeline (mi) | Year | Assessment Type |
|-----------------------------|--------------|---------------|------|-----------------|
| 47th Street | 0.03 | 0.03 | 2004 | PT |
| Kansas City | 0.06 | 0.06 | 2004 | PT |
| Carrollton | 0.39 | 0.45 | 2006 | DA |
| Sedalia 12" | 0.34 | 0.95 | 2007 | PT |
| Sugar Creek | 12.21 | 33.35 | 2007 | ILI |
| Springfield | 3.39 | 68.35 | 2008 | ILI |
| Fairfax | 0.00 | 2.39 | 2008 | ILI |
| LJ to Conc | 0.51 | 36.26 | 2008 | ILI |
| River to Col | 0.25 | 13.17 | 2008 | ILI |
| Lac to EOL | 4.40 | 21.30 | 2008 | ILI |
| Carrollton | 0.14 | 0.18 | 2008 | PT |
| Sedalia 12" | 0.19 | 0.19 | 2008 | PT |
| Joplin 20" Loop | 0.78 | 57.79 | 2009 | ILI |
| Southern Trunk | 0.00 | 2.69 | 2009 | ILI |
| Col - Lac | 0.79 | 70.78 | 2009 | ILI |
| Carrollton | 0.17 | 19.61 | 2009 | ILI |
| Sedalia Loop | 0.35 | 7.10 | 2009 | ILI |
| East KC 20" | 0.70 | 31.84 | 2009 | ILI |
| St. Joe 8" | 2.86 | 6.43 | 2009 | DA |
| Total Assessed Miles | 27.54 | 372.93 | | |

HCA Completed Assessments in Missouri (cont)

| Line Name | HCA | Pipeline | Assessment Type | Year | Status |
|--------------------------|---------------|----------------|---------------------|------|-----------|
| Joplin to Lone Elm 10" | 872.1 | 10924 | ILI | 2010 | Completed |
| Rangeline 16" | 26435.7 | 56244 | ILI | 2010 | Completed |
| Joplin Airport 16" & 20" | 7406.1 | 22410 | ILI | 2010 | Completed |
| Sedalia 16" Loop | 3409 | 25991 | ILI | 2010 | Completed |
| Lexington 6" | 889.1 | 9636 | DA | 2010 | Completed |
| St. Joe 16" Loop #2 | 3434.1 | 19194 | ILI | 2010 | Completed |
| St. Joe 8" | 530 | 530 | GWUT/Casing Removal | 2010 | Completed |
| Total Ft | 39,542 | 144,929 | | | |
| Total Miles | 7.49 | 27.4 | | | |

2011 HCA Assessments

| Line Name | HCA | Pipeline | Assessment Type | Year | Status |
|-------------------------------|---------------|----------------|-----------------|------|-------------|
| 16" to Empire State Line | 1276.7 | 2000 | Tethered ILI | 2011 | Completed |
| Cotton Valley - Saginaw 16" | | 41784 | ILI | 2011 | Completed |
| Solar Chemical Plant 10 & 16" | 2215.1 | 9464 | DA | 2011 | In Progress |
| Joplin Gas Company 8 & 16" | 2452.6 | 2493 | Pressure Test | 2011 | Scheduled |
| Tartan 10" | 2774.1 | 50154 | ILI | 2011 | Completed |
| Arkla 20" | 1698.3 | 182935 | ILI | 2011 | Completed |
| 16" Line to DR Setting | 1087 | 1087 | Pressure Test | 2011 | Scheduled |
| Total Ft | 13,423 | 299,896 | | | |
| Total Miles | 2.54 | 56.80 | | | |



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- Provide Safe & Reliable Natural Gas Transportation
- Focus on Incremental Gas Supply Opportunities

VISION

To be best pipeline in North America.

MISSION

Operate safely, reliably, and efficiently; provide exceptional customer service; ensure workforce excellence; and, maximize shareholder value.

Integrity
Managing Risk
Trust
Teamwork



Innovation
Partnering
Learning
Communication