



## Rockies Express Pipeline Receives FERC Certificate to Begin Construction on Rex-East

HOUSTON, June 2, 2008 - Rockies Express Pipeline LLC., today announced the Federal Energy Regulatory Commission (FERC) has approved construction of Rockies Express-East (REX-East), which comprises 638 miles of 42-inch diameter pipeline that will extend from Audrain County, Mo., to Clarington, Ohio. Construction is expected to begin this summer. Subject to receipt of regulatory approvals, REX-East is expected to begin interim service to the Lebanon Hub in Warren County, Ohio, by Dec. 31, 2008, and be fully operational in the summer of 2009.

"The sponsor companies appreciate the timely manner in which the FERC completed its environmental review and authorized the certificate to construct on REX-East," said Scott Parker, president of Kinder Morgan Energy Partners' Natural Gas Pipelines group. "We are delighted that more than 1,000 miles of REX are in service, and we look forward to completing the final segment of the project." The 713-mile REX-West segment which runs from the Cheyenne Hub in Weld County, Colo., to Audrain County, Mo., became fully operational May 20. The initial 327 miles of REX extends from the Meeker Hub in Rio Blanco County, Colo., to the Wamsutter Hub in Sweetwater County, Wyo., to the Cheyenne Hub.

Rockies Express Pipeline LLC is a joint venture of Kinder Morgan Energy Partners (NYSE: KMP), Sempra Pipelines and Storage, a unit of Sempra Energy (NYSE: SRE), and ConocoPhillips (NYSE: COP), and is one of the largest natural gas pipelines to be constructed in North America. When completed, the 1,679-mile pipeline will transport gas from the prolific Rocky Mountain supply basins to markets in the Midwest and East and have a capacity of approximately 1.8 billion cubic feet per day. Binding firm commitments from creditworthy shippers have been secured for all of the capacity on the pipeline.

Market conditions for consumables, labor and construction equipment along with certain provisions in the final environmental impact statement have resulted in increased costs for REX and impacted certain projected completion dates. For example, REX currently expects that interim service on REX-East will begin by year end to Lebanon as opposed to its initial projection of Clarington. As previously disclosed, while it is still too early to estimate the precise cost impact, KMP believes that the cost increase will be no more than 5 to 10 percent of the total REX project estimate of approximately \$5 billion. KMP is overseeing construction of the project and will operate the pipeline.

Kinder Morgan Energy Partners, L.P. (NYSE: KMP) is a leading pipeline transportation and energy storage company in North America. KMP owns an interest in or operates more than 25,000 miles of pipelines and 165 terminals. Its pipelines transport natural gas, gasoline, crude oil, CO<sub>2</sub> and other products, and its terminals store petroleum products and chemicals and handle bulk materials like coal and petroleum coke. KMP is also the leading provider of CO<sub>2</sub> for enhanced oil recovery projects in North America. One of the largest publicly traded pipeline limited partnerships in America, KMP has an enterprise value of over \$20 billion. The general partner of KMP is owned by Knight Inc. (formerly Kinder Morgan, Inc.), a private company.

Sempra Pipelines & Storage acquires, builds and operates natural gas pipelines and storage facilities in Mexico and the United States. Sempra Energy, based in San Diego, is a Fortune 500 energy-services holding company with 2007 revenues of more than \$11 billion. The Sempra Energy companies' 13,500 employees serve more than 29 million consumers worldwide.

ConocoPhillips is an integrated petroleum company with interests around the world. Headquartered in Houston, the company has approximately 32,800 employees and \$183 billion of assets. For more information, go to [www.conocophillips.com](http://www.conocophillips.com).

*This news release includes forward-looking statements. Although Kinder Morgan believes that its expectations are based on reasonable assumptions, it can give no assurance that such assumptions will materialize. Important factors that could cause actual results to differ materially from those in the forward-looking statements herein are enumerated in Kinder Morgan's Forms 10-K and 10-Q as filed with the Securities and Exchange Commission.*

*This press release contains statements that are not historical fact and constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. When Sempra Energy uses words like "believes," "expects," "anticipates," "intends," "plans," "estimates," "may," "would," "should" or similar expressions, or when Sempra Energy discusses its strategy or plans, the company is making forward-looking statements. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Future results may differ materially from those expressed in the forward-looking statements. Forward-looking statements are necessarily based upon various assumptions involving judgments with respect to the future and other risks, including, among others: local, regional, national and international economic, competitive, political, legislative and regulatory conditions and developments; actions by the California Public Utilities Commission, the California State Legislature, the California Department of Water Resources, the Federal Energy Regulatory Commission and other regulatory bodies in the United States and other countries; capital markets conditions, inflation rates, interest rates and exchange rates; energy and trading markets, including the timing and extent of changes in commodity prices;*

the availability of natural gas; weather conditions and conservation efforts; war and terrorist attacks; business, regulatory, environmental, and legal decisions and requirements; the status of deregulation of retail natural gas and electricity delivery; the timing and success of business development efforts; the resolution of litigation; and other uncertainties, all of which are difficult to predict and many of which are beyond the control of the company. These risks and uncertainties are further discussed in the company's reports filed with the Securities and Exchange Commission that are available through the EDGAR system without charge at its Web site, [www.sec.gov](http://www.sec.gov) and on the company's Web site, [www.sempra.com](http://www.sempra.com).

Sempra Pipelines & Storage is not the same company as the utilities, SDG&E or SoCalGas, and Sempra Pipelines & Storage is not regulated by the California Public Utilities Commission.

#### CAUTIONARY STATEMENT FOR THE PURPOSES OF THE "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

*This press release contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that contain projections about our revenues, income, earnings and other financial items, our plans and objectives for the future, future economic performance, or other projections or estimates about our assumptions relating to these types of statements. These statements usually relate to future events and anticipated revenues, earnings, business strategies, competitive position or other aspects of our operations or operating results. In many cases you can identify forward-looking statements by terminology such as "anticipate," "estimate," "believe," "continue," "could," "intend," "may," "plan," "potential," "predict," "should," "will," "expect," "objective," "projection," "forecast," "goal," "guidance," "outlook," "effort," "target" and other similar words. However, the absence of these words does not mean that the statements are not forward-looking. The forward-looking statements are based on management's expectations, estimates and projections about ConocoPhillips and the petroleum industry in general on the date this statement was released. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Further, certain forward-looking statements are based on assumptions as to future events that may not prove to be accurate. Therefore, actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements. Economic, business, competitive and regulatory factors that may affect ConocoPhillips' business are generally as set forth in ConocoPhillips' filings with the Securities and Exchange Commission (SEC).*

#### **REX-East Certificate**

ConocoPhillips is under no obligation (and expressly disclaims any such obligation) to update or alter its forward-looking statements whether as a result of new information, future events or otherwise.

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