KINDER MORGAN, INC.
Form 11-K
June 26, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

x ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2014
or

o TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____________ to _____________

Commission File Number 001-35081

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

KINDER MORGAN SAVINGS PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Kinder Morgan, Inc.
1001 Louisiana Street, Suite 1000
Houston, Texas 77002

Kinder Morgan Savings Plan
Index to Financial Statements and Supplemental Schedule

* Other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, as amended, have been omitted because they are not applicable.

Report of Independent Registered Public Accounting Firm

Fiduciary Committee
Kinder Morgan Savings Plan

We have audited the accompanying Statements of Net Assets Available for Benefits of the Kinder Morgan Savings Plan (the “Plan”) as of December 31, 2014 and 2013, and the related Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2014. These financial statements are the responsibility of the Plan’s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the Net Assets Available for Benefits of the Plan as of December 31, 2014 and 2013 and the Changes in Net Assets Available for Benefits for the year ended December 31, 2014 in conformity with accounting principles generally accepted in the United States of America.

The supplemental information in the accompanying Schedule of Assets (Held at End of Year) as of December 31, 2014 has been subjected to audit procedures performed in conjunction with the audit of the Plan’s financial statements. The supplemental information is presented for the purpose of additional analysis and is not a required part of the financial statements, but includes supplemental information required by the Department of Labor's (‘DOL”) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (“ERISA”). This supplemental information is the responsibility of the Plan's management. Our procedures include determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information in the accompanying schedule, we evaluated whether the supplemental information, including its form and content, is presented in conformity with the DOL’s Rules and Regulation’s for Reporting and Disclosure under ERISA. In our opinion, the supplemental information in the accompanying schedule is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Houston, Texas
June 26, 2015
/s/ Ham, Langston & Brezina, L.L.P.

Kinder Morgan Savings Plan
Statements of Net Assets Available for Benefits

	December 31, 2014	2013
Assets		
Investments, at fair value (See Notes 2, 3, 4 and 5)	$2,025,658,945	$1,971,819,096
Notes receivable from Participants	45,356,073	43,715,712
Total assets	2,071,015,018	2,015,534,808
Liabilities		
Administrative expenses payable	463,901	353,308
Total liabilities	463,901	353,308
Net assets available for benefits at fair value	2,070,551,117	2,015,181,500
Adjustment from fair value to contract value for interest in collective trust relating to fully benefit-responsive investment contracts	(9,855,364)	(8,249,586)
Net assets available for benefits	$2,060,695,753	$2,006,931,914

The accompanying notes are an integral part of these financial statements.

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Kinder Morgan Savings Plan
Statement of Changes in Net Assets Available for Benefits

	Year Ended December 31, 2014
Additions to net assets attributable to:	
Investment income:	
Interest income	$4,221
Dividend income	20,340,992
Net appreciation in fair value of investments (See Note 4)	106,616,266
Other, net	965,142
Total investment income	127,926,621
Interest income on notes receivable from Participants	2,162,025
Contributions	
Participant contributions	72,788,532
Employer contributions	43,121,579
Rollovers	5,417,123
Total contributions	121,327,234
Total additions	251,415,880
Deductions from net assets attributable to:	
Benefits paid to Participants	195,610,151
Administrative fees	2,041,890
Total deductions	197,652,041
Net increase in net assets available for benefits	53,763,839
Net assets available for benefits	
Beginning of year	2,006,931,914
End of year	$2,060,695,753

The accompanying notes are an integral part of this financial statement.

Kinder Morgan Savings Plan
Notes to Financial Statements

1. DESCRIPTION OF THE PLAN

General

The Kinder Morgan Savings Plan, (the “Plan”) was established in 1945 for the benefit of eligible employees of Kinder Morgan, Inc. (the “Company”). The following description of the Plan provides only general information. Plan participants (“Participants”) should refer to the Plan document for a more complete description of the Plan’s provisions. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). Benefits under the Plan are not guaranteed by the Pension Benefit Guaranty Corporation.

Effective November 1, 2013, the Plan was amended and restated to incorporate all previous amendments.

Plan Administration

The Plan is administered by the Company's Fiduciary Committee. Great-West Financial Retirement Plan Services, LLC (formerly known as J.P. Morgan Retirement Plan Services, LLC) provides record keeping services to the Plan and the Plan assets are maintained under the custody of J.P. Morgan Chase Bank, N.A. (the “Trustee”). Effective January 1, 2015, Great-West Financial Retirement Plan Services, LLC was re-branded as Empower Retirement.

Contributions

Participants may elect to make pre-tax contributions from 1% to 50% of their annual compensation, limited by requirements of the Internal Revenue Code (“IRC”). Participants may discontinue their elections to contribute at any time. All new Participants are automatically enrolled in the Plan with a pre-tax contribution by the Participant of 3% of their eligible annual compensation. Within the first 30 days of hire, employees may opt out of automatic enrollment. The Company has established a Company goal percentage rate of 8% (“SmartGoal”). Every February the Participants who have not opted out of automatic enrollment and who have a participation rate below the SmartGoal will automatically get a 1% increase until the Participant meets the SmartGoal. Prior to February, 2013, the SmartGoal percentage rate was 6%. Participants can opt out of SmartGoal at any time.

The Company makes Qualified Non-Elective Contributions (“QNEC”) to the Plan on behalf of each Participant. The QNEC are equal to 5% of eligible compensation and are allocated as of each pay period.

Company contributions for bargaining Participants follow the respective collective bargaining agreements. All QNEC and other Company contributions (matched or fixed contributions) are invested according to Participants’ investment elections on file or the default, if no election is filed. Participants can transfer from the default fund(s) to any other available investment fund(s) at any time.

For the year ended December 31, 2014, the Company contribution was approximately $43.1 million.

The Plan provides an option to all Participants to make after-tax “Roth” contributions (Roth 401(k) option) to a separate Participant account. Unlike traditional 401(k) plans, where Participant contributions are made with pre-tax dollars, earnings grow tax-deferred and the withdrawals are treated as taxable income, Roth 401(k) contributions are made with after-tax dollars, earnings are tax-free, and the withdrawals are tax-free if they occur after both (i) the fifth year of participation in the Roth 401(k) option, and (ii) attainment of age 59 ½, death or disability. The Company contribution will still be considered taxable income at the time of withdrawal.

Under the IRC, annual additions under the Plan and all other qualified plans sponsored by the Company are limited to the lesser of 100% of eligible compensation or $52,000 for each Participant for 2014. Annual additions are defined as Company contributions and Participant contributions.

Benefits/Vesting

Company contributions vest on the second anniversary of the date of hire. Vesting of Company contributions for bargaining Participants will follow the respective collective bargaining agreements.

Kinder Morgan Savings Plan
Notes to Financial Statements

Participant contributions may be withdrawn, in the event of unusual expenses connected with illness or disability, for college or funeral expenses for a Participant or his or her dependents, for the repair of damage to a primary residence caused by fire, storm, or other casualties, or for the purchase of a primary residence, as defined in the Plan document. If not withdrawn earlier, a Participant's account will be available for distribution, rollover, or payable in the event of termination of employment, death, or termination of the Plan. If a Participant's account is $1,000 or less, a lump-sum distribution will automatically be made. If a Participant's account is greater than $1,000, the Participant's distribution options are: lump-sum distribution, partial distributions, or periodic installments. Upon termination, Participants whose accounts exceed $1,000 may choose to leave their accounts in the Plan until age 70 ½, when minimum distributions are required under the IRC.

Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to the provisions of ERISA. In the event of Plan termination, Participants would become fully vested in Company contributions.

Notes Receivable from Participants

Participants may borrow, from the vested portion of their Plan accounts, a minimum of $1,000 up to a maximum equal to the lesser of 50% of their vested balance or $50,000, minus the highest outstanding loan balance from the previous 12 months. All loans are charged a variable interest rate equal to the prime rate published on the first day of each month. The loans are subject to certain restrictions as defined in the Plan document and applicable restrictions under the IRC.

Forfeitures

Forfeitures of non-vested employer contributions remain in the Plan and earn interest income. During 2014, terminated Participants forfeited $880,636 of employer contributions, and available forfeitures in the amount of $936,444 were used to reduce future Company QNEC, pay administrative expenses of the Plan, or were reallocated to participant accounts.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America ("GAAP"). The preparation of the financial statements in conformity with GAAP requires the Plan's management to use estimates and assumptions that affect the accompanying financial statements and disclosures. Actual results could differ from these estimates. Subsequent events have been evaluated, which are events or transactions that occurred after December 31, 2014, through the issuance of the accompanying financial statements on June 26, 2015.

As described in Accounting Standards Codification Topic 962, Defined Contribution Pension Plans, investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount Participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan invests in fully benefit-responsive investment contracts through a collective trust. Contract value for this collective trust is based on the net asset value of the fund as reported by the investment advisor. As required, the Statements of Net Assets Available for Benefits present the fair value of the investment in the collective trust as well as the adjustment of the investment in the collective trust from fair value to contract value relating to the investment contracts. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis. The Plan also invests in insurance contracts through a group annuity contract with Principal Financial Group. Such insurance contracts are reported at fair value which approximates contract value and, accordingly, no adjustment from fair value to contract value is required.

Investment Valuation and Income Recognition

The Plan’s investments are stated at fair value. Shares of registered investment companies (mutual funds) are accounted for at fair market values as determined by quoted market prices in an active market. The Plan’s interest in the collective trust is based

Kinder Morgan Savings Plan
Notes to Financial Statements

on the fair value of the collective trust's underlying investments as based on information reported by the investment advisor using the audited financial statements of the collective trust at year-end. Life insurance contracts are stated at cash surrender value, which approximates fair value. Common stocks are valued at the closing price reported on the active markets on which the individual securities are traded.

The Plan presents in the accompanying Statement of Changes in Net Assets Available for Benefits the net appreciation in the fair value of investments, which consists of realized gains and losses, and the net change in unrealized appreciation (depreciation) on investments (see Note 4). Unrealized appreciation (depreciation) is the difference between the fair value of the investment at the end of the current year and the cost of the investment, if acquired during the Plan year, or the fair value of the investment at the beginning of the Plan year. Purchases and sales of the funds are reflected on a trade date basis. Gain or loss on sale of investments is based on average cost.

Notes Receivable from Participants

Notes receivable from Participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable from Participants are reclassified as distributions based upon the terms of the Plan document.

Administrative Expenses

Certain administrative services for the Plan may be provided by the Company at no cost to the Plan. All other expenses are paid by the Plan with the exception of expenses associated with any Qualified Domestic Relations Order, which are paid by the Participant.

Expense Offset Arrangement

Fees incurred by the Plan for investment management services or record keeping services are included in net appreciation in fair value of investments, as they are paid through revenue sharing, rather than a direct payment.

Payment of Benefits

Benefits are recorded when paid.

3. INVESTMENT CONTRACTS

The Plan, through its Stable Value Fund (the "Fund"), holds investments in common/collective trust funds. To reduce the risk of market losses on these investments, the Fund enters into synthetic investment contracts (which consist of common/collective trust funds and wrapper contracts) with financial institutions and insurance companies. Synthetic investment contracts enable participants to transact at the investments' contract value by protecting the principal amount invested over a specified period of time. The assets underlying the investment contracts are owned by the Plan. These investment contracts are fully benefit-responsive, and an adjustment of these contracts to their contract value is reflected in the accompanying Statements of Net Assets Available for Benefits. Contract value represents the original cost of the contract, plus interest (based upon the crediting rates of the underlying contracts) and deposits, reduced by administrative fees, transfers out, and withdrawals.

The Plan's investments that are covered by the synthetic investment contracts earn interest at interest crediting rates that typically reset on a monthly or quarterly basis. These interest crediting rates use a formula that is based on the characteristics of the underlying fixed income portfolio. The minimum interest crediting rate for all investment contracts is zero percent. Factors that can influence the future average crediting rates are (i) the level of market interest rates; (ii) the amount and timing of participant contributions, transfers and withdrawals in or out of the investment contract; (iii) the investment returns generated by the fixed income investments that underlie the investment contracts; or (iv) the duration of the investments underlying the investment contracts. The crediting rate formula amortizes the market value gains and losses over the duration of the underlying investments. The resulting gains and losses in the fair value of the underlying investments relative to the contract value are reported in the accompanying Statements of Net Assets Available for Benefits as an adjustment from fair value to contract value for fully benefit-responsive investment contracts.

Kinder Morgan Savings Plan
Notes to Financial Statements

For the Plan's investments covered by synthetic investment contracts, the average yield earned by the Plan and the average yield earned by the Plan adjusted for actual interest credited to Participants at December 31, 2014 and 2013, are as follows:

	December 31, 2014	2013
Average yield earned by the Plan	1.546%	1.436%
Average yield earned by the Plan adjusted for actual interest credited to Participants	2.068%	1.913%

The average yield earned by the Plan (which may differ from the interest rate credited to Participants in the Plan) is calculated by dividing the yield to maturity (an estimate of annualized earnings) of the Fund on December 31, 2014 (irrespective of the interest rate credit to participants in the Fund) by the fair value of all investments in the Fund, as applicable at December 31, 2014.

The average yield earned by the Plan, with an adjustment to reflect the actual interest rate credited to Participants in the Plan, is calculated by dividing the interest crediting rate (an estimate of annualized earnings) credited to Participants on December 31, 2014 (irrespective of the actual earnings of the investments in the Fund) by the fair value of all investments in the Fund, as applicable at December 31, 2014.

Under certain events, the amounts withdrawn from investment contracts may be payable at fair value rather than contract value. These events include termination of the Plan, a material adverse change to the provisions of the Plan, if the employer elects to withdraw from an investment contract or if the terms of a successor plan do not meet the contract issuer’s criteria for the issuance of a similar contract. In some cases, an investment contract issuer may terminate a contract with the Plan and settle at an amount different than the contract value. Examples of these events include the Plan’s loss of its qualified status, material breaches of responsibilities that are not cured or material and adverse changes to the provisions of the Plan.

4. INVESTMENTS

Participants may designate their contributions and their allocated portion of the employer contributions, in one percentage increments, to one or more of the eligible investment programs. New Plan Participants may elect to transfer investments from other qualified plans into the Plan.

The Plan’s investments that represent 5% or more of the Plan’s net assets at December 31, 2014 and 2013 are separately identified as follows:

	December 31, 2014	2013
State Street Global Advisors S&P 500 Index Fund	$215,877,767	$201,351,524
Kinder Morgan, Inc. Common Stock	171,478,330	148,035,430
Columbia Trust Focused Large Cap Growth-II Fund	140,310,717	136,555,746
State Street Global Target Retirement 2020 Fund	121,322,919	121,485,552
Dodge & Cox Stock Fund	106,593,807	100,929,117
Putnam Stable Value Fund	106,074,695	112,697,139
Investments less than 5%	1,164,000,710	1,150,764,588
Total investments at fair value	$2,025,658,945	$1,971,819,096

Kinder Morgan Savings Plan
Notes to Financial Statements

During 2014, the Plan’s investments appreciated in value, including gains and losses on investments sold during the year, as well as appreciation of investments held at the end of the year, as follows:

	Year Ended December 31, 2014
Common collective trusts	$78,334,586
Self-directed brokerage accounts	(428,956)
Kinder Morgan, Inc. Common Stock	25,266,673
Registered investment companies (mutual funds)	3,443,963
	$106,616,266

5. FAIR VALUE MEASUREMENTS

Fair value is a market-based measurement that is determined based on assumptions (inputs) that market participants would use in pricing an asset or liability. Inputs may be observable or unobservable, and valuation techniques used to measure fair value should maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The Plan uses a hierarchal disclosure framework that ranks the quality and reliability of information used to determine fair values.

The hierarchy is associated with the level of pricing observability utilized in measuring fair value and defines three levels of inputs to the fair value measurement process—quoted prices are the most reliable valuation inputs, whereas model values that include inputs based on unobservable data are the least reliable.

The three broad levels of inputs defined by the fair value hierarchy are as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access at the measurement date.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Unobservable inputs for the asset or liability. These unobservable inputs reflect the entity’s own assumptions about the assumptions that market participants would use in pricing the asset or liability, and are developed based on the best information available in the circumstances (which might include the reporting entity’s own data).

The asset’s or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

In determining fair value, the Plan uses three different approaches (the market approach, the income approach and the cost approach) depending on the nature of the assets and liabilities. The market approach uses prices and other relevant data based on market transactions involving identical or comparable assets and liabilities. The income approach uses valuation techniques to convert future amounts such as cash flows or earnings to a single present amount, with the measurement based on the value indicated by current market expectations about those future amounts. The cost approach is the amount that would be currently required to replace an asset and indicates the cost to the Plan to acquire a substitute asset.

Kinder Morgan Savings Plan
Notes to Financial Statements

Following is a description of the valuation methodologies and approaches used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2014 and 2013.

Common and preferred equity: Valued at the closing price reported on the active market on which the individual securities are traded. (Market approach)

Corporate bonds: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings. (Income approach)

Registered investment companies (mutual funds, including exchanged traded funds): Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value ("NAV") and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded. (Market approach)

Common collective trusts and unitized mutual funds: The fair value of the common collective trust fund is based on NAV, as reported by the manager of the common collective trust fund, and as supported by the unit prices of actual purchases and sales transactions occurring as of or close to the financial statement date. The NAV is used as a practical expedient and is based on the fair value of the underlying investments held by the fund less its liabilities. (Market approach except in the case of the stable value fund for which an Income approach is used)

Insurance contracts: Valued at cash surrender value, which approximates fair value, by discounting the cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer. (Income approach)

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2014 and 2013:

	Assets at Fair Value as of December 31, 2014			
	Level 1	Level 2	Level 3	Total
Kinder Morgan, Inc. Common Stock	$171,478,330	$—	$—	$171,478,330
Registered investment companies (mutual funds)				
Growth funds	127,995,434	28,972,796	—	156,968,230
Value funds	106,593,807	34,690,144	—	141,283,951
Money market funds	8,870,207	—	—	8,870,207
Common collective trusts				
Target retirement	—	494,182,965	—	494,182,965
Index	—	485,765,507	—	485,765,507
Value	—	106,074,695	—	106,074,695
Fixed income	—	262,449,525	—	262,449,525
Growth funds	—	140,310,717	—	140,310,717
Insurance contracts	—	—	442,544	442,544
Insurance wrapper	—	—	50,947	50,947

Self-directed brokerage accounts				
Common and preferred equity	41,833,364	—	—	41,833,364
Interest-bearing cash	9,668,029	—	—	9,668,029
Mutual funds	6,226,599	—	—	6,226,599
Corporate bonds		53,190		53,190
Other	145	—	—	145
	$472,665,915	$1,552,499,539	$493,491	$2,025,658,945

Kinder Morgan Savings Plan
Notes to Financial Statements

	Assets at Fair Value as of December 31, 2013			
	Level 1	Level 2	Level 3	Total
Kinder Morgan, Inc. Common Stock	$148,035,430	$—	$—	$148,035,430
Registered investment companies (mutual funds)				
Growth funds	147,632,962	30,622,620	—	178,255,582
Value funds	100,929,117	36,885,358	—	137,814,475
Fixed income funds	—	66,662,494	—	66,662,494
Money market funds	6,497,979	—	—	6,497,979
Common collective trusts				
Target retirement	—	477,893,098	—	477,893,098
Index	—	434,557,989	—	434,557,989
Value	—	113,693,946	—	113,693,946
Fixed income	—	214,347,162	—	214,347,162
Growth funds	—	136,555,746	—	136,555,746
Insurance contracts	—	—	468,537	468,537
Insurance wrapper	—	—	53,674	53,674
Self-directed brokerage accounts				
Common and preferred equity	41,790,167	—	—	41,790,167
Interest-bearing cash	9,788,099	—		