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## **First-Ever Natural Gas Summit Brings Industry Leaders Together to Discuss Wide Range of Supply and Demand Issues**

Colorado Springs, CO -- Leaders from groups representing virtually every sector of the natural gas supply and demand chain have gathered today at a first-ever Natural Gas Summit to discuss the many issues facing the industry – particularly that of meeting growing demand with tight supply.

“This Natural Gas Summit is significant in that some 30 commercial and industrial customers have come together with 60 industry executives to talk about the future of natural gas,” said Richard J. Sharples, Chairman of the Natural Gas Council and President of Anadarko Energy Services.

“In a very real sense, we’re entering a new era for natural gas,” said Sharples. “Demand is increasing to record levels. In fact, the National Petroleum Council projects that natural gas use could rise from 22 trillion cubic feet a year in 2000 to 29 trillion cubic feet a year by 2010. The industry will be challenged, at least in the near-term, to keep up with such demand. Part of this challenge results from diminished investment by the industry in the wake of the 1998-1999 fall in oil and gas prices. That decline in investment, from which it takes time to recover, has left us struggling to keep supply ahead of demand.”

The increasing demand for natural gas is not difficult to understand, said Sharples. “Natural gas is reliable and burns more efficiently than other fossil fuels. It also provides a clear alternative for customers who want a clean burning, environmentally friendly fuel and reduces our dependence on foreign oil. This is why the majority of new electrical generation plants have been designed to run on natural gas.”

The Natural Gas Summit is sponsored by the Natural Gas Council, which is comprised of the American Gas Association, the American Petroleum Institute, the Interstate Natural Gas Association of America, the Independent Petroleum Association of America, and the Natural Gas Supply Association. It provides the opportunity for all sectors of the industry, producers, pipelines, local distribution companies and their customers, to come together to discuss natural gas issues.

Current natural gas prices have, of course, been a topic of discussion at the summit. “Although our customers understand and support a competitive market for natural gas,” said Gary Neale, Chairman of the American Gas Association and President and CEO of NiSource, Inc., “we understand their concern over natural gas prices.”

“The industry is responding,” Neale continued, “It is committed to ensuring that reliable service continues throughout this volatile price period. The industry is working hard to meet customer expectations. Customers will have natural gas this winter.”

Sharples noted that producers, in particular, are individually doing their part to increase supply. Natural gas drilling activity is up 90 percent since April of 1999. We are doing our best to get natural gas to market.”

Jerry Jordan, Chairman of IPAA and President of Jordan Energy, said, “Independent exploration and drilling companies produce roughly three-quarters of the natural gas in America. As small operations, it is important to us to work with our customers and other industry members to help meet the growing demand for natural gas. The Summit provides us that opportunity.”

The achievement of this goal could be advanced, said Sharples, by greater access to lands that have been placed off limits to exploration for inappropriate environmental reasons. “We hope that the new Administration will better recognize that natural gas represents a step toward a better environment. It’s one of the solutions, not one of the problems. But to make this step, the industry must be allowed to do its job – to explore for and find natural gas. Natural gas exploration is not incompatible with reasonable environmental stewardship. In fact, allowing access to clean burning natural gas will ensure access to clean electricity.”