

**Market Price Reporting Action Committee**

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FOR IMMEDIATE RELEASE

**Newly-Released Energy Industry Data Show  
Increased Reporting of Natural Gas Transactions**

WASHINGTON, March 10 – Newly released energy industry data show a significant increase in reporting of natural gas market transactions to price index publishers and exchanges, according to a 30-member stakeholder coalition of energy companies, industrial customers, publishers, exchanges and industry trade associations.

The increased reporting, coupled with index enhancements recommended last year by the Federal Energy Regulatory Commission (FERC), provides evidence of increased transparency in the nation's natural gas markets, according to the Market Price Reporting Action Committee.

"Our members have confidence in the natural gas price indices published today and continue to use these indices when we structure our natural gas purchases. We believe that the natural gas indices are robust, functional, and improving, and definitely meet the needs of industrial users, today," said Alex Strawn, chairman of the Process Gas Consumers Group (PGC), the leading trade association of industrial end-use consumers of natural gas.

Two main publishers of natural gas price indices, Platts and Natural Gas Intelligence, both reported continuing increases in volumes, transactions and the number of companies reporting based on data from the so-called March "bid week," which reflects transactions in the monthly baseload market that accounts for a large part of wholesale natural gas transactions. Simultaneously, the 10X / IntercontinentalExchange (ICE) trading system set a monthly record for the amount of bid-week gas trading on its system. According to the New York Mercantile Exchange, the market's reliance on natural gas basis contracts – which utilize published index prices in the reference price for final settlement – has grown more than four-fold from November 2002 to February 2004.

Bob Anderson, executive director of the Committee of Chief Risk Officers, credits a year-long drive by FERC with helping to increase reporting of transaction data.

"Particularly effective was FERC's requirement in January that companies go on the public record with whether they were -- or were not -- reporting. Since then, we've seen that more and more companies have been getting on board," said Anderson, whose group is hosting the Action Committee. The Action Committee is working to provide the Commission with valuable insight on the extent, depth and quality of current price reporting.

The Process Gas Consumers Group, whose members employ millions of people and consume more than half a trillion cubic feet of natural gas annually, is also a member of the stakeholder coalition, which identified FERC's clarity on this issue as another key to the stepped-up reporting.

"We support FERC's recent policy statement setting forth new requirements for those who price report and the publication of the price indices, and believe that it has had a positive impact on price reporting and transparency," said Strawn. "PGC is encouraged by the recent announcements that many large players will once again be reporting their transactions to index providers and continues to value having a choice in indices."

FERC itself will be launching another survey before the end of the month to further assess index participation, but already the initial data sets from the publishers are very encouraging, said Joe Blount, president of Unocal Midstream & Trade and 2004 chairman of the Natural Gas Council (NGC), comprising the major natural gas trade associations.

Specifically, participation in the monthly surveys has tripled and quadrupled since the market's low point in November 2002. The number of transactions submitted to Platts has gone up 256 percent during that time period, while volumes have more than doubled to 12.4 billion cubic feet per day (Bcf/d). NGI has been on a similar track and reported March 2004 volumes of 12.1 Bcf/d, compared to volumes in November 2002 of 4.9 Bcf/d for Platts and 3.9 Bcf/d for NGI.

"Beyond these numbers, the NGC members are also increasingly encouraged by the fact that their price reporting now happens in a controlled and auditable environment," Blount said. "Industry heard FERC's message that this is a problem we need to solve. We took that message to heart and we are delivering. There are challenges that remain, but the solution has been set in motion and rapid progress will continue."

According to Platts, at least a half dozen additional companies have started reporting gas prices within the past month, bringing the total number of companies reporting natural gas transactions to nearly 60. Of the 17 largest natural gas marketers, all but two are either reporting prices or have said they intend to resume shortly.

According to data from Natural Gas Intelligence, the total number of transactions reported during the monthly bid weeks has increased 41 percent during the last five months. Total gas volumes reported during the same period jumped 36 percent. Although progress has sometimes been bumpy, February transactions increased to nearly 1,800, while volumes rose to just under 12 Bcf/d. In March, the market confirmed the February increase.

"While it is not possible to know precisely at this point how much of this increased volume is a result of higher trading volumes, and how much is a result of increased reporting of transactions to the index publishers, this latest data should go a long way toward demonstrating the quality of ongoing market price quotes. It is becoming increasingly clear that the indices are more about the fundamentals of energy supply and demand than a lack of competition or choice," Blount said.

As it works to advance the process of reporting of natural gas and electric power transaction data, the Market Price Reporting Action Committee is encouraged by the data and will continue to analyze whether further enhancements to current reporting practices are necessary.

Below are the organizations supporting this initiative through the Action Committee and data submitted by IntercontinentalExchange, Natural Gas Intelligence, Platts and the New York Mercantile Exchange.

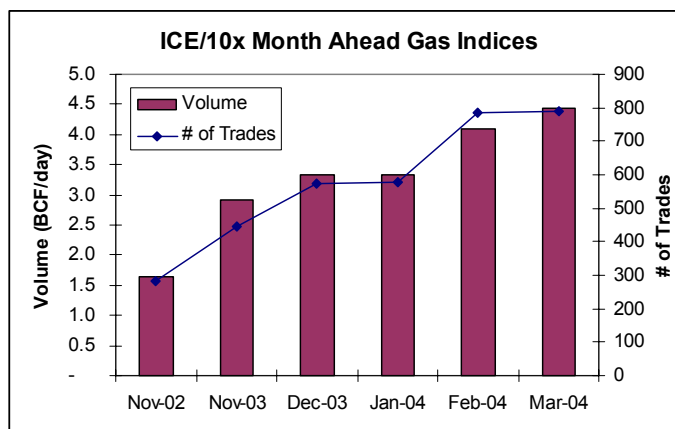
American Gas Assn.  
 Dow Jones  
 Electric Power Supply Assn.  
 Intercontinental Exchange  
 Natural Gas Intelligence  
 New York Mercantile Exchange  
 Process Gas Consumers Group

Committee of Chief Risk Officers  
 Edison Electric Institute  
 Independent Petroleum Assn. of America  
 Interstate Natural Gas Assn. of America  
 Natural Gas Supply Assn.  
 Platts

### 10x Month Ahead Natural Gas Price Report: ICE Monthly Indices

| Month  | ICE              |             | Non-ICE (eConfirm) |             | Total            |             |                      |
|--------|------------------|-------------|--------------------|-------------|------------------|-------------|----------------------|
|        | Volume (BCF/day) | # of Trades | Volume (BCF/day)   | # of Trades | Volume (BCF/day) | # of Trades | # of Counter parties |
| Nov-02 | 1.6              | 284         | 0.0                | 0           | 1.6              | 284         | 48                   |
| Nov-03 | 2.9              | 446         | 0.0                | 0           | 2.9              | 446         | 53                   |
| Dec-03 | 3.3              | 566         | 0.0                | 6           | 3.3              | 572         | 60                   |
| Jan-04 | 3.1              | 564         | 0.2                | 16          | 3.3              | 580         | 58                   |
| Feb-04 | 4.0              | 766         | 0.1                | 20          | 4.1              | 786         | 74                   |
| Mar-04 | 4.2              | 758         | 0.2                | 30          | 4.4              | 788         | 69                   |

*Note: All trades included in the ICE Monthly Indices were negotiated, non-affiliate, fixed price or physical basis trades executed during the last 5 business days of the month on the ICE trading platform or confirmed by the eConfirm trade confirmation system after having been executed directly between the counterparties or through a broker.*



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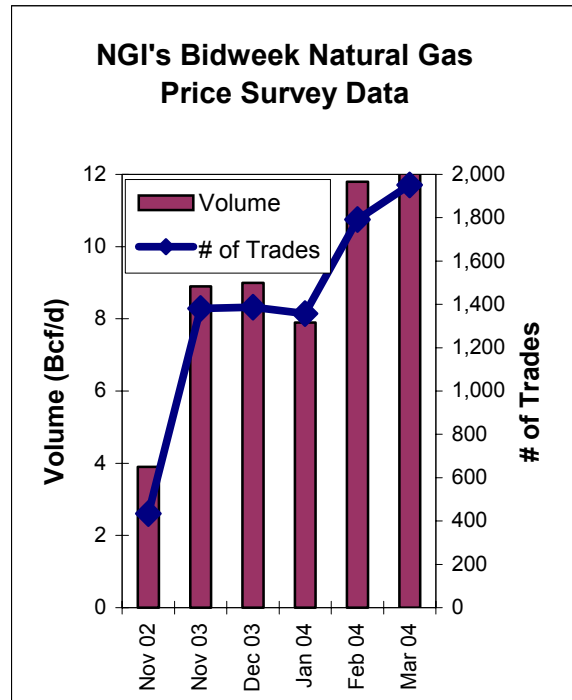
## New York Mercantile Exchange Basis Average Daily Volume

| Month     | Volume (Bcf/day) |
|-----------|------------------|
| Nov. 2002 | 8.6              |
| Nov. 2003 | 22.9             |
| Dec. 2003 | 24.3             |
| Jan. 2004 | 38.0             |
| Feb. 2004 | 39.0             |

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| NGI's Bidweek Natural Gas Price Survey Statistics |                |             |                   |        |        |        |
|---|----------------|-------------|-------------------|--------|--------|--------|
|   | Volume (Bcf/d) | # of Trades | Indices Published | Tier 1 | Tier 2 | Tier 3 |
| Nov 02  | 3.9            | 435         | 68                | na     | na     | na     |
| Nov 03  | 8.9            | 1,381       | 79                | 27     | 31     | 21     |
| Dec 03  | 9.0            | 1,387       | 78                | 29     | 28     | 21     |
| Jan 04  | 7.9            | 1,357       | 75                | 26     | 24     | 25     |
| Feb 04  | 11.8           | 1,792       | 80                | 32     | 25     | 23     |
| Mar 04  | 12.1           | 1,951       | 81                | 40     | 30     | 11     |

**Notes:** In response to industry requests for more market price transparency, *NGI* began posting tiers in July 2003 to show volume of trading observed at various market locations: Tier 1 over 100,000 MMBtu/day; Tier 2 over 25,000 MMBtu/day; Tier 3 less than 25,000 MMBtu/day



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## Platts Bidweek Natural Gas Survey

| Month     | Volume (Bcf/day) | Total Transactions | Tier 1 points | Tier 2 points | Tier 3 points |
|-----------|------------------|--------------------|---------------|---------------|---------------|
| Nov. 2002 | 4.9              | 540                | NA            | NA            | NA            |
| Nov. 2003 | 11.0             | 1,548              | 30            | 18            | 18            |
| Dec. 2003 | 10.2             | 1,508              | 27            | 19            | 17            |
| Jan. 2004 | 9.2              | 1,450              | 26            | 15            | 25            |
| Feb. 2004 | 11.8             | 1,784              | 32            | 15            | 19            |
| Mar. 2004 | 12.4             | 1,920              | 35            | 21            | 7             |

*Note: No price was reported for four locations in November 2003, seven in December 2003, four in January 2004, four in February 2004 and seven in March 2004. To increase transparency, Platts in 2003 began grouping pricing points in its monthly survey into three tiers: tier 1, volumes of at least 100,000 MMBtu/day and at least 10 trades; tier 2, volumes of 25,000 to 99,999 MMBtu/day and at least five trades; and tier 3, volumes below 25,000 MMBtu/day and/or fewer than five trades. Bidweek volumes typically decline in early winter due to seasonal factors.*

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