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**Contract for Purchase and Sale of Natural Gas, with Canadian
Addendum, Approved by NAESB Wholesale Gas Quadrant**

HOUSTON--A contract that can be used for both the long-term and short-term purchase and sale of natural gas has been ratified by the membership of the wholesale gas quadrant of the North American Energy Standards Board (NAESB) and is now available for use by the gas industry.

The contract is a revision and expansion of a standard short-term natural gas contract approved by NAESB's predecessor, the Gas Industry Standards Board (GISB), in 1996. That contract quickly gained widespread acceptance by the natural gas industry.

A Canadian addendum enables companies that do business on both sides of the border to use the new NAESB contract.

This contract is an answer to the gas industry's call for a contract that can be used for a wide variety of transactions, both long and short term, said Lee Smith, vice president of energy supply and marketing for Midland Cogeneration Ventures. As a member of the GISB Board of Directors, Smith spearheaded the effort to revise and expand the GISB short-term contract.

The contract also reflects what we've learned during six years of extensive use of the GISB contract by all segments of the natural gas industry, Smith said. We're proud of the fact that the GISB contract gained the trust of the industry and truly became the standard contract for buyers and sellers of natural gas, and we're confident that this improved NAESB gas contract is a worthy successor.

Cary Metz, cochair of the contracts subcommittee of the NAESB wholesale gas quadrant and energy contracts administrator for Midland Cogeneration Venture, said, We couldn't have developed this contract without the hard work of scores of member-company volunteers. It was especially gratifying that we were able to reconcile complex contracting issues to the satisfaction of the various industry segments.

In addition, the Canadian input was extremely helpful in developing the addendum, Metz said.

The new contract, the Canadian addendum and a page of frequently asked questions can be downloaded by NAESB members from NAESB's website, www.naesb.org.

NAESB, formed in December 2001, is the successor to GISB, which was established in September 1994 as an independent and voluntary North American organization to develop and promote the use of business practice and related electronic communications standards.

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