

GasEDI

c/o Canadian Association of Petroleum Producers
2100 - 350 - 7 Ave SW, Calgary, AB, Canada T2P 3N9

<http://www.gasedi.ca>

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NEW GasEDI BASE CONTRACT FOR SALE AND PURCHASE OF NATURAL GAS

Mission: Develop a New GasEDI Base Contract for Sale and Purchase of Natural Gas ("New GasEDI Base Contract") based on: the GasEDI Base Contract for Short-Term Sale and Purchase of Natural Gas as published by GasEDI on October 26, 2000, ("GasEDI 2000 Base Contract"); the North American Energy Standards Board ("NAESB") Base Contract for Sale and Purchase of Natural Gas as published by NAESB on April 19, 2002, and its addenda ("NAESB 2002 Base Contract"); the NAESB General Terms and Conditions for Day Trade Interruptible Contract as published by NAESB on April 16, 1998; and additional recommendations from committee participants.

COMMITTEE MEETING - JULY 20, 2004 - MINUTES Final - August 24, 2004

When Tuesday, July 20, 2004; 11:00 am - 1:00 pm Calgary Time
Where CAPP, 2100 First Canadian Centre, 350 - 7 Avenue SW, Calgary, AB

■ Call to Order - Niall Armstrong

■ Anti-Trust Guideline - Ian Anderson

We shall not engage in any discussion which could have the affect of influencing prices, supply or markets, and we shall assist each other to comply with this guideline.

■ Attendees

Brent Molesky	Burlington Resources Canada Ltd.
Brent Ohr	Cargill Energy
Max Sonnonstine	Cinergy Canada
Kris Lautermilch	ConocoPhillips Canada Limited
Pat Butler	Coral Energy Canada Inc.
Niall Armstrong	Direct Energy Marketing Limited
Jodi Marshall	Direct Energy Marketing Limited
Jim Hawkins	EnCana Corporation
Penny Allen	EnCana Gas Marketing
Diana Andel	EnCana Gas Marketing
Pam Webster	EnCana Gas Marketing
Monica Richards	Entergy-Koch Trading Canada, ULC (Tele-conference)
Ian Anderson	GasEDI
Jeff Leggett	Imperial Oil Limited
Kathy Bolan	Nexen Marketing
Sharon Roberts	Nexen Marketing
Kelli Grier	Petro-Canada
Sharon Huckell	Petro-Canada
Sandra Lord	Petro-Canada Oil & Gas
Mary-Lou Zimmer	Phoenix Energy Marketing Consultants Inc. (Tele-conference)
Lory Volpi	Seminole Canada Gas Company

Diane Pettie	Sempra Energy Trading (Canada) Limited
Shannon Glover	TD Commodity and Energy Trading Inc.
Jane Peck Hay	Thackray Burgess
Son Tran	TransAlta
Sterling Koch	TransAlta Energy Marketing
Shane R. Stevenson	TransCanada PipeLines Limited

- Approval of Minutes of June 25, 2004, Meeting - Ian Anderson
Approved as circulated.

- Discussion

- ◆ Credit Subcommittee - Kris Lautermilch
 - Meeting held on Monday, July 12, 2004. Most discussion surrounded Payment Date when Payment Date is not a Business Day - decision was to allow parties to use a Cover Page check box to choose between "next Business Day following Payment Date" to "closest Business Day to Payment Date", with "closest Business Day" to be the default. Results of meeting reflected in the July 19, 2004, draft of the New GasEDI Base Contract.
- ◆ Force Majeure Subcommittee - Diane Pettie
 - Meeting held Monday, July 19, 2004. Most discussion surrounded definition of Force Majeure. Consensus was to maintain current broad definition, with some clarifications. Results of meeting reflected in the July 19, 2004, draft of the New GasEDI Base Contract.
 - Extensive discussion ensued about the fact that the current draft language largely mimics the language of the GasEDI 2000 Base Contract and the NAESB 2002 Base Contract, and also the language of the ATCOR / Continental Energy Contract which has been severely criticised by the courts of Alberta. Recommendation that the Subcommittee reconsider the issues and report at the next Committee meeting.
- ◆ Miscellaneous Subcommittee - Shannon Glover
 - Two meetings have been held. Most significant developments were: addition of concept that there could be no requirement to confirm in writing any Transaction with a short Delivery Period; can only amend the New GasEDI Base Contract in writing; and revision of the Market Value definition. Results of meeting reflected in the July 19, 2004, draft of the New GasEDI Base Contract.

- Next Meetings

- ◆ Credit Subcommittee
 - When Tuesday, August 17, 2004; 1:30 - 3:30 pm Calgary Time
 - Where Suncor Energy Marketing Inc., 112 - 4 Avenue SW, Calgary, AB
 - Contact Andrea Decore; 403-205-6959; adecore@suncor.com
- ◆ Force Majeure Subcommittee
 - When Wednesday, July 28, 2004; 11:00 am - 1:00 pm Calgary Time
 - Where Cargill Energy, 300 - 440 - 2 Avenue SW, Calgary, AB
 - Contact Brent Ohr; 403-716-3137; brent_ohr@cargill.com
- ◆ Miscellaneous Subcommittee
 - When To be determined
 - Where To be determined
 - Contact Shannon Glover; 403-299-8672; Shannon.Glover@tdsecurities.com

- ◆ Committee of the Whole
 - When Tuesday, August 24, 2004; 11:00 am - 1:00 pm Calgary Time
 - Where CAPP, 2100 First Canadian Centre, 350 - 7 Avenue SW, Calgary, AB
 - Contact Ian Anderson; 403-243-1079; ian@isanderson.com

FURTHER INFORMATION

Please contact Ian Anderson (403-243-1079; ian@isanderson.com) or Niall Armstrong (403-290-6726; niall.armstrong@na.centrica.com), or visit GasEDI's web site (<http://www.gasedi.ca>) .