

GasEDI

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

<http://www.gasedi.ca>

Project Manager: I. S. Anderson & Associates Limited • Tel: 403-243-1079 • Fax: 403-243-0546 • <http://www.isanderson.com>

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.

FORCE MAJEURE SUBCOMMITTEE MEETING - JULY 19, 2004 - MINUTES Final - September 1, 2004

When Monday, July 19, 2004; 11:00 am - 1:00 pm Calgary Time.
Where Thackray Burgess, 1900 - 736 - 6 Avenue SW, Calgary, AB.
Thank You Thackray Burgess and Jane Peck Hay for hosting this meeting.

- Call to Order - Jane Peck Hay
- Anti-Trust Guideline - Jane Peck Hay
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 Ohr Cargill Energy
 - Diana Andel EnCana Gas Marketing
 - Ian Anderson GasEDI
 - Ernie Kohnke Louis Dreyfus Holding Company Inc. (Tele-conference)
 - Sandra Lord Petro-Canada Oil & Gas
 - Mary-Lou Zimmer Phoenix Energy Marketing Consultants Inc. (Tele-conference)
 - Diane Pettie Sempra Energy Trading (Canada) Limited
 - Andrea Decore Suncor Energy Marketing Inc.
 - Kelly Holtby Suncor Energy Marketing Inc.
 - Jane Peck Hay Thackray Burgess
 - Shane R. Stevenson TransCanada PipeLines Limited
- Appointment of Subcommittee Chair
Diane Pettie, Sempra Energy Trading (Canada) Limited, accepted the position.
- Discussion
 - ◆ Most discussion surrounded definition of Force Majeure.
 - ◆ Consensus was to maintain current broad definition, with some clarifications, to conform to NAESB (for example, additions of exclusions to force majeure in section 11.3).

- ◆ The group discussed the issue of commercial reasonableness and chose to leave the existing language regarding each parties' obligation to "make reasonable efforts to avoid the adverse impacts of a Force Majeure and to resolve the event or occurrence once it has occurred in order to resume performance".
 - ◆ **Ian Anderson to update the draft of the New GasEDI Base Contract.**
- Next Meeting
- ◆ To be determined, based on discussion at the July 20, 2004, Committee of the Whole meeting.

FURTHER INFORMATION

Please contact Ian Anderson (403-243-1079, ian@isanderson.com) or Diane Pettie (403-750-5395, dpettie@sempratrading.com), or visit GasEDI's web site (<http://www.gasedi.ca>).