

GasEDI

c/o Canadian Association of Petroleum Producers
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<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.

MISCELLANEOUS SUBCOMMITTEE - ISSUES Response Due - by 5:00 pm on Friday, January 21, 2005

At the January 13, 2005, Miscellaneous Subcommittee meeting, it was decided to seek committee input by email response, by 5:00 pm on Friday, January 21, 2005, on three items (see below). Company families should submit a single response.

Thank you for your attention.

- Section 3.2(iii):
 - ◆ Cinergy Canada suggests deleting this Section and replacing it with "(iii) in the event that Buyer has used commercially reasonable efforts to replace Gas or Seller has used commercially reasonable efforts to sell Gas to a third party, and no such replacement or sale for all or any portion of the Gas is available, then in addition to (i) or (ii) above, as applicable, the sole and exclusive remedy of the non-breaching party with respect to that portion of the Gas for which no replacement or sale is available shall be an amount equal to any unfavorable difference between the Contract Price and the Spot Price, adjusted for such transportation to the applicable Delivery Point, multiplied by the difference between the Contract Quantity minus the sum of (a) the quantity of Gas actually delivered by Seller and received by Buyer for such Day(s), plus (b) the quantity of Gas, if any, sold or purchased using the Cover Standard as provided in (i) or (ii) above, as applicable."
 - ◆ The December 7, 2004, draft of the General Terms and Conditions is available on the GasEDI web site (<http://www.gasedi.ca>).
 - ◆ **Please review and submit email comments to Ian Anderson by 5:00 pm on Friday, January 21, 2005.**

- Cover Page:
 - ◆ The January 14, 2005, draft of the Cover Page is available on the GasEDI web site (<http://www.gasedi.ca>).
 - ◆ **Please review and submit email comments to Ian Anderson by 5:00 pm on Friday, January 21, 2005.**

- Transaction Confirmation:
 - ◆ The December 7, 2004, draft of the Transaction Confirmation is available on the GasEDI web site (<http://www.gasedi.ca>) .
 - ◆ **Please review and submit email comments to Ian Anderson by 5:00 pm on Friday, January 21, 2005.**

FURTHER INFORMATION

Please contact Ian Anderson (403-243-1079, ian@isanderson.com) or Pat Butler; Coral Energy Canada Inc.; 403-216-3574; pbutler@coral-energy.com; or Son Tran; TransAlta Energy Marketing; 403-267-6940; Son_Tran@TransAlta.com, or visit GasEDI's web site (<http://www.gasedi.ca>) .