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# FEDERAL ENERGY REGULATORY COMMISSION

WASHINGTON, D.C. 20426

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## NEWS RELEASE

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### FOR IMMEDIATE RELEASE

April 30, 2003  
Docket No. PA03-1-000, et al.

### **COMPANIES TOLD TO SHOW THEY HAVE ADDRESSED PROBLEMS IN REPORTING NATURAL GAS PRICES ACCURATELY**

To help ensure that companies publishing price indices receive complete and accurate information, the Federal Energy Regulatory Commission today directed 11 companies to show that they have corrected procedures for reporting natural gas price data.

These companies either admitted to false reporting to trade publications or responded to staff inquiries regarding their trading procedures. Today's order should help ensure that firms publishing price indices receive complete and accurate information from the companies.

The companies have 45 days to show that they have corrected their internal processes for reporting trading data to the trade press or that they no longer sell natural gas at wholesale. The companies cited in this order are: American Electric Power Co., Aquila Marketing Service, Coral Energy Resources, LP, CMS Marketing Services & Trading, LLC, Dynegy, Inc.; Duke Energy Trading and Marketing, LLC; El Paso Merchant Energy, LP, Mirant Americas Energy Marketing, LP, Reliant Resources, Inc., Sempra Energy Trading Corp., and Williams Energy Marketing & Trading Company.

Today's action stems from specific recommendations contained in the March 26 Staff Report on Price Manipulation in Western Markets (PA02-2).

It requires the companies to show that:

\*those employees, including the trading desk head and manager, who participated

R-03-20

(more)

(2)

in manipulations or attempted manipulations of the published price indices have been disciplined;

\*the company has a clear code of conduct in place for reporting price information;

\*all trade data reporting is done by an entity within the company that does not have a financial interest in the published index (preferably the chief risk officer); and

\*the company is cooperating fully with any government agency investigating its past price reporting practices.

R-03-20

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