

**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

IN RE WESTERN STATES WHOLESALE)	
NATURAL GAS ANTITRUST)	MDL Docket No. 1566
LITIGATION)	
)	Case No. CV-S-03-1431 PMP-(PAL)
_____)	BASE FILE
)	
THIS DOCUMENT RELATES TO:)	
)	
<i>Abelman Art Glass Co. v EnCana Corp., et al.</i>)	2:05-cv-00437-PMP-PAL
)	
<i>Fairhaven Power Co. v. EnCana Corp., et al.</i>)	2:05-cv-00243-PMP-PAL
)	
<i>Utility Savings & Refund Services LLP v.</i>)	2:05-cv-00110-PMP-PAL
<i>Reliant Energy Services, et al.</i>)	
)	
<i>Ever-Bloom, Inc., et al. v. AEP Energy Services,</i>)	2:05-cv-001169- PMP-PAL
<i>Inc., et al.</i>)	
)	
<i>Texas-Ohio Energy, Inc. v. AEP Energy Services,</i>)	2:04-cv-00465- PMP-PAL
<i>Inc., et al.</i>)	
_____)	

**NOTICE TO CALIFORNIA SETTLEMENT CLASS OF ADDITIONAL SETTLEMENTS; PROOF OF
CLAIM FORM**

**TO: ALL INDIVIDUALS AND ENTITIES WHO PURCHASED NATURAL GAS IN CALIFORNIA AND/OR AT THE
CALIFORNIA BORDER:**

1. FROM SEPTEMBER 1, 1996 THROUGH JANUARY 26, 2009
2. DIRECTLY FROM ONE OR MORE OF THE DEFENDANTS OR NAMED NON-PARTY CO-CONSPIRATORS, OR THEIR AFFILIATES
3. FOR THE FOLLOWING PURPOSES:
 - (a) Use;
 - (b) Generation of electricity for the purpose of resale; or
 - (c) Resale

QUESTIONS? CALL TOLL-FREE 1-877-893-2672 OR VISIT WWW.FEDERALNATURALGASSETTLEMENTS.COM

4. *EXCLUDING*: Pacific Gas & Electric Co., San Diego Gas & Electric, Southern California Gas Company, Southern California Edison, Southwest Gas Corp., federal, state and local governments and governmental agencies (including municipal utilities), defendants, or named non-party co-conspirators.

I. NOTICE OF ADDITIONAL SETTLEMENTS

PLAINTIFFS IN THE CALIFORNIA CLASS ACTIONS HAVE ENTERED INTO PROPOSED SETTLEMENTS TOTALING \$14,650,000 WITH THE FOLLOWING DEFENDANTS AND RELATED ENTITIES (“SETTLING DEFENDANTS”):

- (1) Duke Energy Trading and Marketing, L.L.C. and Duke Energy Carolinas, LLC (the **“Duke Defendants”**) in the amount of \$3,466,667;
- (2) Reliant Energy, Inc., Reliant Resources Inc., and Reliant Energy Services, Inc. (the **“Reliant Defendants”**) in the amount of \$3,466,666;
- (3) AEP Energy Services, Inc. and American Electric Power Company, Inc. (the **“AEP Defendants”**) in the amount of \$1,750,000;
- (4) El Paso Corporation f/k/a El Paso Energy Corporation, EP Tennessee Pipeline Company, El Paso Marketing, L.P. f/k/a El Paso Merchant Energy, L.P. and f/k/a El Paso Merchant Energy-Gas, L.P., El Paso Merchant Energy North America Company, L.L.C. f/k/a El Paso Merchant Energy Holding Company, El Paso Merchant Energy Company, El Paso Natural Gas Company, Mojave Pipeline Company, El Paso Mojave Pipeline Company, Mojave Pipeline Operating Company, and EPNG Mojave, Inc. (the **“El Paso Defendants”**) in the amount of \$3,466,667;
- (5) Sempra Energy, Southern California Gas Company, San Diego Gas & Electric Company, and Sempra Energy Trading LLC, formerly Sempra Energy Trading Corp. (the **“Sempra Defendants”**) in the amount of \$2,000,000; and
- (6) e prime, inc., Xcel Energy Inc., e prime Energy Marketing, Inc. and Northern States Power Company (the **“e prime Defendants”**) in the amount of \$500,000.

THE COURT HAS CERTIFIED A SETTLEMENT CLASS OF DIRECT PURCHASERS, COMPRISED OF FOUR SETTLEMENT SUBCLASSES. THE SUBCLASSES ARE DEFINED IN THE RESPECTIVE SETTLEMENT AGREEMENTS WITH THE SETTLING DEFENDANTS. THE CLASS AND SUBCLASS DEFINITIONS, AND THE CLAIMS BEING RELEASED BY EACH SUBCLASS, ARE LISTED IN THE APPENDIX TO THIS NOTICE.

THE PROPOSED SETTLEMENTS MAY AFFECT YOUR RIGHTS. IF YOU ARE A MEMBER OF ONE OR MORE OF THE SETTLEMENT SUBCLASSES, YOU MAY BE ENTITLED TO SHARE IN THE SETTLEMENT FUND.

IMPORTANT: YOU PREVIOUSLY MAY HAVE RECEIVED NOTICES OF SETTLEMENTS IN NATURAL GAS ANTITRUST CLASS ACTIONS IN CALIFORNIA STATE COURT AND IN THIS COURT (THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEVADA). THIS NOTICE CONCERNS ADDITIONAL SETTLEMENTS THAT THIS COURT PRELIMINARILY APPROVED ON MAY 7, 2009.

QUESTIONS? CALL TOLL-FREE 1-877-893-2672 OR VISIT WWW.FEDERALNATURALGASSETTLEMENTS.COM

II. PROOF OF CLAIM FORM

A PROOF OF CLAIM FORM IS ATTACHED TO THIS NOTICE. THE FORM APPLIES TO THE PROPOSED SETTLEMENTS AS WELL AS ALL SETTLEMENTS PREVIOUSLY APPROVED BY THIS COURT (THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEVADA) IN THIS LITIGATION.

PLEASE READ THE NOTICE AND THE PROOF OF CLAIM FORM CAREFULLY AND ENTIRELY.

NOTICE IS HEREBY GIVEN, pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the District of Nevada, that a settlement class has been certified by the Court and that a Fairness Hearing will be held on **Tuesday, August 25, 2009 at 10:30 a.m.**, before the Honorable Philip M. Pro, United States District Judge, in **Courtroom 7C** of the United States Courthouse, located at 333 Las Vegas Blvd. South, Las Vegas, Nevada 89101, to determine whether Plaintiffs' proposed settlements in the above-captioned litigation with the Settling Defendants are fair, reasonable and adequate and should be approved.

IF YOU ARE A MEMBER OF ONE OR MORE OF THE SETTLEMENT SUBCLASSES DEFINED IN THE APPENDIX TO THIS NOTICE, AND YOU WANT TO REMAIN A MEMBER, YOU MUST SUBMIT A PROOF OF CLAIM TO SHARE IN THE SETTLEMENT FUND. YOUR RIGHTS AS A CLASS MEMBER WILL BE REPRESENTED BY PLAINTIFFS AND SETTLEMENT CLASS COUNSEL.

IF YOU CHOOSE TO REMAIN A MEMBER OF A SUBCLASS (OR SUBCLASSES), YOU WILL BE LEGALLY BOUND BY THE SETTLEMENT FOR THAT SUBCLASS (OR SUBCLASSES) AND YOU WILL NOT BE ABLE TO SUE OR CONTINUE TO SUE THE DEFENDANTS WHO ARE PART OF THAT SETTLEMENT OVER THE LEGAL CLAIMS IN THIS CASE, EVEN IF YOU DO NOT SUBMIT A PROOF OF CLAIM.

QUESTIONS? CALL TOLL-FREE 1-877-893-2672 OR VISIT WWW.FEDERALNATURALGASSETTLEMENTS.COM

I. WHAT THIS LAWSUIT IS ABOUT

Plaintiffs allege that the named defendants¹ and their co-conspirators² caused the price of natural gas purchased in California and/or at the California border to artificially increase during the time period 1999 to 2002. In particular, Plaintiffs allege that defendants conspired to conduct prearranged “wash trades” (which Plaintiffs allege are the contemporaneous purchase and sale of the same amount of natural gas at the same price) and reported false price and volume information to trade publications that compile natural gas price indices, in violation of federal and California law, and that California purchasers paid more for natural gas as a result. Plaintiffs further allege that the Sempra and El Paso Defendants affected the price of natural gas in California by restrictions they placed on pipelines transporting natural gas to and through the state. Defendants deny these allegations.

Claims, issues and defenses in this litigation concern the following:

- Claims: Plaintiffs allege that defendants violated federal antitrust laws, and California state laws, by manipulating the prices of natural gas during the California energy crisis.
- Issues: Whether defendants manipulated natural gas prices; whether defendants acted unfairly and deceptively in their business practices; and whether Plaintiffs and the members of the Class were damaged by defendants’ conduct as alleged, and if so, how.
- Defenses: Defendants deny these allegations and have asserted a number of defenses.

II. BACKGROUND OF THE CLASS ACTIONS

Several lawsuits (the “California Class Actions”) were filed in federal court between November 10, 2003 and June 21, 2005. These lawsuits were coordinated in the United States District Court for the District of Nevada before the Hon. Philip M. Pro, under the name *In re Western States Wholesale Natural Gas Antitrust Litigation*, MDL 1566.

A. The 2007 Settlements

On September 5, 2007, the Court granted final approval to settlement agreements totalling \$11,313,846.15 between Plaintiffs and the Williams, EnCana, Dynegy, Coral, CMS, and AMS Defendants. The

¹ Defendants originally named in these cases included: AEP Energy Services, Inc.; American Electric Power, Inc.; Aquila Merchant Services, Inc.; CenterPoint Energy, Inc.; CMS Energy Resources Management Company; CMS Enterprises Group, Inc.; CMS Marketing Services & Trading Co.; CMS Field Services, Inc.; Cantera Natural Gas, Inc.; and CMS Energy Corporation; Coral Energy Resources L.P.; Duke Energy Trading and Marketing LLC; Duke Energy North America, LLC; Duke Energy Field Services, LLC; Duke Energy Corporation; Dynegy Inc. (incorrectly named as Dynegy Inc. Holding Company); Dynegy Holdings Inc. (incorrectly named as Dynegy Holding Co. and Dynegy Holding Co., Inc.); Dynegy Marketing and Trade; Dynegy Power Marketing, Inc.; El Paso Corporation; El Paso Tennessee Pipeline Company; El Paso Merchant Energy, L.P.; El Paso Merchant Energy-Gas, L.P.; El Paso Marketing, L.P.; El Paso Merchant Energy Holding Company; El Paso Merchant Energy Company; El Paso Natural Gas Company; Mojave Pipeline Company; El Paso Mojave Pipeline Company; Mojave Pipeline Operating Company; EPNG Mojave, Inc.; EnCana Corporation; W.D. Energy Services Inc.; Reliant Energy Services, Inc.; Reliant Energy, Inc.; Sempra Energy Corporation; Sempra Energy Trading Corporation; Southern California Gas Company; West Coast Power, LLC; Williams Companies, Inc.; Williams Power Company; Xcel Energy, Inc.; and e prime, Inc.

² The named non-party co-conspirators are Enron Corp. and Merchant Energy Group of the Americas Inc.

QUESTIONS? CALL TOLL-FREE 1-877-893-2672 OR VISIT WWW.FEDERALNATURALGASSETTLEMENTS.COM

proceeds of those settlements have not yet been distributed to settlement class members. The funds have been held in an interest-bearing escrow account so that they could be combined with proceeds from other settlements and distributed to the settlement class members through a single claims process. You may have previously received a notice about the settlements, which was sent in 2007.

B. The 2009 Settlements (the Settlements Now Being Proposed)

Following approval of the 2007 Settlements, Plaintiffs continued to litigate the action against the remaining defendants. Plaintiffs reached a settlement with the AEP Defendants after Plaintiffs prevailed against these defendants on appeal. During the class certification briefing process, Plaintiffs reached settlements with the other Settling Defendants. The terms of these new settlements (the “2009 Settlements”) are briefly described below.

III. TERMS OF THE 2009 SETTLEMENTS

The following description of the proposed settlements is only a summary. The Settlement Agreements are available on the website **www.FederalNaturalGasSettlements.com**. They also are on file with the Court and can be obtained from Settlement Class Counsel (listed below).

A. What Will the Settlement Classes Get?

In exchange for the releases set forth below, Settling Defendants will provide total payment to the settlement class of \$14,650,000 into an escrow account accruing interest for the benefit of the settlement class. Settling Defendants will make cash payments into escrow as follows:

- The Duke Defendants \$3,466,667
- The Reliant Defendants \$3,466,666
- The AEP Defendants \$1,750,000
- The El Paso Defendants \$3,466,667
- The Sempra Defendants \$2,000,000
- The e prime Defendants \$ 500,000

B. What Claims Are You Releasing As a Member of the Settlement Class?

If the Court approves the Settlement Agreements after the Fairness Hearing, and the approvals are not challenged, or are affirmed on appeal, the Settlement Agreements will become final (the “Effective Date”). On the Effective Date, the releases provided by members of the settlement class, and subclasses, who did not timely and validly exclude themselves (the “Releasers”) will become effective. The releases for each settlement subclass are in the Appendix at the end of this Notice. **PLEASE REFER TO THE SETTLEMENT AGREEMENTS FOR THE TERMS OF EACH SETTLEMENT. YOU MAY BE A MEMBER OF ONE OR MORE SETTLEMENT SUBCLASSES.**

C. Other Terms of the Settlements

According to the Settlement Agreements, certain disbursements may be made from the Settlement Fund to pay, on an interim basis, reasonable notice and administration costs and tax expenses. These settlements are subject to final approval by the Court following a Fairness Hearing.

QUESTIONS? CALL TOLL-FREE 1-877-893-2672 OR VISIT WWW.FEDERALNATURALGASSETTLEMENTS.COM

The Court has appointed plaintiffs Texas-Ohio Energy, Inc.; Fairhaven Power Company; Abelman Art Glass Company; Utility Savings and Refund Services, LLP; Ever-Bloom, Inc.; and Maximum Nursery, Inc., as representatives of the settlement class and subclasses. The Court has appointed the firms of Glancy Binkow & Goldberg LLP; Boni & Zack LLC; Hoffman & Edelson, LLC; and Zelle Hofmann Voelbel & Mason LLP, as Class Counsel to represent you and other settlement class members. You will not be charged for these lawyers.

When the 2007 Settlements were approved, by Order dated December 7, 2007 the Court also approved payment of attorneys' fees to Class Counsel in the amount of 25% of the Settlement Fund (which consisted of \$11,313,846.15 plus interest thereon), costs and expenses in the amount of \$222,832.64, and service awards to settlement class representatives in the amount of \$5,000 each. If the Court approves the 2009 Settlements, Class Counsel will move for payment of additional attorneys' fees not to exceed 25% of the \$14,650,000 Settlement Fund, plus reimbursement of out-of-pocket expenses. Plaintiffs will also move for service awards to settlement class representatives in the amount of \$5,000 each. If the Court approves the motions, these awards will be paid from the \$14,650,000 Settlement Fund.

Plaintiffs will propose a plan of allocation at a date prior to the Fairness Hearing.

THE COURT HAS NOT RULED ON ANY OF THE CLAIMS OR DEFENSES OF THE PARTIES. THIS NOTICE IS NOT TO BE UNDERSTOOD AS AN EXPRESSION OF ANY OPINION BY THE COURT AS TO THE MERITS OF ANY OF THE CLAIMS OR DEFENSES ASSERTED BY PLAINTIFFS OR DEFENDANTS.

IV. THE RIGHTS OF SETTLEMENT CLASS MEMBERS

Below is a summary of your rights and options:

YOUR LEGAL RIGHTS AND OPTIONS IN THESE SETTLEMENTS:		DEADLINE:
SUBMIT A PROOF OF CLAIM	If you want to receive part of the settlement funds, you must submit a Proof of Claim, even if you object to one or more of the proposed Settlement Agreements. You can fill out a Proof of Claim online by visiting the settlement website or fill out the Proof of Claim attached to this notice and mail it to the Settlement Administrator.	Proof of Claim must be submitted or postmarked on or before October 15, 2009.
EXCLUDE YOURSELF	If you do not want to receive part of the settlement funds or release your claims in one or more settlement, you must exclude yourself. Please follow the instructions below in this Notice (also posted on the settlement website). If you exclude yourself from a settlement, (1) you will not give up any claims you may have against the defendants who are parties to that settlement, but (2) you will not receive any money from that settlement fund, and (3) you cannot object to that settlement. Excluding yourself is the only option allowing you to bring your own lawsuit(s) against the Settling Defendants based on the legal claims in the class action lawsuits.	Exclusion request must be in writing and postmarked on or before July 27, 2009.

QUESTIONS? CALL TOLL-FREE 1-877-893-2672 OR VISIT WWW.FEDERALNATURALGASSETTLEMENTS.COM

OBJECT	If you do not want to exclude yourself, but you object to the terms of one or more of the settlements, you may write to the Court about your objections. Even if you timely and validly object to one (or more) of the settlements, you will remain a member of the Settlement Class/subclasses, you will be eligible to receive money from the settlement fund, and you will be legally bound by the settlements. To object, please follow the procedures described below in this Notice (also posted on the settlement website).	Objections must be in writing and received on or before July 27, 2009.
GO TO A HEARING	If you have not excluded yourself, and you have filed timely objections, you can go to the hearing on final approval and ask to speak in Court about your objections to the proposed settlements.	Objections must be in writing and received on or before July 27, 2009.
DO NOTHING	If you do nothing, you will not receive any money from the settlement fund. You will also give up rights to start, continue, or be part of any other lawsuit against the Settling Defendants based on the legal claims in the class action lawsuits.	Not Applicable.

You must follow the procedure described below in Section VI to exclude yourself from one or more of the settlement subclasses.

V. FAIRNESS HEARING

Class Counsel believe that the proposed settlements are fair, reasonable and adequate and in the best interests of the settlement class and subclasses. Class Counsel will be requesting the Court to enter an Order finally approving the settlements at the Fairness Hearing on **August 25, 2009, at 10:30 a.m.** The time and date of the hearing may be postponed. Notice of any postponement will be set forth on the Court's docket.

At the Fairness Hearing, the Court will consider whether: (1) the settlement agreements should be finally approved as fair, adequate and reasonable to the settlement class and subclasses; (2) the claims against Settling Defendants should be dismissed with prejudice; (3) the plan of allocation proposed by plaintiffs should be approved; (4) Settlement Class Counsel should be awarded attorneys' fees, costs and expenses; and (5) settlement class representatives should receive service awards.

You do not need to appear at that hearing. Class Counsel will answer the Court's questions on your behalf. However, if you want to attend, you may enter an appearance through counsel of your own choosing and at your own expense, or you may appear on your own.

You may object to any settlement from which you have not excluded yourself (see Section VI below for procedures on exclusion). Provided you have not excluded yourself, you also may appear at the Fairness Hearing to state your objection.

However, no settlement class member shall be heard unless an objection is made in writing, signed by the objecting member, and filed with the Court, together with any papers or briefs in support of the objection, with copies to counsel listed below by first-class mail, postage prepaid. Failure to timely file and serve written objections will prevent a settlement class member from objecting at the Fairness Hearing.

QUESTIONS? CALL TOLL-FREE 1-877-893-2672 OR VISIT WWW.FEDERALNATURALGASSETTLEMENTS.COM

The objection shall include:

(1) The complete name and residence or business address of the objecting member;

(2) A statement signed under penalty of perjury by the objecting member, that the member purchased natural gas in California or at the California border for use, for generation of electricity for the purpose of resale, or for resale, during the period from September 1, 1996 through January 26, 2009, and purchased directly from a defendant, co-conspirator, or one of their affiliates; and

(3) Each ground for comment or objection and any supporting papers the member desires the Court to consider.

(4) The filing of an objection will not extend the time to file a request for exclusion.

All objections, with supporting statements and/or papers, must be filed in writing with the Clerk, United States District Court for the District of Nevada, 333 Las Vegas Blvd. South, Las Vegas, Nevada 89101, and received no later than **July 27, 2009**, with copies served upon the individuals identified below:

Craig C. Corbitt
ZELLE HOFMANN VOELBEL
& MASON LLP
44 Montgomery Street, Suite 3400
San Francisco, CA 94104

Michael J. Boni
BONI & ZACK LLC
15 St. Asaphs Road
Bala Cynwyd, PA 19004

Settlement Class Co-Counsel

Settlement Class Co-Counsel

Michael J. Miguel
MORGAN LEWIS & BOCKIUS LLP
300 So. Grand Ave., 22d Fl.
Los Angeles, CA 90071

Kerry C. Koep
Asst. General Counsel
Xcel Energy Services Inc.
414 Nicollet Mall, 5th Fl.
Minneapolis, MN 55401

Counsel for the Xcel Defendants

Counsel for the Xcel Defendants

Robert B. Wolinsky
HOGAN & HARTSON LLP
Columbia Square
555 Thirteenth St., NW
Washington, DC 20004

D. Michael Miller
One Riverside Plaza
Columbus, OH 43215-2372

Counsel for the AEP Defendants

For the AEP Defendants

Reliant Energy, Inc.
1000 Main Street
Houston, TX 77002

El Paso Corporation
1001 Louisiana
Houston, TX 77002
Attn: General Counsel

For the Reliant Defendants

For the El Paso Defendants

QUESTIONS? CALL TOLL-FREE 1-877-893-2672 OR VISIT WWW.FEDERALNATURALGASSETTLEMENTS.COM

General Counsel
Sempra Energy
101 Ash Street
San Diego, CA 92101

Duke Energy Corporation
526 South Church Street
Charlotte, NC 28202
Attn: Group Executive and Chief
Legal Officer

Counsel for the Sempra Defendants

For the Duke Defendants

VI. REQUESTS FOR EXCLUSION

Each settlement class member may request to be excluded from one or more settlement subclass. The Court will exclude all persons and entities who file timely and valid requests for exclusion.

If you exclude yourself from all of the settlement subclasses, you will not receive any money from the Settlement Fund, you will not be legally bound by any judgment or decision in this litigation with respect to these settlements, and you cannot object to the settlements.

If you exclude yourself from one or more (but not all) of the settlements, you will not receive money from that settlement, you will not be legally bound by any judgment or decision in this litigation with respect to that settlement, and you cannot object to that settlement. However, if you file a timely and valid claim, you will receive proceeds from the settlements that you do not object to.

You can request to exclude yourself by mailing a request for exclusion, postmarked no later than **July 27, 2009**, to:

In re Western States Wholesale Natural Gas Antitrust Litigation
c/o Epiq Class Action and Claims Solutions, Inc.
P.O. Box 3775
Portland, OR 97208-3775

Requests for exclusion must be in writing and set forth the name, address, and telephone number of the person or entity who wishes to be excluded, as well as all trade names or business names and addresses used by such person or entity, must state that the person or entity wishes to be excluded, and must be signed by the person or entity seeking exclusion.

VII. SUBMISSION OF PROOF OF CLAIM FORMS AND DISTRIBUTION OF SETTLEMENT FUND

You should retain all documents that substantiate the purchases of natural gas that you made during the Class Period(s) from each of the defendants. At a later time, Class Counsel will ask the Court to approve a proposed Plan of Allocation of the Settlement Fund.

If you change your address, or if this Notice was not mailed to your correct address, you should immediately provide your correct address to: In re Western States Wholesale Natural Gas Antitrust Litigation, c/o Epiq Class Action and Claims Solutions, Inc., PO Box 3775, Portland, OR 97208-3775. If Settlement Class Counsel does not have your correct address, you may not receive the Claim Form or other important documents in this litigation.

QUESTIONS? CALL TOLL-FREE 1-877-893-2672 OR VISIT WWW.FEDERALNATURALGASSETTLEMENTS.COM

VIII. OTHER INFORMATION

**THE ABOVE IS ONLY A SUMMARY OF THE SETTLEMENT
AGREEMENTS AND RELATED MATTERS**

For more detailed information concerning the matters involved in the litigation, please review the pleadings, the Settlement Agreements, the Orders entered by the Court and the other papers filed in the litigation, which may be inspected at the Office of the Clerk of the United States District Court for the District of Nevada, 333 Las Vegas Blvd. South, Las Vegas, Nevada 89101, during regular business hours. The Settlement Agreements also may be reviewed online at www.FederalNaturalGasSettlements.com

**ALL INQUIRIES CONCERNING THIS NOTICE AND THE SETTLEMENTS AGREEMENT SHOULD BE DIRECTED TO
THE SETTLEMENT ADMINISTRATOR AT THE ADDRESS SET FORTH BELOW:**

*In re Western State Wholesale Natural Gas
Antitrust Litigation*

Epiq Class Action and Claims Solutions, Inc.,
PO Box 3775
Portland, OR 97208-3775

Settlement Administrator

**INQUIRIES SHOULD NOT BE DIRECTED TO SETTLING DEFENDANTS, THE COURT,
OR THE CLERK'S OFFICE.**

BY ORDER OF THE COURT

PHILIP M. PRO,

*DISTRICT JUDGE, UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEVADA*

QUESTIONS? CALL TOLL-FREE 1-877-893-2672 OR VISIT WWW.FEDERALNATURALGASSETTLEMENTS.COM

APPENDIX TO NOTICE

SETTLEMENT CLASS

All individuals and entities that purchased natural gas in California and/or at the California border during the period from September 1, 1996, through January 26, 2009, inclusive, directly from one or more defendants or named non-party co-conspirators in the California Class Actions, or their affiliates, *excluding*: Pacific Gas & Electric Co., San Diego Gas & Electric, Southern California Gas Company, Southern California Edison, Southwest Gas Corp., federal, state and local governments and governmental agencies (including municipal utilities), defendants, or named non-party co-conspirators.

SETTLEMENT SUBCLASSES AND SUBCLASS MEMBERS' RELEASES

I. Settlement Subclass I—The Duke/Reliant/AEP Settlement Subclass:

All individuals and entities that purchased natural gas in California and/or at the California border during the period from January 1, 1999 through December 31, 2002, inclusive, directly from one or more defendants or named non-party co-conspirators in the California Class Actions, or their affiliates, (a) for use, (b) for generation of electricity for the purpose of resale, or (c) for resale. Excluded are: Pacific Gas & Electric Co., San Diego Gas & Electric, Southern California Gas Company, Southern California Edison, Southwest Gas Corporation, federal, state and local governments and governmental agencies (including municipal utilities), defendants, or named non-party co-conspirators in the MDL cases.

Releases by Members of Settlement SubClass I

Upon the Effective Date, the Released Parties³ shall be released and forever discharged by California Class Plaintiffs and by each and every member of the [Settlement Subclass] and their respective Subsidiaries and Affiliates, successors and assigns (who have not

³ For purposes of Subclass I:

Duke Defendants-- "Released Parties" means in any capacity Duke Energy Carolinas, LLC and Duke Energy Trading and Marketing LLC and their respective current and former parents, subsidiaries, divisions, and affiliates; each of their respective current and former directors, officers, employees, agents, attorneys and assigns; and the predecessors, heirs, successors, and assigns of each of the foregoing.

Reliant Defendants—"Released Parties" means in any capacity Reliant and Centerpoint Energy, Inc. and their respective current and former parents, Subsidiaries, divisions, and Affiliates; each of their respective current and former directors, officers, shareholders, partners, members, beneficiaries, employees, agents, attorneys and assigns; and the predecessors, heirs, successors, and assigns of each of the foregoing.

AEP Defendants – "Released Parties" means in any capacity AEP and its direct and indirect parents and their respective subsidiaries, divisions, and affiliates; each of their respective current and former directors, officers, employees, subsidiaries, affiliates, joint ventures, predecessors, successors, agents, attorneys and assigns; and the predecessors, heirs, successors, and assigns of each of the foregoing.

QUESTIONS? CALL TOLL-FREE 1-877-893-2672 OR VISIT WWW.FEDERALNATURALGASSETTLEMENTS.COM

filed timely and otherwise proper requests for exclusion) from any and all claims, causes of action, demands, rights, actions, suits and requests for equitable, legal and administrative relief of any kind or nature whatsoever, known or unknown (“Claims”) arising now or in the future from or relating to (i) the facts and claims alleged in any of the [California Class Actions], including without limitation any and all Claims that were, could have been, or might be asserted against [the Duke Defendants, the Reliant Defendants, and the AEP Defendants], under state or federal laws, statutes or common law principles, unjust enrichment principles, or any other common law, statutory, equitable, or legal theory; or (ii) the purchase, sale or use of natural gas, including but not limited to the purchase of physical natural gas and/or any transaction relating to, dependent upon or derivative of the price of natural gas (between January 1, 1999 and January 14, 2009—with respect to the Duke and Reliant Defendants; between January 1, 1999 and December 31, 2002—with respect to the AEP Defendants).

II. Settlement Subclass II—The El Paso Settlement Subclass:

All individuals and entities that purchased natural gas in California and/or at the California border during the period from September 1, 1996, through December 31, 2002, inclusive, directly from one or more defendants or named non-party co-conspirators in the California Class Actions, or their affiliates, (a) for use, (b) for generation of electricity for the purpose of resale, or (c) for resale, *excluding* Pacific Gas & Electric Co., San Diego Gas & Electric, Southern California Gas Company, Southern California Edison, Southwest Gas Corp., federal, state and local governments and governmental agencies (including municipal utilities), defendants, or named non-party co-conspirators in the MDL cases.

Releases by Members of Settlement Subclass II

Upon the Effective Date, the Released Parties⁴ shall be released and forever discharged by the California Class Plaintiffs and by each and every member of the [Settlement Subclass] and their respective Subsidiaries and Affiliates, successors and assigns (who have not filed timely and otherwise proper requests for exclusion) from any and all Claims, as defined in [the Settlement Agreement], causes of action, demands, actions, suits and requests for equitable, legal and administrative relief of any kind or nature whatsoever, known or unknown, arising out of, or relating to in any way, in whole or in part, (i) the facts alleged in any of the [California Class Actions], including without limitation any and all Claims that were or could have been alleged, argued, or asserted

⁴ For the purposes of Subclass II, “Released Parties” means in any capacity El Paso Corporation f/k/a El Paso Energy Corporation, EP Tennessee Pipeline Company, El Paso Merchant Energy, L.P. f/k/a El Paso Marketing, El Paso Merchant Energy-Gas, L.P., El Paso Marketing, L.P., El Paso Merchant Energy Holding Company, El Paso Merchant Energy Company, El Paso Natural Gas Company, Mojave Pipeline Company, El Paso Mojave Pipeline Company, Mojave Pipeline Operating Company, and EPNG Mojave, Inc. and their respective current and former parents, Subsidiaries, divisions, and Affiliates; each of their respective current and former directors, officers, shareholders, partners, members, beneficiaries, employees, agents, attorneys and assigns; and the predecessors, heirs, successors, and assigns of each of the foregoing. The term “Released Parties” does not include any presently named defendant in the MDL Class Actions other than El Paso.

against El Paso under state or federal laws, statutes or common law principles, unjust enrichment principles, or any other common law, statutory, equitable, or other legal theory; (ii) the purchase, sale or use of natural gas, including but not limited to the purchase of physical natural gas and/or any transaction relating to, dependent upon or derivative of the price of natural gas; or (iii) natural gas pipeline capacity; the price or supply of natural gas or natural gas pipeline capacity; and/or any act, omission, or transaction concerning or relating to natural gas or natural gas pipeline capacity, including, without limitation, the purchase, sale, contracting for, scheduling, allocation, transportation, bidding, trading, wash trading, price reporting or misreporting, marketing, transmission, generation, production, and/or alleged withholding of natural gas or natural gas pipeline capacity based in whole or in part on any alleged act, omission, fact, matter, transaction, or occurrence between September 1, 1996 and February 12, 2009.

III. Settlement Subclass III—The Sempra Settlement Subclass:

All individuals and entities that purchased natural gas in California and/or at the California border during the period from September 20, 1996, through January 26, 2009, inclusive, directly from one or more defendants or named non-party co-conspirators in the California Class Actions or their affiliates, (a) for use, (b) for generation of electricity for the purpose of resale, or (c) for resale, *excluding* Pacific Gas & Electric Co., Southern California Edison, Southwest Gas Corp., federal, state and local governments and governmental agencies (including municipal utilities), defendants, or named non-party co-conspirators in the California Class Actions.

Releases by Members of Settlement Subclass III

Subject to the provisions of [the Settlement Agreement], as of the Closing Date, the Settling Claimants, and each of them, on behalf of themselves (and, where applicable, each and all members of the Classes they represent) forever waive, release, discharge and acquit the Sempra Parties, and each of them, as well as the Sempra Parties' officers, directors, shareholders, Subsidiaries, past Subsidiaries, Affiliates, past Affiliates, partners, members, agents, attorneys, assigns, beneficiaries, employees, heirs, insurers, predecessors, successors and other professional persons (the "Released Sempra Parties"), directly or indirectly, derivatively, on their own behalf, on behalf of any Class or on behalf of any other person or entity they represent, from any and all actions, causes of action, obligations, costs, damages, losses, Claims, Liabilities, restitution, and/or demands of whatsoever character, whether known or unknown, accrued or unaccrued, arising out of or relating in any way to:

(i) natural gas; natural gas pipeline capacity; the price or supply of natural gas or natural gas pipeline capacity; any act, omission, or transaction concerning or relating to natural gas or natural gas pipeline capacity, including, without limitation, the purchase, sale, contracting for, scheduling, allocation, transportation, bidding, trading, wash trading,

QUESTIONS? CALL TOLL-FREE 1-877-893-2672 OR VISIT WWW.FEDERALNATURALGASSETTLEMENTS.COM

reporting or misreporting, marketing, transmission, generation, production, and/or withholding of natural gas or natural gas pipeline capacity based in whole or in part on any alleged act, omission, fact, matter, transaction or occurrence between September 1, 1996 and January 26, 2009;

(ii) all natural gas issues relating to the California energy crisis; and

(iii) any Claim, act, omission, fact, matter, transaction or occurrence that was alleged, argued or asserted, or that could have been alleged, argued or asserted, in the [California Class Actions].

Any and all actions, causes of action, obligations, costs, damages, losses, Claims, Liabilities, restitution, and/or demands that are waived, released, discharged and acquitted by this [Paragraph 5.1 of the Settlement Agreement] are referred to herein as “Released Claims.” Without limiting the generality of the forgoing, Released Claims shall further expressly include: (i) any violations or claimed violations of any rules, regulations, orders or protocols of any U.S. state or federal agency having or claiming to have regulatory authority over any conduct that is the subject of any of the above Released Claims including, without limitation, the Natural Gas Act, the Natural Gas Policy Act of 1978, and the Federal Power Act and/or any rules, regulations, tariffs, protocol or orders promulgated thereunder; (ii) any Claims for refunds, contract reformation or any other relief, any federal or state antitrust Claims, any Claims under any unfair competition or consumer protection statutes or laws of California, Nevada or any other state, and any other representative, taxpayer, and class Claims; (iii) any and all acts, omissions, facts, matters, transactions, occurrences, and oral or written statements and representations made or allegedly made in connection with, or directly or indirectly relating to, [the Settlement Agreement] or the settlement of the Action; and (iv) any and all Claims for attorneys’ fees, costs or disbursements in connection with or related in any manner to the Actions, settlement of the Actions, the administration of such settlement and/or the Released Claims, except to the extent otherwise specified in [the Settlement Agreement].

QUESTIONS? CALL TOLL-FREE 1-877-893-2672 OR VISIT WWW.FEDERALNATURALGASSETTLEMENTS.COM

IV. Settlement Subclass IV—The e-prime Settlement Subclass:

All individuals and entities that purchased natural gas in California and/or at the California border during the period from January 1, 1999 through December 31, 2002, inclusive, directly from one or more defendants or named non party co-conspirators in the California Class Actions or their affiliates, *excluding* Pacific Gas & Electric Co., San Diego Gas & Electric, Southern California Gas Company, Southern California Edison, Southwest Gas Corp., federal, state and local governments and governmental agencies (including municipal utilities), defendants or named non-party co-conspirators in the California Class Actions.

Releases by Members of Settlement Subclass IV

Upon the Effective Date, the Released Parties⁵ shall be released and forever discharged by all Plaintiffs and by each and every member of the Settlement Subclass (who have not filed timely and otherwise proper requests for exclusion) from any and all claims, causes of action, demands, rights, actions, suits and requests for equitable, legal and administrative relief of any kind or nature whatsoever (“Claims”) arising now or in the future, out of, in connection with or relating to (i) the facts and claims alleged in any of the [California Class Actions], including without limitation any and all Claims that were, or could have been, or might in the future be, asserted against the Released Parties, in any forum under any state or federal antitrust laws, unfair competition statutes and common law principles, unjust enrichment principles, constructive trust principles, or any other common law, statutory or equitable theory, and including without limitation the claims alleged in any action that is part of MDL No. 1566; or (ii) the purchase of natural gas during the California Class Period, including but not limited to the purchase of physical natural gas and/or any transaction relating to, dependent upon or derivative of the price of natural gas.

⁵ For the purposes of Subclass IV, “Released Parties” means in any capacity the e prime Defendants and their direct and indirect parents and their respective subsidiaries, divisions, and affiliates; each of their respective current and former directors, officers, employees, subsidiaries, affiliates, joint ventures, predecessors, successors, agents, attorneys and assigns; and the predecessors, heirs, successors, and assigns of each of the foregoing. The term “Released Parties” does not include any presently named defendant in the MDL Class Actions other than the e prime Defendants.

QUESTIONS? CALL TOLL-FREE 1-877-893-2672 OR VISIT WWW.FEDERALNATURALGASSETTLEMENTS.COM

EXCLUDING YOURSELF

(1) Settlement Subclass I—Exclude yourself if you want to retain the right to sue Duke Energy Trading and Marketing, L.L.C. and Duke Energy Carolinas, LLC; Reliant Energy, Inc., Reliant Resources Inc., and Reliant Energy Services, Inc.; and/or AEP Energy Services, Inc. and American Electric Power Company, Inc.

(2) Settlement Subclass II—Exclude yourself if you want to retain the right to sue El Paso Corporation f/k/a El Paso Energy Corporation, El Paso Tennessee Pipeline Company, El Paso Merchant Energy, L.P. f/k/a El Paso Marketing, El Paso Merchant Energy-Gas, L.P., El Paso Marketing, L.P., El Paso Merchant Energy Holding Company, El Paso Merchant Energy Company, El Paso Natural Gas Company, Mojave Pipeline Company, El Paso Mojave Pipeline Company, Mojave Pipeline Operating Company, and EPNG Mojave, Inc.

(3) Settlement Subclass III—Exclude yourself if you want to retain the right to sue Sempra Energy, Southern California Gas Company, San Diego Gas & Electric Company, and Sempra Energy Trading LLC, formerly Sempra Energy Trading Corp.

(4) Settlement Subclass IV—Exclude yourself if you want to retain the right to sue e prime, inc., Xcel Energy Inc., e prime Energy Marketing, Inc. and Northern States Power Company.

(5) Settlement Subclasses I, II, III and IV—Exclude yourself if you want to retain the right to sue all of the Settling Defendants.

QUESTIONS? CALL TOLL-FREE 1-877-893-2672 OR VISIT WWW.FEDERALNATURALGASSETTLEMENTS.COM