



NEWS

7600 Wisconsin Avenue
Bethesda, MD 20814

FOR IMMEDIATE RELEASE

April 20, 2004

NEWS MEDIA CONTACT:
Natalie Wymer, 301/280-5654

**Creditors Overwhelmingly Vote to Accept
National Energy & Gas Transmission, Inc.'s Plan of Reorganization**

*Company Continues Progress to Emerge From Chapter 11
With More Than 98 Percent of Voting Creditors Accepting the Plan*

BETHESDA, Md. – National Energy & Gas Transmission, Inc. (NEGT) today announced that preliminary results show more than 98 percent of its voting creditors agreed to accept the company's Plan of Reorganization, a blueprint for the company to emerge from Chapter 11. In terms of a percentage by dollar amount of all voting claims, more than 94 percent voted in favor of the plan. The final voting results will be filed with the bankruptcy court prior to NEGT's confirmation hearing scheduled for April 28. NEGT expects to emerge from bankruptcy shortly thereafter.

The Plan of Reorganization provides for NEGT to issue to its unsecured creditors 100 percent of its equity, and \$1 billion in notes and excess cash. The company announced in February that it agreed to sell the Gas Transmission Northwest Corporation to TransCanada Corporation through an auction process that is currently ongoing. NEGT is evaluating additional asset sales. Its USGen New England subsidiary remains in a separate Chapter 11 proceeding.

NEGT, based in Bethesda, Md., voluntarily filed for protection under Chapter 11 with the U.S. Bankruptcy Court for the District of Maryland, Greenbelt Division on July 8, 2003.

#####