

Compliance with FERC Standards of Conduct Regulations

- (1) Affiliates of Transmission Provider that employ or retain marketing function employees:

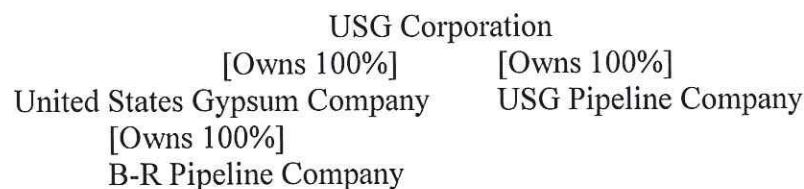
United States Gypsum Company
550 West Adams Street
Chicago IL 60661-3676

- (2) Facilities shared by Transmission Provider and Affiliates with marketing function employees:

Transmission Provider owns a short pipeline extending from a point in Tennessee to a point in Alabama, where deliveries are made to a manufacturing facility owned by United States Gypsum Company.

Management of Transmission Provider is conducted by its affiliate, United States Gypsum Company, in the latter's offices at 550 West Adams Street, Chicago IL 60661-3676. United States Gypsum Company provides managerial and accounting support to Transmission Provider. Transmission Provider shares office, computer and telecommunications facilities with United States Gypsum Company. Transmission Provider has no separate offices. Natural gas deliveries are made to a manufacturing facility owned by United States Gypsum Company and located downstream of Transmission Provider's facilities. Some services may be rendered by plant personnel. The Federal Energy Regulatory Commission has waived independent functioning standards otherwise applicable to transmission function and marketing function employees of Transmission Provider and its Affiliates.

- (3)(i) Corporate organizational structure:



- (3)(ii) Description of Transmission Provider's Structure

Transmission Provider's sole function is to own and operate pipeline facilities pursuant to certificates of public convenience and necessity issued by the Federal Energy Regulatory Commission. It has officers and directors, but no employees or offices apart from those provided by its Affiliate, United States Gypsum Company. Certain employees of United States Gypsum who have responsibility for Transmission Provider are also responsible for acquiring energy supplies on behalf of United States Gypsum Company and, from time to time, may be responsible for disposing of excess natural gas supplies. They are also responsible for managing, including hedging, the cost of natural gas for United States Gypsum Company. United States Gypsum also acquires natural gas for an affiliate, USG Interiors Company, although no such gas ever moves on the Transmission Provider's facilities.

3(iii) Transmission Function Employees (employees, contractors or agents who actively and personally engage on a day-to-day basis in transmission functions):

Transmission Provider has no employees apart from its Affiliate's employees. The following employees of United States Gypsum Company have responsibility for day-to-day transmission functions for Transmission Provider and also perform gas supply functions for United States Gypsum Company.

Robert B. Cooper
Vice President
Contact at 312-436-4140 Fax 312-672-4532
Responsible for day to day operations and available capacity.

Annette Follmer
Contact 312-436-4054 Fax 312-672-4532
Back-up to Mr. Cooper

3(iv) Chief Compliance Officer for Transmission Provider:

Robert B. Cooper, Vice President
Contact at 312-436-4140 Fax 312-672-4532

(4) Written Procedures

The Federal Energy Regulatory Commission has granted to Transmission Provider certain waivers of its Standards of Conduct regulations with respect to independent functioning and disclosing information. As a result, Transmission Provider is permitted to share employees and information with its affiliate and only firm customer, United States Gypsum Company, which has marketing function employees and performs transmission functions for Transmission Provider. Nevertheless, Transmission Provider intends to post on its website information concerning its relationship to United States Gypsum Company as required by the FERC's regulations. In addition, if Transmission Provider receives requests for interstate transportation services, it intends to treat such requests and any future customers in a fair and non-discriminatory manner in compliance with its FERC-approved tariffs. Transmission Provider will require training of relevant employees to assure that they are knowledgeable of the applicable Standards of Conduct, the non-discrimination and tariff requirements applicable to any actual or potential customers, and the posting requirements applicable to Transmission Provider's website.