

## Press Release

### **SURVEY: Northeast Businesses not well informed on Energy Issues, Handle Their Own Energy Procurement Directly**

#### ***Tractebel Energy Services says northeast region's responses are similar to recently surveyed Texas businesses***

**HOUSTON (February 1, 2005)** – A survey of nearly 700 business managers in New York, Maine and Massachusetts shows that decision-makers in businesses in the Northeast region consider their energy procurement to be an important part of their company's strategic direction, and yet consider themselves only "somewhat informed" about deregulation, even after several years of operating in a deregulated environment.

The source is a recent study commissioned by Tractebel Energy Services, Inc., the U.S. retail energy business of Tractebel Electricity & Gas International, a business division of SUEZ (NYSE: SZE). The survey was conducted between Nov. 14, 2004, and Jan. 6, 2005, and revealed that 36 percent of energy, facilities and financial managers in the Northeast believe that their organizations are only "somewhat informed" about deregulation. Only 13 percent felt their companies were "very informed." These numbers were almost identical to responses from a similar Tractebel-commissioned survey in Texas this past summer.

Most businesses in the Northeast, similar to respondents in Texas, handle their energy procurement directly (72 percent) rather than through a third party intermediary (10 percent), which would indicate a need to actually become better informed since they're not relying on industry experts to guide their energy procurement. Additionally, Northeast respondents said that most of their organizations are still buying electricity from their local, incumbent utility (58 percent), which reveals that most businesses are staying within their "comfort zone" and not truly taking advantage of the options available under deregulation, which is why Tractebel Energy Services conducts these surveys in the markets it serves.

*"We want to know what our customers know, and what they don't know. We feel one of our most important jobs is to help inform a customer about the options available to them, and then they are more empowered when it comes to selecting their energy providers and managing their budgets," said JD Burrows, Vice President of Marketing.*

Burrows noted that the Northeast survey did show a handful of significant departures from the recent Texas survey. The size, stability and financial strength of a supplier is

significantly less important in the Northeast (54 percent vs. 79 percent) than in Texas. Also, the Northeast results report a lower level of customer satisfaction with energy suppliers compared to Texas, with only 25 percent stating that they are “very satisfied” compared to the Texas tally of 54 percent.

*“The low levels of awareness regarding deregulation and the opportunities associated with it mean that only a minority of companies are making the most of the competitive market,” said Burrows. He added that market volatility is a continuing concern among respondents, especially considering the high oil and natural gas prices of the last few years. The majority (78 percent) prefers fixed-price products more than index-price products that reflect market fluctuations. “Fixed price service continues to dominate the conventional thinking in businesses, but there are businesses that can take advantage of the market by employing index pricing strategies. It’s just a matter of education so that customers truly understand what a particular pricing structure can mean to their bottom line.”*

In many Northeast markets, helping customers become more informed energy “buyers” will soon be receiving even greater emphasis as the market structures continue to evolve. *“With the upcoming March 2005 expiration of the standard offer program in Massachusetts and the recent December 30, 2004, election deadline in the NYSEG territory of New York, deregulation remains an growing landscape in the Northeast,” added Burrows.*

Tractebel Energy Services provides end-user electricity and related energy services and products to Commercial and Industrial (C&I) customers across the key deregulated markets in the US. It currently serves more than 6,000 customer accounts representing more than 2,700 MW of electricity. Tractebel Energy Services helps customers control their energy budgets by providing innovative pricing structures that minimize exposure to risks associated with the energy market.

Licensed in 10 states and the District of Columbia, and actively operating in seven, Tractebel Energy Services, Inc. is ranked as the sixth largest and fastest growing retail energy provider in the U.S.\* The company plans to expand to other states in the Northeast and Midwest in 2005. Its parent company, SUEZ, is one of the longest-established and largest companies in the world, dating back to 1822 with more than 170,000 employees worldwide and 15,000 employees based in here North America. To learn more about Tractebel Energy Services, customers may visit the company’s Web site at [www.tractebelenergy.com](http://www.tractebelenergy.com) or call 1-866-999-8374.

For more information about **SUEZ, Tractebel Electricity & Gas International**, or **Tractebel Energy Services** visit the companies’ Web sites at [www.suez.com](http://www.suez.com), [www.egi.tractebel.com](http://www.egi.tractebel.com), or [www.tractebelenergy.com](http://www.tractebelenergy.com).

*\*2004 KEMA Ranking; KEMA is an independent energy consultant*

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## **About Tractebel North America, Inc.**

Based in Houston, Tractebel Energy Services, Inc., is a wholly owned subsidiary of Tractebel North America Inc. (“TNA”). TNA is responsible for managing SUEZ’s positions within the energy value chain in the US, Mexico and Canada, including electricity generation and cogeneration, natural gas and liquefied natural gas (LNG), asset-based trading and origination, and retail energy sales and related services to Commercial and Industrial customers.

TNA owns and/or operates a total of 59 power, cogeneration, steam, and chilled-water facilities, including those in construction or development, representing a capacity of more than 5,717 MW of electricity generation, 12 million pounds per hour of steam, and 147,000 tons per hour of chilled water. TNA’s wholly owned subsidiary, Distrigas of Massachusetts LLC, owns and operates a liquefied natural gas (“LNG”) receiving terminal in Everett, Massachusetts, which commenced operations in 1971 and currently serves most of the gas utilities in New England and key power producers, meeting approximately 20% of New England’s annual gas demand.

In Mexico, TNA affiliates operate three natural gas distribution companies, located in Guadalajara, Querétaro and Tampico, which serve more than 90,000 customers with clean and reliable energy. TNA affiliates also operate cogeneration plants in Tampico and Monterrey, which produce 280 MW of power. TNA and its affiliates are the only companies in Mexico with the capacity to offer integrated solutions regarding natural gas, electricity and energy-related services.

### **Contact:**

Cindy Suggs  
Tractebel North America, Inc.  
(Tel) 713-636-1783  
(Fax) 713-636-1364  
email: [csuggs@tractebelusa.com](mailto:csuggs@tractebelusa.com)