

FOR RELEASE

The North Carolina Utilities Commission today authorized North Carolina Natural Gas Corporation to serve eight (8) additional counties and eleven (11) cities and towns in northeastern North Carolina and immediately called upon the Federal Power Commission for action in obtaining an additional interstate pipeline to supply the North Carolina distributing companies sufficiently to meet the needs of the area. The Utilities Commission memorandum noted that the only remaining obstacles to the provision of natural gas service in the area were acceptance by Transcontinental Gas Pipe Line Corporation (the interstate supplier) of commitments made by North Carolina Natural and Public Service Company of North Carolina, Inc., and Federal Power Commission's action in authorizing or directing Transco to proceed with construction of the interstate facility.

The memorandum sent to the Federal Power Commission was the second on the subject and followed meetings initiated by the Utilities Commission with the Federal Power Commission, the Virginia Corporation Commission, Transcontinental Gas Pipe Line Corporation, North Carolina Natural Gas Corporation, Public Service Company of North Carolina, Inc., and prospective industrial customers needing the service.

Copies of the Order and the Memorandum are attached.