

code of conduct (natural gas transactions)

Encana Corporation (“Encana”) adopts the following Code of Conduct for persons engaged on Encana’s behalf or on behalf of any of Encana’s subsidiaries regarding natural gas sales for resale transactions and for the voluntary submission of natural gas transaction data to index price publishers.

Encana subsidiaries hold blanket marketing certificates from the U.S. Federal Energy Regulatory Commission (“FERC”) authorizing them to engage in natural gas sales for resale in the United States. For the purpose of this Code of Conduct, the term “Encana” shall include Encana Corporation and its subsidiaries¹ holding such certificates.

No Encana employee or contractor may engage in any action or transaction that is without a legitimate business purpose and that is intended to or foreseeably could manipulate market prices, market conditions or market rules for natural gas. Examples of prohibited transactions and actions include, but are not limited to, wash and round trip trades and collusion with another party for the purpose of manipulating market prices or market conditions for natural gas.

Encana may provide natural gas pricing data to index price publishers only in compliance with 18 C.F.R. § 284.403 and this Code of Conduct. Encana’s decision to submit transactional data to an index price publisher is completely voluntary. Subject to future changes in law or regulation, Encana reserves, unconditionally, the right to decline to provide, and to cease to provide, natural gas pricing data to any publisher.

To the extent that Encana engages in reporting of transaction data to publishers of natural gas indices, persons responsible for reporting shall comply with this Code of Conduct, as well as any applicable FERC policies, and shall provide accurate and factual information, and shall not knowingly submit false or misleading information or omit material information to any such publisher. Encana’s reporting of transaction data will be done in compliance with the following guidelines:

1. Encana selects the index price publishers to which it provides transactional data.
2. Encana provides as complete and accurate data as possible to index price publishers on all applicable transactions unless existing agreements prevent it from doing so.
3. Encana does not include the counter-party’s name in its transaction data submissions.
4. Encana’s Middle Office personnel provide transactional data to index price publishers based on data existing in its risk management system. Front Office personnel are not authorized to provide transactional data to index price publishers.
5. Encana provides transactional raw data for each applicable transaction. Encana provides data on a transaction-by-transaction basis and does not aggregate data into weighted averages, total counts or other summary levels.

⁽¹⁾ Including, without limitation, Encana Marketing (USA) Inc., Encana Services Inc. and Encana Oil & Gas (USA) Inc.

6. Encana submits transactional data for every relevant transacting day. Encana informs index price publishers when no transactions occur rather than omit the data submission for a given price index.
7. Encana will base its submission of applicable transactions on “Platts Methodology and Specifications” of physical delivery location, trade data, term and pricing structure, as such methodology may change from time to time.
8. Encana submits data for third-party transactions only. No data is submitted for intra-company transactions.
9. Encana will not report structured transactions or negotiated transactions that are composed of a combination of standard products such as forwards, futures and options.
10. Encana has a non-disclosure agreement in place with each of the index price publishers to which Encana provides transactional data.
11. As a holder of a blanket marketing certificate, Encana shall retain for a period of five (5) years all data and information upon which it billed the prices charged for natural gas sales for resale or the prices reported to index price publishers.
12. Encana’s data submission processes will be audited on an annual basis by an independent auditor for consistency with this Code of Conduct.
13. Encana will provide this Code of Conduct to its employees and contractors. Encana will also make this Code of Conduct available to the public on its corporate website.
14. Encana is prepared to appropriately discipline employees for willful non-compliance with this Code of Conduct.

Updated August 2010