

AFRICAN AMERICAN CHAMBER OF COMMERCE OF WESTERN PENNSYLVANIA

FOR RELEASE FRIDAY, NOVEMBER 9, 2001

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The African American Chamber of Commerce of Western Pennsylvania and the Hispanic Chamber of Commerce in Western Pennsylvania are announcing a partnership with the Department of Energy's (DOE) National Energy Technology Laboratory (NETL) and the DOE Office of Economic Impact and Diversity to design and create a program that promotes access to energy commodity trading for women and minority owned businesses.

The Funds Transfer Agent Agreement (FTAA) is a financial instrument designed to overcome a major obstacle to women/minority owned businesses desiring to participate in the energy commodity (natural gas) marketplace. A typical problem of most small businesses is that credit needs may far exceed their credit resources in attempting to execute transactions involving large volumes of product. The design of the FTAA ensures the transfer of funds to the appropriate recipients, through the use of an intermediary such as a bank. In addition, the creditworthiness of the end-user and their commitment to placing the payment for the commodity in a blocked account, relieves the small business of the need to secure a letter of credit or provide a payment bond to the natural gas supplier.

An Outreach Plan for the FTAA is being developed which will create a self-sustaining educational and marketing infrastructure operated by regional organizations, such as the African American Chamber of Commerce of Western PA and the Hispanic Chamber of Commerce in Western PA. This infrastructure is designed to utilize existing regional organizations to market

the availability of the FTAA and promote its use initially for the natural gas commodity, with the potential inclusion of other commodities.

"NETL is excited about the prospects that this innovative financial guarantee agreement holds for this region and for the nation. This is an excellent opportunity for women and minority owned businesses to play a significant role in regional and national natural gas commodity trading. We are looking forward to continuing our close work with these two Chambers and with DOE Headquarters to successfully implement this effort".

*-Rita Bajura, Director
U. S. Department of Energy
National Energy Technology Laboratory*

"The Department of Energy is pleased and excited to be able to work closely with the NETL and with these two progressive regional minority chambers of commerce on this initiative. Given the rich heritage of America's energy industry in this region, I think it particularly fitting that these parties have come together on this to enable minority and women-owned business enterprises to compete more effectively in the natural gas and commodities trading marketplaces."

*-Theresa Alvillar-Speake, Director
U. S. Department of Energy
Office of Economic Impact and Diversity*

The primary objective of the Funds Transfer Agent Agreement and its proposed Outreach Plan through the African American Chamber of Commerce of Western PA and the Hispanic Chamber of Commerce in Western PA is, to promote additional business-to-business opportunities and provide increased capacity for minority and women owned businesses, initially located in this region, that are trading in the energy commodity market(s).