Iroquois
GAS TRANSMISSION SYSTEM
IROQUOIS PIPELINE OPERATING COMPANY, OPERATOR

News Release

ONE CORPORATE DRIVE, SUITE 600 • SHELTON, CT 06484-4211
TEL: (203) 925-7200 • FAX (203) 929-9501

April 2, 2001
Robin Zaleski 203-925-7274
Anita M. Flanagan 203-925-7214

Iroquois Announces Open Season for Eastern Long Island
Proposed Expansion to Provide Direct Access, Efficient Growth, Zone 2 Rates

Shelton, CT—April 2, 2001—Iroquois Gas Transmission System, L.P. today began an Open Season for Zone 2 firm transportation capacity for delivery on its proposed Eastern Long Island Expansion. Iroquois proposes to construct approximately 20 miles of 24-inch marine pipe from Milford, CT, to Shoreham, Long Island, and points further inland as the market demands. Information has been posted on Iroquois' web site (www.iroquois.com) and on its Electronic Bulletin Board, Iroquois OnLine. Responses are due by May 2, 2001. The minimum term of service is 10 years, with an initial in-service date of November 1, 2003.

"At Iroquois, one of our top priorities is offering diverse market access that maximizes the value of the transportation asset for our shippers," says Craig R. Frew, president of Iroquois. "Iroquois is ideally situated to meet this market growth as we already have expandable pipeline facilities less than 20 miles from Shoreham.

Market analysts predict annual demand increases on Long Island of greater than six percent for residential natural gas; and Long Island's demand for gas-fired generation will grow commensurate with its electric growth of nearly 100 megawatts per year. With a threshold volume of 160 MDt/d and as few as 20 miles of pipeline to be constructed, Iroquois' Eastern Long Island proposal meets projected market need and will have minimal effect on the environment. With expandability of up to 500 MDt/d built in, the project will be able to accommodate significant growth in customer requirements.

"Our competitors propose access to Long Island and, via displacement, New York City," says Herb Rakebrand, vice president of marketing and transportation at Iroquois. "As with projects such as Eastchester, our expansion will be structured to meet the needs of our customers. We propose to design our Eastern Long Island Expansion on a rolled-in basis, offering shippers physical access to the New York Facilities System on Long Island at Shoreham and South Commack, and in New York City at South Bronx. Iroquois' shippers will have meaningful access to both KeySpan and ConEd markets—all at one Zone 2-only rate."

Shippers on the proposed expansion will have direct access to Iroquois' entire Zone 2 marketplace, which includes the Bridgeport, Milford, Devon and Northport power stations, interconnects with Tennessee Pipeline's 200 and 300 lines, and Algonquin—as well as LDCs in Connecticut and New York, and New York City markets via Iroquois' Eastchester Project, which is pending FERC certification.

Readers interested in obtaining an Open Season brochure can contact Robin Zaleski at 203-925-7274.

About Iroquois

Iroquois Gas Transmission System, L.P. is the owner of an interstate pipeline extending 375 miles from the U.S.-Canadian border at Waddington, N.Y., through the state of Connecticut to South Commack, Long Island, N.Y. The company is regulated by the Federal Energy Regulatory Commission ("FERC"). Since going into operation in January 1992, Iroquois has nearly doubled the amount of gas under contract. Iroquois currently has multi-year, firm contracts to transport approximately 1,005.9 MDt/d for 37 gas utilities, power generators, marketers and producers. The pipeline is operated by the Iroquois Pipeline Operating Company, a wholly owned subsidiary of Iroquois.

Forward-Looking Statement Disclaimer

This press release contains various forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements are based on current expectations, are not guarantees of future performance and include assumptions about future market conditions, operations and results. They are made in reliance on the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Iroquois can give no assurance that such expectations will be achieved. Among the many factors that could cause actual results to differ materially from those in the forward-looking statements contained herein are: future demand and prices for natural gas; availability of supplies of Canadian natural gas; regulatory, political, legislative and judicial developments, particularly with regard to regulation by the Federal Energy Regulatory Commission; competitive conditions in the marketplace; changes in the receptivity of the financial markets to Iroquois or other oil and gas credits similar to Iroquois and, accordingly, our strategy for financing any such change in business strategy or expansion. A discussion of these and other factors which may affect our actual results, performance, achievements or financial position is contained in our Annual Report on Form 10-K, which is on file with the United States Securities and Exchange Commission.