

NATIONAL ENERGY & GAS TRANSMISSION, INC.
P.O. Box 2350
Germantown, Maryland 20875-2350

December 30, 2010

To: Owners of Common Stock of National Energy & Gas Transmission, Inc.,
CUSIP # 63580R 10 6

On September 30, 2010, the Board of Directors of National Energy & Gas Transmission Inc. (“NEGT”) declared a special cash dividend. The special cash dividend was in the amount of \$8.33 per share of common stock of NEGT, payable on October 28, 2010 to holders of record as of the close of business on October 14, 2010. The total special cash dividend paid by NEGT was \$200,033,629.53.

NEGT believes that, as of December 31, 2010, it will not have either current or accumulated earnings and profits for U.S. federal income tax purposes. As such, the distribution will not be treated as a dividend for such purposes.

Any custodians, brokers or shareholders with questions regarding the foregoing should call Robin Spigel, Willkie Farr & Gallagher LLP, counsel for NEGT, 212-728-8822.

National Energy & Gas Transmission, Inc.