

AIG HIGHSTAR CAPITAL AGREES TO SELL ITS INTERESTS

IN THE STAGECOACH NATURAL GAS STORAGE FACILITY TO INERGY

NEW YORK, July 11, 2005 – AIG Highstar Capital, L.P. (AIG Highstar Capital), a private equity fund sponsored by American International Group, Inc. (AIG) has agreed to sell its interests in the Stagecoach natural gas storage facility (Stagecoach) to Inergy L.P.

Stagecoach is a high performance, multi-cycle natural gas storage facility located in Tioga County, New York. The sale is subject to customary closing conditions and regulatory approvals, expected within the third quarter of this year.

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AIG Highstar Capital, L.P. (AIG Highstar Capital) is a leveraged buyout fund sponsored by American International Group, Inc. AIG Highstar Capital and its successor fund, AIG Highstar Capital II, L.P. (the Highstar Funds), seek investment opportunities in infrastructure assets and businesses with stable cash flows, downside protection and value enhancement opportunities. Currently, the Highstar Funds have over \$1.1 billion of capital under management and have made investments and investment commitments in gas transmission and storage, power generation and water and waste water businesses. The Highstar Funds are based in New York, New York and Houston, Texas.