

2012 Winter Operations Meetings

Charlotte October 16

Newark October 17

Houston October 30

Atlanta November 1

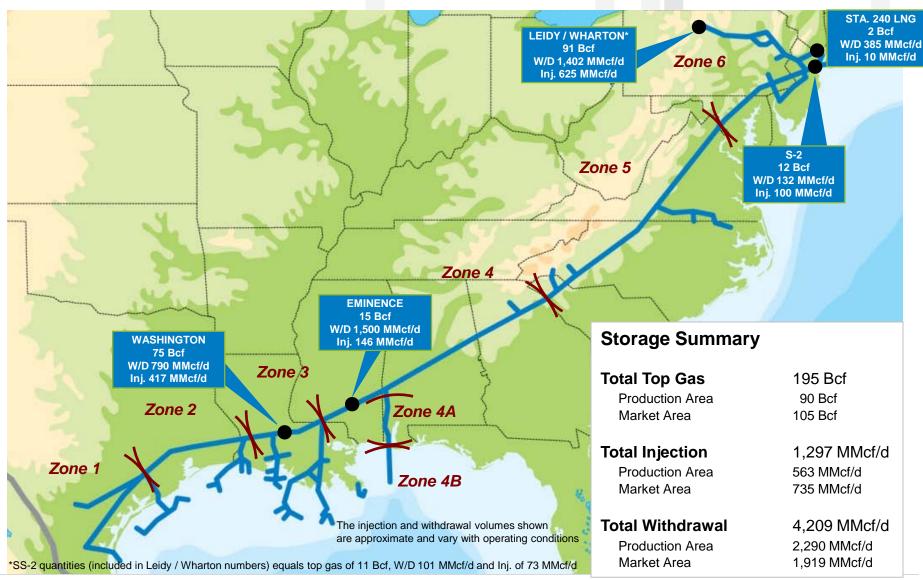
Agenda



- Operations Update
- 2013 Construction and Maintenance
- Customer Service and Regulatory Update
- Transportation Services/ 1Line Update
- Business Development Project Update

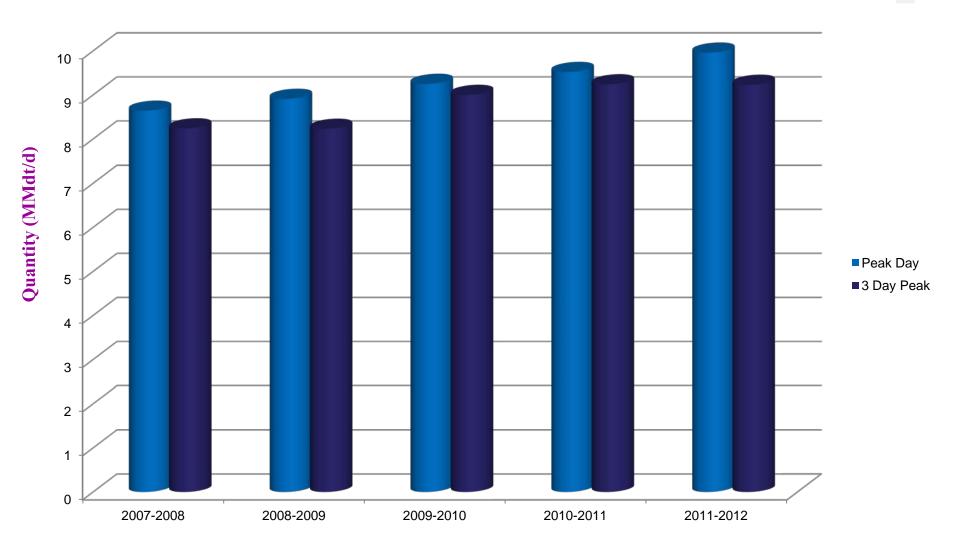
Transco System and Storage Overview





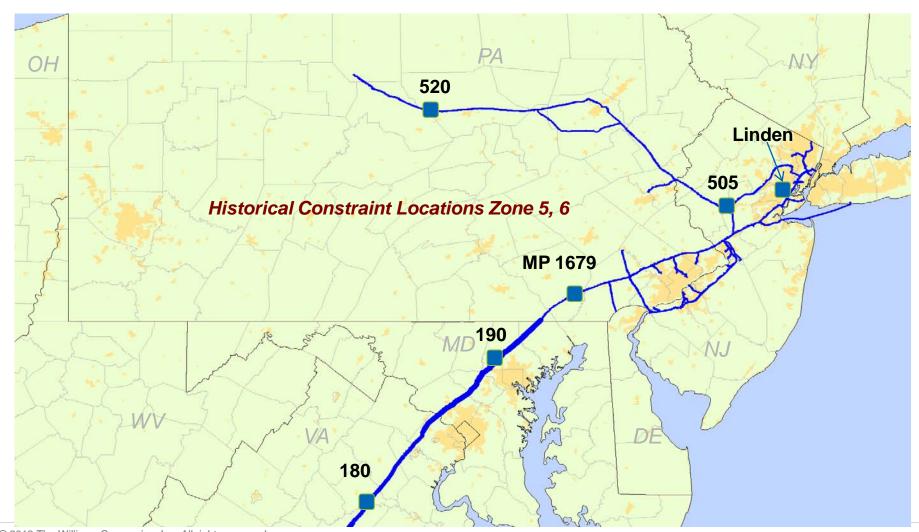
Market Area Peak Day Deliveries





Changing Flow Patterns and Constraint Locations





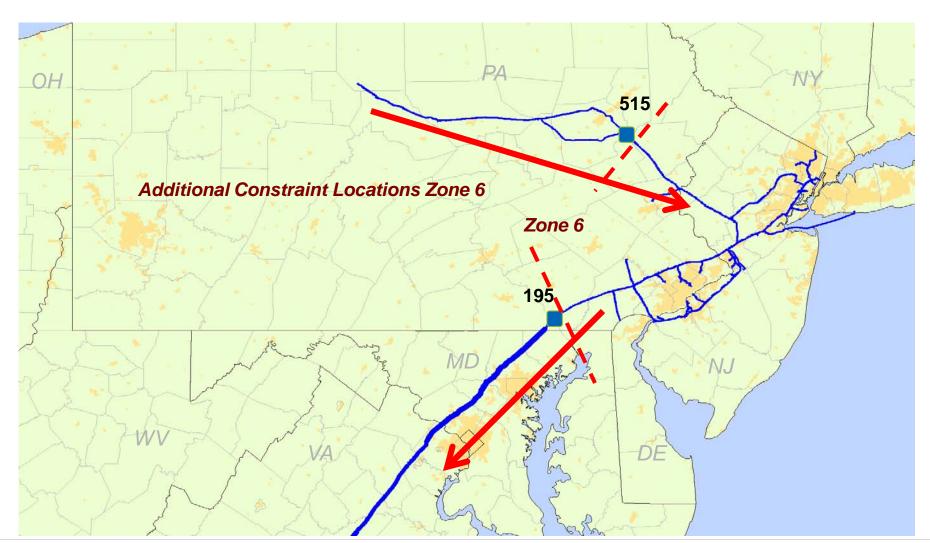
Changing Flow Patterns and Constraint Locations



- Increased gas receipts from Marcellus shale has increased the utilization of the Leidy system.
- To ensure Transco can meet its primary firm transportation obligations, a new constraint location has been established at Station 515 for the purposes of allocating interruptible transportation services that are received west of Station 515 for deliveries east of Station 515.
- With increased Marcellus supply displacing Gulf Coast production area supply, it is possible that gas in the Northeast could be forced south on Transco's mainline requiring a new constraint location near Station 195.

Changing Flow Patterns and Constraint Locations





2012-2013 Winter Forecast







2013 Construction & Maintenance

Operations Support

Williams Gas Pipeline -Transco

Types of Jobs



- > Facility Modifications
- > Pigging
- > Anomaly Digs
- > Replacements
- > Hydrotests
- > Station Work
 - Commissioning
 - Upgrades



- > Depending on the work & the scope of the project, meters listed may be affected.
- > Be sure to check 1Line EBB for dates



2013 Planned Construction

Facility Modifications



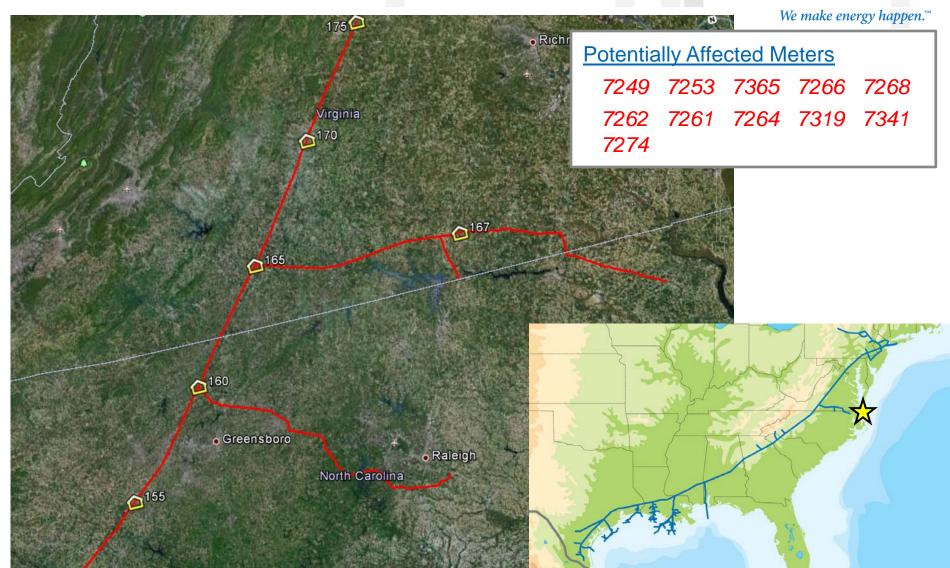
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> Installation of pig launcher / receiver and associated piping.



Facility Modifications on the South Virginia Lateral





Anomaly Digs





> What is an anomaly dig?

> A pipeline excavation for means of direct assessment and repairs or replacement if necessary.

> What prompts anomaly digs?

> Data received from smart pigs shows an irregularity in wall thickness that warrants examination.

> Types of digs

- > Immediate dig If the smart pig data shows severe wall loss, we will immediately reduce line pressure in that segment and perform the anomaly dig. There will be limited advanced notice.
- Scheduled dig the smart pig data shows potential wall loss, but not to an extent that pipeline integrity is compromised. The anomaly dig may be scheduled during a low-load season where impacts to flow are minimized.

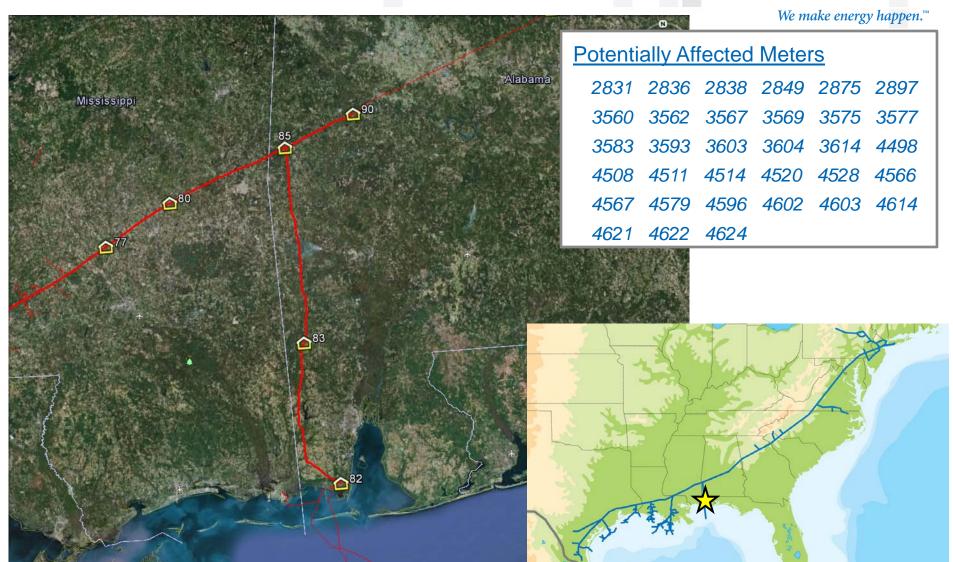
> Impacts Depend on:

- > Type of dig
- > Location of anomaly do we have looped lines in the area?
- > Season if we are in a low-load season there may be minimal impact.

Anomaly Digs

EX: Mobile Bay Lateral





Replacements



- > What situation might lead to a pipe replacement?
 - > Anomaly or physical damage
 - > DOT class location change
 - > Desire to increase line pressure through a section



DOT Replacement - Cowans Ford Loop C



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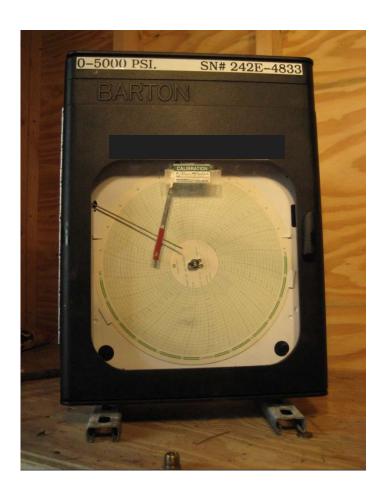
Potentially Affected Meter 7328



Hydrotests

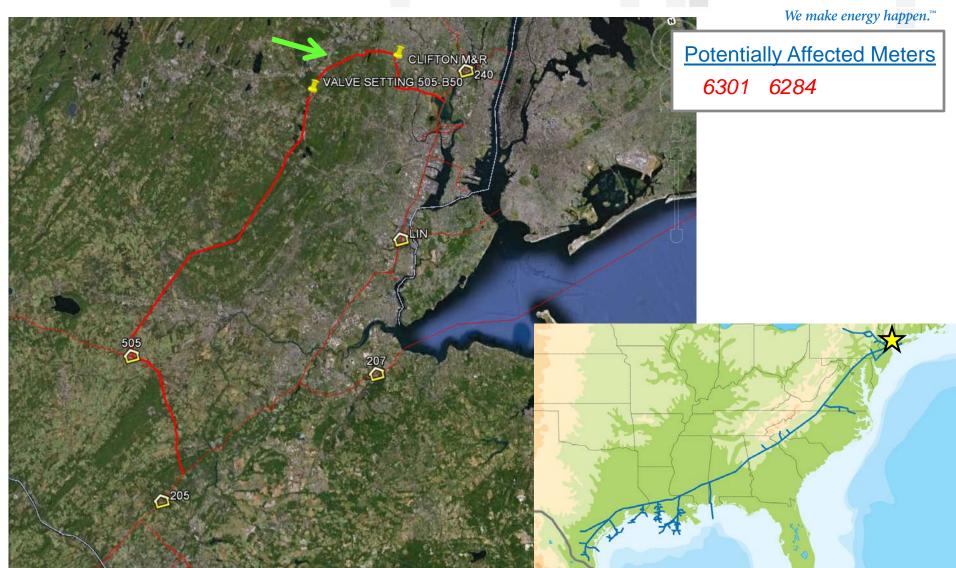


- > Testing with pressurized water to ensure pipeline safety
- > Hydrotesting is required for:
 - > New pipeline segments
 - > Segments that are being up-rated



Caldwell Hydrotest - Northeast Supply Link Project





Station Work



- > Commissioning new stations
 - > Compressor stations
 - > Meter stations
- > Equipment replacement
- > Station additions
 - > Pipe
 - > Drivers / Compressors
 - > Auxiliary equipment

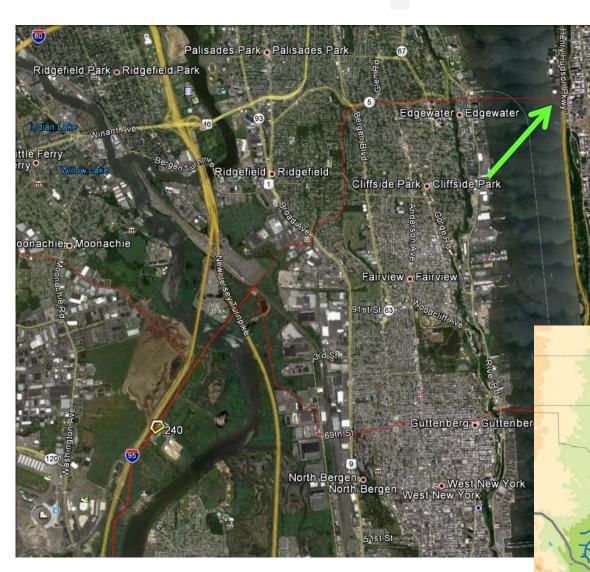


Manhattan M&R Facility Rebuild



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Potentially Affected Meters 6051



Manhattan M&R Facility Rebuild



We make energy happen.™ **Potentially Affected Meter** 6051

Now What?



Individual Project Updates

> Transco's 1Line closer to job start date

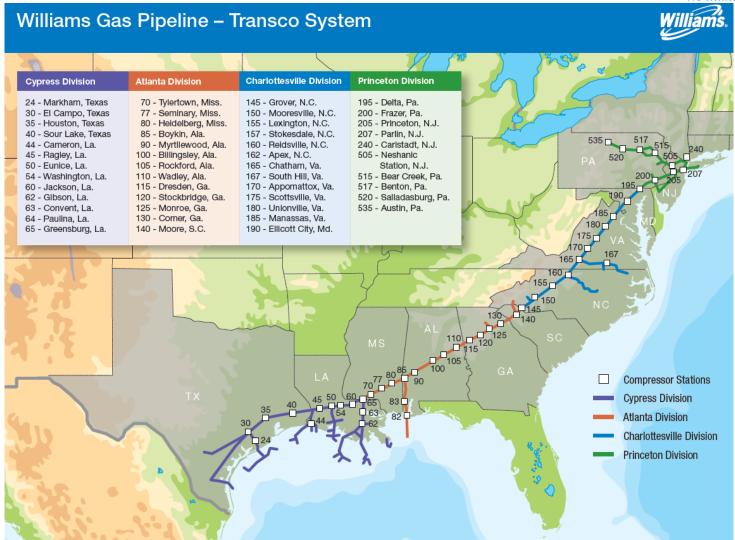
Further Questions?

- > Rich Truxell (Manager, Gas Control)
 - > 713-215-4041
 - > richard.w.truxell@williams.com
- > John Cassapo (*Manager, Operations Support*)
 - > 713-215-2748
 - > john.m.cassapo@williams.com
- > Your Transco Representative



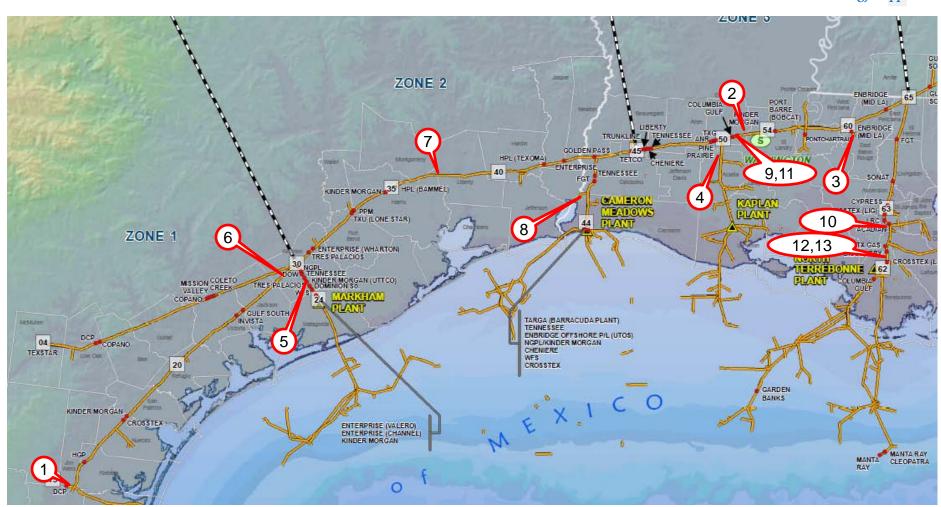
System Work Summary





Cypress Division Work





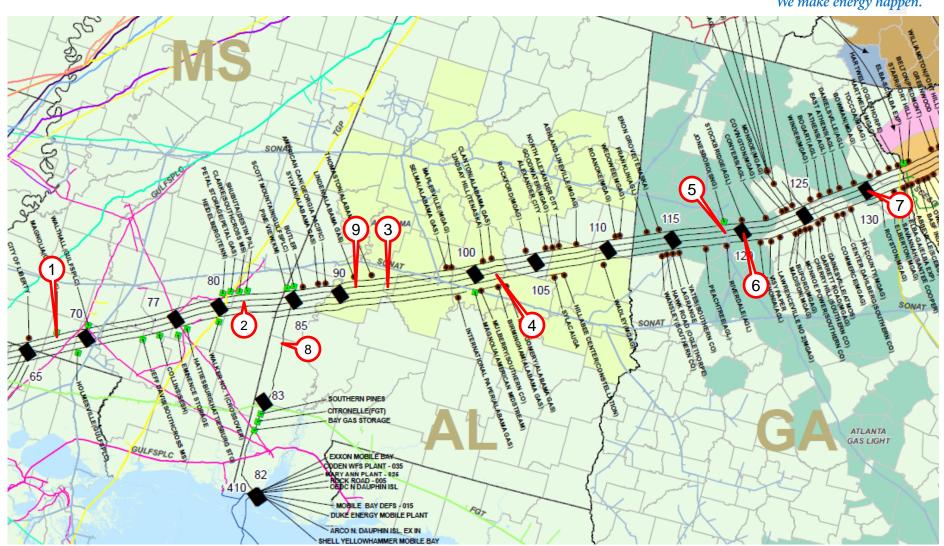
Cypress Division Work



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ITEM	TYPE	DESCRIPTION	MP FROM	МРТО	DIA (in)	COUNTY / PARISH	METERS- OUT / POTENTIALLY AFFECTED
1	Mods,Pigs	La Gloria Lateral	78.90	78.90	10	Jim Wells County	1004
2	Mods, Pigs	M/L C STA 50 to Miss. River Crossing	517.39	583.17	36	Evangeline , St. Landry, Pointe Coupee, West Feliciana Parish	4497-2690-2640-3267-2040- 2327-2328
3	Mods,Pigs	Port Hudson Lateral	588.60	588.60	12	East Feliciana Parish	2692-4534
4	Pigs	CLL A Egan Jct. to STA 50	517.17	Egan	20		3376-4313-3517-2391
5	Anomaly	14" N Markham A and 30" N Markham B	Sta 24	Sta 30	14, 30	Wharton	4466-4473-3601-4601 -4471
6	Anomaly	26" M/L A 20A5 to STA 30	178.90	258.40	26	Wharton	All meters upstream of STA 30
7	Anomaly	M/L A STA 35 to 40	327.27	389.04	30	Harris, Liberty, Hardin	1684-1721 -3385-4426
8	Anomaly	N High Island C 44 to Sabine	STA 44	Sabine Lat	10		4405
9	Anomaly	M/L B STA 50 to 50B20	517.39	546.24	36	Evangeline Parish, St. Landry Parish	3142
10	Anomaly	SELA LINES B&C 62 to 63	101.44	64.17	30, 30	Livingston Parish	
11	Replacement	M/L C 50C50 to 50C60	572.69	582.74	36	Pointe Coupee Parish	
12	Replacement	SELA C 62C10 to 62C20	91.83	81.68	30	Livingston Parish	3533-2155
13	Hydrotest	SELA B 62B10 to 62B20	91.83	81.68	30	Livingston Parish	3533-2155

Atlanta Division Work





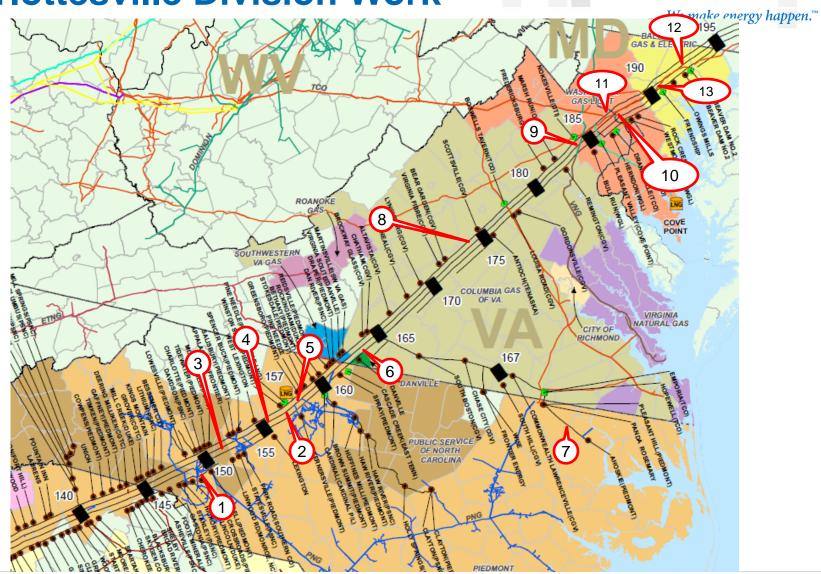
Atlanta Division Work



ITEM	ТҮРЕ	DESCRIPTION	MP FROM	МРТО	DIA (in)	COUNTY	METERS- OUT / POTENTIALLY AFFECTED
1	Mods,Pigs	M/L A,B,C,D STA 65 to 80	616.09	740.50	30,36,36,42	Amite, Walthall, Marion, Covington, Jones	
2	Anomalies	M/L A,B,D,E STA 80 to 100	740.30	890.48	30, 36, 42, 48	Clarke, Perry	7332
3	Mods	Sta. 95 Commissioning	843.79	858.66		Perry	
4	Anomalies	M/L A, D STA 100 to 110	890.48	969.28	30, 42	Autuaga, Chilton, Coosa, Tallapoosa	7003-7053-7112-7019- 7189-7114-7059
5	Replacement	M/L A 115-20 to 120	1033.66	1048.30	30	Clayton, Henry	3081-4087-7168
6	Valve	STA 120 (1-2 days)	1048.30			Henry	
7	Scrubber	STA 130 (2-3 days)	1124.61			Madison	
8	Anomalies	Mobile Bay Lateral	STA 85	STA 82	30	Choctaw, Washington, Mobile	All on Mobile Bay
9	Hydrotest	90A0 - 90A10	811.21	826.3	30	Marengo	7009



Charlottesville Division Work



Williams.

Charlottesville Division Work

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ITEM	TYPE	DESCRIPTION	MP FROM	МР ТО	DIA (in)	COUNTY / PARISH	METERS- OUT / POTENTIALLY AFFECTED
1	Replacement	Cowans Ford Loop C 145C21 to STA 150	1277.70	1287.00	36	Lincoln,Iredell	7328
2	Pigs	M/L B STA 155 to 160	1325.00	1369.20	30	Davidson, Forsyth, Guilford, Rockingham	7085-7079-7193-7039-4527- 3573-7192-7122-7349
3	Anomalies	M/L D STA 150 to 155	1287.00	1325.00	42	Iredell, Rowan, Davidson	7393-7340-7069
4	Replacement	M/L A 155 to 155A20	1325.00	1355.15	30	Davidson, Forsyth	7193-7039
5	Relocation	Macy Road	1348.00		All	Davidson, Forsyth	7193-7039
6	Anomalies	M/L D V371 to STA 165	1403.32	1412.95	42	Pittsylvania	
7	Mods,Pigs	S VA Lateral STA 165 to Ahoskie	1412.95	SVL 144.65	20	Halifax, Charlotte, Mecklenburg, Brunswick, Greensville, Northampton	7249-7253-7365-7266-7268- 7262-7261-7264-7319-7341- 7274
8	Mods	M/L D V382 to STA 175	1436.31	1499.27	42	Campbell, Appomattox, Buckingham	7257
9	Pigs	M/L A James River to STA 185	1494.21	1583.26	30	Buckingham, Fluvanna, Louisa, Orange, Culpepper, Fauquier, Prince William	3566-7148-7391-7320-3564- 7392
10	Anomalies	Westmore Lateral	1611.80		24	Montgomery	7382-7383-7384
11	Anomalies	M/L A STA 185 to 195	1539.95	1628.74	30	Prince William, Fairfax, Montgomery, Howard, Baltimore	7157-7123-3085-4080-7382- 7383-7384-7379- 3087-4082
12	Pigs	M/L C STA 190 to 195	1628.74	1674.53	36	Howard,Baltimore	4392
13	Replacement	M/L A-B-C STA 190 to 190-5	1628.74	1636.46	30,36,36	Howard,Baltimore	



Princeton Division Work - Chart 1



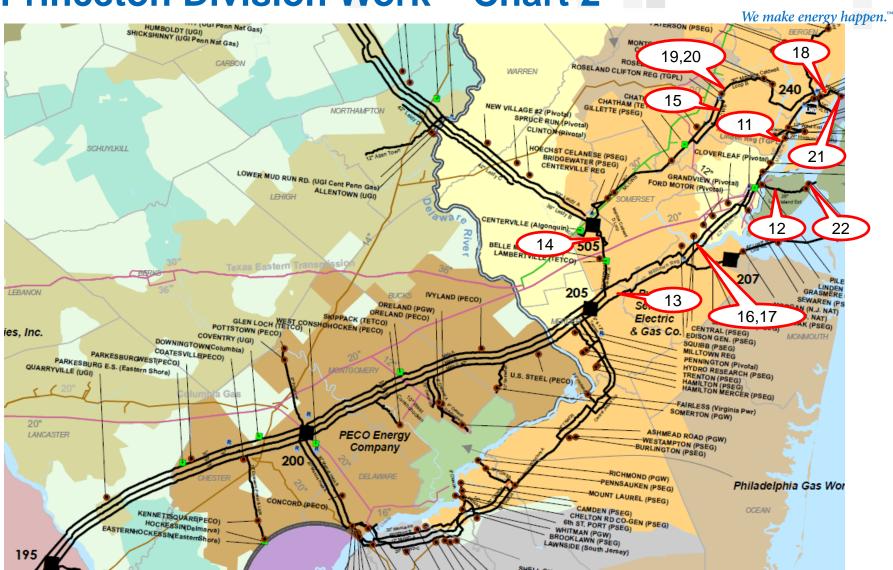
Williams

Princeton Division Work - Chart 1

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ITEM	ТҮРЕ	DESCRIPTION	MP FROM	МР ТО	DIA (in)	COUNTY / PARISH	METERS- OUT / POTENTIALLY AFFECTED
1	Replacement	M/L A 195-10 to 195-20	1691.06	1708.85	30	Chester	6107-6241
2	Pigs	M/L A P352 to Delaware River	1715.08	1765.48	30	Chester, Montgomery, Buck	6015-3093-4055-6239-6021- 6045-6163-6192-6007
3	Anomalies	M/L C 195 to 200C10	1691.06	1738.95	36	Chester, Montgomery	3627-6289-6107-6324-6182- 6180-6195-6015
4	Pigs	M/L A Trenton tap to Raritan River	1770.99	17943.85	30	Mercer, Somerset, Middlesex	6296
5	Anomalies	Marcus Hook A	Sta 200	MH 17.20	20, 30	Chester, Delaware	6318
6	Mods	Marcus Hook Woodbury C	MHW 0.00	MHW 16.50	20,12,16	Delaware, Gloucester	6003-6304-6075-6317-6133- 6041-6029-6319-6081-6243- 6188-6285-6291
7	Anomalies	PGW Plant Lateral A	TWL 36.83	PGWB 7.68	12	Burlington	6143
8	Mods,Pigs	Trenton Woodbury A J49 to J60	TWL 26.06	TWL 30.53	26	Camden	
9	Mods	Hamilton Mercer Lateral	TWL 8.23		16	Mercer	6119-6121
10	Mods	Harrison Lateral	1819.30		10	Bergen	6039



Princeton Division Work – Chart 2



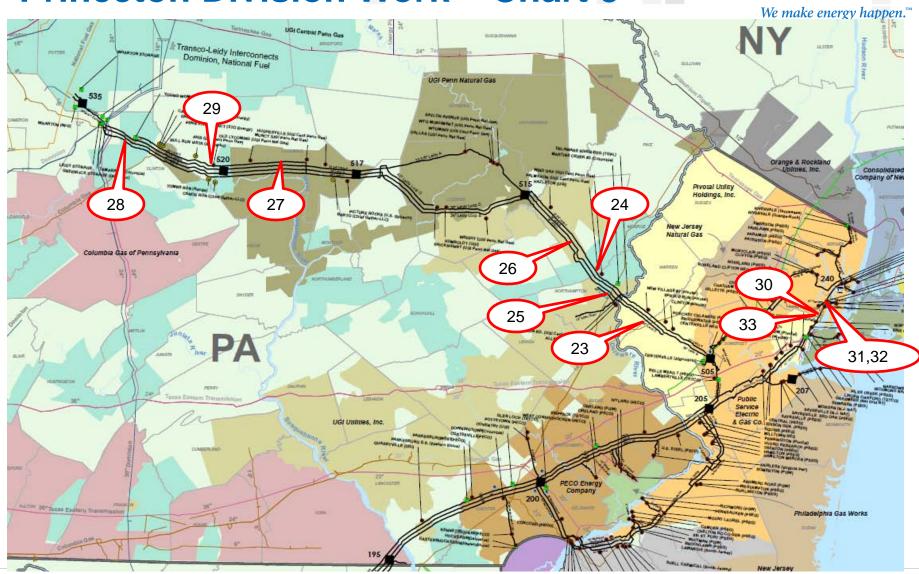


Princeton Division Work – Chart 2

		T			ı		We make energy happen.
ITEM	ТҮРЕ	DESCRIPTION	MP FROM	МР ТО	DIA (in)	COUNTY / PARISH	METERS- OUT / POTENTIALLY AFFECTED
11	Anomalies	Bayonne Lateral	1816.50		20	Essex	6323
12	Anomalies	Long Island Extension	LIE 11.57		24	Richmond	
13	Anomalies	Lower Bay Loop C	1773.40	1790.84	42	Middlesex	
14	Anomalies	Caldwell D 200D28 to 505	1783.00	1789.55	42	Somerset	
15	Anomalies	Caldwell D Southern to Roseland	1812.36	1820.66	36	Essex	6303
16	Anomalies	M/L E Milltown to Raritan River	1790.84	1794.85	42	Middlesex	
17	Pigs	M/L E Raritan R to 200E75	1794.85	1805.05	42	Middlesex	6017-6021
18	Mods, Anomalies	M/L A 240 to Hudson River	1825.86	1830.98	26	Bergen	6051
19	Hydrotest	Caldwell B Roseland to 200B70	1820.66	1829.25	36	Essex,Passaic	6301
20	Mods	Commissioning STA 303	1820.66			Passaic	
21	Mods	Manhattan M&R rebuild	1831.45				6051
22	Mods	Narrows M&R	LIE 10.16			Richmond	6062-6028



Princeton Division Work - Chart 3



Princeton Division Work - Chart 3



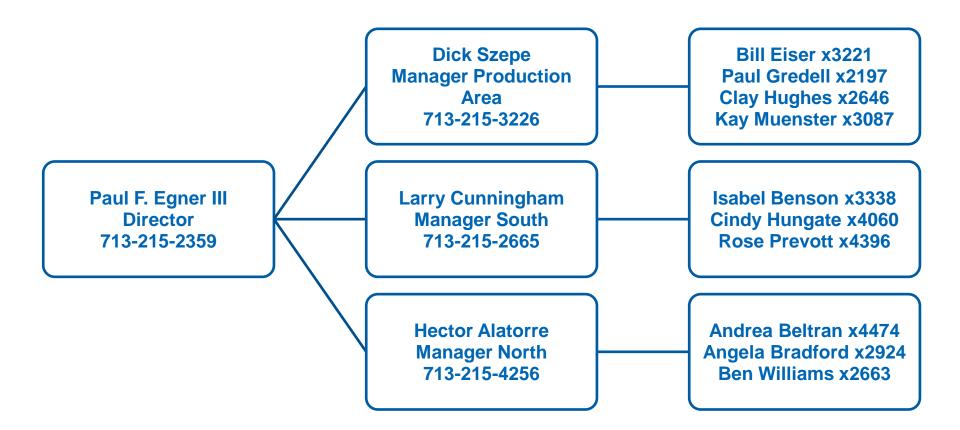
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ITEM	ТҮРЕ	DESCRIPTION	MP FROM	МР ТО	DIA (in)	COUNTY / PARISH	METERS- OUT / POTENTIALLY AFFECTED
23	Pigs	Leidy Line C Clinton to Delaware River	L13.62	L29.67	36	Warren	
24	Replacement	Leidy Line A 505LA80 to 505LA90	L42.78	L57.51	24	Monroe	
25	Anomalies	Leidy Line D 505LD65 to LD76	L30.29	L40.50	42	Northampton	
26	Pigs	Leidy Line B Delaware River to 515	L29.67	L68.84	24	Northampton, Monroe	6298-6198-6135-6316
27	Anomalies	Leidy Line D 517LD15 to LD19	L131.19	L142.74	24	Lycoming	
28	Mods	Leidy Line B, C &D 520 to 520LB30	L15.72	L193.97	24,24,30	Lycoming,Clinton	3605-3610-3625-3287-3633- 3623
29	Replacement	Leidy Line A 520 to 520LA20	L15.72	L177.29	24	Lycoming,Clinton	3605-3610-3625-3287-3633- 3623
30	Relocation	6" Sewaren Lateral	1804.85		6	Middlesex	6033
31	Relocation	24" Hudson West End	1827.26		24	Hudson	6115
32	Facility Mods	Harrison Tap Valve Replacement	1819.29		30	Bergen	6039
33	Hydrotest	200A90 to Passaic River	1812.43	1819.1	30	Essex	6327-6323-6153



Customer Services and Regulatory Update

Transco Customer Services Group





Customer Services and Regulatory Topics



- > Rates and Regulatory
 - Rate Case RP12-993
- > Capacity Release
 - Capacity Release Secondary Rights
 - 28-Day Rollover Rule
 - Next Gen Update
- > Customer Survey
 - Initial observations



Rates and Regulatory Update

Transco's Rate Case



- Transco filed rate case RP12-993 on August 31, 2012.
- New rates were proposed to be effective October 1, 2012.
- In a September 28 Order, all rates except those listed below were accepted and suspended until March 1, 2013, subject to refund.
- Some rates were accepted and will be effective October 1, 2012. Any changes in these rates (due to the outcome of a hearing) will be prospective. Accepted Rate Schedules are:
 - Section 1.1.4, FT Pocono Expansion Rates
 - o Section 1.1.7, FT Market Link Expansion Rates
 - Section 1.1.8, FT Sundance Expansion Rates
 - o Section 1.1.9, FT Leidy East Expansion Rates
 - Section 1.1.11, FT Trenton Woodbury Expansion Rates
 - Section 1.1.12, FT Leidy to Long Island Expansion Rates
 - o Section 1.1.13, FT Potomac Expansion Rates
 - Section 1.1.14, FT Sentinel Expansion Rates
 - o Section 3.5, Rate Schedule LNG Rates
 - o Section 7.6, Rate Schedule LG-A Rates



- Cost of Service increases due to:
 - Increased O&M expenses
 - Increased depreciation expense
 - Increased costs for asset retirement obligations
- Overall after-tax return in filing is 9.51% (14.20% pretax)
- Cost of Service Comparison
 - \$1,285,653,803 RP12-993 Rate Case Filing
 - \$1,183,391,273 RP06-569 Settlement (as adjusted to include expansion projects)
- Rate Base Comparison
 - \$3,501,140,544RP12-993 Rate Case Filing
 - \$3,903,185,454 RP06-569 Settlement (as adjusted to include expansion projects)



Cost Allocation

- Transmission O&M and A&G Expenses Currently effective rates reflect the allocation of \$23 million of transmission O&M and A&G expenses to incrementally priced transportation services as provided for in Transco's previous rate case settlement. Transco has proposed to allocate in this case approximately \$51 million of transmission O&M and A&G expenses to incrementally priced transportation services.
- Storage Costs Allocated to Transportation Services Transco has proposed to allocate approximately \$14.9 million of storage function costs to transportation services based on analysis of Transco's use of storage services.
- <u>Liquids Transportation Revenue Credits</u> Transco has proposed to allocate liquids transportation revenue credits between non-incremental transmission and gathering services to better correlate the credit to the facilities used to generate the credit.



Throughput

- IT and IT Feeder throughput was reduced due to asset sales, maintenance, abandonments, competition, a new firm service displacing IT volumes, and adjustments for declining offshore throughput.
- A discount adjustment was included for the IT and IT Feeder imputed reservation quantities and the Short-Term Firm transportation reservation quantities.

Rate Design

 Methodology used to derive recourse Reservation Rates for some Incremental Transportation Services now applies a uniform volumetric rate to each incremental project (previously longer contract paths were assigned more volumetric costs). *

^{*} Projects affected: 85 North, Leidy to Long Island, Mid-South, Momentum, SouthCoast, SunBelt, Sundance and Sentinel.



- Billing Change for Former PS and ACQ Contracts
 - Proposal to bill contracts seasonally rather than year-round. Aside from minimal rounding differences, the total costs to shippers will not change.
 - o Former PS contracts will be billed each month December through February
 - Former ACQ contracts will be billed each month March through November
 - New billing structure will begin in March 2013.
 - Eliminates imputed reservation billing determinants and simplifies capacity release process.
- Prospective change to recovery of Station 115 Electric Compression Costs
 - Analysis of Transco's operation of electric compression at Station 115 confirmed that the compression is used to support Transco's integrated system operations.
 - Related costs will now be allocated system-wide rather than to just the Cherokee Expansion Project shippers.



Capacity Release Update

Capacity Release - Secondary Rights



- Transco filed on March 30, 2012 under docket number RP12-571-000 to be effective August 1, 2012.
 - No protests to the filing; two companies filed in support
- Secondary rights associated with a party's primary capacity may be released separately from the primary capacity.
- Parties may specify and continue to release primary capacity and associated secondary rights as they do today.
- Release rights are only transferred as they are explicitly defined in the release by the releasing party.
- No permanent releases of secondary capacity allowed.
 - Permanent releases must include the associated primary capacity

Capacity Release 28-Day Rollover Rule



- Effective August 8, 2012 Transco changed the way it administers the "28 Day Rollover Rule" pursuant to the Commission's regulations at 18 C.F.R. § 284.8(h)(2).
 - Shippers are prohibited from entering into consecutive prearranged non-biddable transactions that rely on the 31 days or less exception to the bidding requirement with the same party within 28 days of the end of the first release, unless another exception to the bidding requirement applies.
 - The following advisory will appear when a Shipper submits a non-biddable prearranged temporary release that potentially implicates the 28 Day Rollover Rule and will require the releasing shipper to certify compliance with the rule or the release will not be permitted to proceed.

Transco has identified this offer as potentially implicating the "28 day (rollover) rule" pursuant to the Commission's regulations at 18 C.F.R. § 284.8(h)(2). In order to proceed with this capacity release, click the OK button below to certify that this release is in compliance with the referenced Commission regulation.

• This enhancement will allow Shippers the flexibility to enter into transactions that, in the Shippers' judgment, comply with the Commission's regulations.

Capacity Release – Next Gen Update



- Upcoming Next Gen enhancements to the Capacity Release screens include:
 - Downloadable to spreadsheet format
 - Right-click action pop-up menus
 - Two month calendar selection
 - Sortable columns
 - Nested tables
 - Expand/collapse features for filters



Customer Survey Update

Customer Survey



Initial observations

- Significant improvement shown in:
 - Timely and accurate information on gas moved on system
 - Accurate information on system maintenance
 - Appropriate level of operating flexibility
 - Designs and builds cost efficient facilities
- Areas of customer concern:
 - Lack of communication on storage issues
 - Continued operating flexibility into the future
 - Handling of the upcoming rate case in a challenging environment
 - Changes to 1Line have led to some performance issues

Detailed results will be included in the Fall Customer Newsletter



1Line Highlights & Changes

Agenda



- 1Line Next Generation Highlights
 - Rollout Timeline
 - Features
 - New Functionality
- Coming Attractions
- Potential Tariff Filings
- Market Area Pooling
- Additional Resources
- Questions



1Line Next Generation Highlights

Rollout Timeline



- ➤ Phased implementation Fall 2011 Early 2013
- > Planned Release Schedule
- October 2011 ✓
- January 2012 √
- April 2012 ✓
- August 2012 √
- September 2012 √
- October 30, 2012
- November 30, 2012
- February 13, 2013

1Line Next Generation Highlights



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- Summary of 1Line Next Generation features
 - Breadcrumbs (Navigation)
 - Multi-Tab Option
 - Modal Lookups
 - Improved Messaging
 - Download Feature
 - Header Freeze
 - Single/Multiple Column Sorting

- Simplified Row Selection
- Right-Click Action Menu
- Stop Button on Retrieve
- Add a Row/Delete a Row Icons
- Collapse/Expand Filters
- Collapse/Expand Data

1Line Next Generation Highlights



- 1Line Additional New Functionality
 - Macro to Micro
 - Allocated Quantities
 - Yearly, Monthly, and Daily View (PPA Activity)
 - Imbalance
 - Yearly Summary (Retrieve up to 12 months of data at one time)
 - Portal Subscriptions
 - Subscribe to various articles on Transco's Informational Postings Page without a 1Line user ID
 - Critical Notices
 - Non-Critical Notices
 - Planned Service Outages

- Customer Newsletter
- NAESB News
- 1Line Training Modules

1Line Next Generation Highlights



- 1Line Additional Functionality
 - Mobile 1Line
 - Nominations
 - Pooling
 - Confirmations
 - Real Time Measurement Data

Coming Attractions

Williams.

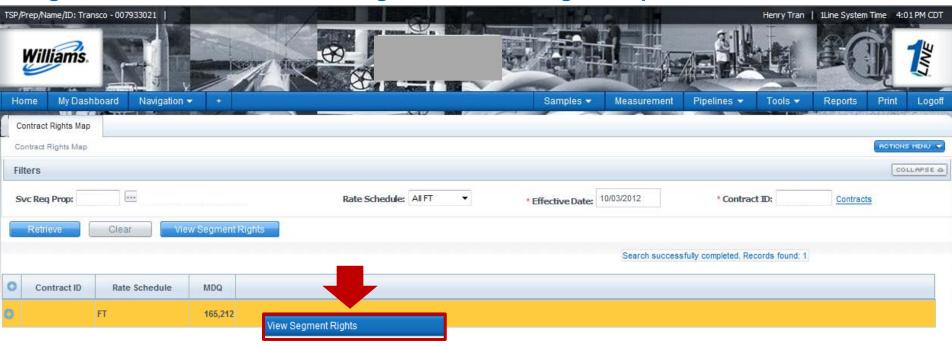
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>1Line Next Generation Page Conversions

- Capacity Release
- Contracts
- Storage
- **➤ NAESB 2.0**
- Download sub-header information
- Graphical Presentation
 - Overlaying contracts on a map of the pipeline
 - High-level table of Segment Rights
 - Can highlight a particular segment
 - Features being phased in:
 - o Contractual Rights
 - Contract capacity
 - o Quantity Available for release
 - Quantity Available for scheduling
 - Unused capacity

Graphical Presentation Contract Rights Map – Primary and Secondary

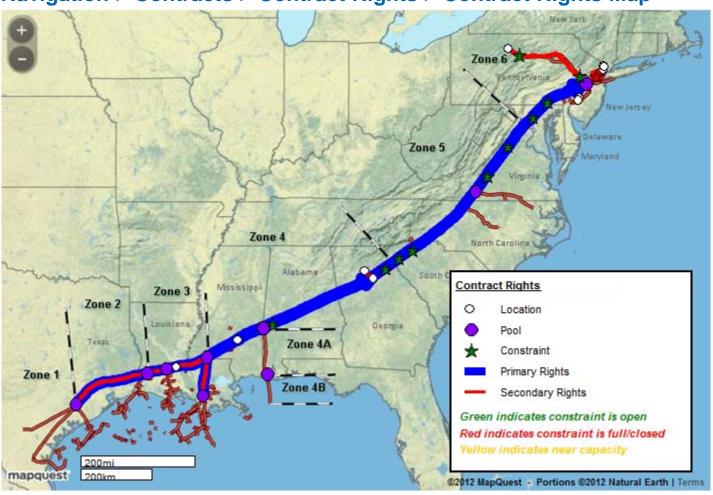




Graphical Presentation

Contract Rights Map - Primary and Secondary

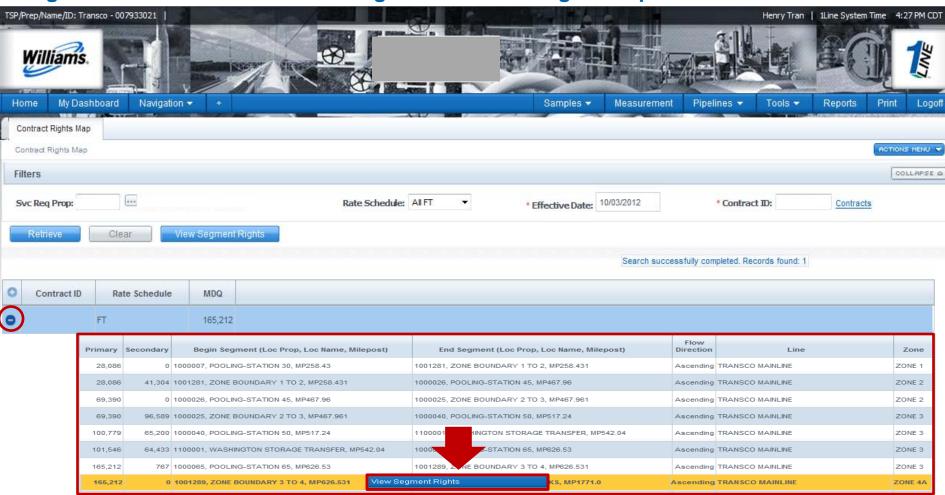




Li	ayers:
7	Locations
1	Primary Rights
7	Secondary Rights
1	Pools and Constraints
7	Legend

Graphical PresentationContract Rights Map – Segment Path





Graphical Presentation

Contract Rights Map - Segment Path



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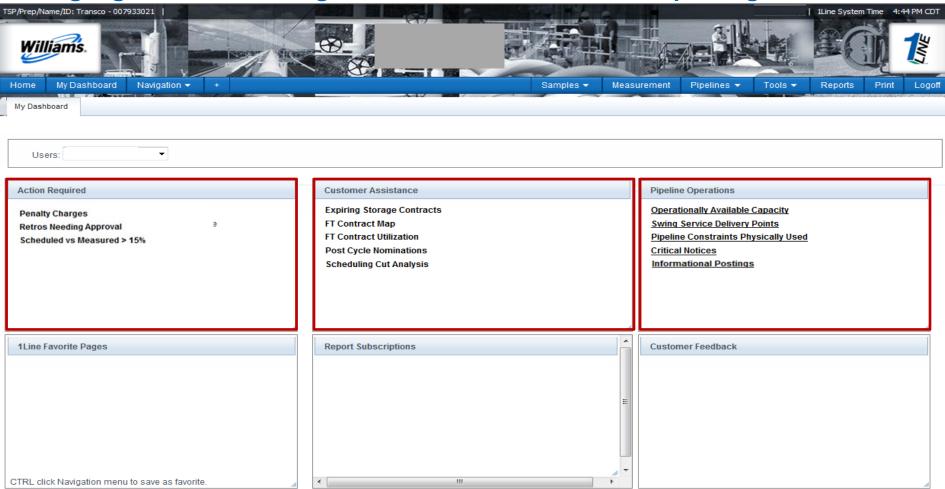




Coming Attractions My Dashboard



> Highlights areas needing attention for each customer upon login



Coming Attractions My Preferences



- > Allows the customer the ability to customize 1Line to their needs
 - What tabs do you want open once you log in?
 - What fields do you want displayed on certain pages?
 - What column order would you like to see the data arranged?

Potential Tariff Filings



- Aggregation/Disaggregation of Points
- Priority of Service
- Storage Balances
- ➤ 1Line Access Agreement



Market Area Pooling

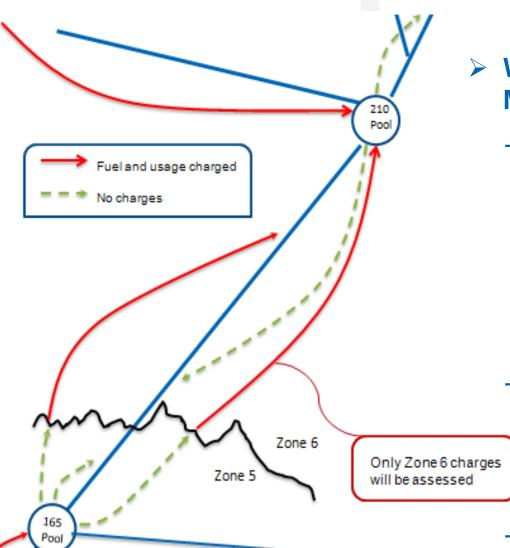
Market Area Pooling



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- To be consistent with Commission's pooling policies which stipulate that "When a pool exists in a rate zone, the charge for shipment in that zone must be incurred either for shipment to the pool or shipment out of the pool"
 - Transco has filed and received FERC approval (RP12-382) to assess transportation and fuel INTO the Zone 5 and Zone 6 pools
- Implemented October 1, 2012



What did NOT Change at Zone 5 and Zone 6 Pools



- > How the shipper nominates and sets PDAs sourced from market area pools
- Zonal commodity charges and fuel will continue to be assessed on transportation INTO the Zone 5 and Zone 6 Pools
- Applicable ACA will still be assessed on deliveries to the market
- Existing priority of service and contract rights will be enforced on deliveries into the pools and receipts out of the pools
- Zonal commodity charges and fuel will not be assessed on pool to pool transactions at the same location
- Makeup Receipt and Makeup Delivery will still be used to manage zonal imbalances
- ➤ Location of the pools (Station 210 Location # 1000178 & Station 165 Location # 1000139)

What <u>has</u> Changed at Zone 5 and Zone 6 Pools



- Zonal commodity charges and fuel will only be charged once in the zone
- Transportation <u>OUT OF</u> the pools will not be assessed fuel and zonal commodity charges if the deliveries are within the same zone
- Automatic reassignment of pool-sourced High Burn PDA's for
 Allocation/Imbalance/Billing/Invoicing purposes to an administrative location
 (Zone 5 Market Area Admin Location 9007042 or Zone 6 Market Admin Location 9007043)
- Automatic reassignment for Makeup transactions at the pool for Billing/Invoicing purposes to an administrative location (Zone 5 or Zone 6 Market Admin Location)
- Adding credit mechanisms to ensure zonal commodity charges are not over assessed on Zone 5 and Zone 6 Pool transactions
 - All Receipt Makeup sourced from Zone 5 or Zone 6 Pool will result in a credit on the shipper's invoice
 - Imbalances sourced at Zone 5 or Zone 6 Pool that are in a Due To Shipper position, will be credited zonal transportation for Due To Shipper pool imbalance volume up to the total of billed Delivery Makeup and billed High Burn PDA's sourced at a Zone 5 or 6 Pool location

Zone to Zone Imbalance



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0	Impacted Zones	Transaction Type		Imbalance Direction		
0	6 to 6					
	No	on-Pool Activity/Makeup Imbalance	0			
	Po	ol Activity Imbalance	13,691 DF			
	То	tal for Zn 6/6	13,691 DF			
				Pool DT Imbalance	Credit Applied	
	Re	eceipt Makeup @ Zn 6	()	0	
	De	alivery PDA/Makeup in Zn 6-6	13691		0	

- Zone to Zone Imbalance page will be modified to distinguish between Pool and Non-Pool/Makeup Imbalances
 - Makeup transactions are not validated against Pool and Non-Pool Imbalances to allow Shipper's supply source flexibility

What do I Need to Know about Billing in Zone 5 and Zone 6?



- > When will zonal commodity charges be billed and fuel assessed?
 - Transportation INTO Zone 5 and Zone 6 Pools
 - Transportation that was sourced at a Non-Pool location
- When will only zonal commodity charges be billed?
 - All allocated High Burn PDAs even if sourced at a Pool location
 - All Delivery Makeup even if sourced at a Pool location
 - Backhaul transportation received at a Non-Pool location
- When will only Fuel be assessed?
 - Receipt Makeup transactions sourced at a NON-POOL location

What do I need to know about Billing in Zone 5 and Zone 6? Continued



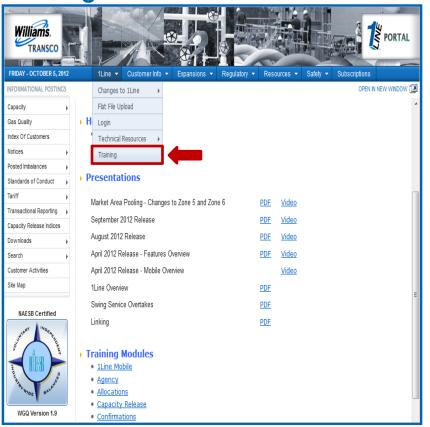
- When will NO zonal charges be billed and NO fuel assessed?
 - Receipt Makeup transactions sourced at the Pool
 - Pool-to-Pool transactions at the same location
 - Transportation received at Zone 5 or Zone 6 Pool and delivered in the same zone
- ACA will be billed as appropriate, even if transportation is not assessed

Additional Resources

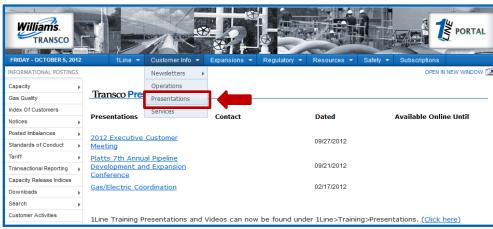


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Training Modules and Presentations



Transco Presentations



Tariff Filings and Rate Case Information



For additional information, contact your Transportation Services Representative



Questions?



Transco Business Development Group

Transco Business Development Group



Tom Compson

Director 713-215-3080

Ross Conatser x2958

Keith Higginbotham x2552

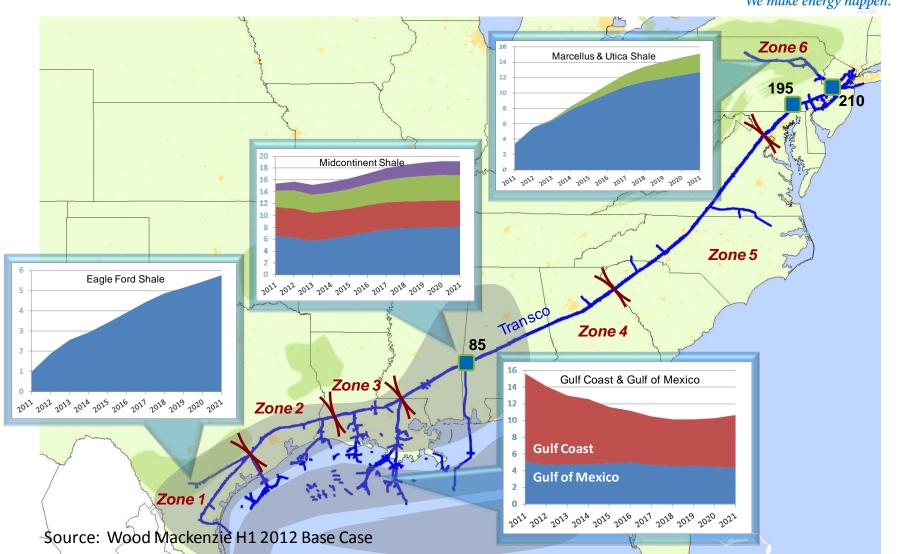
Derrick Hughey x2450

Toi Anderson x4540

James Corley x4607

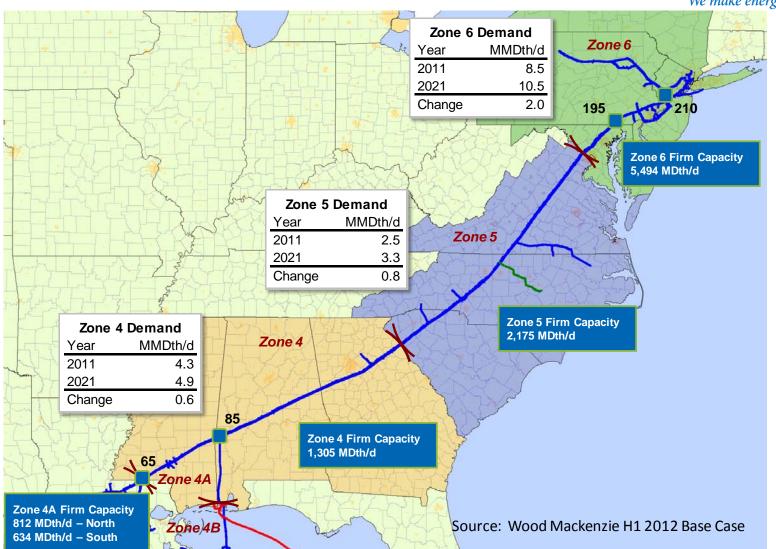
Game-changing Shale Supplies





Projected demand growth by zone



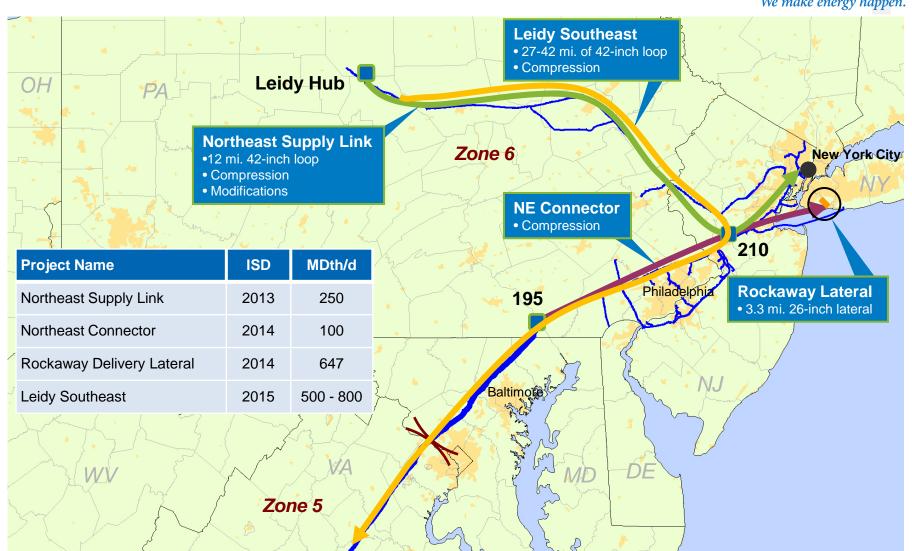




Growth Projects

Northern Market Area Projects





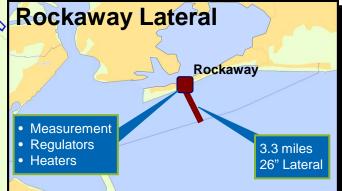
Northeast Connector & Rockaway Lateral



- Two related projects that would expand Transco's system and add a new lateral into the NYC area.
- Northeast Connector 100 Mdt/d expansion from Station 195 to the Rockaway Delivery Lateral.
- Rockaway Delivery Lateral 3 mile, 647 Mdt/d lateral from the Lower NY Bay Extension to National Grid on the Rockaway Peninsula.
- In-service Date: As early as April 2014

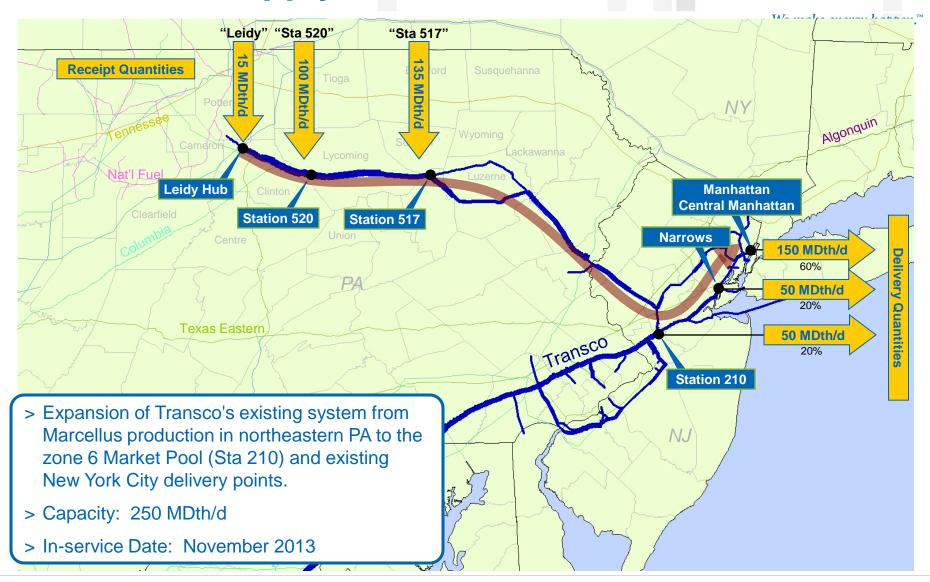






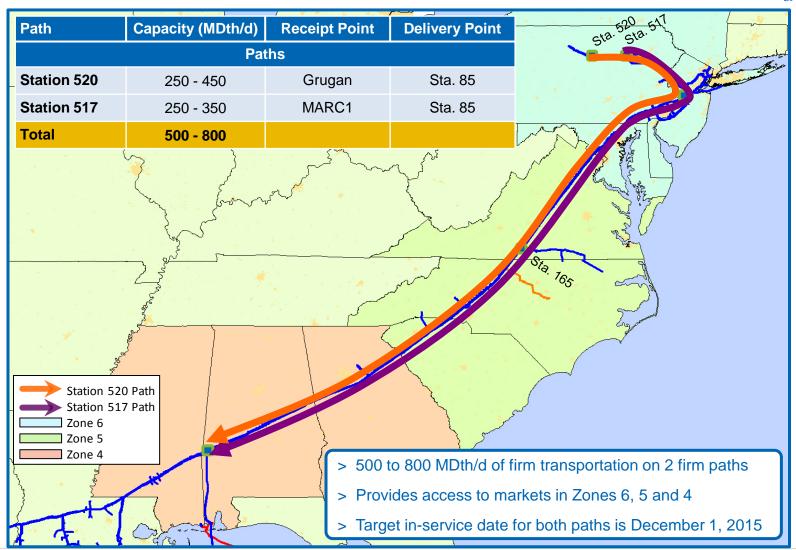
Northeast Supply Link





Proposed Leidy Southeast Connects Marcellus To Transco Markets





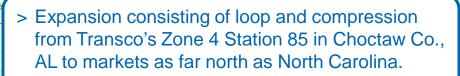
Southern Market Area Projects





Mid-South Expansion

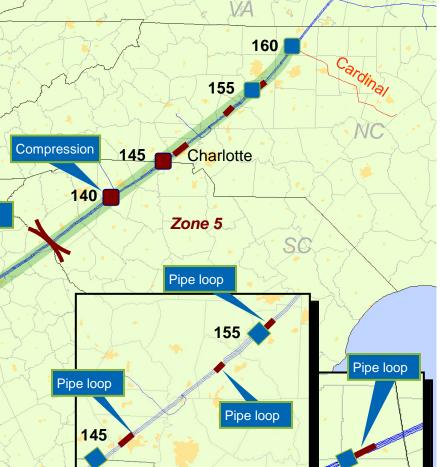




- > Capacity: 225 MDth/d
- > Target in-service date: Phase I September 2012







Pipe loop

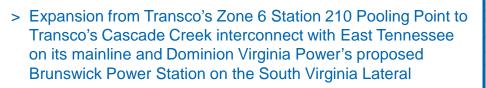
105

Virginia Southside Expansion



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New York City



- > Precedent agreement for 250 MDth/d executed with Dominion Virginia Power



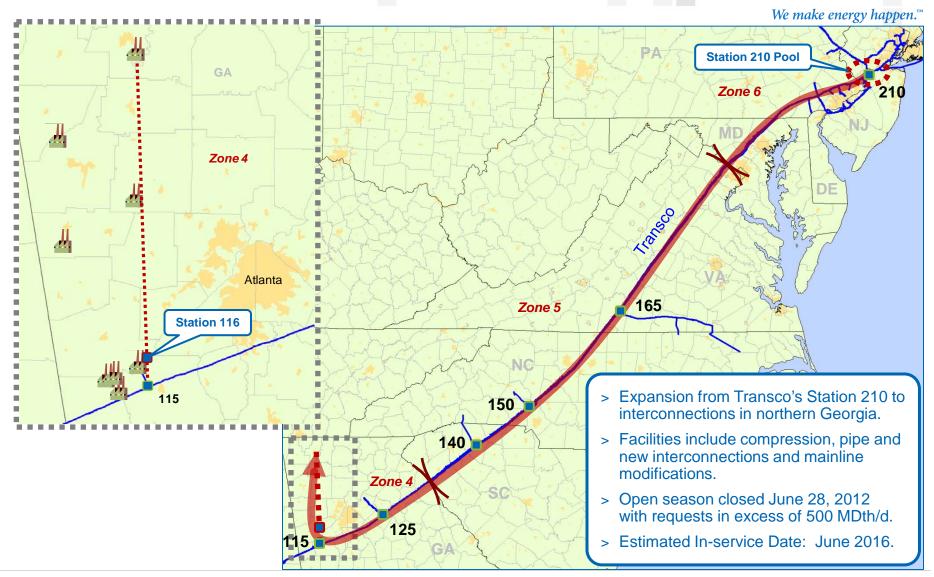
Zone 6

200

Philadelphia

Dalton Expansion Project





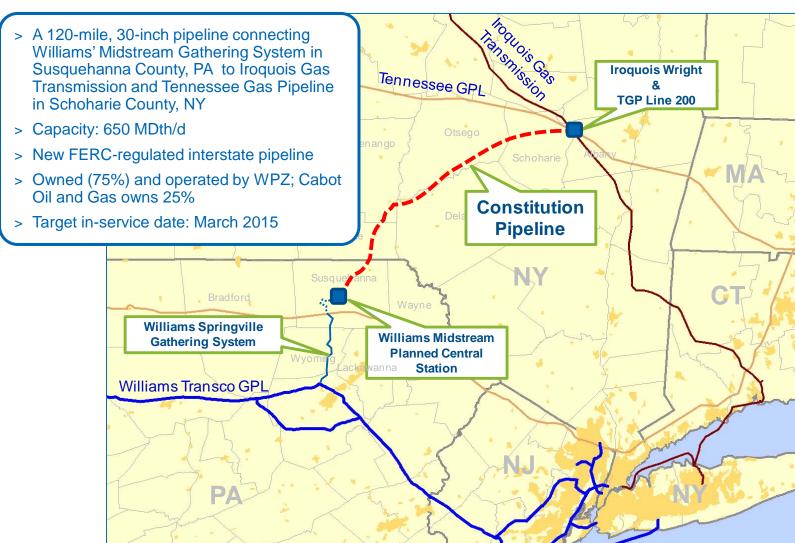
Mobile Bay South III





Constitution Pipeline Creates New Market Access For Marcellus Production





Transco Expansions – 10 year review

> Strong track record of successfully building system expansions to meet the customers' needs...when they need it.

Project	In-Service	MDth/d
MarketLink Phase 1	2001	166
MarketLink Phase 2	2002	130
Leidy East	2002	130
Trenton Woodbury	2003	51
Central New Jersey	2005	105
Leidy to Long Island	2007	100
Sentinel Phase 1	2008	40
Sentinel Phase 2	2009	102
Total Northern Market		824
Sundance	2002	236
Momentum Phase 1	2003	269
Momentum Phase 2	2004	54
Potomac	2007	165
Eminence Enhancement	2009	46
Mobile Bay South	2010	253
Mobile Bay South 2	2011	380
85 North	2010/2011	309
Pascagoula	2011	467
Mid-South Phase 1	2012	95
Total Southern Market		2,274
Total Transco		3,098



Williams

Post-Expansion Mainline Capacity



Project	In-Service	MDth/d
Northeast Connector	2014	100
Northeast Supply Link	2013	250
Total Northern Market		350
Mid-Atlantic Connector	2012	142
Mid-South	2013	130
Virginia Southside	2015	250
Total Southern Market		522
Total Expansion Capacity		872
Current Transco Capacity		9,703
Total Transco Post-Expansions		10,575

