

Winter 2016

# Transco to Serve Gulf Coast LNG Export Facilities

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Williams' Transco pipeline is well positioned to serve this emerging market as it passes through every U.S. state with an LNG export project currently under construction.

According to energy analysts at Wood Mackenzie, natural gas demand to serve LNG export facilities in proximity to the Transco pipeline is expected to grow by approximately 11,000 MDth/d by 2025.

Along the Gulf Coast, Transco is responding to the emerging global LNG market with two major expansion projects in various stages of development: **Gulf Trace** and **Gulf Connector**.

Read the full story on page 2.

#### **TABLE OF CONTENTS**

Transco to Serve Gulf Coast  LNG Export Facilities
Natural Gas Fueling a Renewable Future3
Williams Announces
Organization Realignment 4
Iconic Film Documents Transco
Pipeline's Historic Beginning5
Project Development 6
Corporate Citizenship7
Operations8
People on the Move9
Whom Should I Call11



### Natural Gas Fueling a Renewable Future

By Rory Miller, Senior Vice President, Williams' Atlantic-Gulf Operating Area

As I talk to friends and people outside of our industry about the importance of pipeline infrastructure, I find myself spending more and more time touting the growing benefits of natural gas.

Read the full story on page 3.



### Williams Announces Organization Realignment

In September, Williams announced organizational changes designed to simplify its structure and increase direct operational alignment to advance the company's natural gas-focused strategy and drive continued focus on customer service and execution.

Read the full story on page 4.



### Transco to Serve Gulf Coast LNG Export Facilities



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Along the Gulf Coast, Transco is responding to the emerging global LNG market with two major expansion projects in various stages of development: Gulf Trace and Gulf Connector.

Williams filed an application with the FERC in August 2016 for its Gulf Connector project – a 475,000 Dth/d expansion of the Transco system in Texas and Louisiana to connect U.S. natural gas supplies with liquefaction facilities currently under construction in Freeport and Corpus Christi.

Constructed in two phases, Gulf Connector would deliver 75,000 Dth/d to Freeport LNG Development, L.P.'s liquefaction project by the second half of 2018 and 400,000 Dth/d to Cheniere Energy's Corpus Christi liquefaction terminal in 2019.

"This project underscores how the abundance of natural gas in the U.S. is changing the global energy landscape," said Rory Miller, senior vice president of Williams Partners' Atlantic-Gulf operating area.

Meanwhile, construction is well underway on the 1,200,000 Dth/d Gulf Trace project designed to serve Cheniere Energy's Sabine Pass Liquefaction project in Cameron Parish, La. The Sabine Pass facility is the first large-scale LNG export facility in operation in the continental United States. The Gulf Trace Project is expected to be completed in the first quarter of 2017.

"The U.S. is projected to become the world's third-largest liquefied natural gas supplier in five years. Projects like Gulf Connector and Gulf Trace, which leverage existing gas pipeline infrastructure, make it possible to connect abundant domestic supply with emerging international markets, helping meet the world's rising energy needs while also giving a boost to the U.S. economy."

Click the button below to watch the video of the Gulf Trace pipeline construction.





### Natural Gas Fueling a Renewable Future



**By Rory Miller** Senior Vice President Williams' Atlantic-Gulf Operating Area

As I talk to friends and people outside of our industry about the importance of pipeline infrastructure, I find myself spending more and more time touting the growing benefits of natural gas. I've discovered that most people don't realize that thanks to an increase in the popularity of natural gas, the United States has reduced its carbon emissions more than virtually any other nation in the world.

Domestic natural gas production has ramped up 40 percent in the past decade, resulting in a 70-percent drop in prices and catapulting natural gas past coal as the country's leading fuel for electric power generation.

During the past five years, electric generation from coal has fallen one-third and U.S. CO<sub>2</sub> emissions have plummeted to 20-year lows. That's because natural gas emits half the carbon dioxide of coal to generate the same amount of electricity.

What isn't as well known is that natural gas complements low-carbon energy solutions by providing the flexibility and affordability needed to support a growing renewables component in power generation. Because natural gas is a reliable, abundant fuel source, it allows utilities to blend renewables into their portfolios without raising costs for the consumer.

Renewable energy industry leaders, such as the Solar Energy Industries Association, have pointed to natural gas's flexibility as key to helping make the use of renewables a reality.

The ability for a utility company to incorporate more wind and solar energy into their power mix is dependent on natural gas combined cycle turbines that will quickly and cost-effectively pick up the slack when the sun doesn't shine or the wind doesn't blow.

President Obama's proposed Clean Power Plan recognizes the important role natural gas is going to play in our country's energy portfolio. Under the plan, natural gas will continue to provide the largest share of power generation by 2020 (32%), 2030 (31%) and 2040 (29%).

The environmental benefits of natural gas are well documented. Data from the EPA and the U.S. Energy Information Administration (EIA) show a 60-percent decrease in Fine Particulate Matter (PM 2.5) from 2005 to 2013. Over that same period, U.S. natural gas production increased by 35 percent, and natural gas-fired electricity generation increased by 50 percent.

As we continue to promote the importance of pipeline infrastructure, let's not lose sight of the fact that our industry plays a crucial role in not just delivering reliable energy, but also delivering environmental benefits from which we all benefit.





### Williams Announces Organization Realignment



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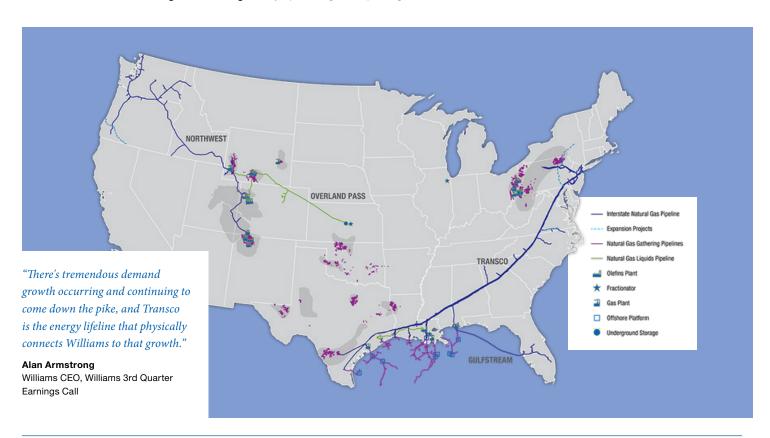
By early 2017, Williams will consolidate the number of Operating Areas within the company from five to three: Atlantic-Gulf, West and Northeast Gathering & Processing. Led by senior vice president Rory Miller, a 30-year energy industry veteran, the Atlantic-Gulf will continue to include Transco, the nation's largest and fastest-growing interstate natural gas transmission pipeline system.

Atlantic-Gulf also includes significant natural gas gathering and processing and crude oil production, handling and transportation in the Gulf Coast region.

"Williams is executing on a clearly articulated strategy to capitalize on growing natural gas demand to drive further value for stockholders, and to achieve maximum benefit, we must continually refine the way we operate the business," said President and Chief Executive Officer Alan Armstrong. "The initiatives announced today will advance our strategy by optimizing our reporting structure. Our

team is fully aligned, energized and focused on executing against our business plan, reducing costs, simplifying the way we make decisions, and building on our industry-leading customer service."

As a result of the realignment, Williams' NGL & Petchem Services operations in the Gulf area, the Geismar olefins plant, the refinery grade propylene splitter and pipelines in the Gulf Coast region will be integrated into the Atlantic-Gulf Operating Area.





# Iconic Film Documents Transco Pipeline's Historic Beginning

Famed filmmaker Bob Bailey was hired in 1951 to produce "Gift of the Earth" – an epic documentary which tells the story of the planning and construction of the original Transco pipeline.

Click the button below to watch the video, Gift from the Earth – Natural Gas. (24 minutes and 41 seconds)



The film's iconic language and rich imagery captures the spirit of early 1950s America, casting the pipeline's founders as true industrial pioneers.



"Since Washington and Jefferson and our pioneer forefathers, America and its men have both accepted and sought gifts from the earth," the film's narrator declares.

He continues, "Natural gas provides a flame that serves your home, business and industry throughout the land – a flame converted from a gift of the earth. Not a gift freely given by nature, but wrestled from her by men willing to pioneer. Men with vision and foresight; with courage to convert earthbound treasure into one of mankind's most useful commodities."



When Transco pipeline construction got underway on May 23, 1949, it marked the beginning of what was then the largest single-project construction venture in the world.

The Gift of the Earth film is archived as part of the Bob Bailey Collection at the Briscoe Center for American History at the University of Texas in Austin.



"A successful pipeline operation takes the teamwork of every employee...All are dedicated at Transco to putting the gift of natural gas to work for mankind."



**Business Briefs** 

### Project Development

#### FERC Approves Williams Expansion in Georgia

In August, the FERC approved Williams' application to expand the Transco pipeline to provide additional natural gas service to utility companies and a municipal entity in northwest Georgia. The Dalton Expansion



project is designed to deliver natural gas to an existing electric generating facility in northern Georgia operated by Oglethorpe Power Corp., local distribution company Atlanta Gas Light, as well as the City of Cartersville.

Read More ▶

#### Transco Files Gulf Connector Project

In August, Williams announced that Transco had filed an application with the FERC seeking authorization to construct a 475,000 Dth/d expansion in Texas and Louisiana to connect U.S. natural gas supplies with global liquefied natural gas (LNG) markets.



Constructed in two phases, the Gulf Connector project is designed to deliver 75,000 Dth/d to Freeport LNG Development, L.P.'s liquefaction project by the second half of 2018, and 400,000 Dth/d to Cheniere Energy's Corpus Christi liquefaction terminal in 2019.

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## New Project Planned to Enhance NY Deliveries



Next year Transco intends to file an application for a project to expand service to New York City for the 2019/2020 winter heating season. The proposed Northeast Supply Enhancement project is being designed to provide customers with access to an additional 400,000 Dth/d of natural gas.

The project was pre-filed with FERC in May 2016 (Docket No. PF16-5). Williams intends to file a Certificate Application with FERC in the spring of 2017.

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#### Atlantic Sunrise Pipe Arrives in PA



Sections of steel pipe milled for the construction of the proposed Atlantic Sunrise project are currently being manufactured and transported to various temporary storage yards maintained by Williams' pipe transportation contractor in Pennsylvania. The pipe must be manufactured and transported many months in advance of construction due to the long lead time associated with milling the nearly 200 miles of pipe associated with the project.

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### Transco Major Project Status Report

Gulf Trace	Construction underway
Dalton	Construction underway
Hillabee	Construction underway
NY Bay	Construction underway
VA Southside II	Construction underway
Garden State	FERC order received
Atlantic Sunrise	FEIS expected Dec. 30
Gulf Connector	Filed with FERC Aug. 16



**Business Briefs Continued** 

### Corporate Citizenship

## Right-of-Way Agreement Adds Acreage to PA Game Lands

Two Pennsylvania state game lands tracts will grow by about 120 acres each, thanks to an agreement reached with Williams as part of the Atlantic Sunrise expansion project. The acreage is being acquired in exchange for a license for right-of-way that will allow Williams to construct, operate and maintain its Transco natural-gas pipeline across 1,320 feet of State Game Lands 211 in Union Township, Lebanon County.



Williams and Cabot Support Schools through Pipe Donations



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#### Marine Life Flourishes Following NY Pipeline Project

Last fall a series of man-made reefs were constructed off the south shore of Long Island, NY to improve marine life habitat and bolster recreational opportunities for fishing and scuba diving.

The Rockaway Reef project was enhanced by Williams to offset temporary environmental impacts associated with construction of the Transco pipeline's Rockaway Delivery Lateral in 2014. More than 450 sections of concrete coated steel pipe were placed to expand the network of individual patch reefs throughout the Rockaway Reef site. These patch reefs provide valuable marine habitat for popular finfish species such as tautog, fluke, black sea bass and scup, as well as for crabs and lobsters.



Williams and Cabot Oil & Gas Corporation recently helped support Pennsylvania vocational/technical schools by donating approximately \$60,000 in pipeline materials to the Northumberland County Career and Technology Center in Coal Township and the Columbia-Montour Area Vocational-Technical School in Bloomsburg, Pa.

The total donation of approximately 400 feet of pipe and associated steel joints and pipe fittings is being used to help provide hands-on training for students, many of whom are preparing for potential careers in Pennsylvania's natural gas industry.

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#### **Business Briefs Continued**

### **Operations**

# 2016 Winter Operations Meetings

Williams would like to thank the many Transco customers who attended the annual Winter Operations Meeting in Houston (Oct. 25), Newark, N.J. (Nov. 1), Charlotte, N.C. (Nov. 2) and Atlanta, Ga. (Nov. 3). The meetings provided attendees with an update on Transco operations, upcoming construction and maintenance, 1Line changes, regulatory updates and expansion projects. Click here to view the presentation and videos.



#### Williams Nabs Global Award for Engineering

Williams recently received national recognition for its industry-leading reciprocating engine and compressor analysis program. The company finished first runner-up for the Windrock Summit Award – a global engineering award recognizing the best reciprocating machinery analysis programs worldwide. Fourteen pipeline operators entered the competition.



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# Williams Receives Award for Salamander Project

The Southern Gas Association (SGA) recently honored Williams for its efforts to stabilize the Eastern Hellbender salamander population. Williams was presented with the SGA Environmental Excellence Award for Stewardship at the trade group's Environmental, Safety & Health Conference in Baltimore. The award is given to an individual or organization who demonstrates outstanding achievements and contributions supporting environmental stewardship on the job or in the community.



Read More ▶

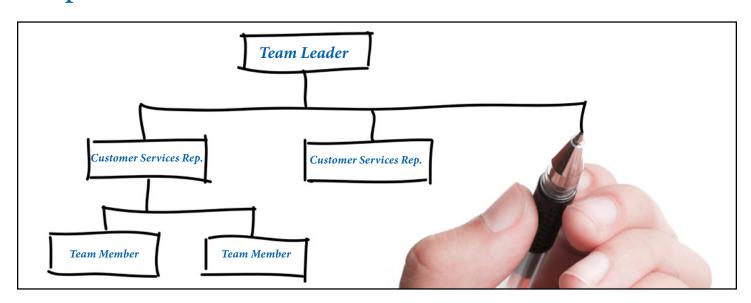
#### Leidy Line Update



Pipeline assessments and integrity testing remain ongoing following Transco's June 2015 failure of the 24" Leidy line "B" between Station 517 and Station 520. These assessments are expected to continue into 2017. However, a significant portion of the pipeline segments on the Leidy system that have been operating at a reduced maximum pressure will be completed and returned to full operating pressure prior to the end of 2016. Because of this effort and the expected continuance of gas being received in similar quantities and locations along the Leidy system, we are not anticipating any impact to primary-firm transportation services moving west to east through Station 515 during this upcoming winter. We recognize the impact to customers of any system outage and express our thanks for their continued assistance as we work safely to complete all restoration activities. w



### People on the Move





Rose Prevott retired from Williams on February 18, 2016, after a 34-year career spent predominantly in commercial departments.

Rose started with Transco in 1982 in Gas Accounting, moving to commercial operations in 1986 in the Contract Administration group. Several jobs followed within what is now Transportation Services. In 2006, Rose transferred to Customer Services.



Kenneth Torregano moved back to Pipeline Control in April 2016 after a short rotation in Customer Services supporting Production Area customers.



Steven Baroni moved to Customer Services after working for several years in a manager role over system planning and operations support in Pipeline Control. Steven brings valuable experience to Customer Services.



Paul Prodoehl joined the Customer Service Contracts Team in April 2016 after a role in Business Development. Paul has been with the company 25 years working in various commercial roles.

Click here to view Transco Transportation
Services People on the Move ▶



#### People on the Move Continued

#### Jim Moore Announces Retirement

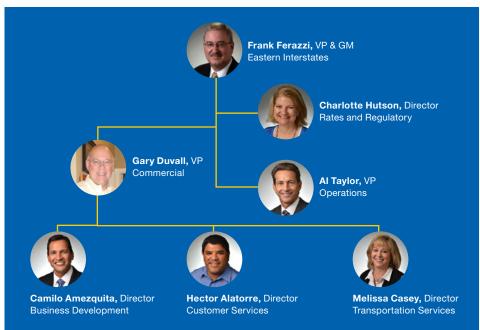


After nearly 39 years with the company, Jim Moore, Vice President of Commercial for Eastern Interstates, will be retiring effective February 2, 2017.

Jim started his career in Transco's accounting department back in 1977, leaving Transco to join Williams in 1990. Ironically, Jim was later actively involved in Williams' acquisition of Transco Energy Company. His history at Transco had given him unique insight into the company, its people and culture, which proved invaluable during the acquisition.

Over the years, Jim has developed a great rapport with our customers. His leadership and good judgment have been a significant factor in the tremendous success of Eastern Interstates. Please join us in wishing Jim and his wife Tracy a well deserved and very happy retirement.

Eastern Interstates Commercial Realignment (Effective Dec. 24, 2016)



Gary Duvall will succeed Jim Moore as Vice President of Commercial for Eastern Interstates. Gary has a long history with Williams, joining Williams Natural Gas in 1985 as an engineer. Over his career he has served the company in a number of key roles, and since 2005 he has been an invaluable member of our Business Development group, serving as the principal architect behind much of Transco's recent growth. In his new role, Gary will be leading customer and transportation services, along with business development activities for Eastern Interstates including Transco, Gulfstream Natural Gas, Pine Needle LNG and Cardinal Pipeline.

Reporting to Gary and filling the role of Business Development Director will be

Camilo Amezquita. Camilo currently serves as Transco Director of Customer Services, a position he has held since 2013. Camilo has been with Transco for 23 years, holding various positions in Operations, Gas Control and Customer Services.

Joint Venture Specialist Hector Alatorre will be filling the role of Transco Customer Services Director, reporting to Gary. Hector started his career with Williams in Rates in 1992, so he is very familiar with our customers and marketplace dynamics. Hector's management of very complex issues in his Joint Venture Specialist role will serve him well in his new position.



### Whom Should I Call?

#### **Transportation Services**

New BA set-up

IT and Pooling contracts

Nominations

Scheduling cuts

Confirmations

**PDAs** 

Allocations

Imbalance resolution

Billing, invoicing

Termination of IT and Pooling contracts

#### **Scheduling Desk**

1Line password reset
Unlock my 1Line account

#### Either

Operational issues
EEB Posting inquiries
Mergers and acquisitions
Constraint information
Agencies

Click here to learn more about Whom Should I Call?

#### **Customer Services**

Existing Firm Transportation and Storage contracts

Requests for service

**Short Term Firm opportunities** 

Capacity release

Transportation Marketing and open seasons

Abandonment notifications

Interconnect agreements

Condensate transportation agreements

Termination of Firm Transportation and Storage contracts

Boarding agreements

Asset sales

Discounts

Customer surveys