

Williams Seeks FERC Approval for Fully Subscribed Pipeline Expansion to Serve Southeast's Growing Demand for Natural Gas

March 19, 2015 04:15 PM Eastern Daylight Time

TULSA, Okla.--(BUSINESS WIRE)--Williams (NYSE: WMB) announced today that Transco has filed an application with the Federal Energy Regulatory Commission (FERC) for its Dalton Expansion Project, which would support providing Marcellus shale gas to the Southeast for electricity generation and local natural gas distribution.

Transco, the nation's largest-volume and fastest-growing interstate natural gas pipeline system, is a wholly owned subsidiary of Williams Partners L.P. (NYSE: WPZ), of which Williams owns controlling and general-partner interests.

Transco has executed long-term agreements with shippers for 100 percent of the 448,000 dekatherms of firm transportation capacity to be created under the Dalton Expansion Project. The project will consist of an expansion of Transco's mainline from its Station 210 in New Jersey to points as far south as Holmesville, Miss., and a new 111-mile lateral pipeline from Transco's Station 115 to Murray County, Ga. Also included in the expansion is a new compressor facility in Carroll County, Ga., as well as three new metering facilities and other related pipe and valve modifications to existing facilities.

"As long-term demand for natural gas continues to grow, particularly in the power-generation sector, we're executing a series of large-scale, integrated projects like the Dalton Expansion that move surging supplies in the northeast to high-value markets along the Eastern Seaboard and in the Southeast," said Rory Miller senior vice president of Williams' Atlantic-Gulf operating area. "These projects create the durable, fee-based revenues that represent the vast majority of our business. Over the next three years, 99 percent of Williams Partners' planned \$9 billion of growth capital is going toward fully-contracted, fee-based projects."

To fund the lateral pipeline portion of the project, Williams Partners' Transco and AGL Resources' Dogwood Enterprise Holdings, Inc. have entered into an ownership arrangement whereby each party will hold a 50 percent undivided joint ownership interest in the lateral pipeline in Georgia. Under the proposal, Dogwood Enterprises will lease its ownership interest in the lateral to Transco. Transco's net investment in the project is expected to be approximately \$275 million.

Williams and AGL Resources initially disclosed their intent to develop the project in March 2014. Siting and environmental studies have been underway since that time, and today's announcement signifies the commencement of the FERC approval process. Construction is planned to begin in the third quarter of 2016 with completion targeted for 2017, subject to all necessary or required approvals by regulatory bodies, including the FERC.

About AGL Resources

AGL Resources (NYSE: GAS) is an Atlanta-based energy services holding company with operations in natural gas distribution, retail operations, wholesale services and midstream operations. AGL Resources serves approximately 4.5 million utility customers through its regulated distribution subsidiaries in seven states. The company also serves approximately 630,000 retail energy customers and approximately 1.2 million customer service contracts through its SouthStar Energy Services joint venture and Pivotal Home Solutions, which market natural gas and related home services. Other non-utility businesses include asset management for natural gas wholesale customers through Sequent Energy Management and ownership and operation of natural gas storage facilities. AGL Resources is a member of the S&P 500 Index. For more information, visit www.aglresources.com.

About Williams

Williams (NYSE: WMB) is a premier provider of large-scale infrastructure to connect North American natural gas and natural gas products to growing demand for cleaner fuel and feedstocks. Headquartered in Tulsa, Okla., Williams owns approximately 60 percent of Williams Partners L.P. (NYSE: WPZ), including the general-partner interest. Williams Partners is an industry-leading, large-cap master limited partnership with operations across the natural gas value chain from gathering, processing and interstate transportation of natural gas and natural gas liquids to petchem production of ethylene, propylene and other olefins. With major positions in top U.S. supply basins and also in Canada, Williams Partners owns and operates more than 33,000 miles of pipelines system wide – including the nation's largest volume and fastest growing pipeline – providing natural gas for clean-power generation, home heating and industrial use. Williams Partners' operations touch approximately 30 percent of U.S. natural gas. www.williams.com

Portions of this document may constitute “forward-looking statements” as defined by federal law. Although the company believes any such statements are based on reasonable assumptions, there is no assurance that actual outcomes will not be materially different. Any such statements are made in reliance on the “safe harbor” protections provided under the Private Securities Reform Act of 1995. Additional information about issues that could lead to material changes in performance is contained in the company’s annual reports filed with the Securities and Exchange Commission.

Contacts

Williams

Media Contact:

Tom Droege, 918-573-4034

or

Investor Contacts:

John Porter, 918-573-0797

or

Brett Krieg, 918-573-4614