NewsRelease

Date: Sept. 4, 2007

Jordan Cove Energy Project L.P. and Pacific Connector Gas Pipeline, L.P. Seek FERC Approval to Construct an LNG Terminal and Natural Gas Transmission System in Oregon

TULSA, Okla. – Jordan Cove Energy Project L.P. and Pacific Connector Gas Pipeline, L.P. have each filed an application today with the Federal Energy Regulatory Commission (FERC) for approval to construct a liquefied natural gas (LNG) import terminal (Jordan Cove LNG) and an interstate natural gas transmission system (Pacific Connector), respectively.

Together, the Jordan Cove LNG and Pacific Connector projects will help meet the growing needs for natural gas supplies in the Pacific Northwest, northern California and northern Nevada.

The Jordan Cove LNG project, to be located in the International Port of Coos Bay, Ore. is a state-of-the-art LNG import terminal that will provide a new competitive source of clean-burning natural gas to meet the region's growing energy demands. The facility will include a marine berth capable of receiving LNG supplies from specially-designed marine vessels, two full containment 160,000 cubic meter LNG tanks (3.2 billion cubic feet per tank) for storage of the natural gas in liquid form, regasification and send out capacity of 1 billion cubic feet of natural gas per day, an integrated electric power plant, and a natural gas liquids extraction facility to recover propane and butane to ensure compliance with regional gas specifications.

The Pacific Connector project is a 230-mile, 36-inch diameter pipeline designed to transport up to 1 billion cubic feet of natural gas per day from the Jordan Cove LNG terminal to markets in the region. The Pacific Connector project includes interconnects to Williams' Northwest Pipeline near Myrtle Creek, Ore., Avista Corporation's distribution system near Shady Cove, Ore., as well as Pacific Gas and Electric Company's gas transmission system, Tuscarora Gas Transmission's system and Gas Transmission Northwest's system, all located near Malin, Ore. Pacific Connector has entered into agreements with seven customers who have requested 1.49 billion cubic feet of natural gas capacity per day through the proposed pipeline.

Upon finalization of LNG supply commitments at the Jordan Cove LNG terminal, Pacific Connector will allocate, if needed, the available 1 billion cubic feet of pipeline capacity amongst seven customers.

The two projects will provide more than 2,800 jobs at construction peak, 120 permanent jobs related to facility and vessel operations and over $14 million in annual county property taxes upon completion.

“These projects will help to meet the region’s growing demand for natural gas as well as compensate for the decline in available natural gas traditionally imported from Canada,” said Dan Thomas, PG&E Strategic Capital, Inc., director of Business Development. “The building of these projects will open up new sources of gas supply beyond those that our region has typically relied upon.”

“We are pleased to reach this critical milestone in the development of these projects,” said Phil Wright, president of Williams Gas Pipeline. “In our opinion, these projects together are the lowest cost alternative for bringing additional natural gas to the growing markets in the region.”

Timeline and Background:

Submittal of the applications concludes a 16-month National Environmental Policy Act (NEPA) pre-filing review process during which Jordan Cove and Pacific Connector performed extensive field surveys and engaged in frequent, coordinated consultations with the FERC, the U.S. Coast Guard, U.S. Bureau of Land Management, U.S. Forest Service, as well as all key state, county and local environmental, safety and security agencies. In addition to these agency inputs, Jordan Cove and Pacific Connector, through numerous public meetings, solicited input from area citizens, and civic and governmental organizations, to insure that the application reflected the needs and concerns of all interested parties.

Following submittal of the applications, it is expected that the FERC will develop a draft Environmental Impact Statement (DEIS) for the two projects. The DEIS will be subject to further review and public comment with final FERC approval anticipated by the fall of 2008. Commercial operations of the terminal and pipeline are expected to begin late fall, 2011.

Important Information:

Jordan Cove Energy Project, L.P. is a limited partnership between Fort Chicago LNG II U.S. L.P., a subsidiary of Fort Chicago Energy Partners L.P. and Energy Projects Development, L.L.C.

Pacific Connector Gas Pipeline, L.P. is a limited partnership between Williams Pacific Connector Gas Pipeline, L.L.C., PG&E Strategic Capital, Inc. and Fort Chicago LNG II U.S. L.P.

Additional information about the projects can be found online at http://www.jordancoveenergy.com/ and http://www.pacificconnectorgp.com/.

Corporate Profiles:

About Williams (NYSE:WMB)

Williams, through its subsidiaries, primarily finds, produces, gathers, processes and transports natural gas. The company also manages a wholesale power business. Williams' operations are concentrated in the Pacific Northwest, Rocky Mountains, Gulf Coast, southern California and Eastern Seaboard. More information is available at www.williams.com. Click here to join our e-mail list.

About PG&E Strategic Capital, Inc.

PG&E Strategic Capital, Inc. is a wholly owned subsidiary of PG&E Corporation (NYSE:PCG), an energy-based holding company. PG&E Corporation is also the parent company of Pacific Gas and Electric Company, one of the largest investor-owned electric utilities in the country. Pacific Gas and Electric Company serves approximately 15 million customers throughout northern and central California. For more information, visit www.pgecorp.com.

About Fort Chicago Energy Partners L.P.

Based in Calgary, Alberta, and together with its affiliates, Fort Chicago presently owns: (i) a 50.0% interest in the Alliance Pipeline, a 3,000 kilometer mainline natural gas pipeline, which extends from northeastern British Columbia to delivery points near Chicago, Illinois; (ii) an approximate 42.7% interest in Aux Sable and Alliance Canada Marketing. Aux Sable operates natural gas liquids extraction, fractionation and delivery facilities near Chicago; (iii) a 100% interest in the Alberta Ethane Gathering System, a 1,324 kilometer ethane pipeline system, which delivers ethane feedstock to Alberta's petro-chemical industry; and (iv) a 100% interest in two gas-fired cogeneration power facilities in California, a district energy system located in Charlottetown, Prince Edward Island and a district energy system located in London Ontario. www.fortchicago.com.

Contact:
Michele Swaner
Williams (media relations)
801-584-7048

Sharna Reingold
Williams (investor relations)
918-573- 2078

Jane Oliveira
PG&E Corporation
415-267-7104

Joe B'Oris
Jordan Cove Energy (LNG terminal information – supply)
281-259-5414

Robert Braddock
Jordan Cove Energy (LNG terminal information)
541-266-7510

# # #