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FERC Grants Certificate to Gulfstream Natural Gas System

HOUSTON – The Federal Energy Regulatory Commission has approved the issuance of an order authorizing the construction and operation of the Gulfstream Natural Gas System, L.L.C., a joint interstate natural gas pipeline development of Williams (NYSE:WMB) and Duke Energy (NYSE:DUK), to transport 1.1 billion cubic feet of natural gas per day to growing markets in the state of Florida.

Pre-construction activities are underway for the \$1.6 billion pipeline project. The project is scheduled to be placed into service in June 2002.

“This is a momentous day for the Gulfstream project and the Florida customers it will serve,” said Robert B. Evans, chairman, Gulfstream Natural Gas System. Evans is also president of Duke Energy Gas Transmission. “We are appreciative that the FERC has approved the issuance of an order in the time period requested. The FERC, along with all of the federal, state and local authorities in Florida, Alabama and Mississippi, have processed this application diligently over the past 16 months. Their approval will allow us to help meet Florida’s growing demand for cleaner burning natural gas.”

Gulfstream filed its FERC application in October 1999. Since then dozens of public meetings have been held across Florida and Alabama to solicit feedback and address questions associated with the project.

“We gratefully acknowledge the effort displayed by all of the interested parties which culminated in today’s FERC approval,” said Gary D. Lauderdale, senior vice president, Gulfstream Natural Gas System. Lauderdale is also senior vice president and general manager of Williams’ Transco pipeline system. “Gulfstream is committed to working with all federal, state and local agencies to construct this vital project in a manner sensitive to the needs of the environmental resources and landowners along the route.”

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Gulfstream's proposed 744-mile pipeline will originate onshore in Mississippi and Alabama, cross the Gulf of Mexico and make landfall in Manatee County, Fla., extending across the state. The project is designed primarily to serve Florida utilities and power-generation facilities that will use high-efficiency, natural gas turbines to meet the incremental demand for electric energy. Florida officials project that the state will need an additional 25 percent of electric-generating capacity by 2007.

More information about the Gulfstream Natural Gas System is available by visiting the project web site at www.gulfstreamgas.com.

Duke Energy, a diversified multinational energy company, creates value for customers and shareholders through an integrated network of energy assets and expertise. Duke Energy manages a dynamic portfolio of natural gas and electric supply, delivery and trading businesses – generating revenues of more than \$49 billion in 2000. Duke Energy, headquartered in Charlotte, N.C., is a Fortune 100 company traded on the New York Stock Exchange under the symbol DUK. More information about the company is available on the Internet at: www.duke-energy.com.

Williams, through its subsidiaries, connects businesses to energy and communications. The company delivers innovative, reliable products and services through its extensive networks of energy-distributing pipelines and high-speed fiber-optic cables. Williams information is available at www.williams.com.

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